



2023/2024

Annual Report

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Acknowledgements

Acknowledgement of Country

The Shire of Denmark rests on Minang and Bibbulmun Noongar Country.

The lands and waters within the bounds of our Shire were cared for and managed by Traditional Custodians for thousands of years before our Local Government came into existence.

The Shire of Denmark respectfully acknowledges those many generations of on-going custodianship and we extend our respects to Elders past, present and future.

Other Acknowledgements

Images in this document are supplied by Nic Duncan, Serena Kirby, Ace Camera Club, the Shire of Denmark and others.

Alternate Formats and Previous Editions

Electronic copies of Shire of Denmark Annual Reports are available for download online via the Shire of Denmark website at www.denmark.wa.gov.au.

Copies of Shire documents can be made available in alternate formats upon request.

President's Message

I am pleased to present the Shire of Denmark's 2023/24 Annual Report which represents a record of the year gone by.

Like much of the country, Denmark continued to feel the effects of the post-Covid boom in population and housing demand. This has proven a double-edged sword with a significant number in our community struggling with homelessness and housing affordability.

Our farming community had a tough year with poor prices for livestock and a short spring leading to a long summer with limited fodder supplies to carry stock through on.

Despite these and other challenges, our community has, through this year, shown itself once again to be an engaged, pro-active and resilient collection of wonderful people. As many of the statistics in this document show, we remain highly engaged in community sport, social and recreational activities. We also continue to have one of the highest volunteering rates in the country, from which we all benefit and for which we should all be very grateful.

I also wish to commend the Shire staff for their focus on delivering on very many of the priority areas for our community. Their ability to find external funding to multiply our own local resources is exemplary and results in more and renewed services and facilities for the benefit of all.

I would also like to acknowledge Councillor Donald Clarke who served this community in that role for two years and especially Cr Ceinwen Gearon who was a Councillor for eight years and Shire President for six. Thank you both for giving of yourselves for the common good. I welcome our new Councillors, Aaron Wiggins and Dominic Youel.

Whilst this report is, by its nature, a reflection of a year that was, in reading it I cannot help but be excited for the future. I look forward to sharing that future with you all!

Kingsley Gibson
Shire President



Our Council

In October 2023, a Local Government election was held in the Shire of Denmark.

Incumbent Shire President Ceinwen Gearon chose not to recontest her seat after many years of service on the Council. Two new Elected Members were voted into seats on Council, while Councillor Donald Clarke was unsuccessful in regaining his seat.

Following the election, former Deputy Shire President Kingsley Gibson was elected to the Shire President position, and Councillor Jan Lewis was elected to the role of Deputy Shire President.



Kingsley Gibson
(term expires 2027)



Jan Lewis
(term expires 2025)



Ceinwen Gearon
(term expired 2023)



Nathan Devenport
(term expires 2027)



Clare Campbell
(term expires 2025)



Donna Carman
(term expires 2025)



Janine Phillips
(term expires 2027)



Donald Clarke
(term expired 2023)



Jackie Ormsby
(term expires 2025)



Dominic Youel
(term expires 2027)



Aaron Wiggins
(term expires 2027)

Elected Member Attendance Ordinary Council Meetings

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24
Cr Gearon	○	-	○	○			Retired October 2023					
Cr Clarke	○	○	○	○			Retired October 2023					
Cr Gibson	○	○	○	○	○	○	○	○	○	○	○	○
Cr Lewis	○	○	○	○	○	○	○	○	○	○	○	-
Cr Campbell	○	○	○	○	○	○	○	○	○	○	○	○
Cr Carman	○	○	○	○	○	○	○	○	○	○	○	○
Cr Devenport	○	○	○	○	X	○	○	○	○	○	○	○
Cr Ormsby	X	○	○	○	○	○	-	-	○	○	○	-
Cr Phillips	○	○	○	○	○	○	○	○	○	○	○	○
Cr Wiggins					○	○	○	○	○	○	○	○
Cr Youel					○	○	○	○	○	○	○	○

Special Council and Annual Electors Meetings

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Jan 24	Jun 24
Cr Gearon	○	○	○	Retired October 2023			
Cr Clarke	○	○	○	Retired October 2023			
Cr Gibson	○	○	X	○	○	○	○
Cr Lewis	○	○	○	○	○	○	○
Cr Campbell	○	○	○	○	X	○	○
Cr Carman	○	○	○	○	○	○	○
Cr Devenport	○	○	○	○	X	○	○
Cr Ormsby	○	○	○	○	○	-	○
Cr Phillips	○	○	X	○	○	○	○
Cr Wiggins				○	○	○	○
Cr Youel				○	○	○	X

Special Council Meetings = ● Approved Leave of Absence = -
 Annual Electors Meetings = ● Absent without Leave/Apology = x

Committee Attendance

	Audit Advisory	Behaviour Complaints	Bushfire Advisory	Disability Services Advisory	Local Emergency Management	Sustainable Projects
Cr Gearon		0/0	5/5		1/1	
Cr Clarke	2/2					2/2
Cr Gibson	2/2	0/0	3/3		2/3	2/2
Cr Lewis		0/0				2/2
Cr Campbell	2/2		4/5		3/3	2/2
Cr Carman	2/2			2/2		
Cr Devenport	2/2	0/0				
Cr Ormsby	2/2	0/0				
Cr Phillips		0/0				
Cr Wiggins	2/2	0/0				
Cr Youel		0/0				

Working Group Attendance

	Accessibility	Bushfire Mitigation	Local Planning Strategy	Sustainable Projects	Trails Advisory Group
Cr Gearon					
Cr Clarke				0/0	1/1
Cr Gibson			3/3	1/1	1/1
Cr Lewis			3/3	1/1	0/0
Cr Campbell		1/1		1/1	
Cr Carman	1/1	1/1	3/3		1/1
Cr Devenport					0/0
Cr Ormsby		0/1			
Cr Phillips				0/1	
Cr Wiggins					
Cr Youel					

Council Delegates to External Bodies

Organisation, Agency or Organisation	Councillor Delegate
Great Southern Regional Road Group	Wiggins, Youel (proxy)
South Coast Alliance	Gibson, Lewis, Campbell
Joint Development Assessment Panel	Carman, Devenport, Youel (alternative), Phillips (alternative)
WA Local Government Association Great Southern Zone	Youel, Ormsby, Carman (proxy)
Denmark Arts	Campbell
Denmark Chamber of Commerce	Gibson
Denmark Community Resource Centre	Carman
Denmark Historical Society	Youel
Great Southern Recreation Advisory Group	Devenport
Nornalup Ratepayers and Residents Association	Phillips, Ormsby (proxy)
Peaceful Bay Progress Association	Phillips, Wiggins (proxy)
Wilson Inlet Catchment Committee	Wiggins

CEO's Message

The 2023/24 Annual Report stands as a testament to our commitment to get to work on the community priorities set out in our new Strategic Community Plan Our Future 2033.

This was the first year of service delivery under the new plan, which was adopted in June 2023, and we've hit the ground running, refocusing our resources on the key priority areas identified by our community.

Reading through this report, it is clear to see the targeted efforts we have made to deliver meaningful progress on our local roads and storm drainage, youth services and facilities and environmental conservation and protection areas of our service, while continuing to make strides in advocacy around economic development and housing. Another clear theme is the prioritisation of good, clear and transparent decision making.

There are a number of highlights throughout the year, such as the \$2.8 million investment made into our roads capital works and maintenance programs, plus the more than \$1 million invested in community contributions, as well as our suite of programs, initiatives and events aimed at our seniors, youth and young families through our busy Denmark Recreation Centre and Denmark Public Library.

I am proud of the work our team delivered on behalf of our community in 2023/24 and I look forward to reporting on another year of positive outcomes in 2024/25.

David King
Chief Executive Officer

Leadership Team



David King
Chief Executive
Officer

- Governance
- Communications
- Development Services
- Community Services



Kellie Jenkins
Executive Manager
Corporate Services

- Corporate Services
- Human Resources
- IT



Robert Westerberg
Director Infrastructure
and Assets

- Technical Services
- Civil Infrastructure
- Waste and Reserves
- Sustainable Projects

Community Profile

6618

Estimated Resident
Population

50

Median Age

651

Unpaid Carers

1.3%

Aboriginal and Torres
Straight Islander
population

29.4%

Volunteer

84

People experiencing
homelessness
(estimated)

\$810.3M

Economic Output

2074

Local Jobs

References:

profile.id.com.au/denmark/highlights
app.rempla.com.au/greatsouthernregion/economy/summary

Our Future 2033: Working Towards Our Vision

2023/24 is the first year of service delivery under our new Strategic Community Plan *Our Future 2033*.

The new plan was adopted by Council in June 2023, following extensive community consultation, with more than 1700 engagement responses informing our vision, objectives and community priorities. The six identified priority areas are referenced throughout this report.

Reporting Back to Our Community

To keep abreast of community priorities and local needs, the Shire of Denmark commissions independent surveys. The most recent survey was conducted as part of the Strategic Community Plan engagement process, returning 1191 responses. Another survey is due to be conducted in 2025.

To increase transparency, we have structured this year's Annual Report using the same five categories under which questions are asked for these independent surveys:

- **Community**

- Youth services and facilities
- Family and children services
- Seniors' services
- Disability access
- Aboriginal recognition
- Volunteer support
- Community safety
- Health and community
- Public health and wellbeing
- Sport and recreation
- Library services
- Festivals, events, art and culture
- Local history and heritage

- **Natural Environment**

- Conservation
- Sustainable practices
- Waste collection services
- Natural disaster management
- Animal management

- **Built Environment**

- Growth and development
- Character and identity
- Planning and building approvals
- Access to housing
- Community buildings
- Playgrounds, parks and reserves
- Streetscapes
- Footpaths, trails and cycleways
- Lighting
- Local roads
- Traffic management
- Storm water drainage

- **Economic Development**

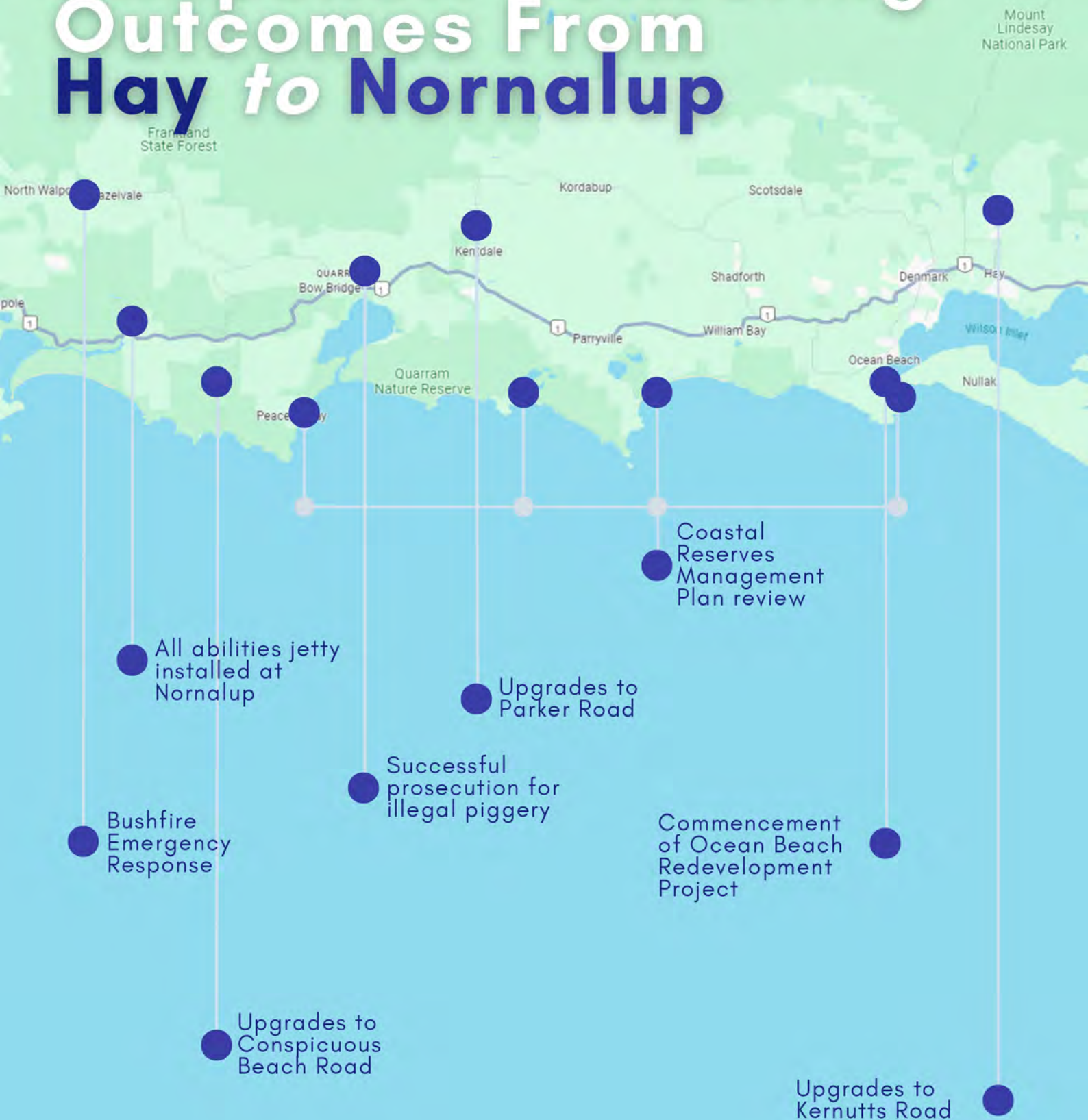
- Economic development
- Agriculture
- Tourism attractions and marketing
- Denmark town centre

- **Leadership and Communication**

- Council's leadership
- Advocacy and lobbying
- Openness and transparency
- Consultation
- Communication
- Customer service
- Change, innovation and technology



Snapshot: Delivering Outcomes From Hay to Nornalup





Community

Highlights

● Inaugural Youth Strategy Consultation Begins

Youth Affairs Council of WA was engaged to deliver community consultation and a strategy to provide a deeper understanding of youth needs and priorities, setting the path forward for service delivery targeted at young people.

Book a Ranger Program Assists Residents with Fire Preparedness

This program offers community members the chance to understand their responsibilities to manage their property with a visit from a ranger who can guide them through the Firebreak and Fuel Management Notice.

● School Holiday Program Booklets

Local community groups, organisations and businesses were invited to advertise their school holiday activities for school-aged children in School Holiday Program Booklets produced by our Community Services team, to showcase what's on for young families and children in the local area.

Community Citizen of the Year

The annual Community Citizen of the Year awards give community members the opportunity to nominate deserving community members who have gone above and beyond their civic duty to make a significant contribution to the local community. The winners were named at the Volunteer Appreciation Sundowner, held in May 2024.

Murray Brooker
Community Citizen of the Year

Lousie Swan
Citizen of the Year - Senior

Lochlan Otway
Citizen of the Year - Youth

Denmark Environment Centre
Citizen of the Year - Group

Athletes in our community who achieved outstanding results in the past year or who have made a significant contribution to their sport or club were also presented with awards.

Flynn Devenport
Junior Sportsperson of the Year

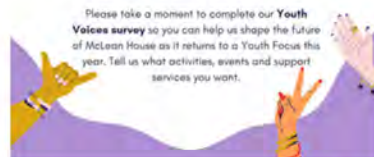
Karis Aplin
Senior Sportsperson of the Year

Allister Dickson
Service to Sports

YOUTH SURVEY

Are you 12-25 years old or a parent/guardian?

Please take a moment to complete our **Youth Voices survey** so you can help us shape the future of McLean House as it returns to a Youth Focus this year. Tell us what activities, events and support services you want.



The survey takes just a few minutes.
Get started now at pouderdenmark.wed.gov.au/youth-voices



Community Priorities

- Local roads and storm water drainage ●
- Services and facilities for youth ●
- Environmental conservation and protection ●

- Economic development ●
- Housing availability and affordability ●
- Engagement and decision-making ●

Highlights

Volunteer Appreciation Sundowner

In May 2024, our team hosted a Volunteer Appreciation Sundowner at the Denmark Recreation Centre in recognition of the diverse passions and talents community members bring to the act of volunteering in the local area.

Nornalup Bushfire (ANZAC Day long weekend) Emergency Response

All 16 Volunteer Bushfire Brigades in the Shire of Denmark assisted the Department of Biodiversity, Conservation and Attractions in their efforts to contain the Middle Road Bushfire which escalated to an Emergency Level incident in April 2024.

The bushfire burnt through more than 12,000 hectares.

The Shire of Denmark assisted the Department of Fire and Emergency Services and the Shire of Manjimup by participating in two community meetings held in Walpole, and livestreaming the meetings via the Shire of Denmark Facebook page to a total audience of more than 22,700 viewers.

● All Abilities Accessible Jetty and Upgraded Boat Ramp Installed at Nornalup

All visitors to Nornalup can now safely launch their watercraft to explore the Frankland River following the completion of the new all abilities jetty in March 2024.

The project was delivered by the Department of Biodiversity, Conservation and Attractions in partnership with the Shire of Denmark.

● Garage Sale Trail 2023

More than 4,415 locals participated in the November 2023 Garage Sale Trail event within the Shire of Denmark, with a total of 126 garage sales held in the area.

A total of 19,496kg of reusable items were saved from going into landfill during the event which grows in popularity each year.

● Youth Fest 2024

We celebrated our youth during our annual Youth Fest event held in April 2024 at the McLean Youth Precinct.

Young members of our community were able to engage with support agencies, Shire Councillors and the local member for Warren-Blackwood. They also took part in mountain biking activities, skate comps, craft activities, photo booth and glitter tattoos.



Community Priorities

- Local roads and storm water drainage ●
- Services and facilities for youth ●
- Environmental conservation and protection ●

- Economic development ●
- Housing availability and affordability ●
- Engagement and decision-making ●

Highlights

iPads for Accessibility at Library

Four new iPads were purchased for the Denmark Public Library with grant funds from the State Library of WA. The iPads are well used for various reasons, mainly allowing vision-impaired patrons better access to the library eResources, for use in Stop Motion School holiday workshops and also for the Play Reading and Poetry groups.

Denmark Christmas Festival

The 2023 Christmas event was hosted in Berridge Park with a riot of colour and holiday spirit. The event was well attended with a large crowd of Denmarkians immersed in the spirit of Christmas together.

Kwoorabup Festival

The annual Kwoorabup Festival held on 26 January 2024 at Berridge Park provided an opportunity for community to come together to celebrate in a family-friendly environment.

Property Compliance Inspections

A strengthened approach to property compliance inspections for the annual Firebreak and Fuel Management Notice resulted in increased opportunities to educate community members and property owners about their responsibilities to maintain their property throughout bushfire season.

International Day of People with Disability 2023: Family Fun Walk

The Shire celebrated the International Day of People with Disability with a Community Fun Walk. Embracing the 2023 theme 'My Life, Our Community', the event not only celebrated diversity but also emphasised the importance of accessibility and social inclusion. Offering a free and flexible participation format encouraged a broad spectrum of the community to engage, fostering a sense of unity and understanding. Such initiatives are vital in building resilient and supportive communities where every individual is valued and connected.

Seniors Week 2023

Our senior community members were celebrated with a lunch and entertainment during our Seniors Week celebrations in November 2023. Seniors were encouraged to try an array of activities designed to keep seniors active and engaged.



Community Priorities

- Local roads and storm water drainage
- Services and facilities for youth
- Environmental conservation and protection

- Economic development
- Housing availability and affordability
- Engagement and decision-making

Highlights

Community Grants 2023/24

The annual Community Grants program is designed to provide financial assistance to local not-for-profit groups and organisations to help them deliver projects which will benefit the Denmark community.

Successful projects this year were:

- Domestic Violence Community Education Program and App Launch in Denmark (Breaking the Silence trading as DV Assist)
- Dance Generators Project - intergenerational community dance project (Denmark Dance Company)
- Youth Activation Project - youth art exhibition, career expo, acrobatic workshops and performance during the month of April (Denmark Chamber of Commerce)
- The Sounds of Silent Disco! - purchase of silent disco headphones and transmitters (Denmark FM)
- The Golden Bat Community Table Tennis Competition - an intergenerational event aimed at increasing youth participation in table tennis (Denmark Table Tennis)
- Summer Early Music Workshops - for tutor's fee and scholarship for youth aged 12-24 (Sarabande Early Music Ensemble)
- Gingerbread House decorating workshop for young people (Denmark Community Resource Centre)

Applications were assessed by demonstrated need and alignment with both the Shire of Denmark Strategic Community Plan and Shire of Denmark Sustainability Strategy.



Bushfire Ready Weekend

Hundreds of locals attended the second annual Bushfire Ready Weekend held on the first weekend of November. The weekend is designed to educate community members on their responsibilities to not only maintain their property but to also create a personal fire plan. This includes knowing their triggers of when to evacuate based on their individual circumstances and ensuring all family members or neighbours are across the plan.

The weekend also celebrates our local volunteer brigade members, with a Feast not Fire evening thanking volunteers and their partners as well as a brigade games day.

357 Bushfire Plan Toolkits were given out over the course of the weekend.



Community Priorities

- Local roads and storm water drainage
- Services and facilities for youth
- Environmental conservation and protection

- Economic development
- Housing availability and affordability
- Engagement and decision-making

Highlights

● STEM at the Library

In 2023, the Denmark Public Library was one of the chosen libraries in the State to participate in a pilot program aimed at increasing Science, Technology, Engineering and Maths (STEM) resources in regional libraries.

The library received resources and training for four different workshops including learning about fossils, animal superpowers, DNA extraction and the air around us.

Focusing on the natural curiosity to develop skills, knowledge and confidence to discover more about science in the library environment, the workshops were aimed at children aged 5-12 years.

Sensory Kits Join the Collection at Denmark Public Library

The Library has five different themed Multi-Sensory Time Kits designed to help people who are living with dementia or other neurological disorders.

The hope is for the kits to assist encouraging happy memories and discussion with loved ones and carers. Additionally, the Library has a range of toys and games suitable for children with neurodiversity.

Corporate Business Plan Tracking

The following **community** projects were listed for delivery in 2023/24:

Project	Status	Comment
Laing Park Dog Exercise Area Deliver construction of dog exercise facilities at Laing Park	Complete	Works delivered
Heritage Reserve Site Deliver concept plans for Reserve 15022/22944 (Heritage site near bridge on South Coast Hwy) ●	Delayed	To be included within any future Reconciliation Action Plan.
Reconciliation Deliver a four-year roadmap for the organisation that demonstrates building strong relationships and delivering a range of programs in collaboration with the local Indigenous community, leading to a Reconciliation Action Plan ●	Delayed	Pending Council deliberations for 2024/25.
Beach Access Peaceful Bay Fund a design and feasibility study to deliver an all-ability path for beach access at Peaceful Bay	Delayed	Not funded

Community Priorities

- Local roads and storm water drainage ●
- Services and facilities for youth ●
- Environmental conservation and protection ●

- Economic development ●
- Housing availability and affordability ●
- Engagement and decision-making ●



Natural Environment

Highlights

● McLean Oval Recycled Waste Water Project

Following extensive works and collaboration with Water Corporation, treated waste water became available to irrigate the McLean Oval playing fields in March 2024.

The Shire has access to 30 million litres each year for irrigation purposes, diverting this water from entering the Wilson Inlet catchment area and reducing the demand on Denmark's town scheme water supply.

● Coastal Reserves Management Plan review completed

A review into the long-term management of the Shire's four coastal reserves (Ocean Beach, Parry Beach, Boat Harbour and Peaceful Bay) was completed in June 2024.

The comprehensive new Coastal Reserves Management Plan outlines the priorities for monitoring, intervention and forward planning to ensure the reserves are cared for and protected in line with community expectations and the unique environmental, social and cultural values specific to each reserve.

● Wilson Inlet Management Strategy implementation projects

- Biochar Forum
- Soil Health Workshops
- Wilson Inlet Community Planting days

● Successful prosecutions for stray livestock and dangerous dogs

In line with its no-tolerance approach to dog attacks resulting in serious harm, the Shire of Denmark commenced prosecutions and successfully argued for harsher penalties than are within the power of Local Government for two separate dog attacks.

● Weed Strategy Review

The review was commenced and is on track for consideration at the July 2024 Ordinary Council Meeting.

● Eastern States Wattle weed control program continues in Denmark for another year

This annual weed control program was successfully completed again in 2023/24. Our officers continued weed control efforts while also raising community awareness about the Sydney Golden Wattle and Tasmanian Blackwood populations cross-tolerance across the region.



Dog owners fined over vicious attacks

TWO Denmark dog owners have been fined almost \$6000 over attacks which in one instance 'separated the victim and in another killed another dog'.
In the first incident, a dog attacked the front of the corner of a local residence.
The person suffered lacerations to the face and arm and was hospitalised overnight.
The owner of the dog was fined \$4700, plus court costs, and the dog was declared dangerous with a destruction order issued though the case continued for two years.
The second incident occurred on Lighter Beach where two uncontrolled dogs attacked another two dogs which a couple were taking for a walk.
During the attack, one of the couple's dogs was killed.
The two offending dogs were declared dangerous, and the person responsible for them was ordered to pay a \$1200 fine, plus court costs.
In line with a no-tolerance to dog attacks resulting in serious harm, the Shire of Denmark argued for harsher penalties within the power of Local Government.
As a result the court imposed the \$4700 fine.
Reported incidents of dog attacks in the shire have risen recently. Shire chief executive David King said owners would continue to treat dog attacks seriously. He urged dog owners to remember their responsibility to always have the proper control over their pets, or risk penalties.
A simple online Report It form is available at www.denmark.wa.gov.au for reporting nuisance, pet or dog attacks to Ranger Services.



Community Priorities

- Local roads and storm water drainage
- Services and facilities for youth
- Environmental conservation and protection

- Economic development
- Housing availability and affordability
- Engagement and decision-making

Highlights

● Dual naming of iconic landscapes to progress

The Dual Naming process in Denmark is progressing. Officers are liaising with key stakeholders including land management authorities to gain support for Dual Naming of iconic landscape features across the Shire of Denmark.



Retiring Senior Ranger thanked for many years of community service

Out-going Senior Ranger Charmaine Shelley was thanked for 13 years of community service in November 2023 after stepping down to enter retirement.



Corporate Business Plan Tracking

The following **natural environment** projects were listed for delivery in 2023/24:

Project	Status	Comment
Ocean Beach Precinct Deliver erosion control in order to preserve the recreational precinct	Complete	The new sea wall at Ocean Beach was completed in June 2024.
Climate Dashboard Deliver greenhouse gas emissions monitoring for Shire operations through its project with the Alliance ●●	Complete	Website went live in November 2023.
Transfer Station Capacity Upgrade Deliver additional infrastructure at the transfer station including hook lift bin	Complete	The installation represents a 30% increase in general waste storage capacity, allowing better waste management, especially in peak periods.
Sustainable Fleet Deliver a reduction of the carbon footprint for the fleet of corporate vehicles including consideration of electric or hybrid options for Shire fleet vehicles ●	Ongoing	Electric vehicles purchased as replacement vehicles.
Paths and Trails Workforce Partner with external bodies on the creation of a local workforce for paths and trails maintenance	Ongoing	A working relationship with Pardelup Prison saw maintenance works commence on the WOW trail in winter 2024 and is ongoing.
Tree Planting Lead the rehabilitation of Shire land, including increasing annual tree planting and revegetation program ●	Ongoing	This ongoing program included sites at the Wilson Inlet foreshore, Ocean Beach lime quarry and parks. 19,311 plants were also produced for local revegetation programs run by WICC.

Community Priorities

- Local roads and storm water drainage ●
- Services and facilities for youth ●
- Environmental conservation and protection ●

- Economic development ●
- Housing availability and affordability ●
- Engagement and decision-making ●



Built Environment

Highlights

● Massive Capital Works Program delivered

The 2023/24 Capital Works Program included the following works:

- 1.8 km of Kernutts Road
 - drainage upgraded, constructed and sealed
- 3.95 km of Parker Road
 - gravel sheeted and drainage upgraded
- 2.4 km of Conspicuous Beach Road
 - gravel sheeted and drainage upgraded
- 1.78 km of Bastiani Road
 - gravel sheeted and drainage upgraded
- 4.3 km of Mt Lindesay Road
 - gravel sheeted and drainage upgraded
- 2.8 km of Hazelvale Road
 - Failures boxed out and repaired, drainage upgraded, resealed.



● Roads a major priority this financial year, with added transparency for the community through the new Road Report

The road maintenance and grading program across the Shire was once again treated as a key priority in line with community expectations.

A new interactive Road Report map on the website publishes grading information for community members to access at their convenience.



● Turner Road Trails Concept Plan

A draft concept plan and supporting documentation were released for public comment as part of planning process to deliver a mountain bike trail network in the Shire of Denmark.



● Council adopts new Housing Affordability Policy

In March 2024, and in response to the on-going nation-wide housing crisis, Council adopted a new policy position that continues a position of advocacy, but now also opens the opportunity to make the most of potential future funding opportunities.

Sea Wall construction complete at Ocean Beach, redevelopment works begin in earnest

The new sea wall at Ocean Beach was delivered on time, securing the public realm area and nearby public assets for the future. Contractors for the construction of the sea wall handed over the site to the public realm contractor in June 2023, with the remainder of the redevelopment expected to take up to 18 months to complete.

Community Priorities

- Local roads and storm water drainage ●
- Services and facilities for youth ●
- Environmental conservation and protection ●

- Economic development ●
- Housing availability and affordability ●
- Engagement and decision-making ●

Highlights

● Berridge Park Revitalisation Concept Plan adopted

Following extensive community consultation, a draft Concept Plan for the revitalisation of Berridge Park was presented to Council in February 2024 for adoption.

The concept plan features much needed improvements to public and youth recreational infrastructure, while retaining the existing mature trees which our community loves.

Officers have since been at work securing funding for the project.

Nearly \$700,000 has been secured towards the development of a skate park, multipurpose court and bouldering wall at the Berridge Park Precinct thanks to the State Government's Community Sporting and Recreation Facilities Fund.



● Low CO2 concrete used in final stages of Prawn Rock Channel upgrades

The inclusion of low CO2 concrete at Prawn Rock Channel Precinct is another stride towards sustainable construction practices.

By substituting a significant portion of cement with recycled materials like slag and fly ash, concrete can be processed to effectively reduce carbon emissions while repurposing waste that might otherwise contribute to landfill.



● Public toilets installed at Prawn Rock Channel along with other improvements to the area

Much needed facility upgrades at Prawn Rock Channel Precinct were completed in December 2023, included public toilets, improved pathways and carparking.

The upgrades didn't stop at the main channel precinct, with a beach access path and steps and upgrades to the Ocean Beach lookout and boardwalk also completed as part of the project.



Fish cleaning station upgrades

New fish cleaning facilities were completed in 2023/24 at Rivermouth and Poddysnot. The Peaceful Bay fish cleaning station was delayed, pending budget adoption.



● Successfully lobbied to reduce speed limit on South Coast Hwy through town

On the back of feedback from the Strategic Community Plan review with concerns about pedestrians crossing safely over South Coast Highway in the CBD, the Shire successfully lobbied Main Roads WA to reduce the speed limit from 50kph to 40kph.

Community Priorities

- Local roads and storm water drainage
- Services and facilities for youth
- Environmental conservation and protection




- Economic development
- Housing availability and affordability
- Engagement and decision-making

Corporate Business Plan Tracking

The following **built environment** projects were listed for delivery in 2023/24:

Project	Status	Comment
Planning Framework Review Deliver a review of the entire Local Planning Framework 	Ongoing	Local Planning Strategy adopted by Council and forwarded to the WAPC & Minister for Planning for consideration. Local Planning Scheme started, formal steps of consulting neighbouring local governments and service authorities commenced. Preparation of content well underway. Local Planning Policies regarding Outbuilding & Water Tanks, Exemptions from Development Approval, Ancillary Dwellings & Detached Habitable Rooms and Building Envelopes updated and adopted. Kearsy Road Structure Plan amended.
Depot Ablution Facility Deliver an additional ablution facility at the Depot	Delayed	Not funded.
WOW Trail Stage 2 Partner with DBCA on the completion of WOW Trail Stage 2	Complete	Stage 2 is an additional 3.2km extending the WOW Trail to 9.4km. It now runs from the Lights Beach carpark to Sinker Bay near Ocean Beach.
Prawn Rock Channel Upgrades Deliver public amenities at Prawn Rock Channel	Complete	Completed in December 2023.
All Ability Carparking Deliver an upgrade to one all abilities carpark per year as per the Disability Access and Inclusion Plan	Delayed	Additional funding sought to deliver in 2024/25.
Shire Facilities Upgrade Deliver upgrade to storage facilities at the rear of the Administration building	Delayed	Not funded.
Asset Valuation Deliver a comprehensive valuation and condition rating of all assets within each portfolio 	Complete	Works delivered.
Flood Mitigation Deliver an annual program of flood mitigation works to address urgent flooding issues in the community 	Complete	Works delivered at Denmark Arts Centre, Payne Road and Little River Road.

Community Priorities

- Local roads and storm water drainage 
- Services and facilities for youth 
- Environmental conservation and protection 

- Economic development 
- Housing availability and affordability 
- Engagement and decision-making 



Economic Development

Highlights

- **Local Planning Strategy Endorsed by Council in May 2024.**

Ocean Beach Lime Quarry sales in 2023/24

Total sales reached 11,288 tonnes, resulting in an income of \$484,255.20.

- **Council cuts planning red tape with new policies to smooth the way for building and business**

At the October 2023 Ordinary Council Meeting, Council adopted two planning policies in an effort to reduce red tape.

The first was a proposed overhaul of Local Planning Policy 44 to remove the need for planning approval for a number of common types of development.

The second was a reviewed Local Planning Policy 18, aiming to provide clarity and guidance for the establishment of businesses in residential areas.

- **Climate Dashboard**

The Climate Dashboard was launched in November 2023, with South Coast Alliance support.

- **School holiday program booklets provide avenue for local businesses catering to youth to market themselves**

Local businesses were invited to have their school holiday events and activities promoted for free in the Shire's School Holiday Program.



Corporate Business Plan Tracking

The following **economic development** project was listed for delivery in 2023/24:

Project	Status	Comment
Trails and Paths Mapping Partner with Trails WA to ensure that all trails are featured on the Trails WA app ●	On track	Shire officers have liaised with Trails WA over the past year and have updated several trails in Shire reserves.

Community Priorities

- Local roads and storm water drainage ●
- Services and facilities for youth ●
- Environmental conservation and protection ●

- Economic development ●
- Housing availability and affordability ●
- Engagement and decision-making ●



Leadership & Communication

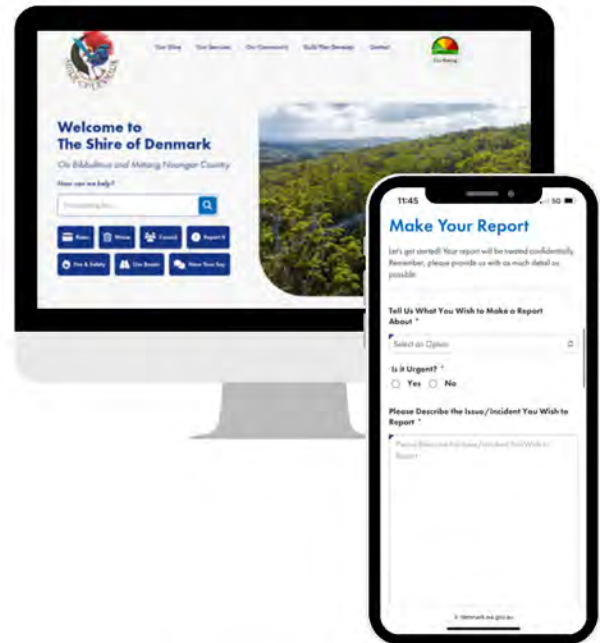
Highlights

New Website Launched

On 1 May 2024, we launched our new-look, refurbished website.

Carefully redesigned to make Shire of Denmark information easier to find and access, our new website is filled with new capabilities, including improvements to the search function, streamlined content and more online forms to make self-service easier.

Following many years of feedback highlighting a need to improve online accessibility, we're pleased to have taken this important step towards improvement.



Report It form makes reporting issues and feedback easier than ever

The new website features a 'Report It' online form which makes it easy for community members to report a problem to the Shire.

Disability Access and Inclusion Plan review underway

The current Disability Access and Inclusion Plan is due for review, with the goal of ensuring that all people, including people with disability, are welcomed and included in all aspects of life within the Shire.

The review will look into access to Shire buildings, information, feedback, complaints, services and employment opportunities.

For more information, see page 34.



Local Government Election: New Leadership

An election was held in October 2023, returning three incumbents and two new Councillors as representatives of our community. Shortly following the election, Councillor Kinglsey Gibson was elected to the position of Shire President, and Councillor Jan Lewis was elected to the position of Deputy Shire President.



New Executive Team Appointed

In September 2023, the Chief Executive Officer position was offered to David King, after serving in the role temporarily since March 2023. Joining Mr King to complete a new-look leadership team were Robert Westerberg who took on the role of Director Infrastructure and Assets in November 2023 and Kellie Jenkins who joined the team in February 2024 as Executive Manager Corporate Services.

Community Priorities

- Local roads and storm water drainage
- Services and facilities for youth
- Environmental conservation and protection

- Economic development
- Housing availability and affordability
- Engagement and decision-making

Highlights

Corporate Business Plan 2024 - 2028 adopted

Setting forth the plan for project delivery, the Corporate Business Plan lists the projects which will feature in the Shire’s works output in the coming years.

Corporate Business Plan Tracking

The following **leadership and communication** projects were listed for delivery in 2023/24:

Project	Status	Comment
Delivering Online Resources Deliver online information packages for development applications and building approvals	Complete	Website review included revised planning and environmental health information. User friendly information packs, new application forms and checklists were developed.
Financial Software Program Update Deliver migration from Synergy Soft to a new enterprise resource planning system	Delayed	Rescheduled to 2025/26.
Update Local Laws Deliver updates to the Local Law Trading in Public Places, Waste, Health	Ongoing	Fencing Local Law revised and completed. Works have begun to review the remaining local laws which are due for updating.
Sustainability Action Plan Deliver an annual review and update to the Sustainability Action Plan	Complete	Completed annually and ongoing.

Community Priorities

- Local roads and storm water drainage
 - Services and facilities for youth
 - Environmental conservation and protection
- Economic development
 - Housing availability and affordability
 - Engagement and decision-making

Key Statistics

Statistic		22/23	23/24
Community Facilities			
Denmark Public Library	Physical Loans	45,282	42,796
Denmark Public Library	eResource Usage	21,603	23,680
Denmark Public Library	Reference Enquiries	8,606	8,073
Denmark Public Library	eResource Enquiries	364	728
Denmark Public Library	Programs for Adults and Kids	242	279
Denmark Public Library	Program Attendance	2,764	2,450
Denmark Public Library	Customer Visits	41,584	43,499
Denmark Public Library	Online Catalogue Visits	6,867	6,414
Denmark Public Library	Seed Library Users	386	370
Denmark Recreation Centre	Total Attendance	44,845	51,025
Denmark Recreation Centre	Gym Visits	18,243	22,407
Denmark Recreation Centre	Fitness Class Attendees	7,486	8,476
Denmark Recreation Centre	Sports Hall Attendees	17,116	18,126
Denmark Recreation Centre	Creche Visits	598	1,016
Denmark Recreation Centre	Memberships	285	316
Public Safety			
Parking Infringements		44	79
Cat Infringements		0	7
Dog Attack Prosecutions		1	2
Dog Infringements		15	20
Property Fire Compliance Infringements		33	66
Property Fire Inspections		1,330	484
Book a Ranger Appointments		18	49
Bushfire Ready Groups		55	55
Environmental Health			
Onsite Conventional Septic System Approvals		28	34
Secondary Treatment Systems Approvals		8	7
Water Samples		146	176
Food Samples		0	0
Event Approvals		44	30
Asbestos Fibre Identification Samples		1	2
Food Premises Assessments		96	92
Stall Holder Licenses		23	7



Statistic	22/23	23/24			
Environmental Health					
Section 39 Certificates	2	3			
Alfresco and Dining Licenses	13	12			
Childcare and Family Daycare Inspections	2	3			
Trading in Thoroughfare and Public Place Permits	3	5			
Holiday Home Accommodation Inspections	24	30			
Peaceful Bay Leasehold Property Assessments	11	22			
Temporary Accommodation Approvals	1	1			
Lodging House Inspections	2	1			
Home Inspections (regarding noise, air pollution etc)	36	32			
Public Building Inspections	13	13			
Meat Inspections	92	125			
Caravan and Camping Inspections	9	13			
Building Approvals					
Single Dwelling	65 (\$24,698,227)	52 (\$25,057,477)			
Additions to Single Dwelling	47 (\$1,529,115)	59 (\$3,341,924)			
Outbuildings	81 (\$2,330,734)	72 (\$1,963,721)			
Rural Outbuildings	10 (\$415,723)	12 (\$630,166)			
Commercial and Industrial	6 (\$371,000)	8 (\$7,276,595)			
Planning Applications					
Proposal Type	Number of Applications	Cost of Development	Delegated Authority	Council	SJDAP
Single House	27	\$13,527,414	27		
Single House Additions/ Alterations	16	\$1,551,400	16		
Second House	2	\$330,000	2		
Ancillary Accommodation	2	\$320,000	2		
Rural Pursuit	1	\$250,000	1		
Holiday Home (standard)	8		8		
Holiday Home (large)	4		4		
Holiday Accommodation	2	\$625,000	2		
Outbuilding	15	\$1,014,549	15		
Rural Outbuilding	9	\$551,130	9		
Change of Use	3		3		
Signage	3	\$10,000	3		
Use Not Listed	1	\$100,000	1		

Planning Applications				
Proposal Type	Number of Applications	Cost of Development	Delegated Authority	Council SJDAP
Commercial and Industrial	6	\$5,927,000	6	
Dam	2	\$65,000	2	
Extractive Industry	0			
Rainwater Tank	3	\$37,000	3	
Holiday Home Approval Renewal	18		18	
Subsequent (retrospective) approval	20	\$1,585,031	20	
Amendments to Planning Approvals	16	\$5,060	16	
Caravan Park (Nature Based Park 4 Bays)	3		3	
Statistic			22/23	23/24
Corporate Services				
Incoming Correspondence Recorded			13,865	13,702
Outgoing Mail Recorded			5,541	5,502
Internal Memos Recorded			1,721	2,108
Freedom of Information Applications Completed			2	2
Public Interest Disclosures			0	0
Department of Transport Licencing Transactions Total			7266	7074
Department of Transport Licencing Transactions Average per Month			606	590
Major Contributions and Donations			\$274,259	\$280,950
CEO Approved Donations			\$1,200	\$3,000
Rate Waivers			\$73,034	\$81,618
Awards			\$2,300	\$2,000
Number of Employees in Salary Range \$130,000-\$139,999			0	1
Number of Employees in Salary Range \$140,000-\$149,999			2	1
Total CEO Remuneration Package			\$257,000	\$236,114
Waste Services				
Kerbside Bin Services (residential)			2,462	2,597
Public Place Bin Services			138	138
Total Waste to Landfill			2,010.41t	2,056.25t
Governance				
Minor Complaints Recorded			0	0

Statistic	22/23	23/24
Governance		
Gift and Travel Declarations	0	0
Number of Local Laws Created/Adopted/Amended	1	0
Citizenship Ceremonies	2	4
New Citizens Conferred	5	9
Your Denmark Total Visits	13,194	17,714
Facebook Reach	368,310	125,900
Facebook Page Visits	24,153	59,300
Website Page Views	325,380	240,535
SMS Alerts Subscribers	1,887	2,302
e-Newsletter Subscribers	1,781	2,061
News Items Published to Website	140	164
Technical Services		
Lime Quarry Sales	6,500t	11,288t

Compliance

Financial Returns

All required Financial Returns were submitted on time in the 2023/24 Financial Year.

Register of Complaints

During 2023/24 there were no minor complaints recorded in the Register.

Gift and Travel Declarations

In 2023/24 there were no declarations of notifiable gifts or travel made.

Compliance Audit Return

In the period 1 January 2023 to 31 December 2023, the Shire had only one area of non-compliance related to not undertaking a review of the Corporate Business Plan since its adoption in 2022.

Delivering our Disability Access and Inclusion Plan

Under the State Disability Act 1993, all Western Australian public authorities are required to develop and implement a Disability Access and Inclusion Plan, addressing seven desired outcomes:

1. Inclusive Services and Events: Ensuring that people with disabilities have the same opportunities as others to access the services of, and any events organised by, the Shire.
2. Accessible Buildings and Facilities: Making sure that buildings and other facilities are accessible to people with disabilities.
3. Accessible Information: Providing information in formats that are accessible to people with disabilities.
4. Equitable Customer Service: Ensuring that people with disabilities receive the same level and quality of service from the staff of the Shire.
5. Inclusive Complaints Mechanisms: Providing opportunities for people with disabilities to make complaints and have their concerns addressed.
6. Participation in Public Consultation: Ensuring that people with disabilities have the same opportunities as others to participate in any public consultation by the Shire.
7. Employment Opportunities: Ensuring that people with disabilities have the same opportunities as others to obtain and maintain employment with the Shire.

DAIP Progress Achieved in 2023/24

- Funded the establishment of a Forget-me-not Memory Café in partnership with the Denmark Community Resource Centre to support individuals with dementia and their caregivers.
- Delivered a Community Fun Walk event to celebrate International Day of People with Disability promoting diversity, accessibility, and social inclusion.
- Partnered with the Department of Biodiversity, Conservation and Attractions to deliver the Nornalup All Abilities Jetty, featuring an all-abilities ramp, boardwalk, seating, and an accessible paddle launch chute.
- Delivered a Universal Access Toilet at Prawn Rock Channel, significantly enhancing accessibility for residents and visitors.
- Delivered an upgraded Shire of Denmark website to enhance accessibility, featuring improved contrast and reduced clutter.
- Delivered a comprehensive Bushfire Ready program, ensuring all community members, especially the vulnerable, were prepared for the bushfire season.
- Delivered a Disability Awareness training for staff, fostering an inclusive workplace.
- Lead a trial of eLearning training modules in Diversity and Inclusion, to be included in the new employee induction process.
- Delivered a comprehensive interactive online map to provide information about the state of the road network in Denmark. The map information is presented in alternate format to ensure the information is readily accessible by all users.
- Lead the enhancement of technology at the Denmark Public Library through the acquisition of new iPads and increasing access to electronic resources for vision-impaired members.

Record Keeping Report

A Records Induction is delivered to new staff within one month of commencement.

The induction consists of two components: the first is an online course that covers the general principles and practices of records management and the recordkeeping obligations of public sector employees, followed by a one-on-one training session with the Records Officer, covering an overview of staff responsibilities as outlined in the Shire's Recordkeeping Plan and training on how to use the Electronic Documents & Records Management System (EDRMS) for creating and searching records.

An informal evaluation of the induction program resulted in the discontinuation of an additional online EDRMS course. All necessary training can be completed sooner and more efficiently with only the two training components.

Staff are provided with a copy of the Record Keeping Plan as well as the RIMPPM (Records Information Management Policy and Process Manual) and advised of their responsibility to comply. Ongoing training is also provided with support made available to all staff during working hours.

Evaluation of the Shire's record-keeping processes is ongoing. The following improvements have been implemented during 2023/24:

- New General File Index spreadsheet which is more user-friendly
- Monthly record-keeping advice emails sent to staff
- Files were created for current and historical Denmark Recreation Centre records and staff have been trained in creating records.

The Shire is in the process of improving the management of personal information ahead of the implementation of upcoming State Government privacy legislation. There are also plans for the Shire to move to a fully digital records system within the next 12 months.

In 2023/24, the Shire recorded 13,702 pieces of incoming correspondence, 5,502 pieces of outgoing correspondence and 2,108 internal memos. 51 boxes of records were archived.

Freedom of Information Report

In 2023/24, the Shire received four valid Freedom of Information applications.

Two applications were completed in 2023/24 and two applications were withdrawn by the applicants.

There was one application for internal review resulting in the confirmation of the initial decision. The Shire collected \$120 in statutory fees and \$510 in charges for the time spent processing the applications.

The average time to complete each application was 41 days of the 45 permitted days.

The Shire of Denmark Information Statement can be accessed on the Shire's website.

Employee Remuneration

In 2023/24, the number of employees with a salary within the range of \$130,000 - \$139,999 was one, and the number of employees with a salary within the range of \$140,000 - \$149,999 was one.

The CEO remuneration package totalled \$236,114.

Looking Ahead to 2024/25

The following projects are listed in the *Corporate Business Plan 2024/28* for delivery or progression in 2024/25:

	Project	Action
Leadership and Communication	Stage Three of the Rating Review	Deliver an equitable rating structure across all properties within the Shire, including modelling split rating, undertaking a community engagement plan and implementing UV review outcomes. ●
	Service Agreements	Partner with community groups to delivery key services and programs.
	Local Laws Review	Regulate through a statutory review of the following: <ul style="list-style-type: none"> • Bushfire Brigades Local Law • Extractive Industries Local Law • Pest Plants Local Law
	Community Contribution Reporting	Deliver a clear statement as part of the annual budget outlining the Shire's annual contribution to community organisations. ●
	Your Denmark Engagement	Deliver ongoing engagement wit the community through the Your Denmark platform to ensure the community is informed on projects and has an opportunity to provide feedback. ●
	Venue Hire Program	Deliver the introduction of a venue hire program through SpacetoCo to create a more effective booking system for Shire managed facilities.
Community	Grant Funding	Fund community groups through an annual grants program to deliver critical programs and services to our community. ●
	ACROD Parking	Deliver an upgrade to one all-abilities carpark per year as per the Disability Access and Inclusion Plan. ●●
	Riverbend Footbridge	Fund a footbridge at Riverbend Lane.
	Ocean Beach Precinct	Deliver upgrades to the Surf Life Saving Club facilities and public open spaces at Ocean Beach.
	Bike Racks	Fund bike racks at the Recreation Centre as a sustainable transport option.
	Library Programs	Lead activities at the Library that cater for young children and primary school-aged children. ●

Community Priorities

- Local roads and storm water drainage ●
- Services and facilities for youth ●
- Environmental conservation and protection ●

- Economic development ●
- Housing availability and affordability ●
- Engagement and decision-making ●

	Project	Action
Community	Library Programs	Lead activities at the Library that are targeted at the needs and interests of seniors.
	Domestic Violence Assistance Program	Lead programs at the Recreation Centre that encourage respectful relationships.
	Youth Hub Facility Setup	Fund the setup of McLean House as a location for delivering specialist youth services and community-based programs. ●
	Youth Based Programs	Lead programs at the Recreation Centre that improve youth mental health and connection. ●
	Inclusive Fitness Programs	Lead programs at the Recreation Centre to ensure all classes are inclusive in line with "Something for Everyone". ●
	Cultural Events	Deliver a series of community events commemorating important cultural and social milestones in our calendar.
	Emergency Service Volunteers	Fund the delivery of subsidised programs for Shire-managed emergency services for volunteers that support them in the vital roles they perform in the community.
	Dual Naming	Lead the dual naming process to confirm and submit 12 of the 20 Indigenous place names across our Denmark Shire region formally with Landgate, with the view to promote the dual place names with on-ground signage.
Built Environment	Reconciliation	Partner with local Indigenous groups to deliver a Reflect Reconciliation Action Plan. ●
	Gravel Resheet Long Term Plan	Deliver a detailed long-term program for gravel resheets. ●
	Gravel Road Maintenance Reporting	Deliver a transparent and community-accessible reporting system that addresses our level of service to unsealed roads. ● ●
	Road Construction Resource Planning	Deliver a plan to future-proof road construction material availability and consider alternative construction materials to meet the road construction needs of the Shire. ●
	Dust Suppression	Deliver Peaceful Bay dust suppression. ●

Community Priorities

- Local roads and storm water drainage ●
- Services and facilities for youth ●
- Environmental conservation and protection ●

- Economic development ●
- Housing availability and affordability ●
- Engagement and decision-making ●

	Project	Action
Built Environment	Road Upgrades	Deliver road upgrades to: <ul style="list-style-type: none"> • Mt Shadforth SLK_3.04-4.22 • Mt Shadforth SLK_4.22-5.41 ●
	Road Resheeting	Deliver road resheeting to: <ul style="list-style-type: none"> • Cussons SLK_1.49-2.32 • Wentworth SLK_0.33-1.82 • Parker SLK_8.48-9.01 • Tindale SLK_0.03-4.52 ●
	Flood Mitigation	Deliver an annual program of flood mitigation works to improve flood-prone situations through civil works. ● <p>Deliver flood mitigation works to:</p> <ul style="list-style-type: none"> • Christina Crescent - install table drain • Peaceful Bay carpark - drainage install • Denmark Riverside Club - facility access improvements • Russell Rise - upgrade • Crn Patterson and Buckley St - install and upgrade infrastructure • Scotsdale and Redman Rd - culvert install • Hardy St - drainage upgrades ●
	Cemetery Drainage	Deliver improvements to the drainage within the Cemetery grounds.
	Paths and Trails Workforce	Partner with external bodies on creating a local workforce for path and trail maintenance.
	Paths	Deliver upgrades to path networks, including: <ul style="list-style-type: none"> • Springdale Beach path • Mokare path renewal <p>Deliver annual footpath renewal works.</p> <p>Deliver annual pedestrian bridge renewal works.</p>
	Depot Redevelopment Master Plan	Deliver a Master Plan with a staged approach to asset and facility upgrades at the depot with a focus on sustainable resource use, including recycling water, renewable energy options and ongoing operations of the seed bank and nursery.
	Berridge Park	Deliver a vibrant, sustainable, and integrated youth hub/precinct in a central location. ● ●
	Kwoorabup Park Playground Area Upgrade	Deliver a rationalisation to the Kwoorabup Park playground area to improve operational efficiency. ●

Community Priorities

- Local roads and storm water drainage ●
- Services and facilities for youth ●
- Environmental conservation and protection ●

- Economic development ●
- Housing availability and affordability ●
- Engagement and decision-making ●

	Project	Action
Built Environment	BBQ Rivermouth Park	Fund the installation of an electricity supply to BBQ to the existing pad at the Rivermouth Park.
	Tree Preservation	Deliver a significant tree list and tree preservation order policy under the Shire's Town Planning Scheme. ●
	Fencing	Deliver facility fencing and delineation upgrade and renewal.
	Planning Framework Review	Deliver a review of the Local Planning Strategy and Local Planning Scheme.
	Planning Policies	Deliver a review of all associated Local Planning policies to align with a revised Local Planning Scheme.
	Heritage Inventory Review	Deliver a review of local heritage inventory and associated heritage planning framework.
	Online Planning and Building Resources	Deliver online information packages for development applications and building approvals, including Environmental Health. ●
	Skid Steer Slasher	Fund the purchase of a skid steer-mounted slasher to support the maintenance of walk trails and narrow verges.
	Excavator	Fund the purchase of an excavator to assist with more efficient clearing of drains, performing box-out jobs during road construction and assisting with tree pruning and mulching.
	Peaceful Bay Water Supply Upgrade	Fund installation of additional solar panel, battery power reserve system and automatic switching for the water reserve at Peaceful Bay.
Natural Environment	Springdale Park Bore Installation	Fund installation of a bore water supply for irrigation at Springdale Park.
	DSHS Irrigation Main Replacement	Fund the replacement of the DSHS irrigation main under a cost-sharing arrangement with the school.
	Biochar	Partner with Wilson Inlet Catchment Committee (WICC) in delivering a Biochar program pending the pilot to convert FOGO to biochar. ●
	Bore and Tank Installation	Deliver installation of a bore water supply and header tank for fire mitigation.

Community Priorities

- Local roads and storm water drainage ●
- Services and facilities for youth ●
- Environmental conservation and protection ●

- Economic development ●
- Housing availability and affordability ●
- Engagement and decision-making ●

	Project	Action
Natural Environment	Bins	Fund replacement of two 25 cubic metre rubbish bins.
		Fund replacement of hook-lift bin and covers.
	Bushfire Ready Program	Fund Bushfire Ready Program to educate and increase community awareness in fire safety and community responsibilities. ●
	Bushfire Risk Management Plan	Lead the update to our Shire's Bushfire Risk Management Plan.
	Mitigation Activities Funding	Fund a schedule of works annually through the Mitigation Activity Fund to address bushfire risks in our Shire.
	Fire Safety Management	Regulate compliance with bushfire regulations within our Shire through a strong approach to compliance.
	Book a Ranger	Deliver the 'Book a Ranger' education and awareness service from May to November annually. ●
	Tree Planting	Lead the rehabilitation of Shire land by increasing the annual tree planting and revegetation program. ●
	Weed Strategy	Deliver an updated Weed Strategy and Action Plan for Shire bushland, foreshore, and coastal reserves to implement weed control action over the next ten years. ●
	Mt Hallowell Management Plan	Lead a review of the Mt Hallowell Management Plan - redefining the management goals, reviewing the actions, and redefining the spatial zones in line with the Council resolution and community input. ●
	Foreshore Revegetation	Partner in delivering foreshore management revegetation of Wilson Inlet foreshore fringing vegetation in collaboration with WICC and community planting days and education aligned with WIMS. ●
	Roadside Vegetation Mapping	Deliver roadside vegetation mapping report and maps with conservation value of roadsides across Shire. ●
	Environmental Education	Fund annual workshops and environmental events in collaboration with NFP community organisations to promote biodiversity conservation and best sustainable practices in the community. ●
	Solar Panels	Fund the procurement of additional solar panels on Shire facilities to deliver energy efficiencies.

Community Priorities

- Local roads and storm water drainage ●
- Services and facilities for youth ●
- Environmental conservation and protection ●

- Economic development ●
- Housing availability and affordability ●
- Engagement and decision-making ●

	Project	Action
Natural Environment	Arena Fuels	Partner with Local Governments across the State to secure funding for EV infrastructure.
	Sustainable Fleet	Deliver a reduction of the carbon footprint for our vehicle fleet, including considering electric or hybrid options.
	Animal Management	Regulate animal management to ensure responsible dog ownership for off-lead areas. Regulate cat ownership to ensure compliance with the Cat Local Law.
Economic Development	Concept Plan - New Nursery	Deliver a detailed concept plan for establishing a new nursery with the Wilson Inlet Catchment Committee (WICC) and other key community members. Officer time will be minimal, with WICC driving the project. The location for which the concept would be developed is being finalised as an option but is likely to be leased from our Shire. ●

Community Priorities

- Local roads and storm water drainage ●
- Services and facilities for youth ●
- Environmental conservation and protection ●

- Economic development ●
- Housing availability and affordability ●
- Engagement and decision-making ●

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

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

A vibrant coastal community, connected to the environment, living the village lifestyle.

Principal place of business:
953 South Coast Highway
DENMARK WA 6333

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

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

STATEMENT BY CEO

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

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

Signed on the 17th day of October 2024



CEO

David King
Name of CEO



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

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),24	8,114,579	8,093,327	7,624,104
Grants, subsidies and contributions	2(a)	2,682,433	1,331,949	2,969,350
Fees and charges	2(a)	4,166,398	3,637,623	3,578,284
Interest revenue	2(a)	452,880	372,050	329,723
Other revenue	2(a)	58,850	33,660	265,457
		<u>15,475,140</u>	<u>13,468,609</u>	<u>14,766,918</u>
Expenses				
Employee costs	2(b)	(7,409,996)	(7,462,601)	(7,187,202)
Materials and contracts		(4,218,247)	(4,212,212)	(4,409,359)
Utility charges		(307,853)	(280,313)	(244,794)
Depreciation		(5,380,337)	(4,560,519)	(4,514,787)
Finance costs		(97,166)	(108,786)	(85,936)
Insurance		(510,537)	(510,931)	(469,986)
Other expenditure	2(b)	(459,879)	(454,829)	(240,725)
		<u>(18,384,015)</u>	<u>(17,590,191)</u>	<u>(17,152,789)</u>
		(2,908,875)	(4,121,582)	(2,385,871)
Refund - Capital Grant		0	0	(321,218)
Capital grants, subsidies and contributions	2(a)	3,635,668	4,509,786	2,940,674
Profit on asset disposals		2,800	20,000	91,201
Loss on asset disposals		(42,739)	(65,100)	(10,234)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,261	0	2,764
		<u>3,596,990</u>	<u>4,464,686</u>	<u>2,703,187</u>
Net result for the period		688,115	343,104	317,316
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	0	0	14,896,481
Total other comprehensive income for the period	16	0	0	14,896,481
Total comprehensive income for the period		688,115	343,104	15,213,797

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



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

	NOTE	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	3	6,971,752	6,668,513
Trade and other receivables	5	513,246	601,815
Other financial assets	4(a)	21,061	22,474
Inventories	6	89,955	1,107,000
Other assets	7	218,034	822,642
TOTAL CURRENT ASSETS		7,814,048	9,222,444
NON-CURRENT ASSETS			
Trade and other receivables	5	180,672	149,463
Other financial assets	4(b)	480,106	499,907
Inventories	6	290,000	0
Property, plant and equipment	8	35,953,801	36,018,920
Infrastructure	9	82,364,950	80,393,780
Right-of-use assets	11(a)	9,009	31,799
TOTAL NON-CURRENT ASSETS		119,278,538	117,093,869
TOTAL ASSETS		127,092,586	126,316,313
CURRENT LIABILITIES			
Trade and other payables	12	1,865,518	1,600,067
Other liabilities	13	122,174	101,705
Lease liabilities	11(b)	10,568	23,106
Borrowings	14	264,631	255,113
Employee related provisions	15	1,227,181	1,238,844
TOTAL CURRENT LIABILITIES		3,490,072	3,218,835
NON-CURRENT LIABILITIES			
Other liabilities	13	501,310	494,747
Lease liabilities	11(b)	0	10,568
Borrowings	14	1,402,064	1,666,695
Employee related provisions	15	180,715	95,158
TOTAL NON-CURRENT LIABILITIES		2,084,089	2,267,168
TOTAL LIABILITIES		5,574,161	5,486,003
NET ASSETS		121,518,425	120,830,310
EQUITY			
Retained surplus		26,782,495	26,105,914
Reserve accounts	27	4,606,043	4,594,509
Revaluation surplus	16	90,129,887	90,129,887
TOTAL EQUITY		121,518,425	120,830,310

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



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

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2022		25,574,722	4,808,385	75,233,406	105,616,513
Comprehensive income for the period					
Net result for the period		317,316	0	0	317,316
Other comprehensive income for the period	16	0	0	14,896,481	14,896,481
Total comprehensive income for the period		317,316	0	14,896,481	15,213,797
Transfers from reserve accounts	27	1,401,408	(1,401,408)	0	0
Transfers to reserve accounts	27	(1,187,532)	1,187,532	0	0
Balance as at 30 June 2023		26,105,914	4,594,509	90,129,887	120,830,310
Comprehensive income for the period					
Net result for the period		688,115	0	0	688,115
Total comprehensive income for the period		688,115	0	0	688,115
Transfers from reserve accounts	27	1,896,044	(1,896,044)	0	0
Transfers to reserve accounts	27	(1,907,578)	1,907,578	0	0
Balance as at 30 June 2024		26,782,495	4,606,043	90,129,887	121,518,425

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

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

	NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		8,036,485	7,614,771
Grants, subsidies and contributions		2,755,430	2,300,995
Fees and charges		4,166,398	3,578,284
Interest revenue		452,880	329,723
Goods and services tax received		431,146	452,998
Other revenue		58,850	265,457
		<u>15,901,189</u>	<u>14,542,228</u>
Payments			
Employee costs		(7,332,530)	(7,192,242)
Materials and contracts		(3,353,457)	(4,090,828)
Utility charges		(307,853)	(244,794)
Finance costs		(97,166)	(85,936)
Insurance paid		(510,537)	(469,986)
Goods and services tax paid		(342,914)	(526,776)
Other expenditure		(459,879)	(240,725)
		<u>(12,404,336)</u>	<u>(12,851,287)</u>
Net cash provided by operating activities		<u>3,496,853</u>	<u>1,690,941</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(2,398,722)	(1,108,321)
Payments for construction of infrastructure	9(a)	(4,899,889)	(4,036,759)
Capital grants, subsidies and contributions		3,635,668	2,940,674
Proceeds from financial assets at amortised cost - self supporting loans		22,474	23,728
Proceeds from sale of property, plant & equipment		725,073	435,294
Refund Capital Grant		0	(321,218)
Net cash (used in) investing activities		<u>(2,915,396)</u>	<u>(2,066,602)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	26(a)	(255,113)	(171,349)
Payments for principal portion of lease liabilities	26(c)	(23,106)	(89,049)
Proceeds from new borrowings	26(a)	0	426,690
Net cash provided by (used in) financing activities		<u>(278,219)</u>	<u>166,292</u>
Net increase (decrease) in cash held		<u>303,239</u>	<u>(209,369)</u>
Cash at beginning of year		<u>6,668,513</u>	<u>6,877,882</u>
Cash and cash equivalents at the end of the year		<u><u>6,971,752</u></u>	<u><u>6,668,513</u></u>

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

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

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	24	8,114,579	8,093,327	7,624,104
Grants, subsidies and contributions		2,682,433	1,331,949	2,969,350
Fees and charges		4,166,398	3,637,623	3,578,284
Interest revenue		452,880	372,050	329,723
Other revenue		58,850	33,660	265,457
Profit on asset disposals		2,800	20,000	91,201
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,261	0	2,764
		<u>15,479,201</u>	<u>13,488,609</u>	<u>14,860,883</u>
Expenditure from operating activities				
Employee costs		(7,409,996)	(7,462,601)	(7,187,202)
Materials and contracts		(4,218,247)	(4,212,212)	(4,409,359)
Utility charges		(307,853)	(280,313)	(244,794)
Depreciation		(5,380,337)	(4,560,519)	(4,514,787)
Finance costs		(97,166)	(108,786)	(85,936)
Insurance		(510,537)	(510,931)	(469,986)
Other expenditure		(459,879)	(454,829)	(240,725)
Loss on asset disposals		(42,739)	(65,100)	(10,234)
		<u>(18,426,754)</u>	<u>(17,655,291)</u>	<u>(17,163,023)</u>
Non cash amounts excluded from operating activities	25(a)	5,468,265	4,605,619	4,378,693
Amount attributable to operating activities		<u>2,520,712</u>	<u>438,937</u>	<u>2,076,553</u>
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		3,635,668	4,509,786	2,940,674
Proceeds from disposal of assets		725,073	720,500	435,294
Proceeds from financial assets at amortised cost - self supporting loans	26(a)	22,474	22,474	23,728
		<u>4,383,215</u>	<u>5,252,760</u>	<u>3,399,696</u>
Outflows from investing activities				
Right of use assets received - non cash	11(a)	0	0	(9,106)
Purchase of property, plant and equipment	8(a)	(2,398,722)	(3,623,100)	(1,108,321)
Purchase and construction of infrastructure	9(a)	(4,899,889)	(4,670,122)	(4,036,759)
		<u>(7,298,611)</u>	<u>(8,293,222)</u>	<u>(5,154,186)</u>
Non-cash amounts excluded from investing activities	25(b)	0	0	(321,218)
Amount attributable to investing activities		<u>(2,915,396)</u>	<u>(3,040,462)</u>	<u>(2,075,708)</u>
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	26(a)	0	500,000	426,690
Proceeds from new leases - non cash	26(c)	0	0	9,106
Transfers from reserve accounts	27	1,896,044	2,035,793	1,401,408
		<u>1,896,044</u>	<u>2,535,793</u>	<u>1,837,204</u>
Outflows from financing activities				
Repayment of borrowings	26(a)	(255,113)	(290,613)	(171,349)
Payments for principal portion of lease liabilities	26(c)	(23,106)	(23,105)	(89,049)
Transfers to reserve accounts	27	(1,907,578)	(1,502,564)	(1,187,532)
		<u>(2,185,797)</u>	<u>(1,816,282)</u>	<u>(1,447,930)</u>
Amount attributable to financing activities		<u>(289,753)</u>	<u>719,511</u>	<u>389,274</u>
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	25(c)	1,883,689	1,882,014	1,493,570
Amount attributable to operating activities		2,520,712	438,937	2,076,553
Amount attributable to investing activities		(2,915,396)	(3,040,462)	(2,075,708)
Amount attributable to financing activities		(289,753)	719,511	389,274
Surplus or deficit after imposition of general rates	25(c)	<u><u>1,199,252</u></u>	<u><u>0</u></u>	<u><u>1,883,689</u></u>

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

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

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

1. BASIS OF PREPARATION

The financial report of the Shire of Denmark which is a Class 3 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied except for disclosure requirements of:

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

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

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

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

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

Critical accounting estimates and judgements

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

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

Critical accounting estimates and judgements (cont'd)

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

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

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
- Expected credit losses on financial assets - note 5
- Assets held for sale - note 7
- Impairment losses of non-financial assets - note
- Investment property - note 11
- Estimated useful life of intangible assets - note 11
- Measurement of employee benefits - note 15
- Measurement of provisions - note 15

Fair value hierarchy information can be found in note 23

The local government reporting entity

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

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

Initial application of accounting standards

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

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

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

New accounting standards for application in future years

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

- AASB 2014-10 *Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
 - AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current*
 - AASB 2021-7c *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
 - AASB 2022-5 *Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
 - AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*
- These amendments are not expected to have any material impact on the financial report on initial application.
- AASB 2022-10 *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*

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

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

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

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

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and other services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

Revenue Recognition

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

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	8,114,579	0	8,114,579
Grants, subsidies and contributions	628,291	0	0	2,054,142	2,682,433
Fees and charges	1,141,523	0	1,798,220	1,226,655	4,166,398
Interest revenue	0	0	63,194	389,686	452,880
Other revenue	0	0	0	58,850	58,850
Capital grants, subsidies and contributions	0	3,635,668	0	0	3,635,668
Total	1,769,814	3,635,668	9,975,993	3,729,333	19,110,808

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	7,624,104	0	7,624,104
Grants, subsidies and contributions	748,181	0	0	2,221,169	2,969,350
Fees and charges	414,107	0	2,066,350	1,097,827	3,578,284
Interest revenue	0	0	37,622	292,101	329,723
Other revenue	0	0	0	265,457	265,457
Capital grants, subsidies and contributions	0	2,940,674	0	0	2,940,674
Total	1,162,288	2,940,674	9,728,076	3,876,554	17,707,592

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2024 Actual \$	2023 Actual \$
Interest revenue		
Financial assets at amortised cost - self supporting loans	12,287	13,178
Interest on reserve account funds	222,578	157,533
Trade and other receivables overdue interest	63,765	37,832
Other interest revenue	154,250	121,180
	<u>452,880</u>	<u>329,723</u>

The 2024 original budget estimate in relation to:
Trade and other receivables overdue interest was \$39,940.

Fees and charges relating to rates receivable

Charges on instalment plan	24,167	21,885
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The 2024 original budget estimate in relation to:
Charges on instalment plan was \$22,000.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report	34,790	37,875
- Other services – grant acquittals	4,180	2,900
- Other services - Audit Reg.17 & FM Reg. Review	0	12,200
	<u>38,970</u>	<u>52,975</u>

Employee Costs

Employee benefit costs	7,409,996	7,187,202
Other employee costs	0	0
	<u>7,409,996</u>	<u>7,187,202</u>

Other expenditure

Sundry expenses	459,879	240,725
	<u>459,879</u>	<u>240,725</u>

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

3. CASH AND CASH EQUIVALENTS

	Note	2024 \$	2023 \$
Cash at bank and on hand		2,365,709	2,074,004
Term deposits		4,606,043	4,594,509
Total cash and cash equivalents		6,971,752	6,668,513
Held as			
- Unrestricted cash and cash equivalents		2,365,709	2,074,004
- Restricted cash and cash equivalents	17	4,606,043	4,594,509
		6,971,752	6,668,513

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost		21,061	22,474
		21,061	22,474

Other financial assets at amortised cost

Self supporting loans receivable	25(c)	21,061	22,474
		21,061	22,474

Held as

- Unrestricted other financial assets at amortised cost		21,061	22,474
		21,061	22,474

(b) Non-current assets

Financial assets at amortised cost		417,628	438,690
Financial assets at fair value through profit or loss		62,478	61,217
		480,106	499,907

Financial assets at amortised cost

Self supporting loans receivable		282,930	303,991
Term deposits		134,699	134,699
		417,628	438,690

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance		61,217	58,453
Movement attributable to fair value increment		1,261	2,764
Units in Local Government House Trust - closing balance		62,478	61,217

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

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

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

Financial assets at fair value through profit or loss

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

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

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

5. TRADE AND OTHER RECEIVABLES

	Note	2024 \$	2023 \$
Current			
Rates and statutory receivables		400,963	325,094
Trade receivables		95,230	175,664
Other receivables		4,228	0
GST receivable		12,825	101,057
		513,246	601,815
Non-current			
Rates and statutory receivables		107,244	106,276
Receivables for employee related provisions		73,428	43,187
		180,672	149,463

Disclosure of opening and closing balances related to contracts with customers

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

	Note	30 June 2024 Actual \$	30 June 2023 Actual \$	1 July 2022 Actual \$
Trade and other receivables from contracts with customers		0	0	0
Contract assets	7	218,034	810,918	747,968
Total trade and other receivables from contracts with customers		218,034	810,918	747,968

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Other receivables

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

Measurement

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

Classification and subsequent measurement

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

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

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

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

6. INVENTORIES

	Note	2024	2023
Current		\$	\$
Fuel and materials		89,955	87,000
Land held for resale		0	1,020,000
		89,955	1,107,000
Non-current			
Land held for resale		290,000	0
		290,000	0

The following movements in inventories occurred during the year:

Balance at beginning of year	1,107,000	101,695
Inventories expensed during the year	(1,152,867)	(340,072)
Additions to inventory	425,822	1,345,377
Balance at end of year	379,955	1,107,000

MATERIAL ACCOUNTING POLICIES

General

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

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

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 Shire's intentions to release for sale.

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

7. OTHER ASSETS

Other assets - current

Accrued income
 Contract assets

	2024	2023
	\$	\$
	0	11,724
	218,034	810,918
	218,034	822,642

MATERIAL ACCOUNTING POLICIES

Other current assets

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

Non-current assets held for sale

Assets are classified as held for sale where the carrying amount will be recovered through a sale rather than continuing use and the asset is available for immediate sale with a sale being highly probable.

Non-current assets classified as held for sale are valued at the lower of the carrying amount and fair value less costs to sell.

The fair value of land and buildings was determined using the sales comparison approach using comparable properties in the area. This is a level 2 measurement as per the fair value heirachy set out in Note 23(i).

Contract assets

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

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

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings	Total Property	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	4,581,000	30,996,351	35,577,351	32,304	3,056,099	38,665,754
Additions	0	0	0	104,149	1,004,172	1,108,321
Disposals	(290,000)	0	(290,000)	0	(64,327)	(354,327)
Assets classified as held for sale	(1,020,000)	0	(1,020,000)	0	0	(1,020,000)
Depreciation	0	(1,749,042)	(1,749,042)	(34,620)	(597,166)	(2,380,828)
Balance at 30 June 2023	3,271,000	29,247,309	32,518,309	101,833	3,398,778	36,018,920
Comprises:						
Gross balance amount at 30 June 2023	3,271,000	50,271,600	53,542,600	512,762	9,571,567	63,626,929
Accumulated depreciation at 30 June 2023	0	(21,024,291)	(21,024,291)	(410,929)	(6,172,789)	(27,608,009)
Balance at 30 June 2023	3,271,000	29,247,309	32,518,309	101,833	3,398,778	36,018,920
Additions	0	433,045	433,045	106,850	1,858,827	2,398,722
Disposals	0	0	0	0	(35,013)	(35,013)
Depreciation	0	(1,749,040)	(1,749,040)	(58,612)	(621,176)	(2,428,828)
Balance at 30 June 2024	3,271,000	27,931,314	31,202,314	150,071	4,601,416	35,953,801
Comprises:						
Gross balance amount at 30 June 2024	3,271,000	50,704,645	53,975,645	608,809	11,262,884	65,847,338
Accumulated depreciation at 30 June 2024	0	(22,773,331)	(22,773,331)	(458,738)	(6,661,468)	(29,893,537)
Balance at 30 June 2024	3,271,000	27,931,314	31,202,314	150,071	4,601,416	35,953,801

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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2022	Using market value
Buildings	2	Market	Independent registered valuer	June 2022	Using market value 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.					
(ii) Cost					
Furniture and equipment		Cost approach using current replacement cost	Cost approach		Price per item
Plant and equipment		Cost approach using current replacement cost	Cost approach		Price per item

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

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - Roads & Paths	Infrastructure - Drainage	Infrastructure - Parks and Reserves	Infrastructure - other	Infrastructure - Airstrip	Infrastructure - Bridges	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	50,297,865	0	2,884,892	0	856,076	9,468,230	63,507,063
Additions	3,673,899	0	362,860	0	0	0	4,036,759
Revaluation increments / (decrements) transferred to revaluation surplus	9,482,535	0	2,106,762	0	47,025	3,260,159	14,896,481
Depreciation	(1,589,343)	0	(236,157)	0	(21,475)	(199,548)	(2,046,523)
Transfers	(7,119,175)	7,119,175	0	0	0	0	0
Balance at 30 June 2023	54,745,781	7,119,175	5,118,357	0	881,626	12,528,841	80,393,780
Comprises:							
Gross balance at 30 June 2023	97,311,677	16,105,684	7,961,654	0	1,113,405	18,686,200	141,178,620
Accumulated depreciation at 30 June 2023	(42,565,896)	(8,986,509)	(2,843,297)	0	(231,779)	(6,157,359)	(60,784,840)
Balance at 30 June 2023	54,745,781	7,119,175	5,118,357	0	881,626	12,528,841	80,393,780
Additions	2,774,767	21,914	1,995,328	107,880	0	0	4,899,889
Depreciation	(2,112,705)	(238,421)	(359,502)	0	(31,229)	(186,862)	(2,928,719)
Balance at 30 June 2024	55,407,843	6,902,668	6,754,183	107,880	850,397	12,341,979	82,364,950
Comprises:							
Gross balance at 30 June 2024	100,086,444	16,127,597	9,956,983	107,880	1,113,405	18,686,200	146,078,509
Accumulated depreciation at 30 June 2024	(44,678,601)	(9,224,929)	(3,202,800)	0	(263,008)	(6,344,221)	(63,713,559)
Balance at 30 June 2024	55,407,843	6,902,668	6,754,183	107,880	850,397	12,341,979	82,364,950

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

9. INFRASTRUCTURE (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Infrastructure - Roads & Paths	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Drainage	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Parks and Reserves	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - other	3	Cost approach using current replacement cost	Cost	June 2024	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - work in progress	3	Cost approach using current replacement cost	Cost	June 2024	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Airstrip	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Bridges	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments

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

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

SHIRE OF DENMARK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset Class	Useful life
Land - freehold land	not depreciated
Buildings	30 to 50 years
Furniture and equipment	4 to 10 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
Footpaths - slab	40 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years
Right-of-use (plant and equipment)	Based on the remaining lease term

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

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

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

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

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

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

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

Measurement after recognition

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

Reportable Value

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

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

Revaluation

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

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

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

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

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

Depreciation

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

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

Depreciation on revaluation

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

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

Impairment

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

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

Gains or losses on disposal

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

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

11. LEASES

(a) Right-of-Use Assets

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

Note	Right-of-use assets - plant and equipment	Right-of-use assets Total
	\$	\$
Balance at 1 July 2022	110,129	110,129
Additions	9,106	9,106
Depreciation	(87,436)	(87,436)
Balance at 30 June 2023	31,799	31,799
Gross balance amount at 30 June 2023	349,244	349,244
Accumulated depreciation at 30 June 2023	(317,445)	(317,445)
Balance at 30 June 2023	31,799	31,799
Depreciation	(22,790)	(22,790)
Balance at 30 June 2024	9,009	9,009
Gross balance amount at 30 June 2024	349,244	349,244
Accumulated depreciation at 30 June 2024	(340,235)	(340,235)
Balance at 30 June 2024	9,009	9,009

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

	2024 Actual	2023 Actual
	\$	\$
Depreciation on right-of-use assets	(22,790)	(87,436)
Finance charge on lease liabilities	(343)	(1,409)
Total amount recognised in the statement of comprehensive income	(23,133)	(88,845)
Total cash outflow from leases	(23,449)	(90,458)

(b) Lease Liabilities

Current	10,568	23,106
Non-current	0	10,568
	26(c) 10,568	33,674

The Shire's lease payables relate to motor vehicles, office and gym equipment. As at 30 June 2024 the Shire has one lease commitment remaining which is for gym equipment and that current lease agreement has a scheduled expiry date prior to 30 June 2025.

Secured liabilities and assets pledged as security

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

SHIRE OF DENMARK
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FOR THE YEAR ENDED 30 JUNE 2024

11. LEASES (Continued)

MATERIAL ACCOUNTING POLICIES

Leases

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

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

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

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

Right-of-use assets - measurement

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

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

Right-of-use assets - depreciation

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

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

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Prepaid rates
 Accrued payroll liabilities
 Bonds and deposits held
 Income in Advance
 Accrued Expenses

2024	2023
\$	\$
991,725	1,108,488
91,447	92,704
41,700	38,128
336,716	294,697
4,079	26,184
399,851	39,866
1,865,518	1,600,067

MATERIAL ACCOUNTING POLICIES

Financial liabilities

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

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

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

Trade and other payables

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

Prepaid rates

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

SHIRE OF DENMARK
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FOR THE YEAR ENDED 30 JUNE 2024

13. OTHER LIABILITIES

	2024	2023
	\$	\$
Current		
Contract liabilities	122,174	101,705
Capital grant/contributions liabilities	0	0
	<u>122,174</u>	<u>101,705</u>
Non-current		
Contract liabilities	501,310	494,747
Capital grant/contributions liabilities	0	0
	<u>501,310</u>	<u>494,747</u>
Reconciliation of changes in contract liabilities		
Opening balance	596,452	1,276,142
Additions	128,737	96,214
Revenue from contracts with customers included as a contract liability at the start of the period	(101,705)	(775,904)
	<u>623,484</u>	<u>596,452</u>

The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$623,484 (2023: \$653,452)

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

Expected satisfaction of contract liabilities

Less than 1 year	122,174	101,705
1 to 2 years	0	0
2 to 3 years	0	0
3 to 4 years	0	0
4 to 5 years	0	0
> 5 years	501,310	494,747
	<u>623,484</u>	<u>596,452</u>

MATERIAL ACCOUNTING POLICIES

Contract liabilities

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

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

SHIRE OF DENMARK
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14. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		264,631	1,402,064	1,666,695	255,113	1,666,695	1,921,808
Total secured borrowings	26(a)	264,631	1,402,064	1,666,695	255,113	1,666,695	1,921,808

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Shire of Denmark.

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

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

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

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

Risk

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

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

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2024	2023
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	661,590	670,409
Long service leave	565,591	568,435
	<u>1,227,181</u>	<u>1,238,844</u>
Total current employee related provisions	<u>1,227,181</u>	<u>1,238,844</u>
Non-current provisions		
Employee benefit provisions		
Long service leave	180,715	95,158
	<u>180,715</u>	<u>95,158</u>
Total non-current employee related provisions	<u>180,715</u>	<u>95,158</u>
Total employee related provisions	<u>1,407,896</u>	<u>1,334,002</u>

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

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

MATERIAL ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

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

16. REVALUATION SURPLUS

	2024 Opening Balance	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land & Buildings	22,273,849	22,273,849	22,273,849	0	22,273,849
Revaluation surplus - Plant and equipment	2,572,846	2,572,846	2,572,846	0	2,572,846
Revaluation surplus - Infrastructure	65,283,192	65,283,192	50,386,711	14,896,481	65,283,192
	<u>90,129,887</u>	<u>90,129,887</u>	<u>75,233,406</u>	<u>14,896,481</u>	<u>90,129,887</u>

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

17. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2024 Actual \$	2023 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	4,606,043	4,594,509
		<u>4,606,043</u>	<u>4,594,509</u>
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	27	4,606,043	4,594,509
Total restricted financial assets		<u>4,606,043</u>	<u>4,594,509</u>

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

Bank overdraft limit	0	0
Bank overdraft at balance date	0	0
Credit card limit	40,000	15,000
Credit card balance at balance date	(4,348)	(4,348)
Total amount of credit unused	<u>35,652</u>	<u>10,652</u>
Loan facilities		
Loan facilities - current	264,631	255,113
Loan facilities - non-current	1,402,064	1,666,695
Total facilities in use at balance date	<u>1,666,695</u>	<u>1,921,808</u>
Unused loan facilities at balance date	NIL	NIL

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FOR THE YEAR ENDED 30 JUNE 2024

19. CONTINGENT LIABILITIES

In compliance with the Contaminated Sites Act 2003 Section 11, the Shire has listed a site to be a possible source of contamination. Details of that site are:

- McIntosh Road Denmark Waste Management Facility

The Shire has a licence agreement with the Department of Water and Environmental Regulation (DWER) which requires the site to be remediated at the end of its current permitted use. Until the Shire conducts an investigation to determine the presence and scope of the contamination, assess the risk, and agree with the Department of Water and Environmental Regulation on the need and criteria for remediation on a risk based approach, the Shire is unable to estimate the potential costs associated with the remediation of this site. This approach is consistent with the Department of Water and Environmental Regulation guidelines.

20. CAPITAL COMMITMENTS

	2024	2023
	\$	\$
Contracted for:		
- capital expenditure projects	2,937,670	217,367
- plant & equipment purchases	0	291,837
	2,937,670	509,204
Payable:		
- not later than one year	2,937,670	509,204

As at 30 June 2023 the Shire had two (2) capital commitments in relation to works to be completed. The first was for works to be completed in relation to upgrading the Prawn Rock Channel Precinct and totalled \$188,406 exclusive of GST payable to various contractors. The second was for outstanding works for the ongoing project at McLean Oval for the water re-use pipeline which totalled \$9,200 exclusive of GST. Both projects were budgeted for completion and completed during the 2023-2024 financial year.

The Shire also had a tip truck which was budgeted for replacement during the 2022-2023 financial year. As at 30 June 2023 the truck with a purchase price of \$265,306 exclusive of GST had not been received. The expenditure associated with this acquisition was included in the adopted budget for the 2023-2024 financial year.

As at 30 June 2024 the Shire had capital commitments in relation to works to be completed. The most significant of these is for works to be completed in relation to the Denmark Surf Club Redevelopment which total \$2,586,653 exclusive of GST payable to various contractors. A second project is in relation to the ongoing Denmark Solar Energy project which totals \$4,560 excluding GST. A project to upgrade fish cleaning facilities was not completed prior to 30 June 2024 and requires a further provision of \$17,716 excluding GST to complete it during the 2024-2025 financial year. There are also ongoing works to install EV charging infrastructure which have capital commitments of \$61,680 excluding GST to various contractors involved in the project as at 30 June 2024. Expenditure to complete the above projects has been budgeted for the 2024-2025 financial year.

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

21. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
President's annual allowance	33,590	33,644	32,199
President's meeting attendance fees	15,758	14,901	14,260
President's annual allowance for ICT expenses	3,239	3,063	2,975
President's travel and accommodation expenses	0	1,200	0
	52,587	52,808	49,434
Deputy President's annual allowance	8,411	8,411	8,050
Deputy President's meeting attendance fees	14,901	14,901	14,260
Deputy President's annual allowance for ICT expenses	3,063	3,063	2,975
Deputy President's travel and accommodation expenses	2,460	850	0
	28,835	27,225	25,285
All other council member's meeting attendance fees	103,404	104,309	99,820
All other council member's annual allowance for ICT expenses	21,251	21,437	20,825
All other council member's travel and accommodation expenses	207	5,950	4,074
	124,862	131,696	124,719
21(b)	206,284	211,729	199,438

(b) Key Management Personnel (KMP) Compensation

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

Note	2024 Actual \$	2023 Actual \$
Short-term employee benefits	415,083	600,327
Post-employment benefits	49,198	66,535
Employee - other long-term benefits	9,373	4,820
Employee - termination benefits	34,477	19,440
Council member costs	206,284	199,438
21(a)	714,415	890,560

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

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

21. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

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

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

	2024 Actual \$	2023 Actual \$
Sale of goods and services	15,337	72,298
Purchase of goods and services	43,436	53,274
Amounts payable to related parties:		
Trade and other payables	0	4,029

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Shire, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 21(a) and 21(b).

ii. Other Related Parties

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

Any 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 DENMARK
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22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Shire of Denmark did not have any events occurring after the reporting date that have had a significant effect on the financial statements for the year ended 30 June 2024.

SHIRE OF DENMARK
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FOR THE YEAR ENDED 30 JUNE 2024

23. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

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

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

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

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

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

SHIRE OF DENMARK
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24. RATING INFORMATION

(a) General Rates

					2023/24	2023/24	2023/24	2023/24	2023/24	2023/24	2023/24	2022/23
			Rate in	Number	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Actual
RATE TYPE				of	Rateable	Rate	Interim	Total	Rate	Interim	Total	Total
Rate Description			\$	Properties	Value*	Revenue	Rates	Revenue	Revenue	Rate	Revenue	Revenue
					\$	\$	\$	\$	\$	\$	\$	\$
Gross Rental Valuations												
1	Non-Rural Improved	Gross rental valuation	0.112065	2,283	39,898,707	4,471,249	47,252	4,518,501	4,471,249	26,000	4,497,249	4,203,809
2	Holiday Purposes	Gross rental valuation	0.145685	145	2,344,420	341,547	0	341,547	341,547	0	341,547	294,587
3	Vacant	Gross rental valuation	0.223419	218	2,044,650	456,814	0	456,814	456,814	0	456,814	448,431
Unimproved Valuations												
4	Rural	Unimproved valuation	0.004016	475	328,515,000	1,319,316	0	1,319,316	1,319,316	0	1,319,316	1,234,129
5	Rural - Add. Use 1 - Holiday Purposes	Unimproved valuation	0.005220	20	11,410,000	59,560	0	59,560	59,560	0	59,560	55,708
6	Rural - Add. Use 2 - Commercial	Unimproved valuation	0.006827	17	12,004,000	81,951	0	81,951	81,951	0	81,951	78,459
Total general rates				3,158	396,216,777	6,730,437	47,252	6,777,689	6,730,437	26,000	6,756,437	6,315,123
			Minimum Payment									
			\$									
Minimum payment												
Gross Rental Valuations												
1	Non-Rural Improved	Gross rental valuation	1,369	628	5,495,435	859,732	0	859,732	859,732	0	859,732	821,634
2	Holiday Purposes	Gross rental valuation	1,643	12	92,486	19,716	0	19,716	19,716	0	19,716	17,138
3	Vacant	Gross rental valuation	1,340	210	954,470	281,400	0	281,400	281,400	0	281,400	284,262
Unimproved Valuations												
4	Rural	Unimproved valuation	1,573	151	40,896,009	237,523	0	237,523	237,523	0	237,523	237,069
5	Rural - Add. Use 1 - Holiday Purposes	Unimproved valuation	2,045	4	1,365,000	8,180	0	8,180	8,180	0	8,180	7,752
6	Rural - Add. Use 2 - Commercial	Unimproved valuation	2,989	4	1,676,000	11,956	0	11,956	11,956	0	11,956	14,160
Total minimum payments				1,009	50,479,400	1,418,507	0	1,418,507	1,418,507	0	1,418,507	1,382,015
Total general rates and minimum payments				4,167	446,696,177	8,148,944	47,252	8,196,196	8,148,944	26,000	8,174,944	7,697,138
Waivers and Concessions								(81,617)			(81,617)	(73,034)
Total Rates								8,114,579			8,093,327	7,624,104
Rate instalment interest								24,845			16,500	14,448
Rate overdue interest								38,348			23,200	23,173

SHIRE OF DENMARK
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25. DETERMINATION OF SURPLUS OR DEFICIT

		2023/24 Budget (30 June 2024 Carried Forward)	2023/24 (1 July 2023 Brought Forward)	2022/23 (30 June 2023 Carried Forward)
Note	2023/24 (30 June 2024 Carried Forward)	2023/24 Budget (30 June 2024 Carried Forward)	2023/24 (1 July 2023 Brought Forward)	2022/23 (30 June 2023 Carried Forward)
	\$	\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals	(2,800)	(20,000)	(91,201)	(91,201)
Less: Movement in liabilities associated with restricted cash	0	0	(6,209)	(6,209)
Less: Fair value adjustments to financial assets at fair value through profit or loss	(1,261)	0	(2,764)	(2,764)
Add: Loss on disposal of assets	42,739	65,100	10,234	10,234
Add: Depreciation	5,380,337	4,560,519	4,514,787	4,514,787
Non-cash movements in non-current assets and liabilities:				
Pensioner deferred rates	(968)	0	(22,091)	(22,091)
Employee benefit provisions	56,781	0	(18,572)	(18,572)
Contract liabilities	(6,563)	0	(5,491)	(5,491)
Non-cash amounts excluded from operating activities	5,468,265	4,605,619	4,378,693	4,378,693
(b) Non-cash amounts excluded from investing activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to investing activities				
Movement in current unspent capital grants associated with restricted cash	0	0	(321,218)	(321,218)
Non-cash amounts excluded from investing activities	0	0	(321,218)	(321,218)
(c) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	27 (4,606,043)	(4,061,280)	(4,594,509)	(4,594,509)
Less: Financial assets at amortised cost - self supporting loans	4(a) (21,061)	(22,474)	(22,474)	(22,474)
Less: Financial assets at amortised cost				
Less: Current assets not expected to be received at end of year				
- Land held for resale	6 0	0	(1,020,000)	(1,020,000)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	14 264,631	326,113	255,113	255,113
- Current portion of lease liabilities	11(b) 10,568	10,568	23,106	23,106
- Employee benefit provisions	1,227,181	1,242,412	1,238,844	1,238,844
Total adjustments to net current assets	(3,124,724)	(2,504,661)	(4,119,920)	(4,119,920)
Net current assets used in the Statement of Financial Activity				
Total current assets	7,814,048	5,607,895	9,222,444	9,222,444
Less: Total current liabilities	(3,490,072)	(3,103,234)	(3,218,835)	(3,218,835)
Less: Total adjustments to net current assets	(3,124,724)	(2,504,661)	(4,119,920)	(4,119,920)
Surplus or deficit after imposition of general rates	1,199,252	0	1,883,689	1,883,689

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26. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget			
		Principal			Principal			Principal at 30 June 2024	Principal			Principal at 30 June 2024
		Principal at 1 July 2022	New Loans During 2022-23	Repayments During 2022-23	Principal at 30 June 2023	New Loans During 2023-24	Repayments During 2023-24		Principal at 1 July 2023	New Loans During 2023-24	Repayments During 2023-24	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Lionsville		321,965	0	(34,096)	287,869	0	(36,482)	251,387	287,869	0	(36,482)	251,387
Football Clubrooms		124,317	0	(12,350)	111,967	0	(13,149)	98,818	111,967	0	(13,149)	98,818
Riverside Club Stage 1		384,495	0	(21,353)	363,142	0	(22,022)	341,120	363,142	0	(22,022)	341,120
Purchase Lot 228 Res. 18587		211,888	0	(50,860)	161,028	0	(52,243)	108,785	161,028	0	(52,243)	108,785
Airport		23,320	0	(7,299)	16,021	0	(7,763)	8,258	16,021	0	(7,763)	8,258
Purchase Reserve 27101		250,291	0	(21,663)	228,628	0	(22,991)	205,637	228,628	0	(22,991)	205,637
Waste Services Truck		0	426,690	0	426,690	0	(77,989)	348,701	426,690	0	(77,989)	348,701
Denmark Solar Energy Project		0	0	0	0	0	0	0	0	500,000	(35,500)	464,500
Total		1,316,276	426,690	(147,621)	1,595,343	0	(232,639)	1,362,704	1,595,345	500,000	(268,139)	1,827,206
Self Supporting Loans												
Scouts		6,074	0	(3,989)	2,085	0	(2,085)	0	2,085	0	(2,085)	0
Riverside Club		344,118	0	(19,738)	324,380	0	(20,389)	303,991	324,380	0	(20,389)	303,991
Total Self Supporting Loans		350,192	0	(23,728)	326,465	0	(22,474)	303,991	326,465	0	(22,474)	303,991
Total Borrowings	14	1,666,468	426,690	(171,349)	1,921,808	0	(255,113)	1,666,695	1,921,810	500,000	(290,613)	2,131,197

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

Borrowing Finance Cost Payments

Purpose	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
					\$	\$	\$
Lionsville	142	WATC	6.88%	12-Nov-29	(20,870)	(20,870)	(23,483)
Football Clubrooms	147	WATC	6.37%	30-Jun-30	(7,720)	(7,715)	(8,593)
Riverside Club Stage 1	159	WATC	3.11%	13-Aug-36	(13,310)	(13,310)	(14,133)
Purchase Lot 228 Res. 18587	158	WATC	2.70%	01-Jun-26	(4,893)	(4,892)	(6,633)
Airport	143	WATC	6.26%	30-Jun-25	(1,018)	(1,015)	(1,526)
Purchase Reserve 27101	152	WATC	6.04%	30-Jun-31	(15,065)	(15,065)	(16,520)
Waste Services Truck	160	WATC	4.45%	30-Jun-28	(21,372)	(21,256)	(65)
Denmark Solar Energy Project	161	WATC	N/A	N/A	0	(11,500)	0
Total					(84,248)	(95,623)	(70,953)
Self Supporting Loans Finance Cost Payments							
Scouts	129	WATC	5.84%	21-Jul-23	(8)	(8)	(217)
Riverside Club	157	WATC	3.80%	12-May-36	(12,569)	(12,569)	(13,357)
Total Self Supporting Loans Finance Cost Payments					(12,577)	(12,577)	(13,574)
Total Finance Cost Payments					(96,825)	(108,200)	(84,527)

* WA Treasury Corporation

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

26. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2023/24

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2024 Actual	2024 Budget	2024 Actual	2024 Budget		
				%	\$	\$	\$	\$	\$	\$
Denmark Solar Energy Project	WATC	P & I	7	4.45% (Est)	0	500,000	0	(500,000)	0	0
					0	500,000	0	(500,000)	0	0

* WA Treasury Corporation

(c) Lease Liabilities

Purpose	Note	Actual							Budget			
		Principal			Principal			Principal at 30 June 2024	Principal			Principal at 30 June 2024
		Principal at 1 July 2022	New Leases During 2022-23	Repayments During 2022-23	Principal at 30 June 2023	New Leases During 2023-24	Repayments During 2023-24		Principal at 1 July 2023	New Leases During 2023-24	Repayments During 2023-24	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Admin Managed Print Services		35,821	0	(30,673)	5,148	0	(5,148)	0	5,147	0	(5,147)	0
Mitel Phone system		18,971	0	(16,233)	2,738	0	(2,738)	0	2,739	0	(2,739)	0
Toyota RAV4 - DE 245		2,235	9,106	(9,034)	2,307	0	(2,307)	0	2,306	0	(2,306)	0
Toyota Camry - DE 45		9,560	0	(7,626)	1,934	0	(1,934)	0	1,935	0	(1,935)	0
Toyota RAV4 - DE 992		8,181	0	(7,531)	650	0	(650)	0	650	0	(650)	0
Gym - Cardio Equipment		7,856	0	(7,856)	0	0	0	0	0	0	0	0
Gym - Strength Equipment		30,994	0	(10,097)	20,897	0	(10,329)	10,568	20,896	0	(10,328)	10,568
Total Lease Liabilities	11(b)	113,617	9,106	(89,049)	33,674	0	(23,106)	10,568	33,673	0	(23,105)	10,568

Lease Finance Cost Payments

Purpose	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023	Lease Term
					\$	\$	\$	
Admin Managed Print Services		3E Advantage	1.20%	Finalised	(8)	(89)	(261)	36 Months
Mitel Phone system		Capital Finance	2.10%	Finalised	(7)	(43)	(241)	60 Months
Toyota RAV4 - DE 245		CBA	1.70%	Finalised	(6)	(18)	(123)	36 Months
Toyota Camry - DE 45		CBA	1.10%	Finalised	11	(25)	(67)	36 Months
Toyota RAV4 - DE 992		CBA	1.30%	Finalised	17	(61)	(61)	36 Months
Gym - Cardio Equipment		MAIA	2.10%	Finalised		0	(75)	48 Months
Gym - Strength Equipment		MAIA	2.30%	May-25	(350)	(350)	(581)	72 Months
Total Finance Cost Payments					(343)	(586)	(1,409)	

SHIRE OF DENMARK
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FOR THE YEAR ENDED 30 JUNE 2024

27. RESERVE ACCOUNTS

	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by legislation/agreement												
(a) Denmark East Development Reserve	0	0	0	0	0	0	0	0	710,910	6,993	(717,903)	0
	0	0	0	0	0	0	0	0	710,910	6,993	(717,903)	0
Restricted by council												
(b) Employee Entitlements Reserve	444,140	21,516	0	465,656	444,140	19,098	0	463,238	428,401	15,739	0	444,140
(c) Plant Reserve	718,265	434,796	(777,900)	375,161	718,265	430,885	(777,900)	371,250	748,960	352,517	(383,212)	718,265
(d) Parry Inlet Reserve	208,594	20,105	(34,700)	193,999	208,594	18,970	(34,700)	192,864	208,933	17,676	(18,015)	208,594
(e) Lime Quarry Rehabilitation Reserve	369,883	17,919	(40,000)	347,802	369,883	15,905	(40,000)	345,788	385,712	14,171	(30,000)	369,883
(f) Infrastructure Reserve	1,070,534	1,046,861	(775,116)	1,342,279	1,070,534	661,033	(930,193)	801,374	802,041	459,467	(190,974)	1,070,534
(g) Waste Services Reserve	826,401	210,035	(71,136)	965,300	826,401	205,535	(55,000)	976,936	633,140	193,261	0	826,401
(h) Aquatic Facility Development Reserve	95,351	14,619	0	109,970	95,351	14,100	0	109,451	85,919	13,157	(3,725)	95,351
(i) Lionsville Reserve	96,165	4,659	(57,353)	43,471	96,165	4,135	(58,000)	42,300	148,296	5,448	(57,579)	96,165
(j) Peaceful Bay Reserve	289,055	49,003	0	338,058	289,055	47,429	0	336,484	245,052	44,003	0	289,055
(k) Rivermouth Caravan Park Reserve	115,372	10,589	0	125,961	115,372	9,961	0	125,333	106,461	8,911	0	115,372
(l) Peaceful Bay Caravan Park Reserve	75,911	8,677	0	84,588	75,911	8,264	0	84,175	68,398	7,513	0	75,911
(m) Recreation Centre Reserve	119,809	30,804	(139,839)	10,774	119,809	30,152	(140,000)	9,961	105,918	13,891	0	119,809
(n) Strategic Reserve	114,111	10,528	0	124,639	114,111	9,907	0	124,018	105,244	8,867	0	114,111
(o) ICT Reserve	30,551	16,480	0	47,031	30,551	16,314	0	46,865	15,000	15,551	0	30,551
(p) Legal contingency Reserve	20,367	10,987	0	31,354	20,367	10,876	0	31,243	10,000	10,367	0	20,367
	4,594,509	1,907,578	(1,896,044)	4,606,043	4,594,509	1,502,564	(2,035,793)	4,061,280	4,097,475	1,180,539	(683,505)	4,594,509
	4,594,509	1,907,578	(1,896,044)	4,606,043	4,594,509	1,502,564	(2,035,793)	4,061,280	4,808,385	1,187,532	(1,401,408)	4,594,509

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

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

27. RESERVE ACCOUNTS (Continued)

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

Name of reserve account	Purpose of the reserve account
Restricted by legislation/agreement	
(a) Denmark East Development Reserve	- to be used for the Denmark East Development Project.
Restricted by council	
(b) Employee Entitlements Reserve	- to fund employee leave entitlements as required.
(c) Plant Reserve	- to fund major plant purchase requirements.
(d) Parry Inlet Reserve	- to develop and maintain the Parry facility including Parryville Hall and maintenance of adjoining recreation reserves.
(e) Lime Quarry Rehabilitation Reserve	- to maintain or rehabilitate the lime quarry facility.
(f) Infrastructure Reserve	- to be used for the purchase, construction or upgrade of Infrastructure Assets including land & buildings.
(g) Waste Services Reserve	- to be used for the purpose of providing for the proper performance of all or any of the waste services provided by the Shire.
(h) Aquatic Facility Development Reserve	- to be used for the development of aquatic facilities.
(i) Lionsville Reserve	- to be used for the repayment of the Lionsville loan fund.
(j) Peaceful Bay Reserve	- to be used for any future requirements at Peaceful Bay, including those linked to the asset management plan.
(k) Rivermouth Caravan Park Reserve	- to be used for future requirements with respect to site and end of lease conditions including adjoining recreation reserves.
(l) Peaceful Bay Caravan Park Reserve	- to be used for future requirements with respect to site and end of lease conditions including adjoining recreation reserves.
(m) Recreation Centre Reserve	- to be used for upgrades to the Recreation Centre facility including equipment.
(n) Strategic Reserve	- to be used to fund strategic projects as identified in the Shire's Strategic Community Plan & Corporate Business Plan as required.
(o) ICT Reserve	- to finance the acquisition and enhancement of Information Technology and digital service delivery initiatives as required.
(p) Legal contingency Reserve	- to fund unanticipated legal expenses in excess of budget in any given year.

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

28. TRUST FUNDS

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

	1 July 2023	Amounts Received	Amounts Paid	30 June 2024
	\$	\$	\$	\$
DPI Licensing	0	1,168,615	(1,168,615)	0
Denmark Parks & Trails Deposit	850	0	0	850
	850	1,168,615	(1,168,615)	850



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

Shire of Denmark

To the Council of the Shire of Denmark

Opinion

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

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

In my opinion, the financial report is:

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

Basis for opinion

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

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

Other information

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

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

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

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

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



Jordan Langford-Smith
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
18 October 2024