



Shire of  
Peppermint Grove

# Annual Report

2023–2024



“ A Shire valued for  
its heritage, sense of community  
and natural ambience...”

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## Acknowledgement of Country

The Shire of Peppermint Grove acknowledges the Whadjuk Nyoongar people as the traditional custodians of the lands and pay our respects to Elders past, present and emerging.

# Introduction to the Shire of Peppermint Grove

With a rich history dating back to 1832 and the early settlement of the Swan River Colony, the Shire of Peppermint Grove is known for its beauty and heritage boasting large character homes, a stunning river foreshore, beautiful gardens and shady streets lined with peppermint trees.

Many generations of families have lived in Peppermint Grove and there is a strong sense of community often not found in metropolitan communities.

With an area of only 1.0649km<sup>2</sup>, the Shire prides itself on providing personalised services to its 1,597 residents who reside in a predominantly residential community. Considered to be a highly desirable suburb, Peppermint Grove has an above average socio-economic profile. Much of the Shire's activities relate to the development or redevelopment of large residences.

The maintenance of the suburb's amenity, particularly its trees, foreshore and reserves, is a high priority for residents.

Some interesting statistics about the Shire include:



Apart from the peppermint tree lined streets and pristine Freshwater Bay, some attractions in the Shire include:

- Freshwater Bay boating jetty
- Freshwater Bay foreshore beach reserve
- Royal Freshwater Bay Yacht Club
- Keanes Point parkland and barbeque facilities
- Keanes Point children's play equipment
- Manners Hill Park
- Manners Hill Park Pavilion
- Peppermint Grove Heritage Trail
- Whadjuk Trails Network
- Peppermint Grove Tennis Club
- The Grove Library
- The Community Centre
- Cottesloe Central Shopping Centre
- Citizenship Ceremonies and Citizen of the Year Awards
- Carols by Candlelight
- Presbyterian Ladies College
- Cottesloe Primary School
- St Mary Star of the Sea Church
- St Columba's Church
- Freshwaters Café
- Grove Coffee Café (Library).



# The Shire President's message



It is my pleasure to present the Annual Report for the Shire of Peppermint Grove for the 2023–2024 financial year.

The Shire completed the financial year with a healthy surplus and a clear audit report. A full set of the accounts is included in this report.

Work has progressed on the Cottesloe Village Precinct Plan, which is joint project between the Shire and the Town of Cottesloe. The Plan will guide both Councils on the future development of the village precinct. The Shire will also be using this plan to inform part of the Shire's Local Planning Strategy review. The State Government is pressing local governments, particularly in the western suburbs, to have more and more infill. The Shire will be working through this delicate issue in 2024–2025 to try to achieve balance of infill that meets community expectations and also satisfies the State Government targets. More information on the Cottesloe Village Precinct Plan is contained in this report.

Community events continue to be an important part of life in the Shire. In 2023–2024 these activities included Carols by Candlelight, Citizenship Awards, Seniors' Morning Tea. Many other events were held throughout the year in The Grove Library, including book launches, Book week and the extremely popular Cappuccino Concert Series in June and October.

The Shire supports the Westcoast Community Centre which runs a varied programme of talks, activities and outings for our residents and the wider community, and which has its base in The Grove Community Centre.

Preservation and enhancement of the Shire's tree canopy is one of the key issues for the Shire. An annual tree audit is undertaken of the trees under the Shire's control on verges and in parks. The audit assesses the condition of each and every tree and identifies those that are at the end of their useful life. When trees

need to be removed, replacements are planted. We also look for areas where additional trees can be planted to increase the canopy area. In 2023–2024 the total number of trees under the Shire's control in verges and the managed parks areas was 1,725 of which 1,489 were peppermint trees. A total of 78 trees were removed and 155 new trees were planted.

At the October elections, Councillors Rachel Thomas and Dawne Horrex decided not to seek re-election. Rachel retired after 12 years as Shire President. Council recognised Rachel's considerable service to the Shire as Shire President and awarded her Freeman Status. Council has only once before awarded Freeman Status, in 1992, to Anthony Boyd Craig. In this instance, Council unanimously resolved to award this richly deserved honour to Rachel. On behalf of the community of Peppermint Grove, I thank both Rachel and Dawne for their service on Council.

Council welcomed two new Councillors, Jess Mahony and Emerald Bond, along with returning Councillor Peter Macintosh, who were all elected unopposed. I was pleased to be elected Shire President and would like to thank my Deputy President Patrick Dawkins and my elected members for their support and dedicated input into the running of Council. I also acknowledge and thank CEO Don Burnett, the senior management group and all the staff for their continued focus on good governance and efficient service to the community.

*Karen Farley SC*  
Shire President

# A message from the Chief Executive Officer



I am pleased to present the annual report, incorporating the financial statements for 2023–2024. The Shire has again received a clear audit report.

A number of capital projects planned for 2023–2024 had to be held over to the 2024–2025 financial year and this underspend has contributed to the larger end of year surplus than originally budgeted for.

Asset renewal and the management of the Shire's assets continues to be a focus to ensure good management of our assets is in place. The Shire has an Asset Management Plan that lists all the Shire assets, comprising roads, buildings, footpaths, drainage, kerbing and parks improvements. The Plan identifies the current condition of the asset and the Shire's annual budget will either make provision for the renewal/improvement works or for a reserve fund provision to do the required works at a future date. Unlike many other small Councils, the Shire does not receive significant government grants for asset renewal.

The Shire's reserve fund balances increased to \$2.125 million with the majority of the funds held for asset replacement as required, being Roads and Drainage reserve \$620,000 and Infrastructure/Building Reserve \$962,000.

I would like to thank retired Shire President Rachel Thomas and incoming President Karen Farley and Councillors for their support and strong leadership throughout the 2023–2024 year. I thank my Managers and staff for their professionalism and dedication to the task of providing a high level of service to the residents of the Shire.

*Don Burnett*  
Chief Executive Officer

“...the management of the Shire's assets continues to be a focus to ensure good management of our assets...”

# Councillors at 30th June 2024



Shire President  
Councillor Karen Farley



Councillor Doug Jackson



Deputy Shire President  
Councillor Patrick Dawkins



Councillor Emerald Bond



Councillor Charles Hohnen



Councillor Jessamy Mahony



Councillor Peter Macintosh

## Elected Members attendance at meetings 2023–2024

Register of Councillor Attendance at Meetings (Regulation 19B(f))	Number of Ordinary Council Meetings Attended (11 meetings held)	Number of Audit, Governance & Risk Management Committee Meetings Attended (3 meetings held)	Number of Annual General Meeting of Electors Attended (1 meeting held)	Number of Special Council Meetings Attended (1 meeting held)
Cr Rachel Thomas	3 Retired following OCM held 17.10.23	Not a member	Retired	1
Cr Charles Hohnen	8	2	1	1
Cr Dawne Horrex	4 Retired following OCM held 17.10.23	Not a member	Retired	1
Cr Patrick Dawkins	10	3	1	0
Cr Peter Macintosh	11	3	1	1
Cr Karen Farley SC	9	Not a member	1	1
Cr Doug Jackson	10	Not a member	1	1
Cr Emerald Bond	7 Elected 17.10.23	Not a member	1	Not elected at this time
Cr Jessamy Mahony	7 Elected 17.10.23	3	1	Not elected at this time

## Training Register 2023–2024

Councillor Name	Course	Completion Date
Jessamy Mahony	Conflicts of Interest	3/11/2023
Jessamy Mahony	Meeting Procedures	17/11/2023
Karen Farley	Understanding Financial Statements and Budgets	21/01/2024
Jessamy Mahony	Understanding Financial Statements and Budgets	29/01/2024



# Executive Staff Members



Chief Executive Officer  
Don Burnett



Library Co-ordinator  
Lance Hopkinson



Manager Infrastructure Services  
Donovan Norgard

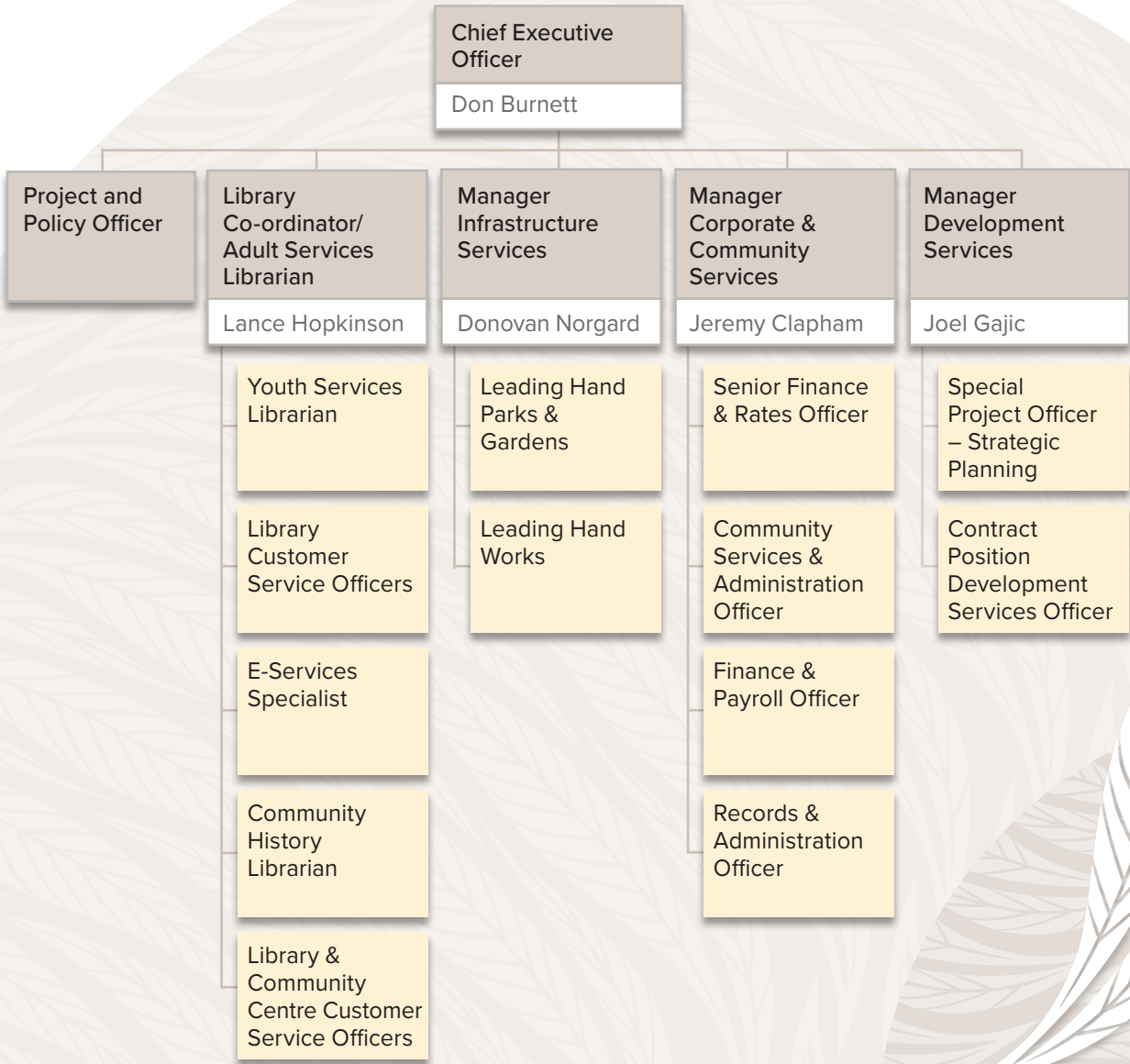


Manager Corporate & Community Services  
Jeremy Clapham



Manager Development Services  
Joel Gajic

# Organisation chart



# 2021–2031 Strategic Community Plan

Our Strategic Community Plan responds to the community’s key areas of interest.

Our Goal and Objectives for each strategic priority area over the next 10 years are as follows:

Strategic Priority	Objectives
<b>1. Social</b>	
Goal: “A community enjoying high levels of wellbeing and safety”	<ul style="list-style-type: none"> <li>1.1 Maintain/increase actual and perceived safety and security.</li> <li>1.2 Facilitate age-appropriate services, particularly for seniors and youth.</li> <li>1.3 Preserve and promote local history and heritage.</li> <li>1.4 Promote community connection and activation.</li> </ul>
<b>2. Economic</b>	
Goal: “Diverse and flourishing local economy”	<ul style="list-style-type: none"> <li>2.1 Improved local business centres.</li> <li>2.2 Facilitate options for customers and visitors.</li> <li>2.3 Effective relationships with local businesses.</li> </ul>
<b>3. Built Environment</b>	
Goal: “Perpetual character and inviting, accessible and connected amenities”	<ul style="list-style-type: none"> <li>3.1 Perpetual character of Peppermint Grove.</li> <li>3.2 Inviting, accessible and connected Shire.</li> </ul>
<b>4. Natural Environment</b>	
Goal: “Preserved natural environment and minimised environmental impact”	<ul style="list-style-type: none"> <li>4.1 Protect and enhance Peppermint Grove’s natural environment and biodiversity.</li> <li>4.2 Maintain a clean, healthy and sustainable environment.</li> <li>4.3 Protect our natural resources for future generations.</li> </ul>
<b>5. Governance</b>	
Goal: “Aligned and accountable Council and Community Leadership”	<ul style="list-style-type: none"> <li>5.1 Provide accountable and transparent leadership.</li> <li>5.2 Engage, communicate and consult with our community and stakeholders.</li> <li>5.3 Advocate to reflect the community’s Vision.</li> <li>5.4 Sustainable and optimal use of Shire resources.</li> </ul>

# 2023–2027 Corporate Business Plan

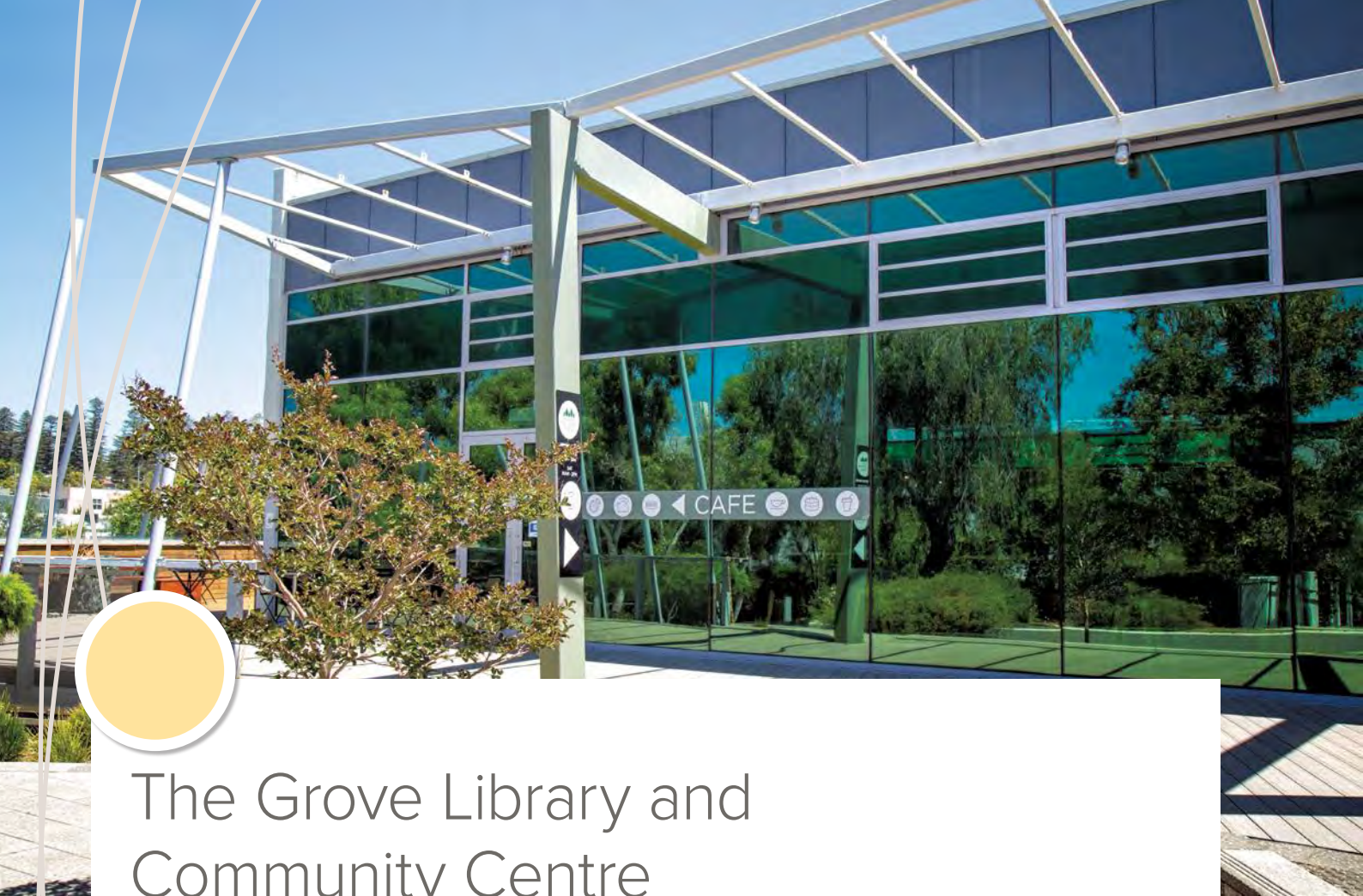
The Corporate Business Plan outlines the Shire’s key priorities and actions for a 4-year period.

The plan is informed by the Strategic Community Plan and aims to integrate the community’s aspirations into the Shire’s operations.

The Strategic Community Plan and the Corporate Business Plan form part of the WA Governments Integrated Planning and Reporting Framework. The 2023–2024 Annual Report provides information on the activities and projects that have been undertaken to achieve the objectives contained in the 2023–2027 Corporate Business Plan.



“... provide accountable and transparent leadership...”



# The Grove Library and Community Centre

The Grove library and Community Centre provides a hub for residents of all ages to find reading materials, both physical and electronic, find a study space or to undertake activity where patrons can engage in workshops and recreation strengthening community bonds.

- The past year has seen a slight increase in the total number of loans carried by the junior collection. Book loans increased by 2% to 234,423.
- The series of classical music concerts the bi-annual Grove Classics, continued to be well supported by the local community. With an average of 80 attendees per concert.
- On behalf of The Shire of Peppermint Grove, The Grove Library held a special cartoon exhibition of Dean Alston's work from *The West Australian* which showcased a small collection of Alston's idiosyncratic style of cartoons referencing Peppermint Grove.
- Seven book groups and one film group held their regular meetings at The Grove.
- In October/November, the library extended hours during the Exam Study period for students from Years 11, 12 and University only.
- Every school holiday period the Shire of Peppermint Grove sponsor a speciality kids holiday event, this year the "Have a Go with Peppy Grove" events were a writing workshop with author and illustrator Gabrielle Evans and Einsteins Australia's science with a Harry Potter workshop.

Impact 100: Generous Australians talk



- The Grove Library was happy to hold two book launches across the year: the first being the Raewyn Caisley and Gabriel Evans' book *Count the Stars* with stargazing, telescopes and astronomers, and second was a launch celebrating the release of Sean Avery's new picture book and graphic novel with a morning of readings, craft and school holiday fun for the whole family.
- Children's Book Week 2023 was a very successful event reaching an audience of 731 local school-age children with kindergarten, preschool and school age children involved with the library over the course of the week. This year's presenters were Shane McCarthy, Raewyn Caisley, Briony Stewart and Glenn Swift.
- In conjunction with the Child and Adolescent Community health nurses and in support of the Better Beginnings program, every month the Youth Services Librarian introduces new parents to the resources of the library and the benefits of early literacy to infants, and the programs on offer for babies. This service has reached 118 parents over the past year.
- In 2023–2024 the Community Centre remained home for various community groups, including the Westcoast Community Centre Inc, who celebrated their 30th anniversary

Right: Presbyterian Ladies' College's contribution to the Heritage Festival of Perth 2024

Below: Westcoast Community Centre's 30th Anniversary High Tea

this year, Men's and Women's Probus Clubs, and U3A, while also partnering with local councils to host events such as WMRC's Sustainable Clothes Swap and environmental workshops. Residents participating in these programs found opportunities to connect, learn and share experiences in a supportive environment. This year, an upgrade to the audio-visual equipment has enhanced flexibility for presentations and events.

## Community History

The Grove's Community History Library collects and curates the history of Peppermint Grove, Cottesloe and Mosman Park with the emphasis on digital preservation and dissemination. This year Community History has seen an upgrade in the photographic archival software "Look at me", with the re-design improving access, functionality and searchability of the whole collection.





Above: Historic buildings—'Hawthornden' at 50 Irvine Street; 25 Mann Street in 1915; and illustration by Stewart Cownie of Miss Annie's School.

Left: Alston's Peppy Trove: Dean Alston, Shire President Karen Farley and CEO Don Burnett.

In a collaboration between Community History, local schools and the Youth Services Librarian, children from St Hilda's, Presbyterian Ladies' College and Cottesloe Primary School produced extraordinary artistic interpretations of their local heritage listed buildings and residential homes for an art exhibition as part of Heritage Festival of WA at the Library.

The Community History Librarian would like to acknowledge the work of the fantastic group of volunteers for their vital work of scanning and digitising important records, newspaper articles and photographs donated to the collection.

## Library E-Service

E-Services at The Grove Library continue to be very popular with a high degree of participation:

- The Friday drop-in tech sessions continued through 2023–2024, supported by two new volunteers who fielded questions on anything and everything to do with phones, computers and tablets.
- One on One Tech Help on Tuesdays and Thursdays continued to be booked out well in advance with the library's E-Services Specialist, with 226 individual and small group digital inclusion sessions being conducted.
- Several small group workshops were run, covering topics such as Online Safety, iPad Tips and Tricks, and Passwords and Privacy.
- The self-check terminals were upgraded, and new height adjustable desks were installed to better accommodate children and those with a physical disability.
- The public computer terminals saw a total of 6,241 hours of usage across the year.



# Corporate Services

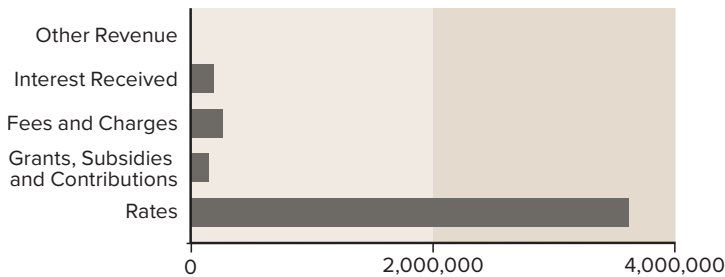
## Finance Statistics

### Revenue

The Shire of Peppermint Grove had a total revenue of \$4.302m for the 2023–2024 financial year.

The Shire does not receive much in the way of grants and relies heavily on Rates revenue to fund the various activities of the Shire.

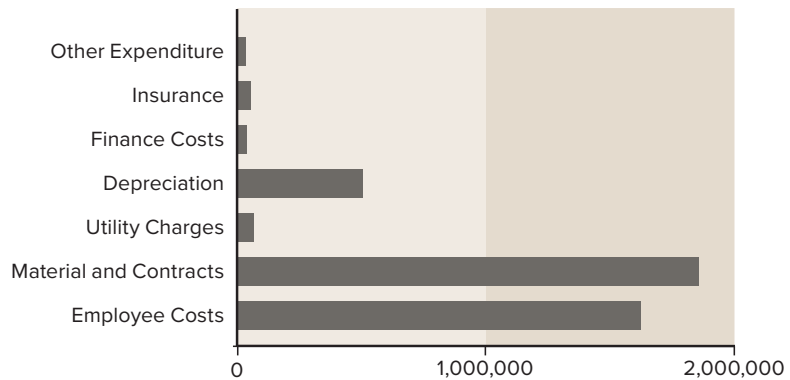
Rates revenue accounted for 85% of the total revenue for 2023–2024. Fees and Charges accounted for 4%, Interest Received accounted for 5%, Grants, Subsidies and Contributions (including a Capital Grant of \$10k) accounted for 4% and Other Revenue accounted for 2% of total revenue.





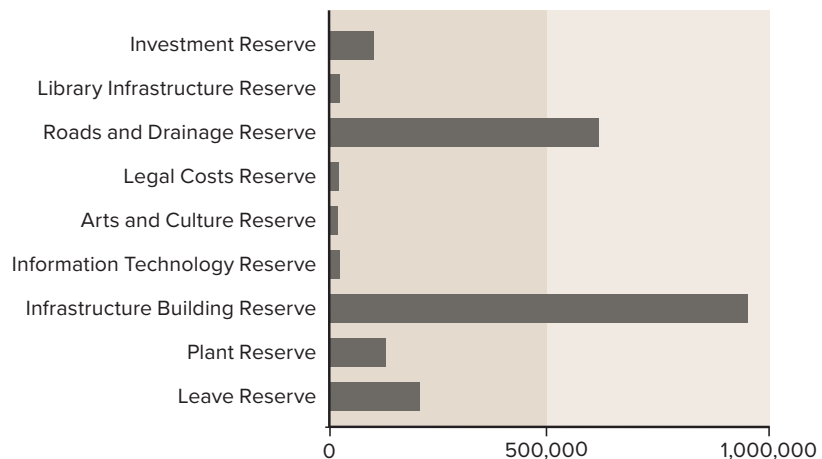
## Expenditure

In order to maintain the high level of service expected by the residents of Peppermint Grove, the Shire has to incur significant expenditure, totalling \$4.264m for the 2023–2024 financial year. It is broken down as such: Employee Costs 38%, Materials and Contracts 44%, Depreciation 12% (depreciation gets written back in the calculation of the Shire’s surplus as it is not a cash item), Utility Charges 2% and other expenses 4%.



## Reserve Funds

The Shire transferred a total of \$171,917 to Reserves and an amount of \$34,872 from Reserves for the financial year 2023–2024. Included in the transfers to Reserves was an amount of \$120,756 to the Infrastructure Building Reserve. This has resulted in the total Reserves balance being \$2,125,604.



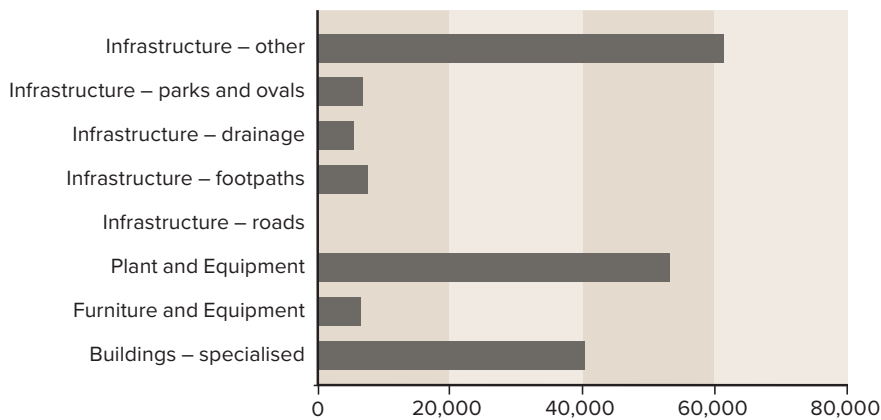
## Loan Liability

The Shire has one loan which was previously raised for The Grove facility. The Shire has been servicing the loan since March 2010 at an interest rate of 6.9% per annum and it is due to be paid off in December 2034. The balance at 30 June 2024 is \$615,807.



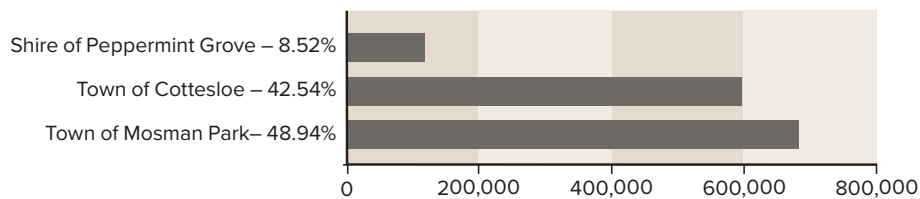
## Purchase of Fixed Assets

The Shire purchased fixed assets in the amount of \$184,827 for the financial year 2023–2024.



## Joint Arrangements

The Shire continues to manage the Grove Library on behalf of the Towns of Mosman Park and Cottesloe and the Shire of Peppermint Grove. The Shire currently has a share of 8.52% in this arrangement, based on the current population. For the financial year, the Shire contributed \$120,713 of a total of \$1,416,814 to the running of the Grove Library.



## Investment in Associates

The Shire has a 3.69% investment in WMRC (Western Metropolitan Regional Council), together with the Towns of Mosman Park, Cottesloe and Claremont, and the City of Subiaco. The WMRC provides waste and recycling services to its member and participating Councils.

At 30 June 2024 the value of the Shire’s investment was \$130,973 (2022–2023 \$121,015).

## Operating Surplus

The Shire achieved an Operating Surplus of \$717,673 (Budget \$16,774) for the financial year 2023–2024. The reason for the variance was the underspend in capital acquisitions, due to major projects being deferred to 2024–2025, such as the sale of the Johnston Street sump and parking upgrades at Keane Street and Bay View Terrace.

## Audit

An unqualified audit report with no management issues was received for the 2023–2024 financial year. The Financial Report for the year ended 30 June 2024 follows at the end of the Annual Report.





“..protect our natural resources  
for future generations..”



## Community Services

The aim of Council's Community Services is to bring people together, for them to engage through events and workshops, and provide opportunities to participate with other local governments. Also, for organisations to deliver community programs, support for community groups, senior care, networking, advice and skills workshops, and to generally improve the quality of life of Peppermint Grove residents.

During 2023–2024, Council were able to support various community events as listed below.

## Community Events

### Seniors Week | 12–19 November 2023

Seniors Week encourages people of all ages to acknowledge and celebrate the contributions and achievements of seniors in our community. Designed to connect seniors with community, events were held all over WA with high teas, dances, intergenerational activities and creative workshops.

The combined Councils of Shire of Peppermint Grove and Towns of Mosman Park and Cottesloe organised an incredible week full of diversified and worthwhile activities for seniors

consisting of workshops, Coffee Cart catch-ups, High Tea with entertainment, Staying Fit classes, Will & Estate Planning, 'Dementia without Loneliness' talks, and Hearing Tests.

### Seniors Morning | Tea 13 November

In celebration of Seniors Week the three councils held the annual morning 'high-tea' from 10am until noon at Mosman Park Bowling Club, the event was well attended and everyone enjoyed the morning.

Caterers were hired for the morning who made delicious sandwiches, home-made quiches,



Above: The Seniors Morning Tea was held at the Mosman Park Bowling Club; and the event included enjoying a dance



Devonshire teas and a wonderful array of petit fours. Our attendees socialised and enjoyed the food all while listening to a few hours of wonderful entertainment. The entertainment began with Cottesloe Primary School Choir with students singing a few songs accompanied by their teacher on guitar and there were also a couple of solo performances.

After the Choir's performances the raffle was drawn for the door prizes which ranged from first prize of \$100 gift voucher, kindly donated by Woolworths Cottesloe, a second prize of a Garden Hamper, donated by Bunnings Claremont, along with runner-up prizes consisting of a variety of potted plants.

The door prize raffle was followed by Paul Robinson, the entertainer known as 'The Voice of Legends', who was very engaging and sang a wide variety of songs dating back from the 1950s. Some attendees were so excited to hear the old tunes once again they got up from their seats and started dancing around the room.

From top: Cottesloe Primary School entertaining; seat dancing; and some Lucky Door Prize winners

“.. Facilitate age-appropriate services, particularly for seniors and youth...”



### Hearing Tests | 15 & 17 November

Two full days of back-to-back appointments were organised for Hearing Tests and held in the Flax Room of The Grove Library.

Seniors were delighted with this inaugural offer which was reflected in the numbers of people who attended. There was even a waiting list of names and numbers just in case anyone cancelled—needless to say, no one did.

### Will & Estate Planning Workshop | 15 November

For a couple of hours some very accomplished and experienced local solicitors provided some in-depth talks explaining the importance of having all your affairs in order and why you shouldn't delay any major decision-making.

A Will is the legal document that stipulates exactly who will receive the assets that you own. Estate planning, therefore, includes making a Will, but often means going further than this, such as establishing Testamentary Trusts within your Will, and the drafting of other documents like inter vivos discretionary trusts and Powers of Attorney.

Making a Will and planning your estate is important because:

1. It protects beneficiaries by ensuring they receive your assets according to your wishes.
2. It protects young children by preparing for the unthinkable.
3. It spares heirs a big tax bite by avoiding unnecessary taxes and waiting periods.
4. It eliminates family messes by having a clear plan for your affairs when you pass away.

The Solicitors shared some horrific stories of situations they had encountered over the years as a result of people not being organised before they died, or having a Will which wasn't detailed enough and could be challenged, which ultimately resulted in dire consequences and unnecessary stress for those left behind—all of which could have been avoided with some forward planning.

### Michael Verde – Dementia Without Loneliness | 15 November

Michael Verde is an award-winning writer, speaker, documentary producer and globally recognised thought leader in the field of dementia care. Memory Bridge was founded by Michael in 2004, and hosts educational programs in three continents, and provides ongoing education to caregivers in 14 countries. Memory Bridge has connected over 9,000 people with and without dementia in one-to-one relationships.

Michael explained his different views on dementia and how to shift the way you think about dementia care. He believes if handled with a different approach dementia doesn't always have to be such a lonely space and that there is a way of ending emotional isolation through empathetic connection. Michael speaks across the world communicating with people with dementia and his clients include the Alzheimer's Association of Australia.

### Prime Movers | 14 & 16 November

Prime Movers is a fun and effective way to stay fit and healthy as you age in one hour classes. A not-for-profit organisation that offers exercise classes for active older adults. Their classes are designed to improve flexibility, endurance and strength, all while enjoying music and socialising with others. The classes are taught by qualified and friendly volunteers who update the music and choreography regularly. They also provide annual appraisals and workshops to ensure they deliver the best and safest classes possible.



## Carols by Candlelight 2023

The Shire's annual Carols by Candlelight was held at Manners Hill Park on Sunday 10 December 2023 and was jointly led by The Mighty Camelot Choir and Balga Community Band. As is always the tradition, two Pipers—Katy Lovegrove from Presbyterian Ladies College (PLC) and Thomas Sojan from Scotch College—started the ball rolling for the evening. Deputy Shire President Patrick Dawkins said a few words welcoming everyone and gave a special thanks to those who make the evening possible through organisation and participation.

Jenny Simpson was our incredibly energetic Master of Ceremonies and ensured everything ran smoothly throughout the evening. Jenny effortlessly managed to rally the crowd with her enthusiasm and encouraged all the young children to come up to the front near the band and sing Christmas carols as well as assisting to draw the winning raffle tickets. This event always proves to be very popular attracting in the region of 400–500 people each year.

From top: Pipers from PLC and Scotch College opening the evening; children congregate at the front just before the raffle draw; and residents relaxing and enjoying the evening

The occasion provides an opportunity for people to catch up and unites local residents, friends and family.

As has been the tradition for over twenty-five years the Shire supports The Salvation Army Christmas Appeal and all proceeds raised on the night are donated to the Balga Early Learning Centre. The Centre supports underprivileged children as well as struggling families at Christmas who are in desperate need of assistance.

In the months leading up to Carols our amazing volunteers Janice Rooney and Julia Hayes were hard at work encouraging a multitude of local businesses to donate fabulous prizes for a raffle on the evening to raise funds to this worthy cause. Their efforts paid off once again, resulting in a very impressive figure being raised—the second highest amount ever of \$5739.50, only \$100 short of the previous year’s monumental total. Jo Ineson the Child Care Director at the Balga Early Centre was ecstatic with the result and ensured the funds were bestowed to the children and families most in need.

## Citizens Celebrations Event | 27 January 2024

This year there was quite a change to our usual combined event structure for January. The Town of Mosman Park, who were the hosts for 2023, decided not to run with the traditional Australia Day Celebrations on 26 January. Instead, the Combined Councils of the Shire of Peppermint Grove, Towns of Cottesloe and Mosman Park joined together for Citizenship Ceremony Celebrations on 27 January.

The main focus of the morning was around the Rotunda next to the main lawn just outside the Council offices. The weather was idyllic, warm and sunny with beautiful blue skies.

Delegates sat around the Mosman Park Council Rotunda



Kate Chaney MP read the Welcome Message from the Minister for Immigration, Citizenship and Multicultural Affairs, the Hon Andrew Giles MP.

Citizenship Ceremonies were conducted for the new Citizens being welcomed into the Towns of Cottesloe and Mosman Park.

Afterwards, the 2024 Community Citizens of the Year Awards were announced across all three councils. Kendall Whyte was the Auspire Ambassador and she assisted by greeting Award Winners and handing out the Awards, certificates, gifts and medallions. Kendall is the founder and CEO of Blue Tree Project, a grass-roots charity making an impact across Australia. Its mission is to help spark difficult conversations and break down the stigma of mental health, by giving dead trees 'a blue lease on life'.

The Shire of Peppermint Grove's Citizen of the Year Award 2024 went to Haseeb Riaz, a truly deserving recipient, though unfortunately Haseeb wasn't able to join us on the day. Deputy Shire President Patrick Dawkins, along with Kendall Whyte, presented the Award to his proud parents Shabnam and Haroon who were more than happy to accept the Award on their son's behalf.

Left: Auspire Ambassador Kendall Whyte with Citizen of the Year Award 2024 Haseeb Riaz's parents Haroon and Shabnam Riaz

Below: Attendees seeking shade under the trees



“ promote community connection and activation . . . ”





Over the past 2 years, Haseeb has co-founded a non-for-profit organisation called MAN UP, which aims to redefine masculinity through workshops and presentations that engage young boys in high school to investigate their ideals of masculine culture, mental health and relationships.

During his undergraduate degree, he was heavily engaged with the Dr YES (Youth Education Sessions) program, which provides sexual health, mental health, and alcohol/drug related health education to high school students, where he was a Project Coordinator in 2019. In 2018, he was a Mitsui Educational Foundation scholar, travelling to Japan for 6 weeks as a student ambassador for Australia, and he has also enjoyed volunteering and being involved with committees of organisations such as United Nations Youth Australia, Artists Against Poverty, Teach Learn Grow and Uni Camp for Kids.

In 2022, Haseeb was also co-chair WA Ministerial Youth Advisory Council, advising on policy and the political direction for the Youth Minister, as well as National Treasurer and Board Director on the Australian Medical Students' Association, and in 2023, he was a Board Director of the Fogarty Foundation as President of the Fogarty Scholars' Association.

### Advocare Aged Care Presentation: 'Navigating the Aged Care System'

In May the Shire held a workshop on Aged Care in The Grove Community Centre which was delivered by Amanda from Advocare.

Advocare is an independent, community-based, not-for-profit organisation that supports and protects the rights of older people in WA. Their services are free, confidential and unbiased. Their purpose is to transform lives and communities through education, collaboration and advocacy, supporting older Western Australians to live the lives of their choice.

Advocare is the Seniors Peak Body in Western Australia and a leader in addressing the rights of older people and elder abuse. For more than 25 years, they have proudly helped older Western Australians access the right supports, information and protections available to them.

Advocare aims to empower older people by giving them information and choices so they can make informed decisions to live the life they want on their terms.

Twenty-eight people attended and the presentation covered a wide range of topics including Aged Care Rights; Capacity; Aged Care Quality Standards; Services from Entry Level Care through to Higher-Need Care; Home Support Programmes; Home Care Packages; Short Term Restorative Care; Residential Aged Care; Residential Respite Care; Aged Care Fees and Charges; and Elder Abuse, such as financial abuse and sexual abuse of older women.

The abuse of older people is a complex and confronting problem. It comes in many forms, and it doesn't discriminate. The conversations aim to raise awareness of this growing social issue and make it easier for people to find services and information that can help them. It is important to know which way to turn for help and learning to recognise its signs. There were various brochures of information available which attendees took away with them.



From top: There was a large attendance for the Advocare presentation; Amanda from Advocare; and helpful brochures



## Sustainability

### Wardrobe Refreshes for Adults and Children

The Shire remains supportive of the work done by the Western Metropolitan Regional Council (WMRC) including the courses and workshops which are run at The Grove Community Centre each year. In 2023–2024 the Shire continued to create a sense of community by running a series of Wardrobe Refreshes for adults and children which were hugely successful.

Clothing swaps are an excellent way to exchange items you no longer require for items you like or need. They promote slow versus fast fashion and are an environmentally friendly reuse strategy that helps reduce our environmental footprint while supporting a circular economy. Clothes swaps are an eco-friendly and sustainable approach to fresh, interesting, and sustainable wardrobe updates. Swaps encourage reuse; items that an individual has worn only a few times or not at all can be put to use by another person. Exchanges also provide people with a way to recycle and up-cycle garments. Up-cycling is the process of converting existing materials into something new and different.

Above: Eager participants looking for suitable items for their kids' wardrobes

Left: The majority of clothing was folded and presented in age groups



The manufacturing of textiles has incredibly harsh impacts on the environment, such as the disposal of large amounts of chemicals, resulting in contamination of water resources or other natural resources that are essential to both human and animal life. Textile production is estimated to be responsible for about 20% of global clean water pollution from dyeing and finishing products.

A single laundry load of polyester clothes can discharge 700,000 microplastic fibres that can end up in the food chain. The majority of microplastics from textiles are released during the first few washes.

Fast fashion is based on mass production, low prices and high sales volumes that promotes many first washes.

## Kids' Clothing Exchange

A kids' clothing exchange is a great way to declutter all those clothes that no longer fit children and in exchange get some 'new' clothes for free. Children grow so quickly that clothes often become too small long before they become too worn—these clothes make perfect hand-me-downs and a clothing swap is a great way to benefit many people all at once. It is also a great way to add new items to a child's wardrobe without spending any money.

In September WMRC and volunteers combined once again with the Shire to hold a Kids' Wardrobe Refresh in The Grove Community Centre. It was another great success, with approximately 200 people attending.

Volunteers, with the whiteboard behind showing the impressive statistics of the previous year's event in 2022



“..Attendees could learn from our skilled volunteers and our handy repairers how to reduce waste..”



In as little as 15 minutes, families could have a whole ‘new’ free wardrobe for their little one. People could bring in whatever they had and could take away whatever they liked. Throughout the morning people brought in quality kids’ clothes, active wear, sleep wear, bags, shoes and accessories that were not worn anymore and exchanged them for garments they would wear. What an amazing concept to be able to switch items with no money exchanging hands, and the clothing is given a second lease on life. Some items had never been worn and still had the price tags attached.

This time our friendly clothing exchange for kids had an added dimension, as we had the Repair Lab with us. If anyone had items that could be restored they could bring these along—including any clothing that needed an overhaul, jewellery which required fixing or toys that needed restoring. Attendees could learn from our skilled volunteers and our handy repairers how to reduce waste, avoid throwing away fixable things and save even more items from landfill.

A total of 162.94kg of clothing and accessories was collected and 70.2% was taken by attendees for reuse.

The remaining 29.8% was made up of 39.03kg which was donated to a foster care program and 9.59kg of poor-quality textiles were collected to be recycled through Upparel. Upparel is an Australian textile recycling company who repurpose for a circular fashion future. The textile waste recycling process sees them do several things, the most common being to tear them into a loose, fluffy fibre that’s then compressed into a rigid panel called UPt<sub>ex</sub>. With an endless amount of possible applications, this revolutionary material is set to shake up the industry for the better.

### Peppermint Grove residents support Good Sammy

In October the Shire of Peppermint Grove participated in another successful donation collection by iconic WA disability employment and training provider Good Sammy. It was another great outcome: there was an increase of 2% in resident participation in 2023 from the previous yellow bag collection in 2022. Although the average weight of donations per household was down from 10.1kg in the trial to 8.1kg, the donations were still good quality, resaleable items, which will result in 11.6 tonnes of avoided carbon dioxide.

Donations were taken to Good Sammy’s recycling facility for sorting to identify items that could be sold in their Op Shops and Online Store to help raise funds to support Western Australians with disability.

Good Sammy extended its thanks to the Shire of Peppermint Grove households who generously contributed to their donation drive.

Reusing products is the single best thing to make our society more sustainable. Changing our consumption habits makes an incredibly powerful difference to our environment.

## Combined Style Workshop and Adult Clothes Exchange

In April at The Grove Community Centre the Shire of Peppermint Grove combined once again with the West Metropolitan Regional Council (WMRC) in a ticketed event with a difference. This event offered participants an informative one hour workshop on styling, prior to the clothes exchange commencing.

The event started at 10am with a 1-hour workshop delivered by Style Counsellor Ciara, who delivered an education on clothes that was fun, challenging and very effective. The audience were totally fascinated with what she had to say. Ciara provided some very thought-provoking tips of how to make the most of your wardrobe from her extensive knowledge as a Stylist, such as how to create the best outcome by utilising colours and fabrics as well as working with silhouettes for your individual size and shape. She showed examples of how easy it is to dress an outfit up or down by simply utilising the right accessories.

Ciara was extremely engaging and audience participation was at an all-time high. Ciara emphasised the importance of working out what was actually required in their wardrobes and to really think about colour coordination with existing garments, shape, and a good fit. She stressed only to take those items away with them that they 'knew' they would wear as opposed to 'might' wear.

After the Style Workshop at 11am we held the clothes exchange outside in the sunny courtyard and people were busy selecting outfits from multiple clothing racks. We are happy to say 85% of the clothing from this event found new homes—it was another resounding success!!

The remaining 15% of clothes were retained by WMRC and put towards the next Adult Clothing Exchange.

From top: One of the portable changing rooms, mirror and returns rack; a packed Community Centre audience, all keen to listen to Ciara's styling knowledge; and just one half of the racks of clothing available



“...85% of the clothing from this event found new homes...”



# Development Services

## Services and Staffing

The business activity area combines Urban Planning, Building Regulation and Asset Management, Environmental Health and Ranger Services.

Regulatory services are provided in accordance with Federal and State legislation and are informed by a diverse regulatory framework that includes local laws, technical standards, the Local Planning Scheme and suite of local planning policies.

The Shire has a number of Service Agreements with other Local Governments, and Food Technology Services to fulfil statutory requirements as follows:

- City of Nedlands – Building Certification and Compliance
- City of Nedlands – Swimming Pool Barrier Compliance
- Town of Cottesloe – Rangers
- Town of Cottesloe – Environmental Health.

Service Agreements are also in place with numerous private Asset Management contractors and are regularly reviewed to ensure value for money and best practice work health safety (WHS) standards.

## Revenue

Whilst revenue generation is not a driver of the services provided, cost recovery is a key consideration when determining non-statutory fees and charges for providing written outputs.

Development Services fees and charges are reviewed prior to the commencement of each financial year to ensure that they are consistent with other Local Government Authorities and reflect the actual costs of delivery. Residents, ratepayers and proponents are encouraged to seek the free independent advice of Development Services staff.

Development Services generated \$157,118 in total revenue for the 2023–2024 financial year. This represented an increase of \$58,415 or 46.2% from the previous reporting period.

The increase was largely attributed to increased revenue from Building Application fees, and inclusion of \$13,030 levied from pool owners to cover the costs for undertaking pool barrier inspections.

# Urban Planning

## Development Trends

The Shire predominantly comprises low density residential land containing single detached houses. Higher density residential development including multiple and grouped dwellings are focused along, or in proximity, to Stirling Highway. Commercial and civic areas are also focused on Stirling Highway and include The Grove precinct, and Cottesloe Central shopping centre.

The increased value of residential building works was influenced by higher building material costs and the availability of tradespeople.

The desire to improve the functionality and amenity of heritage listed places continues to drive innovative conservation works. New homes construction remained typically contemporary in style.

Subdivision and restructuring of titles continued to deliver a small number of new residential lots. The Shire has a long-standing position to not support battle-axe subdivision. Where battle-axe subdivision is encouraged to address former secondary street frontages Development Services continues to work with proponents to retrospectively bring street walls and fences into compliance with current policy requiring open aspect design and vehicle sightlines.

During the reporting period commercial development was limited to internal alterations, signage and incidental works.

The Cottesloe Village Precinct Structure Plan, centred on Stirling Highway and Leake/Napoleon Streets, is the community hub for shopping, dining and leisure experiences. The activity centre has grown and adapted to lifestyle changes over the past 100 years. The activity centre is currently transitioning towards larger scale mixed use developments that will deliver housing diversity, increased density, and vibrancy.



From top: 14 The Esplanade is an example of contemporary design; and 52 The Esplanade is an example of innovative redevelopment that retains much of the front façade and original building fabric

The body of strategic planning work being undertaken by the Shire and the Town of Cottesloe will seek to facilitate revitalisation of the activity centre that is sensitive to the existing neighbourhood character whilst delivering broader community benefit.

Urban infill and multiple dwelling development in neighbouring Local Government areas has resulted in increased pressure on the local road network including rights-of-way.

Subdivision applications are determined by the Western Australian Planning Commission (WAPC). Although the Shire's referral authority recommendations are not necessarily supported, the Shire continues champion the need to respect existing residential density codes and works with proponents to minimise the impact of infill development and battle-axe subdivision. Elected Members are briefed on WAPC applications deemed contentious and Development Services referral responses.

### Planning Applications and Deemed-to-Comply Checks

Planning Applications for significant residential development typically seek to vary one or more design requirements of the local planning policy framework and/or the Residential Design Codes of Western Australia (R-Codes.) Planning Applications seeking significant concessions or for which valid objections were received were determined by Elected Members rather than under delegated authority.

Development Services actively promotes pre-lodgement meetings with proponents to discuss concept designs, identify site constraints, and the likely administrative process.

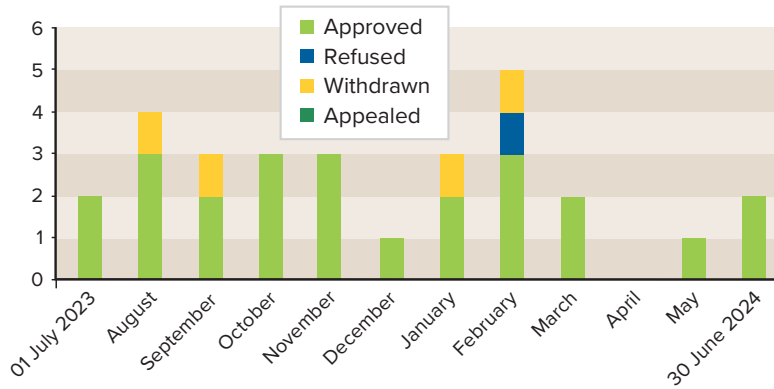
Early engagement and the option to present at a Concept Forum to Elected Members reduces the number of potential reviews at the State Administrative Tribunal (SAT). Negotiating required design modifications and implementing planning conditions that enable approval to be granted results in the earlier commencement of building works and downstream efficiencies.

During the reporting period the SAT upheld the Shire's application of plot ratio which was subsequently challenged at the Supreme Court. It is hoped that the accepted practice for deemed-to-comply with the R-Codes to be additionally subject to local planning scheme provisions will be affirmed. A further application was mediated at the SAT and approval then granted for an alternative design.

For the 2023–2024 reporting period the Shire determined thirty-two Planning Applications with the estimated construction costs exceeding \$23.8M. One (1) application was refused, and a further four (4) applications were withdrawn. \$59,826 in revenue was generated. The estimated value of construction costs significantly declined from the previous reporting period whilst the number of applications was similar. Anecdotally, the availability of trades contributed to several proposals being deferred. Seven (7) Planning Applications were amended.







Planning applications determined by month

Six (6) Deemed-to-Comply (D-T-C) checks were undertaken. D-T-C checks are typically lodged for more complex projects to inform design changes and/or confirm the variations being sought. D-T-C checks additionally enable identification of the most expedient approval pathway.

### Strategic Planning

State Government consent to commence preparation of a new Local Planning Strategy and an Omnibus Scheme Amendment, and progression of the Cottesloe Village Precinct Structure Plan were key strategic initiatives undertaken during the reporting period. The Special Projects strategic planning role will extend to early 2026 to complete the above body of work in addition to other strategic planning initiatives.

During the reporting period significant investigation was undertaken to identify the most effective planning mechanism to preserve the urban tree canopy on private land.

Improving the quality of Planning Application submissions remained a focus area. Significant work was undertaken to develop an Information Sheet – Residential Development that captures the nuances of the local planning policy framework. The ongoing review of local planning policies focused on the reporting of plot ratio and minimising the impact of development through improved site management practices. Local Planning Policy 5 – Plot Ratio was amended to better address bulk and scale and remove anomalies. Local Planning Policy 8 – Construction Environmental Management Plans was completely overhauled to now require a site risk analysis that informs minimum mitigation measures, contingencies and monitoring requirements.

In August 2019 the Shire joined with the Town of Cottesloe to initiate research to determine how best to reinvigorate the Cottesloe Activity Centre. To comply with the recently introduced State Planning Policy 7.2 – Precinct Design more detailed technical reporting and further community consultation was required. The finalisation of a Precinct Structure Plan will provide design guidance and inform the new Local Planning Strategy, and Omnibus Scheme Amendment. During the reporting period Hatch Roberts Day delivered a draft structure plan with input from a community reference group and State Government agencies.





Hames Sharley commenced a gaps analysis and the preparation of further technical reports in addition to reworking the draft structure plan. Broader community consultation will commence during 2024–2025.

Key design considerations include:

- The preservation of Napoleon Street’s heritage character should be seen as a priority.
- The identification of existing green canopy areas worthy of protection and prioritising the preservation of existing trees.
- Improving linkages between the river and the sea in addition to an improved pedestrian and cyclist-friendly movement framework.
- Identifying key iconic buildings and landmark areas as well as catalyst sites which have significant redevelopment opportunities to create entry statements which highlight destinations and focal points on Napoleon Street.
- Implementing a transitional approach to residential densities to ensure that the existing residential character on the edges of the precinct are not compromised.
- Preparing a Community Needs Analysis to identify specific community infrastructure and service needs.

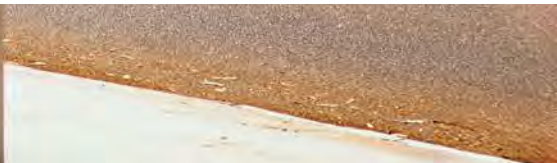
Through the development of a responsive local planning policy framework and engagement with the private sector and other levels of government and their agencies the Shire is optimistic that the Cottesloe Village Precinct Structure Plan will meet and exceed community expectations. The challenge will be for all levels of government and proponents to work together to facilitate sustainable development that will reinvigorate the centre and its setting for the next 100 years.

### State Government Planning Reform Program

The Western Australian Government has been implementing its planning reform agenda to modernise the planning system and assist with the efficient delivery of housing and other critical infrastructure. Delivery is being undertaken through legislative, regulatory and policy reforms, and the development of guidance documents. Key initiatives implemented during the reporting period include:

- changes to the Development Assessment Panel (DAP) system, including a proposal to create a Special Matters DAP to determine matters of State significance
- changes to Volume 2 of the R-Codes for Apartments.

The Shire accepts that the changes to the local planning policy framework, including the Shire’s new Local Planning Strategy, must support the reform agenda to be endorsed. Notwithstanding, the Shire is committed to work with the Western Australian Local Government Association (WALGA) and other stakeholders to ensure that due regard is given to the existing local planning policy framework and Local Government decision-making powers and the ability to consult with the local community are retained.



# Building Regulation and Asset Management

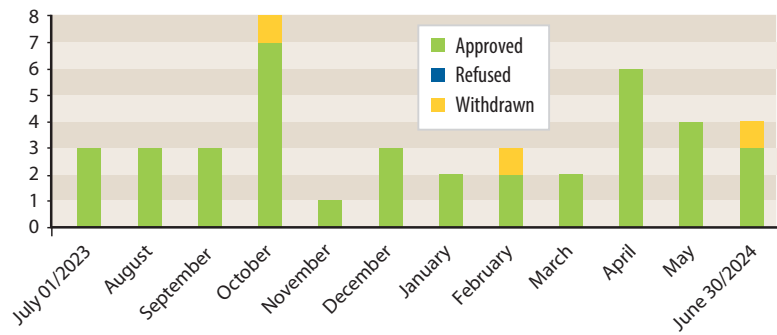
## Building Applications

The majority of building applications lodged with the Shire are certified by private building surveyors (BA1 applications). The *Building Act 2011* stipulates that building plans must align with those endorsed as part of their respective Planning Applications, and that any planning condition(s) linked to determination of a Building Permit be satisfied. Building Applications that met this requirement were generally determined well within statutory processing times. All Building Applications were determined within statutory timeframes, noting that requests for further information effectively 'stop the clock'.

The Shire strengthened Local Planning Policy 8, requiring Construction Environmental Management Plans to better reflect the scale of the works proposed and to be submitted earlier in the development approval process. This has improved consideration being given to management practices that address dust and sediment control, noise, hours of works and traffic management.

For the 2023–2024 reporting period the Shire issued 39 Building Permits and three (3) Demolition Permits, representing over \$29.3M in building construction and demolition costs. \$53,656 in revenue was generated excluding the Building Services Levy and Building and Construction Industry Training Fund (BCITF) levy component. This significant increase in building activity is a function of a larger number of Development Approvals issued in the preceding reporting period. Revenue collected from the BCITF levy goes back to the industry to support training and skills development.

The Shire and swimming pool owners have a legal obligation to ensure that new barriers are compliant, and that existing barriers remain compliant. Under the Service Agreement, 133 swimming pools were inspected by the City of Nedlands to ensure compliant pool barriers are in place as part of the four-year inspection cycle. Across the four-year cycle pool barrier inspections are programmed to be cost-neutral and Pool owners pay an additional levy as part of their annual rates notice.



Building applications determined by month

For the reporting period \$13,030 was levied. Of these inspections 76.7% of barriers were compliant, 18.8% were non-compliant, and access was not granted for 4.5% of properties.

## Plan Searches

For the 2023–2024 reporting period Development Services performed 24 plan searches that generated \$2,555 in application and processing fees. The digitisation of the Shire's 636 property files commenced in February 2023 and is programmed to conclude in late 2024. Digitisation will preserve the quality of historical records and expedite the delivery of plan search applications.

## Asset Management

The Shire manages The Grove which includes a public library, the Shire administration offices, a community centre, café, child infant health office, parking station and civic gardens. This facility is shared between the Shire of Peppermint Grove and Towns of Mosman Park and Cottesloe. Aside from the Shire administration offices, capital improvement and building maintenance costs are shared between the local governments on a per capita basis. The building and grounds have been progressively upgraded to maintain a high standard of amenity and safety for public use.

Notable capital works included replacement of the community centre courtyard decking, repainting the public car park, and installation of electric vehicle charging stations in the staff carpark. Service agreements for building maintenance activities are continually reviewed to ensure they are cost competitive and maintain the performance of building assets and systems.

# Environmental Health Services

## Food Premises Inspections

Town of Cottesloe in collaboration with Development Services staff administered duties under the *Food Act 2008* under a Service Agreement which concluded on 30 June 2024. The objectives of the *Food Act 2008* are to ensure food for sale is both safe and suitable for human consumption, to prevent misleading conduct in connection with the sale of food, and to apply the Food Standards Code.

Food premises must be registered and are routinely inspected with the frequency of inspections reflecting their risk classification. Contracted environmental health officers may issue Improvement Notices where standards pertaining to the handling and storage of food, equipment, or transportation is not demonstrated.

For the 2023–2024 reporting period 28 food premises licences were issued totalling \$8,290. Food registrations are invoiced to premises deemed to be low, medium or high risk. The frequency of inspections by an environmental health officer are governed by the risk category of the premise. High risk premises are inspected quarterly, medium risk premises bi-annually, and low risk premises annually. Very low risk premises are not charged inspections fees but are inspected every five (5) years to confirm their trading status has not changed. At the end of the reporting period there were 24 food premises, five (5) of which are deemed high risk.

## Public Buildings

Public buildings are required to be routinely inspected to ensure compliance with the *Health (Public Buildings) Regulations 1992*. At the completion of construction or change of building classification, a building will be inspected by an Environmental Health Officer and a Building Inspector prior to a certificate of approval, or a certificate of occupancy being issued. Premises are subject to routine health inspection to

ensure ongoing compliance with the regulations and to ascertain that no hazards are introduced by inappropriate operating procedures. Five (5) public buildings are currently inspected including one also deemed a high-risk food premise.

## Noise Management

Noise limits are regulated under the *Environmental Protection (Noise) Regulations 1997* and inform permissible construction hours stipulated by Planning Permits, Demolition Permits and Building Permits. Proponents must notify noise sensitive premises, such as schools and residences, by way of a letter drop advising the nature and timing of works for which noise levels may be exceeded or nuisance otherwise be caused.

It is not always practical for some construction and maintenance activities to be conducted within usual hours due to the need to shut down power or requirement to close roads and footpaths. Nightworks Permit must be obtained for out of hours works, or for those that exceed permitted noise levels.

## Public Health and Wellbeing Plan

Local Government is the closest level of government to the community and provides a significant contribution to public health and mental wellbeing. The *Public Health Act 2016* mandates development of a local Public Health Plan that must align with the State Public Health Plan. A Public Health Plan is a strategic document that outlines actions to improve community health and wellbeing.

The Shire has collaborated with the Town of Mosman Park who share the same Census data collection and the North Metropolitan Health Service. The community will be consulted in 2025 to finalise our Public Health and Wellbeing Plan which is required to be published by 4 June 2025.

“..perpetual character and inviting, accessible and connected amenities...”

# Ranger Services

## Parking Control

The Town of Cottesloe provides parking inspection and animal control functions under a Service Agreement. Whilst compliance is always encouraged, enforcement is necessary where non-compliance is observed, or otherwise brought to the Shire's attention.

For the 2023–2024 reporting period 53 parking infringements were issued totalling \$5,150.

Residential Parking Permits are available upon application for vehicles registered to owners with a residential address fronting a street subject to parking restrictions. Parking permits are not available for non-residents, visitors or contractors.

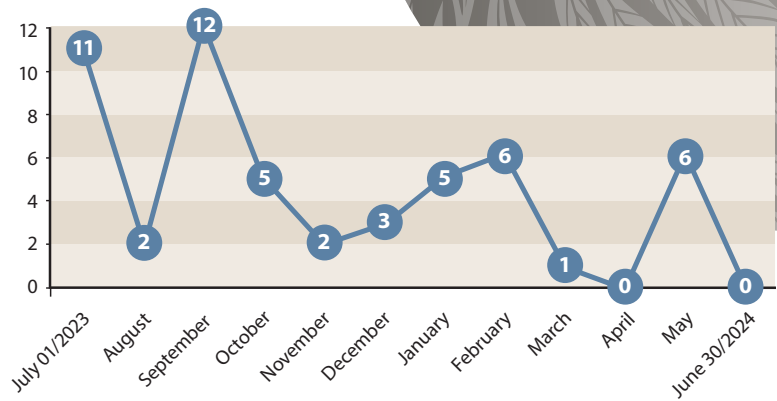
## Animal Control

All cats and dogs must be registered. Including pending registrations, there were 54 cats, and 264 dogs in the Shire as of 14 October 2024. This represented a slight increase in the number of registered dogs. The registration year commences on the 1st of November each year and expires on 31st October the following year. A single dog infringement was issued for the reporting period.

The *Cat Act 2011* seeks to ensure responsible pet ownership; reducing the number of unwanted cats in the community and that which are euthanised each year. All cats must be sterilised/desexed before they reach six (6) months of age. For maximum health and social benefits, all kittens should be sterilised around three months of age before they reach sexual maturity.

The *Dog Act 1976* seeks the control and registration of dogs, the ownership and keeping of dogs, and the obligations and rights of dog owners and others. All dogs must be registered before they reach three (3) months of age.

For the 2023–2024 reporting period cat registrations totalled \$545 and dog registrations totalled \$3,204.



Parking infringements by month

## Conclusion

Development Services is committed to working with proponents, the community, Elected Members and stakeholders to champion compliant, sustainable, and beneficial development outcomes.

Policy is continuously reviewed and for the reporting period has focused on preserving and championing the garden suburb amenity of the Shire. The preparation of a new Local Planning Strategy that will inform an Omnibus Scheme Amendment has commenced in tandem with finalisation of the Cottesloe Village Precinct Structure Plan. Development Services is confident that an in-house delivery model will result in improved outcomes for key strategic projects.

Residents are welcomed to discuss development and regulatory policy matters with staff, and we encourage proponents to discuss development proposals prior to preparing plans or lodging applications. Staff are committed to continuous improvement and welcome feedback to ensure our service delivery meets or exceeds expectations.



# Infrastructure Management

The ongoing maintenance and renewal of the Shire’s assets was a priority for the Infrastructure Team in 2023–2024.

Some key achievements include:

## Manners Hill Park mural project

The Shire’s public facilities block and Depot building in Manners Hill Park was brightened up significantly with a colourful, nature-themed mural (as above).

## Depot solar and battery installation project

Solar panels, an inverter and a storage battery (pictured on left) were installed at the Shire Depot. This will reduce the Shire’s carbon footprint and electricity costs too.

## Leake Street median island LED lighting upgrade

The old incandescent streetlights in the Leake St median island near the Stirling Hwy intersection were replaced with new modern LED units. These energy efficient light fittings are bright, durable and will provide many years of maintenance free service at this busy intersection.



## Sweeper

As part of the Shire's Asset Management Plan, a new sweeper attachment was purchased for the front-end loader. This versatile tool has proven to be a real asset to the team and delivers an excellent finish.

## Crossland Court paving

As part of the Shire's Capital Work Program, the Shire renewed sections of road paving in Crossland Court.

## Street trees

The Shire's tree maintenance and replacement program continued, resulting in many new peppermint and tuart trees being planted on verges and in parks throughout the area.

This ongoing process will ensure that Peppermint Grove's beautiful streetscapes will continue to be enjoyed for many years to come.

From top: The new sweeper attachment; road paving on Crossland Court; maintaining the street trees; and upgrading the lighting on Leake Street





## Shire Administration Building and Grove Library

Work continued on landscaping the grounds of the Shire's Administration Building and Grove Library.

## Turf replacement

Manners Hill Park and Keanes Point had sections of damaged and compacted turf replaced with new roll-on Kikuyu.

## Drainage improvements and maintenance

Work continued on cleaning and maintaining the Shire's stormwater drainage system. New grates and pits are being installed on an ongoing basis with a focus on laneways.

## Footpath maintenance

The footpath maintenance and replacement program continued with damaged sections replaced.

## Right of way maintenance

All the unpaved Rights of Way are being systematically tidied and re-sheeted with recycled road profilings.

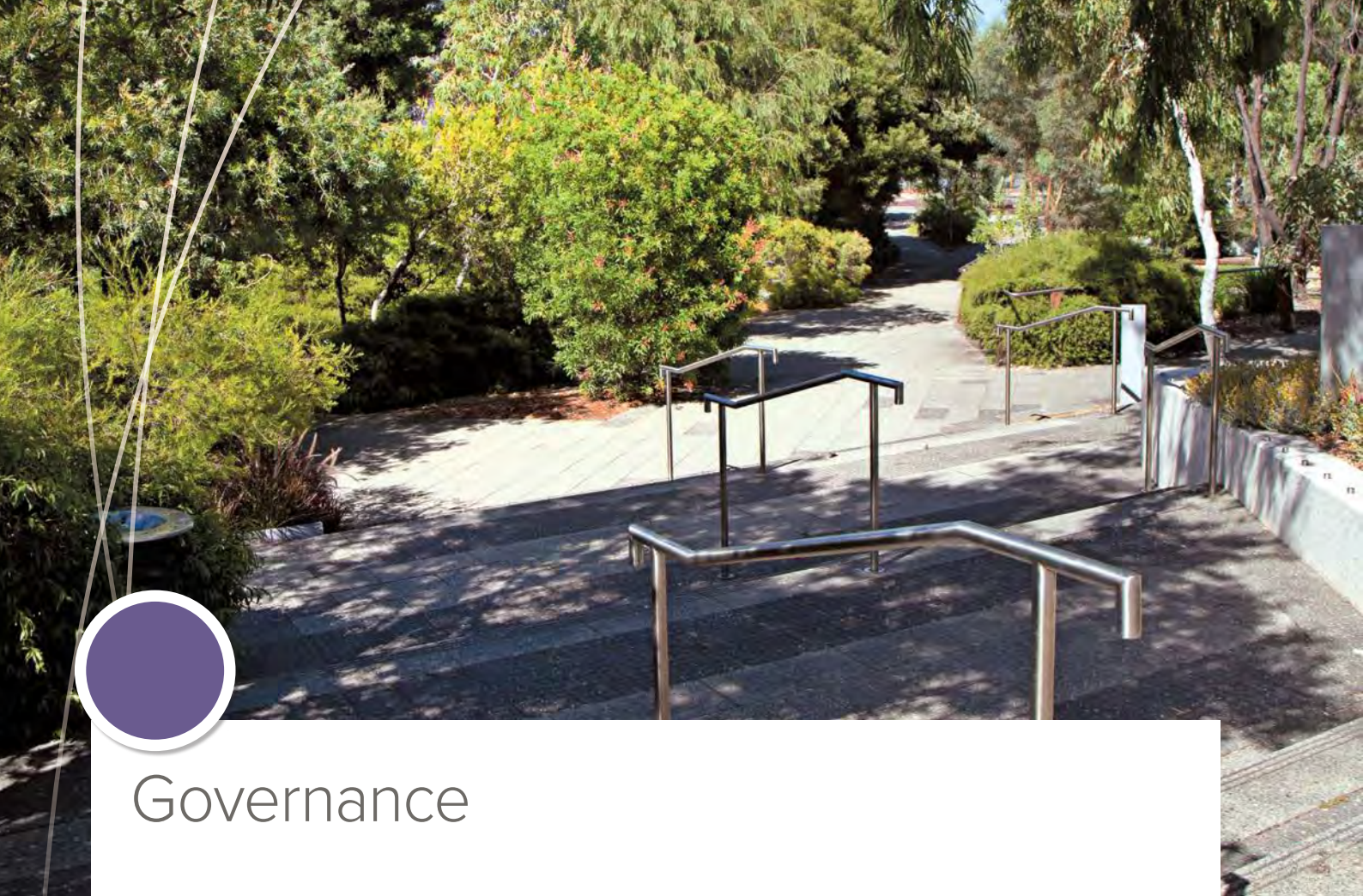
From top: The surrounds of the Shire Administration buildings at night; parkland after turf replacement has been carried out; drainage improvements in progress; and a completed section of footpath after maintenance







“ ensure that  
Peppermint Grove’s  
beautiful streetscapes will  
continue to be enjoyed  
for many years to come.”



# Governance



## Recordkeeping Plan

The Shire is committed to the reliable and systematic management of government records in accordance with legislative requirements outlined in the *State Records Act 2000* and best practice standards identified in ISO 15489.

The Shire's Recordkeeping Plan was updated in 2023, with a review due in the 2024-2025 financial year.

The objectives of the Recordkeeping plan are to ensure:

- compliance with Section 28 of the *State Records Act 2000*;
- recordkeeping within the Shire is moving towards compliance with State Records Commission Standards and Records Management Standard ISO 15489;
- processes are in place to facilitate the complete and accurate record of business transactions and decisions;
- recorded information can be retrieved quickly, accurately and cheaply when required; and
- the protection and preservation of the Shire's records.

In accordance with Section 17 of the *Local Government Act 1995*, the Shire and all of its employees are legally required to comply with the contents of this plan. Induction and training programs are in place to ensure recordkeeping obligations are met by employees, elected members, contractors and outsourced services.

### National Competition Policy

In the 2023–2024 financial year, the Shire fulfilled its obligations under the National Competition Policy. Established by the Council of Australian Governments (COAG) in 1995, the National Competition Policy (NCP) includes various agreements impacting local governments, particularly if they engage in substantial business activities that compete with or could compete with private sector enterprises. Additionally, local laws that influence competition also fall under this policy.

### Competitive Neutrality

Competitive neutrality principles are applicable to any significant business activities conducted by, or under the control of, a local government that generates \$200,000 or more in income during a financial year. In the 2023–2024 financial year, the Shire did not engage in any business activities that reached this threshold.

### Structural Reform of Public Monopolies

The Shire of Peppermint Grove is neither classified as a natural monopoly nor does it engage in any business activities that could be considered public monopolies.

### Compliance Annual Return

The Shire must submit an annual return to the Department of Local Government by March each year. This return assesses compliance with various sections of the *Local Government Act* and its associated *Regulations*. For 2023 there were no negative responses.

### Equal Employment Opportunity (EEO) Management Plan

The Shire has created a Management Plan in compliance with Part IX of the *Equal Opportunity Act 1984* and in alignment with the EEO and Diversity Outcome Standards Framework set by the Director of Equal Opportunity in Public Employment.

An inclusive and accepting workplace benefits all employees, as a diverse workforce attracts and retains top talent, leading to better business decisions and service delivery.



## Employee Remuneration 2023–2024

In accordance with s19(b) of the *Local Government (Administration) Regulation 1996*, the number of Shire employees entitled to an annual salary of \$130,000 or more during the 2023–2024 year were:

Salary Range	Number of Employees 2023–2024
\$130,000 to \$139,999	
\$140,000 to \$149,999	2
\$150,000 to \$159,999	1
\$160,000 to \$169,999	
\$170,000 to \$179,999	1

The total remuneration for the CEO in 2023–2024 is \$200,468. This includes salary, allowances, fees, enrolments and benefits.

## Freedom of Information

In compliance with sections 96 and 97 of the *Freedom of Information Act 1992*, the Shire is obliged to issue an annual Information Statement outlining the procedure for requesting information under the Act. During the 2023–2024 period, there were two applications under the *Freedom of Information Act*.



## Disability Access and Inclusion Plan

The Shire is committed to ensuring that services, events, information, buildings and facilities within its control are accessible for people of all abilities in the community.

The Disability Access and Inclusion Plan (DAIP) 2023/2028 can be found on the Shire of Peppermint Grove’s website.

## Complaints Register

Breaches of the rules of conduct or a local law of the Shire by a Council member must be recorded in a register noting the outcome of the investigation of the complaint and the action subsequently taken.

The Shire reports that no complaints were received during 2023–2024 as defined under Section 5.105 of the *Local Government Act of 1995*.

## Public Interest Disclosures

The Shire of Peppermint Grove is dedicated to upholding the principles of the *Public Interest Disclosure Act 2003* (PID Act). This Act acknowledges the role of reporting and identifying and addressing misconduct.

The Shire encourages employees to report any instances of corruption or other unethical behaviour. Similarly, the Shire welcomes disclosures from contractors and community members regarding corrupt or improper activities.

The *Public Interest Disclosure Act* is designed to promote transparency and accountability in government operations.

“..transparent and accountable Council and Community Leadership..”



# Financial Report

## for the year ended 30 June 2024

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

**A Shire valued for its heritage, sense of community and natural ambience.**

Principal place of business

**1 Leake Street, Peppermint Grove, Western Australia 6011**

# Independent Auditor's Report 2024



## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2024 Shire of Peppermint Grove

To the Council of the Shire of Peppermint Grove

#### Opinion

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

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

In my opinion, the financial report:

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

#### Basis for opinion

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

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

#### Other information

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

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

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

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a

Page 1 of 3

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](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 Peppermint Grove 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.



Patrick Arulsingham  
Senior Director Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
29 November 2024



# Certification of Financial Report

**SHIRE OF PEPPERMINT GROVE  
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 Peppermint Grove 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 twenty seventh day of November 2024



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CEO

Don Burnett

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Name of CEO

# Statement of Comprehensive Income

for the year ended 30 June 2024

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>Revenue</b>				
Rates	2(a),24	3,644,386	3,670,054	3,557,714
Grants, subsidies and contributions	2(a)	150,829	1,399,442	57,283
Fees and charges	2(a)	280,365	319,195	285,134
Interest revenue	2(a)	204,486	193,836	125,843
Other revenue	2(a)	11,717	7,600	16,188
		4,291,783	5,590,127	4,042,162
<b>Expenses</b>				
Employee costs	2(b)	(1,636,158)	(2,488,668)	(1,577,085)
Materials and contracts		(1,873,922)	(2,468,368)	(1,546,505)
Utility charges		(78,356)	(123,593)	(74,084)
Depreciation		(515,968)	(1,012,312)	(601,866)
Finance costs		(50,514)	(50,643)	(51,298)
Insurance		(65,596)	(118,902)	(63,764)
Other expenditure	2(b)	(44,147)	(30,000)	(43,263)
		(4,264,661)	(6,292,486)	(3,957,865)
		27,122	(702,359)	84,297
Capital grants, subsidies and contributions	2(a)	10,190	60,162	880,000
Profit on asset disposals		13,715	6,112	40,854
Loss on asset disposals		(114,412)	0	0
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	403	0	938
Share of net profit of associates accounted for using the equity method	21(c)	9,236	0	11,639
		(80,868)	66,274	933,431
<b>Net result for the period</b>		<b>(53,746)</b>	<b>(636,085)</b>	<b>1,017,728</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	14	(125,170)	0	2,733,657
Share of other comprehensive income of associates accounted for using the equity method	14, 21(b)	722	0	0
<b>Total other comprehensive income for the period</b>	14	<b>(124,448)</b>	<b>0</b>	<b>2,733,657</b>
<b>Total comprehensive income for the period</b>		<b>(178,194)</b>	<b>(636,085)</b>	<b>3,751,385</b>

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

# Statement of Financial Position

as at 30 June 2024

	NOTE	2024	2023
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	3,051,898	2,550,422
Trade and other receivables	5	338,420	658,685
<b>TOTAL CURRENT ASSETS</b>		<b>3,390,318</b>	<b>3,209,107</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	98,195	98,625
Other financial assets	4(b)	20,793	20,389
Investment in associate	21(a)	130,973	121,015
Property, plant and equipment	6	16,060,682	16,433,836
Infrastructure	7	16,885,553	17,091,017
Right-of-use assets	9(a)	0	15,047
<b>TOTAL NON-CURRENT ASSETS</b>		<b>33,196,196</b>	<b>33,779,929</b>
<b>TOTAL ASSETS</b>		<b>36,586,514</b>	<b>36,989,036</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	503,241	680,985
Other liabilities	11	29,786	0
Lease liabilities	9(b)	3,343	11,785
Borrowings	12	41,615	38,885
Employee related provisions	13	176,247	175,345
<b>TOTAL CURRENT LIABILITIES</b>		<b>754,232</b>	<b>907,000</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	9(b)	6,007	6,007
Borrowings	12	574,192	615,808
Employee related provisions	13	11,372	41,314
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>591,571</b>	<b>663,129</b>
<b>TOTAL LIABILITIES</b>		<b>1,345,803</b>	<b>1,570,129</b>
<b>NET ASSETS</b>		<b>35,240,711</b>	<b>35,418,905</b>
<b>EQUITY</b>			
Retained surplus		9,673,726	9,864,517
Reserve accounts	27	2,125,604	1,988,559
Revaluation surplus	14	23,441,381	23,565,829
<b>TOTAL EQUITY</b>		<b>35,240,711</b>	<b>35,418,905</b>

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

# Statement of Changes in Equity

for the year ended 30 June 2024

	NOTE	RETAINED SURPLUS	RESERVE ACCOUNTS	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
<b>Balance as at 1 July 2022</b>		<b>9,164,145</b>	<b>1,671,203</b>	<b>20,832,172</b>	<b>31,667,520</b>
Comprehensive income for the period					
Net result for the period		1,017,728	0	0	1,017,728
Other comprehensive income for the period	14	0	0	2,733,657	2,733,657
Total comprehensive income for the period		1,017,728	0	2,733,657	3,751,385
Transfers from reserve accounts	27	15,165	(15,165)	0	0
Transfers to reserve accounts	27	(332,521)	332,521	0	0
<b>Balance as at 30 June 2023</b>		<b>9,864,517</b>	<b>1,988,559</b>	<b>23,565,829</b>	<b>35,418,905</b>
Comprehensive income for the period					
Net result for the period		(53,746)	0	0	(53,746)
Other comprehensive income for the period	14	0	0	(124,448)	(124,448)
Total comprehensive income for the period		(53,746)	0	(124,448)	(178,194)
Transfers from reserve accounts	27	34,872	(34,872)	0	0
Transfers to reserve accounts	27	(171,917)	171,917	0	0
<b>Balance as at 30 June 2024</b>		<b>9,673,726</b>	<b>2,125,604</b>	<b>23,441,381</b>	<b>35,240,711</b>

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

# Statement of Cash Flows

for the year ended 30 June 2024

	NOTE	2024 Actual \$	2023 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Rates		3,635,905	3,562,230
Grants, subsidies and contributions		509,792	(522,501)
Fees and charges		280,365	285,134
Interest revenue		204,486	125,843
Other revenue		11,717	16,188
		<u>4,642,265</u>	<u>3,466,894</u>
<b>Payments</b>			
Employee costs		(1,665,198)	(1,567,538)
Materials and contracts		(2,051,666)	(1,254,647)
Utility charges		(78,356)	(74,084)
Finance costs		(50,514)	(51,298)
Insurance paid		(65,595)	(63,764)
Other expenditure		(44,146)	(43,263)
		<u>(3,955,475)</u>	<u>(3,054,594)</u>
<b>Net cash provided by operating activities</b>		<u>686,790</u>	<u>412,300</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchase of property, plant & equipment	6(a)	(101,777)	(1,014,474)
Payments for construction of infrastructure	7(a)	(83,050)	(142,122)
Capital grants, subsidies and contributions		10,190	880,000
Proceeds from sale of property, plant & equipment		36,651	103,425
<b>Net cash (used in) investing activities</b>		<u>(137,986)</u>	<u>(173,171)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings	26(a)	(38,886)	(36,822)
Payments for principal portion of lease liabilities	26(b)	(8,442)	(13,682)
<b>Net cash (used in) financing activities</b>		<u>(47,328)</u>	<u>(50,504)</u>
<b>Net increase in cash held</b>		<u>501,476</u>	<u>188,625</u>
Cash at beginning of year		2,550,422	2,361,797
<b>Cash and cash equivalents at the end of the year</b>		<u><u>3,051,898</u></u>	<u><u>2,550,422</u></u>

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

# Statement of Financial Activity

for the year ended 30 June 2024

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
General rates	24	3,644,386	3,670,054	3,557,714
Grants, subsidies and contributions		150,829	1,399,442	57,283
Fees and charges		280,365	319,195	285,134
Interest revenue		204,486	193,836	125,843
Other revenue		11,717	7,600	16,188
Profit on asset disposals		13,715	6,112	40,854
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	403	0	938
Share of net profit of associates accounted for using the equity method	21(c)	9,236	0	11,640
		<u>4,315,137</u>	<u>5,596,239</u>	<u>4,095,594</u>
<b>Expenditure from operating activities</b>				
Employee costs		(1,636,158)	(2,488,668)	(1,577,085)
Materials and contracts		(1,873,922)	(2,468,368)	(1,546,505)
Utility charges		(78,356)	(123,593)	(74,084)
Depreciation		(515,968)	(1,012,312)	(601,866)
Finance costs		(50,514)	(50,643)	(51,298)
Insurance		(65,595)	(118,902)	(63,764)
Other expenditure		(44,146)	(30,000)	(43,263)
Loss on asset disposals		(114,412)	0	0
		<u>(4,379,071)</u>	<u>(6,292,486)</u>	<u>(3,957,865)</u>
Non cash amounts excluded from operating activities	25(a)	577,084	1,006,200	586,631
<b>Amount attributable to operating activities</b>		<u>513,150</u>	<u>309,953</u>	<u>724,360</u>
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions		10,190	60,162	880,000
Proceeds from disposal of assets		36,651	33,000	103,425
		<u>46,841</u>	<u>93,162</u>	<u>983,425</u>
<b>Outflows from investing activities</b>				
Purchase of property, plant and equipment	6(a)	(101,777)	(268,700)	(1,014,474)
Purchase and construction of infrastructure	7(a)	(83,050)	(647,000)	(142,122)
		<u>(184,827)</u>	<u>(915,700)</u>	<u>(1,156,596)</u>
<b>Amount attributable to investing activities</b>		<u>(137,986)</u>	<u>(822,538)</u>	<u>(173,171)</u>
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Transfers from reserve accounts	27	34,872	513,284	15,165
		<u>34,872</u>	<u>513,284</u>	<u>15,165</u>
<b>Outflows from financing activities</b>				
Repayment of borrowings	26(a)	(38,886)	(38,886)	(36,822)
Payments for principal portion of lease liabilities	26(b)	(8,442)	0	(13,682)
Transfers to reserve accounts	27	(171,917)	(471,922)	(332,521)
		<u>(219,245)</u>	<u>(510,808)</u>	<u>(383,025)</u>
<b>Amount attributable to financing activities</b>		<u>(184,373)</u>	<u>2,476</u>	<u>(367,860)</u>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>	25(b)	526,882	526,883	343,554
Amount attributable to operating activities		513,150	309,953	724,360
Amount attributable to investing activities		(137,986)	(822,538)	(173,171)
Amount attributable to financing activities		(184,373)	2,476	(367,860)
<b>Surplus or deficit after imposition of general rates</b>	25(b)	<u>717,673</u>	<u>16,774</u>	<u>526,883</u>

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

# 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 Peppermint Grove which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

### Local Government Act 1995 requirements

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

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 6
  - Infrastructure - note 7
- Measurement of employee benefits - note 13

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. There are currently no funds held in Trust.

### Initial application of accounting standards

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

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

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

### New accounting standards for application in future years

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

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

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

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

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

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

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

# 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
Rates	General rates	Over time	Payment date adopted by Council during the year	None	When rates notice is issued
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
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	3,644,386	0	3,644,386
Grants, subsidies and contributions	150,829	0	0	0	150,829
Fees and charges	125,132	0	155,233	0	280,365
Interest revenue	0	0	0	204,486	204,486
Other revenue	0	0	0	11,717	11,717
Capital grants, subsidies and contributions	0	10,190	0	0	10,190
<b>Total</b>	<b>275,961</b>	<b>10,190</b>	<b>3,799,619</b>	<b>216,203</b>	<b>4,301,973</b>

#### For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	3,557,714	0	3,557,714
Grants, subsidies and contributions	57,283	0	0	0	57,283
Fees and charges	128,310	0	156,824	0	285,134
Interest revenue	0	0	0	125,843	125,843
Other revenue	0	0	0	16,188	16,188
Capital grants, subsidies and contributions	0	880,000	0	0	880,000
<b>Total</b>	<b>185,593</b>	<b>880,000</b>	<b>3,714,538</b>	<b>142,031</b>	<b>4,922,162</b>



# 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 \$
<b>Interest revenue</b>		
Interest on reserve account	90,090	52,753
Trade and other receivables overdue interest	26,091	18,608
Other interest revenue	88,305	54,482
	204,486	125,843
The 2024 original budget estimate in relation to: Trade and other receivables overdue interest was \$0		
<b>Fees and charges relating to rates receivable</b>		
Charges on instalment plan	6,705	6,705
The 2024 original budget estimate in relation to: Charges on instalment plan was \$18,000		
<b>(b) Expenses</b>		
<b>Auditors remuneration</b>		
- Audit of the Annual Financial Report	38,500	24,600
- Other services – grant acquittals	4,000	0
	42,500	24,600
<b>Employee Costs</b>		
Employee benefit costs	1,636,158	1,577,085
	1,636,158	1,577,085
<b>Other expenditure</b>		
Sundry expenses	44,147	43,263
	44,147	43,263

# 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	3,051,898	2,550,422
<b>Total cash and cash equivalents</b>	<b>3,051,898</b>	<b>2,550,422</b>
Held as		
- Unrestricted cash and cash equivalents	896,508	561,863
- Restricted cash and cash equivalents	15 2,155,390	1,988,559
	<b>3,051,898</b>	<b>2,550,422</b>

#### MATERIAL ACCOUNTING POLICIES

##### Cash and cash equivalents

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

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

##### Restricted financial assets

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

### 4. OTHER FINANCIAL ASSETS

#### b) Non-current assets

Note	2024	2023
	\$	\$
Financial assets at fair value through profit or loss	20,793	20,389
	<b>20,793</b>	<b>20,389</b>
<b>Financial assets at fair value through profit or loss</b>		
Units in Local Government House Trust - opening balance	20,390	19,451
Movement attributable to fair value increment	403	938
Units in Local Government House Trust - closing balance	<b>20,793</b>	<b>20,389</b>

#### SIGNIFICANT ACCOUNTING POLICIES

##### 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.

# Notes to and forming part of the Financial Report

## for the year ended 30 June 2024

### 5. TRADE AND OTHER RECEIVABLES

	Note	2024	2023
		\$	\$
<b>Current</b>			
Rates and statutory receivables		27,625	19,144
Trade receivables		258,341	546,002
Other receivables		46,659	93,539
Lease receivable	9(c)	5,795	0
		338,420	658,685
<b>Non-current</b>			
Lease receivable (\$5,795 per year for 13 years)	9(c)	75,324	86,914
Long service leave - due by other Local Governments		22,871	11,711
		98,195	98,625

#### 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.

# Notes to and forming part of the Financial Report

## for the year ended 30 June 2024

### 6. PROPERTY, PLANT AND EQUIPMENT

#### (a) Movements in Balances

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

	Total Property			Plant and equipment		Total property, plant and equipment
	Land	Buildings - specialised	Total Property	Furniture and equipment	Plant and equipment	
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2022</b>	9,485,000	5,872,822	15,357,822	30,200	306,110	15,694,132
Additions	0	908,118	908,118	2,894	103,462	1,014,474
Disposals	0	0	0	0	(62,571)	(62,571)
Depreciation	0	(146,217)	(146,217)	(4,540)	(61,442)	(212,199)
<b>Balance at 30 June 2023</b>	9,485,000	6,634,723	16,119,723	28,554	285,559	16,433,836
<b>Comprises:</b>						
Gross balance amount at 30 June 2023	9,485,000	7,395,946	16,880,946	54,944	430,667	17,366,557
Accumulated depreciation at 30 June 2023	0	(761,223)	(761,223)	(26,390)	(145,108)	(932,721)
<b>Balance at 30 June 2023</b>	9,485,000	6,634,723	16,119,723	28,554	285,559	16,433,836
Additions	0	40,879	40,879	6,905	53,993	101,777
Disposals	0	(114,412)	(114,412)	0	(22,938)	(137,350)
Revaluation increments/(decrements) transferred to revaluation surplus	0	(125,172)	(125,172)	0	0	(125,172)
Depreciation	0	(146,517)	(146,517)	(4,833)	(61,057)	(212,407)
<b>Balance at 30 June 2024</b>	9,485,000	6,289,501	15,774,501	30,626	255,557	16,060,684
<b>Comprises:</b>						
Gross balance amount at 30 June 2024	9,485,000	7,171,623	16,656,623	61,849	448,661	17,167,133
Accumulated depreciation at 30 June 2024	0	(882,122)	(882,122)	(31,224)	(193,105)	(1,106,451)
<b>Balance at 30 June 2024</b>	9,485,000	6,289,501	15,774,501	30,625	255,556	16,060,682

# Notes to and forming part of the Financial Report

## for the year ended 30 June 2024

### 6. 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
<b>(i) Fair Value - as determined at the last valuation date</b>					
<b>Land and buildings</b>					
Land	Level 3	Current replacement cost	Independent expert valuer	June 2022	Current replacement cost/condition assessment (Level 2)/residual values and estimated remaining life (Level 3)
Buildings - specialised	Level 3	Current replacement cost	Independent expert valuer	June 2022	Current replacement cost/condition assessment (Level 2)/residual values and estimated remaining life (Level 3)
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.					
<b>(ii) Cost</b>					
<b>Furniture and equipment</b>		N/A	Cost	N/A	N/A
<b>Plant and equipment</b>		N/A	Cost	N/A	N/A

### 7. INFRASTRUCTURE

#### (a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - parks and ovals	Infrastructure - other	Total Infrastructure
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2022</b>	10,269,837	2,025,125	664,782	1,314,086	317,362	14,591,192
Additions	4,929	15,420	33,742	34,960	53,071	142,122
Revaluation increments/(decrements) transferred to revaluation surplus	2,132,473	225,514	363,636	(56,680)	68,590	2,733,533
Depreciation	(213,939)	(42,122)	(9,780)	(101,595)	(8,394)	(375,830)
<b>Balance at 30 June 2023</b>	12,193,300	2,223,937	1,052,380	1,190,771	430,629	17,091,017
<b>Comprises:</b>						
Gross balance at 30 June 2023	12,193,300	2,223,937	1,052,380	1,190,771	430,629	17,091,017
<b>Balance at 30 June 2023</b>	12,193,300	2,223,937	1,052,380	1,190,771	430,629	17,091,017
Additions	0	7,900	5,667	7,180	62,303	83,050
Depreciation	(168,262)	(44,614)	(13,153)	(50,223)	(12,263)	(288,515)
<b>Balance at 30 June 2024</b>	12,025,038	2,187,223	1,044,894	1,147,728	480,669	16,885,552
<b>Comprises:</b>						
Gross balance at 30 June 2024	12,193,300	2,216,417	1,058,047	1,162,991	543,313	17,174,068
Accumulated depreciation at 30 June 2024	(168,262)	(44,614)	(13,153)	(50,223)	(12,263)	(288,515)
<b>Balance at 30 June 2024</b>	12,025,038	2,171,803	1,044,894	1,112,768	531,050	16,885,553

# Notes to and forming part of the Financial Report

## for the year ended 30 June 2024

### 7. INFRASTRUCTURE (Continued)

#### (b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>(i) Fair Value - as determined at the last valuation date</b>					
Infrastructure - roads	Level 3	Current replacement cost	Independent expert valuer	June 2023	Current replacement cost value of similar assets adjusted for conditions and comparability
Infrastructure - footpaths	Level 3	Current replacement cost	Independent expert valuer	June 2023	Current replacement cost value of similar assets adjusted for conditions and comparability
Infrastructure - drainage	Level 3	Current replacement cost	Independent expert valuer	June 2023	Current replacement cost value of similar assets adjusted for conditions and comparability
Infrastructure - parks and ovals	Level 3	Current replacement cost	Independent expert valuer	June 2023	Current replacement cost value of similar assets adjusted for conditions and comparability
Infrastructure - other	Level 3	Current replacement cost	Independent expert valuer	June 2023	Current replacement cost value of similar assets adjusted for conditions and comparability

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.

### 8. FIXED ASSETS

#### (a) Depreciation

##### Depreciation rates

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

Asset Class	Useful life
Buildings - specialised	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	4 to 10 years
Infrastructure - roads	40 to 75 years
Infrastructure - footpaths	50 years
Infrastructure - drainage	70 to 80 years
Infrastructure - parks and ovals	3 to 50 years
Infrastructure - other	5 to 50 years
Right-of-use (plant and equipment)	Based on the remaining lease term

During the year the estimated total useful lives of Roads and Parks & Ovals assets were revised. The net effect of the change is a net decrease in depreciation of \$97,049.

# Notes to and forming part of the Financial Report for the year ended 30 June 2024

## 8. 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.

# Notes to and forming part of the Financial Report for the year ended 30 June 2024

## 9. 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		28,761	28,761
Depreciation		(13,714)	(13,714)
<b>Balance at 30 June 2023</b>		<b>15,047</b>	<b>15,047</b>
Gross balance amount at 30 June 2023		60,916	60,916
Accumulated depreciation at 30 June 2023		(45,869)	(45,869)
<b>Balance at 30 June 2023</b>		<b>15,047</b>	<b>15,047</b>
Depreciation		(15,047)	(15,047)
<b>Balance at 30 June 2024</b>		<b>0</b>	<b>0</b>

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

	2024 Actual \$	2023 Actual \$
Depreciation on right-of-use assets	(15,047)	(13,714)
Finance charge on lease liabilities	26(b) (1,490)	
<b>Total amount recognised in the statement of comprehensive income</b>	<b>(16,537)</b>	<b>(13,714)</b>
Total cash outflow from leases	(9,932)	(13,682)

### (b) Lease Liabilities

Current	3,343	11,785
Non-current	6,007	6,007
26(b)	<b>9,350</b>	<b>17,792</b>

Photocopier and folding machines leased over a five year term expiring in October 2024.

#### Secured liabilities and assets pledged as security

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

#### MATERIAL ACCOUNTING POLICIES

##### Leases

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified 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(b).

#### Right-of-use assets - measurement

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

Refer to Note 8 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.

### (c) Lessor - Property, Plant and Equipment Subject to Lease

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

	2024 Actual \$	2023 Actual \$
Less than 1 year	5,795	5,795
1 to 2 years	5,795	5,795
2 to 3 years	5,795	5,795
3 to 4 years	5,795	5,795
4 to 5 years	5,795	5,795
> 5 years	52,144	57,939
	<b>81,119</b>	<b>86,914</b>

#### Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease

Rental income	31,753	29,837
---------------	--------	--------

The Shire leases land under a vesting order approved by the Minister of Lands for the purposes of operating a café for a period of 21 years commencing on 26 October 2017. There was an initial rent free term with a value of \$98,504 determined for this period. This amount was raised as a debtor and is being amortised over the remaining term of the lease at \$5,795 per year.

#### MATERIAL ACCOUNTING POLICIES

##### The Shire as Lessor

Upon entering into each contract as a lessor, the Shire assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Shire applies AASB 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.



# Notes to and forming part of the Financial Report

for the year ended 30 June 2024

## 10. TRADE AND OTHER PAYABLES

	2024	2023
	\$	\$
<b>Current</b>		
Sundry creditors	325,909	480,586
Bonds and deposits held	150,600	147,090
Other payable - Building levies	26,732	53,309
	503,241	680,985

### 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.

# Notes to and forming part of the Financial Report

## for the year ended 30 June 2024

### 11. OTHER LIABILITIES

#### Current

Contract liabilities

	2024	2023
	\$	\$
	29,786	0
	<u>29,786</u>	<u>0</u>
<b>Reconciliation of changes in contract liabilities</b>		
Additions	29,786	0
	<u>29,786</u>	<u>0</u>

The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$29,786 (2023: \$0)

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.

#### 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.

### 12. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
		\$	\$	\$	\$	\$	\$
<b>Secured</b>							
Debentures		41,615	574,192	615,807	38,885	615,808	654,693
<b>Total secured borrowings</b>	26(a)	<u>41,615</u>	<u>574,192</u>	<u>615,807</u>	<u>38,885</u>	<u>615,808</u>	<u>654,693</u>

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

#### 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).

# Notes to and forming part of the Financial Report for the year ended 30 June 2024

## 13. EMPLOYEE RELATED PROVISIONS

### Employee Related Provisions

#### Current provisions

##### Employee benefit provisions

Annual leave

Long service leave

#### Total current employee related provisions

#### Non-current provisions

##### Employee benefit provisions

Long service leave

#### Total non-current employee related provisions

#### Total employee related provisions

	2024	2023
	\$	\$
Annual leave	109,234	112,607
Long service leave	67,013	62,738
	<u>176,247</u>	<u>175,345</u>
<b>Total current employee related provisions</b>	<b>176,247</b>	<b>175,345</b>
Long service leave	11,372	41,314
	<u>11,372</u>	<u>41,314</u>
<b>Total non-current employee related provisions</b>	<b>11,372</b>	<b>41,314</b>
<b>Total employee related provisions</b>	<b>187,619</b>	<b>216,659</b>

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.

# Notes to and forming part of the Financial Report

## for the year ended 30 June 2024

### 14. REVALUATION SURPLUS

	2024 Opening Balance	Total Movement on Revaluation	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	9,029,050	0	9,029,050	9,029,050	0	9,029,050
Revaluation surplus - Buildings - specialised	467,470	(125,170)	342,300	467,470	0	467,470
Revaluation surplus - Infrastructure - roads	11,900,793	0	11,900,793	9,768,320	2,132,473	11,900,793
Revaluation surplus - Infrastructure - footpaths	1,146,350	0	1,146,350	920,836	225,514	1,146,350
Revaluation surplus - Infrastructure - drainage	782,164	0	782,164	418,528	363,636	782,164
Revaluation surplus - Infrastructure - parks and ovals	240,002	0	240,002	227,968	12,034	240,002
	<b>23,565,829</b>	<b>(125,170)</b>	<b>23,440,659</b>	<b>20,832,172</b>	<b>2,733,657</b>	<b>23,565,829</b>
Revaluation surplus - Share from investments in associates	0	722	722			0
	<b>23,565,829</b>	<b>(124,448)</b>	<b>23,441,381</b>	<b>20,832,172</b>	<b>2,733,657</b>	<b>23,565,829</b>

### 15. RESTRICTIONS OVER FINANCIAL ASSETS

Note	2024 Actual	2023 Actual	
	\$	\$	
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	2,155,390	1,988,559
		<b>2,155,390</b>	<b>1,988,559</b>
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	27	2,125,604	1,988,559
Contract liabilities	11	29,786	0
<b>Total restricted financial assets</b>		<b>2,155,390</b>	<b>1,988,559</b>

### 16. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS

Bank overdraft limit	200,000	200,000
Bank overdraft at balance date	0	0
Credit card limit	50,000	50,000
Credit card balance at balance date	12,255	6,468
<b>Total amount of credit unused</b>	<b>262,255</b>	<b>256,468</b>
<b>Loan facilities</b>		
Loan facilities - current	41,615	38,885
Loan facilities - non-current	574,192	615,808
<b>Total facilities in use at balance date</b>	<b>615,807</b>	<b>654,693</b>
<b>Unused loan facilities at balance date</b>	<b>NIL</b>	<b>NIL</b>

### 17. CONTINGENT LIABILITIES

There were no contingent liabilities at the end of the reporting period (2023: Nil)

### 18. CAPITAL COMMITMENTS

There were no capital commitments at the end of the reporting period (2023: Nil)

# Notes to and forming part of the Financial Report

## for the year ended 30 June 2024

### 19. RELATED PARTY TRANSACTIONS

#### (a) Elected Member Remuneration

	2024 Actual	2024 Budget	2023 Actual
Note	\$	\$	\$
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
President's annual allowance	17,212	16,195	15,048
President's meeting attendance fees	17,108	19,086	18,176
President's annual allowance for ICT expenses	600	0	0
	34,920	35,281	33,224
Deputy President's annual allowance	4,058	4,049	3,764
Deputy President's meeting attendance fees	9,780	9,781	9,088
Deputy President's annual allowance for ICT expenses	1,200	0	0
	15,038	13,830	12,852
All other council member's meeting attendance fees	48,905	48,905	45,440
All other council member's annual allowance for ICT expenses	4,569	0	4,500
	53,474	48,905	49,940
19(b)	103,432	98,016	96,016

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

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

Short-term employee benefits	691,874	729,529
Post-employment benefits	117,619	107,911
Employee - other long-term benefits	31,136	9,757
Council member costs	103,432	96,016
19(a)	944,061	943,213

#### *Short-term employee benefits*

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

#### *Post-employment benefits*

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

#### *Other long-term benefits*

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

#### *Council member costs*

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

# Notes to and forming part of the Financial Report

## for the year ended 30 June 2024

### 19. RELATED PARTY TRANSACTIONS

#### Transactions with related parties

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

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

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

The following two Local Governments are considered as related parties - please refer to Note 20 for further information:

Town of Mosman Park - Library and Community Centre contribution  
 Town of Cottesloe - Library and Community Centre contribution

	2024 Actual	2023 Actual
	\$	\$
Town of Mosman Park - Library and Community Centre contribution	693,389	684,353
Town of Cottesloe - Library and Community Centre contribution	602,713	594,855
<b>Investment in associate:</b>		
Share of associates net profit/(loss) for the period	9,236	11,639

#### 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 19(a) and 19(b).*

##### ii. Other Related Parties

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

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

##### iii. Entities subject to significant influence by the Shire

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

# Notes to and forming part of the Financial Report for the year ended 30 June 2024

## 20. JOINT ARRANGEMENTS

### Share of joint operations

The Shire of Peppermint Grove has a 8.52% ( 2023; 8.52%) share in the Grove Library services to the residents of the Shire of Peppermint Grove, Town Mosman Park and Town of Cottesloe. The voting rights of the Shire is 33.33%. The principal place of business is 1 Leake Street Peppermint Grove WA 6011.

The Shire's interest in the Grove Library is accounted for as a joint operation using the proportional consolidation method in the financial statements. Summarised financial information of the joint operation is based on audited financial statements as at the 30 June 2024 and the year then ended, and adjusted for the Shire's proportional interest ( 8.52%) is set out below.

	2024 Actual	2023 Actual
	\$	\$
Property Plant & Equipment	1,077,993	1,073,350
<b>Total assets</b>	<b>1,077,993</b>	<b>1,073,350</b>
<b>Total Liabilities</b>	<b>1,077,993</b>	<b>1,073,350</b>
Employee Related Provisions- Current	(17,393)	(19,278)
Employee Related Provisions- Non Current	0	(190)
<b>Total equity</b>	<b>1,060,600</b>	<b>1,053,882</b>
<b>Statement of Comprehensive Income</b>		
<b>Revenue</b>		
Fees & Charges	4,011	3,664
Other revenue	213	0
<b>Expenses</b>		
Employee Costs	(75,970)	(73,799)
Materials & Contracts	(34,011)	(36,207)
Utility Charges	(3,338)	(2,972)
Insurance Expenses	(5,190)	(4,126)
Other expense	(6,427)	(5,704)
<b>Profit/(loss) for the period</b>	<b>(120,712)</b>	<b>(119,144)</b>
Other comprehensive income		
<b>Total comprehensive income for the period</b>	<b>(120,712)</b>	<b>(119,144)</b>

### MATERIAL ACCOUNTING POLICIES

#### Joint operations

A joint operation is a joint arrangement where the Shire has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Shire's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standard.

# Notes to and forming part of the Financial Report

## for the year ended 30 June 2024

### 21. INVESTMENT IN ASSOCIATE

#### (a) Investment in associate

Set out in the table below is the associate of the Shire. The associate is measured using the equity method. Western Australia is the principal place of business for the associate.

Name of entity	% of ownership interest		2024	2023
	2024	2023	Actual	Actual
Western Metropolitan Regional Council (WMRC)	3.69%	3.69%	\$ 130,973	\$ 121,015
<b>Total equity-accounted investments</b>			<b>130,973</b>	<b>121,015</b>

#### (b) Share of Investment

The Shire of Peppermint Grove, together with the Towns of Cottesloe, Claremont and Mosman Park and the City of Subiaco have an interest in the WMRC waste transfer station. The WMRC was established to provide for the efficient treatment and/or disposal of waste. A waste transfer station was constructed from funds provided from constituent Councils. The Shire's interest in the associate is 3.69% (2023: 3.69%).

The Shire has determined it has significant influence over the WMRC despite holding less than 20% interest, as the Shire has representation on the WMRC Council and participates in policy making decisions including the decisions regarding contribution and distribution.

The tables below reflect the summarised financial information of the material investment in the associate based on the audited results of the WMRC. This does not reflect the Shire's share of those amounts. They have been amended to reflect adjustments made by the Shire when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

Summarised statement of comprehensive income	Note	2024	2023
		Actual	Actual
		\$	\$
Revenue		9,224,964	7,686,655
Interest revenue		64,357	47,360
Finance cost		(3,994)	(598)
Depreciation		(396,601)	(242,361)
Profit/(loss) from continuing operations		230,718	315,412
Profit/(loss) from discontinued operations			
Profit/(loss) for the period		230,718	315,412
Other comprehensive income		19,567	
Total comprehensive income for the period		250,285	315,412
<b>Summarised statement of financial position</b>			
Cash and cash equivalents		1,266,551	1,179,365
Other current assets		841,106	492,639
Total current assets		2,107,657	1,672,004
Non-current assets		2,485,404	2,638,682
Total assets		4,593,061	4,310,686
Current financial liabilities		755,826	814,104
Other current liabilities		232,690	202,252
Total current liabilities		988,516	1,016,356
Non-current financial liabilities			
Other non-current liabilities		74,692	14,763
Total non-current liabilities		74,692	14,763
Total liabilities		1,063,208	1,031,119
<b>Net assets</b>		<b>3,529,853</b>	<b>3,279,567</b>
<b>Reconciliation to carrying amounts</b>			
Opening net assets 1 July		3,279,567	2,964,155
Profit/(Loss) for the period		230,718	315,412
Other comprehensive income		19,567	0
Closing net assets 30 June		3,529,853	3,279,567
<b>Carrying amount at 1 July</b>		<b>121,015</b>	<b>109,376</b>
- Share of associates net profit/(loss) for the period	21(c)	9,236	11,639
- Share of associates other comprehensive income arising during the period		722	0
<b>Carrying amount at 30 June (Refer to Note 21(a))</b>		<b>130,973</b>	<b>121,015</b>

#### MATERIAL ACCOUNTING POLICIES

##### Investments in associates

An associate is an entity over which the Shire has significant influence, that is it has the power to participate in the financial and operating policy decisions of the investee but not control or joint control of those policies.

Investments in associates are accounted for using the equity method. The equity method of accounting, is whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire's share of net assets of the associate. In addition, the Shire's share of the profit or loss of the associate is included in the Shire's profit or loss.

#### (c) Share of associates net profit/(loss) for the period

Investment in Western Metropolitan Regional Council (WMRC)

2024	2023
Actual	Actual
\$	\$
9,236	11,639
<b>9,236</b>	<b>11,639</b>



# Notes to and forming part of the Financial Report

for the year ended 30 June 2024

## **22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

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

# Notes to and forming part of the Financial Report

## 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 8.

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.

# Notes to and forming part of the Financial Report

## for the year ended 30 June 2024

### 24. RATING INFORMATION

#### (a) General Rates

RATE TYPE Rate Description	Basis of valuation	2023/24		2023/24		2023/24		2023/24		2023/24		2022/23	
		Number of Properties	Actual Rateable Value*	Actual Rate Revenue	Actual Interim Rates	Actual Rate Revenue	Budget Interim Rate	Budget Rate Revenue	Budget Total Revenue	Budget Total Revenue	Actual Total Revenue		
<b>(i) General rates</b>													
General Rental Valuations	Gross rental valuation	589	46,882,316	3,541,959	(3,647)	3,538,312		3,549,980	14,000	3,563,980	3,464,786		
<b>Total general rates</b>		589	46,882,316	3,541,959	(3,647)	3,538,312		3,549,980	14,000	3,563,980	3,464,786		
<b>(ii) Minimum payment</b>													
General Rental Valuations	Gross rental valuation	71	0	106,074	0	106,074		106,074	0	106,074	92,928		
<b>Total minimum payments</b>		71	0	106,074	0	106,074		106,074	0	106,074	92,928		
<b>Total general rates and minimum payments</b>		660	46,882,316	3,648,033	(3,647)	3,644,386		3,656,054	14,000	3,670,054	3,557,714		
Rate instalment interest													13,254
Rate overdue interest													5,353

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

\*Rateable Value at time of raising of rate.

# Notes to and forming part of the Financial Report

## for the year ended 30 June 2024

### 25. DETERMINATION OF SURPLUS OR DEFICIT

Note	2023/24 (30 June 2024 Carried Forward)	2023/24 Budget (30 June 2024 Carried Forward)	2022/23 (30 June 2023 Carried Forward)
	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to operating activities</b>			
	(13,715)	(6,112)	(40,854)
Less: Profit on asset disposals			
Less: Fair value adjustments to financial assets at fair value through profit or loss	(403)	0	(938)
Less: Share of net profit of associate accounted for using the equity method	(9,236)	0	(11,640)
Add: Loss on disposal of assets	114,412	0	0
Add: Impairment of Plant and Equipment	6(a) 0	0	0
Add: Depreciation	6(a), 7(a), 9(a) 515,968	1,012,312	601,866
Non-cash movements in non-current assets and liabilities:			
Employee benefit provisions	(29,942)	0	38,197
<b>Non-cash amounts excluded from operating activities</b>	<b>577,084</b>	<b>1,006,200</b>	<b>586,631</b>
<b>(b) Surplus or deficit after imposition of general rates</b>			
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.			
<b>Adjustments to net current assets</b>			
Less: Reserve accounts	27 (2,125,604)	(1,947,196)	(1,988,559)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	12 41,615	41,615	38,885
- Current portion of lease liabilities	9(b) 3,343	0	11,785
- Employee benefit provisions	162,233	(52,604)	162,664
<b>Total adjustments to net current assets</b>	<b>(1,918,413)</b>	<b>(1,958,185)</b>	<b>(1,775,225)</b>
<b>Net current assets used in the Statement of Financial Activity</b>			
Total current assets	3,390,318	2,495,773	3,209,107
Less: Total current liabilities	(754,232)	(520,812)	(907,000)
Less: Total adjustments to net current assets	(1,918,413)	(1,958,185)	(1,775,225)
<b>Surplus or deficit after imposition of general rates</b>	<b>717,673</b>	<b>16,776</b>	<b>526,882</b>



# Notes to and forming part of the Financial Report

for the year ended 30 June 2024

## 27. RESERVE ACCOUNTS

	2024		2024		2024		2024		2024		2023		2023	
	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Budget Opening Balance	Budget Transfer to	Budget Transfer (from)	Budget Closing Balance	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance
<b>Restricted by council</b>														
(a) Leave reserve	201,698	9,138	0	182,188	37,743	0	219,931	156,750	44,948	0	201,698			
(b) Plant reserve	126,309	5,722	0	126,616	5,381	0	131,997	103,056	23,253	0	126,309			
(c) Infrastructure Building Reserve	859,281	120,756	(17,461)	851,025	129,318	(430,000)	550,343	745,196	114,085	0	859,281			
(d) Information Technology Reserve	25,035	1,134	0	25,108	1,067	0	26,175	24,269	766	0	25,035			
(e) Arts & Culture Reserve	25,852	1,171	(5,000)	31,313	21,331	0	52,644	41,017	0	(15,165)	25,852			
(f) Legal Costs Reserve	20,680	937	0	20,738	881	(35,000)	(13,381)	20,048	632	0	20,680			
(g) Roads & Drainage Reserve	593,360	26,883	0	595,116	67,992	(5,000)	658,108	545,636	47,724	0	593,360			
(h) Library Infrastructure Reserve	36,344	1,646	(12,411)	56,454	2,399	(43,284)	15,569	35,231	1,113	0	36,344			
(i) Investment Reserve	100,000	4,530	0	100,000	205,810	0	305,810	0	100,000	0	100,000			
	1,988,559	171,917	(34,872)	1,988,558	471,922	(513,284)	1,947,196	1,671,203	332,521	(15,165)	1,988,559			

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

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

Name of reserve account	Purpose of the reserve account
<b>Restricted by council</b>	
(a) Leave reserve	To fund Annual & Long Service Leave entitlements
(b) Plant reserve	To fund replacement and upgrading of Council vehicles and plant
(c) Infrastructure Building Reserve	To fund replacement and upgrading of recreational infrastructure and Municipal Buildings
(d) Information Technology Reserve	To fund replacement and upgrading of Council's Information & Technology Assets
(e) Arts & Culture Reserve	To enable the purchase of Public Art
(f) Legal Costs Reserve	To provide for the future general expenses including building and planning actions
(g) Roads & Drainage Reserve	To fund renewal and expansion of Council's roads & drainage system
(h) Library Infrastructure Reserve	To fund the Shire's portion of Capital items at the Grove Library and /or Community Centre
(i) Investment Reserve	To fund the implementation of an investment portfolio



