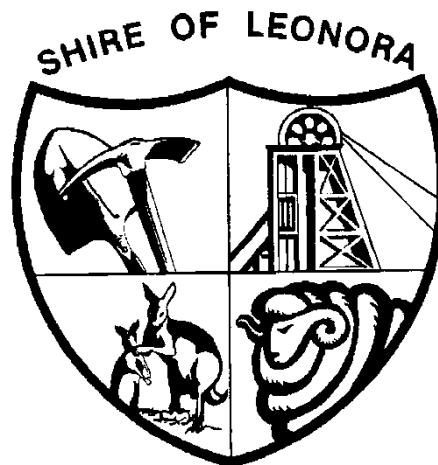


Signed: 21<sup>st</sup> February, 2023  
President: \_\_\_\_\_

# SHIRE OF LEONORA



**MINUTES OF ORDINARY COUNCIL MEETING  
HELD IN COUNCIL CHAMBERS, LEONORA  
ON TUESDAY 20TH DECEMBER, 2022  
COMMENCING AT 1:00PM.**

**SHIRE OF LEONORA**  
**ORDER OF BUSINESS FOR MEETING TO BE HELD**  
**TUESDAY 20TH DECEMBER, 2022.**

**COLOUR**

**CODING**

- 1 DECLARATION OF OPENING/ ANNOUNCEMENT OF VISITORS
- 2 DISCLAIMER NOTICE
- 3 COUNCIL MEETING INFORMATION NOTES
- 4 ANNOUNCEMENTS FROM THE PRESIDING MEMBER
- 5 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE
  - 5.1 ATTENDANCE
  - 5.2 APOLOGIES
  - 5.3 LEAVE OF ABSENCE
- 6 DECLARATION OF INTEREST
  - 6.1 DECLARATIONS OF FINANCIAL INTEREST
  - 6.2 DECLARATIONS OF PROXIMITY INTEREST
  - 6.3 DECLARATIONS OF IMPARTIALITY INTEREST
- 7 PUBLIC QUESTION TIME
  - 7.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE
  - 7.2 PUBLIC QUESTION TIME
- 8 CONFIRMATION OF MINUTES FROM PREVIOUS MEETING  
(Sent out previously)  
Draft motion: That the Minutes of the Ordinary Council Meeting held on 15 November, 2022 be confirmed as a true and accurate record.
- 9 PRESENTATIONS
  - 9.1 PETITIONS
  - 9.2 PRESENTATIONS
  - 9.3 DEPUTATIONS
  - 9.4 DELEGATES REPORTS
- 10 REPORTS

**White**

**ORDINARY COUNCIL MEETING MINUTES****20 DECEMBER 2022**

|               |   |            |
|---------------|---|------------|
| <b>Orange</b> | 10.1 REPORTS OF COMMITTEES  | <b>8</b>   |
| <b>Pink</b>   | 10.2 CHIEF EXECUTIVE OFFICER REPORTS  | <b>8</b>   |
| <b>Blue</b>   | 10.3 DEPUTY CHIEF EXECUTIVE OFFICER REPORTS                                     | <b>8</b>   |
|               | (A) CEO Recruitment & Selection Panel Meeting                                   | <b>8</b>   |
|               | (B) Monthly Financial Statements  | <b>16</b>  |
|               | (C) Accounts for Payment  | <b>41</b>  |
| <b>Green</b>  | 10.4 ENVIRONMENTAL HEALTH OFFICER REPORTS                                       | <b>56</b>  |
| <b>Yellow</b> | 10.5 ELECTED MEMBERS REPORTS  | <b>56</b>  |
| <b>11</b>     | APPLICATIONS FOR LEAVE OF ABSENCE   | <b>56</b>  |
| <b>12</b>     | MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN                                 | <b>56</b>  |
| <b>13</b>     | QUESTION FROM MEMBERS WITHOUT NOTICE  | <b>56</b>  |
| <b>14</b>     | NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY<br>DECISION OF THE MEETING       | <b>57</b>  |
|               | 14.1 ELECTED MEMBERS  | <b>56</b>  |
|               | 14.2 OFFICERS   | <b>57</b>  |
|               | (A) Review of WALGA State Council Agenda - Matters for<br>Noting/Information    | <b>57</b>  |
|               | (B) Tender RFT 03/2023 - New Staff (CEO)<br>Accommodation, Design and Construct | <b>102</b> |
|               | (C) Annual Report 2021/2022 & General Electors'<br>Meeting                      | <b>106</b> |
| <b>15</b>     | MEETING CLOSED TO PUBLIC  | <b>170</b> |
|               | 15.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED                                | <b>170</b> |

Signed: 21<sup>st</sup> February, 2023

President: \_\_\_\_\_

**ORDINARY COUNCIL MEETING MINUTES**

**20 DECEMBER 2022**

---

|    |  |     |
|----|--|-----|
|    | 15.2 PUBLIC READING OF RESOLUTIONS THAT MAY BE MADE PUBLIC | 170 |
| 16 | STATE COUNCIL AGENDA                                       | 170 |
| 17 | NEXT MEETING   | 170 |
| 18 | CLOSURE OF MEETING   | 170 |

## 1.0 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

1.1 The Shire President, Cr PJ Craig declared the meeting open at 1:00pm.

### 1.2 Visitors or members of the public in attendance

**At 1:30pm** Ms Tanya Browning, Moore Australia (WA) Pty Ltd providing review of Leonora's Policy Documents

**At 2:30pm** Mr Andrew Strelein and Ms Kylie Okely, St Barbara Limited and Mr Raleigh Finlayson, Managing Director, Genesis Minerals Limited to provide update on the Leonora Province Plan and possibly, the merger of St Barbara and Genesis.

## 2.0 DISCLAIMER NOTICE

## 3.0 COUNCIL MEETING INFORMATION NOTES

## 4.0 ANNOUNCEMENT FROM THE PRESIDING MEMBER

Cr PJ Craig made the following announcements:

- GVROC Meeting attended in Late November, however due to the number of attendees and the Grand Opening of the Improved Great Beyond Visitor's Centre, this meeting was deferred to a later date
- Golden Quest Discovery Trail on the 16<sup>th</sup> December, with primary discussion around involvement of City of Kalgoorlie Boulder and the Shire of Coolgardie, and possibility of merging with the AGO should current member councils no longer wish to be a part of this group.
- Northern Goldfields Working Group Meeting held on the 16<sup>th</sup> December, Minutes to be forwarded to Councillors for their reference.
- RDA Meeting was attended by Mr Jim Epis, and it was advised that nothing of not to the Shire of Leonora was raised, with the agenda being primarily standard committee items.

## 5.0 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

### 5.1 Attendance

President (Chairperson)

PJ Craig

Deputy President

RA Norrie (From 1:31pm)

Councillors

RM Cotterill

AM Moore

AE Taylor

LR Petersen

Chief Executive Officer

JG Epis

Executive Officer

KJ Lord

Visitors  
T Browning (From 1:00pm to 2:29pm)  
A Strelein (From 2:33pm to 3:09pm)  
K Okely (From 2:33pm to 3:09pm)  
R Finlayson (From 2:33pm to 3:09pm)

5.2 Apologies  
Deputy Chief Executive Officer L Trevenen

5.3 Leave of Absence  
Councillor F Harris

## 6.0 DECLARATION OF INTEREST

6.1 Declaration of Financial Interest  
Nil

6.2 Declaration of Proximity Interest  
Nil

6.3 Declaration of Impartiality Interest  
Nil

## 7.0 PUBLIC QUESTION TIME

7.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE  
Nil

7.2 PUBLIC QUESTION TIME  
Nil

## 8.0 CONFIRMATION OF MINUTES FROM PREVIOUS MEETING

### COUNCIL DECISION

Moved: Cr LR Petersen  
Seconded: Cr RM Cotterill

That the minutes of the Ordinary Council Meeting held on 15 November, 2022 be confirmed.

**CARRIED (5 VOTES TO 0)**

## 9.0 PRESENTATIONS

**ORDINARY COUNCIL MEETING MINUTES**

---

**20 DECEMBER 2022**

**9.1 Petitions**

Nil

**9.2 Presentations**

Nil

**9.3 Deputations**

Nil

**9.4 Delegates Reports**

Nil

**10.0 REPORTS**

**10.1 REPORTS OF COMMITTEES**

Nil

**10.0 REPORTS**

**10.2 CHIEF EXECUTIVE OFFICER REPORTS**

Nil

## 10.0 REPORTS

### 10.3 DEPUTY CHIEF EXECUTIVE OFFICER REPORTS

#### 10.3.(A) CEO RECRUITMENT & SELECTION PANEL MEETING

|  |  |
|--|--|
| <b>SUBMISSION TO:</b>  | Ordinary Council Meeting<br>Meeting Date: 20th December 2022                 |
| <b>AGENDA REFERENCE:</b>                                     | 10.3.(A) DEC 22  |
| <b>SUBJECT:</b>  | CEO Recruitment & Selection Panel Meeting                                    |
| <b>LOCATION/ADDRESS:</b>                                     | Leonora  |
| <b>NAME OF APPLICANT:</b>                                    | Not Applicable   |
| <b>FILE REFERENCE:</b>                                       | 1.19 - CEO Recruitment   |
| <b>AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT</b> |  |
| <b>NAME:</b>   | Lee-Anne Trevenen  |
| <b>OFFICER:</b>  | Deputy Chief Executive Officer   |
| <b>INTEREST DISCLOSURE:</b>                                  | Nil  |
| <b>DATE:</b>   | 29th November 2022   |
| <b>SUPPORTING DOCUMENTS:</b>                                 | 1. CEO Recruitment and Selection Panel Minutes - 28 NOV 22 <a href="#">↓</a> |

## BACKGROUND

At its ordinary meeting, held 18<sup>th</sup> October, 2022, Council resolved to establish a Chief Executive Officer Recruitment and Selection Panel, and the associated Terms of Reference.

On the 28<sup>th</sup> November, 2022, the CEO Recruitment and Selection Panel met for the first time.

As per their Terms of Reference, matters raised by the CEO Recruitment and Selection Panel at their meetings and detailed in their minutes are to be noted by Council at the next available Ordinary meeting, including any Panel recommendations that require the endorsement of Council.

From the minutes of the meeting held 28<sup>th</sup> November, 2022, there are no individual items requiring the endorsement of Council, however the minutes from this meeting as attached should be noted.

## STATUTORY ENVIRONMENT

Section 3.2(2) of the *Local Government Act 1995* states that the general function of a local government is to provide for the good government of persons in its district.

## POLICY IMPLICATIONS

There are no Policy Implications resulting from the recommendation of this report.

## FINANCIAL IMPLICATIONS

There are no Financial Implications resulting from the recommendation of this report.



**STRATEGIC IMPLICATIONS**

There are no Strategic Implications resulting from the recommendation of this report.

**RECOMMENDATIONS**

That Council note the minutes of the CEO Recruitment and Selection Panel held 28<sup>th</sup> November, 2022 as attached.

**VOTING REQUIREMENT**

Simple Majority

**COUNCIL DECISION**

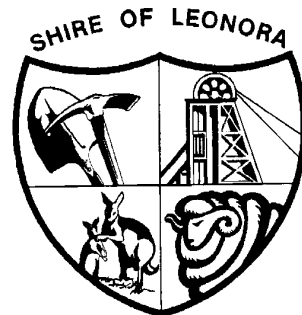
**Moved:** Cr AM Moore

**Seconded:** Cr AE Taylor

That Council note the minutes of the CEO Recruitment and Selection Panel held 28<sup>th</sup> November, 2022 as attached.

**CARRIED (5 VOTES TO 0)**

# SHIRE OF LEONORA



**MINUTES OF THE CEO RECRUITMENT AND  
SELECTION PANEL MEETING HELD IN  
COUNCIL CHAMBERS, LEONORA ON  
MONDAY 28<sup>th</sup> NOVEMBER, 2022  
COMMENCING AT 2:01PM**

**SHIRE OF LEONORA**  
**ORDER OF BUSINESS FOR MEETING TO BE HELD**  
**TUESDAY 28TH NOVEMBER, 2022.**

1. **DECLARATION OF OPENING**
  - 1.1 DECLARATION OF INTERESTS
  - 1.2 ATTENDANCE RECORD
2. **ELECTION OF CHAIR AND DEPUTY CHAIR OF PANEL**
  - 2.1 ELECTION OF CHAIR OF PANEL
  - 2.2 ELECTION OF DEPUTY CHAIR OF PANEL
  - 2.3 APPOINTMENT OF PANEL SECRETARY
3. **PROCEDURAL MATTERS**
  - 3.1 APPLICATION OF ACT AND LOCAL LAW
  - 3.2 APPLICATION OF SHIRE OF LEONORA CODE OF CONDUCT FOR COUNCIL MEMBERS, COMMITTEE MEMBERS AND CANDIDATES FOR ELECTIONS.
  - 3.2 PANEL DELIBERATIONS NOT OPEN TO THE PUBLIC
4. **RECRUITMENT OF NEW CEO**
  - 4.1 ENGAGEMENT OF RECRUITMENT CONSULTANT
  - 4.2 PROCESS FORWARD
  - 4.3 PANEL ROLES AND RESPONSIBILITIES
5. **FUTURE PANEL MEETINGS**
6. **MEETING CLOSURE**

**1. DECLARATION OF OPENING**

The Chief Executive Officer, Mr JG Epis declared the meeting open at 2:01pm.

**1.1 DECLARATIONS OF INTERESTS**

Nil

**1.2 IN ATTENDANCE**

As per Regulation 14C(2)(b) and (c) of the *Local Government (Administration) Regulations*, Shire President, Cr PJ Craig provided authorisation for Mr Steven Tweedie to attend the meeting by electronic means.

Shire President, Cr PJ Craig sought verbal confirmation from Council Members and Staff to confirm they were in attendance, and from Mr S Tweedie that he was connected from his place of residence (12A Wilding Place, Bullcreek Perth.), with the following attendees so confirmed.

|                                |   |
|--------------------------------|---|
| <b>President</b>               | PJ Craig ( <i>Boardroom</i> )   |
| <b>Councillors</b>             | LR Petersen ( <i>Boardroom</i> )<br>AE Taylor ( <i>Boardroom</i> )<br>AM Moore ( <i>Boardroom</i> ) |
| <b>Independent Member</b>      | S Tweedie ( <i>Telephone – 12A Wilding Place, Bullcreek, Perth</i> )                                |
| <b>Chief Executive Officer</b> | JG Epis ( <i>Boardroom</i> )  |
| <b>Executive Officer</b>       | KJ Lord ( <i>Boardroom</i> )  |

**1.3 APOLOGIES**

|                                       |            |
|---------------------------------------|------------|
| <b>Councillors</b>                    | RA Norrie  |
| <b>Deputy Chief Executive Officer</b> | L Trevenen |

**2. ELECTION OF CHAIR AND DEPUTY CHAIR OF PANEL****2.1 ELECTION OF CHAIR OF PANEL**

The Chief Executive Officer, Mr JG Epis advised of the nominations received for the office of Chair.

One nomination received for Cr PJ Craig

Cr PJ Craig confirmed acceptance of his nomination.

Mr JG Epis called for any further nominations.

There being no further nominations, Cr PJ Craig was declared elected (unopposed) as Chair of the CEO Recruitment and Selection Panel.

Cr PJ Craig assumed the Chair.

**2.2 ELECTION OF DEPUTY CHAIR OF PANEL**

Cr PJ Craig requested of the Chief Executive Officer, Mr JG Epis, to advise what nominations had been received for the election of the Deputy Chair.

Mr JG Epis advised one nomination received for CR LR Petersen.

Cr LR Petersen confirmed acceptance of her nomination.

Cr PJ Craig called for any further nominations.

There being no further nominations, CR LR Petersen was declared elected (unopposed) as Deputy Chair.

**2.3 APPOINTMENT OF PANEL SECRETARY**

Chief Executive Officer, Mr JG Epis has advised that Ms Lee-Anne Trevenen, Deputy Chief Executive Officer has agreed to be appointed as Secretary to the Panel to:

- prepare the Agenda and Minutes for Distribution;
- ensure the minutes from the Panel with any recommendations, are included in the relevant Agenda for the next Council meeting; and
- to follow up on any matters that may require same.

Mr JG Epis advised that as Ms L Trevenen was not available to act as the Panel Secretary at today's meeting, Executive Officer for the Shire of Leonora, Ms KJ Lord is temporarily filling this role.

**3. PROCEDURAL MATTERS****3.1 APPLICATION OF ACT AND LOCAL LAW**

It is prudent that the Shire of Leonora Meeting Procedures Local Law 2022 and the *Local Government Act 1995*, generally be applied, wherever relevant and prudent to do so.

***RECOMMENDATION***

That the Panel resolves to apply the Shire of Leonora Meeting Procedures Local Law 2022, and the *Local Government Act 1995* and Regulations, generally, wherever relevant and prudent to do so.

***PANEL DECISION***

**Moved Mr S Tweedie, seconded Cr LR Petersen**, that the Panel resolves to apply the Shire of Leonora Meeting Procedures Local Law 2022, and the *Local Government Act 1995* and Regulations, generally, wherever relevant and prudent to do so.

**CARRIED (5 VOTES TO 0)**

**3.2 APPLICATION OF SHIRE OF LEONORA CODE OF CONDUCT FOR COUNCIL MEMBERS, COMMITTEE MEMBERS AND CANDIDATES FOR ELECTIONS.**

The Panel is not a Committee of the Shire, and therefore the Code does not, strictly speaking, apply to Mr S Tweedie, as the Independent Panel Member. Mr Tweedie has indicated his willingness to comply with the Code, wherever practicable to do so.

Other Panel Members (and the Deputy Member) are bound by the Code.

***RECOMMENDATION***

That it be noted that the Independent Panel Member, Mr S Tweedie has agreed to be bound by the Shire of Leonora Code of Conduct for Council Members, Committee Members, and Candidates for Elections, wherever practicable to do so.

***PANEL DECISION***

**Moved Cr AE Taylor, seconded Cr LR Petersen**, that it be noted that the Independent Panel Member, Mr S Tweedie has agreed to be bound by the Shire of Leonora Code of Conduct for Council Members, Committee Members, and Candidates for Elections, wherever practicable to do so.

**CARRIED (5 VOTES TO 0)**

**3.3 PANEL DELIBERATIONS NOT OPEN TO THE PUBLIC**

The Panel is not a Committee of the Council, nor does it have any delegated authority to make decisions that bind the Council.

Therefore, Panel meetings are not open to the public, nor is there Public Question Time.

**RECOMMENDATION**

That the Panel resolves that the Panel deliberations are not open to the public, and there be no Public Question Time.

**PANEL DECISION**

**Moved Cr AE Taylor, seconded Mr S Tweedie**, that the Panel resolves that the Panel deliberations are not open to the public, and there be no Public Question Time.

**CARRIED (5 VOTES TO 0)**

**4. RECRUITMENT OF NEW CEO**

**4.1 ENGAGEMENT OF RECRUITMENT CONSULTANT**

Panel Members are aware that the Chief Executive Officer, Mr JG Epis has caused invitations to be issued to suitably qualified consultants to assist the Panel and Council in the determination of a new Shire Chief Executive officer.

Six (6) Recruitment consultants lodged submissions for assessment by the Chief Executive Officer and Deputy Chief Executive Officer, consistent with the Shire's Purchasing and Procurement Policy.

Consistent with the Council decision, the Chief Executive Officer must consult all Council Members on his proposal to determine the matter, following assessment of the Request for Quote, and if any Council Member objects to the Chief Executive Officer's proposal, the decision must be made by Council, at either an Ordinary Meeting of Council, or Special Meeting of Council.

The Chief Executive Officer is to update the Panel on progress in the assessments, or if concluded, the proposed determination.

*Chief Executive Officer, Mr JG Epis advised that he has determined the proposal submitted by Fitz Gerald Strategies to be the most suitable for the needs of the Shire of Leonora, and will action notification of the successful and unsuccessful submissions shortly.*

**4.2 PROCESS FORWARD**

Once the appointment of the recruitment consultant has been made, and effected, there will be a range of time frames and processes to follow.

The Panel may have a view on advertising mediums and timeframes and may wish to express a view to the recruitment consultant.

*Fitz Gerald Strategies to be consulted to recommend potential recruitment timeframes and advertising mediums, however Council noted the desire to advertise as soon as practicably possible, with the aim of obtaining an optimal candidate pool for assessment.*

**4.3 PANEL ROLES AND RESPONSIBILITIES**

The Panel should discuss:

- preliminary views on how many candidates, in priority order, ranked by consultant, the Panel wishes to interview;
- whether "first cut" candidates should be interviewed in person by the Panel, or electronically (noting the costs of transport and accommodation for in-person interviews); and

- key issues of each Panel Member to be addressed with candidates, noting that a consistency of approach is needed with all candidates to ensure consistent evaluation and scoring (the consultant will also provide guidance on same).

*Fitz Gerald Strategies to be consulted prior to further discussion by the panel regarding the above, however roughly 6-8 candidates would be the ideal pool for the 'first cut' of candidates following the advertising period.*

**5. FUTURE PANEL MEETINGS**

Meetings of the panel will be called on an as needed basis, at the discretion of the Chair, or a majority of the Panel Members.

**6. MEETING CLOSURE**

The Chair, Shire President Cr PJ Craig declared the meeting closed at 2:30pm.

## 10.0 REPORTS

### 10.3 DEPUTY CHIEF EXECUTIVE OFFICER REPORTS

#### 10.3.(B) MONTHLY FINANCIAL STATEMENTS

|  |  |
|--|--|
| <b>SUBMISSION TO:</b>  | Ordinary Council Meeting<br>Meeting Date: 20th December 2022       |
| <b>AGENDA REFERENCE:</b>                                     | 10.3.(B) DEC 22  |
| <b>SUBJECT:</b>  | Monthly Financial Statements                                       |
| <b>LOCATION/ADDRESS:</b>                                     | Nil  |
| <b>NAME OF APPLICANT:</b>                                    | Nil  |
| <b>FILE REFERENCE:</b>                                       | Nil  |
| <b>AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT</b> |  |
| <b>NAME:</b>   | Lee-Anne Trevenen  |
| <b>OFFICER:</b>  | Deputy Chief Executive Officer                                     |
| <b>INTEREST DISCLOSURE:</b>                                  | Nil  |
| <b>DATE:</b>   | 14th December 2022   |
| <b>SUPPORTING DOCUMENTS:</b>                                 | 1. Monthly Financial Statements - November, 2022 <a href="#">↓</a> |

## BACKGROUND

In complying with the Local Government Financial Management Regulations 1996, a monthly statement of financial activity must be submitted to an Ordinary Council meeting within 2 months after the end of the month to which the statement relates. The statement of financial activity is a complex document but gives a complete overview of the “cash” financial position as at the end of each month. The statement of financial activity for each month must be adopted by Council and form part of the minutes.

It is understood that parts of the statement of financial activity have been submitted to Ordinary Council meetings previously. In reviewing the Regulations the complete statement of financial activity is to be submitted, along with the following reports that are not included in the statement.

Monthly Financial Statements for the month ended 30th November, 2022 consist of:

- (a) Compilation Report
- (b) Statement of Financial Activity – 30th November, 2022
- (c) Material Variances – 30th November, 2022

At the time this Agenda went to print, the Monthly Financial Statements were not yet available, however these will be distributed closer to the date of the meeting.

## STATUTORY ENVIRONMENT

### *Part 4 – Financial reports – s. 6.4*

- 34. *Financial activity statement report – s. 6.4*



(1A) *In this regulation —*

**committed assets** means revenue unspent but set aside under the annual budget for a specific purpose.

34. (1) *A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —*
- (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);*
  - (b) budget estimates to the end of the month to which the statement relates;*
  - (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*
  - (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
  - (e) the net current assets at the end of the month to which the statement relates.*
34. (2) *Each statement of financial activity is to be accompanied by documents containing —*
- (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;*
  - (b) an explanation of each of the material variances referred to in subregulation (1)(d); and*
  - (c) such other supporting information as is considered relevant by the local government.*
34. (3) *The information in a statement of financial activity may be shown —*
- (a) according to nature and type classification; or*
  - (b) by program; or*
  - (c) by business unit.*
34. (4) *A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —*
- (a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and*
  - (b) recorded in the minutes of the meeting at which it is presented.*
34. (5) *Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.*

## POLICY IMPLICATIONS

There are no policy implications resulting from the recommendation of this report.

**FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

**STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

**RECOMMENDATIONS**

That Council accept the Monthly Financial Statements for the month ended 30th November, 2022 consisting of:

- (a) Compilation Report
- (b) Statement of Financial Activity – 30th November, 2022
- (c) Material Variances – 30th November, 2022

**VOTING REQUIREMENT**

Simple Majority

**COUNCIL DECISION**

**Moved: Cr AM Moore**

**Seconded: Cr RM Cotterill**

That Council accept the Monthly Financial Statements for the month ended 30th November, 2022 consisting of:

- (a) Compilation Report
- (b) Statement of Financial Activity – 30th November, 2022
- (c) Material Variances – 30th November, 2022

**CARRIED (5 VOTES TO 0)**



**Moore Australia**

Level 15, Exchange Tower,  
2 The Esplanade, Perth, WA 6000  
PO Box 5785, St Georges Terrace, WA  
6831

T +61 8 9225 5355

F +61 8 9225 6181

[www.moore-australia.com.au](http://www.moore-australia.com.au)

15 December 2022

Mr Jim Epis  
Chief Executive Officer  
Shire of Leonora  
PO Box 56  
**LEONORA WA 6438**

Dear Jim

**COMPILATION REPORT TO THE SHIRE OF LEONORA**

We have compiled the accompanying local government financial report of the Shire of Leonora, which comprise the statement of financial activity (by nature or type), a summary of significant accounting policies and other explanatory notes for the period ending 30 November 2022. The monthly financial report has been compiled to meet compliance with the *Local Government Act 1995* and associated regulations.

**THE RESPONSIBILITY OF THE SHIRE OF LEONORA**

The Shire of Leonora are solely responsible for the information contained in the financial report and are responsible for the maintenance of an appropriate accounting system in accordance with the relevant legislation.

**OUR RESPONSIBILITY**

On the basis of information provided by the Shire of Leonora we have compiled the accompanying financial report in accordance with the requirements of the *Local Government Act 1995*, associated regulations and APES 315 *Compilation of Financial Information*.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Shire of Leonora provided, in compiling the financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The local government financial report was compiled exclusively for the benefit of the Shire of Leonora. We do not accept responsibility to any other person for the contents of the financial report.

A handwritten signature in black ink, appearing to read "Russell Barnes".

Russell Barnes  
Director

[Moore Australia \(WA\) Pty Ltd](http://www.moore-australia.com.au)

**SHIRE OF LEONORA**  
**MONTHLY FINANCIAL REPORT**  
**(Containing the Statement of Financial Activity)**  
**For the period ending 30 November 2022**

*LOCAL GOVERNMENT ACT 1995*  
*LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996*

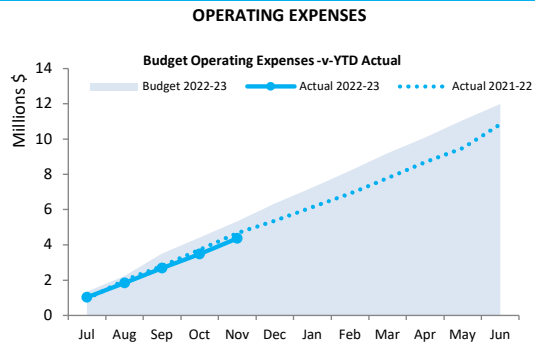
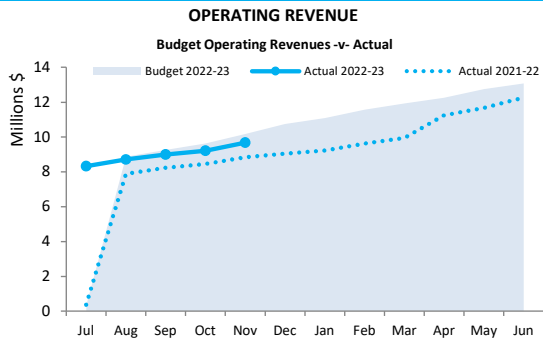
**TABLE OF CONTENTS**

|  |    |
|--|----|
| Statement of Financial Activity by Nature or Type  | 5  |
| Basis of Preparation                               | 6  |
| Note 1 Statement of Financial Activity Information | 7  |
| Note 2 Cash and Financial Assets                   | 8  |
| Note 3 Receivables                                 | 9  |
| Note 4 Other Current Assets                        | 10 |
| Note 5 Payables                                    | 11 |
| Note 6 Disposal of Assets                          | 12 |
| Note 7 Capital Acquisitions                        | 13 |
| Note 8 Reserve Accounts                            | 16 |
| Note 9 Other Current Liabilities                   | 17 |
| Note 10 Operating grants and contributions         | 18 |
| Note 11 Non operating grants and contributions     | 19 |
| Note 12 Budget Amendments                          | 20 |
| Note 13 Explanation of Material Variances          | 21 |

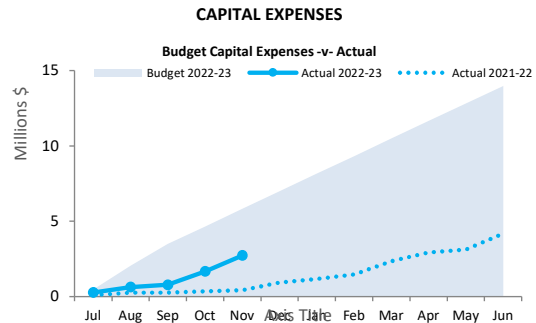
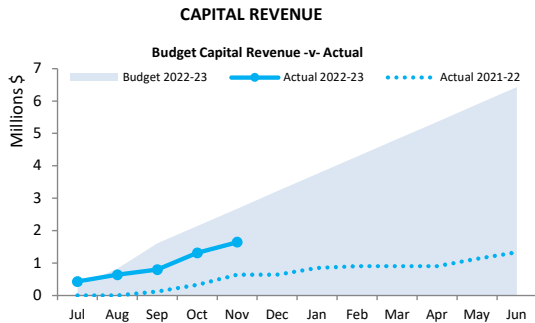
MONTHLY FINANCIAL REPORT  
FOR THE PERIOD ENDED 30 NOVEMBER 2022

SUMMARY INFORMATION - GRAPHS

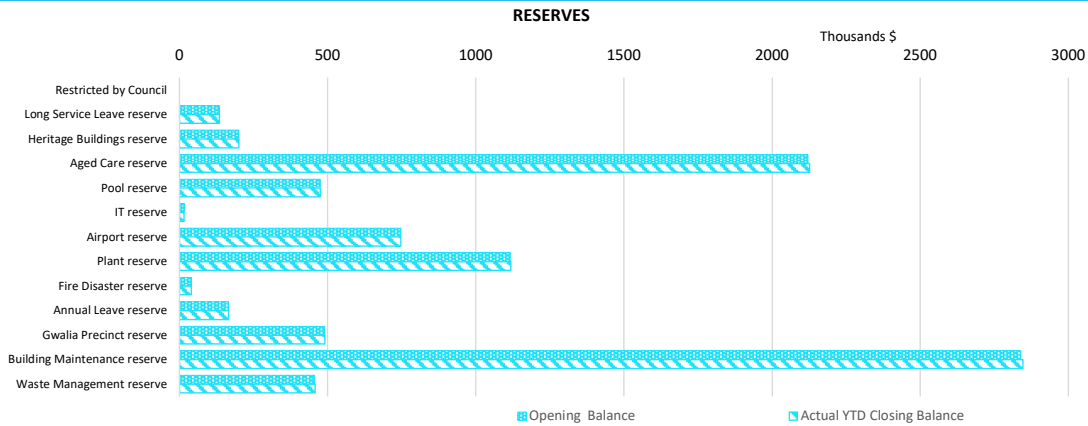
OPERATING ACTIVITIES



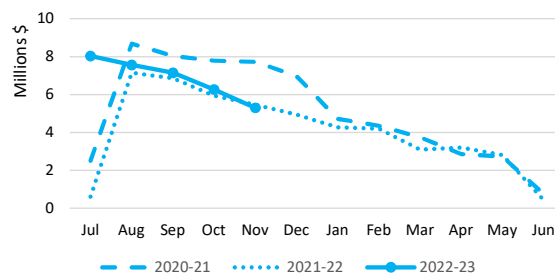
INVESTING ACTIVITIES



FINANCING ACTIVITIES



Closing funding surplus / (deficit)



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

Please refer to the compilation report

SHIRE OF LEONORA | 2

## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

MONTHLY FINANCIAL REPORT  
FOR THE PERIOD ENDED 30 NOVEMBER 2022

## EXECUTIVE SUMMARY

## Funding surplus / (deficit) Components

| Funding surplus / (deficit) |                |                |                |                 |
|-----------------------------|----------------|----------------|----------------|-----------------|
|                             | Amended Budget | YTD Budget (a) | YTD Actual (b) | Var. \$ (b)-(a) |
| Opening                     | \$0.19 M       | \$0.19 M       | \$0.28 M       | \$0.09 M        |
| Closing                     | (\$0.09 M)     | \$3.00 M       | \$5.30 M       | \$2.30 M        |

Refer to Statement of Financial Activity

| Cash and cash equivalents |           |            |
|---------------------------|-----------|------------|
|                           | \$14.22 M | % of total |
| Unrestricted Cash         | \$5.40 M  | 38.0%      |
| Restricted Cash           | \$8.82 M  | 62.0%      |

Refer to Note 2 - Cash and Financial Assets

| Payables       |          |               |
|----------------|----------|---------------|
|                | \$0.44 M | % Outstanding |
| Trade Payables | \$0.00 M |               |
| 0 to 30 Days   |          | 0.0%          |
| Over 30 Days   |          | 0.0%          |
| Over 90 Days   |          | 0%            |

Refer to Note 5 - Payables

| Receivables      |          |               |
|------------------|----------|---------------|
|                  | \$0.35 M | % Collected   |
| Rates Receivable | \$0.67 M | 91.5%         |
| Trade Receivable | \$0.35 M | % Outstanding |
| Over 30 Days     |          | 43.4%         |
| Over 90 Days     |          | 10%           |

Refer to Note 3 - Receivables

## Key Operating Activities

| Amount attributable to operating activities |                |                |                 |
|---|----------------|----------------|-----------------|
| Amended Budget                              | YTD Budget (a) | YTD Actual (b) | Var. \$ (b)-(a) |
| \$2.97 M                                    | \$5.60 M       | \$6.13 M       | \$0.52 M        |

Refer to Statement of Financial Activity

| Rates Revenue |          |            |
|---------------|----------|------------|
| YTD Actual    | \$7.72 M | % Variance |
| YTD Budget    | \$7.72 M | (0.0%)     |

Refer to Statement of Financial Activity

| Operating Grants and Contributions |          |            |
|------------------------------------|----------|------------|
| YTD Actual                         | \$0.63 M | % Variance |
| YTD Budget                         | \$1.17 M | (46.3%)    |

Refer to Note 10 - Operating Grants and Contributions

| Fees and Charges |          |            |
|------------------|----------|------------|
| YTD Actual       | \$1.16 M | % Variance |
| YTD Budget       | \$1.12 M | 3.0%       |

Refer to Statement of Financial Activity

## Key Investing Activities

| Amount attributable to investing activities |                |                |                 |
|---|----------------|----------------|-----------------|
| Amended Budget                              | YTD Budget (a) | YTD Actual (b) | Var. \$ (b)-(a) |
| (\$7.65 M)                                  | (\$2.80 M)     | (\$1.09 M)     | \$1.71 M        |

Refer to Statement of Financial Activity

| Proceeds on sale |          |      |
|------------------|----------|------|
| YTD Actual       | \$0.00 M | %    |
| Amended Budget   | \$0.76 M | 0.0% |

Refer to Note 6 - Disposal of Assets

| Asset Acquisition |           |         |
|-------------------|-----------|---------|
| YTD Actual        | \$2.73 M  | % Spent |
| Amended Budget    | \$14.08 M | 19.4%   |

Refer to Note 7 - Capital Acquisitions

| Capital Grants |          |            |
|----------------|----------|------------|
| YTD Actual     | \$1.63 M | % Received |
| Amended Budget | \$5.67 M | 28.8%      |

Refer to Note 7 - Capital Acquisitions

## Key Financing Activities

| Amount attributable to financing activities |                |                |                 |
|---|----------------|----------------|-----------------|
| Amended Budget                              | YTD Budget (a) | YTD Actual (b) | Var. \$ (b)-(a) |
| \$4.40 M                                    | \$0.00 M       | (\$0.02 M)     | (\$0.02 M)      |

Refer to Statement of Financial Activity

| Reserves         |          |
|------------------|----------|
| Reserves balance | \$8.82 M |
| Interest earned  | \$0.02 M |

Refer to Note 8 - Cash Reserves

This information is to be read in conjunction with the accompanying Financial Statements and notes.

Please refer to the compilation report

SHIRE OF LEONORA | 3

**KEY TERMS AND DESCRIPTIONS  
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

**REVENUE**

**RATES**

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Excludes administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

**OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS**

Refers to all amounts received as grants, subsidies and contributions that are not non-operating grants.

**NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS**

Amounts received specifically for the acquisition, construction of new or the upgrading of identifiable non financial assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

**REVENUE FROM CONTRACTS WITH CUSTOMERS**

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

**FEES AND CHARGES**

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, and other fees and charges.

**SERVICE CHARGES**

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. *Regulation 54 of the Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges.

**INTEREST EARNINGS**

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**OTHER REVENUE / INCOME**

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates, reimbursements etc.

**PROFIT ON ASSET DISPOSAL**

Excess of assets received over the net book value for assets on their disposal.

Please refer to the compilation report

**NATURE OR TYPE DESCRIPTIONS**

**EXPENSES**

**EMPLOYEE COSTS**

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

**MATERIALS AND CONTRACTS**

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

**UTILITIES (GAS, ELECTRICITY, WATER)**

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

**INSURANCE**

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

**LOSS ON ASSET DISPOSAL**

Shortfall between the value of assets received over the net book value for assets on their disposal.

**DEPRECIATION ON NON-CURRENT ASSETS**

Depreciation expense raised on all classes of assets. Excluding Land.

**INTEREST EXPENSES**

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

**OTHER EXPENDITURE**

Statutory fees, taxes, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 NOVEMBER 2022

## BY NATURE OR TYPE

|   | Ref  | Amended Budget      | YTD Budget         | YTD Actual         | Variance \$ | Variance % ((c) - (b))/(b) | Var. |
|---|------|---------------------|--------------------|--------------------|-------------|----------------------------|------|
|   | Note | (a)                 | (b)                | (c)                | (c) - (b)   |                            |      |
|   |      | \$                  | \$                 | \$                 | \$          | %                          |      |
| <b>Opening funding surplus / (deficit)</b>                      | 1(c) | 191,874             | 191,874            | <b>279,087</b>     | 87,213      | 45.45%                     | ▲    |
| <b>Revenue from operating activities</b>                        |      |                     |                    |                    |             |                            |      |
| Rates   |      | 7,775,027           | 7,718,677          | <b>7,717,902</b>   | (775)       | (0.01%)                    |      |
| Operating grants, subsidies and contributions                   | 10   | 2,616,472           | 1,169,133          | <b>627,697</b>     | (541,436)   | (46.31%)                   | ▼    |
| Fees and charges  |      | 2,414,398           | 1,123,862          | <b>1,157,885</b>   | 34,023      | 3.03%                      |      |
| Interest earnings   |      | 8,000               | 3,330              | <b>32,717</b>      | 29,387      | 882.49%                    | ▲    |
| Other revenue   |      | 242,805             | 152,827            | <b>139,453</b>     | (13,374)    | (8.75%)                    |      |
| Profit on disposal of assets                                    | 6    | 24,753              | 0                  | <b>0</b>           | 0           | 0.00%                      |      |
|   |      | <b>13,081,455</b>   | <b>10,167,829</b>  | <b>9,675,654</b>   | (492,175)   | (4.84%)                    |      |
| <b>Expenditure from operating activities</b>                    |      |                     |                    |                    |             |                            |      |
| Employee costs  |      | (2,410,184)         | (1,011,866)        | <b>(1,697,316)</b> | (685,450)   | (67.74%)                   | ▼    |
| Materials and contracts   |      | (6,991,250)         | (3,087,529)        | <b>(1,374,141)</b> | 1,713,388   | 55.49%                     | ▲    |
| Utility charges   |      | (245,100)           | (108,215)          | <b>(138,247)</b>   | (30,032)    | (27.75%)                   | ▼    |
| Depreciation on non-current assets                              |      | (1,834,984)         | (764,607)          | <b>(825,901)</b>   | (61,294)    | (8.02%)                    | ▼    |
| Insurance expenses  |      | (311,912)           | (311,912)          | <b>(306,566)</b>   | 5,346       | 1.71%                      |      |
| Other expenditure   |      | (130,878)           | (43,453)           | <b>(32,350)</b>    | 11,103      | 25.55%                     |      |
| Loss on disposal of assets                                      | 6    | (59,968)            | 0                  | <b>0</b>           | 0           | 0.00%                      |      |
|   |      | <b>(11,984,276)</b> | <b>(5,327,582)</b> | <b>(4,374,521)</b> | 953,061     | (17.89%)                   |      |
| Non-cash amounts excluded from operating activities             | 1(a) | 1,870,199           | 764,607            | <b>826,613</b>     | 62,006      | 8.11%                      | ▲    |
| <b>Amount attributable to operating activities</b>              |      | <b>2,967,378</b>    | <b>5,604,854</b>   | <b>6,127,746</b>   | 522,892     | 9.33%                      |      |
| <b>Investing activities</b>                                     |      |                     |                    |                    |             |                            |      |
| Proceeds from non-operating grants, subsidies and contributions | 11   | 5,668,103           | 2,422,428          | <b>1,642,099</b>   | (780,329)   | (32.21%)                   | ▼    |
| Proceeds from disposal of assets                                | 6    | 760,600             | 0                  | <b>0</b>           | 0           | 0.00%                      |      |
| Payments for property, plant and equipment and infrastructure   | 7    | (14,077,955)        | (5,221,257)        | <b>(2,732,203)</b> | 2,489,054   | 47.67%                     | ▲    |
| <b>Amount attributable to investing activities</b>              |      | <b>(7,649,252)</b>  | <b>(2,798,829)</b> | <b>(1,090,104)</b> | 1,708,725   | (61.05%)                   |      |
| <b>Financing Activities</b>                                     |      |                     |                    |                    |             |                            |      |
| Transfer from reserves  | 8    | 4,400,000           | 0                  | <b>0</b>           | 0           | 0.00%                      |      |
| Transfer to reserves  | 8    | 0                   | 0                  | <b>(19,061)</b>    | (19,061)    | 0.00%                      | ▼    |
| <b>Amount attributable to financing activities</b>              |      | <b>4,400,000</b>    | <b>0</b>           | <b>(19,061)</b>    | (19,061)    | 0.00%                      |      |
| <b>Closing funding surplus / (deficit)</b>                      | 1(c) | <b>(90,000)</b>     | <b>2,997,899</b>   | <b>5,297,668</b>   | 2,299,769   | (76.71%)                   | ▲    |

## KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 13 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.



**MONTHLY FINANCIAL REPORT  
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

**BASIS OF PREPARATION**

**BASIS OF PREPARATION**

This financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

**Local Government Act 1995 requirements**

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

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

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

**THE LOCAL GOVERNMENT REPORTING ENTITY**

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

All monies held in the Trust Fund are excluded from the financial statements.

**SIGNIFICANT ACCOUNTING POLICES**

**CRITICAL ACCOUNTING ESTIMATES**

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

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

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

- estimation of fair values of certain financial assets
- estimation of fair values of fixed assets shown at fair value
- impairment of financial assets

**GOODS AND SERVICES TAX**

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.

**ROUNDING OFF FIGURES**

All figures shown in this statement are rounded to the nearest dollar.

**PREPARATION TIMING AND REVIEW**

Date prepared: All known transactions up to 14 December 2022

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 NOVEMBER 2022NOTE 1  
STATEMENT OF FINANCIAL ACTIVITY INFORMATION

## (a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

|  | Notes | Amended Budget   | YTD Budget (a) | YTD Actual (b) |
|--|-------|------------------|----------------|----------------|
| <b>Non-cash items excluded from operating activities</b>       |       |                  |                |                |
|  |       | \$               | \$             | \$             |
| <b>Adjustments to operating activities</b>                     |       |                  |                |                |
| Less: Profit on asset disposals                                | 6     | (24,753)         | 0              | 0              |
| Less: Movement in liabilities associated with restricted cash  |       | 0                | 0              | 712            |
| Add: Loss on asset disposals                                   | 6     | 59,968           | 0              | 0              |
| Add: Depreciation on assets                                    |       | 1,834,984        | 764,607        | 825,901        |
| <b>Total non-cash items excluded from operating activities</b> |       | <b>1,870,199</b> | <b>764,607</b> | <b>826,613</b> |

## (b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

|  | Adopted Budget Opening 30 June 2022 | Last Year Closing 30 June 2022 | Year to Date 30 November 2022 |
|--|-------------------------------------|--------------------------------|-------------------------------|
| <b>Adjustments to net current assets</b>       |                                     |                                |                               |
| Less: Reserves - restricted cash               | 8                                   | (4,397,221)                    | (8,797,221)                   |
| Add: Provisions employee related provisions    | 9                                   | 300,043                        | 300,042                       |
| <b>Total adjustments to net current assets</b> |                                     | <b>(4,097,178)</b>             | <b>(8,497,179)</b>            |

## (c) Net current assets used in the Statement of Financial Activity

|  |      |                    |                    |                    |
|--|------|--------------------|--------------------|--------------------|
| <b>Current assets</b>                                |      |                    |                    |                    |
| Cash and cash equivalents                            | 2    | 4,493,244          | 11,076,288         | 14,216,229         |
| Rates receivables                                    | 3    | 107,031            | 107,031            | 667,748            |
| Receivables  | 3    | 452,568            | 492,228            | 350,661            |
| Other current assets                                 | 4    | 71,829             | 71,829             | 51,518             |
| <b>Less: Current liabilities</b>                     |      |                    |                    |                    |
| Payables   | 5    | (710,256)          | (560,406)          | (435,847)          |
| Contract liabilities                                 | 9    | 0                  | (2,110,015)        | (736,424)          |
| Provisions   | 9    | (317,238)          | (300,689)          | (300,689)          |
| <b>Less: Total adjustments to net current assets</b> | 1(b) | <b>(4,097,178)</b> | <b>(8,497,179)</b> | <b>(8,515,528)</b> |
| <b>Closing funding surplus / (deficit)</b>           |      | <b>0</b>           | <b>279,087</b>     | <b>5,297,668</b>   |

## CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

**ORDINARY COUNCIL MEETING MINUTES**

**20 DECEMBER 2022**

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
 FOR THE PERIOD ENDED 30 NOVEMBER 2022**

**OPERATING ACTIVITIES  
 NOTE 2  
 CASH AND FINANCIAL ASSETS**

| Description               | Classification            | Unrestricted     | Restricted       | Total Cash        | Trust    | Institution  | Interest Rate | Maturity Date |
|---------------------------|---------------------------|------------------|------------------|-------------------|----------|--------------|---------------|---------------|
|                           |                           | \$               | \$               | \$                | \$       |              |               |               |
| Municipal                 | Cash and cash equivalents | 5,398,677        | 0                | 5,398,677         | 0        | NAB          | Variable      | Nil           |
| Cash on hand              | Cash and cash equivalents | 1,270            | 0                | 1,270             | 0        | Cash on hand | Nil           | Nil           |
| Reserves                  | Cash and cash equivalents | 0                | 8,816,282        | 8,816,282         | 0        | NAB          | Variable      | Nil           |
| <b>Total</b>              |                           | <b>5,399,947</b> | <b>8,816,282</b> | <b>14,216,229</b> | <b>0</b> |              |               |               |
| <b>Comprising</b>         |                           |                  |                  |                   |          |              |               |               |
| Cash and cash equivalents |                           | 5,399,947        | 8,816,282        | 14,216,229        | 0        |              |               |               |
|                           |                           | <b>5,399,947</b> | <b>8,816,282</b> | <b>14,216,229</b> | <b>0</b> |              |               |               |

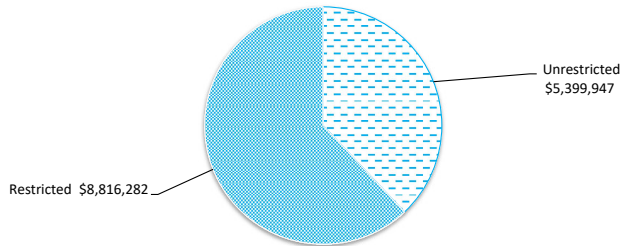
**KEY INFORMATION**

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 net current assets.

The local government 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.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.

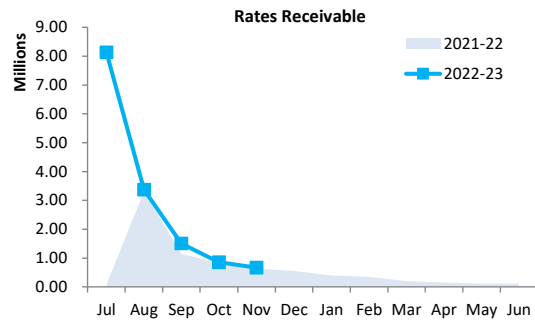


Please refer to the compilation report

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
 FOR THE PERIOD ENDED 30 NOVEMBER 2022

OPERATING ACTIVITIES  
 NOTE 3  
 RECEIVABLES

| Rates receivable        | 30 Jun 2022 | 30 Nov 2022 |
|-------------------------|-------------|-------------|
|                         | \$          | \$          |
| Opening rates arrears   | 100,035     | 107,031     |
| Levied                  | 7,005,810   | 7,717,902   |
| Less - collections      | (6,998,814) | (7,157,185) |
| Gross rates collectable | 107,031     | 667,748     |
| Net rates collectable   | 107,031     | 667,748     |
| % Collected             | 98.5%       | 91.5%       |



| Receivables - general                        | Credit | Current | 30 Days | 60 Days | 90+ Days | Total          |
|--|--------|---------|---------|---------|----------|----------------|
|  | \$     | \$      | \$      | \$      | \$       | \$             |
| Receivables - general                        | 0      | 120,463 | 8,950   | 62,128  | 21,279   | 212,820        |
| Percentage                                   | 0.0%   | 56.6%   | 4.2%    | 29.2%   | 10%      |                |
| <b>Balance per trial balance</b>             |        |         |         |         |          |                |
| Sundry receivable                            |        |         |         |         |          | 212,820        |
| GST receivable                               |        |         |         |         |          | 137,841        |
| <b>Total receivables general outstanding</b> |        |         |         |         |          | <b>350,661</b> |

Amounts shown above include GST (where applicable)

KEY INFORMATION

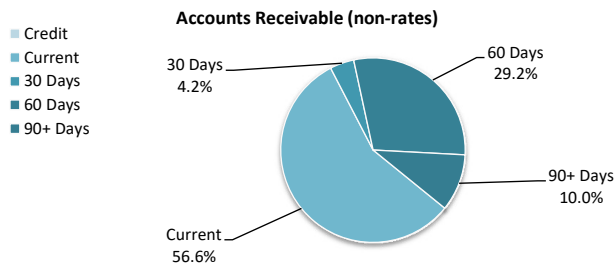
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

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.



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
 FOR THE PERIOD ENDED 30 NOVEMBER 2022

OPERATING ACTIVITIES  
 NOTE 4  
 OTHER CURRENT ASSETS

| Other current assets              | Opening<br>Balance<br>1 July 2022 | Asset<br>Increase | Asset<br>Reduction | Closing<br>Balance<br>30 November 2022 |
|-----------------------------------|-----------------------------------|-------------------|--------------------|--|
|                                   | \$                                | \$                | \$                 | \$                                     |
| <b>Inventory</b>                  |                                   |                   |                    |  |
| Fuel                              | 71,829                            | 151,175           | (171,486)          | 51,518                                 |
| <b>Total other current assets</b> | <b>71,829</b>                     | <b>151,175</b>    | <b>(171,486)</b>   | <b>51,518</b>                          |

Amounts shown above include GST (where applicable)

KEY INFORMATION

**Inventory**

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.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
 FOR THE PERIOD ENDED 30 NOVEMBER 2022

OPERATING ACTIVITIES  
 NOTE 5  
 PAYABLES

| Payables - general  | Credit | Current | 30 Days | 60 Days | 90+ Days | Total          |
|---|--------|---------|---------|---------|----------|----------------|
|   | \$     | \$      | \$      | \$      | \$       | \$             |
| Payables - general  | 0      | 0       | 0       | 0       | 0        | 0              |
| Percentage  | 0%     | 0%      | 0%      | 0%      | 0%       |                |
| <b>Balance per trial balance</b>                          |        |         |         |         |          |                |
| Accrued salaries and wages                                |        |         |         |         |          | 41,114         |
| ATO liabilities   |        |         |         |         |          | 35,250         |
| Other payables  |        |         |         |         |          | 195,996        |
| Credit card   |        |         |         |         |          | 6,851          |
| Prepaid rates   |        |         |         |         |          | 6,636          |
| Bonds and deposits held                                   |        |         |         |         |          | 150,000        |
| <b>Total payables general outstanding</b>                 |        |         |         |         |          | <b>435,847</b> |
| <b>Amounts shown above include GST (where applicable)</b> |        |         |         |         |          |                |

KEY INFORMATION

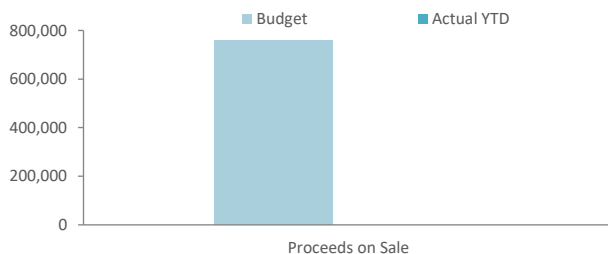
Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the period that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally 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.

## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 NOVEMBER 2022OPERATING ACTIVITIES  
NOTE 6  
DISPOSAL OF ASSETS

| Asset Ref. | Asset description                  | Budget         |                |               |                 | YTD Actual     |          |          |          |
|------------|------------------------------------|----------------|----------------|---------------|-----------------|----------------|----------|----------|----------|
|            |                                    | Net Book Value | Proceeds       | Profit        | (Loss)          | Net Book Value | Proceeds | Profit   | (Loss)   |
|            |                                    | \$             | \$             | \$            | \$              | \$             | \$       | \$       | \$       |
|            | <b>Buildings</b>                   |                |                |               |                 |                |          |          |          |
| 249        | 35 Hoover Street Leonora           | 144,000        | 150,000        | 6,000         | 0               | 0              | 0        | 0        | 0        |
|            | <b>Plant and equipment</b>         |                |                |               |                 |                |          |          |          |
|            | <b>Health</b>                      |                |                |               |                 |                |          |          |          |
| PE43       | EHO vehicle                        | 36,370         | 30,000         | 0             | (6,370)         | 0              | 0        | 0        | 0        |
| PE44       | Doctor's vehicle                   | 29,462         | 30,000         | 538           | 0               | 0              | 0        | 0        | 0        |
|            | <b>Transport</b>                   |                |                |               |                 |                |          |          |          |
| 287        | 2016 Grader John Deere 670G        | 147,000        | 155,000        | 8,000         | 0               | 0              | 0        | 0        | 0        |
|            | Prime Mover (Water Cart) Iveco     | 96,822         | 70,000         | 0             | (26,822)        | 0              | 0        | 0        | 0        |
| 656        | 2018 Ford Ranger Grader Utility    | 26,600         | 22,800         | 0             | (3,800)         | 0              | 0        | 0        | 0        |
| 660        | Holden Colorado space              | 28,700         | 30,000         | 1,300         | 0               | 0              | 0        | 0        | 0        |
| PE41       | Toyota Hilux cab tray top 4WD      | 32,804         | 30,000         | 0             | (2,804)         | 0              | 0        | 0        | 0        |
| 657        | Ford Ranger works crew             | 25,900         | 22,800         | 0             | (3,100)         | 0              | 0        | 0        | 0        |
| PE45       | Toyota Hilux cab tray top 4WD      | 33,569         | 30,000         | 0             | (3,569)         | 0              | 0        | 0        | 0        |
| PE42       | Reporting Officer's vehicle        | 36,033         | 30,000         | 0             | (6,033)         | 0              | 0        | 0        | 0        |
| PE46       | Water Cart 3 Tonne Tipper          | 31,290         | 30,000         | 0             | (1,290)         | 0              | 0        | 0        | 0        |
|            | <b>Economic services</b>           |                |                |               |                 |                |          |          |          |
| PE46       | Toyota Hilux dual cab 4WD          | 25,185         | 30,000         | 4,815         | 0               | 0              | 0        | 0        | 0        |
|            | <b>Other property and services</b> |                |                |               |                 |                |          |          |          |
| 658        | MWS vehicle                        | 25,900         | 30,000         | 4,100         | 0               | 0              | 0        | 0        | 0        |
| PE53       | DCEO vehicle                       | 45,954         | 40,000         | 0             | (5,954)         | 0              | 0        | 0        | 0        |
| PE47       | Admin Kluger                       | 30,226         | 30,000         | 0             | (226)           | 0              | 0        | 0        | 0        |
|            |                                    | <b>795,815</b> | <b>760,600</b> | <b>24,753</b> | <b>(59,968)</b> | <b>0</b>       | <b>0</b> | <b>0</b> | <b>0</b> |



Please refer to the compilation report

SHIRE OF LEONORA | 12

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 NOVEMBER 2022

INVESTING ACTIVITIES  
NOTE 7  
CAPITAL ACQUISITIONS

| Capital acquisitions                           | Amended           |                  | YTD Actual       | YTD Actual<br>Variance |
|--|-------------------|------------------|------------------|------------------------|
|  | Budget            | YTD Budget       |                  |                        |
|  | \$                | \$               | \$               | \$                     |
| Land and Buildings                             | 6,692,000         | 2,788,333        | 1,505,103        | (1,283,230)            |
| Plant and equipment                            | 1,762,939         | 90,000           | 107,500          | 17,500                 |
| Infrastructure - roads                         | 3,295,603         | 1,373,168        | 730,141          | (643,027)              |
| Infrastructure - improvements & infrastructure | 2,327,413         | 969,755          | 389,459          | (580,296)              |
| <b>Payments for Capital Acquisitions</b>       | <b>14,077,955</b> | <b>5,221,257</b> | <b>2,732,203</b> | <b>(2,489,054)</b>     |
| <b>Capital Acquisitions Funded By:</b>         |                   |                  |                  |                        |
|  | \$                | \$               | \$               | \$                     |
| Capital grants and contributions               | 5,668,103         | 2,422,428        | 1,631,745        | (790,683)              |
| Other (disposals & C/Fwd)                      | 760,600           | 0                | 0                | 0                      |
| Cash backed reserves                           |                   |                  |                  |                        |
| Aged Care reserve                              | (2,000,000)       | 0                | 0                | 0                      |
| Pool reserve                                   | (300,000)         | 0                | 0                | 0                      |
| Plant reserve                                  | (900,000)         | 0                | 0                | 0                      |
| Building Maintenance reserve                   | (1,200,000)       | 0                | 0                | 0                      |
| Contribution - operations                      | 12,049,252        | 2,798,829        | 1,100,458        | (1,698,371)            |
| <b>Capital funding total</b>                   | <b>14,077,955</b> | <b>5,221,257</b> | <b>2,732,203</b> | <b>(2,489,054)</b>     |

**SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

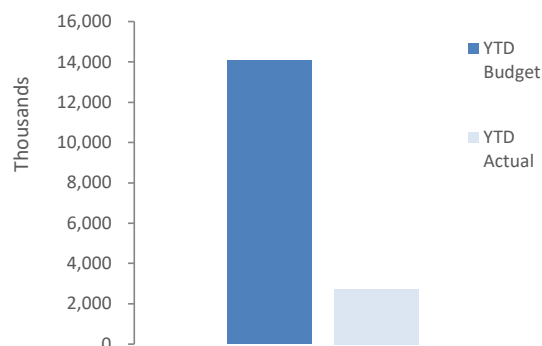
**Initial recognition and measurement for assets held at cost**

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

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

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

Payments for Capital Acquisitions



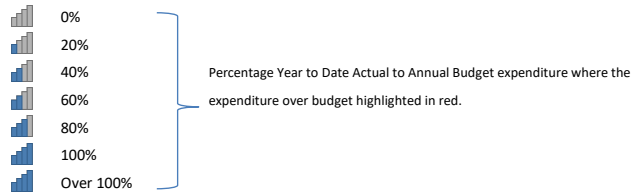
Please refer to the compilation report

SHIRE OF LEONORA | 13



## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 NOVEMBER 2022INVESTING ACTIVITIES  
NOTE 7  
CAPITAL ACQUISITIONS (CONTINUED)Capital expenditure total  
Level of completion indicators

Level of completion indicator, please see table at the end of this note for further detail.

| Account Description        |                                  | Amended  |                  | YTD Actual       | Variance<br>(Under)/Over |                    |
|----------------------------|----------------------------------|--|------------------|------------------|--------------------------|--------------------|
|                            |                                  | Budget   | YTD Budget       |                  |                          |                    |
|                            |                                  | \$   | \$               | \$               | \$                       |                    |
| <b>Land and Buildings</b>  |                                  |  |                  |                  |                          |                    |
| █                          | CP2306                           | 1 QV Bathrms/wet areas, int paint & flooring                         | 30,000           | 12,500           | 0                        | (12,500)           |
| █                          | CP2308                           | Leonora Early Learning Centre Toilets                                | 50,000           | 20,833           | 0                        | (20,833)           |
| █                          | CP2309                           | CEO's House  | 750,000          | 312,500          | 0                        | (312,500)          |
| █                          | CP2310                           | 13 FitzGerald Street Enclose Outdoor Area                            | 60,000           | 25,000           | 0                        | (25,000)           |
| █                          | CP2311                           | 11A Walton Street Front Fence & Shed                                 | 25,000           | 10,417           | 0                        | (10,417)           |
| █                          | CP2312                           | 11B Walton Street Front Fence & Shed                                 | 25,000           | 10,417           | 0                        | (10,417)           |
| █                          | CP2315                           | 40A Hoover Street Kitchen, Bathroom & Shed                           | 35,000           | 14,583           | 0                        | (14,583)           |
| █                          | CP2316                           | 40B Hoover Street Kitchen, Bathroom & Shed                           | 35,000           | 14,583           | 0                        | (14,583)           |
| █                          | CP2317                           | 11 Queen Vic - back verandah/patio enclose                           | 20,000           | 8,333            | 230                      | (8,103)            |
| █                          | CP2318                           | 26 Queen Vic - Carport   | 25,000           | 10,417           | 0                        | (10,417)           |
| █                          | CP2319                           | 51 Gwalia - Carport  | 25,000           | 10,417           | 287                      | (10,130)           |
| █                          | CP2320                           | Cohen - Retaining Wall, fence & Shed                                 | 40,000           | 16,667           | 0                        | (16,667)           |
| █                          | CP2313                           | Transportable Accommodation 3brd x 3 bthrm                           | 190,000          | 79,167           | 62,601                   | (16,566)           |
| █                          | CP2321                           | Aged Care Village  | 5,362,000        | 2,234,167        | 1,441,985                | (792,182)          |
| █                          | CP2368                           | Archival Room, Gwalia Compactus                                      | 20,000           | 8,333            | 0                        | (8,333)            |
| █                          | <b>Total Land and Buildings</b>  |  | <b>6,692,000</b> | <b>2,788,333</b> | <b>1,505,103</b>         | <b>(1,283,230)</b> |
| <b>Plant and Equipment</b> |                                  |  |                  |                  |                          |                    |
| █                          | CP2303                           | CCTV Trailer   | 22,000           | 0                | 0                        | 0                  |
| █                          | CP2305                           | Toyota Hilux Dual Cab (Health Officer)                               | 52,000           | 0                | 0                        | 0                  |
| █                          | CP2307                           | Doctor Vehicle Kluger 2WD Petrol Wagon                               | 54,255           | 0                | 0                        | 0                  |
| █                          | CP2326                           | 10 x Skip Bins   | 35,000           | 0                | 17,500                   | 17,500             |
| █                          | CP2336                           | Grader John Deere 670G   | 495,000          | 0                | 0                        | 0                  |
| █                          | CP2337                           | Prime Mover - water cart truck                                       | 300,000          | 0                | 0                        | 0                  |
| █                          | CP2339                           | Grader Driver's Vehicle (Ranger)                                     | 62,000           | 0                | 0                        | 0                  |
| █                          | CP2340                           | Toyota Hilux dual Cab 4WD (WS)                                       | 52,000           | 0                | 0                        | 0                  |
| █                          | CP2341                           | Toyota Hilux dual Cab 4WD (P & G)                                    | 52,000           | 0                | 0                        | 0                  |
| █                          | CP2342                           | Ranger 4WD Dual Cab Tradein \$'s reqd                                | 62,000           | 0                | 0                        | 0                  |
| █                          | CP2343                           | Town Water Cart  | 72,000           | 0                | 0                        | 0                  |
| █                          | CP2345                           | Small Tipper 3 Tonne - Townsite                                      | 20,000           | 0                | 0                        | 0                  |
| █                          | CP2346                           | Trailer (Tipping) - Town Crew  | 14,000           | 0                | 0                        | 0                  |
| █                          | CP2347                           | Trailer Sub Pump, hydraulic  | 18,000           | 0                | 0                        | 0                  |
| █                          | CP2362                           | Reporting Officer's Vehicle  | 69,205           | 0                | 0                        | 0                  |
| █                          | CP2364                           | RADS Grant - Airport Framework                                       | 50,000           | 0                | 0                        | 0                  |
| █                          | CP2369                           | Toyota Hilux dual Cab 4WD (M)  | 65,254           | 0                | 0                        | 0                  |
| █                          | CP2370                           | MWS's Vehicle  | 73,000           | 0                | 0                        | 0                  |
| █                          | CP2372                           | DCEO Vehicle   | 75,225           | 0                | 0                        | 0                  |
| █                          | CP2373                           | Admin Spare Kluger   | 30,000           | 0                | 0                        | 0                  |
| █                          | CP2376                           | Toyota Landcruiser Ute/side drill rig/Tamden Trailer with compressor | 90,000           | 90,000           | 90,000                   | 0                  |
| █                          | <b>Total Plant and Equipment</b> |  | <b>1,762,939</b> | <b>90,000</b>    | <b>107,500</b>           | <b>17,500</b>      |

Please refer to the compilation report

SHIRE OF LEONORA | 14

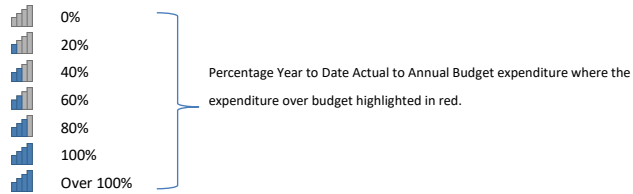
## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 NOVEMBER 2022INVESTING ACTIVITIES  
NOTE 7  
CAPITAL ACQUISITIONS (CONTINUED)

## Capital expenditure total

## Level of completion indicators



Level of completion indicator, please see table at the end of this note for further detail.

| Account Description                                  | Amended           |                  | YTD Actual       | Variance<br>(Under)/Over |
|--|-------------------|------------------|------------------|--------------------------|
|  | Budget            | YTD Budget       |                  |                          |
|  | \$                | \$               | \$               | \$                       |
| <b>Infrastructure Other</b>                          |                   |                  |                  |                          |
| IO30003 Standpipe - Electric Monitor                 | 0                 | 0                | 8,817            | 8,817                    |
| CP2301 Upgrade of CCTV System (Asset No I43)         | 45,871            | 19,113           | 0                | (19,113)                 |
| CP2302 Upgrade of CCTV System Shire Depot            | 30,000            | 12,500           | 3,315            | (9,185)                  |
| CP2325 Town Planning Development                     | 500,000           | 208,333          | 0                | (208,333)                |
| CP2327 Masonic Hall Perimetre Fence                  | 10,000            | 4,167            | 0                | (4,167)                  |
| CP2328 Barnes Federal Theatre Perimetre Fence        | 10,000            | 4,167            | 0                | (4,167)                  |
| CP2329 Swimming Pool Retiling                        | 1,048,100         | 436,708          | 0                | (436,708)                |
| CP2330 Multi-Purpose) Court Upgrade plus LED Lights  | 124,415           | 51,840           | 0                | (51,840)                 |
| CP2331 Oval Lights LED                               | 5,000             | 2,083            | 0                | (2,083)                  |
| CP2332 Small Childrens Swing Set Yungakapi Park      | 5,000             | 2,083            | 0                | (2,083)                  |
| CP2353 Fencing - Shire Common                        | 25,000            | 10,417           | 0                | (10,417)                 |
| CP2354 Footpaths (Concrete)                          | 110,000           | 45,833           | 74,535           | 28,702                   |
| CP2355 Electric Security Gates Depot (Airport Style) | 25,000            | 10,417           | 0                | (10,417)                 |
| CP2357 Carport Depot                                 | 34,000            | 14,167           | 0                | (14,167)                 |
| CP2358 Re-line Shed Depot                            | 34,000            | 14,167           | 0                | (14,167)                 |
| CP2359 Fuel Storage Unit - Self Bunded Depot         | 67,000            | 27,917           | 0                | (27,917)                 |
| CP2363 Airport Fencing - RADS                        | 248,027           | 103,345          | 302,792          | 199,447                  |
| CP2374 Antennae Internet                             | 6,000             | 2,500            | 0                | (2,500)                  |
| <b>Total Infrastructure Other</b>                    | <b>2,327,413</b>  | <b>969,755</b>   | <b>389,459</b>   | <b>(580,296)</b>         |
| <b>Infrastructure Roads</b>                          |                   |                  |                  |                          |
| IR30004 Glenorn Yundamindra Road                     | 0                 | 0                | 16,675           | 16,675                   |
| CP2349 Old Agnew SLK 21.00 to SLK 41.00 Check        | 900,000           | 375,000          | 713,466          | 338,466                  |
| CP2350 Town RAV Network R2R                          | 1,755,603         | 731,501          | 0                | (731,501)                |
| CP2351 Agnew Lake Miranda                            | 640,000           | 266,667          | 0                | (266,667)                |
| <b>Total Infrastructure Roads</b>                    | <b>3,295,603</b>  | <b>1,373,168</b> | <b>730,141</b>   | <b>(643,027)</b>         |
|  |                   |                  |                  | 0                        |
| <b>Grand Total</b>                                   | <b>14,077,955</b> | <b>5,221,257</b> | <b>2,732,203</b> | <b>(2,489,054)</b>       |

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
 FOR THE PERIOD ENDED 30 NOVEMBER 2022

OPERATING ACTIVITIES  
 NOTE 8  
 RESERVE ACCOUNTS

Reserve accounts

| Reserve name                 | Opening Balance  | Budget Interest Earned | Actual Interest Earned | Budget Transfers In (+) | Actual Transfers In (+) | Budget Transfers Out (-) | Actual Transfers Out (-) | Budget Closing Balance | Actual YTD Closing Balance |
|------------------------------|------------------|------------------------|------------------------|-------------------------|-------------------------|--------------------------|--------------------------|------------------------|----------------------------|
|                              | \$               | \$                     | \$                     | \$                      | \$                      | \$                       | \$                       | \$                     | \$                         |
| <b>Restricted by Council</b> |                  |                        |                        |                         |                         |                          |                          |                        |                            |
| Long Service Leave reserve   | 134,623          | 0                      | 319                    | 0                       | 0                       | 0                        | 0                        | 134,623                | 134,942                    |
| Heritage Buildings reserve   | 200,041          | 0                      | 475                    | 0                       | 0                       | 0                        | 0                        | 200,041                | 200,516                    |
| Aged Care reserve            | 2,121,478        | 0                      | 5,032                  | 0                       | 0                       | (2,000,000)              | 0                        | 121,478                | 2,126,510                  |
| Pool reserve                 | 474,036          | 0                      | 1,124                  | 0                       | 0                       | (300,000)                | 0                        | 174,036                | 475,160                    |
| IT reserve                   | 15,000           | 0                      | 0                      | 0                       | 0                       | 0                        | 0                        | 15,000                 | 15,000                     |
| Airport reserve              | 746,453          | 0                      | 0                      | 0                       | 0                       | 0                        | 0                        | 746,453                | 746,453                    |
| Plant reserve                | 1,115,615        | 0                      | 2,646                  | 0                       | 0                       | (900,000)                | 0                        | 215,615                | 1,118,261                  |
| Fire Disaster reserve        | 39,940           | 0                      | 95                     | 0                       | 0                       | 0                        | 0                        | 39,940                 | 40,035                     |
| Annual Leave reserve         | 165,420          | 0                      | 392                    | 0                       | 0                       | 0                        | 0                        | 165,420                | 165,812                    |
| Gwalia Precinct reserve      | 488,875          | 0                      | 1,160                  | 0                       | 0                       | 0                        | 0                        | 488,875                | 490,035                    |
| Building Maintenance reserve | 2,839,603        | 0                      | 6,736                  | 0                       | 0                       | (1,200,000)              | 0                        | 1,639,603              | 2,846,339                  |
| Waste Management reserve     | 456,137          | 0                      | 1,082                  | 0                       | 0                       | 0                        | 0                        | 456,137                | 457,219                    |
|                              | <b>8,797,221</b> | <b>0</b>               | <b>19,061</b>          | <b>0</b>                | <b>0</b>                | <b>(4,400,000)</b>       | <b>0</b>                 | <b>4,397,221</b>       | <b>8,816,282</b>           |

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 NOVEMBER 2022OPERATING ACTIVITIES  
NOTE 9  
OTHER CURRENT LIABILITIES

|  | Note | Opening<br>Balance<br>1 July 2022 | Liability<br>transferred<br>from/(to) non<br>current | Liability<br>Increase | Liability<br>Reduction | Closing<br>Balance<br>30 November 2022 |
|--|------|-----------------------------------|--|-----------------------|------------------------|--|
|  |      | \$                                |  | \$                    | \$                     | \$                                     |
| <b>Other current liabilities</b>                   |      |                                   |  |                       |                        |  |
| <b>Other liabilities</b>                           |      |                                   |  |                       |                        |  |
| - Contract liabilities                             |      | 348,746                           | 0  | 164,667               | (202,904)              | 310,509                                |
| - Capital grant/contribution liabilities           |      | 1,761,269                         | 0  | 0                     | (1,335,354)            | 425,915                                |
| <b>Total other liabilities</b>                     |      | 2,110,015                         | 0  | 164,667               | (1,538,258)            | 736,424                                |
| <b>Employee Related Provisions</b>                 |      |                                   |  |                       |                        |  |
| Annual leave                                       |      | 172,113                           | 0  | 0                     | 0                      | 172,113                                |
| Long service leave                                 |      | 128,576                           | 0  | 0                     | 0                      | 128,576                                |
| <b>Total Employee Related Provisions</b>           |      | 300,689                           | 0  | 0                     | 0                      | 300,689                                |
| <b>Total other current liabilities</b>             |      | <b>2,410,704</b>                  | <b>0</b>   | <b>164,667</b>        | <b>(1,538,258)</b>     | <b>1,037,113</b>                       |
| Amounts shown above include GST (where applicable) |      |                                   |  |                       |                        |  |

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 10 and 11

## KEY INFORMATION

## Provisions

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

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

## Employee Related Provisions

## 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 calculation of net current assets.

## Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

Long-term employee benefits 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.

## Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

## Capital grant/contribution liabilities

Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 NOVEMBER 2022

NOTE 10

## OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

| Provider                               | Unspent operating grant, subsidies and contributions liability |                       |                       |                |                   | Operating grants, subsidies and contributions revenue |                  |                |
|--|--|-----------------------|-----------------------|----------------|-------------------|---|------------------|----------------|
|  | Liability  | Increase in Liability | Decrease in Liability | Liability      | Current Liability | Amended Budget  | YTD              | YTD            |
|  | 1 July 2022  |                       | (As revenue)          | 30 Nov 2022    | 30 Nov 2022       | Revenue   | Budget           | Revenue Actual |
|  | \$   | \$                    | \$                    | \$             | \$                | \$  | \$               | \$             |
| <b>Operating grants and subsidies</b>  |  |                       |                       |                |                   |   |                  |                |
| <b>General purpose funding</b>         |  |                       |                       |                |                   |   |                  |                |
| Grant - Equalisation                   | 0  | 0                     | 0                     | 0              | 0                 | 338,132   | 169,066          | 86,487         |
| Grant - Roads (Untied)                 | 0  | 0                     | 0                     | 0              | 0                 | 230,160   | 115,080          | 85,811         |
| <b>Law, order, public safety</b>       |  |                       |                       |                |                   |   |                  |                |
| Operational Grant - Bush Fire          | 0  | 0                     | 0                     | 0              | 0                 | 2,682   | 2,682            | 699            |
| <b>Education and welfare</b>           |  |                       |                       |                |                   |   |                  |                |
| Grant- Sustainability Child Care       | 0  | 0                     | 0                     | 0              | 0                 | 68,107  | 34,053           | 34,054         |
| Childcare Grants (Misc)                | 0  | 0                     | 0                     | 0              | 0                 | 15,500  | 6,463            | 0              |
| Youth Support DCP Grant                | 0  | 37,697                | (31,022)              | 6,675          | 6,675             | 75,001  | 31,251           | 31,676         |
| Youth Program Grants                   | 0  | 0                     | 0                     | 0              | 0                 | 5,500   | 2,294            | 0              |
| LGA Suicide Prevent Grant              | 35,000   | 0                     | 0                     | 35,000         | 35,000            | 35,000  | 14,588           | 0              |
| <b>Recreation and culture</b>          |  |                       |                       |                |                   |   |                  |                |
| National Australia Day Grant           | 0  | 0                     | 0                     | 0              | 0                 | 20,000  | 0                | 0              |
| Other grants - Various                 | 0  | 0                     | 0                     | 0              | 0                 | 115,000   | 47,919           | 0              |
| CDC Services Grant                     | 313,746  | 0                     | (70,700)              | 243,046        | 243,046           | 623,395   | 259,752          | 70,700         |
| Indue Agreement                        | 0  | 68,119                | (53,810)              | 14,309         | 14,309            | 129,137   | 53,810           | 53,810         |
| Other Grant Funding                    | 0  | 0                     | 0                     | 0              | 0                 | 3,000   | 1,250            | 0              |
| Nyunnga-Ku Womens Group                | 0  | 0                     | 0                     | 0              | 0                 | 0   | 0                | 5,000          |
| Grant CRC Services                     | 0  | 58,851                | (47,372)              | 11,479         | 11,479            | 113,690   | 47,372           | 47,372         |
| <b>Transport</b>                       |  |                       |                       |                |                   |   |                  |                |
| Contrib. - Street Lights               | 0  | 0                     | 0                     | 0              | 0                 | 3,699   | 3,699            | 8,786          |
| Grants - MRWA Direct                   | 0  | 0                     | 0                     | 0              | 0                 | 179,442   | 179,442          | 183,302        |
| RADS Grant - Airport Framework         | 0  | 0                     | 0                     | 0              | 0                 | 50,000  | 50,000           | 0              |
| RADS Grant - Security Fencing          | 0  | 0                     | 0                     | 0              | 0                 | 248,027   | 0                | 0              |
| <b>Economic services</b>               |  |                       |                       |                |                   |   |                  |                |
| Cactus Eradication                     | 0  | 0                     | 0                     | 0              | 0                 | 50,000  | 20,831           | 0              |
| Gwalia Historical Precinct other grant | 0  | 0                     | 0                     | 0              | 0                 | 120,000   | 50,000           | 0              |
| Leonora Golden Gift Sponsorship        | 0  | 0                     | 0                     | 0              | 0                 | 125,000   | 52,081           | 0              |
| Leonora Golden Gift Grant              | 0  | 0                     | 0                     | 0              | 0                 | 66,000  | 27,500           | 20,000         |
|  | <b>348,746</b>   | <b>164,667</b>        | <b>(202,904)</b>      | <b>310,509</b> | <b>310,509</b>    | <b>2,616,472</b>                                      | <b>1,169,133</b> | <b>627,697</b> |

## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 NOVEMBER 2022

NOTE 11

## NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

| Provider  | Capital grant/contribution liabilities |                       |                                    |                |                   | Non operating grants, subsidies and contributions revenue |                  |                  |
|---|--|-----------------------|------------------------------------|----------------|-------------------|---|------------------|------------------|
|   | Liability                              | Increase in Liability | Decrease in Liability (As revenue) | Liability      | Current Liability | Amended Budget  | YTD              | YTD Revenue      |
|   | 1 July 2022                            |                       |                                    | 30 Nov 2022    | 30 Nov 2022       | Revenue   | Budget           | Actual           |
|   | \$                                     | \$                    | \$                                 | \$             | \$                | \$  | \$               | \$               |
| <b>Non-operating grants and subsidies</b>       |  |                       |                                    |                |                   |   |                  |                  |
| <b>General purpose funding</b>                  |  |                       |                                    |                |                   |   |                  |                  |
| Grant-Infra(COVID) Yingkapayi Playground        | 0                                      | 0                     | 0                                  | 0              | 0                 | 100,117   | 100,117          | 66,745           |
| Grant-Infra(COVID) Yingkapayi Playground        | 0                                      | 0                     | 0                                  | 0              | 0                 | 25,042  | 25,042           | 0                |
| Grant-Infra(COVID) Public Toilets Townsite      | 0                                      | 0                     | 0                                  | 0              | 0                 | 15,000  | 15,000           | 0                |
| Grant-Infra(COVID) Malcolm Dam Facility Upgrade | 0                                      | 0                     | 0                                  | 0              | 0                 | 4,000   | 4,000            | 0                |
| <b>Housing</b>                                  |  |                       |                                    |                |                   |   |                  |                  |
| Ageing in Place                                 | 1,335,354                              | 0                     | (1,335,354)                        | 0              | 0                 | 3,500,000   | 1,458,338        | 1,335,354        |
| <b>Recreation and culture</b>                   |  |                       |                                    |                |                   |   |                  |                  |
| ACA Grant - Indoor Cricket Net                  | 0                                      | 0                     | 0                                  | 0              | 0                 | 1,000   | 1,000            | 0                |
| Swimming Pool - LRCI Phase 3 Grant              | 325,915                                | 0                     | 0                                  | 325,915        | 325,915           | 880,830   | 440,415          | 0                |
| Multi-Purpose Courts Tower Street               | 100,000                                | 0                     | 0                                  | 100,000        | 100,000           | 138,516   | 138,516          | 0                |
| <b>Transport</b>                                |  |                       |                                    |                |                   |   |                  |                  |
| Grant - Roads to Recovery                       | 0                                      | 0                     | 0                                  | 0              | 0                 | 403,598   | 0                | 0                |
| RRG Funding-Grant                               | 0                                      | 0                     | 0                                  | 0              | 0                 | 600,000   | 240,000          | 240,000          |
|   | <b>1,761,269</b>                       | <b>0</b>              | <b>(1,335,354)</b>                 | <b>425,915</b> | <b>425,915</b>    | <b>5,668,103</b>  | <b>2,422,428</b> | <b>1,642,099</b> |

**ORDINARY COUNCIL MEETING MINUTES**

**20 DECEMBER 2022**

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
 FOR THE PERIOD ENDED 30 NOVEMBER 2022**

**NOTE 12  
 BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

| GL Code | Description  | Council Resolution | Classification   | Non Cash Adjustment | Increase in Available Cash | Decrease in Available Cash | Amended Budget Running Balance |
|---------|--|--------------------|------------------|---------------------|----------------------------|----------------------------|--------------------------------|
|         |  |                    |                  | \$                  | \$                         | \$                         | \$                             |
| CP2376  | Toyota Landcruiser Ute/side drill rig/Tamden Trailer with compressor | 10.2.(A) NOV 22    | Capital Expenses | 0                   | 0                          | (90,000)                   | (90,000)                       |
|         |  |                    |                  | 0                   | 0                          | (90,000)                   | (90,000)                       |

**ORDINARY COUNCIL MEETING MINUTES**

**20 DECEMBER 2022**

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**

**NOTE 13**

**FOR THE PERIOD ENDED 30 NOVEMBER 2022**

**EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2022-23 year is \$15,000 or 8.00% whichever is the greater.

| Nature or type  | Var. \$   | Var. %   | Explanation of positive variances |   | Explanation of negative variances |   |
|---|-----------|----------|-----------------------------------|---|-----------------------------------|---|
|   |           |          | Timing                            | Permanent   | Timing                            | Permanent   |
| <b>Opening funding surplus / (deficit)</b>                      | \$ 87,213 | 45.45%   | ▲                                 |   |                                   |   |
| <b>Revenue from operating activities</b>                        |           |          |                                   |   |                                   |   |
| Operating grants, subsidies and contributions                   | (541,436) | (46.31%) | ▼                                 |   |                                   | LRCI Grant 10% Phase 1 & Phase 2 yet to be received.<br>CDC Hub Grant funds milestone payment due 31st October 2022 |
| Interest earnings   | 29,387    | 882.49%  | ▲                                 | Interest rate increases   |                                   |   |
| <b>Expenditure from operating activities</b>                    |           |          |                                   |   |                                   |   |
| Employee costs  | (685,450) | (67.74%) | ▼                                 |   |                                   | Allocations   |
| Materials and contracts   | 1,713,388 | 55.49%   | ▲                                 | Timing of works to be carried out                               |                                   |   |
| Utility charges   | (30,032)  | (27.75%) | ▼                                 |   |                                   | Timing  |
| Depreciation on non-current assets                              | (61,294)  | (8.02%)  | ▼                                 |   |                                   | Applied Depreciation  |
| Non-cash amounts excluded from operating activities             | 62,006    | 8.11%    | ▲                                 | Profit/Loss on disposal of assets - disposals yet to take place |                                   |   |
| <b>Investing activities</b>                                     |           |          |                                   |   |                                   |   |
| Proceeds from non-operating grants, subsidies and contributions | (780,329) | (32.21%) | ▼                                 |   |                                   | Various grant funding timing over 12 months   |
| Payments for property, plant and equipment and infrastructure   | 2,489,054 | 47.67%   | ▲                                 | Tenders in progress or yet to be undertaken                     |                                   |   |
| <b>Financing activities</b>                                     |           |          |                                   |   |                                   |   |
| Transfer to reserves  | (19,061)  | 0.00%    | ▼                                 | Interest received Due to variances                              |                                   |   |
| <b>Closing funding surplus / (deficit)</b>                      | 2,299,769 | (76.71%) | ▲                                 | as described  |                                   |   |

Please refer to the compilation report

SHIRE OF LEONORA | 1



## 10.0 REPORTS

### 10.3 DEPUTY CHIEF EXECUTIVE OFFICER REPORTS

#### 10.3.(C) ACCOUNTS FOR PAYMENT

|  |  |
|--|--|
| <b>SUBMISSION TO:</b>  | Ordinary Council Meeting<br>Meeting Date: 20th December 2022 |
| <b>AGENDA REFERENCE:</b>                                     | 10.3.(C) DEC 22  |
| <b>SUBJECT:</b>  | Accounts for Payment   |
| <b>LOCATION/ADDRESS:</b>                                     | Nil  |
| <b>NAME OF APPLICANT:</b>                                    | Nil  |
| <b>FILE REFERENCE:</b>                                       | Nil  |
| <b>AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT</b> |  |
| <b>NAME:</b>   | Lee-Anne Trevenen  |
| <b>OFFICER:</b>  | Deputy Chief Executive Officer                               |
| <b>INTEREST DISCLOSURE:</b>                                  | Nil  |
| <b>DATE:</b>   | 15th December 2022   |
| <b>SUPPORTING DOCUMENTS:</b>                                 | 1. Accounts for Payment - December, 2022 <a href="#">↓</a>   |

#### BACKGROUND

Attached statements consist of accounts paid by Delegated Authority totalling **\$2,080,390.35** since the previous council meeting consisting of:

- (1) Direct Bank Transactions numbered from **2568** to **2602** and totalling **\$43,698.01**;
  - a. Includes Credit Card Payments of **\$6,611.06** for **November, 2022**.
- (2) Batch Payments **151, 152, 153, 154, & 155** totalling **\$1,743,813.87**; and
- (3) Cheque **25842** and Payroll Payments from **Pay Period Ending 14/11/2022, 28/11/2022** and **12/12/2022** totalling **\$292,878.47**.

#### STATUTORY ENVIRONMENT

*Local Government Act 1995* S6.10 & *Financial Management (1996)* Regulation 12 & 13 apply to how the information is to be presented within this report for authorisation by Council.

#### POLICY IMPLICATIONS

There are no policy implications resulting from the recommendation of this report.

#### FINANCIAL IMPLICATIONS

There are no financial implications resulting from the recommendation of this report.

#### STRATEGIC IMPLICATIONS

There are no strategic implications resulting from the recommendation of this report.

**ORDINARY COUNCIL MEETING MINUTES**

---

**RECOMMENDATIONS**

That Council accepts the accounts for payment, as detailed:

- (1) Direct Bank Transactions numbered from **2568** to **2602** and totalling **\$43,698.01**;
  - a. *Includes Credit Card Payments of \$6,611.06 for November, 2022.*
- (2) Batch Payments **151, 152, 153, 154, & 155** totalling **\$1,743,813.87**; and
- (3) Cheque **25842** and Payroll Payments from **Pay Period Ending 14/11/2022, 28/11/2022** and **12/12/2022** totalling **\$292,878.47**.

**VOTING REQUIREMENT**

Simple Majority

**COUNCIL DECISION**

**Moved: Cr RM Cotterill**

**Seconded: Cr AM Moore**

That Council accepts the accounts for payment, as detailed:

- (1) Direct Bank Transactions numbered from **2568** to **2602** and totalling **\$43,698.01**;
  - a. *Includes Credit Card Payments of \$6,611.06 for November, 2022.*
- (2) Batch Payments **151, 152, 153, 154, & 155** totalling **\$1,743,813.87**; and
- (3) Cheque **25842** and Payroll Payments from **Pay Period Ending 14/11/2022, 28/11/2022** and **12/12/2022** totalling **\$292,878.47**.

**CARRIED (5 VOTES TO 0)**



**Accounts for Payment  
Presented to Council  
20th December, 2022**

## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

## Accounts for Payment - December, 2022 Credit Card Breakdown

| Shire of Leonora  |  |  |   |                                |                   |
|---|--|--|---|--------------------------------|-------------------|
| Monthly Report – List of Credit Card Transactions Paid by Delegated Authority   |  |  |   |                                |                   |
| Submitted to Council on the 20th December, 2022   |  |  |   |                                |                   |
| The following list of accounts relate to Credit Card Transactions paid under delegation by the Chief Executive Officer, since the previous list of accounts. Payments detailed are from statements for <b>November, 2022</b> as per Direct Bank Transaction <b>2639</b> totalling <b>\$6,611.06</b> . |  |  |   |                                |                   |
| CHIEF EXECUTIVE OFFICER   |  |  |   |                                |                   |
| Reference   | Date   | Name                                     | Item  | Payment by Delegated Authority | Balance           |
| CEO 11/22<br>(Card 3624)  | 01/11/2022                                     | Whitehouse Hotel                         | Volunteers - Outback Grave Markers and Community                            | 359.10                         | 359.10            |
|   | 07/11/2022                                     | Bizness Apps                             | Monthly subscription to hosting service for Geocaching App - November, 2022 | 157.01                         | 516.11            |
|   | 07/11/2022                                     | Whitehouse Hotel                         | Volunteers - Outback Grave Markers and Community Memebers 29/10/22          | 217.90                         | 734.01            |
|   | 11/11/2022                                     | Coles Express Leonora                    | Fuel for P1   | 309.27                         | 1,043.28          |
|   | 14/11/2022                                     | Crown Towers Perth                       | Error in Booking  | 556.34                         | 1,599.62          |
|   | 14/11/2022                                     | Crown Towers Perth                       | Error in Booking  | -556.34                        | 1,043.28          |
|   | 16/11/2022                                     | Foxtel                                   | Fees and Charges for 229 Hoover Street                                      | 276.90                         | 1,320.18          |
|   | 21/11/2022                                     | Whitehouse Hotel                         | Animal Sterilisation Program Vet Graduates                                  | 568.00                         | 1,888.18          |
|   | 21/11/2022                                     | Central Hotel                            | Rick Wilson MP and Crew   | 166.10                         | 2,054.28          |
|   | 24/11/2022                                     | Perth Childrens Hospital Foundation      | Donation  | 1,000.00                       | 3,054.28          |
|   | 24/11/2022                                     | ACMA.                                    | Renewal of Apparatus Licence  | 405.00                         | 3,459.28          |
|   | 24/11/2022                                     | Petals Network                           | Sympathy Wreath for Zagorianos Family                                       | 129.95                         | 646.06            |
|   | 25/11/2022                                     | Department Of Health                     | Workers Compensation  | 351.00                         | 997.06            |
|   | 29/11/2022                                     | National Australia Bank                  | Card Fees   | 9.00                           | 1,006.06          |
| <b>Total CEO Card October, 2022</b>   |  |  |   | <b>\$3,949.23</b>              |                   |
| DCEO 11/22<br>(Card 4580)   | 08/11/2022                                     | O'Connors Kalgoorlie                     | Asbestos Awareness BBQ  | 66.55                          | 66.55             |
|   | 09/11/2022                                     | IGA Hannans Kalgoorlie                   | Consumables for Hoover House  | 55.00                          | 121.55            |
|   | 21/11/2022                                     | Hospitality Kalgoorlie                   | CDC Hub   | 1,226.57                       | 1,348.12          |
|   | 24/11/2022                                     | Goldfield Little Loads and Gardens       | Street Trees  | 700.00                         | 2,048.12          |
|   | 28/11/2022                                     | WA Police & Community Youth Centre - Kal | 10 Sponsorship Tickets  | 600.00                         | 2,648.12          |
|   | 29/11/2022                                     | National Australia Bank                  | Card Fees   | 9.00                           | 2,657.12          |
|   | <b>Total DCEO Card November, 2022</b>          |  |   |                                | <b>\$2,657.12</b> |
| Other Fees / Payments<br>10/22  | 29/11/2022                                     | National Australia Bank                  | International Transaction Fee - Geocaching App November, 2022               | 4.71                           | 4.71              |
|   | <b>Total Other Fees/Payments October, 2022</b> |  |   |                                | <b>\$4.71</b>     |
| <b>2639</b>   | <b>05/12/2022</b>                              | <b>National Australia Bank</b>           | <b>Credit Card Payments - November, 2022</b>                                | <b>\$6,611.06</b>              |                   |

## Accounts for Payment - December, 2022 Direct Bank Transactions

| Shire of Leonora   |            |                          |  |                                |           |
|--|------------|--------------------------|--|--------------------------------|-----------|
| Monthly Report – List of Direct Bank Transactions Paid by Delegated Authority  |            |                          |  |                                |           |
| Submitted to Council on the 20th December, 2022  |            |                          |  |                                |           |
| The following list of accounts relate to Direct Bank Transactions paid under delegation by the Chief Executive Officer, since the previous list of accounts. Transactions are numbered from 2603 to 2639 and totalling \$43,698.01 |            |                          |  |                                |           |
| <b>CHIEF EXECUTIVE OFFICER</b>   |            |                          |  |                                |           |
| Transaction  | Date       | Name                     | Item   | Payment by Delegated Authority | Balance   |
| 2603   | 07/11/2022 | National Australia Bank  | NAB Connect Fees September, 2022                               | 54.23                          | 54.23     |
| 2604   | 16/11/2022 | 3E Advantage             | Fees and Charges for Printers October, 2022                    | 4,985.77                       | 5,040.00  |
| 2605   | 17/11/2022 | Australian Super         | Superannuation PPE: 14/11/2022                                 | 2,361.20                       | 7,401.20  |
| 2606   | 17/11/2022 | Aware Super              | Superannuation PPE: 14/11/2022                                 | 9,524.58                       | 16,925.78 |
| 2607   | 17/11/2022 | Christian Super          | Superannuation PPE: 14/11/2022                                 | 73.50                          | 16,999.28 |
| 2608   | 17/11/2022 | CBUS                     | Superannuation PPE: 14/11/2022                                 | 543.79                         | 17,543.07 |
| 2609   | 17/11/2022 | HESTA                    | Superannuation PPE: 14/11/2022                                 | 288.05                         | 17,831.12 |
| 2610   | 17/11/2022 | Host Plus                | Superannuation PPE: 14/11/2022                                 | 749.48                         | 18,580.60 |
| 2611   | 17/11/2022 | ING Superannuation       | Superannuation PPE: 14/11/2022                                 | 184.99                         | 18,765.59 |
| 2612   | 17/11/2022 | MTAA Superannuation Fund | Superannuation PPE: 14/11/2022                                 | 408.66                         | 19,174.25 |
| 2613   | 17/11/2022 | Rest Superannuation      | Superannuation PPE: 14/11/2022                                 | 263.58                         | 19,437.83 |
| 2614   | 17/11/2022 | TWU Superannuation Fund  | Superannuation PPE: 14/11/2022                                 | 584.22                         | 20,022.05 |
| 2615   | 17/11/2022 | Wealth Personal Super    | Superannuation PPE: 14/11/2022                                 | 186.32                         | 20,208.37 |
| 2616   | 01/12/2022 | Geoscience Australia     | Refund lease fees paid twice in error                          | 550.00                         | 20,758.37 |
| 2617   | 30/11/2022 | National Australia Bank  | EFTPOS Merchant Fee - November, 2022- Rec Centre - 7379314     | 20.00                          | 20,778.37 |
| 2618   | 30/11/2022 | National Australia Bank  | EFTPOS Merchant Fee - November, 2022- Childcare - 7381278      | 20.00                          | 20,798.37 |
| 2619   | 30/11/2022 | National Australia Bank  | EFTPOS Merchant Fee - November, 2022- Info Centre - 7374463    | 21.18                          | 20,819.55 |
| 2620   | 30/11/2022 | National Australia Bank  | EFTPOS Merchant Fee - November, 2022- CRC - 7380395            | 24.00                          | 20,843.55 |
| 2621   | 28/11/2022 | Click Super              | Transaction & Facility Fee - Click Super - November, 2022      | 28.93                          | 20,872.48 |
| 2622   | 30/11/2022 | National Australia Bank  | EFTPOS Merchant Fee - November, 2022- Airport - 7374471        | 55.28                          | 20,927.76 |
| 2623   | 30/11/2022 | National Australia Bank  | EFTPOS Merchant Fee - November, 2022- Events - 7374513         | 75.17                          | 21,002.93 |
| 2624   | 30/11/2022 | National Australia Bank  | EFTPOS Merchant Fee - November, 2022- Shire & Museum - 7381393 | 330.95                         | 21,333.88 |
| 2625   | 30/11/2022 | National Australia Bank  | Muni bank account fees November 2022                           | 63.10                          | 21,396.98 |
| 2626   | 30/11/2022 | National Australia Bank  | NAB Connect Fees November, 2022                                | 51.73                          | 21,448.71 |
| 2627   | 02/12/2022 | Australian Super         | Superannuation PPE: 28/11/2022                                 | 2,141.84                       | 23,590.55 |
| 2628   | 02/12/2022 | Aware Super              | Superannuation PPE: 28/11/2022                                 | 10,145.32                      | 33,735.87 |
| 2629   | 02/12/2022 | Christian Super          | Superannuation PPE: 28/11/2022                                 | 73.50                          | 33,809.37 |
| 2630   | 02/12/2022 | CBUS                     | Superannuation PPE: 28/11/2022                                 | 543.79                         | 34,353.16 |
| 2631   | 02/12/2022 | HESTA                    | Superannuation PPE: 28/11/2022                                 | 288.05                         | 34,641.21 |
| 2632   | 02/12/2022 | Host Plus                | Superannuation PPE: 28/11/2022                                 | 750.76                         | 35,391.97 |
| 2633   | 02/12/2022 | ING Superannuation       | Superannuation PPE: 28/11/2022                                 | 285.17                         | 35,677.14 |

**Accounts for Payment - December, 2022 Direct Bank Transactions**

| Transaction        | Date       | Name                     | Item   | Payment by Delegated Authority | Balance   |
|--------------------|------------|--------------------------|--|--------------------------------|-----------|
| 2634               | 02/12/2022 | MTAA Superannuation Fund | Superannuation PPE: 28/11/2022                       | 408.66                         | 36,085.80 |
| 2635               | 02/12/2022 | Rest Superannuation      | Superannuation PPE: 28/11/2022                       | 253.77                         | 36,339.57 |
| 2636               | 02/12/2022 | TWU Superannuation Fund  | Superannuation PPE: 28/11/2022                       | 526.77                         | 36,866.34 |
| 2637               | 02/12/2022 | Wealth Personal Super    | Superannuation PPE: 28/11/2022                       | 209.61                         | 37,075.95 |
| 2638               | 01/12/2022 | Westnet                  | Monthly Hosting of CRC E-mail Address December, 2022 | 11.00                          | 37,086.95 |
| 2639               | 05/12/2022 | National Australia Bank  | Shire Credit Cards for November, 2022                | 6,611.06                       | 43,698.01 |
| <b>GRAND TOTAL</b> |            |                          |  | <b>\$43,698.01</b>             |           |

### Accounts for Payment - December, 2022 Batch Payments 151 - 155

| Shire of Leonora   |            |                                     |   |                                |            |
|--|------------|-------------------------------------|---|--------------------------------|------------|
| Monthly Report – List of Accounts Paid by Delegated Authority  |            |                                     |   |                                |            |
| Submitted to Council on the 20th December, 2022  |            |                                     |   |                                |            |
| <p><b>Batch Payments 151, 152, 153, 154, &amp; 155</b>, totalling <b>\$1,743,813.87</b> have been paid by delegated authority by the Chief Executive Officer and has been checked and are fully supported by remittances and duly certified invoices with checks being carried out as to prices, computations and costing. Bank Details are reconciled against those invoices by two officers.</p> |            |                                     |   |                                |            |
| <p>_____<br/> <b>CHIEF EXECUTIVE OFFICER</b></p>   |            |                                     |   |                                |            |
| Batch Ref  | Date       | Name                                | Item  | Payment by delegated Authority | Balance    |
| BP 151.01  | 10/11/2022 | ALU Glass                           | Replacement glass for bain-marie at Hoover House as per Quote   | 1,520.00                       | 1,520.00   |
| BP 151.02  | 10/11/2022 | AYA Group Pty Ltd                   | Consumables provided to Hoover House, Nyunnga-Ku Women's Group, Main Office and CRC                         | 1,239.30                       | 2,759.30   |
| BP 151.03  | 10/11/2022 | Canine Control                      | Ranger Service for 3rd and 4th November, 2022   | 4,215.20                       | 6,974.50   |
| BP 151.04  | 10/11/2022 | CyberSecure Pty Limited             | Monthly Data Protection October and November, 2022  | 501.60                         | 7,476.10   |
| BP 151.05  | 10/11/2022 | Debbie Jordan                       | Reimbursement for consumables for Childcare Centre  | 33.40                          | 7,509.50   |
| BP 151.06  | 10/11/2022 | Drew Whitby.                        | Reimbursement for fuel  | 50.00                          | 7,559.50   |
| BP 151.07  | 10/11/2022 | Eagle Petroleum (WA) Pty Ltd        | Shire fuel cards October, 2022  | 1,075.83                       | 8,635.33   |
| BP 151.08  | 10/11/2022 | Earth Australia Contracting Pty Ltd | Gas bottles for Hoover House  | 135.00                         | 8,770.33   |
| BP 151.09  | 10/11/2022 | GTN Services                        | 20,000km Service for P1   | 490.04                         | 9,260.37   |
| BP 151.10  | 10/11/2022 | Horizon Power                       | Fees and Charges for Street Lights and Decorative Street Lights 1/10/2022 - 31/10/22                        | 5,842.39                       | 15,102.76  |
| BP 151.11  | 10/11/2022 | Juwest Pty Ltd                      | Carry out light earthworks to various street sides, form up, pour and finish concrete to footpaths          | 81,988.50                      | 97,091.26  |
| BP 151.12  | 10/11/2022 | Leonora Motor Inn                   | Accommodation for Ms T Browning Moore Australia 2 nights Monday 7th November - Wednesday 9th November, 2022 | 270.00                         | 97,361.26  |
| BP 151.13  | 10/11/2022 | Leonora Pharmacy -                  | Medical supplies for Depot Staff  | 475.00                         | 97,836.26  |
| BP 151.14  | 10/11/2022 | LHK Family Trust                    | Loader operations dry hire, Side Tipper Double dry and Meals and accommodation at Leonora Lodge             | 103,576.00                     | 201,412.26 |
| BP 151.15  | 10/11/2022 | Luck Thai Cleaning                  | Cleaning of Shire Facilities 24/10/22 - 06/11/22  | 7,474.50                       | 208,886.76 |
| BP 151.16  | 10/11/2022 | Magnum Road Maintenance - MRM       | Supply Grader Operator for maintenance grading on Nambi Road 31/10/22 - 2/11/22                             | 2,178.00                       | 211,064.76 |
| BP 151.17  | 10/11/2022 | Marketforce                         | Advertising Public Notices 29/10/2022 and Tenders 22/10/22  | 1,550.05                       | 212,614.81 |
| BP 151.18  | 10/11/2022 | Mary Molloy.                        | Reimbursement for Fuel for P306   | 40.02                          | 212,654.83 |
| BP 151.19  | 10/11/2022 | Modern Teaching Aids Pty Ltd        | Toys and cleaning supplies for Childcare Centre   | 340.84                         | 212,995.67 |

## Accounts for Payment - December, 2022 Batch Payments 151 - 155

| Batch Ref                        | Date       | Name                                      | Item  | Payment by delegated Authority | Balance    |
|----------------------------------|------------|---|---|--------------------------------|------------|
| BP 151.20                        | 10/11/2022 | Netlogic Information Technology           | Laptop for MWS, server and PC monitoring, and resolution of minor technical issues for November, 2022 | 4,411.45                       | 217,407.12 |
| BP 151.21                        | 10/11/2022 | Outback Parks&Lodges                      | Ranger Accommodation for 3/11/22  | 165.00                         | 217,572.12 |
| BP 151.22                        | 10/11/2022 | Pier Street Medical                       | Pre employment medical and D&A-Katie Livesey  | 196.00                         | 217,768.12 |
| BP 151.23                        | 10/11/2022 | Prime Media Group Ltd                     | Promoting Leonora TV 12 Months Airtime October, 2022  | 1,100.00                       | 218,868.12 |
| BP 151.24                        | 10/11/2022 | Telstra                                   | Fees and Charges 22/09/22 - 21/10/22  | 2,670.78                       | 221,538.90 |
| BP 151.25                        | 10/11/2022 | Toll Transport Pty Ltd                    | Freight for Main Office   | 33.62                          | 221,572.52 |
| BP 151.26                        | 10/11/2022 | Vanguard Press                            | Freight and Handling of Northern Goldfields Tourism Maps and Brochures October, 2022                  | 922.74                         | 222,495.26 |
| BP 151.27                        | 10/11/2022 | Whitehouse Hotel                          | Dinner for Volunteers - Outback Grave Markers 31th October, 2022                                      | 876.80                         | 223,372.06 |
| <b>Total - Batch Payment 151</b> |            |   |   | <b>223,372.06</b>              |            |
| BP 152.01                        | 18/11/2022 | Air Liquide W.A. Ltd                      | Fees and Charges for November, 2022   | 26.06                          | 26.06      |
| BP 152.02                        | 18/11/2022 | Bunnings Building Supplies Pty Ltd        | Supply 2 Custom Cabinet Doors, 1 Set Drawer Slides and Assorted Lighting and Electrical               | 234.43                         | 260.49     |
| BP 152.03                        | 18/11/2022 | Calimo Pty Ltd                            | Construction of Leonora Retirement Village Progress Claim # 3   | 469,260.00                     | 469,520.49 |
| BP 152.04                        | 18/11/2022 | Central Hotel                             | Catering and refreshments for WSM Farewell, Mental Health Awareness Week and Big Blue Table Event.    | 4,587.80                       | 474,108.29 |
| BP 152.05                        | 18/11/2022 | Corsign WA Pty Ltd                        | Signs & associated accessories for Old Agnew Road   | 37,441.25                      | 511,549.54 |
| BP 152.06                        | 18/11/2022 | Coyles Mower & Chainsaw Centre            | Hedge Trimmer and clean sprays for Depot  | 463.00                         | 512,012.54 |
| BP 152.07                        | 18/11/2022 | CR Hose Glassware Pty Ltd                 | Glasses for Resale at Gwalia  | 1,378.60                       | 513,391.14 |
| BP 152.08                        | 18/11/2022 | Department of Premier and Cabinet         | Advertising of Amendment to Local Law 2022  | 187.20                         | 513,578.34 |
| BP 152.09                        | 18/11/2022 | Des Taylor                                | Forklift Tyres for Depot  | 238.00                         | 513,816.34 |
| BP 152.10                        | 18/11/2022 | Dunning's                                 | Refill 38 Drum 200L of Avgas @ \$2.67   | 22,321.20                      | 536,137.54 |
| BP 152.11                        | 18/11/2022 | Galaxy Embroidery and Printing            | Embroidered Polo Shirts and Stickers for Resale for Gwalia  | 3,505.41                       | 539,642.95 |
| BP 152.12                        | 18/11/2022 | Harvey Norman AV/IT Superstore Kalgoorlie | Air Fryer for Lot 144 Gwalia Street and Fridge for Lot 137B Hoover North                              | 1,080.00                       | 540,722.95 |
| BP 152.13                        | 18/11/2022 | Helen Smith                               | Manage and Coordinate 2022 Murdoch Vet Program and Microchipping                                      | 5,960.00                       | 546,682.95 |



## Accounts for Payment - December, 2022 Batch Payments 151 - 155

| Batch Ref                        | Date       | Name                                     | Item  | Payment by delegated Authority | Balance    |
|----------------------------------|------------|--|---|--------------------------------|------------|
| BP 152.14                        | 18/11/2022 | Hocking Heritage Studio                  | To provide heritage and architectural services to the Shire of Leonora as requested   | 10,222.19                      | 556,905.14 |
| BP 152.15                        | 18/11/2022 | ITR Kalgoorlie                           | Supply Plow Bolts for Depot   | 235.18                         | 557,140.32 |
| BP 152.16                        | 18/11/2022 | Journey Jottings                         | Australian Map Journal 6th Ed. for Resale at Gwalia   | 251.10                         | 557,391.42 |
| BP 152.17                        | 18/11/2022 | Kiara Lord.                              | Travel Allowance Return to Kalgoorlie for Training  | 337.41                         | 557,728.83 |
| BP 152.18                        | 18/11/2022 | Kleenheat Gas                            | Gas bottles for 29 Hoover Street and 11A Walton Street  | 273.10                         | 558,001.93 |
| BP 152.19                        | 18/11/2022 | Leonora Painting Services                | Clean Down Verandah at Old Mazza's Store Gwalia and Apply 3 Coats of Floor Oil  | 4,620.00                       | 562,621.93 |
| BP 152.20                        | 18/11/2022 | Magnum Road Maintenance - MRM            | Supply Grader Operator for Maintenance Grading on Mt Ida Road and Organise Camp/Grader  | 2,178.00                       | 564,799.93 |
| BP 152.21                        | 18/11/2022 | Netlogic Information Technology          | Server and PC Monitoring, and Resolution of Minor Technical Issues for November, 2022   | 1,200.00                       | 565,999.93 |
| BP 152.22                        | 18/11/2022 | Northern Goldfields Electrical Pty Ltd   | Replace Rusted Consumer Pole at Lot 1142 Walton (North)   | 4,431.90                       | 570,431.83 |
| BP 152.23                        | 18/11/2022 | Office National Kalgoorlie               | Stationery for CRC, Depot, Childcare, Information Centre and Main Office  | 3,474.30                       | 573,906.13 |
| BP 152.24                        | 18/11/2022 | Outback Parks&Lodges                     | Accommodation for contractors working on completion of Airport Fence Project  | 3,344.00                       | 577,250.13 |
| BP 152.25                        | 18/11/2022 | PFD Food Services Pty Ltd                | Consumables for Hoover House  | 721.10                         | 577,971.23 |
| BP 152.26                        | 18/11/2022 | Pier Street Medical                      | Fees for Pre-Employment Medical & D&A Screen  | 150.00                         | 578,121.23 |
| BP 152.27                        | 18/11/2022 | Precise Projects W.A. Pty Ltd            | Project Management Fee Only for Leonora Airport Fencing and Other Associated Works and Equipment and Labour to Install New Security Fence - Airport | 99,496.09                      | 677,617.32 |
| BP 152.28                        | 18/11/2022 | RF Young                                 | Install signs and guide posts on Darlot Road and Mt Ida Road  | 5,319.60                       | 682,936.92 |
| BP 152.29                        | 18/11/2022 | Simply Uniforms                          | Staff Uniforms with Embroidery for Main Office  | 763.51                         | 683,700.43 |
| BP 152.30                        | 18/11/2022 | Telstra                                  | Fees and Charges for Camp Requisites 10/11/22 - 09/12/22  | 180.00                         | 683,880.43 |
| BP 152.31                        | 18/11/2022 | Toll Transport Pty Ltd                   | Freight for Depot, Airport, Pool and Information Centre   | 2,738.10                       | 686,618.53 |
| BP 152.32                        | 18/11/2022 | Western Australian Local Government Ass. | Induction to Local Government Training for Shire Staff  | 654.50                         | 687,273.03 |
| <b>Total - Batch Payment 152</b> |            |  |   | <b>687,273.03</b>              |            |
| BP 153.01                        | 28/11/2022 | All Mine & Construction Training Pty Ltd | Training for Working at Heights CDC Support Hub Participants  | 590.00                         | 590.00     |
| BP 153.02                        | 28/11/2022 | AYA Group Pty Ltd                        | Consumables Provided to the Hoover House, Childcare, CRC and Main Office  | 694.18                         | 1,284.18   |

## Accounts for Payment - December, 2022 Batch Payments 151 - 155

| Batch Ref | Date       | Name                                      | Item  | Payment by delegated Authority | Balance    |
|-----------|------------|---|---|--------------------------------|------------|
| BP 153.03 | 28/11/2022 | Coolgardie Tyre Service                   | Supply and Fit 2 X Steet Tyres and Supply 9 Haulmax Drive Tyres for Depot   | 5,483.50                       | 6,767.68   |
| BP 153.04 | 28/11/2022 | Department of Fire and Emergency Services | 2022/23 ESLB 2nd Quarter Contribution   | 50,416.24                      | 57,183.92  |
| BP 153.05 | 28/11/2022 | Donovan Payne Architects                  | Engineering and Building Consultants, Architecture and Project Manager for Ageing in Place Project  | 9,350.00                       | 66,533.92  |
| BP 153.06 | 28/11/2022 | Earth Australia Contracting Pty Ltd       | Gas Cylinder for CRC BBQ  | 95.00                          | 66,628.92  |
| BP 153.07 | 28/11/2022 | Elite Gym Hire                            | Gym Equipment Hire for the Month of November, 2022  | 1,499.74                       | 68,128.66  |
| BP 153.08 | 28/11/2022 | Goldfields Sign Works                     | Gold Lettering for Councillor Service Board Update  | 38.08                          | 68,166.74  |
| BP 153.09 | 28/11/2022 | GTN Services                              | Carry out Service on P4   | 902.33                         | 69,069.07  |
| BP 153.10 | 28/11/2022 | HACH PACIFIC PTY LTD                      | 100 X DPD Total Chlorine Reagent Powder Pillows for Testing Water at Oval   | 151.60                         | 69,220.67  |
| BP 153.11 | 28/11/2022 | Harvey Norman AV/IT Kalgoorlie            | Vacuum Cleaner for 51 Gwalia St and 2 X TVs for Grader Camps  | 1,535.00                       | 70,755.67  |
| BP 153.12 | 28/11/2022 | Heatley's Sales Pty Ltd                   | Toilet Paper for the Public Toilets   | 152.89                         | 70,908.56  |
| BP 153.13 | 28/11/2022 | Kleenheat Gas                             | Cylinder service charge for Shire properties  | 513.80                         | 71,422.36  |
| BP 153.14 | 28/11/2022 | Leinster Smash Repairs                    | Repairs to front of Community Bus   | 13,363.77                      | 84,786.13  |
| BP 153.15 | 28/11/2022 | Leonora Motor Inn                         | Accommodation for P Craig 18/11/2022  | 135.00                         | 84,921.13  |
| BP 153.16 | 28/11/2022 | LHK Family Trust                          | Side Tipper Double Dry Hire, Loader Operations Dry Hire and Meals and accommodation at Leonora Lodge  | 140,921.00                     | 225,842.13 |
| BP 153.17 | 28/11/2022 | Luck Thai Cleaning                        | Cleaning of Shire Facilities 07/11/22 - 20/11/22  | 7,474.50                       | 233,316.63 |
| BP 153.18 | 28/11/2022 | Magnum Road Maintenance - MRM             | Supply Grader Operator for Maintenance Grading on Mt Ida Road 15/11/22 - 20/11/22   | 4,356.00                       | 237,672.63 |
| BP 153.19 | 28/11/2022 | McMahon Burnett Transport                 | Freight for Main Office   | 105.80                         | 237,778.43 |
| BP 153.20 | 28/11/2022 | Northern Goldfields Electrical Pty Ltd    | Remove old and install new oven and Investigate Overhead Fan extractor for Recreation Centre, Replace Oven in 51 Gwalia St, Check Power Faults on Grader Camp and Replace Light and Fan Switch in Disabled Toilets and Install Dishwasher at Rec Centre | 5,432.90                       | 243,211.33 |
| BP 153.21 | 28/11/2022 | Office National Kalgoorlie                | Stationery for Gwalia, Main Office, CRC and Dr  | 568.28                         | 243,779.61 |
| BP 153.22 | 28/11/2022 | Outback Parks&Lodges                      | Meals and Accommodation for Vet Program 15th - 16th November, 2022  | 4,180.00                       | 247,959.61 |

## Accounts for Payment - December, 2022 Batch Payments 151 - 155

| Batch Ref                        | Date       | Name                               | Item  | Payment by delegated Authority | Balance    |
|----------------------------------|------------|------------------------------------|---|--------------------------------|------------|
| BP 153.23                        | 28/11/2022 | OWNA Corp Pty Ltd                  | Premium App Subscription for Childcare Centre November, 2022                            | 30.00                          | 247,989.61 |
| BP 153.24                        | 28/11/2022 | PFD Food Services Pty Ltd          | Consumables for Hoover House  | 691.10                         | 248,680.71 |
| BP 153.25                        | 28/11/2022 | Royal Life Saving (WA Branch)      | Pool Lifeguard Requalification for A Baxter   | 159.00                         | 248,839.71 |
| BP 153.26                        | 28/11/2022 | Stephen Michael Foundation         | Financial support to facilitate programs at Leonora District High School                | 4,400.00                       | 253,239.71 |
| BP 153.27                        | 28/11/2022 | TAPS Industries Pty Ltd            | Unblock Public Toilets  | 165.00                         | 253,404.71 |
| BP 153.28                        | 28/11/2022 | Telstra                            | Fees and Charges for J G Epis Centre 10/11/22 - 5/12/22                                 | 2,511.17                       | 255,915.88 |
| BP 153.29                        | 28/11/2022 | Tradelink Pty Ltd                  | Consumables for Grader Camp and Shovels for 51 Gwalia St                                | 404.61                         | 256,320.49 |
| BP 153.30                        | 28/11/2022 | Water Corporation                  | Fees and Charges 21/09/2022 - 15/11/2022  | 42,473.67                      | 298,794.16 |
| <b>Total - Batch Payment 153</b> |            |                                    |   | <b>298,794.16</b>              |            |
| BP 154.01                        | 05/12/2022 | Calimo Pty Ltd                     | Claim 2 for Tender works re: Retiling of Swimming Pool                                  | 138,600.00                     | 138,600.00 |
| BP 154.02                        | 05/12/2022 | Debbie Jordan                      | Reimbursement - Lunch   | 25.00                          | 138,625.00 |
| BP 154.03                        | 05/12/2022 | Eagle Petroleum (WA) Pty Ltd       | Delivery of Aprox 50,000 Litres of Diesel @ \$1.8599 per Litre EXGST                    | 102,294.50                     | 240,919.50 |
| BP 154.04                        | 05/12/2022 | John Morrissey                     | Reimbursement of expenses to attend GNRBA conference Kalgoorlie                         | 937.82                         | 241,857.32 |
| BP 154.05                        | 05/12/2022 | Kerry Barnes                       | Reimbursement - Seniors Christmas morning tea   | 45.00                          | 241,902.32 |
| BP 154.06                        | 05/12/2022 | Magnum Road Maintenance - MRM      | Roadworks as directed by Works Manager  | 5,082.00                       | 246,984.32 |
| BP 154.07                        | 05/12/2022 | Nim Zangmo.                        | Food allowance - training   | 25.00                          | 247,009.32 |
| BP 154.08                        | 05/12/2022 | RSM Australia                      | Audit of Royalties for Regions Annual Report 2021/22                                    | 3,300.00                       | 250,309.32 |
| BP 154.09                        | 05/12/2022 | Sonam Deki.                        | Food allowance - training   | 25.00                          | 250,334.32 |
| BP 154.10                        | 05/12/2022 | Steven Tweedie                     | Activities associated with CEO recruitment as a member of the SoL CEO recruitment panel | 1,056.00                       | 251,390.32 |
| BP 154.11                        | 05/12/2022 | Tamara Watson                      | Reimbursement - Travel & Food   | 124.87                         | 251,515.19 |
| <b>Total - Batch Payment 154</b> |            |                                    |   | <b>251,515.19</b>              |            |
| BP 155.01                        | 09/12/2022 | Avdata Australia                   | Fees and Charges for November, 2022   | 25.73                          | 25.73      |
| BP 155.02                        | 09/12/2022 | BOC Limited                        | Monthly Container Service for Medical Centre and Depot                                  | 127.95                         | 153.68     |
| BP 155.03                        | 09/12/2022 | Bunnings Building Supplies Pty Ltd | Assorted Pipe Fittings for Depot  | 280.76                         | 434.44     |
| BP 155.04                        | 09/12/2022 | Canine Control                     | Ranger Service for 14, 17, and 19 November, 2022  | 4,215.20                       | 4,649.64   |
| BP 155.05                        | 09/12/2022 | Canning Pool and Pump Centre       | Pool Cleaning Repairs and Parts for Lot 294 Queen Victoria St                           | 137.90                         | 4,787.54   |
| BP 155.06                        | 09/12/2022 | Comfort Style Kalgoorlie           | Dining Table with Chairs and Queen Beds for Lot 144 Gwalia Street                       | 3,207.00                       | 7,994.54   |
| BP 155.07                        | 09/12/2022 | CyberSecure Pty Limited            | Monthly Data Protection December, 2022  | 250.80                         | 8,245.34   |

## Accounts for Payment - December, 2022 Batch Payments 151 - 155

| Batch Ref | Date       | Name                              | Item   | Payment by delegated Authority | Balance    |
|-----------|------------|-----------------------------------|--|--------------------------------|------------|
| BP 155.08 | 09/12/2022 | Debbie Jordan                     | Reimbursement for Flights to Perth   | 403.97                         | 8,649.31   |
| BP 155.09 | 09/12/2022 | Department of Premier and Cabinet | Advertising Costs Government Gazette Determination of Basis of Rates Greenfield Resources (WA)                                     | 140.40                         | 8,789.71   |
| BP 155.10 | 09/12/2022 | Eagle Petroleum (WA) Pty Ltd      | Fuel Nozzles, Grease Cartridges and Grease Drum for Depot and Fuel Card  | 2,871.47                       | 11,661.18  |
| BP 155.11 | 09/12/2022 | GTN Services                      | Supply a Deep Cycle Battery for P2451  | 333.96                         | 11,995.14  |
| BP 155.12 | 09/12/2022 | Hersey's Safety Pty Ltd           | Consumables for Depot  | 4,243.13                       | 16,238.27  |
| BP 155.13 | 09/12/2022 | Hope Community Services.          | Goldfields Suicide Prevention Project Second Grant Payment Due 31st October 2022   | 38,500.00                      | 54,738.27  |
| BP 155.14 | 09/12/2022 | Horizon Power                     | Additional Works for Aging in Place Project LOT 100 Stuart St and Fees and Charges for LOT 96 Tower St 21/10/22 - 18/11/22         | 54,255.57                      | 108,993.84 |
| BP 155.15 | 09/12/2022 | IT Vision                         | Staff Training Altus Content User and Admin 2 Days   | 1,650.00                       | 110,643.84 |
| BP 155.16 | 09/12/2022 | John Morrissey                    | Reattempted reimbursement of expenses to attend GNRBA conference Kalgoorlie due to incorrect bank details                          | 937.82                         | 111,581.66 |
| BP 155.17 | 09/12/2022 | Juwest Pty Ltd                    | Carry out Light Earthworks to Various Street Sides, Form Up, Pour and Finish Concrete to Footpaths                                 | 70,972.00                      | 182,553.66 |
| BP 155.18 | 09/12/2022 | Kleenheat Gas                     | 4 House Hold Gas Bottles for Lot 229 Hoover St   | 561.40                         | 183,115.06 |
| BP 155.19 | 09/12/2022 | Landgate                          | Mining Tenements Chargeable Schedule No: M2022/11, Certificate of Title 1085/515 and Online Shop and Certificate of Title 1085/515 | 180.80                         | 183,295.86 |
| BP 155.20 | 09/12/2022 | Luck Thai Cleaning                | Cleaning of Shire Facilities 21/11/22 - 4/12/22  | 7,474.50                       | 190,770.36 |
| BP 155.21 | 09/12/2022 | Magnum Road Maintenance - MRM     | Supply Grader Operator for Maintenance Grading on Various Shire Roads 28/11/22 - 2/12/22 Kookynie                                  | 3,630.00                       | 194,400.36 |
| BP 155.22 | 09/12/2022 | Marketforce                       | Advertising of Tender RFT 2103/2023 for New Staff Accommodation 12th November, 2022 and Christmas Closure                          | 993.67                         | 195,394.03 |
| BP 155.23 | 09/12/2022 | Momar Australia Pty Ltd           | Workshop Consumables and Cleaning Products for Depot   | 13,007.73                      | 208,401.76 |

## Accounts for Payment - December, 2022 Batch Payments 151 - 155

| Batch Ref | Date       | Name                                   | Item   | Payment by delegated Authority | Balance    |
|-----------|------------|--|--|--------------------------------|------------|
| BP 155.24 | 09/12/2022 | Moore Australia                        | Accounting and Consultant Services for October and November, 2022, Nuts and Bolts Workshop x3 and Employee Obligations and Fuel Tax Credit Workshop x2, Review of Policies and Review of Delegations     | 27,092.97                      | 235,494.73 |
| BP 155.25 | 09/12/2022 | Netlogic Information Technology        | Annual Licence for Office 365 and Server and PC Monitoring, and Resolution of Minor Technical Issues for November, 2022  | 2,833.67                       | 238,328.40 |
| BP 155.26 | 09/12/2022 | Northern Goldfields Electrical Pty Ltd | Check and Replace Faulty Light Switch at Lot 289 Queen Victoria St   | 287.10                         | 238,615.50 |
| BP 155.27 | 09/12/2022 | Office National Kalgoorlie             | Stationery Gwalia, Main Office and CRC   | 428.29                         | 239,043.79 |
| BP 155.28 | 09/12/2022 | Outback Parks&Lodges                   | 1 Night Meals and Accommodation for Tech to Upgrade CT System Depot  | 209.00                         | 239,252.79 |
| BP 155.29 | 09/12/2022 | PFD Food Services Pty Ltd              | Consumables for Hoover House   | 581.85                         | 239,834.64 |
| BP 155.30 | 09/12/2022 | Premium Publishers                     | Shire Participation 2023 Australia's Golden Outback Holiday Planner - Half Page 187mm X 125mm  | 4,218.50                       | 244,053.14 |
| BP 155.31 | 09/12/2022 | Prime Media Group Ltd                  | Promoting Leonora TV Advertising November, 2022  | 1,100.00                       | 245,153.14 |
| BP 155.32 | 09/12/2022 | Pro Crack Seal                         | Fill Cracks With Hot Pour Road Crack Sealer within Town Site   | 19,800.00                      | 264,953.14 |
| BP 155.33 | 09/12/2022 | Prosecur Australia Pty Ltd             | ATM Fees and Charges November, 2022  | 2,964.81                       | 267,917.95 |
| BP 155.34 | 09/12/2022 | Resources Trading                      | Tools Box for P6 and Tools for Depot   | 5,748.01                       | 273,665.96 |
| BP 155.35 | 09/12/2022 | Royal Flying Doctor Service            | Donations received on behalf of RFDS (Tin #19640) in Info Centre (18/8/2022)   | 95.35                          | 273,761.31 |
| BP 155.36 | 09/12/2022 | Russell Taylor.                        | Reimbursement for Items for Rifle Club   | 940.17                         | 274,701.48 |
| BP 155.37 | 09/12/2022 | Squire Patton Boggs                    | Reviewing, Amending and Drafting of Lease to Horizon Power and Review of Memorandum of Agreement Between Shire of Leonora and St Barbs Limited in Regards Operations Withing the Townsite by Other Party | 1,232.00                       | 275,933.48 |
| BP 155.38 | 09/12/2022 | State Library of WA                    | Inter - Library Loan Delivery Change for the Period 1st July, 2022 to 31th December, 2022  | 173.54                         | 276,107.02 |
| BP 155.39 | 09/12/2022 | Telstra                                | Fees and Charges for 21/10/22 - 16/11/22   | 2,670.78                       | 278,777.80 |
| BP 155.40 | 09/12/2022 | Tennant Australia                      | Supply 2 Oil Filters for Depot   | 101.27                         | 278,879.07 |
| BP 155.41 | 09/12/2022 | Toll Transport Pty Ltd                 | Freight for Main Office, Pool and Depot  | 287.13                         | 279,166.20 |

**Accounts for Payment - December, 2022 Batch Payments 151 - 155**

| <b>Batch Ref</b>                 | <b>Date</b> | <b>Name</b>                       | <b>Item</b>   | <b>Payment by delegated Authority</b> | <i>Balance</i> |
|----------------------------------|-------------|-----------------------------------|---|---------------------------------------|----------------|
| BP 155.42                        | 09/12/2022  | Tourism Council Western Australia | Top Town Award Nomination   | 275.00                                | 279,441.20     |
| BP 155.43                        | 09/12/2022  | Win - Nine Life Channel           | Advertising on All Win Network Channels for Gwalia                  | 71.50                                 | 279,512.70     |
| BP 155.44                        | 09/12/2022  | Win Television WA                 | Advertising on All Win Network Channels for Gwalia                  | 353.10                                | 279,865.80     |
| BP 155.45                        | 09/12/2022  | Wurth Australia Pty Ltd           | Consumables for Depot   | 1,956.05                              | 281,821.85     |
| BP 155.46                        | 09/12/2022  | Xstra Group Pty Ltd               | PABX Hosting Provision and Support per Extension and Rental Service | 1,037.58                              | 282,859.43     |
| <b>Total - Batch Payment 155</b> |             |                                   |   | <b>282,859.43</b>                     |                |
| <b>GRAND TOTAL</b>               |             |                                   |   | <b>1,743,813.87</b>                   |                |

### Accounts for Payment - December 2022 Cheques & Payroll Liabilities

| Shire of Leonora   |            |                   |                                    |                                |            |
|--|------------|-------------------|------------------------------------|--------------------------------|------------|
| Monthly Report – List of Accounts Paid by Delegated Authority  |            |                   |                                    |                                |            |
| Submitted to Council on the 20th December, 2022  |            |                   |                                    |                                |            |
| The following list of accounts has been paid under delegation by the Chief Executive Officer, since the previous list of accounts. Transactions contain Cheque <b>25842</b> and Payroll Liability payments since the previous list of accounts paid by Delegated Authority totalling <b>\$292,878.47</b> |            |                   |                                    |                                |            |
| _____  |            |                   |                                    |                                |            |
| CHIEF EXECUTIVE OFFICER  |            |                   |                                    |                                |            |
| Cheque   | Date       | Name              | Item                               | Payment by Delegated Authority | Balance    |
| PL15112022   | 16/11/2022 | Shire of Leonora  | Payroll deductions PPE: 14/11/2022 | 2,065.23                       | 2,065.23   |
| PL29112022   | 30/11/2022 | Shire of Leonora  | Payroll deductions PPE: 28/11/2022 | 1,941.01                       | 4,006.24   |
| PPE12122022  | 13/12/2022 | Shire of Leonora  | Salaries & wages PPE: 12/12/2022   | 98,564.19                      | 102,570.43 |
| PPE14112022  | 15/11/2022 | Shire of Leonora  | Salaries & wages PPE: 14/11/2022   | 88,367.87                      | 190,938.30 |
| PPE28112022  | 29/11/2022 | Shire of Leonora  | Salaries & wages PPE: 28/11/2022   | 100,735.55                     | 291,673.85 |
| 25842  | 16/11/2022 | Water Corporation | Disconnect Service for LOT 541     | 1,204.62                       | 292,878.47 |
| <b>GRAND TOTAL</b>   |            |                   |                                    | <b>292,878.47</b>              |            |

**10.0 REPORTS****10.4 ENVIRONMENTAL HEALTH OFFICER REPORTS**

Nil

**10.0 REPORTS****10.5 ELECTED MEMBERS REPORTS**

Nil

**11.0 APPLICATIONS FOR LEAVE OF ABSENCE**

Councillor F Harris requested a leave of absence from the meeting to be held today, 20<sup>th</sup> December, 2022.

**COUNCIL DECISION****Moved: Cr LR Petersen****Seconded: Cr AE Taylor**

That Councillor F Harris be granted a leave of absence from the meeting to be held today, 20<sup>th</sup> December, 2022.

**CARRIED (5 VOTES TO 0)**

**12.0 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**13.0 QUESTIONS FROM MEMBERS WITHOUT NOTICE**

Nil

**14.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING****COUNCIL DECISION****Moved: Cr AM Moore****Seconded: Cr LR Petersen**

That late items 14.2.(A) Review of WALGA State Council Agenda - Matters for Noting/Information, 14.2.(B) Tender RFT 03/2023 - New Staff (CEO) Accommodation, Design and Construct and 14.2.(C) Annual Report 2021/2022 & General Electors' Meeting be accepted for consideration at the meeting.

**CARRIED (5 VOTES TO 0)**

**14.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING****14.1 ELECTED MEMBERS**

Nil



**14.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING**

**14.2 OFFICERS**

**14.2.(A) REVIEW OF WALGA STATE COUNCIL AGENDA - MATTERS FOR NOTING/INFORMATION**

**SUBMISSION TO:** Ordinary Council Meeting  
Meeting Date: 20th December 2022

**AGENDA REFERENCE:** 14.2.(A) DEC 22

**SUBJECT:** Review of WALGA State Council Agenda - Matters for Noting/Information

**LOCATION/ADDRESS:** Leonora

**NAME OF APPLICANT:** Not Applicable

**FILE REFERENCE:** 6.9

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** James Gregory Epis

**OFFICER:** Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 15th December 2022

**SUPPORTING DOCUMENTS:**

1. WALGA Best Practice Governance Review - Background Paper [↓](#)
2. WALGA Best Practice Governance Review - Consultation Paper [↓](#)

**BACKGROUND**

Following GVROC's endorsement of Principles at WALGA's 2022 Annual General Meeting to guide the development of governance model options, the Best Practice Governance Review Steering Committee has circulated a Consultation Paper to Local Governments.

Council endorsed positions on the five models proposed by the Consultation Paper are being requested by GVROC by the 23<sup>rd</sup> December, 2022.

In addition to the request for Council endorsed positions on the model options, independent research will also be undertaken in the form of a survey of all Elected Members and Chief Executive Officers.

An overarching timeline for the Review is available on WALGA's website – [www.walga.asn.au/governance-review](http://www.walga.asn.au/governance-review). Broadly, the intention is for the Steering Committee to reconvene in early 2023 to consider Council endorsed feedback as well as the results of the independent research.

The Steering Committee will put forward recommendations to be considered by State Council at their March 2023 meeting. Depending on the way forward, the intention will be for an amended

Constitution to be considered by State Council in July 2023, ahead of consideration by Members at the 2023 Annual General Meeting.

The Steering Committee are receptive to any and all feedback on the proposed models and are looking forward to receiving Council endorsed submissions by the end of 2022.

To facilitate deliberations, the Secretariat is available to provide briefing presentations on request.

The Background Paper, as well as the Consultation Paper have been attached to this report for your reference.

Of the proposed options, Option 1 is preferred. This maintains the existing zones, but introduces a two-tier model, with a Board consisting of 11 members, and a Policy Council consisting of 25 members.

WALGA's preference is for the five options presented to be ranked 1 to 5 rather than choosing Council's preferred option.

### **STATUTORY ENVIRONMENT**

Section 2.7(2) of the *Local Government Act 1995* provides that Council is to oversee the allocation of local government finances and resources and to determine the local government policies.

Section 3.1 of the *Local Government Act 1995* provides that the general function of the local government is to provide for the good government of persons in its district.

### **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

### **FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

### **STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

### **RECOMMENDATIONS**

That the Council advise the Goldfields Voluntary Regional Organisation of Councils that the preferred option for the Shire of Leonora is Option 1, two-tier model, existing zones, and the following options ranked in the following order:

1. Option 1 – Two-tier model, existing zone
2. Option 2 – Board, Regional Bodies
3. Option 4 – Member elected Board, Regional Groups
4. Option 3 – Board, Amalgamated Zones
5. Option 5 – Current Model

### **VOTING REQUIREMENT**

Simple Majority

**COUNCIL DECISION**

**Moved: Cr AM Moore**

**Seconded: Cr RM Cotterill**

That the Council advise the Goldfields Voluntary Regional Organisation of Councils that the preferred option for the Shire of Leonora is Option 1, two-tier model, existing zones, and the following options ranked in the following order:

1. Option 1 – Two-tier model, existing zone
2. Option 2 – Board, Regional Bodies
3. Option 4 – Member elected Board, Regional Groups
4. Option 3 – Board, Amalgamated Zones
5. Option 5 – Current Model

**CARRIED (5 VOTES TO 0)**



# Best Practice Governance Review

## Background Paper

## Contents

| Item | Section                           | Page               |
|------|-----------------------------------|--------------------|
| 1    | Background, Approach and Timeline | <a href="#">3</a>  |
| 2    | Jurisdictional Analysis           | <a href="#">6</a>  |
| 3    | Comparator Organisations          | <a href="#">9</a>  |
| 4    | Governance Principles             | <a href="#">17</a> |





# Best Practice Governance Review

## 1. Background, Approach and Timeline

## Background and Approach

Background and approach that led to the development of the governance principles for the Best Practice Governance Review.

### Background

The Western Australian Local Government Association (WALGA) developed its Corporate Strategy 2020-25, and in doing so identified a key strategic priority, to undertake a Best Practice Governance Review. The objective of the review is to ensure WALGA's governance and engagement models are contemporary, agile, and maximise engagement with members. Other drivers for the review included:

- Misalignment between key governance documents; Constitution, Corporate Governance Charter, State Council Code of Conduct, and Standing Orders – stemming from varying amendments.
- State Council's 3 September 2021 resolution requesting amendment to the Constitution to "*deal with matters related to State Councillors' Candidature for State and Federal elections*".
- Proposed legislative reforms to remove WALGA from being constituted under the *Local Government Act 1995* (WA).
- Constitutional requirements for WALGA to become a registered organisation under the *Industrial Relations Act 1979* (WA), which would enable WALGA to make applications in its own right to the Western Australian Industrial Relations Commission

In March 2022 State Council commissioned the Best Practice Governance Review (BPGR) and established a Steering Committee to guide the Review.

The BPGR Steering Committee had its first meeting on 5 May 2022. There was wide-ranging discussion on WALGA's current governance model, the need to engage broadly with the membership, and opportunities for change. At the meeting, five comparator organisations were identified to be used in a governance model comparative analysis. Steering Committee meetings 2 to 5 had a focus on the development of governance model principles.

### This document

This document presents the key insights from the jurisdictional and comparator organisation analysis that supported the development of the governance principles. The final section presents the endorsed governance principles.

**Jurisdictional Analysis** – This section compares WALGA to equivalent jurisdictional associations (e.g. LGASA). This provides key insights into the size and election processes of WALGA compared to equivalent associations.

**Comparator Organisations** – This section compares WALGA's governance arrangements to five comparator organisations that were agreed at the BPGR Steering Committee meeting 1. This provides key insights into the size, election processes and recent governance changes of these five comparator organisations.

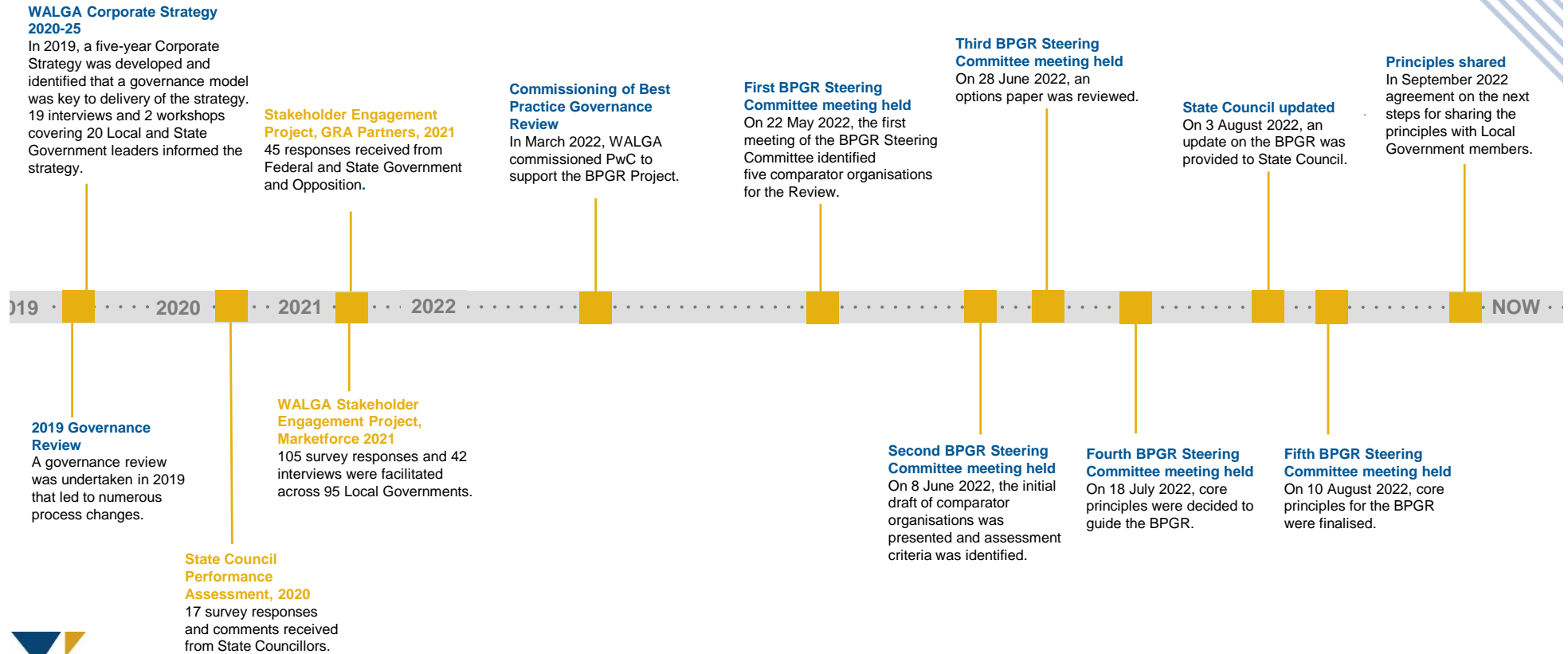
**Governance Model Principles** – The governance model principles were developed through BPGR Steering Committee meetings 2 to 5. This provides a structure for understanding how the current governance model of WALGA and any future governance model aligns to these principles.

The following slide outlines the timeline of key events and meetings that formed part of the BPGR.

# ORDINARY COUNCIL MEETING MINUTES

## Timeline

Timeline of key events with a focus on the BPGR Steering Committee meetings throughout May to August 2022







# Best Practice Governance Review

## 2. Jurisdictional Analysis

## Analysis: Jurisdictional equivalents to WALGA

Jurisdictional equivalents of WALGA have been analysed according to their size and election methods.

### Background

Prior to the BPGR Project commencing in March 2022, work was undertaken to understand governance arrangements in other jurisdictions. The focus of this work was on associations from other Australian states, as well as New Zealand.

The full list of associations are:

- Local Government NSW (LGNSW)
- Municipal Association Victoria (MAV)
- Local Government Association of Tasmania (LGAT)
- Local Government Association of South Australia (LGASA)
- Local Government Association of Queensland (LGAQ)
- Local Government Association of Northern Territory (LGANT)
- Local Government Association of New Zealand (LGNZ)

The assessment of these associations focused on providing insights into the following domains:

- **Size of Board:** How many board members are there in comparison to the 25 WALGA board members?
- **Method of Election of President:** How is the President elected to the board?
- **Method of Election of Board Members:** How are board members elected?

### Key Insights

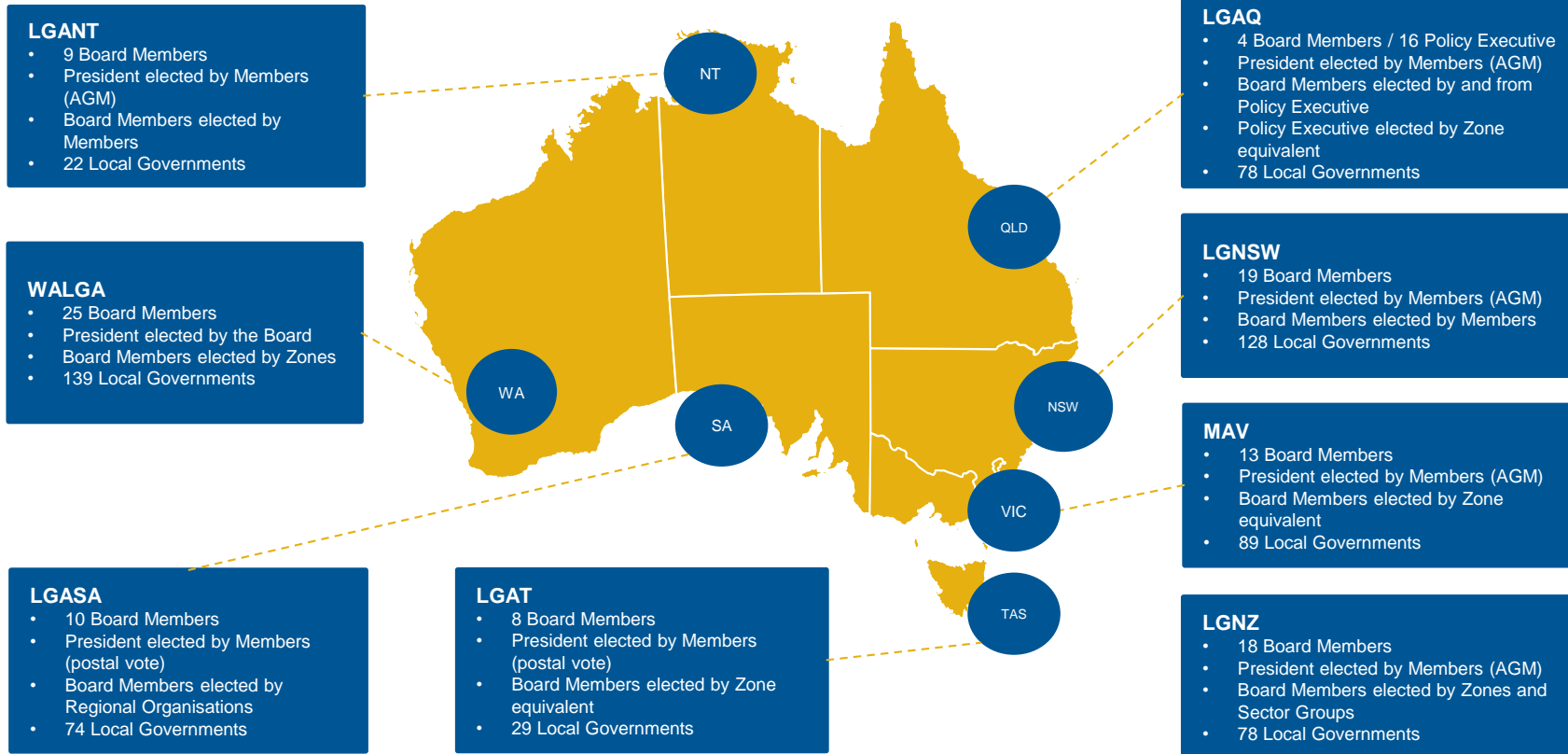
Key insights following the comparison of WALGA to equivalent associations are outlined below:

- **Size of Board** – while WALGA's board (State Council) contains the largest number of representatives, it can be seen that boards of Local Government Associations tend to be relatively large. The average board size (using Queensland's policy executive, not board) is 15.4.
- **Method of Election of President** – WALGA is an outlier: all other Presidents are elected directly by the membership. Perhaps this is a reflection of the prevalence of Council elected Mayors and Presidents in WA.
- **Method of Election of Board Members** – The majority of associations use regional groupings (equivalent to our Zones) to elect board members. The New Zealand hybrid model of electing representatives from geographic zones and sector groups (metro, provincial, rural, regional) is of interest.

The following slide presents this information for each of the seven associations.

# Summary: Jurisdictional equivalents to WALGA

Summary of jurisdictional analysis of WALGA equivalents in relation to their Board membership, election methods and number of Local Governments.





# Best Practice Governance Review

## 3. Comparator Organisations

ORDINARY COUNCIL MEETING MINUTES

# Comparator organisations

Comparison of WALGA's governance model to the governance models of five comparator organisations.

| Background   | Process  |
|--|--|
| <p>The BPGR Steering Committee had its first meeting on the 5 May 2022. There was wide-ranging discussion on WALGA's current governance model, the need to engage broadly with the membership, and opportunities for change.</p> <p>At the meeting, five comparator organisations were identified to be used in a governance model comparative analysis. The organisations were selected on the basis of their similarity to WALGA as WA member-based peak industry organisations.</p> <p>The selected organisations were: Australian Medical Association (AMA) WA, Chamber of Commerce and Industry (CCI) WA, Chamber of Minerals and Energy (CME), Australian Hotels Association (AHA) WA and Pharmacy Guild (PG) WA Branch.</p> | <p>WALGA supplied a range of background documents to assist in undertaking the initial desktop comparison. This included the Constitution, Corporate Governance Charter, Corporate Strategy 2020-2025, Standing Orders, Elected Member Prospectus, Flow Chart – WALGA Zone and State Council Process, Final Report – State Councils and Zone Structure and Process Working Group.</p> <p>The documentation used for the comparator organisations were typically the:</p> <ul style="list-style-type: none"><li>• Constitution – which serves as the instrument for establishment of the association;</li><li>• Annual reports – which contains information about an association's performance over a 12-month period; and</li><li>• Organisational website – which may outline the structure and current composition of the board, council and the leadership team of the organisations.</li></ul> <p>Interviews were successfully arranged with three of the five organisations. They were AMA WA, CCI WA and CME WA. The document analysis and interviews provided insights into the size, election methods and recent changes within these organisations.</p> |

| Key insights  |
|---|
| <p>Key insights through the comparison of WALGA to the five comparator organisations are outlined below:</p> <ul style="list-style-type: none"><li>• <b>Size of Board</b> – WALGA's board (State Council) was larger than all other comparator organisation's boards.</li><li>• <b>Election methods</b> – election methods varied across the comparator organisations but many involved election through the membership.</li><li>• <b>Change</b> – three of the five organisations had recently undergone changes or reviews of their governance structures. There were a range of drivers for this change including: to increase the decision making ability of the board; to use specific working groups to focus on specific topics of interest and to increase representativeness of specific groups (e.g. Aboriginal and Torres Strait Islanders).</li></ul> <p>The following slide presents summary information on the size and election methods of the five comparator organisations. This is then followed by more detailed background into each organisation, their governance structure and any outcomes from conversations with these organisations.</p> |



## ORDINARY COUNCIL MEETING MINUTES

## Summary: Governance structure analysis

WALGA's governance structure was analysed in comparison to five comparator organisations

| Organisational Comparisons                         | Number of Board Members | President Elected by               | Board Members elected by  |
|--|-------------------------|------------------------------------|---|
| <b>WA Local Government Association (WALGA)</b>     | 25                      | The Board                          | Zones   |
| <b>Australian Medical Association (AMA)</b>        | 9                       | AMA WA Members                     | Members of the Association  |
| <b>Chamber of Commerce and Industry WA (CCIWA)</b> | 7 to 10                 | The Board                          | <ul style="list-style-type: none"> <li>Up to 12 elected by Members</li> <li>Up to 8 appointed by the Board</li> <li>Up to 8 appointed by the Council</li> </ul> |
| <b>Chamber of Minerals and Energy (CME)</b>        | 6 to 11                 | Ordinary Members                   | Executive Councillors   |
| <b>Australian Hotels Association (AHA) WA</b>      | 17                      | The Branch Committee of Management | The Branch Committee of Management  |
| <b>Pharmacy Guild (PG) – WA branch</b>             | 16 to 22                | The Branch                         | Financial Members from the same region as the Branch  |

*Note: The Council, Branch, or Board chosen from the organisations above were chosen for how appropriate their structure is as a comparison to the WALGA State Council.*

## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

# Organisational Analysis: Australian Medical Association (AMA) WA

With over 5,000 members, the AMA (WA) is the largest independent professional organisation for medical practitioners and medical students in the State. Total revenue and other income for AMA nationally in 2020 was reported as \$21,928,000.

## Organisational Information

The AMA (WA) Board was created in 2017 and is comprised of the President, Immediate Past President, two Vice Presidents and five members of Council who are elected to sit on the Board (9 in total).

The AMA (WA) Council consists of four office bearers (President, Immediate Past President, two Vice Presidents). Additionally, there are the Specialty Group Representatives (e.g. General practice, surgery); Practice Group Representatives (e.g. rural doctors, public hospital doctors); Ordinary Council Members; and, Co-opted Council Members. Majority of the representatives and members represent their speciality (e.g. anaesthetics) or group of representative (e.g. medical student society).

The AMA Federal Council meets quarterly and is the AMA's main policy-making body. It is a forum to identify and debate emerging issues of relevance to the membership. The Federal Council's primary role is to: Form the policy of the AMA; Propose changes to existing policy; and Elect representatives to roles and committees. There is one State and one Area nominee from WA on the Federal Council.

The Leadership team consists of seven staff. CEO, CFO, COO, General Manager Training and Recruitment, Operations Manager, General Manager Financial Services and an HR manager.

## Governance Structure\*

The Board comprises of approximately 9 members.

The Board focuses on governance, managing the Association's conduct and business, and ensuring conformity with the constitution.

The Board may increase or decrease the number of Advisory Council members as needed. However, it currently has 4 members.

The General Council focuses on advocacy, policy making, and representation of the association.

The Board and Council is also supported by Specialty Group Representatives, Practice Group Representatives, Ordinary Council Members, and Co-Opted Council Members.

## Outcomes of Organisation Discussion

- **Governance Review:** The 2020 annual report mentions that an organisation-wide review was undertaken with the transformation in the process of being implemented until March 2020 (COVID).
- **Representation:** It is more important to restrict the number of Board members than Councillors. Board members are involved in making policy and governance decisions, requiring a greater decision-making capability; Councillors are more involved in stakeholder engagement and solving specific issues through working groups, therefore Council size has less impact to efficiency and effectiveness of the model.
- **Engagement:** The president is the spokesperson when it comes to policy issues. Councillors represent the views of Specialty Groups, Practice Groups, and the medical profession as a whole.
- **Feedback on the current model:** Board members have previously taken the role because they are passionate, but do not necessarily have the right expertise, resulting in poor governance. Board members who have leadership and governance experience have proven to be effective in the updated model. The Board would benefit from an independent audit partner and increased diversity in speciality, a simplified purpose of the Board and Council Advisory, and a reduced number of meetings each year.

\*The AMA WA Constitution does not specify the number of Board or Council members. Member numbers are indicative and have been taken from the current Board & Council.



# Organisational Analysis: Chamber of Commerce and Industry (CCI) WA

CCIWA is a not-for-profit member organisation providing information, professional services and support for businesses in Western Australia, with over 2,000 WA members. Total revenue and other income for 2021 was reported as \$34,270,130.

## Organisational Information

The CCIWA operates as a company limited by guarantee. This came into effect on 11 January 2019. The change in status means that CCIWA is now incorporated under the *Corporations Act 2001* (Cth) rather than the State legislation covering incorporated associations.

Based on the constitution, the number of board members can be between 9-12 (including President & Vice President). The current board has only 6 members including the President and Vice President.

There is a General Council. The constitution states that Councillors can be up to certain numbers depending on who they were elected by. The resulting effect is a council that does not have consistent numbers of members and does not need to fill all positions. This is unlike WALGA's governance model where representatives are elected by zones.

The Board is responsible for the sound governance of the organisation, whereas the General Council provides input to the organisation's policy; provides advice to the Board; acts as a point of interface; elects and appoints Council Elected Directors; and passes resolutions relating to specific handling of assets and raising and borrowing funds.

## Governance Structure

The Board comprises of 9 – 12 members.

The Board focuses on strategic priorities, financial performance and compliance issues.

The General Council consists of up to 28 Councillors.

The General Council focuses on developing and being spokespersons on public policy frameworks and positions.

The governance structure is supported by bespoke working groups, formed from Councillors as relevant for specific strategic and policy issues.

## Outcomes of Organisation Discussion

- **Governance Review:** CCIWA conducted a review of their 2018 Constitution, resulting in changes contained in the 2021 Constitution, including: The governance model was revised to increase the decision-making capability of the board; The structure of the General Council was determined to be too generic causing low Councillor attendance. After the review, Councillors were split into bespoke working groups for specific policy issues for the upcoming 12-month period. This resulted in higher councillor attendance, than the previous governance model.
- **Representation:** In the new revision of the constitution, two new types of Councillors were included to increase representation for their respective groups. Future Leader Councillors, from members of University business schools; and First Nations Business Councillors, elected from First Nations Members.
- **Feedback on the current model:** In the current governance model, when a board member leaves, a temporary team member is appointed since board members can only be elected in general meetings.



## ORDINARY COUNCIL MEETING MINUTES

# Organisational Analysis: The Chamber of Minerals and Energy (CME) WA

CME WA is the peak resources sector representative body in Western Australia whose member companies generate 95% of all mineral and energy production and employ 80% of the sector's workforce in the State.

## Organisational Information

The Corporate Governance Charter (Charter) provides guidance on the respective roles, responsibilities and authorities of members of the Executive Council (Executive Councillors) and members of the Advisory Board (Advisory Board Members) in setting the direction, management and control.

The number of Vice Presidents is determined by the Executive Council, the constitution contains no limit on the number of Vice Presidents and so the number of Vice Presidents is excluded from the diagram to the right.

Executive Councillors are elected by Ordinary Members, and there can be no less than 10.

The Role of the Advisory Board is to act as a traditional board providing strategic oversight on behalf of the Chamber. Key interface with the Executive Management Team on organisational matters, including strategy, operating accounts, governance and risk.

## Governance Structure

Advisory Board comprises of 5-10 members.

The Advisory Board provides strategic oversight and acts as the key interface with the Executive Management team on strategy, operating accounts, governance and risk.

Executive Council (10+ members).

The Executive Council most senior interface to guide and prioritise the agenda of the Chamber and its respective committees and holds final decision-making authority re: annual financial reports/statements.

The governance structure is supported by committees including bespoke working groups, appointed by Executive Council as relevant for specific strategic and policy issues.

## Outcomes of Organisation Discussion

- **Governance Review:** CME recently engaged in a governance review. In April 2020, CME put in place a governance charter. This codified processes and structures, clarified lines of accountability and included a director's code of conduct.
- **Representation:** Members who express an interest, get a seat at the table for the Executive Council. There are approximately 60 ordinary members with 16-20 regularly attending council meetings. This group is intended to provide a litmus check that the broader membership needs are being met.
- **Engagement:** Although the board is strongly engaged in the work and responsibilities it holds, there is the varying engagement of the executive council – this is broadly because due to the large array of issues it covers – the organisation would love to see stronger engagement in this area.
- **Feedback on the current model:** Based on the age of the organisation, the current pyramid structure works. This is successful largely due to the governance charter which provides clarity in role and structure for the organisation.



## Organisational Analysis: Australian Hotels Association (WA)

The Australian Hotels Association (AHA) represents more than 5,000 members across Australia serviced by a network of branches based in every state and territory, plus a Canberra-based National Office. Total revenue and other income for AMA nationally in 2020 was reported as \$2,257,963.

### Organisational Information

AHA was founded in 1892 and now represents more than 80% of the Western Australian hotel and hospitality industry.

The organisation has a branch in each state and territory, including a division in each branch known as the National Accommodation Hotels Division. The organisation and each of its branches have their own set of rules by which they are governed. However, ultimate authority is deferred to the National Board of the organisation.

All issues and opportunities are addressed by The Branch Committee of Management (The Branch). Consisting of six ordinary members, elected by members of the branch, and the president from each of the Territorial and Non-Territorial Divisions of the Branch. This includes a President, Senior Vice President, Vice President, Treasurer, Accommodation President and Country Representative. The President, Senior Vice President (SVP) and Vice President (VP) are elected by The Branch.

AHA developed a subsidiary known as 'Tourism Accommodation Australia (TAA)'. TAA publicly represents and lobbies specifically for accommodation hotels separately from the AHA's general hospitality members. However, membership to both AHA and TAA is granted to accommodation properties. There are 11 Divisional Presidents – 7 represent different Areas/Regions and 4 represent different membership groups.

### Governance Structure\*

Branch Committee of Management has 6 Ordinary members & the president of each Territory/Non-Territory Division (11).

Focuses on staff remuneration/conditions, branch transactions, disbursements, funds and resolves delegated Commonwealth industrial disputes.

There is no council or other governing entity to provide support to the Branch Committee of Management.

### Relevance to WALGA BPGR

AHA was contacted to schedule an interview; however, there was no response following multiple requests. The following insights have been made by research on their publicly available governance information and documentation.

- **Composition:** Similar to WALGA's State Council, the AHA Governance structure only has one governing entity, The Branch Committee of Management. The number of branch members (17) is smaller than WALGA (25).
- **Responsibilities:** The AHA Branch Committee of Management is responsible for financial activities; however, the Rules document does not mention that they are responsible for activities that other comparator organisations governing entities are, such as policy creation or ensuring compliance.
- **Lack of compliance with constitution:** The Rules of the AHA WA Branch document acts as the Association's constitution. However, there are many conflicts between the governance structure in the Branch Rules document, and the governance structure depicted on AHA WA's website. For example, in the document the supreme governing body of the Branch is the Branch Committee of Management, whereas on the website it is the Executive Management team. Additionally, there is no mention of a board in the Rules document, but there is a Board of Management on the website.

*\*The governance structure has been taken from the Rules of the AHA WA Branch document instead of the current governance structure depicted on the website, due to conflicting information.*

## Organisational Analysis: Pharmacy Guild (WA Branch Focus)

Pharmacy Guild supports over 5,800 pharmacies across Australia. It is broken up into Territory Branches with more than 600 pharmacies as members in WA (est. 2017).

### Organisational Information

The Pharmacy Guild's WA Branch's Annual Report can only be viewed by Members of the Organisation.

The Branch consists of the Branch Executive, and the Branch Committee. Where the Branch Executive consists of the Branch President, Branch Vice President(s) and the National Councillor(s). Additionally, in the Branch Executive, the position of Branch President and Vice President can also be held by a National Councillor, resulting in different numbers of Branch Executives between states.

The National council has the power to determine and direct policy, settle disputes, control the national fund, appoint an auditor and other activities relating to being the supreme governing entity.

The constitution does not specify who exactly elects the Branch President, or the Branch Vice Presidents, only that they are elected from the Branch. Whereas Branch Committee Members are elected by financial members in that region.

The Branch and the National Council shall appoint their own auditor. Resulting in potential conflicts of interest, as hypothetically the Branch and the National Council can appoint an auditor who audits in their favour.

### Governance Structure\*

Branch Executive consists of 2 – 6 Executive Members.

All powers and functions of the Branch Committee between meetings of the Branch Committee.

Branch Committee consists of 7 - 14 committee members (excluding the Branch executive).

Control the Branch fund, decide the agenda for and attend special meetings.

There is only one governing entity in WA for Pharmacy Guild, however the WA Branch consists of National Councillors, from the National Council which is the supreme governing body for the Pharmacy Guild. However, the Branch Committee can create subcommittees to carry out particular functions.

### Relevance to WALGA BPGR

Pharmacy Guild WA was contacted to schedule an interview; however, they responded that they do not have time to discuss their governance model. The following insights have been made by research on their publicly available governance information and documentation.

- **Representation:** The interests of members are represented by the Branch Committee Members who are elected by the financial members of the same regions. Additionally, the interests of the National Council are represented in Branches by the National Councillors appointed in each Branch.
- **Composition:** The governance structure of the Branches of the Pharmacy Guild is adaptable to the needs of the Branch. Since the Branch Committee members can decide the number of Committee members needed in their branch, they can do so based on the needs of the Branch at any point in time, making the composition and size of the Branch adaptable to emerging needs. Also, the creation of additional branches and amalgamations of current branches is up to the decision of the National Council, enabling the National Council to alter the composition of the governance model nation-wide as needed. Branches can also create subcommittees as needed.

*\*Since the number of members in governance entities is mentioned in the Constitution, the numbers have been estimated based on the current membership as per the Guild's website.*



# Best Practice Governance Review

## 4. Governance Principles

ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

# Development of Governance Principles

BPGR Steering Committee (SC) meetings and how they lead to the development of the proposed governance principles.

## BPGR Steering Committee meetings

The BPGR Steering Committee (SC) was established by State Council to guide the review. SC Meetings 2 through to 5 acted as key inputs into the development of the Governance Model principles. The focus of SC Meetings two through to five led to the development of the governance principles.

**SC Meeting 2** - On 8 June 2022, the initial draft of the comparator organisations and their governance structures was presented. The SC identified four assessment criteria for the purposes of assessing potential governance models. The assessment criteria were: (1) representation, (2) efficiency, (3) contemporary, and (4) sustainable. An Options Paper was then developed, using the assessment criteria against two governance model options.

**SC Meeting 3** - On 28 June 2022, a discussion of the DRAFT Options Paper took place. The SC decided that a workshop was required to take a step back and develop the core governance principles (rather than assessment criteria) that needed to underpin any future governance model for WALGA.

**SC Meeting 4** - On 18 July 2022, the SC discussed the principles and identified four principles that should guide WALGA's governance. They were Representative, Responsive, Results Oriented and Renewal. Renewal was the principle that some SC members deemed as optional and is not included as a separate principle. Some elements of renewal are incorporated into the other three principles.

**SC Meeting 5** - On 10 August 2022, the SC discussed and finalised the proposed principles. Discussion focused on the principle components and their likely governance implications. Several activities also occurred around this SC meeting. This include an update to State Council at the Information Forum on 3 August 2022, finalisation of principles on 17 August 2022 to inform AGM Item and finalisation of Agenda Item for 2022 AGM, including approval by State Council.

## Key outcomes

The SC agreed on the proposed governance model principles, their component parts and the implications of these principles. Specifically:

- **Principle definition** – the definition of each of the three principles.
- **Principle component** – the key component parts of each principle.
- **Principle component description** – a description of each principle component.
- **Governance implications** – the governance implications of each of the principle components.

The following slide presents the principles, their components and a description and their governance implications.



## ORDINARY COUNCIL MEETING MINUTES

# Endorsed Governance Principles

The principles for assessing WALGA's governance model options and governance implications

|                  | Principle   | Principle component         | Component description   | Governance implications  |
|------------------|---|-----------------------------|---|--|
| Representative   | WALGA unites and represents the entire local government sector in WA and understands the diverse nature and needs of members, regional communities and economies.         | Composition                 | The composition of WALGA's governance model represents Local Government members from metropolitan and country councils. | The governing body will maintain equal country and metropolitan local government representation.   |
|                  |   | Size                        | An appropriate number of members/representatives oversees WALGA's governance.   | Potential reduction in the size of the overarching governing body.   |
|                  |   | Diversity                   | WALGA's governance reflects the diversity and experience of its Local Government members.                               | Potential for the introduction of a mechanism to ensure the governance model comprises an appropriate diversity of skills and experience.  |
|                  |   | Election Process            | Considers the processes by which WALGA's governance positions are elected and appointed.                                | Consideration of alternative election and appointment arrangements, with the President to be elected by and from the governing body.   |
| Responsive       | WALGA is an agile association which acts quickly to respond to the needs of Local Government members and stakeholders.  | Timely Decision Making      | WALGA's governance supports timely decision making.   | WALGA's governance model facilitates responsive decision making.   |
|                  |   | Engaged Decision Making     | WALGA's Local Government members are engaged in decision making processes.  | WALGA's governance model facilitates clear and accessible processes for Local Government members to influence policy and advocacy with consideration to alternatives to the existing zone structure. |
|                  |   | Agility                     | Considers the flexibility of WALGA's governance to adapt to changing circumstances.                                     | WALGA's governance model is agile and future proofed for external changes.   |
| Results Oriented | WALGA dedicates resources and efforts to secure the best outcomes for Local Government members and supports the delivery of high-quality projects, programs and services. | Focus                       | Considers the clarity and separation of responsibilities and accountabilities of WALGA's governance.                    | Governance bodies have clearly defined responsibilities and accountabilities, with the capacity to prioritise and focus on strategic issues.   |
|                  |   | Value Added Decision Making | Facilitates opportunities for value to be added to decision making.   | Adoption of best practice board processes, and introduction of governance structures that are empowered to inform decisions.   |
|                  |   | Continuous Improvement      | Considers regular review processes for components of the governance model, their purpose and achieved outcomes.         | WALGA's governance is regularly reviewed every 3 to 5 years to ensure the best outcomes are achieved for Local Government members.   |



# Thank you

For more information, visit our [website](#) or contact Tim Lane, Manager Association and Corporate Governance, at [tlane@walga.asn.au](mailto:tlane@walga.asn.au) or 9213 2029.



# Best Practice Governance Review

## Consultation Paper – Model Options



## Contents

| Item | Section                             | Page               |
|------|-------------------------------------|--------------------|
| 1    | Introduction                        | <a href="#">3</a>  |
| 2    | Governance Principles               | <a href="#">5</a>  |
| 3    | Options and Current Model           | <a href="#">7</a>  |
| 4    | Alignment to Principles             | <a href="#">14</a> |
| 5    | Consultation Process and Next Steps | <a href="#">20</a> |





# Best Practice Governance Review

## 1. Introduction

## ORDINARY COUNCIL MEETING MINUTES

## Introduction

## Background

The Western Australian Local Government Association (WALGA) developed its Corporate Strategy 2020-25, and in doing so identified a key strategic priority, to undertake a Best Practice Governance Review. The objective of the review is to ensure WALGA's governance and engagement models are contemporary, agile, and maximise engagement with members.

Other drivers for the review included: misalignment between key governance documents; constitution amendments for State Councillors' Candidature for State and Federal elections; and legislative reforms for the *Local Government Act 1995*, and for the *Industrial Relations Act 1979*.

In March 2022, State Council commissioned the Best Practice Governance Review (BPGR) and established a Steering Committee to guide the Review.

The BPGR Steering Committee had five meetings between 5 May 2022 and 10 August 2022. There was wide-ranging discussion on WALGA's current governance model, the need to engage broadly with the membership, and opportunities for change. Key outputs from the BPGR Steering Committee meetings included:

- Agreement on five comparator organisations – Australian Medical Association (AMA) WA, Chamber of Commerce and Industry (CCI) WA, Chamber of Minerals and Energy (CME), Australian Hotels Association (AHA) WA and the Pharmacy Guild (PG).
- Review of governance models of Local Government Associations in other Australian States and Territories, and New Zealand.
- Drafting of governance principles that will underpin future governance models.
- Finalisation of governance principles and principle components across the domains of: **Representative, Responsive and Results Oriented**.

These activities are outlined in more detail in the Background Paper.

## This document

This document outlines:

**Principles:** The governance model principles and principle components across the domains of: Representative, Responsive and Results Oriented. The principles were endorsed at the WALGA AGM on 3 October 2022.

**Governance model options:** Presents four potential governance model options and the structure and roles associated with each option. The four options are:

- **Option 1:** Two tier model, existing zones
- **Option 2:** Board, regional bodies
- **Option 3:** Board, amalgamated zones
- **Option 4:** Member elected board, regional groups
- **Option 5:** Current model

**Alignment to principles:** Each of these options are then assessed as to whether they align with the principles and their components. The assessment considers the option and whether it meets, partially meets or does not meet the principle component. Alongside this assessment are some discussion points. An example of this relates to diversity.

Diversity is a component of the governance model being representative. Diversity here may include consideration of whether the governance model comprises an appropriate diversity of skills and experience. It also provides opportunity to consider whether the governance model provides opportunity for members of diverse backgrounds e.g. people of Aboriginal and Torres Strait Islander descent, people with Culturally and Linguistically Diverse backgrounds.

Within all the model options, direct relationship with WALGA and regional / subregional collaboration would continue to be encouraged.





# Best Practice Governance Review

## 2. Governance Principles

## ORDINARY COUNCIL MEETING MINUTES

# Governance Principles

The following Governance Principles were endorsed by members at the 2022 AGM

|                  | Principle   | Principle component         | Component description   | Governance implications  |
|------------------|---|-----------------------------|---|--|
| Representative   | WALGA unites and represents the entire local government sector in WA and understands the diverse nature and needs of members, regional communities and economies.         | Composition                 | The composition of WALGA's governance model represents Local Government members from metropolitan and country councils. | The governing body will maintain equal country and metropolitan local government representation.   |
|                  |   | Size                        | An appropriate number of members/representatives oversees WALGA's governance.   | Potential reduction in the size of the overarching governing body.   |
|                  |   | Diversity                   | WALGA's governance reflects the diversity and experience of its Local Government members.                               | Potential for the introduction of a mechanism to ensure the governance model comprises an appropriate diversity of skills and experience.  |
|                  |   | Election Process            | Considers the processes by which WALGA's governance positions are elected and appointed.                                | Consideration of alternative election and appointment arrangements, with the President to be elected by and from the governing body.   |
| Responsive       | WALGA is an agile association which acts quickly to respond to the needs of Local Government members and stakeholders.  | Timely Decision Making      | WALGA's governance supports timely decision making.   | WALGA's governance model facilitates responsive decision making.   |
|                  |   | Engaged Decision Making     | WALGA's Local Government members are engaged in decision making processes.  | WALGA's governance model facilitates clear and accessible processes for Local Government members to influence policy and advocacy with consideration to alternatives to the existing zone structure. |
|                  |   | Agility                     | Considers the flexibility of WALGA's governance to adapt to changing circumstances.                                     | WALGA's governance model is agile and future proofed for external changes.   |
| Results Oriented | WALGA dedicates resources and efforts to secure the best outcomes for Local Government members and supports the delivery of high-quality projects, programs and services. | Focus                       | Considers the clarity and separation of responsibilities and accountabilities of WALGA's governance.                    | Governance bodies have clearly defined responsibilities and accountabilities, with the capacity to prioritise and focus on strategic issues.   |
|                  |   | Value Added Decision Making | Facilitates opportunities for value to be added to decision making.   | Adoption of best practice board processes, and introduction of governance structures that are empowered to inform decisions.   |
|                  |   | Continuous Improvement      | Considers regular review processes for components of the governance model, their purpose and achieved outcomes.         | WALGA's governance is regularly reviewed every 3 to 5 years to ensure the best outcomes are achieved for Local Government members.   |


















# Best Practice Governance Review

## 3. Options and Current Model

## ORDINARY COUNCIL MEETING MINUTES

# Options and Current Model




Five options, including the Current Model, with details of each of their key governance bodies

| Option 1 –<br>Two tier model,<br>existing Zones  | Option 2 –<br>Board, Regional<br>Bodies   | Option 3 –<br>Board, Amalgamated<br>Zones   | Option 4 –<br>Member elected Board,<br>Regional Groups   | Option 5 –<br>Current Model   |
|--|---|---|--|---|
|  <p><b>Board</b><br/>(11 members)<br/>8 elected from Policy Council, incl. Board elected President<br/>Up to 3 independents</p> |  <p><b>Board</b><br/>(11 members)<br/>8 elected from Regional Bodies, incl. Board elected President<br/>Up to 3 independents</p> |  <p><b>Board</b><br/>(15 members)<br/>12 elected from Zones, incl. Board elected President<br/>Up to 2 independents</p> |  <p><b>Board</b><br/>(11 members)<br/>8 elected via direct election, incl. Board elected President<br/>Up to 3 independents</p> |  <p><b>State Council</b><br/>(25 members)<br/>24 State Councillors<br/>1 President</p> |
|  <p><b>Policy Council</b><br/>(25 members)<br/>24 members plus President</p>  |  <p><b>Regional Bodies</b><br/>(4 metro, 4 country)</p>  |  <p><b>Zones</b><br/>(6 metro, 6 country)</p>   |  <p><b>Policy Teams / Forums / Committees</b></p>   |  <p><b>Zones</b><br/>(5 metro, 12 country)</p>   |
|  <p><b>Zones</b><br/>(5 metro, 12 country)</p>   |  <p><b>Policy Teams / Forums / Committees</b></p>   |  <p><b>Policy Teams / Forums / Committees</b></p>  |  <p><b>Regional Groups</b></p>   |  <p><b>Policy Teams / Forums / Committees</b></p>                                     |

ORDINARY COUNCIL MEETING MINUTES

# Option 1 – Two Tier Model, Existing Zones

A description of the governance body structure and role for Option 1

| Governance Body   | Structure   | Role   |
|---|---|--|
|  <b>Board</b>          | 11 members: 8 representative members elected from and by the Policy Council (4 Metro, 4 Country). The Board then elect the President from the representative members. The Board will appoint up to 3 independent, skills or constituency directors. | Meet 6 times per year. Responsible for governance of WALGA including strategy, financial oversight, policy development and endorsement, advocacy priorities, employment of CEO, etc.   |
|  <b>Policy Council</b> | 24 members plus President. Members elected by and from the Zones (12 from 5 Metro Zones, 12 from 12 Country Zones).   | Meet at least 2 times per year to contribute to policy positions and advocacy for input into Board, and to liaise with Zones on policy and advocacy. The Policy Council can form Policy Teams, Policy Forums and Committees, which would have responsibility for specific functions, such as policy development. |
|  <b>Zones</b>         | 5 Metro, 12 Country.  | Meet at least 2 times per year to raise policy issues, elect representatives to the Policy Council, and undertake regional advocacy and projects as directed by the Zone.  |








## ORDINARY COUNCIL MEETING MINUTES

## Option 2 – Board, Regional Bodies

A description of the governance body structure and role for Option 2

| Governance Body  | Structure  | Role  |
|--|--|---|
|  <p><b>Board</b></p>                                | <p>11 members: 8 representative members elected from and by the Regional Bodies (4 Metro, 4 Country). The Board then elect the President from the representative members. The Board will appoint up to 3 independent, skills or constituency directors.</p>  | <p>Meet 6 times per year responsible for governance of WALGA including strategy, financial oversight, policy development, advocacy priorities, employment of CEO, etc.</p>                                    |
|  <p><b>Regional Bodies</b></p>                      | <p>Metro: North, South, East and Central.<br/>Country: Mining &amp; Pastoral, Agricultural, Peel/South West/Great Southern, Regional Capitals.</p> <p><i>Note: Local Governments can nominate their preferred regional body, with membership of the regional bodies to be determined by the board.</i></p> | <p>Meet at least 2 times per year to contribute to policy development and advocacy, and to elect Board members (1 from each of the Metro Regional Bodies and 1 from each of the Country Regional Bodies).</p> |
|  <p><b>Policy Teams / Forums / Committees</b></p> | <p>Membership drawn from the Board and Regional Bodies with some independent members.</p>  | <p>Responsible for specific functions – such as policy development – as determined by the Board.</p>  |



## Option 3 – Board, Amalgamated Zones

A description of the governance body structure and role for Option 3

### Governance Body

### Structure

### Role



#### Board

15 members: 12 elected from the Zones (6 from Metro/Peel, 6 from Country). President to be elected by the Board. The Board will appoint up to 2 independent, skills or constituency directors.

Meet 6 times per year. Responsible for the governance of WALGA including strategy, financial oversight, policy development and endorsement, advocacy priorities, employment of CEO, etc.



#### Zones

Metro/Peel:

- Central Metropolitan
- East Metropolitan
- North Metropolitan
- South Metropolitan
- South East Metropolitan
- Peel

#### Country\*:

- Wheatbelt South
  - Wheatbelt North
  - Mid West / Murchison / Gascoyne
  - Pilbara / Kimberley
  - South West / Great Southern
  - Goldfields / Esperance
- \*indicative, re-drawing required*

Meet at least 2 times per year to contribute to policy development and advocacy, and to elect Board members.



#### Policy Teams / Forums / Committees




Membership drawn from Board with some independent members.

Responsible for specific functions – such as policy development – as determined by the Board.

## ORDINARY COUNCIL MEETING MINUTES




## Option 4 – Member Elected Board, Regional Groups

A description of the governance body structure and role for Option 4

| Governance Body  | Structure   | Role   |
|--|---|--|
|  <p><b>Board</b></p>                              | <p>11 members: 8 representative members elected via direct election, with each member Local Government to vote (4 elected by and from Metropolitan Local Governments, 4 elected by and from Country Local Governments). President elected by the Board from among the representative members. The Board will appoint up to 3 independent, skills or constituency directors.</p> | <p>Meet 6 times per year and responsible for governance of WALGA including strategy, financial oversight, policy development and endorsement, advocacy priorities, employment of CEO, etc.</p> |
|  <p><b>Policy Teams / Forums / Committees</b></p> | <p>Membership drawn from Board with some independent members.</p>   | <p>Meet at least 2 times per year. Responsible for specific functions – such as contributing to policy development – as determined by the Board.</p>   |
|  <p><b>Regional Groups</b></p>                  | <p>Determined by members to suit needs. E.g. Regional Capitals, GAPP, VROCs, CEO Group, existing Zones.</p>   | <p>Feed into policy development processes and undertake advocacy and projects as determined by the groups.</p>   |

## Option 5 – Current Model

A description of the governance body structure and roles for the Current Model

| Governance Body  | Structure   | Role   |
|--|---|--|
|  <b>State Council</b>                       | 24 members plus the President.<br>Members elected by and from the Zones (12 from 5 Metropolitan Zones, 12 from 12 Country Zones). | Responsible for the governance of WALGA including strategy, financial oversight, policy development and endorsement, advocacy, employment of CEO, etc. |
|  <b>Zones</b>                               | 5 Metro, 12 Country.  | Consider the State Council Agenda, elect State Councillors, and undertake regional advocacy / projects as directed by the Zone.                        |
|  <b>Policy Teams / Forums / Committees</b> | Membership drawn from State Council with some independent members.  | Responsible for specific functions – such as contributing to policy development, financial oversight etc. – as determined by State Council.            |



# Best Practice Governance Review




## 4. Alignment to Principles

ORDINARY COUNCIL MEETING MINUTES

# Option 1 – Two Tier Model, Existing Zones

Option 1 and its alignment to the principles

**Option 1 –  
Two tier model,  
existing Zones**

|   |  |
|---|--|
|  | <b>Board</b><br>(11 members)<br>8 elected from Policy Council, incl. Board elected President<br>Up to 3 independents |
|  | <b>Policy Council</b><br>(25 members)<br>24 members plus President   |
|  | <b>Zones</b><br>(5 metro, 12 country)  |

|                         | Principle & component              | Principle alignment (Meets, partial, does not meet) | Discussion points  |
|-------------------------|------------------------------------|---|--|
| <b>Representative</b>   | <b>Composition</b>                 | Meets   | <ul style="list-style-type: none"> <li>Board will have equal metropolitan and country membership</li> </ul>  |
|                         | <b>Size</b>                        | Meets   | <ul style="list-style-type: none"> <li>Board is smaller</li> </ul>   |
|                         | <b>Diversity</b>                   | Meets   | <ul style="list-style-type: none"> <li>Consideration of appointment processes for independent members</li> </ul>                                       |
|                         | <b>Election Process</b>            | Meets   | <ul style="list-style-type: none"> <li>Board to be elected from Policy Council</li> </ul>  |
| <b>Responsive</b>       | <b>Timely Decision Making</b>      | Meets   | <ul style="list-style-type: none"> <li>Meeting frequency aligned to governing body roles</li> </ul>  |
|                         | <b>Engaged Decision Making</b>     | Meets   | <ul style="list-style-type: none"> <li>Board meetings are not dependent on other governing body meetings</li> </ul>                                    |
|                         | <b>Agility</b>                     | Partial   | <ul style="list-style-type: none"> <li>Board is future-proofed from external changes</li> <li>Zone structures still underpin Council</li> </ul>        |
| <b>Results Oriented</b> | <b>Focus</b>                       | Partial   | <ul style="list-style-type: none"> <li>Prioritisation and focus may be a challenge</li> </ul>  |
|                         | <b>Value Added Decision Making</b> | Meets   | <ul style="list-style-type: none"> <li>Best practice board approaches will be adopted</li> </ul>   |
|                         | <b>Continuous Improvement</b>      | Meets   | <ul style="list-style-type: none"> <li>Board would be responsible for ongoing reviews of governance body roles in consultation with members</li> </ul> |






ORDINARY COUNCIL MEETING MINUTES

# Option 2 – Board, Regional Bodies

Option 2 and its alignment to the principles

**Option 2 –  
Board, Regional  
Bodies**

|   |  |
|---|--|
|  | <b>Board</b><br>(11 members)<br>8 elected from<br>Regional Bodies, incl.<br>Board elected<br>President<br>Up to 3 independents |
|  | <b>Regional<br/>Bodies</b><br>(4 metro,<br>4 country)  |
|  | <b>Policy Teams<br/>/ Forums /<br/>Committees</b>  |

|                         | Principle & component              | Principle alignment<br>(Meets, partial,<br>does not meet) | Discussion points   |
|-------------------------|------------------------------------|---|---|
| <b>Representative</b>   | Composition                        | Meets   | <ul style="list-style-type: none"> <li>Board will have equal metropolitan and country membership</li> <li>How to establish regional body membership is a consideration</li> </ul> |
|                         | Size                               | Partial   | <ul style="list-style-type: none"> <li>Board is smaller</li> <li>Number of regional bodies is a consideration</li> </ul>  |
|                         | Diversity                          | Meets   | <ul style="list-style-type: none"> <li>Consideration of appointment processes for independent members</li> </ul>  |
|                         | Election Process                   | Meets   | <ul style="list-style-type: none"> <li>Board election from regional bodies</li> </ul>   |
| <b>Responsive</b>       | <b>Timely Decision Making</b>      | Meets   | <ul style="list-style-type: none"> <li>Meeting frequency aligned to governing body roles</li> </ul>   |
|                         | <b>Engaged Decision Making</b>     | Meets   | <ul style="list-style-type: none"> <li>Board meetings are not dependent on regional body meetings</li> </ul>  |
|                         | <b>Agility</b>                     | Meets   | <ul style="list-style-type: none"> <li>Board and regional bodies are future proofed from external changes</li> </ul>  |
|                         | <b>Focus</b>                       | Partial   | <ul style="list-style-type: none"> <li>There may be challenges defining accountabilities and responsibilities of regional bodies</li> </ul>                                       |
| <b>Results Oriented</b> | <b>Value Added Decision Making</b> | Meets   | <ul style="list-style-type: none"> <li>Best practice board approaches will be adopted</li> </ul>  |
|                         | <b>Continuous Improvement</b>      | Meets   | <ul style="list-style-type: none"> <li>Board will be responsible for ongoing reviews of governing body roles in consultation with members</li> </ul>                              |



ORDINARY COUNCIL MEETING MINUTES

# Option 3 – Board, Amalgamated Zones

Option 3 and its alignment to the principles

**Option 3 –  
Board, Amalgamated  
Zones**

|   |  |
|---|--|
|  | <b>Board</b><br>(15 members)<br>12 elected from<br>Zones, incl. Board<br>elected President<br>Up to 2 independents |
|  | <b>Zones</b><br>(6 metro,<br>6 country)  |
|  | <b>Policy Teams<br/>/ Forums /<br/>Committees</b>  |

|                         | Principle & component              | Principle alignment<br>(Meets, partial, does not meet) | Discussion points  |
|-------------------------|------------------------------------|--|--|
| <b>Representative</b>   | Composition                        | Partial  | <ul style="list-style-type: none"> <li>Board will have equal metropolitan and country membership</li> <li>There may be composition challenges for amalgamated zones</li> </ul> |
|                         | Size                               | Partial  | <ul style="list-style-type: none"> <li>Board is smaller</li> <li>Amalgamation of zones to 12 in total</li> </ul>   |
|                         | Diversity                          | Meets  | <ul style="list-style-type: none"> <li>Consideration of appointment processes for independent members</li> </ul>   |
|                         | Election Process                   | Meets  | <ul style="list-style-type: none"> <li>Board election from zones</li> </ul>  |
| <b>Responsive</b>       | <b>Timely Decision Making</b>      | Meets  | <ul style="list-style-type: none"> <li>Meeting frequency aligned to governing body roles</li> </ul>  |
|                         | <b>Engaged Decision Making</b>     | Meets  | <ul style="list-style-type: none"> <li>Board meetings are aligned to zone meetings</li> </ul>  |
|                         | <b>Agility</b>                     | Meets  | <ul style="list-style-type: none"> <li>Board is future proofed from external changes</li> </ul>  |
|                         | <b>Focus</b>                       | Partial  | <ul style="list-style-type: none"> <li>Prioritisation and focus may be a challenge</li> </ul>  |
| <b>Results Oriented</b> | <b>Value Added Decision Making</b> | Meets  | <ul style="list-style-type: none"> <li>Best practice board approaches will be adopted</li> </ul>   |
|                         | <b>Continuous Improvement</b>      | Meets  | <ul style="list-style-type: none"> <li>The Board would be responsible for ongoing reviews of governance body roles in consultation with members</li> </ul>                     |








ORDINARY COUNCIL MEETING MINUTES

# Option 4 – Member Elected Board, Regional Groups

Option 4 and its alignment to the principles

**Option 4 –  
Member elected Board,  
Regional Groups**

|   |  |
|---|--|
|  | <b>Board</b><br>(11 members)<br>8 elected via direct election, incl. Board elected President<br>Up to 3 independents |
|  | <b>Policy Teams / Forums / Committees</b>  |
|  | <b>Regional Groups</b>   |

|                         | Principle & component              | Principle alignment (Meets, partial, does not meet) | Discussion points   |
|-------------------------|------------------------------------|---|---|
| <b>Representative</b>   | Composition                        | Partial   | <ul style="list-style-type: none"> <li>Board will have equal metropolitan and country membership</li> <li>Membership of regional groups dynamic and ad hoc</li> </ul> |
|                         | Size                               | Partial   | <ul style="list-style-type: none"> <li>Board is smaller</li> </ul>  |
|                         | Diversity                          | Meets   | <ul style="list-style-type: none"> <li>Consideration of appointment processes for independent members</li> </ul>  |
|                         | Election Process                   | Meets   | <ul style="list-style-type: none"> <li>Board election from a general meeting</li> </ul>   |
| <b>Responsive</b>       | <b>Timely Decision Making</b>      | Meets   | <ul style="list-style-type: none"> <li>Meeting frequency aligned to governing body roles</li> </ul>   |
|                         | <b>Engaged Decision Making</b>     | Meets   | <ul style="list-style-type: none"> <li>Board meetings are not dependent on policy teams / regional group meetings</li> </ul>  |
|                         | <b>Agility</b>                     | Meets   | <ul style="list-style-type: none"> <li>Board is future-proofed from external changes</li> </ul>   |
| <b>Results Oriented</b> | <b>Focus</b>                       | Partial   | <ul style="list-style-type: none"> <li>Policy teams / Regional Group meetings to influence priorities</li> </ul>  |
|                         | <b>Value Added Decision Making</b> | Meets   | <ul style="list-style-type: none"> <li>Best practice board approaches will be adopted</li> </ul>  |
|                         | <b>Continuous Improvement</b>      | Meets   | <ul style="list-style-type: none"> <li>Board would be responsible for ongoing reviews of governing body roles in consultation with members</li> </ul>                 |



ORDINARY COUNCIL MEETING MINUTES

# Option 5 – Current Model

Current model and its alignment to the principles

**Option 5 –  
Current Model**

|   |  |
|---|--|
|  | State Council<br>(25 members)<br>24 State Councillors<br>1 President |
|  | Zones<br>(5 metro,<br>12 country)                                    |
|  | Policy Teams<br>/ Forums /<br>Committees                             |

|                         | Principle & component              | Principle alignment<br>(Meets, partial,<br>does not meet) | Discussion points  |
|-------------------------|------------------------------------|---|--|
| <b>Representative</b>   | Composition                        | Meets   | <ul style="list-style-type: none"> <li>State Council has equal metropolitan and country membership</li> </ul>  |
|                         | Size                               | Partial   | <ul style="list-style-type: none"> <li>State Council will retain 25 members</li> </ul>   |
|                         | Diversity                          | Partial   | <ul style="list-style-type: none"> <li>No control of diversity of State Council</li> </ul>   |
| <b>Responsive</b>       | Election Process                   | Meets   | <ul style="list-style-type: none"> <li>State Council election from zones</li> </ul>  |
|                         | <b>Timely Decision Making</b>      | Partial   | <ul style="list-style-type: none"> <li>Meeting frequency aligned to governing body roles</li> </ul>  |
|                         | <b>Engaged Decision Making</b>     | Meets   | <ul style="list-style-type: none"> <li>State Council meetings are aligned to zone meetings</li> </ul>  |
|                         | <b>Agility</b>                     | Partial   | <ul style="list-style-type: none"> <li>State Council is not future proofed from external changes</li> </ul>  |
| <b>Results Oriented</b> | <b>Focus</b>                       | Partial   | <ul style="list-style-type: none"> <li>Prioritisation and focus may remain a challenge</li> </ul>  |
|                         | <b>Value Added Decision Making</b> | Partial   | <ul style="list-style-type: none"> <li>Best practice board approaches will not be adopted</li> </ul>   |
|                         | <b>Continuous Improvement</b>      | Meets   | <ul style="list-style-type: none"> <li>State Council would continue to be responsible for ongoing reviews of governance body roles in consultation with members</li> </ul> |





## Best Practice Governance Review

# 5. Consultation Process and Next Steps

# WALGA Best Practice Governance Review

## Consultation Process and Next Steps

### Consultation Process

#### Council Position

Member Local Governments are asked to consider this paper and the governance model options put forward and provide a Council endorsed position to WALGA.

It is suggested that Councils endorse a preferred model (which could be the Current Model) and provide a ranking in terms of an order of preference.

Submissions to WALGA are sought by **23 December 2022**.

#### Supplementary Market Research

An independent market research company has been engaged to ascertain insights from Elected Members and Chief Executive Officers about WALGA's governance model. Qualitative interviews and a quantitative survey will be undertaken to supplement Council positions.

#### Workshops and Forums

Requests for presentations on the work undertaken by the Steering Committee and the model options, as well as facilitation of workshops and discussions will be accommodated where practicable.

### Next Steps

#### Timetable

- Consultation and engagement with Members on this paper and governance model options will be undertaken from October 2022 until 23 December 2022.
- The Steering Committee will consider the outcomes of the consultation process during January 2023.
- A Final Report with a recommended direction will be the subject of a State Council Agenda item for the March 2023 State Council meeting.





# Thank you

For more information, visit our [website](#) or contact Tim Lane, Manager Association and Corporate Governance, at [tlane@walga.asn.au](mailto:tlane@walga.asn.au) or 9213 2029.

**14.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING**

**14.2 OFFICERS**

**14.2.(B) TENDER RFT 03/2023 - NEW STAFF (CEO) ACCOMMODATION, DESIGN AND CONSTRUCT**

**SUBMISSION TO:** Ordinary Council Meeting  
Meeting Date: 20th December 2022

**AGENDA REFERENCE:** 14.2.(B) DEC 22

**SUBJECT:** Tender RFT 03/2023 - New Staff (CEO) Accommodation, Design and Construct

**LOCATION/ADDRESS:** Leonora

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** Tenders General 10.7

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** James Gregory Epis

**OFFICER:** Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 19th December 2022

**SUPPORTING DOCUMENTS:** 1. RFT 03/2023 New Staff (CEO) Accommodation Design and Construct - Tender Assessment Report (confidential)

**BACKGROUND**

On Saturday 12<sup>th</sup> November, 2022 the Shire called tenders from suitably qualified and registered building contractors to undertake Design and Construction of one Staff Accommodation Unit (intended to be used as the house for the future CEO of the Shire of Leonora) and associated infrastructure, including fencing and landscaping. The unit is to be located at Lot 2, 30 Queen Victoria Street, Leonora.

The Shire engaged the services of Core Business Australia Pty Ltd (CORE) to prepare the Request for Tender documentation and compile the RFT specification. The tender was advertised in the West Australian on the 12<sup>th</sup> November, 2022, and was run through TenderLink at <https://portal.tenderlink.com/corebusiness>.

During the advertisement period, the closing time was extended to Tuesday 13<sup>th</sup> December, 2022.

Tenders were opened after the closing date and time, with CORE's Managing Director Bruce Lorimer in attendance (authorised as per Regulation 16 (3)(a)(ii) of the *Local Government (Functions and General) Regulations 1996* ), as well as Mr Dave Hadden, Principal Environmental Health Officer and Building Surveyor of the Shire of Leonora, and Ms Kate Robertson, Project Support Officer for CORE Business.

No members of the public attended the opening.

There was one (1) tender received as follows:

| Tenderer   | Price (Excl. GST) |
|------------|-------------------|
| Modular WA | \$640,963.64      |

Tenders were assessed giving consideration to price, experience, and serviceability.

### STATUTORY ENVIRONMENT

*Local Government (Functions and General) Regulations 1996* section 11 states that tenders are to be publicly invited before a Local Government enters into a contract for another person to supply goods or services if the consideration under the contract is expected to be worth more than \$250,000.00.

### POLICY IMPLICATIONS

There are no policy implications resulting from the recommendation of this report.

### FINANCIAL IMPLICATIONS

When the 2022/2023 budget was adopted, an amount of \$750,000 was included to cover any costs associated with this project.

### STRATEGIC IMPLICATIONS

There are no strategic implications resulting from the recommendation of this report.

### RECOMMENDATIONS

That Council accepts the tender submitted by Modular WA to undertake the Design and Construction of one Staff Accommodation Unit (intended to be used as the house for the future CEO of the Shire of Leonora) and associated infrastructure, including fencing and landscaping, at the tendered price of \$640,963.64 plus GST.

### VOTING REQUIREMENT

Simple Majority

***At 1:31pm, Cr RA Norrie entered the Meeting, and Cr PJ Craig suspended the discussion regarding Item 14.2.(B) to invite Ms Tanya Browning, Moore Australia (WA) Pty Ltd to address the council regarding the Review of Leonora's Policy Documents.***

Ms Browning thanked Council for inviting her to the meeting, and spoke to Council regarding the background for the review of Council's Policy Documents, the progress having been made so far, and the future presentation of the changes suggested which will then form an updated Policy Manual for Council.

The goals of the review are to;

- ensure policies are current;
- ensure legislatively required policies exist;
- ensure policies exist for high risk areas;
- ensure uniformity of language and strategic direction;

- help minimise the risk of blurring lines between policies and procedures; and
- help minimise risk of breakdown in internal controls and legislative compliance.

Overarching changes will be the introduction of new policies, the combination of existing policies and the revoking of unnecessary policies, or policies that are more operational in nature.

Cr PJ Craig thanked Ms Browning for her presentation, and invited questions and comments from the Council.

Ms Browning provided answers as needed, before thanking council for their time.

***Cr PJ Craig adjourned the meeting at 2:29pm for a short break.***

***The meeting resumed at 2:33pm with all those previously listed in the record of attendance present, except Ms Tanya Browning, who had now left the meeting. Also in attendance were Mr Andrew Strelein and Ms Kylie Okely from St Barbara Limited, and Mr Raleigh Finlayson, Managing Director, Genesis Minerals Limited.***

**Cr PJ Craig welcomed Mr A Strelein, Ms K Okely, and Mr R Finlayson to the meeting and invited them to address the council regarding the Leonora Province Plan.**

Mr A Strelein began the presentation, providing an overview of the Leonora Province Plan, where they are currently, and where they hope to be going forward.

Cr PJ Craig thanked Mr Strelein for the presentation, and invited questions and comments to be raised by Council.

Once the questions and comments had been asked and answered, Mr R Finlayson was invited to continue the presentation, with a focus on the possible merger regarding St Barbara and Genesis.

Mr R Finlayson thanked Council for the opportunity to present, and provided a background on himself, as well as Genesis Mine, the current standing of the merger with St Barbara and provided some additional information regarding future plans.

At the conclusion of his presentation, Cr PJ Craig invited further questions and comments to be made.

***After the final questions and comments asked and answered, Cr PJ Craig thanked St Barbara and Genesis for their presentation and Mr A Strelein, Ms Kylie Okely and Mr R Finlayson left the meeting at 3:09pm.***

***Shire President, Cr PJ Craig adjourned the meeting at 3:12pm for a short break.***

***The meeting resumed at 3:21pm with all those previously listed in the record of attendance present.***



Signed: 21<sup>st</sup> February, 2023

President: \_\_\_\_\_

20 DECEMBER 2022

**ORDINARY COUNCIL MEETING MINUTES**

---

**COUNCIL DECISION**

**Moved: Cr RA Norrie**

**Seconded: Cr LR Petersen**

That Council accepts the tender submitted by Modular WA to undertake the Design and Construction of one Staff Accommodation Unit (intended to be used as the house for the future CEO of the Shire of Leonora) and associated infrastructure, including fencing and landscaping, at the tendered price of \$640,963.64 plus GST.

**CARRIED (6 VOTES TO 0)**

**14.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING**

**14.2 OFFICERS**

**14.2.(C) ANNUAL REPORT 2021/2022 & GENERAL ELECTORS' MEETING**

**SUBMISSION TO:** Ordinary Council Meeting  
Meeting Date: 20th December 2022

**AGENDA REFERENCE:** 14.2.(C) DEC 22

**SUBJECT:** Annual Report 2021/2022 & General Electors' Meeting

**LOCATION/ADDRESS:** Leonora

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** Financial Statements Current 1.8

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** James Gregory Epis

**OFFICER:** Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 19th December 2022

**SUPPORTING DOCUMENTS:** 1. Annual Report - June 2022 [↓](#)

**BACKGROUND**

In each financial year a local government is to prepare an Annual Report.

The draft Annual Report for the year ended 30<sup>th</sup> June, 2022 is attached for consideration and adoption, and a date for the Annual Meeting of Electors should be set.

Section 5.54 (1 & 2) of the Local Government Act states that the Annual Report for a financial year is to be accepted by the Local Government no later than 31<sup>st</sup> December in that year, or where the auditor's report is not available until after that date, no later than two (2) months after the auditor's report becomes available.

With regard to the Annual Electors Meeting, Section 5.27 of the Local Government Act states that at least fourteen (14) days public notice must be given and the meeting must be held no later than 56 days after Council accepts the Annual Report.

It is recommended that the Annual Electors Meeting be held on Friday 10<sup>th</sup> February, 2023, at 2:00pm.

**STATUTORY ENVIRONMENT**

Section 5.54 (1 & 2) of the Local Government Act states that the Annual Report for a financial year is to be accepted by the Local Government no later than 31<sup>st</sup> December in that year

**POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

**FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

**STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

**RECOMMENDATIONS**

That Council adopt the Annual Report as presented for the year ended 30<sup>th</sup> June 2022 be accepted and the General Meeting of Electors be scheduled for Friday 10<sup>th</sup> February 2023 at 2:00 pm in the Shire of Leonora Council Chambers, Leonora.

**VOTING REQUIREMENT**

Absolute Majority

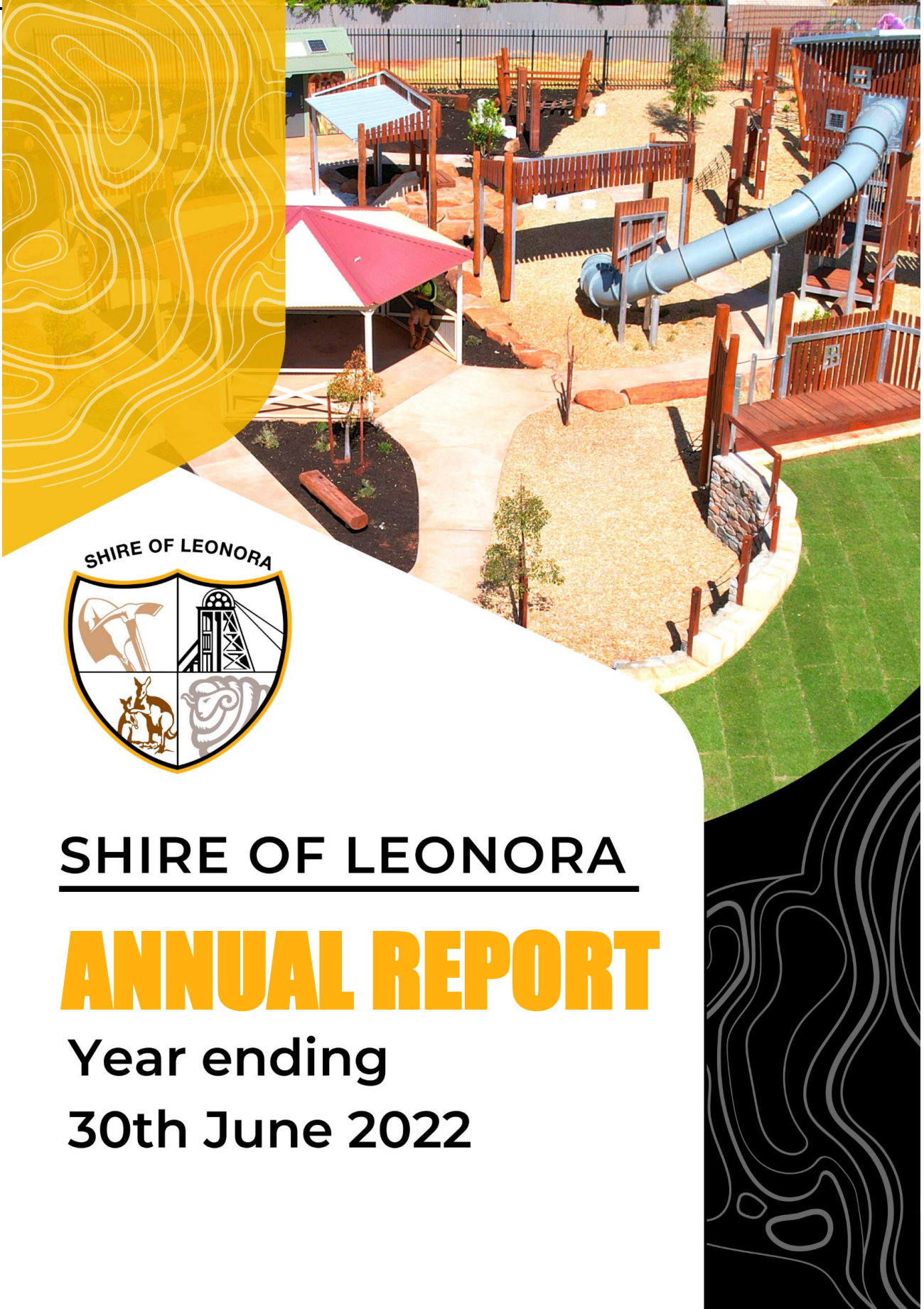
**COUNCIL DECISION**

**Moved: Cr AE Taylor**

**Seconder: Cr AM Moore**

That Council adopt the Annual Report as presented for the year ended 30<sup>th</sup> June 2022 be accepted and the General Meeting of Electors be scheduled for Friday 10<sup>th</sup> February 2023 at 2:00 pm in the Shire of Leonora Council Chambers, Leonora.

**CARRIED BY ABSOLUTE MAJORITY (6 VOTES TO 0)**



# SHIRE OF LEONORA

# ANNUAL REPORT

Year ending  
30th June 2022



SHIRE OF LEONORA  
ANNUAL REPORT 2021-2022

## CONTENTS

|     |  |           |
|-----|--|-----------|
| 1.  | MESSAGE FROM THE PRESIDENT .....                       | 2         |
| 2.  | MESSAGE FROM THE CHIEF EXECUTIVE OFFICER .....         | 3         |
| 3.  | SHIRE OF LEONORA ORGANISATIONAL CHART.....             | 4         |
| 4.  | THE FINANCIAL REPORT .....                             | 5         |
| 5.  | INDEPENDENT AUDIT REPORT .....                         | 47        |
| 6.  | DISABILITY ACCESS INCLUSION PLAN.....                  | 51        |
| 7.  | OFFICIAL CONDUCT-COMPLAINTS REGISTER.....              | 51        |
| 8.  | INFORMATION OF PAYMENTS TO EMPLOYEES.....              | 52        |
| 9.  | COUNCILLOR DETAILS .....                               | 53        |
| 10. | OVERVIEW OF THE PLAN FOR THE FUTURE.....               | 54        |
| 11. | FREEDOM OF INFORMATION STATEMENT.....                  | 59        |
| 12. | STATE RECORD ACT 2000 - RECORDKEEPING .....            | 59        |
| 13. | NATIONAL COMPETITION POLICY .....                      | 60        |
|     | <u>1. COMPETITIVE NEUTRALITY .....</u>                 | <u>60</u> |
|     | <u>2. STRUCTURAL REVIEW OF PUBLIC MONOPOLIES .....</u> | <u>61</u> |
|     | <u>3. LEGISLATION REVIEW .....</u>                     | <u>61</u> |
| 14. | ACCEPTANCE OF THE ANNUAL REPORT .....                  | 61        |





## 1. MESSAGE FROM THE PRESIDENT

### To the Shire of Leonora Community

Throughout the year 2021/22 the Shire of Leonora has continued its Membership with both the Goldfields Voluntary Regional Organisation of Councils (GVROC) and Northern Goldfields Working Group (NGWG) to advocate improvements for the Goldfields and Northern Goldfields Regions. The GVROC acts as a collective in advocating on behalf of Member Councils and the region, through lobbying on a State and Federal level for key infrastructure projects within the Goldfields Esperance Region to assist and drive the potential for economic and industry growth. The advocacy for key infrastructure projects includes roads and rail, utilities, waste management, availability of land, housing, and labour.



The NGWG is an information group set up by local government in the Northern Goldfields region and consists of the Shires of Laverton, Wiluna, Menzies, Ngaanyatjaraku and Leonora. This Group work together to advocate to the GVROC and State and Federal governments for improvements in key local infrastructure and economic development relevant to the specific region.

A broad range of capital projects and economic planning continue to contribute towards a positive future for the Shire of Leonora. This year we have seen tourism continue its growth in our region with the ongoing maintenance of our historic buildings, completion of new and improved infrastructure at Malcolm Dam, public toilets and Yingkapayi – To Play playground in Tower Street and another successful Golden Gift Weekend.

While navigating around COVID-19, the leadership of Chief Executive Officer Jim Epis and Council have continued to ensure that the health and emergency management directives set by both State and Federal Government agencies have been implemented. This has presented challenges to ensuring its community remains safe and that the economic and social aspects of the community are maintained.

Under the direction and leadership of Chief Executive Officer, Jim Epis, with the support of his Senior Staff the Shire together with the Council have continued to fulfill the outcomes of the Strategic Community Plan 2017-2027. I wish to acknowledge and thank Jim for his hard work and continued dedication to Council, staff and community. Jim's experience in dealing with all levels of government is testament to his knowledge and understanding of his role and the community. I also acknowledge my fellow Councillors for their ongoing support and dedication to the Shire's community.

On behalf of Council and staff, I wish to extend my thanks to the community for their continued support in helping grow our community. To the Shire of Leonora residents and ratepayers, we continue to look forward to working with you and achieving the best outcomes for the Shire's community.

**PJ CRAIG  
PRESIDENT**



## 2. MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



In accordance with section 7.9(1) of the *Local Government Act 1995* the Auditor General is required to issue an opinion on the financial statements of the shire for the year ended 30<sup>th</sup> June 2022. The State Government compliance and legislative changes to Regulations that our Local Government must adhere, continues to absorb a large portion of the Shire's resources. While some changes provide our Shire greater clarity on regulatory matters and Council policy, it still takes staff time and Council policy to adjust to the new standards and requirements.

Throughout 2021/22 the pressure of COVID-19 pandemic continued to be placed on local governments through the necessity to comply with public health and emergency directives from State Government to ensure the health and welfare of staff and the community. The ongoing pandemic also continued to throw challenges when looking to roll out the capital works program. The lack of available businesses to undertake the work, additional to this the challenges with supply of materials and securing and retaining staff. This negatively impacts the delivery of capital projects within the required timeframe and adds pressure on delivering future projects.

However, despite the negative impacts experienced, in line with the Strategic Community Plan 2017-2027 projects of 2021/22 focussed on improvements supporting the community and providing essential infrastructure and services to promote growth. The major achievements were completed utilising external grants to fund capital projects for local road and community amenity infrastructure projects. Some of the capital projects completed were, sealing of Agnew Road to camp, upgrade of camping facilities at Malcolm Dam, main street public toilets and 'Yingkapayi – To Play' playground in Tower Street. Other projects that were started and will continue into the 2022/23 year are the aerodrome security fencing, installation of a water standpipe and the tendering and preparation for works on the Aged Care Units and Swimming Pool Retiling projects.

The Shire is pleased to work with community groups and stakeholders in providing support through grant funding. These funds assist various community groups in both Leonora and Leinster to undertake events and activities that help enhance and build community life. During the 2021/22 the Shire has been engaging with community stakeholders to enhance community safety and reduce criminal and anti-social behaviour through a collaboration of key interests and agencies.

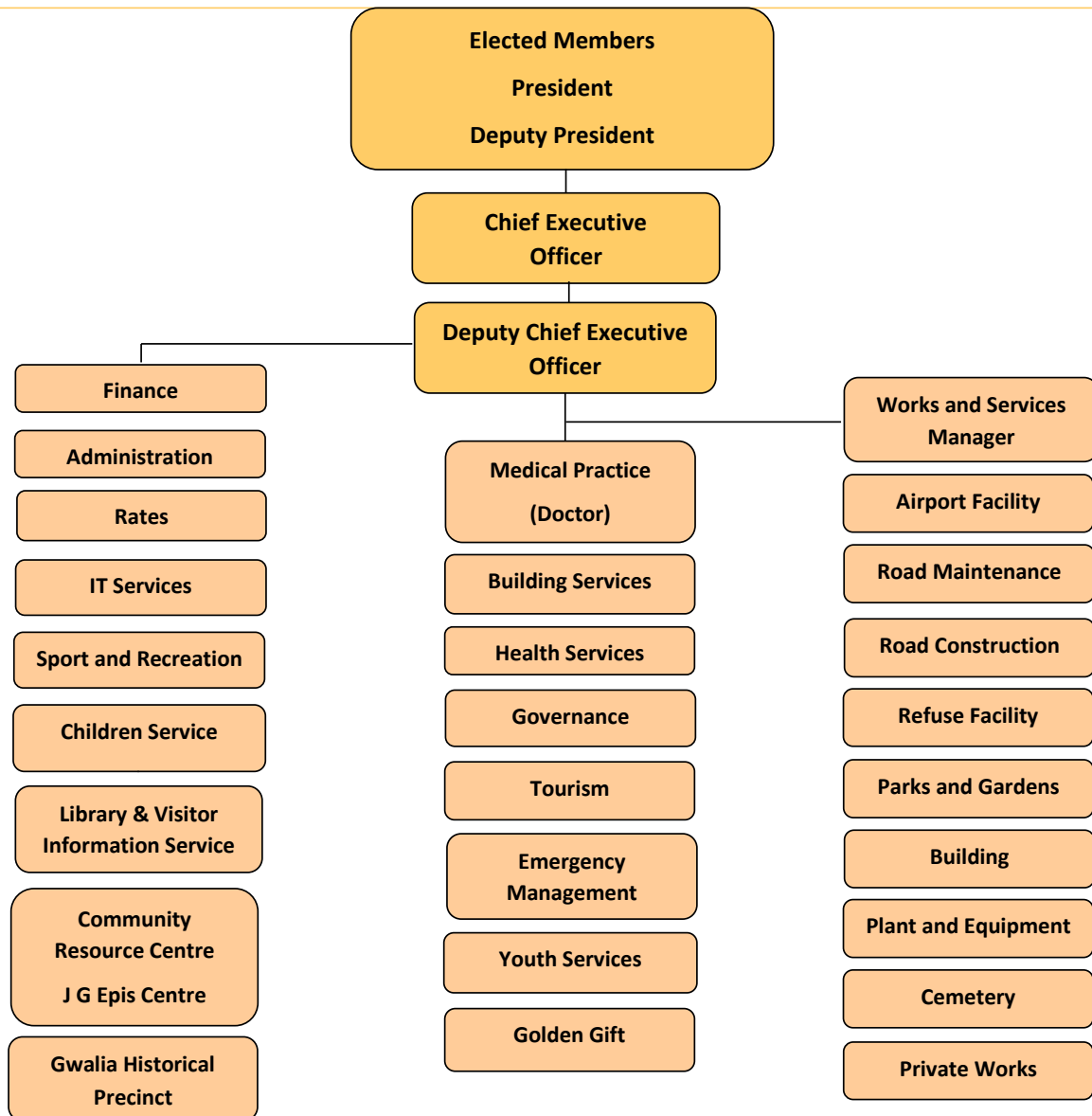
I wish to take this opportunity to thank Deputy Chief Executive Officer, Linda Gray who was farewelled in September to take up the position of Chief Executive Officer at the Shire of Cranbrook. The contribution Linda made to the Shire of Leonora within her three-year contract is appreciated and I wish her well in the future.

To our Shire President, Peter Craig, and Councillors I would like to take this opportunity to thank you for your commitment throughout the year and the contributions made to our community. I also take this opportunity to thank all staff for their continued efforts throughout 2021/22 and look forward to us all working together in helping to meet the increasing required standards expected of local governments.

**J G EPIS**  
**CHIEF EXECUTIVE OFFICER**



### 3. SHIRE OF LEONORA ORGANISATIONAL CHART







SHIRE OF LEONORA  
ANNUAL REPORT 2021-2022

4. THE FINANCIAL REPORT



**FINANCIAL  
REPORT**

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

|   |    |
|---|----|
| Certification of Financial Report                   | 2  |
| Statement of Comprehensive Income by Nature or Type | 3  |
| Statement of Financial Position                     | 4  |
| Statement of Changes in Equity                      | 5  |
| Statement of Cash Flows                             | 6  |
| Rate Setting Statement                              | 7  |
| Index of Notes to the Financial Report              | 8  |
| Independent Auditor's Report                        | 42 |

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

*That the Shire of Leonora is a proactive, sustainable, safe, friendly and prosperous place to be.*

Principal place of business:  
16 Tower Street  
Leonora WA 6438


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

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

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

Signed on the FIFTEENTH day of DECEMBER 2022

  
\_\_\_\_\_  
Chief Executive Officer

Jim Epis  
\_\_\_\_\_  
Name of Chief Executive Officer



## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

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

|   | NOTE       | 2022<br>Actual<br>\$ | 2022<br>Budget<br>\$ | 2021<br>Actual<br>\$ |
|---|------------|----------------------|----------------------|----------------------|
| <b>Revenue</b>  |            |                      |                      |                      |
| Rates   | 21(a),2(a) | 7,005,810            | 7,003,983            | 6,924,847            |
| Operating grants, subsidies and contributions                             | 2(a)       | 2,569,789            | 3,398,242            | 2,154,070            |
| Fees and charges  | 20(c),2(a) | 2,196,296            | 2,068,519            | 2,037,872            |
| Interest earnings   | 2(a)       | 2,393                | 44,000               | 2,652                |
| Other revenue   | 2(a)       | 426,401              | 487,456              | 443,435              |
|   |            | 12,200,689           | 13,002,200           | 11,562,876           |
| <b>Expenses</b>   |            |                      |                      |                      |
| Employee costs  |            | (3,939,408)          | (2,445,251)          | (3,702,038)          |
| Materials and contracts   |            | (4,432,608)          | (7,828,494)          | (4,155,404)          |
| Utility charges   |            | (395,725)            | (258,402)            | (454,882)            |
| Depreciation  | 8(a)       | (3,210,755)          | (1,775,918)          | (3,230,492)          |
| Insurance   |            | (265,791)            | (243,704)            | (243,590)            |
| Other expenditure   | 2(b)       | (97,072)             | (145,928)            | (153,713)            |
|   |            | (12,341,359)         | (12,697,697)         | (11,940,119)         |
|   |            | (140,670)            | 304,503              | (377,243)            |
| Non-operating grants, subsidies and contributions                         | 2(a)       | 1,854,520            | 1,043,923            | 1,228,768            |
| Profit on asset disposals   | 8(b)       | 70,821               | 0                    | 3,209                |
| Loss on asset disposals   | 8(b)       | 0                    | 0                    | (59,688)             |
|   |            | 1,925,341            | 1,043,923            | 1,172,289            |
| <b>Net result for the period</b>  | 20(b)      | <b>1,784,671</b>     | <b>1,348,426</b>     | <b>795,046</b>       |
| <b>Other comprehensive income for the period</b>                          |            |                      |                      |                      |
| <i>Items that will not be reclassified subsequently to profit or loss</i> |            |                      |                      |                      |
| Changes in asset revaluation surplus                                      | 13         | 18,773,237           | 0                    | 0                    |
| <b>Total other comprehensive income for the period</b>                    | 13         | <b>18,773,237</b>    | <b>0</b>             | <b>0</b>             |
| <b>Total comprehensive income for the period</b>                          |            | <b>20,557,908</b>    | <b>1,348,426</b>     | <b>795,046</b>       |

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



ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

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

|                                      | NOTE | 2022<br>\$         | 2021<br>\$        |
|--------------------------------------|------|--------------------|-------------------|
| <b>CURRENT ASSETS</b>                |      |                    |                   |
| Cash and cash equivalents            | 3    | 11,076,288         | 9,365,146         |
| Trade and other receivables          | 4    | 599,259            | 640,022           |
| Inventories                          | 5    | 71,829             | 89,621            |
| <b>TOTAL CURRENT ASSETS</b>          |      | <b>11,747,376</b>  | <b>10,094,789</b> |
| <b>NON-CURRENT ASSETS</b>            |      |                    |                   |
| Inventories                          | 5    | 94,380             | 358,831           |
| Property, plant and equipment        | 6    | 25,884,649         | 24,850,526        |
| Infrastructure                       | 7    | 82,769,579         | 60,786,951        |
| <b>TOTAL NON-CURRENT ASSETS</b>      |      | <b>108,748,608</b> | <b>85,996,308</b> |
| <b>TOTAL ASSETS</b>                  |      | <b>120,495,984</b> | <b>96,091,097</b> |
| <b>CURRENT LIABILITIES</b>           |      |                    |                   |
| Trade and other payables             | 9    | 560,406            | 718,137           |
| Other liabilities                    | 10   | 2,110,015          | 830,207           |
| Employee related provisions          | 11   | 300,689            | 286,312           |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <b>2,971,110</b>   | <b>1,834,656</b>  |
| <b>NON-CURRENT LIABILITIES</b>       |      |                    |                   |
| Employee related provisions          | 11   | 98,500             | 64,258            |
| Other provisions                     | 12   | 2,676,283          | 0                 |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | <b>2,774,783</b>   | <b>64,258</b>     |
| <b>TOTAL LIABILITIES</b>             |      | <b>5,745,893</b>   | <b>1,898,914</b>  |
| <b>NET ASSETS</b>                    |      | <b>114,750,091</b> | <b>94,192,183</b> |
| <b>EQUITY</b>                        |      |                    |                   |
| Retained surplus                     |      | 44,864,402         | 44,081,221        |
| Reserve accounts                     | 23   | 8,797,221          | 7,795,731         |
| Revaluation surplus                  | 13   | 61,088,468         | 42,315,231        |
| <b>TOTAL EQUITY</b>                  |      | <b>114,750,091</b> | <b>94,192,183</b> |

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



**ORDINARY COUNCIL MEETING MINUTES**

**20 DECEMBER 2022**

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

|   | NOTE | RETAINED<br>SURPLUS<br>\$ | RESERVE<br>ACCOUNTS<br>\$ | REVALUATION<br>SURPLUS<br>\$ | TOTAL<br>EQUITY<br>\$ |
|---|------|---------------------------|---------------------------|------------------------------|-----------------------|
| <b>Balance as at 1 July 2020</b>          |      | <b>45,766,398</b>         | <b>5,315,508</b>          | <b>42,315,231</b>            | <b>93,397,137</b>     |
| Comprehensive income for the period       |      |                           |                           |                              |                       |
| Net result for the period                 |      | 795,046                   | 0                         | 0                            | 795,046               |
| Total comprehensive income for the period |      | 795,046                   | 0                         | 0                            | 795,046               |
| Transfers to reserves                     | 23   | (2,480,223)               | 2,480,223                 | 0                            | 0                     |
| <b>Balance as at 30 June 2021</b>         |      | <b>44,081,221</b>         | <b>7,795,731</b>          | <b>42,315,231</b>            | <b>94,192,183</b>     |
| Comprehensive income for the period       |      |                           |                           |                              |                       |
| Net result for the period                 |      | 1,784,671                 | 0                         | 0                            | 1,784,671             |
| Other comprehensive income for the period | 13   | 0                         | 0                         | 18,773,237                   | 18,773,237            |
| Total comprehensive income for the period |      | 1,784,671                 | 0                         | 18,773,237                   | 20,557,908            |
| Transfers to reserves                     | 23   | (1,001,490)               | 1,001,490                 | 0                            | 0                     |
| <b>Balance as at 30 June 2022</b>         |      | <b>44,864,402</b>         | <b>8,797,221</b>          | <b>61,088,468</b>            | <b>114,750,091</b>    |

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

## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

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

|  | NOTE  | 2022<br>Actual<br>\$ | 2022<br>Budget<br>\$ | 2021<br>Actual<br>\$ |
|--|-------|----------------------|----------------------|----------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                |       |                      |                      |                      |
| <b>Receipts</b>  |       |                      |                      |                      |
| Rates  |       | 7,004,120            | 7,003,983            | 7,024,863            |
| Operating grants, subsidies and contributions              |       | 2,867,430            | 2,444,635            | 2,024,333            |
| Fees and charges   |       | 2,196,296            | 2,068,519            | 2,037,872            |
| Interest received  |       | 2,393                | 44,000               | 2,652                |
| Goods and services tax received                            |       | 834,547              | 782,849              | 324,108              |
| Other revenue  |       | 426,401              | 487,456              | 443,435              |
|  |       | 13,331,187           | 12,831,442           | 11,857,263           |
| <b>Payments</b>  |       |                      |                      |                      |
| Employee costs   |       | (3,882,691)          | (2,445,251)          | (3,643,295)          |
| Materials and contracts                                    |       | (4,321,500)          | (7,828,494)          | (3,554,989)          |
| Utility charges  |       | (395,725)            | (258,402)            | (454,882)            |
| Insurance paid   |       | (265,791)            | (243,704)            | (243,590)            |
| Goods and services tax paid                                |       | (835,683)            | (782,849)            | (395,920)            |
| Other expenditure  |       | (97,072)             | (145,928)            | (153,713)            |
|  |       | (9,798,462)          | (11,704,628)         | (8,446,389)          |
| <b>Net cash provided by (used in) operating activities</b> | 14(b) | 3,532,725            | 1,126,814            | 3,410,874            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                |       |                      |                      |                      |
| Payments for purchase of property, plant & equipment       |       | (1,409,240)          | (4,668,132)          | (1,579,823)          |
| Payments for construction of infrastructure                |       | (2,905,339)          | (1,872,510)          | (2,288,907)          |
| Non-operating grants, subsidies and contributions          |       | 2,217,582            | 1,043,923            | 1,958,975            |
| Proceeds from sale of property, plant & equipment          | 8(b)  | 275,414              | 703,167              | 318,636              |
| <b>Net cash provided by (used in) investing activities</b> |       | (1,821,583)          | (4,793,552)          | (1,591,119)          |
| <b>Net increase (decrease) in cash held</b>                |       | 1,711,142            | (3,666,738)          | 1,819,755            |
| Cash at beginning of year                                  |       | 9,365,146            | 9,365,146            | 7,545,391            |
| <b>Cash and cash equivalents at the end of the year</b>    | 14(a) | 11,076,288           | 5,698,408            | 9,365,146            |

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

## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

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

|  | NOTE  | 2022<br>Actual<br>\$ | 2022<br>Budget<br>\$ | 2021<br>Actual<br>\$ |
|--|-------|----------------------|----------------------|----------------------|
| <b>NET CURRENT ASSETS - At start of financial year - surplus/(deficit)</b> | 22(c) | 750,714              | 1,063,131            | 2,577,463            |
| <b>OPERATING ACTIVITIES</b>  |       |                      |                      |                      |
| <b>Revenue from operating activities (excluding general rate)</b>          |       |                      |                      |                      |
| Operating grants, subsidies and contributions                              |       | 2,569,789            | 3,398,242            | 2,154,070            |
| Fees and charges   |       | 2,196,296            | 2,068,519            | 2,037,872            |
| Interest earnings  |       | 2,393                | 44,000               | 2,652                |
| Other revenue  |       | 426,401              | 487,456              | 443,435              |
| Profit on asset disposals  | 8(b)  | 70,821               | 0                    | 3,209                |
|  |       | 5,265,700            | 5,998,217            | 4,641,238            |
| <b>Expenditure from operating activities</b>                               |       |                      |                      |                      |
| Employee costs   |       | (3,939,408)          | (2,445,251)          | (3,702,038)          |
| Materials and contracts  |       | (4,432,608)          | (7,828,494)          | (4,155,404)          |
| Utility charges  |       | (395,725)            | (258,402)            | (454,882)            |
| Depreciation   |       | (3,210,755)          | (1,775,918)          | (3,230,492)          |
| Insurance  |       | (265,791)            | (243,704)            | (243,590)            |
| Other expenditure  |       | (97,072)             | (145,928)            | (153,713)            |
| Loss on asset disposals  | 8(b)  | 0                    | 0                    | (59,688)             |
|  |       | (12,341,359)         | (12,697,697)         | (11,999,807)         |
| Non-cash amounts excluded from operating activities                        | 22(a) | 6,128,640            | 1,775,918            | 3,408,522            |
| <b>Amount attributable to operating activities</b>                         |       | (947,019)            | (4,923,562)          | (3,950,047)          |
| <b>INVESTING ACTIVITIES</b>  |       |                      |                      |                      |
| Non-operating grants, subsidies and contributions                          |       | 1,854,520            | 1,043,923            | 1,228,768            |
| Proceeds from disposal of assets   | 8(b)  | 275,414              | 703,167              | 318,636              |
| Purchase of property, plant and equipment                                  | 6(a)  | (2,077,240)          | (4,668,132)          | (1,579,823)          |
| Purchase and construction of infrastructure                                |       | (2,905,339)          | (1,872,510)          | (2,288,907)          |
|  |       | (2,852,645)          | (4,793,552)          | (2,321,326)          |
| Non-cash amounts excluded from investing activities                        | 22(b) | (2,676,283)          | 0                    | 0                    |
| <b>Amount attributable to investing activities</b>                         |       | (5,528,928)          | (4,793,552)          | (2,321,326)          |
| <b>FINANCING ACTIVITIES</b>  |       |                      |                      |                      |
| Transfers to reserves (restricted assets)                                  | 23    | (1,001,490)          | 0                    | (2,480,223)          |
| Transfers from reserves (restricted assets)                                | 23    | 0                    | 1,650,000            | 0                    |
| <b>Amount attributable to financing activities</b>                         |       | (1,001,490)          | 1,650,000            | (2,480,223)          |
| <b>Surplus/(deficit) before imposition of general rates</b>                |       | (6,726,723)          | (7,003,983)          | (6,174,133)          |
| <b>Total amount raised from general rates</b>                              | 21(a) | 7,005,810            | 7,003,983            | 6,924,847            |
| <b>Surplus/(deficit) after imposition of general rates</b>                 | 22(c) | <b>279,087</b>       | <b>0</b>             | <b>750,714</b>       |

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



**SHIRE OF LEONORA  
FOR THE YEAR ENDED 30 JUNE 2022  
INDEX OF NOTES TO THE FINANCIAL REPORT**

|  |                                       |    |
|--|---------------------------------------|----|
| Note 1                                     | Basis of Preparation                  | 9  |
| Note 2                                     | Revenue and Expenses                  | 10 |
| Note 3                                     | Cash and Cash Equivalents             | 11 |
| Note 4                                     | Trade and Other Receivables           | 12 |
| Note 5                                     | Inventories                           | 13 |
| Note 6                                     | Property, Plant and Equipment         | 14 |
| Note 7                                     | Infrastructure                        | 16 |
| Note 8                                     | Fixed Assets                          | 18 |
| Note 9                                     | Trade and Other Payables              | 21 |
| Note 10                                    | Other Liabilities                     | 22 |
| Note 11                                    | Employee Related Provisions           | 23 |
| Note 12                                    | Other Provisions                      | 24 |
| Note 13                                    | Revaluation Surplus                   | 25 |
| Note 14                                    | Notes to the Statement of Cash Flows  | 26 |
| Note 15                                    | Contingent Liabilities                | 27 |
| Note 16                                    | Capital Commitments                   | 27 |
| Note 17                                    | Related Party Transactions            | 28 |
| Note 18                                    | Financial Risk Management             | 30 |
| Note 19                                    | Other Significant Accounting Policies | 33 |
| Note 20                                    | Function and Activity                 | 34 |
| <b>Information required by legislation</b> |                                       |    |
| Note 21                                    | Rating Information                    | 37 |
| Note 22                                    | Rate Setting Statement Information    | 40 |
| Note 23                                    | Reserve accounts                      | 41 |

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

**1. BASIS OF PREPARATION**

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

**Local Government Act 1995 requirements**

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

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

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

**The local government reporting entity**

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

**Judgements and estimates**

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

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

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

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.
- estimation of provisions

## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

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

## 2. REVENUE AND EXPENSES

## (a) Revenue

**Contracts with customers**

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

| Revenue Category                              | Nature of goods and services                                      | When obligations typically satisfied | Payment terms                        | Returns/Refunds/Warranties              | Timing of revenue recognition                                      |
|---|---|--------------------------------------|--------------------------------------|---|--|
| Airport landing charges                       | Permission to use facilities and runway                           | Single point in time                 | Monthly in arrears                   | None                                    | On landing/departure event   |
| Property hire and entry                       | Use of halls and facilities                                       | Single point in time                 | In full in advance                   | Refund if event cancelled within 7 days | On entry or at conclusion of hire                                  |
| Fees and charges for other goods and services | Cemetery services, library fees, 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 |
| Sale of stock                                 | Aviation fuel, kiosk and visitor centre stock                     | Single point in time                 | In full in advance, on 15 day credit | Refund for faulty goods                 | Output method based on goods                                       |

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 or types of goods or services is provided in the table below:

**For the year ended 30 June 2022**

| Nature or type                                    | Contracts with customers | Capital grant/contributions | Statutory Requirements | Other            | Total             |
|---|--------------------------|-----------------------------|------------------------|------------------|-------------------|
|   | \$                       | \$                          | \$                     | \$               | \$                |
| Rates   | 0                        | 0                           | 7,005,810              | 0                | 7,005,810         |
| Operating grants, subsidies and contributions     | 857,585                  | 0                           | 0                      | 1,712,204        | 2,569,789         |
| Fees and charges                                  | 793,503                  | 0                           | 82,856                 | 1,319,937        | 2,196,296         |
| Interest earnings                                 | 0                        | 0                           | 0                      | 2,393            | 2,393             |
| Other revenue                                     | 137,318                  | 0                           | 0                      | 289,083          | 426,401           |
| Non-operating grants, subsidies and contributions | 1,097,774                | 756,746                     | 0                      | 0                | 1,854,520         |
| <b>Total</b>                                      | <b>2,886,180</b>         | <b>756,746</b>              | <b>7,088,666</b>       | <b>3,323,617</b> | <b>14,055,209</b> |

**For the year ended 30 June 2021**

| Nature or type                                    | Contracts with customers | Capital grant/contributions | Statutory Requirements | Other            | Total             |
|---|--------------------------|-----------------------------|------------------------|------------------|-------------------|
|   | \$                       | \$                          | \$                     | \$               | \$                |
| Rates   | 0                        | 0                           | 6,924,847              | 0                | 6,924,847         |
| Operating grants, subsidies and contributions     | 837,580                  | 0                           | 0                      | 1,316,490        | 2,154,070         |
| Fees and charges                                  | 2,004,959                | 0                           | 32,113                 | 800              | 2,037,872         |
| Interest earnings                                 | 0                        | 0                           | 0                      | 2,652            | 2,652             |
| Other revenue                                     | 333,144                  | 0                           | 0                      | 110,291          | 443,435           |
| Non-operating grants, subsidies and contributions | 0                        | 1,228,768                   | 0                      | 0                | 1,228,768         |
| <b>Total</b>                                      | <b>3,175,683</b>         | <b>1,228,768</b>            | <b>6,956,960</b>       | <b>1,430,233</b> | <b>12,791,644</b> |

**Interest earnings**

| Note                      | 2022 Actual  | 2022 Budget   | 2021 Actual  |
|---------------------------|--------------|---------------|--------------|
| Interest on reserve funds | 1,490        | 40,000        | 1,339        |
| Other interest earnings   | 903          | 4,000         | 1,313        |
|                           | <b>2,393</b> | <b>44,000</b> | <b>2,652</b> |

## (b) Expenses

**Auditors remuneration**

|  |               |               |               |
|--|---------------|---------------|---------------|
| - Audit of the Annual Financial Report | 44,000        | 36,000        | 44,000        |
| - Other services                       | 6,300         | 0             | 0             |
|  | <b>50,300</b> | <b>36,000</b> | <b>44,000</b> |

**Other expenditure**

|                 |               |                |                |
|-----------------|---------------|----------------|----------------|
| Sundry expenses | 97,072        | 145,928        | 153,713        |
|                 | <b>97,072</b> | <b>145,928</b> | <b>153,713</b> |

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

3. CASH AND CASH EQUIVALENTS

| Note                                     | 2022              | 2021             |
|--|-------------------|------------------|
|  | \$                | \$               |
| Cash at bank and on hand                 | 11,076,288        | 9,365,146        |
| <b>Total cash and cash equivalents</b>   | <b>11,076,288</b> | <b>9,365,146</b> |
| Held as                                  |                   |                  |
| - Unrestricted cash and cash equivalents | 2,279,067         | 1,569,415        |
| - Restricted cash and cash equivalents   | 8,797,221         | 7,795,731        |
|  | <b>11,076,288</b> | <b>9,365,146</b> |

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

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

**Restricted financial assets**

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

Details of restrictions on financial assets can be found at Note 14.

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

4. TRADE AND OTHER RECEIVABLES

Current

Rates receivable  
Trade and other receivables  
GST receivable

| Note | 2022           | 2021           |
|------|----------------|----------------|
|      | \$             | \$             |
|      | 107,031        | 100,035        |
|      | 376,342        | 425,237        |
|      | 115,886        | 114,750        |
|      | <b>599,259</b> | <b>640,022</b> |

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other receivables**

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

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

**Impairment and risk exposure**

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 18.

**Classification and subsequent measurement**

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

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

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

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

5. INVENTORIES

| Note                 | 2022   | 2021    |
|----------------------|--------|---------|
|                      | \$     | \$      |
| <b>Current</b>       |        |         |
| Fuel and materials   | 71,829 | 89,621  |
|                      | 71,829 | 89,621  |
| <b>Non-current</b>   |        |         |
| Land held for resale |        |         |
| Cost of acquisition  | 452    | 1,719   |
| Development costs    | 93,928 | 357,112 |
|                      | 94,380 | 358,831 |

The following movements in inventories occurred during the year:

|   |           |           |
|---|-----------|-----------|
| <b>Balance at beginning of year</b>           | 448,452   | 500,698   |
| Inventories expensed during the year          | (383,845) | (213,076) |
| Land held for resale expensed during the year | (264,452) | 0         |
| Additions to inventory                        | 366,054   | 160,830   |
| <b>Balance at end of year</b>                 | 166,209   | 448,452   |

**SIGNIFICANT ACCOUNTING POLICIES**

**General**

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

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

**Land held for resale**

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

**Land held for resale (Continued)**

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

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

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

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

6. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

|  | Note | Land     | Buildings  | Total land and buildings | Plant and equipment | Total property, plant and equipment |
|--|------|----------|------------|--------------------------|---------------------|-------------------------------------|
|  |      | \$       | \$         | \$                       | \$                  | \$                                  |
| <b>Balance at 1 July 2020</b>            |      | 745,000  | 20,641,620 | 21,386,620               | 3,062,613           | 24,449,233                          |
| Additions                                |      | 48,000   | 664,839    | 712,839                  | 866,984             | 1,579,823                           |
| Disposals                                |      | (48,000) | 0          | (48,000)                 | (327,115)           | (375,115)                           |
| Depreciation                             | 8(a) | 0        | (412,832)  | (412,832)                | (390,583)           | (803,415)                           |
| <b>Balance at 30 June 2021</b>           |      | 745,000  | 20,893,627 | 21,638,627               | 3,211,899           | 24,850,526                          |
| <b>Comprises:</b>                        |      |          |            |                          |                     |                                     |
| Gross balance amount at 30 June 2021     |      | 745,000  | 21,306,459 | 22,051,459               | 3,884,490           | 25,935,949                          |
| Accumulated depreciation at 30 June 2021 |      | 0        | (412,832)  | (412,832)                | (672,591)           | (1,085,423)                         |
| <b>Balance at 30 June 2021</b>           |      | 745,000  | 20,893,627 | 21,638,627               | 3,211,899           | 24,850,526                          |
| Additions*                               |      | 33,000   | 1,363,390  | 1,396,390                | 680,850             | 2,077,240                           |
| Disposals                                |      | 0        | 0          | 0                        | (204,593)           | (204,593)                           |
| Depreciation                             | 8(a) | 0        | (436,219)  | (436,219)                | (402,305)           | (838,524)                           |
| <b>Balance at 30 June 2022</b>           |      | 778,000  | 21,820,798 | 22,598,798               | 3,285,851           | 25,884,649                          |
| <b>Comprises:</b>                        |      |          |            |                          |                     |                                     |
| Gross balance amount at 30 June 2022     |      | 778,000  | 22,669,850 | 23,447,850               | 4,300,340           | 27,748,190                          |
| Accumulated depreciation at 30 June 2022 |      | 0        | (849,052)  | (849,052)                | (1,014,489)         | (1,863,541)                         |
| <b>Balance at 30 June 2022</b>           |      | 778,000  | 21,820,798 | 22,598,798               | 3,285,851           | 25,884,649                          |

\* There is a non cash acquisition of \$668,000 included in the additions for 2022.

|                                    |  |        |         |         |   |         |
|------------------------------------|--|--------|---------|---------|---|---------|
| During the year ended 30 June 2022 |  | 33,000 | 635,000 | 668,000 | 0 | 668,000 |
|------------------------------------|--|--------|---------|---------|---|---------|

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

6. 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  |
|--|----------------------|--|-------------------------------|------------------------|--|
| <b>(i) Fair Value</b>  |                      |  |                               |                        |  |
| <b>Land and buildings</b>  |                      |  |                               |                        |  |
| Land   | 2                    | Market approach using recent observable market data for similar properties/income approach using discounted cashflow methodology | Independent registered valuer | June 2020              | Price per hectare/market borrowing rate  |
| Buildings  | 2                    | Improvements to land, using cost approach method using depreciated replacement cost  | Independent registered valuer | June 2020              | Improvements to land using construction costs and current condition, residual values and remaining useful life assessments |
| Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement. |                      |  |                               |                        |  |
| During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.  |                      |  |                               |                        |  |
| <b>(ii) Cost</b>   |                      |  |                               |                        |  |
| <b>Plant and equipment</b>   |                      | N/A  | At cost                       | June 2019              | N/A  |



## ORDINARY COUNCIL MEETING MINUTES

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

## 7. INFRASTRUCTURE

## (a) Movements in Balances

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

| Note   | Infrastructure -<br>roads<br>\$ | Infrastructure -<br>other<br>\$ | Infrastructure -<br>Landfill asset<br>\$ | Total<br>Infrastructure<br>\$ |
|--|---------------------------------|---------------------------------|--|-------------------------------|
| <b>Balance at 1 July 2020</b>  | 52,490,317                      | 8,434,804                       | 0  | 60,925,121                    |
| Additions  | 1,295,033                       | 993,874                         | 0  | 2,288,907                     |
| Depreciation   | 8(a) (1,857,852)                | (569,225)                       | 0  | (2,427,077)                   |
| <b>Balance at 30 June 2021</b>   | 51,927,498                      | 8,859,453                       | 0  | 60,786,951                    |
| <b>Comprises:</b>  |                                 |                                 |  |                               |
| Gross balance at 30 June 2021  | 69,619,221                      | 10,490,885                      | 0  | 80,110,106                    |
| Accumulated depreciation at 30 June 2021                                 | (17,691,723)                    | (1,631,432)                     | 0  | (19,323,155)                  |
| <b>Balance at 30 June 2021</b>   | 51,927,498                      | 8,859,453                       | 0  | 60,786,951                    |
| Additions*   | 1,893,217                       | 1,012,122                       | 2,676,283                                | 5,581,622                     |
| Revaluation increments / (decrements) transferred to revaluation surplus | 18,773,237                      | 0                               | 0  | 18,773,237                    |
| Depreciation   | 8(a) (1,675,141)                | (594,871)                       | (102,219)                                | (2,372,231)                   |
| <b>Balance at 30 June 2022</b>   | 70,918,811                      | 9,276,704                       | 2,574,064                                | 82,769,579                    |
| <b>Comprises:</b>  |                                 |                                 |  |                               |
| Gross balance at 30 June 2022  | 80,498,746                      | 11,503,007                      | 2,676,283                                | 94,678,036                    |
| Accumulated depreciation at 30 June 2022                                 | (9,579,935)                     | (2,226,303)                     | (102,219)                                | (11,908,457)                  |
| <b>Balance at 30 June 2022</b>   | 70,918,811                      | 9,276,704                       | 2,574,064                                | 82,769,579                    |

\* Asset additions included non-cash additions:

During the year ended 30 June 2022 0 0 2,676,283 2,676,283

Landfill assets were recognised at 30 June 2022 at fair value on recognition of the associated make good provision.

The fair value was determined using the cost model approach for the estimated make good costs for the cleared land.

Refer to note 12.

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

7. 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                    | Coat approach using depreciated replacement cost  | Management valuation   | June 2022              | Construction costs and current condition, residual values and remaining useful life assessments inputs      |
| Infrastructure - other          | 3                    | Coat approach using depreciated replacement cost  | Management valuation   | June 2019              | Construction costs and current condition, residual values and remaining useful life assessments inputs      |
| Infrastructure - Landfill asset | 3                    | Cost approach using depreciated replacement cost and using discounted cash flow methodology for make good estimates | Management valuation utilising independent estimates of future make good costs | June 2022              | Construction costs including discounted future make good cost estimates and remaining useful life estimates |

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

**8. FIXED ASSETS**

**(a) Depreciation**

|                                 | Note | 2022<br>Actual<br>\$ | 2022<br>Budget<br>\$ | 2021<br>Actual<br>\$ |
|---------------------------------|------|----------------------|----------------------|----------------------|
| Buildings                       | 6(a) | 436,219              | 400,467              | 412,832              |
| Plant and equipment             | 6(a) | 402,305              | 393,748              | 390,583              |
| Infrastructure - roads          | 7(a) | 1,675,141            | 442,885              | 1,857,852            |
| Infrastructure - other          | 7(a) | 594,871              | 538,818              | 569,225              |
| Infrastructure - Landfill asset | 7(a) | 102,219              | 0                    | 0                    |
|                                 |      | <u>3,210,755</u>     | <u>1,775,918</u>     | <u>3,230,492</u>     |

**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                | 30 to 50 years  |
| Plant and equipment      | 5 to 15 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        |
| Other infrastructure     | 20 years        |
| Landfill                 | 24 years        |

**ORDINARY COUNCIL MEETING MINUTES**

**20 DECEMBER 2022**

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

8. FIXED ASSETS (Continued)

(b) Disposals of assets

|                     | 2022<br>Actual<br>Net Book<br>Value | 2022<br>Actual<br>Sale<br>Proceeds | 2022<br>Actual<br>Profit | 2022<br>Actual<br>Loss | 2022<br>Budget<br>Net Book<br>Value | 2022<br>Budget<br>Sale<br>Proceeds | 2022<br>Budget<br>Profit | 2022<br>Budget<br>Loss | 2021<br>Actual<br>Net Book<br>Value | 2021<br>Actual<br>Sale<br>Proceeds | 2021<br>Actual<br>Profit | 2021<br>Actual<br>Loss |
|---------------------|-------------------------------------|------------------------------------|--------------------------|------------------------|-------------------------------------|------------------------------------|--------------------------|------------------------|-------------------------------------|------------------------------------|--------------------------|------------------------|
|                     | \$                                  | \$                                 | \$                       | \$                     | \$                                  | \$                                 | \$                       | \$                     | \$                                  | \$                                 | \$                       | \$                     |
| Land                | 0                                   | 0                                  | 0                        | 0                      | 0                                   | 0                                  | 0                        | 0                      | 48,000                              | 50,000                             | 2,000                    | 0                      |
| Plant and equipment | 204,593                             | 275,414                            | 70,821                   | 0                      | 703,167                             | 703,167                            | 0                        | 0                      | 327,115                             | 268,636                            | 1,209                    | (59,688)               |
|                     | 204,593                             | 275,414                            | 70,821                   | 0                      | 703,167                             | 703,167                            | 0                        | 0                      | 375,115                             | 318,636                            | 3,209                    | (59,688)               |

The following assets were disposed of during the year.

|  | 2022<br>Actual<br>Net Book<br>Value | 2022<br>Actual<br>Sale<br>Proceeds | 2022<br>Actual<br>Profit | 2022<br>Actual<br>Loss |
|--|-------------------------------------|------------------------------------|--------------------------|------------------------|
| <b>Plant and Equipment</b>               |                                     |                                    |                          |                        |
| <b>Transport</b>                         |                                     |                                    |                          |                        |
| Bomag BW216PD-4Roller                    | 59,527                              | 71,051                             | 11,524                   | 0                      |
| WA430-6 Wheel Loader SN66160             | 127,306                             | 185,000                            | 57,694                   | 0                      |
| 2008 Caterpillar 232B2 Skid Steer Loader | 17,760                              | 19,363                             | 1,603                    | 0                      |
|  | 204,593                             | 275,414                            | 70,821                   | 0                      |

Land held as inventory with a carrying value of \$264,452 was sold for \$333,700 during the year 30 June 2022. refer Note 5 Inventories.

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

**8. FIXED ASSETS (Continued)**

**SIGNIFICANT ACCOUNTING POLICIES**

**Fixed assets**

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

**Initial recognition and measurement for assets held at cost**

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

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

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

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

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

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

**Revaluation**

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

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

**Revaluation (continued)**

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

**Depreciation**

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

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

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

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

**Depreciation on revaluation**

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

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

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

**9. TRADE AND OTHER PAYABLES**

**Current**

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

|                             | 2022    | 2021    |
|-----------------------------|---------|---------|
|                             | \$      | \$      |
| Sundry creditors            | 246,848 | 492,983 |
| Prepaid rates               | 13,537  | 8,231   |
| Accrued payroll liabilities | 41,114  | 23,730  |
| ATO liabilities             | 108,907 | 118,193 |
| Bonds and deposits held     | 150,000 | 75,000  |
|                             | 560,406 | 718,137 |

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Trade and other payables**

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

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

**Prepaid rates**

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

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

**10. OTHER LIABILITIES**

**Current**

Contract liabilities  
Capital grant/contributions liabilities

**Reconciliation of changes in contract liabilities**

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

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

**Reconciliation of changes in capital grant/contribution liabilities**

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

|   | 2022<br>\$ | 2021<br>\$ |
|---|------------|------------|
| Contract liabilities  | 348,746    | 100,000    |
| Capital grant/contributions liabilities   | 1,761,269  | 730,207    |
|   | 2,110,015  | 830,207    |
| Opening balance   | 100,000    | 80,000     |
| Additions   | 348,746    | 20,000     |
| Revenue from contracts with customers included as a contract liability at the start of the period | (100,000)  | 0          |
|   | 348,746    | 100,000    |
| Opening balance   | 730,207    | 0          |
| Additions   | 1,761,269  | 730,207    |
| Revenue from capital grant/contributions held as a liability at the start of the period           | (730,207)  | 0          |
|   | 1,761,269  | 730,207    |

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

**SIGNIFICANT ACCOUNTING POLICIES**

**Contract liabilities**

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

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

**Capital grant/contribution liabilities**

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

Non-current capital grant/contribution liabilities fair values are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 19(i)) due to the unobservable inputs, including own credit risk.

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

**11. EMPLOYEE RELATED PROVISIONS**

**Employee Related Provisions**

**Current provisions**

**Employee benefit provisions**

Annual Leave

Long Service Leave

**Non-current provisions**

Long Service Leave

|                    | 2022    | 2021    |
|--------------------|---------|---------|
|                    | \$      | \$      |
| Annual Leave       | 172,113 | 181,992 |
| Long Service Leave | 128,576 | 104,320 |
|                    | 300,689 | 286,312 |
| Long Service Leave | 98,500  | 64,258  |
|                    | 98,500  | 64,258  |
|                    | 399,189 | 350,570 |

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

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

**Amounts are expected to be settled on the following basis:**

Less than 12 months after the reporting date

More than 12 months from reporting date

|  | 2022    | 2021    |
|--|---------|---------|
|  | \$      | \$      |
| Less than 12 months after the reporting date | 317,238 | 286,312 |
| More than 12 months from reporting date      | 81,951  | 64,258  |
|  | 399,189 | 350,570 |

**SIGNIFICANT ACCOUNTING POLICIES**

**Employee benefits**

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

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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



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

**12. OTHER PROVISIONS**

|                                       | <u>Make good<br/>provisions</u> | <u>Total</u> |
|---------------------------------------|---------------------------------|--------------|
|                                       | \$                              | \$           |
| <b>Opening balance at 1 July 2021</b> | 0                               | 0            |
| Additional provision                  | 2,676,283                       | 2,676,283    |
| <b>Balance at 30 June 2022</b>        | 2,676,283                       | 2,676,283    |
| <b>Comprises</b>                      |                                 |              |
| Non-current                           | 2,676,283                       | 2,676,283    |
|                                       | 2,676,283                       | 2,676,283    |

**Other provisions**

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

**Make good provisions**

Under the licence for the operation of the Leonora Waste Facility, the Shire has a legal obligation to restore the site.

The estimated future obligations include the costs of making good the affected areas. The provision for future make good costs is the best estimate of the present value of the expenditure required to settle the remediation obligation for the landfill at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

The value of the provision was determined during the year and the provision recognised at 30 June 2022. On recognition of the provision a component of the provision was capitalised to landfill assets. Refer to note 7(a).

**Provisions**

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

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

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

13. REVALUATION SURPLUS

|  | 2022<br>Opening<br>Balance | 2022<br>Revaluation<br>Increment | 2022<br>Revaluation<br>(Decrement) | Total<br>Movement on<br>Revaluation | 2022<br>Closing<br>Balance | 2021<br>Opening<br>Balance | 2021<br>Revaluation<br>Increment | 2021<br>Closing<br>Balance |
|--|----------------------------|----------------------------------|------------------------------------|-------------------------------------|----------------------------|----------------------------|----------------------------------|----------------------------|
|  | \$                         | \$                               | \$                                 | \$                                  | \$                         | \$                         | \$                               | \$                         |
| Revaluation surplus - Buildings              | 1,766,995                  | 0                                | 0                                  | 0                                   | 1,766,995                  | 1,766,995                  | 0                                | 1,766,995                  |
| Revaluation surplus - Plant and equipment    | 688,288                    | 0                                | 0                                  | 0                                   | 688,288                    | 688,288                    | 0                                | 688,288                    |
| Revaluation surplus - Infrastructure - roads | 34,329,804                 | 18,773,237                       | 0                                  | 18,773,237                          | 53,103,041                 | 34,329,804                 | 0                                | 34,329,804                 |
| Revaluation surplus - Infrastructure - other | 5,530,144                  | 0                                | 0                                  | 0                                   | 5,530,144                  | 5,530,144                  | 0                                | 5,530,144                  |
|  | 42,315,231                 | 18,773,237                       | 0                                  | 18,773,237                          | 61,088,468                 | 42,315,231                 | 0                                | 42,315,231                 |

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

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

##### (a) Reconciliation of Cash

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

|                           | Note | 2022<br>Actual<br>\$ | 2022<br>Budget<br>\$ | 2021<br>Actual<br>\$ |
|---------------------------|------|----------------------|----------------------|----------------------|
| Cash and cash equivalents | 3    | 11,076,288           | 5,698,408            | 9,365,146            |

##### 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 | 8,797,221        | 6,145,731        | 7,795,731        |
|                             |   | <u>8,797,221</u> | <u>6,145,731</u> | <u>7,795,731</u> |

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

|  |    |                  |                  |                  |
|--|----|------------------|------------------|------------------|
| Restricted reserve accounts              | 23 | 8,797,221        | 6,145,731        | 7,795,731        |
| <b>Total restricted financial assets</b> |    | <u>8,797,221</u> | <u>6,145,731</u> | <u>7,795,731</u> |

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

|  |  |                  |                  |                  |
|--|--|------------------|------------------|------------------|
| Net result   |  | 1,784,671        | 1,348,426        | 795,046          |
| Non-cash items:  |  |                  |                  |                  |
| Depreciation/amortisation                              |  | 3,210,755        | 1,775,918        | 3,230,492        |
| (Profit)/loss on sale of asset                         |  | (70,821)         | 0                | 56,479           |
| Assets received for substantially less than fair value |  | (668,000)        | 0                | 0                |
| Changes in assets and liabilities:                     |  |                  |                  |                  |
| (Increase)/decrease in trade and other receivables     |  | 40,763           | 0                | (126,169)        |
| (Increase)/decrease in inventories                     |  | 282,243          | 0                | 52,246           |
| Increase/(decrease) in trade and other payables        |  | (157,731)        | 0                | 542,511          |
| Increase/(decrease) in employee related provisions     |  | 48,619           | 0                | 69,037           |
| Increase/(decrease) in other liabilities               |  | 1,279,808        | (953,607)        | 750,207          |
| Non-operating grants, subsidies and contributions      |  | (2,217,582)      | (1,043,923)      | (1,958,975)      |
| Net cash provided by/(used in) operating activities    |  | <u>3,532,725</u> | <u>1,126,814</u> | <u>3,410,874</u> |

##### (c) Undrawn Borrowing Facilities

###### Credit Standby Arrangements

|                                      |  |               |  |               |
|--------------------------------------|--|---------------|--|---------------|
| Bank overdraft limit                 |  | 0             |  | 0             |
| Bank overdraft at balance date       |  | 0             |  | 0             |
| Credit card limit                    |  | 35,000        |  | 35,000        |
| Credit card balance at balance date  |  | 0             |  | <u>19,326</u> |
| <b>Total amount of credit unused</b> |  | <u>35,000</u> |  | <u>54,326</u> |

###### Loan facilities

|  |  |          |  |          |
|--|--|----------|--|----------|
| Loan facilities - current                      |  | 0        |  | 0        |
| Loan facilities - non-current                  |  | 0        |  | 0        |
| <b>Total facilities in use at balance date</b> |  | <u>0</u> |  | <u>0</u> |

Unused loan facilities at balance date

31

|  |  |   |  |   |
|--|--|---|--|---|
|  |  | 0 |  | 0 |
|--|--|---|--|---|

| 26

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

**15. CONTINGENT LIABILITIES**

In compliance with the *Contaminated Sites Act 2003 section 11*, the Shire of Leonora has listed sites to be possible sources of contamination.

Details of those sites are:

- Leonora Rubbish and Sanitation disposal site Reserve 31924 (Lot 521 Deposited Plan 401139).

The Shire has conducted an investigation 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 with a risk based approach.

During the period the Shire has estimated the potential cost associated with remediation of these sites and recorded them in Note 12.

**16. CAPITAL COMMITMENTS**

|                                | 2022      | 2021 |
|--------------------------------|-----------|------|
|                                | \$        | \$   |
| Contracted for:                |           |      |
| - capital expenditure projects | 6,311,420 | 0    |
|                                | 6,311,420 | 0    |

## ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

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

## 17. RELATED PARTY TRANSACTIONS

| (a) Elected Member Remuneration  | Note | 2022<br>Actual<br>\$ | 2022<br>Budget<br>\$ | 2021<br>Actual<br>\$ |
|--|------|----------------------|----------------------|----------------------|
| <b>Councillor 1</b>  |      |                      |                      |                      |
| President's annual allowance   |      | 30,000               | 20,891               | 20,891               |
| Meeting attendance fees  |      | 9,527                | 10,300               | 10,535               |
| Annual allowance for ICT expenses  |      | 3,500                | 3,500                | 3,500                |
| Travel and accommodation expenses  |      | 10,504               | 9,000                | 9,545                |
|  |      | 53,531               | 43,691               | 44,471               |
| <b>Councillor 2</b>  |      |                      |                      |                      |
| Deputy President's annual allowance  |      | 7,500                | 5,223                | 5,223                |
| Meeting attendance fees  |      | 5,798                | 6,300                | 5,575                |
| Annual allowance for ICT expenses  |      | 3,500                | 3,500                | 3,500                |
|  |      | 16,798               | 15,023               | 14,298               |
| <b>Councillor 3</b>  |      |                      |                      |                      |
| Meeting attendance fees  |      | 5,129                | 6,300                | 6,021                |
| Annual allowance for ICT expenses  |      | 3,500                | 3,500                | 3,500                |
| Travel and accommodation expenses  |      | 2,772                | 3,000                | 2,974                |
|  |      | 11,401               | 12,800               | 12,495               |
| <b>Councillor 4</b>  |      |                      |                      |                      |
| Meeting attendance fees  |      | 5,575                | 6,300                | 5,352                |
| Annual allowance for ICT expenses  |      | 3,500                | 3,500                | 3,500                |
|  |      | 9,075                | 9,800                | 8,852                |
| <b>Councillor 5</b>  |      |                      |                      |                      |
| Meeting attendance fees  |      | 5,798                | 6,300                | 5,798                |
| Annual allowance for ICT expenses  |      | 3,500                | 3,500                | 3,500                |
|  |      | 9,298                | 9,800                | 9,298                |
| <b>Councillor 6</b>  |      |                      |                      |                      |
| Meeting attendance fees  |      | 5,352                | 6,300                | 4,683                |
| Annual allowance for ICT expenses  |      | 3,500                | 3,500                | 3,500                |
|  |      | 8,852                | 9,800                | 8,183                |
| <b>Councillor 7</b>  |      |                      |                      |                      |
| Meeting attendance fees  |      | 4,460                | 6,300                | 6,467                |
| Annual allowance for ICT expenses  |      | 3,500                | 3,500                | 3,500                |
|  |      | 7,960                | 9,800                | 9,967                |
|  |      | 116,915              | 110,714              | 107,564              |
| Fees, expenses and allowances to be paid or reimbursed to elected council members. |      |                      |                      |                      |
| President's annual allowance   |      | 30,000               | 20,891               | 20,891               |
| Deputy President's annual allowance  |      | 7,500                | 5,223                | 5,223                |
| Meeting attendance fees  |      | 41,639               | 48,100               | 44,431               |
| Annual allowance for ICT expenses  |      | 24,500               | 24,500               | 24,500               |
| Travel and accommodation expenses  |      | 13,276               | 12,000               | 12,519               |
|  |      | 116,915              | 110,714              | 107,564              |

## (b) Key Management Personnel (KMP) Compensation

| The total of compensation paid to KMP of the Shire during the year are as follows: | 2022<br>Actual<br>\$ | 2021<br>Actual<br>\$ |
|--|----------------------|----------------------|
| Short-term employee benefits   | 908,114              | 763,490              |
| Post-employment benefits   | 94,202               | 76,436               |
| Employee - other long-term benefits  | 86,811               | 69,187               |
| Council member costs   | 116,915              | 107,564              |
|  | 1,206,042            | 1,016,677            |

*Short-term employee benefits*

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

*Post-employment benefits*

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

*Other long-term benefits*

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

*Council member costs*

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

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

17. RELATED PARTY TRANSACTIONS

(c) Transactions with related parties

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

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

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

|  | 2022<br>Actual | 2021<br>Actual |
|--|----------------|----------------|
| Purchase of goods and services             | \$ 54,382      | \$ 49,609      |
| <b>Amounts payable to related parties:</b> |                |                |
| Trade and other payables                   | 150,000        | 75,000         |

(d) Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

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

iii. Entities subject to significant influence by the Shire

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

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

**18. 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   |
|-------------------------------------|---|-----------------------------------|--|
| <b>Market risk - interest rates</b> | Long term borrowings at variable rates  | Sensitivity analysis              | Utilise fixed interest rate borrowings                             |
| <b>Credit risk</b>                  | Cash and cash equivalents, trade receivables, financial assets and debt investments | Aging analysis<br>Credit analysis | Diversification of bank deposits, credit limits. Investment policy |
| <b>Liquidity risk</b>               | Borrowings and other liabilities  | Rolling cash flow forecasts       | Availability of committed credit lines and borrowing facilities    |

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

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

**(a) Interest rate risk**

**Cash and cash equivalents**

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk. 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<br>% | Carrying Amounts<br>\$ | Fixed Interest Rate<br>\$ | Variable Interest Rate<br>\$ | Non Interest Bearing<br>\$ |
|---------------------------|-------------------------------------|------------------------|---------------------------|------------------------------|----------------------------|
| <b>2022</b>               |                                     |                        |                           |                              |                            |
| Cash and cash equivalents | 0.006%                              | 11,076,288             | 0                         | 10,313,555                   | 762,733                    |
| <b>2021</b>               |                                     |                        |                           |                              |                            |
| Cash and cash equivalents | 0.006%                              | 9,365,146              | 0                         | 9,348,876                    | 16,270                     |

**Sensitivity**

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

|  | 2022<br>\$ | 2021<br>\$ |
|--|------------|------------|
| Impact of a 1% movement in interest rates on profit and loss and equity* | 103,136    | 93,489     |

\* Holding all other variables constant

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

18. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

**Trade and Other Receivables**

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

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

Trade receivables 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.

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

|                             | Less than 1<br>year past due | More than 30<br>days past due | More than 60<br>days past due | More than 90<br>days past due | Total   |
|-----------------------------|------------------------------|-------------------------------|-------------------------------|-------------------------------|---------|
| <b>30 June 2022</b>         |                              |                               |                               |                               |         |
| Trade and other receivables |                              |                               |                               |                               |         |
| Expected credit loss        | 0.00%                        | 0.00%                         | 0.00%                         | 0.00%                         |         |
| Gross carrying amount       | 172,259                      | 31,500                        | 156,524                       | 16,059                        | 376,342 |
| Loss allowance              | 0                            | 0                             | 0                             | 0                             | 0       |
| <b>30 June 2021</b>         |                              |                               |                               |                               |         |
| Trade and other receivables |                              |                               |                               |                               |         |
| Expected credit loss        | 0.00%                        | 0.00%                         | 0.00%                         | 0.00%                         |         |
| Gross carrying amount       | 223,066                      | 136,654                       | 54,735                        | 10,783                        | 425,238 |
| Loss allowance              | 0                            | 0                             | 0                             | 0                             | 0       |



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

**18. 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 14(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<br>within<br>1 year<br>\$ | Due<br>between<br>1 & 5 years<br>\$ | Due<br>after<br>5 years<br>\$ | Total<br>contractual<br>cash flows<br>\$ | Carrying<br>values<br>\$ |
|--------------------------|-------------------------------|-------------------------------------|-------------------------------|--|--------------------------|
| <b><u>2022</u></b>       |                               |                                     |                               |  |                          |
| Trade and other payables | 451,499                       | 0                                   | 0                             | 451,499                                  | 451,499                  |
| Contract liabilities     | 2,110,015                     | 0                                   | 0                             | 2,110,015                                | 2,110,015                |
|                          | 2,561,514                     | 0                                   | 0                             | 2,561,514                                | 2,561,514                |
| <b><u>2021</u></b>       |                               |                                     |                               |  |                          |
| Trade and other payables | 599,944                       | 0                                   | 0                             | 599,944                                  | 599,944                  |
| Contract liabilities     | 830,207                       | 0                                   | 0                             | 830,207                                  | 830,207                  |
|                          | 1,430,151                     | 0                                   | 0                             | 1,430,151                                | 1,430,151                |

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

19. OTHER SIGNIFICANT ACCOUNTING POLICIES

**a) Goods and services tax (GST)**

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

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

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

**b) Current and non-current classification**

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

**c) Rounding off figures**

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

**d) Comparative figures**

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

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

**e) Budget comparative figures**

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

**f) Superannuation**

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

**g) Fair value of assets and liabilities**

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

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

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

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

**h) Interest earnings**

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

**i) Fair value hierarchy**

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level 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 cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

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

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

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

**k) Initial application of accounting standards**

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

**New accounting standards for application in future years**

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

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

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

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

**20. FUNCTION AND ACTIVITY**

**(a) Service objectives and descriptions**

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

| <b>Objective</b>  | <b>Description</b>   |
|---|--|
| <p><b>Governance</b><br/>To provide a decision making process for the efficient allocation of scarce resources.</p>   | Members expenses and other costs of the Shire that relate to the tasks of assisting Councillors and the public on matters which do not concern specific Council services.          |
| <p><b>General purpose funding</b><br/>To collect revenue to allow for the provision of services.</p>  | Collection of Rates revenue, financial assistance grants for general purpose and interest revenue.   |
| <p><b>Law, order, public safety</b><br/>To provide services to help ensure a safer and environmentally conscious community.</p>                               | Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.                     |
| <p><b>Health</b><br/>To provide services for community and environmental health.</p>  | Health inspection and advisory services, analytical services, pest and weed control, and assistance to provide health initiatives.   |
| <p><b>Education and welfare</b><br/>To provide services to disadvantaged persons, the elderly, children and youth.</p>  | Provision of support services for education through the Leonora Childcare Centre, and for the elderly, youth and disabled within the district for the betterment of the residents. |
| <p><b>Housing</b><br/>Provision of shire housing and privately rented accommodation.</p>  | Provision of staff and residential housing.  |
| <p><b>Community amenities</b><br/>To provide amenities required by the community.</p>   | Rubbish collection services and operation of waste services. Maintenance of cemeteries and public conveniences. Administration of town planning activities.                        |
| <p><b>Recreation and culture</b><br/>To establish and maintain infrastructure and resources to meet the recreational and cultural needs of the community.</p> | Maintenance of playgrounds, recreation centre and grounds and reserves. Operation of library and maintenance of heritage and history inventory.                                    |
| <p><b>Transport</b><br/>To provide safe and effective transport services to the community.</p>  | Construction and maintenance of streets, roads, bridges, signage and footpaths. Cleaning and lighting of town streets. Depot maintenance. Airport operations.                      |
| <p><b>Economic services</b><br/>To help promote Wandering and its economic wellbeing.</p>   | The regulation and provision of tourism, area promotion and building control.  |
| <p><b>Other property and services</b><br/>To monitor and control operating accounts.</p>  | Provisions of private work operations, plant repairs, operation costs and all administration costs.  |

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

**20. FUNCTION AND ACTIVITY (Continued)**

**(b) Income and expenses**

|   | 2022<br>Actual | 2022<br>Budget | 2021<br>Actual |
|---|----------------|----------------|----------------|
|   | \$             | \$             | \$             |
| <b>Income excluding grants, subsidies and contributions</b> |                |                |                |
| Governance  | 1,128          | 1,530          | 187            |
| General purpose funding                                     | 7,017,145      | 7,058,483      | 6,984,917      |
| Law, order, public safety                                   | 7,007          | 6,790          | 6,100          |
| Health  | 30,734         | 36,095         | 34,264         |
| Education and welfare                                       | 189,107        | 175,000        | 202,473        |
| Housing   | 38,382         | 47,895         | 39,818         |
| Community amenities   | 451,243        | 439,406        | 436,895        |
| Recreation and culture                                      | 49,390         | 220,466        | 113,814        |
| Transport   | 935,601        | 756,750        | 753,725        |
| Economic services   | 757,313        | 717,543        | 681,239        |
| Other property and services                                 | 224,671        | 144,000        | 158,583        |
|   | 9,701,721      | 9,603,958      | 9,412,015      |
| <b>Grants, subsidies and contributions</b>                  |                |                |                |
| General purpose funding                                     | 1,958,573      | 1,360,182      | 1,260,065      |
| Law, order, public safety                                   | 2,950          | 2,682          | 13,377         |
| Education and welfare                                       | 210,711        | 150,800        | 156,801        |
| Housing   | 341,246        | 0              | 0              |
| Recreation and culture                                      | 1,223,918      | 152,887        | 396,612        |
| Transport   | 618,089        | 1,560,644      | 1,258,118      |
| Economic services   | 68,822         | 1,214,970      | 297,865        |
|   | 4,424,309      | 4,442,165      | 3,382,838      |
| <b>Total Income</b>   | 14,126,030     | 14,046,123     | 12,794,853     |
| <b>Expenses</b>   |                |                |                |
| Governance  | (646,692)      | (762,937)      | (670,694)      |
| General purpose funding                                     | (452,954)      | (449,243)      | (451,954)      |
| Law, order, public safety                                   | (201,543)      | (248,544)      | (192,010)      |
| Health  | (692,757)      | (758,136)      | (701,599)      |
| Education and welfare                                       | (943,555)      | (909,570)      | (877,205)      |
| Community amenities   | (491,133)      | (344,654)      | (355,974)      |
| Recreation and culture                                      | (1,663,584)    | (1,923,764)    | (1,567,364)    |
| Transport   | (4,874,166)    | (3,387,306)    | (4,710,570)    |
| Economic services   | (2,345,529)    | (3,908,543)    | (2,423,226)    |
| Other property and services                                 | (29,446)       | (5,000)        | (49,211)       |
| <b>Total expenses</b>                                       | (12,341,359)   | (12,697,697)   | (11,999,807)   |
| <b>Net result for the period</b>                            | 1,784,671      | 1,348,426      | 795,046        |

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

**20. FUNCTION AND ACTIVITY (Continued)**

|                             | 2022<br>Actual     | 2022<br>Budget    | 2021<br>Actual   |
|-----------------------------|--------------------|-------------------|------------------|
| <b>(c) Fees and Charges</b> | \$                 | \$                | \$               |
| Governance                  | 320                | 30                | 0                |
| General purpose funding     | 8,942              | 10,500            | 9,418            |
| Law, order, public safety   | 7,007              | 6,790             | 6,100            |
| Health                      | 30,734             | 36,095            | 34,264           |
| Education and welfare       | 189,107            | 175,000           | 198,610          |
| Housing                     | 25,905             | 37,895            | 32,528           |
| Community amenities         | 444,162            | 432,325           | 436,895          |
| Recreation and culture      | 36,348             | 40,829            | 45,471           |
| Transport                   | 863,884            | 756,000           | 749,344          |
| Economic services           | 549,444            | 503,055           | 485,457          |
| Other property and services | 40,443             | 70,000            | 39,785           |
|                             | <b>2,196,296</b>   | <b>2,068,519</b>  | <b>2,037,872</b> |
| <b>(d) Total Assets</b>     | <b>2022</b>        | <b>2021</b>       |                  |
|                             | \$                 | \$                |                  |
| General purpose funding     | 2,386,097          | 100,035           |                  |
| Law, order, public safety   | 121,585            | 125,103           |                  |
| Health                      | 204,004            | 223,194           |                  |
| Education and welfare       | 57,479             | 68,420            |                  |
| Housing                     | 2,006,312          | 1,615,432         |                  |
| Community amenities         | 8,029,642          | 5,586,782         |                  |
| Recreation and culture      | 9,215,315          | 8,156,275         |                  |
| Transport                   | 81,591,782         | 61,773,061        |                  |
| Economic services           | 14,417,786         | 12,059,047        |                  |
| Other property and services | 2,465,982          | 4,866,845         |                  |
| Unallocated                 | 0                  | 1,516,903         |                  |
|                             | <b>120,495,984</b> | <b>96,091,097</b> |                  |

ORDINARY COUNCIL MEETING MINUTES

20 DECEMBER 2022

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

21. RATING INFORMATION

(a) General Rates

| RATE TYPE                                     | Basis of valuation     | Rate in \$ | Number of Properties | 2021/22 Actual Rateable Value * | 2021/22 Actual Rate Revenue | 2021/22 Actual Interim Rates | 2021/22 Actual Back Rates | 2021/22 Actual Total Revenue | 2021/22 Budget Rate Revenue | 2021/22 Budget Interim Rate | 2021/22 Budget Back Rate | 2021/22 Budget Total Revenue | 2020/21 Actual Total Revenue |
|---|------------------------|------------|----------------------|---------------------------------|-----------------------------|------------------------------|---------------------------|------------------------------|-----------------------------|-----------------------------|--------------------------|------------------------------|------------------------------|
| General                                       | Gross rental valuation | 0.0706     | 587                  | 17,030,114                      | 1,202,326                   | (8,127)                      | 0                         | 1,194,199                    | 1,202,326                   | 0                           | (7,000)                  | 1,195,326                    | 1,201,786                    |
| General                                       | Unimproved valuation   | 0.1550     | 1,445                | 35,729,256                      | 5,538,035                   | 42,179                       | 0                         | 5,580,214                    | 5,538,035                   | 90,000                      | (50,000)                 | 5,578,035                    | 5,488,240                    |
| <b>Sub-Total</b>                              |                        |            | 2,032                | 52,759,370                      | 6,740,361                   | 34,052                       | 0                         | 6,774,413                    | 6,740,361                   | 90,000                      | (57,000)                 | 6,773,361                    | 6,690,026                    |
| <b>Minimum payment</b>                        |                        |            |                      |                                 |                             |                              |                           |                              |                             |                             |                          |                              |                              |
|   |                        |            |                      | <b>Minimum \$</b>               |                             |                              |                           |                              |                             |                             |                          |                              |                              |
| General                                       | Gross rental valuation | 323        | 90                   | 120,479                         | 29,070                      | 0                            | 0                         | 29,070                       | 29,070                      | 0                           | 0                        | 29,070                       | 29,393                       |
| General                                       | Unimproved valuation   | 323        | 624                  | 711,810                         | 201,552                     | 775                          | 0                         | 202,327                      | 201,552                     | 0                           | 0                        | 201,552                      | 205,428                      |
| <b>Sub-Total</b>                              |                        |            | 714                  | 832,289                         | 230,622                     | 775                          | 0                         | 231,397                      | 230,622                     | 0                           | 0                        | 230,622                      | 234,821                      |
|   |                        |            |                      |                                 |                             |                              |                           |                              |                             |                             |                          |                              |                              |
|   |                        |            | 2,746                | 53,591,659                      | 6,970,983                   | 34,827                       | 0                         | 7,005,810                    | 6,970,983                   | 90,000                      | (57,000)                 | 7,003,983                    | 6,924,847                    |
| <b>Total amount raised from general rates</b> |                        |            |                      |                                 |                             |                              |                           | 7,005,810                    |                             |                             |                          | 7,003,983                    | 6,924,847                    |
|   |                        |            |                      |                                 |                             |                              |                           | <b>7,005,810</b>             |                             |                             |                          | <b>7,003,983</b>             | <b>6,924,847</b>             |

\* Rateable value is based on the value of properties at the time the rate is raised.

(b) Total Rates

The entire balance of rates revenue has been recognised at a point in time in accordance with AASB 1058 *Income for not-for-profit entities*.

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

21. RATING INFORMATION (Continued)

Waivers or Concessions

| Rate or Fee and Charge to which the Waiver or Concession is Granted | Type           | Waiver/Concession | Discount % | Discount \$ | 2022 Actual \$ | 2022 Budget \$ | 2021 Actual \$ |
|---|----------------|-------------------|------------|-------------|----------------|----------------|----------------|
| Landing fees  | Fee and charge | Waiver            |            |             | 6,223          | 3,000          | 8,799          |
| Rate write off  | Rate           | Waiver            |            |             | 1,027          | 15,000         | 1,550          |
| Housing rental  | Fee and charge | Waiver            |            |             | 5,200          | 5,200          | 5,200          |
| Landing fee write off   | Fee and charge | Waiver            |            |             | 0              | 0              | 7,590          |
| Total discounts/concessions (Note 21)                               |                |                   |            |             | 12,450         | 23,200         | 23,139         |

| Rate or Fee and Charge to which the Waiver or Concession is Granted | Circumstances in which the Waiver or Concession is Granted and to whom it was available                         | Objects of the Waiver or Concession   | Reasons for the Waiver or Concession   |
|---|---|---|--|
| Landing fees  | Royal Flying Doctor Service (RFDS) has been granted a continuous waiver on landing fees at the Leonora airport. | To assist the operation and work of the RFDS.   | Recognition of valuable community service the RFDS provides to the district.   |
| Rate write off  | Write off bad debts where debts cannot be recovered or the cost of recovery is more than the debt.              |   | The Local Government Act provides for the Council to be able to write off any amount of money which is owed to the local |
| Housing rental  | Doctor servicing Leonora has a house provided by Council at no charge.  | To support the retention of a Doctor to provide medical services to the Shire of Leonora. | Rent is waived as per agreement with Council.  |

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

21. RATING INFORMATION (Continued)

(c) Interest Charges & Instalments

| Instalment Options         | Date Due  | Instalment Plan Admin Charge | Instalment Plan Interest Rate | Unpaid Rates Interest Rate |
|----------------------------|-----------|------------------------------|-------------------------------|----------------------------|
|                            |           | \$                           | %                             | %                          |
| <b>Option One</b>          |           |                              |                               |                            |
| Single full payment        | 6/09/2021 | 0                            | 0.00%                         | 0.00%                      |
| <b>Option Two</b>          |           |                              |                               |                            |
| First instalment           | 6/09/2021 | 0                            | 0.00%                         | 0.00%                      |
| Second instalment          | 5/11/2021 | 8                            | 0.00%                         | 0.00%                      |
| Third instalment           | 4/01/2022 | 8                            | 0.00%                         | 0.00%                      |
| Fourth instalment          | 7/03/2022 | 8                            | 0.00%                         | 0.00%                      |
|                            |           | <b>2022 Actual</b>           | <b>2022 Budget</b>            | <b>2021 Actual</b>         |
|                            |           | \$                           | \$                            | \$                         |
| Charges on instalment plan |           | 7,992                        | 10,000                        | 8,568                      |
|                            |           | 7,992                        | 10,000                        | 8,568                      |



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

## 22. RATE SETTING STATEMENT INFORMATION

|  |   | 2021/22<br>Budget                    | 2020/21                              |
|--|---|--------------------------------------|--------------------------------------|
|  | 2021/22<br>(30 June 2022<br>Carried<br>Forward)                               | (30 June 2022<br>Carried<br>Forward) | (30 June 2021<br>Carried<br>Forward) |
| Note   | \$  | \$                                   | \$                                   |
| <b>(a) Non-cash amounts excluded from operating activities</b>   |   |                                      |                                      |
| The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .   |   |                                      |                                      |
| <b>Adjustments to operating activities</b>   |   |                                      |                                      |
|  | Less: Profit on asset disposals   | 0                                    | (3,209)                              |
| 8(b)   | 13,730  | 0                                    | 57,679                               |
|  | Less: Movement in liabilities associated with restricted cash                 | 0                                    | 59,688                               |
| 8(b)   | 0   | 0                                    | 59,688                               |
|  | Add: Loss on disposal of assets   | 1,775,918                            | 3,230,492                            |
| 8(a)   | 3,210,755   | 1,775,918                            | 3,230,492                            |
| Non-cash movements in non-current assets and liabilities:  |   |                                      |                                      |
|  | Employee benefit provisions   | 0                                    | 11,358                               |
|  | Other provisions  | 0                                    | 0                                    |
| 12   | 2,676,283   | 0                                    | 0                                    |
|  | Inventory   | 0                                    | 52,514                               |
|  | 264,451   | 0                                    | 52,514                               |
| <b>Non-cash amounts excluded from operating activities</b>   |   |                                      |                                      |
|  | 6,128,640   | 1,775,918                            | 3,408,522                            |
| <b>(b) Non-cash amounts excluded from investing activities</b>   |   |                                      |                                      |
| The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .   |   |                                      |                                      |
| <b>Adjustments to investing activities</b>   |   |                                      |                                      |
|  | Property, plant and equipment received for substantially less than fair value | 0                                    | 0                                    |
| 6(a)   | 668,000   | 0                                    | 0                                    |
|  | Non-cash additions to infrastructure  | 0                                    | 0                                    |
| 7(a)   | (2,676,283)   | 0                                    | 0                                    |
|  | Non cash non-operating grants, subsidies and contributions                    | 0                                    | 0                                    |
|  | (668,000)   | 0                                    | 0                                    |
| <b>Non-cash amounts excluded from investing activities</b>   |   |                                      |                                      |
|  | (2,676,283)   | 0                                    | 0                                    |
| <b>(c) Surplus/(deficit) after imposition of general rates</b>   |   |                                      |                                      |
| The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates. |   |                                      |                                      |
| <b>Adjustments to net current assets</b>   |   |                                      |                                      |
|  | Less: Reserve accounts  | (6,145,731)                          | (7,795,731)                          |
| 23   | (8,797,221)   | (6,145,731)                          | (7,795,731)                          |
|  | Add: Current liabilities not expected to be cleared at end of year            | 228,633                              | 286,312                              |
|  | - Employee benefit provisions   | 300,042                              | 286,312                              |
| <b>Total adjustments to net current assets</b>   |   |                                      |                                      |
|  | (8,497,179)   | (5,917,098)                          | (7,509,419)                          |
| <b>Net current assets used in the Rate Setting Statement</b>   |   |                                      |                                      |
|  | Total current assets  | 6,390,567                            | 10,094,789                           |
|  | 11,747,376  | 6,390,567                            | 10,094,789                           |
|  | Less: Total current liabilities   | (473,469)                            | (1,834,656)                          |
|  | (2,971,110)   | (473,469)                            | (1,834,656)                          |
|  | Less: Total adjustments to net current assets                                 | (5,917,098)                          | (7,509,419)                          |
|  | (8,497,179)   | (5,917,098)                          | (7,509,419)                          |
| <b>Net current assets used in the Rate Setting Statement</b>   |   |                                      |                                      |
|  | 279,087   | 0                                    | 750,714                              |
|  | 279,087   | 0                                    | 750,714                              |

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

| 23. RESERVE ACCOUNTS           | 2022      | 2022        | 2022     | 2022      | 2022      | 2022        | 2022        | 2022      | 2021      | 2021        | 2021     | 2021      |
|--------------------------------|-----------|-------------|----------|-----------|-----------|-------------|-------------|-----------|-----------|-------------|----------|-----------|
|                                | Actual    | Actual      | Actual   | Actual    | Budget    | Budget      | Budget      | Budget    | Actual    | Actual      | Actual   | Actual    |
|                                | Opening   | Transfer to | Transfer | Closing   | Opening   | Transfer to | Transfer    | Closing   | Opening   | Transfer to | Transfer | Closing   |
|                                | Balance   |             | (from)   | Balance   | Balance   |             | (from)      | Balance   | Balance   |             | (from)   | Balance   |
|                                | \$        | \$          | \$       | \$        | \$        | \$          | \$          | \$        | \$        | \$          | \$       | \$        |
| (a) Annual Leave reserve       | 165,386   | 34          | 0        | 165,420   | 165,386   | 0           | 0           | 165,386   | 165,344   | 42          | 0        | 165,386   |
| (b) Long Service Leave reserve | 134,595   | 27          | 0        | 134,622   | 134,595   | 0           | 0           | 134,595   | 134,561   | 34          | 0        | 134,595   |
| (c) Building reserve           | 2,639,065 | 200,539     | 0        | 2,839,604 | 2,639,065 | 0           | (700,000)   | 1,939,065 | 988,771   | 1,650,294   | 0        | 2,639,065 |
| (d) Fire Disaster reserve      | 39,932    | 8           | 0        | 39,940    | 39,932    | 0           | 0           | 39,932    | 39,922    | 10          | 0        | 39,932    |
| (e) Plant Purchase reserve     | 915,428   | 200,188     | 0        | 1,115,616 | 915,428   | 0           | 0           | 915,428   | 915,193   | 235         | 0        | 915,428   |
| (f) Gwalia Precinct reserve    | 488,775   | 99          | 0        | 488,874   | 488,775   | 0           | 0           | 488,775   | 488,650   | 125         | 0        | 488,775   |
| (g) Waste Management reserve   | 316,072   | 140,065     | 0        | 456,137   | 316,072   | 0           | 0           | 316,072   | 315,991   | 81          | 0        | 316,072   |
| (h) Aerodrome reserve          | 486,453   | 260,000     | 0        | 746,453   | 486,453   | 0           | (250,000)   | 236,453   | 286,443   | 200,010     | 0        | 486,453   |
| (i) IT reserve                 | 15,000    | 0           | 0        | 15,000    | 15,000    | 0           | 0           | 15,000    | 15,000    | 0           | 0        | 15,000    |
| (j) Pool reserve               | 473,940   | 96          | 0        | 474,036   | 473,940   | 0           | 0           | 473,940   | 45,041    | 428,899     | 0        | 473,940   |
| (k) Aged Care reserve          | 1,921,085 | 200,393     | 0        | 2,121,478 | 1,921,085 | 0           | (500,000)   | 1,421,085 | 1,920,592 | 493         | 0        | 1,921,085 |
| (l) Heritage Buildings reserve | 200,000   | 41          | 0        | 200,041   | 200,000   | 0           | (200,000)   | 0         | 0         | 200,000     | 0        | 200,000   |
|                                | 7,795,731 | 1,001,490   | 0        | 8,797,221 | 7,795,731 | 0           | (1,650,000) | 6,145,731 | 5,315,508 | 2,480,223   | 0        | 7,795,731 |

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

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

| Name of Reserve                | Anticipated date of use | Purpose of the reserve  |
|--------------------------------|-------------------------|---|
| (a) Annual Leave reserve       | Ongoing                 | This reserve is to be offset against the Shire's leave liability to its employees.  |
| (b) Long Service Leave reserve | Ongoing                 | This reserve is to offset Councils long service leave liabilities to its employees.   |
| (c) Building reserve           | Ongoing                 | To be used for the construction and preservation of Shire buildings and urgent repairs and maintenance.   |
| (d) Fire Disaster reserve      | Ongoing                 | This reserve will assist in the provision of emergency contingencies in the case of a fire disaster.  |
| (e) Plant Purchase reserve     | Ongoing                 | To be used for the purchase of major plant.   |
| (f) Gwalia Precinct reserve    | Ongoing                 | To be used for the restoration and historical projects in Gwalia precinct.  |
| (g) Waste Management reserve   | Ongoing                 | To be used for management and compliance works associated with the rubbish tip and liquid waste disposal site.                                    |
| (h) Aerodrome reserve          | Ongoing                 | To be used for maintenance, renewal and upgrade works at Leonora airport.   |
| (i) IT reserve                 | Ongoing                 | To be used for maintenance, renewal and upgrade of IT requirements/projects.  |
| (j) Pool reserve               | Ongoing                 | To be used for the purpose of refurbishment of the swimming pool.   |
| (k) Aged Care reserve          | Ongoing                 | To be used for the provision of facilities for aged care.   |
| (l) Heritage Buildings reserve | Ongoing                 | For the purpose of ensuring the Shires historical buildings remain for future generations of the community by specific asset management planning. |



## 5. INDEPENDENT AUDIT REPORT



# INDEPENDENT AUDIT REPORT



## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2022 Shire of Leonora

To the Councillors of the Shire of Leonora

#### Opinion

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

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

In my opinion, the financial report is:

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

#### Basis for opinion

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

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

#### Other information

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

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

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

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

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

The Chief Executive Officer of the Shire is responsible for:

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

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

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

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

### **Auditor's responsibilities for the audit of the financial report**

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

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

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

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

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

**Matters relating to the electronic publication of the audited financial report**

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

Mark Ambrose  
Senior Director Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
16 December 2022



## SHIRE OF LEONORA ANNUAL REPORT 2021-2022



### 6. DISABILITY ACCESS AND INCLUSION PLAN

- (A) The Shire of Leonora is required to comply with the State Government imposed *Disability Services Act (1993)*.
- (B) A Disability Access and Inclusion Plan 2018-2023 has been approved with the following principal intent.
  - (i) Existing services are adapted to ensure they meet the needs of people with disabilities.
  - (ii) Access to buildings and facilities are improved.
- (C) The following delivery of services was implemented in the reporting year.

NIL

Review of the plan was undertaken during the 2018/19 reporting period and as advised by Department of Communities, meets the requirements of the *Disability Services Act 1993*.

### 7. OFFICIAL CONDUCT-COMPLAINTS REGISTER

Pursuant to S.5.121 of the *Local Government Act 1995*, a complaints register has been maintained. As at the 30th June 2022, no complaints were recorded, therefore no action was required to deal with complaints.



## 8. INFORMATION OF PAYMENTS TO EMPLOYEES

Pursuant to Section 5.53 (2)(g) of the *Local Government Act 1995*, and Administration Regulation 19B (2), set out below, the number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$130,000;

| Salary Range<br>(\$) | Number of Employees |
|----------------------|---------------------|
| 140,000 – 150,000    | 2                   |
| 310,000 – 320,000    | 1                   |

The remuneration paid to the CEO during the financial year was \$310,376







## 9. COUNCILLOR DETAILS

| POSITION  | RETIREMENT YEAR | CONTACT                         | NUMBER   |
|---|-----------------|---------------------------------|--|
| <b>PRESIDENT</b><br>Mr P CRAIG<br>9B North Road<br>(PO Box 118)<br>LEINSTER WA 6437                   | 2023            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 9191<br>08 9037 9054<br>08 9037 9192<br>0418 950 572<br><a href="mailto:peter.craig@bagden.com.au">peter.craig@bagden.com.au</a> |
| <b>DEPUTY PRESIDENT</b><br>Mr R A NORRIE<br>Lot 260 Queen Victoria<br>(PO Box 397)<br>LEONORA WA 6438 | 2023            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 6777<br>08 9037 7389<br>08 9037 6788<br>0409 377 386<br><a href="mailto:rossn@cbslaccountants.com">rossn@cbslaccountants.com</a> |
| Ms L R PETERSEN<br>Lot 1114 Gwalia Street<br>(PO Box 69)<br>LEONORA WA 6438                           | 2025            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 6400<br>08 9037 6404<br>0419 177 232<br><a href="mailto:Butsonsbs@westnet.com.au">Butsonsbs@westnet.com.au</a>                   |
| Mr A E TAYLOR<br>1 Pinnacle Place<br>LEINSTER WA 6437   | 2025            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 4050<br>08 9037 3125<br>08 9238 1387<br>0417 174 374<br><a href="mailto:alex@northfields.com.au">alex@northfields.com.au</a>     |
| Mr R M COTTERILL<br>PO Box 8<br>LEONORA WA 6438   | 2025            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 6167<br>08 9037 6167<br>0409 127 506<br><a href="mailto:richardcotterill@live.com.au">richardcotterill@live.com.au</a>           |
| Ms A M MOORE<br>Lot 27 Tower Street<br>(PO Box 197)<br>LEONORA WA 6438                                | 2025            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 08 9037 7546<br><br>0437 366 649<br><a href="mailto:alexis.stein@hotmail.com">alexis.stein@hotmail.com</a>                               |
| Ms F HARRIS<br>Lot 42 Braemore Road<br>(PO Box 129)<br>LEONORA WA 6438                                | 2023            | WK<br>HM<br>FAX<br>MOB<br>EMAIL | 0437 968 493<br><a href="mailto:neilandfifi@bigpond.com">neilandfifi@bigpond.com</a>   |



## SHIRE OF LEONORA ANNUAL REPORT 2021-2022

| Councillor    | Council Meetings |          | Audit Committee Meetings |          | % Attendance |
|---------------|------------------|----------|--------------------------|----------|--------------|
|               | Convened         | Attended | Convened                 | Attended |              |
| P J Craig     | 12               | 11       | 4                        | 4        | 94%          |
| R A Norrie    | 12               | 11       | 4                        | 4        | 94%          |
| L R Petersen  | 12               | 9        | 4                        | 2        | 69%          |
| R M Cotterill | 12               | 11       | 4                        | 4        | 94%          |
| A E Taylor    | 12               | 10       | 4                        | 3        | 81%          |
| A M Moore     | 12               | 11       | 4                        | 3        | 88%          |
| F Harris      | 12               | 10       | 4                        | 4        | 88%          |

### 10. OVERVIEW OF THE PLAN FOR THE FUTURE

The Plan for the Future: Strategic Community Plan and Corporate Business Plan 2021-2031 was prepared through engagement and consultation with the local community, and sets out the vision, aspirations, and objectives of the community in the district. This Plan is part of the Shire of Leonora's continued commitment in maintaining a focus to ensure we strive to work with our community to meet their needs, support their aspirations, demonstrate leadership, and act with fairness.

Further detail relating to the Shire of Leonora Plan for the Future 2021-2031 can be viewed on the Shire of Leonora's website. <https://www.leonora.wa.gov.au/documents/472/sol-plan-for-the-future-2021-2031>

Plan for the Future 2021-2031 Key Performance Indicators are:

- Key Objective 1 **Social:** An empowered and spirited community
- Key Objective 2 **Economic:** Economic hub of the northern goldfields
- Key Objective 3 **Environment:** Forward thinking management of the built and natural environment
- Key Objective 4 **Leadership:** Innovative and proactive Shire and Councillors

The table below sets out to provide an overview of achievements to date made during the 2021/2022 reporting period, as well as initiatives that are proposed to commence and/or continue into the next financial year.



| PLAN FOR THE FUTURE<br>STRATEGIC<br>PERFORMANCE<br>INDICATORS  | 2021/22<br>ACHIEVED / CONTINUING 2022/23   | PLANNED / COMMENCING<br>2022/23   |
|--|--|---|
| <p>Social media activity<br/><i>(increase posts and engagement rates)</i></p>  | <p>A review of Local Government engagement by <i>SHUNT</i> pilot program identified the Shire of Leonora with an audience of 3,447 receiving a ranking of 6<sup>th</sup> in terms of Facebook engagement in the State for all Local Governments.</p> <ul style="list-style-type: none"> <li>- 6<sup>th</sup> <i>Highly Reactive</i></li> <li>- 4<sup>th</sup> highest <i>Most Engaging</i> and</li> <li>- 7<sup>th</sup> <i>Lovin It</i></li> </ul> <p>in WA's regional charge.</p> <p><b>Instagram Insights Overview:</b></p> <p>Story interactions +37.5%<br/>Accounts Reached- 1480<br/>Interaction- 549<br/>Total Followers +1.7%<br/>Facebook Page Reach – 197,206 (up 12.9%)</p> | <p>Working within social media platforms through better connectivity eg; Facebook, Instagram. The Shire continues to improve engagement across all social media activity.</p> |
| <p>Community participation levels in recreation activities and events<br/><i>(increase number of participants / attendees)</i></p> | <p>New initiatives introduced continued during 2021/22 and have been well received. The participation figures are;</p> <ul style="list-style-type: none"> <li>✓ Pool – <b>6,964</b> (5,911-20/21) This was greatly increased through the pool passes that were handed out for the COVID-19 vaccine incentives with an increase of 2,846 Season Pass visits compared to last year.</li> <li>✓ Gym – <b>1,147</b> (1613-20/21)</li> <li>✓ Adult Sports – <b>278</b> (208-20/21)</li> <li>✓ Kids Sport – <b>147</b> (484-20/210)</li> <li>✓ Aust Day Event – 286</li> <li>✓ PCYC Activities - 232 young people from Jan-June 2022</li> </ul>  | <p>Increased resourcing through staffing to encourage and work at enhancing community engagement through recreation activities and events.</p>                                |



## SHIRE OF LEONORA ANNUAL REPORT 2021-2022

| PLAN FOR THE FUTURE<br>STRATEGIC<br>PERFORMANCE<br>INDICATORS         | 2021/22<br>ACHIEVED / CONTINUING 2022/23   | PLANNED / COMMENCING<br>2022/23  |
|---|--|--|
| Population statistics<br><i>(stable / increasing population base)</i> | Australian Bureau of Statistics (ABS) 2011 Census shows the population of Leonora as 1,216, whilst this has dropped to 781 in the 2016 Census. Population of mining camps still excluded despite impact on service delivery, this also includes the town of Leinster. ABS 2016 shows an estimated resident population of 1,411 | Lack of suitable housing has been linked to difficulties in the attraction of professional services and the correlation between lack of services and decreased population. Work on the Aged Care Village has continued in the first half of the 2022/23 financial year. Strategies will continue to be developed during 2022/23 to address the housing crisis. |
| No. of development approvals<br><i>(increase)</i>                     | One development approval was processed in the 2021/22 period   | N/A  |
| Assessed vacancy rates (business and residential) <i>(decrease)</i>   | No official mechanisms in place to capture data, however anecdotal evidence suggests that vacancy rates (particularly residential) are low.  | Consideration to how these rates can be measured and reported/Meetings with relevant agencies re improved housing/Increased Shire housing.   |
| No. of building approvals<br><i>(increase)</i>                        | Eleven building approvals were processed in the 2021/22 period which equated to collection of \$23,536.53 in building permit fees with a total value of construction work being \$16,966,501   | N/A  |



| PLAN FOR THE FUTURE<br>STRATEGIC<br>PERFORMANCE<br>INDICATORS   | 2021/22<br>ACHIEVED / CONTINUING 2022/23  | PLANNED / COMMENCING<br>2022/23  |
|---|---|--|
| <p>Visitor statistics (<i>increase</i>)</p> <p><b>2019-20 financial year</b><br/>Visitor Centre Numbers: 3,282<br/>Gwalia Precinct Numbers: 7,995<br/>Hoover House Accommodation Numbers: 543</p> <p><b>2020-21 financial year</b><br/>Visitor Centre Numbers: 4,911<br/>Gwalia Precinct Numbers: 12,479<br/>Hoover House Accommodation Numbers: 1,256</p> <p><b>2021-22 financial year</b><br/>Visitor Centre Numbers: 4,688<br/>Gwalia Precinct Numbers: 12,619<br/>Hoover House Accommodation Numbers: 1,221<br/>RV Vehicles: 577<br/>Visitors in RV Vehicles: 1,138</p> | <p><b>Increased of visitor numbers by;</b><br/>Visitor Centre Numbers: 1,629<br/>Gwalia Precinct Numbers: 4,484<br/>Hoover House Accommodation Numbers: 713</p> <p><b>Increased of visitor numbers by;</b><br/>Visitor Centre Numbers: 223 decrease<br/>Gwalia Precinct Numbers: 140 increase<br/>Hoover House Accommodation Numbers: 35 decrease<br/>No accommodation available for preferred dates: 138</p> | <p>Visitor statistics are captured by the Information Centre, and Gwalia Historic Precinct. These figures have positively impacted the local tourism by COVID-19 hard borders, resulting in an <b>increase</b> of visitor and guest numbers to the facilities.</p> <p>The State Government border restrictions has seen a boost to the local tourism, increasing visitors to Leonora. With restrictions easing, there has been some waning, however numbers remain stable.</p> <p>It is expected that while visitors from within WA may stay lower in the 2022/23 financial year, the opening of the boarders should increase once again the number of interstate and overseas visitors.</p> |
| <p>Statutory asset management ratios (<i>maintain healthy ratios</i>)</p>   | <p>The Asset Sustainability Ratio no longer applicable</p>  | <p>N/A</p>   |
| <p>Compliance with statutory reviews required by the Local Planning Framework (<i>maintain compliance</i>)</p>  | <p>No instances of non-compliance noted</p>   | <p>N/A</p>   |
| <p>Statutory financial ratios (<i>maintain healthy ratios</i>)</p>  | <p>Operating Surplus Ratios no longer applicable</p>  | <p>N/A</p>   |
| <p>Employee retention rates (<i>maintain / increase</i>)</p>  | <p>During 2021/22 adoption of revised Workforce Plan was undertaken to assist with initiatives and strategies to maintain good retention rates.</p>   | <p>Continuation of implementation of initiatives within revised Workforce Plan</p>   |



SHIRE OF LEONORA  
 ANNUAL REPORT 2021-2022

| PLAN FOR THE FUTURE<br>STRATEGIC<br>PERFORMANCE<br>INDICATORS | 2021/22<br>ACHIEVED / CONTINUING 2022/23   | PLANNED / COMMENCING<br>2022/23                               |
|---|--|---|
| Volunteer levels<br><i>(increase)</i>                         | Re-activation of Sporting Clubs, e.g. Leonora Bowling Club has been successful in response to community needs. | Consideration to how these rates can be measured and reported |





## 11. FREEDOM OF INFORMATION STATEMENT

### *FREEDOM OF INFORMATION ACT 1992*

Pursuant to *Freedom of Information Act* Section 96 and 97 an information statement detailing the process for applying for information under the Act and information the local government provides in addition to the FOI Act, the Shire is required to publish an Information Statement which details the process of applying for information under the Act as well as information that the Shire provides outside the Act.

This Information Statement is available on the Shire of Leonora website. The *Freedom of Information Act 1992* and associated regulations can be found on the State Law Publisher website at [www.slp.wa.gov.au](http://www.slp.wa.gov.au) where a full copy of all State legislation is available. Further information about Freedom of Information can also be found on the Freedom of Information Commissioner's website <http://foi.wa.gov.au/>.

During the 2021-2022 financial year there were no Freedom of Information applications received or processed by the Shire.

## 12. STATE RECORD ACT 2000 - RECORDKEEPING

- (A) The Shire of Leonora is required to comply with the abovementioned State Government imposed Legislation.
- (B) A Record Keeping Plan has been produced and approved by the State Records Commission.
- (C) In accordance with minimum compliance requirements of Principle 6 of the State Records Commission – Standard 2, the following has been implemented:
  - 1. The efficiency and effectiveness of Councils Record Keeping Systems is evaluated not less than once every three years.
  - 2. The Council conducts a Record Keeping Training program.
  - 3. The efficiency and effectiveness of the Record Keeping Training program is reviewed from time to time.
  - 4. The Council's induction program addresses employee roles and responsibilities in regard to their compliance with Council's Record Keeping Plan.
  - 5. The Recordkeeping Plan is due for review prior to December 2023.

In order to progress the Shire of Leonora's document control practices, in 2019/20 an Electronic Information Management System was implemented.



### 13. NATIONAL COMPETITION POLICY

The Competition Principles Agreement is an Inter-government Agreement between the Commonwealth and State/Territory Governments that sets out how government will apply National Competition Policy principle to public sector organisations within their jurisdiction.

The State Government released a Policy Statement effective from July 1996 called the Clause 7 Statement which forms part of the Competition Principles Agreement. The clause 7 policy document sets out nominated principles from the Agreement that now apply to Local Government. The provisions of Clause 7 of the Competition Principles Agreement require local government to report annually as to the implementation, application and effects of the Competition Policy.

The Competition Principles Agreement, under Clause 7, specifies three broad areas of reporting, they are:

- Competitive Neutrality
- Structural Review of Public Monopolies; and
- Legislative Review

In accordance with the requirements of the National Competition Policy the Shire of Leonora makes the following disclosure for 2021/2022.

#### 1. COMPETITIVE NEUTRALITY

The objective of competitive neutrality is the elimination of resource allocation distortions arising out of local government ownership of significant business activities.

The Shire of Leonora has assessed its operations and considers that it does not have a business activity that would be classed as significant under the current guidelines. Also the Shire of Leonora does not operate a business enterprise that has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or Public Financial Enterprise.

The number of activities to which competitive neutrality principles have been applied in the reporting period is: NIL.

The number of activities to which competitive neutrality principles have been considered but not applied in the reporting period is: NIL.

Under the implementation timetable required by the National Competition Policy Statement the Shire of Leonora was required to undertake a cost benefit analysis to determine which significant business activities would be subject to competitive neutrality principles by June 1, 1997. This analysis was not undertaken by the Shire as no significant activities have been identified as part of its operations.

During the reporting period the Shire of Leonora did not become aware of any allegations of noncompliance with the competitive neutrality principles made by a private entity against the Shire.





## SHIRE OF LEONORA ANNUAL REPORT 2021-2022

### 2. STRUCTURAL REVIEW OF PUBLIC MONOPOLIES

In relation to Structural Review of Public Monopolies the Shire of Leonora discloses the following:

Structural reform principles have been applied to the following number of activities in the reporting period: NIL.

Structural reform principles have been considered but not applied to the following number of activities in the reporting period: NIL.

As no structural reform has been applied to any activities the review requirements of principle SR.3 of Clause 7 of the Competition Policy Statement have not been undertaken.

### 3. LEGISLATION REVIEW

The Shire of Leonora has a portfolio of local laws (previously known as by-laws) which may or may not conflict with the Competition Principles Agreement. These local laws are reviewed to ensure compliance with the reporting requirements,

Section 3.16 of the *Local Government Act 1995* requires that all of the local laws of a Local Government must be reviewed within an eight-year period after their commencement to determine if they should remain unchanged or be repealed or amended.

The Shire of Leonora is currently reviewing their local laws.

### 14. ACCEPTANCE OF THE ANNUAL REPORT

|  |       |
|--|-------|
| Annual Report – Financial Year Ending 30 <sup>th</sup> June 2022 |       |
| Adopted  | Date: |

**15.0 MEETING CLOSED TO PUBLIC**

**15.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED**

Nil

**15.0 MEETING CLOSED TO PUBLIC**

**15.2 PUBLIC READING OF RESOLUTIONS THAT MAY BE MADE PUBLIC**

**16.0 STATE COUNCIL AGENDA**

Nil

**17.0 NEXT MEETING**

Tuesday 21st February 2023

**18.0 CLOSURE OF MEETING**

There being no further business, the Chairperson, PJ Craig declared the meeting closed at **3:35pm.**