



Shire of Wongan-Ballidu

# ANNUAL REPORT

## 2017/2018

[www.wongan.wa.gov.au](http://www.wongan.wa.gov.au)



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# SHIRE AT A GLANCE

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## Shire of Wongan-Ballidu Administration Centre

Cnr Quinlan St & Elphin Crescent

WONGAN HILLS WA 6603

**POSTAL:**

PO BOX 84

WONGAN HILLS WA 6603

**TELEPHONE:**

(08) 9671 1011

**FAX:**

(08) 9671 1230

**OPENING HOURS:**

Monday to Friday 9.00am-4:30pm

**EMAIL:**

[shire@wongan.wa.gov.au](mailto:shire@wongan.wa.gov.au)

**WEBSITE:**

[www.wongan.wa.gov.au](http://www.wongan.wa.gov.au)

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### COUNCILLORS

<b>President:</b>	Cr Peter Macnamara
<b>Deputy President:</b>	Cr Jon Hasson
<b>Council Members:</b>	Cr Brad West
	Cr Eion Ganzer
	Cr Stuart Boekeman
	Cr Mandy Stephenson
	Cr Sue Falconer

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### SENIOR STAFF

<b>Chief Executive Officer:</b>	Mr Stuart Taylor
<b>Deputy Chief Executive Officer:</b>	Mr Alan Hart
<b>Building Services Coordinator:</b>	Ms Melissa Marcon
<b>Manager Community Services:</b>	Mrs Alana Wigmore
<b>Manager Works &amp; Services:</b>	Mr Karl Mickle

## **SHIRE STATISTICS**

Distance from Perth (Km)	184
Area (Sq Km)	3,368
Length of Sealed Roads	342.8
Length of Unsealed roads	980.6
Population	1,127
Number of Electors	968
Number of Dwellings	877
Total Rates Levied	2,805,163
Total Revenue	7,698,512
Number of Employees	44

## **LOCAL INDUSTRIES**

Mixed Farming; Sheet Metal Works; Stock Feed Mill; Manufacturing – Agricultural Machinery; Heavy Transport; Co-operative Bulk Handling; Agricultural Research Station.

## **SUBURBS & LOCALITIES**

Wongan Hills, Mocardy, Ballidu, West Ballidu, East Ballidu, Lake Hinds, Lake Ninan, Cadoux, Burakin & Kondut.

## **SHIRE ATTRACTIONS**

- Christmas Rock Bushwalk
- Pioneer Museum
- Wildflower & Heritage Trails
- Lake Ninan
- Dingo Rock
- Gathercole Reserve
- Mt O'Brien Scenic Lookout
- Picnic Areas
- Mt Matilda Walk Trail
- Reynoldson Flora Reserve
- Rare Flora Garden
- Mallee Walk Trail
- Historic Rail Precinct
- Water Tower & Murals
- Wongan Hills & Ballidu Caravan Parks
- Excellent Sport & Recreation Facilities/Activities.

## **SIGNIFICANT ANNUAL EVENTS**

- Biennial Art Exhibition - Wongan Hills
- Art Exhibitions – Ballidu
- Bike it to Ballidu
- Wongan Town Party (Harvest Festival)
- Australia Day Ceremonies – Wongan Hills & Ballidu
- Reynoldson Reserve Festival

## **FULL COUNCIL MEETING**

Full Council meets on the fourth Wednesday of each month at 3.00pm except January.

# President's Report

Cr Peter Macnamara  
**SHIRE PRESIDENT**



During the year, the Shire of Wongan-Ballidu's Local Government Elections took place.

We warmly thanked and said farewell to the following Councillors, to whom we are indebted for their service to our Shire:

- Alfreda Lyon - 12 years
- Hugh Barrett-Lennard - 9 years
- Richard Morgan - 4 years
- Norma Walton - 2 years (this time around)

They were great Councillors who did a wonderful job for all of our ratepayers.

We welcomed Councillors Sue Falconer, Mandy Stephenson, Stuart Boekeman and Eion Ganzer and wished them all the best.

Our annual Citizen of the Year Awards attracted a large number of very strong nominations and our very deserving winner, Mrs Leslie Oliver, had an amazing resume that we would all be proud to have and we congratulate her whole heartedly.

The Shire and Councillors are very aware that the cost impost of rates can have a huge impact on all rate payers and as such, only imposed a marginal increase. This has been the case for many years with only 2-3% rises.

In a bid to help our future expenditure, the Shire installed 6 sets of solar panels on our public buildings to reduce the cost of power and hope to recover our capital costs over the next 3 to 4 years.

We received an approximate \$500,000 Watering WA Towns grant to enable us to bring water in from Mocardy Dam. In time, this project will help the Wongan Hills District High School and Shire reduce their water costs.

The Shire is very pleased to have so many volunteer groups that go above and beyond and continue to do such heartfelt work. We are very grateful to all these organisations and their members and thank you very much - the Shire would indeed be poorer without you.

To the Shire staff - inside and outside - you are all doing such a wonderful job. We can see the fruits of your labour, be it parks and gardens, roads improving and our great financial position. Whatever you are responsible for we appreciate you and the part you play in the Shire's continued success.

To my fellow Councillors - your support and enthusiasm for this Shire is amazing and the feedback we receive only reinforces this. Thank you.

We look forward to securing other grants for our co-location project in the coming year and this will help see an amazing project to its finale. This Shire has a lot to celebrate and we, the staff and Councillors, will continue to foster this.

Thank you,



**Cr Peter Macnamara  
PRESIDENT**



*2018 Shire of Wongan-Ballidu Citizen of the Year, Mrs Leslie Oliver*



# Councillors of the Shire

Residents can contact Elected Members with issues that they wish to be addressed and brought to the attention of Council.

Council meets on the fourth Wednesday of each month except for the months of January and December.



Shire President  
Cr Peter Macnamara  
Cadoux South Road  
PO Box 15  
CADOUX WA 6466

Telephone: (08) 9632 2018  
Retiring: October 2019  
Occupation: Farmer



Deputy Shire President  
Cr Jon Hasson  
1097 Sheoak Road West  
PO Box 68  
BALLIDU WA 6606

Tel: 0427 542 984  
Retiring: October 2019  
Occupation: Farmer  
Email: [j.hasson@bigpond.com](mailto:j.hasson@bigpond.com)



Cr Brad West  
Loc 26590 Sewell Road  
PO Box 233  
WONGAN HILLS WA 6603

Telephone: (08) 9672 1041  
Fax: (08) 9672 1035  
Retiring: October 2019  
Occupation: Farmer  
Email: [bradwest10@bigpond.com.au](mailto:bradwest10@bigpond.com.au)

# Councillors of the Shire



Cr Eion Ganzer  
PO Box 27  
WONGAN HILLS WA 6603

Tel: 0428 415 089  
Retiring: October 2021  
Occupation: Accountant – Wongan Hills Accounting & Tax  
Email: [eion@what.net.au](mailto:eion@what.net.au)



Cr Stuart Boekeman  
PO Box 228  
WONGAN HILLS WA 6603

Tel: 0427 777 105  
Retiring: October 2021  
Occupation: Dealer Principal – Boekeman Machinery  
Email: [stuart@boekemans.com.au](mailto:stuart@boekemans.com.au)



Cr Mandy Stephenson  
8 Rogers Street  
WONGAN HILLS WA 6603

Tel: 0439 662 515  
Retiring: October 2021  
Occupation: Business Proprietor – Wongan Bakery Cafe  
Email: [wonganbakerycafe@outlook.com](mailto:wonganbakerycafe@outlook.com)



Cr Sue Falconer  
PO Box 124  
WONGAN HILLS WA 6603

Tel: 0427 711 502  
Retiring: October 2019  
Occupation: Business Proprietor – Wongan Hills Post Office  
Email: [sfalconer@wn.com.au](mailto:sfalconer@wn.com.au)



# Councillors of the Shire

## COUNCILLORS MEETING ATTENDANCE 2017/2018

	COUNCIL			SPECIAL			AUDIT			
	<i>Eligible</i>	<i>Attended</i>	<i>%</i>	<i>Eligible</i>	<i>Attended</i>	<i>%</i>	<i>Eligible</i>	<i>Attended</i>	<i>%</i>	
Cr P Macnamara	11	11	100	1	1	100	1	1	100	
Cr J Hasson	11	10	90.9	1	1	100	1	1	100	
Cr B West	11	11	100	1	1	100	1	1	100	
Cr N Walton	3	3	100	-	-	-	-	-	-	*
Cr A Lyon	3	3	100	-	-	-	-	-	-	*
Cr R Morgan	3	3	100	-	-	-	-	-	-	*
Cr M Stephenson	8	8	100	1	1	100	1	1	100	**
Cr E Ganzer	8	8	100	1	1	100	1	1	100	**
Cr S Boekeman	8	7	87.5	1	1	100	1	1	100	**
Cr S Falconer	8	6	75	1	1	100	1	1	100	**

## COUNCILLOR TRAINING UNDERTAKEN DURING 2018/2018

*Cr Eion Ganzer*

*Integrated Planning: The Essentials (WALGA)*

*April 2018*

**\* Pre 2017 Elections**  
**\*\* Post 2017 Elections**

# Chief Executive Officer's Report



Mr Stuart Taylor  
**CHIEF EXECUTIVE OFFICER**

I am pleased to bring you the 2017/2018 Shire of Wongan-Ballidu Annual Report. In doing so, I would like to thank my strong team of managers and staff for their continued commitment, dedication and hard work over the past twelve months.

There have been significant achievements against the Strategic Community Plan, which are detailed in this report by the management team. Several major projects have reached, or are close to, fruition. The Shire of Wongan Ballidu's financial position remains strong, demonstrating our commitment to sound and financial management.

## **MOCARDY DAM**

The Mocardy Dam project is a partnership between the Shire of Wongan-Ballidu and the Wongan Hills District High School Parents & Citizens Association that will utilise water from the Shire leased Mocardy Dam to improve and ensure continuous water supply for non-potable uses.

Mocardy Dam is an unused, valuable asset, and the idea of using the rainwater in Mocardy Dam was not a new one, and had been 'floating' in the Shire's Strategic Plan for a number of years. However, without access to a funding source to allow the realisation of this project and all its potential benefits, it remained in the planning stage. In 2016, the State Government opened the Watering WA Towns funding round, and the Shire moved to make an application, in collaboration with co-contributors the Education Department and WHDHS.

WHDHS designed a project that incorporated partnership with the Shire to access the water from Mocardy Dam as well as a plan to harvest stormwater for irrigation and to service the school toilets.

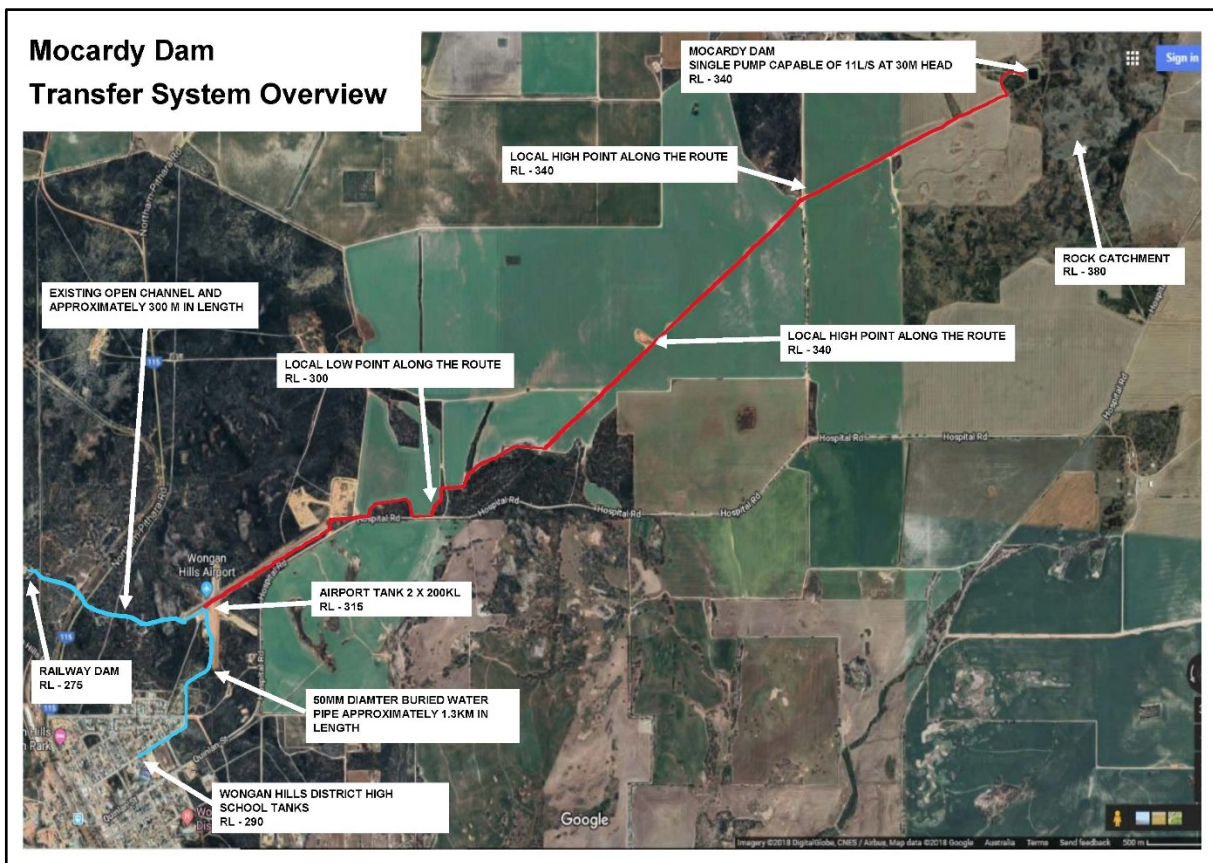
The Shire's portion of the project plan involves using Mocardy Dam's capacity to enhance current facilities such as sporting ovals, community gardens, as well as providing firefighting and emergency supplies. The project will deliver four key objectives:

1. Improving the water supply efficiency and safeguarding the town against bushfires by using local water resources
2. Minimising the use of potable water sources for non-potable water uses
3. Strengthening Wongan Hills' watering capabilities and working towards a more sustainable future
4. Reducing WHDHS' reliance on scheme water, which will increase the available greenspace for the students, and significantly reduce the utility costs to the school

In early 2017, we were thrilled to be notified that we had been successful in securing a \$522,972 Watering WA Towns grant from the State Government towards the total project cost of \$747,462. The Education Department of WA will contribute \$100,000; the WHDHS P & C and School Council will contribute \$5,600 in-kind and the Shire will contribute \$118,854 in cash and in-kind.

This wonderful project will involve pumping water from Mocardy Dam to tanks at the Wongan Hills Airport. From here, one tank will trickle feed water to Railway Dam, and one will gravity feed water to a new tank at WHDHS. New guttering and tanks at the School will harvest rainwater into more tanks for flushing toilets and irrigation. This has the potential to save WHDHS over \$70,000 per year in water costs.

The significant planning and preparation phase was finalised in 2017/2018 and we look forward to commencing of this project in the 2018/2019 financial year.



#### SPORTS AND COMMUNITY COLOCATION PROJECT

Community cohesion and connectedness will be increased through the capacity for events such as assemblies, sport or community presentations, art exhibitions, concerts, markets, bingo, swap meets, graduations and events to be held within the facility, as well as its use as an emergency evacuation centre. All of these community events aim to deliver a sense of togetherness and interaction and strengthen the physical and mental wellbeing of users.

This Project is another that has been in the Shire's vision for some time, and will substantially increase the capacity for non-organised sporting activities such as community challenges, corporate and charity challenges, school holiday clinics, club development activities, cultural activities etc. This Project has enormous scope to involve people of all ages and abilities in whole of community activities.

In 2017, the Shire of Wongan-Ballidu began actively pursuing two potential funding sources to secure the entire project: the State Government's Community Sport and Recreation Facilities Fund (CSRFF) and the Federal Government's Building Better Regions Fund (BBRF).

Each of these grants were conditioned differently, and the eligible scope of works varied greatly. The Shire had applied for CSRFF funding in 2016, but was unsuccessful as the State Government was not prepared to fund the total project, and advised the Shire to instead stage the project. A second CSRFF application, this time for only Stage One of the Colocation Project (the building of new tennis courts, including associated siteworks and ancillary infrastructure such as fencing) was submitted in early September 2017.

In March 2018, the Shire received official notification from the Department of Local Government, Sport Recreation and Cultural Industries that the CSRFF grant has been successful, however the one third of total project cost requested, had been reduced by approximately \$100,000. Council agreed to fund this shortfall. We were also advised that the BBRF funding had not been successful.

Towards the end of 2017/2018 year and into the 2018/2019 year, planning and preparation for the Staging of the major community infrastructure project is nearing completing.



## SOLAR PANELS

In the 2017/2018 financial year, the Shire of Wongan Ballidu embarked on an ambitious project to install solar panels on six commercial buildings and a residence within the town of Wongan Hills. The aim is to set a great example to all by leading the way toward a sustainable community. This will be a positive move towards our Shire being environmentally friendly and it will lower our carbon footprint significantly.

The Shire has three buildings that consume over 50,000 units of electricity per year: the Wongan Hills Sports Pavilion, Swimming Pool and The Station (CRC complex). A need was identified to reduce the costs for these buildings and reduce our carbon footprint.

The target for this project was to have all solar panels installed by the end of the June 2018. This was achieved. We installed a staggering 438 x 270 watt solar panels across seven buildings.

The project costing of just over \$120,000, is self-funded and modelling shows that the cost should be recouped within 4 years.

We anticipate the panels to generate approx. 117 Kw power to run facilities saving an estimated \$35,000 per year in electricity allowing the Shire to reinvest in infrastructure improvement for the community.

## STRATEGIC COMMUNITY PLAN

The Strategic Community Plan is a pivotal tool in the future growth of the Shire. Part of the Shire's Integrated Planning framework, it provides us the necessary guidance required in achieving the Shire vision of "a caring and supportive community which drives sustainability of agriculture, services and the environment".

We believe our local government to be in a unique position to foster, support and create great things within our community, and we are eager to face the challenge of obtaining the best outcomes possible. I commend the Strategic Community Plan to you and look forward to working with the community as our region grows to become an even better place to live and work.

Following are planned major initiatives that are to commence or continue in 2017/18:

Goal 1 A healthy, supportive and safe community					
Outcome 1.1 Sport, recreation and leisure opportunities that encourage community participation					
Strategy 1.1.2 Maintain and improve sporting and recreation facilities					
Actions	Service	Timeframe			Total Indicative Project Budget
		17/18	18/19	19/20	
<b>Action 1.1.2.1</b> Develop and maintain sport and recreational facilities in line with community needs	Sports and Recreation	●	●	●	\$4,500,000
<b>Action 1.1.2.2</b> Upgrade the Wongan Hills swimming pool filtration system	Building Services	-	●	-	\$20,000



Goal 1 A healthy, supportive and safe community						
Outcome 1.4 Community safety and emergency preparedness						
Strategy 1.4.4 Advocate for appropriate lighting in streets and public places						
Actions	Service	Timeframe			Informing Plan	Total Indicative Project Budget
		17/18	18/19	19/20		
<b>Action 1.4.4.2</b> Implement the Streetlight Expansion Strategy	Roads and Footpaths	●	-	-	-	\$20,000

Goal 2 Natural assets that are enhanced and protected						
Outcome 2.2 Adaptation to the impacts of climate change						
Strategy 2.2.2 Lobby for green energy alternatives						
Actions	Service	Timeframe			Total Indicative Project Budget	
		17/18	18/19	19/20		
<b>Action 2.2.2.1</b> Investigate opportunities to use green energy alternatives	Governance	●	●	-		\$180,000

Outcome 4.3 Secure and reliable water supply						
Strategy 4.3.1 Improve the Shire water supply by connecting into Mocardy Dam's water supply						
Actions	Service	Timeframe			Total Indicative Project Budget	
		17/18	18/19	19/20		
<b>Action 4.3.1.1</b> Implement the Mocardy Dam project	Dams and Water Supply	●	●	-		\$600,000

**Goal 4 Shire infrastructure and a built environment that supports growth of the community and the economy**

**Outcome 4.4 An efficient and safe road network**

**Strategy 4.4.1 Undertake ongoing maintenance and further develop the road network**

Actions	Service	Timeframe			Total Indicative Project Budget
		17/18	18/19	19/20	
<b>Action 4.4.1.2</b> Upgrade roads in line with the Road Program in the Forward Capital Works Plan	Roads and Footpaths	●	●	●	\$7,276,000
<b>Action 4.4.1.4</b> Implement the 10 Year Footpath Plan	Roads and Footpaths	●	●	●	\$520,000

**THANK YOU**

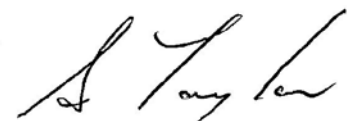
I would like to thank our Councillors for their commitment to the Shire of Wongan-Ballidu and their ongoing efforts on behalf of residents.

Thank you to all the staff for your contribution throughout the year, we have delivered what we have been asked to do and along the way we have been able to help and facilitate other programs and initiatives of our own and that of the community. You are to be congratulated on your achievements and professionalism.

We thank businesses and members of community groups for all having contributed to improving the liveability and amenity of our local government area.

We thank the members of our community who continue to engage with us, offering constructive feedback and acknowledging the work that we do.

Together we can continue to develop the Shire of Wongan-Ballidu to an even more wonderful place to be.



**Mr Stuart A. Taylor**  
**CHIEF EXECUTIVE OFFICER**

# Chief Executive Officer's Report

## Administration and Financial Services

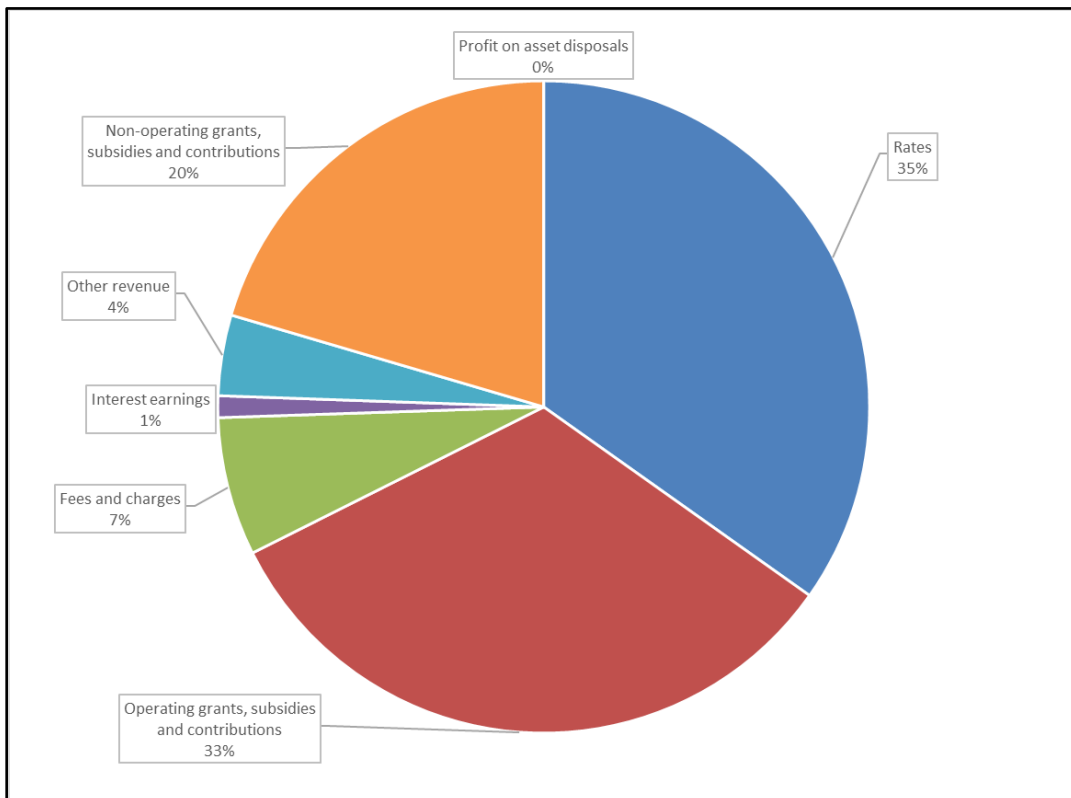


Mr Alan Hart  
**DEPUTY CHIEF EXECUTIVE OFFICER**

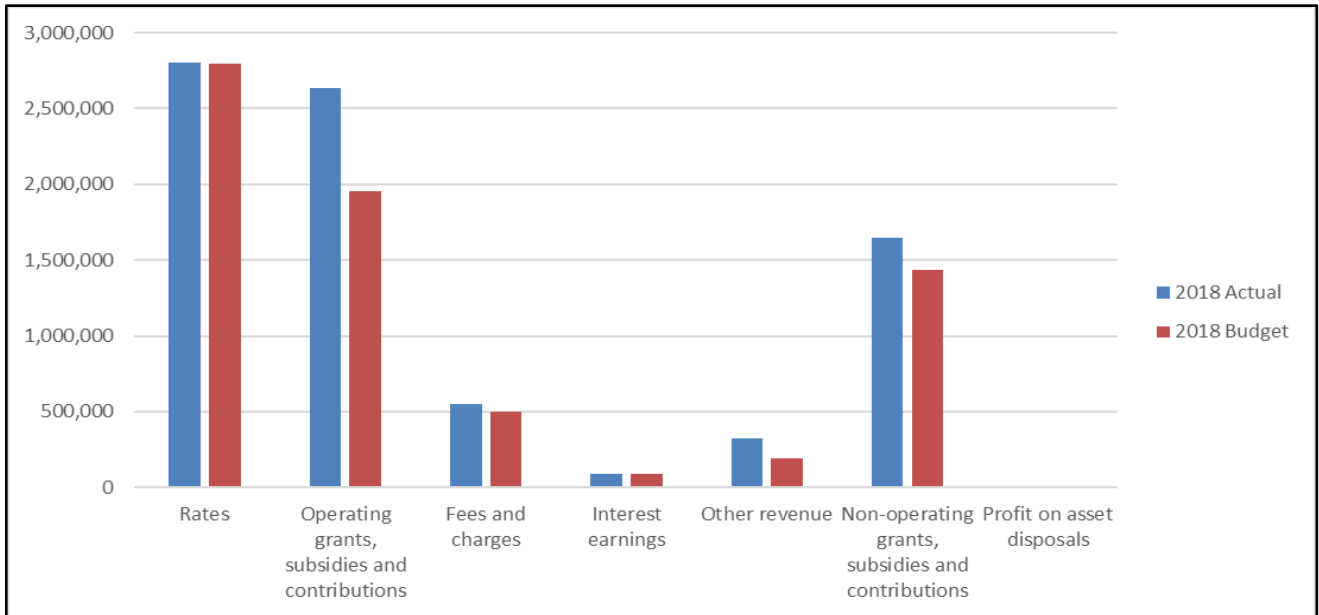
The 2017-18 audited financial statements are shown attached and this page highlights pertinent information.

The Shire's total revenue for this financial year was \$8.04 million and expenses were \$5.5 million, there was an additional \$52.7 million gained through the revaluation of Road Infrastructure. This resulted in a total comprehensive income of \$55.1 million. The composition of these revenues and expenses are illustrated in the range of charts following. (Excluding Revaluation Income)

### OPERATING INCOME

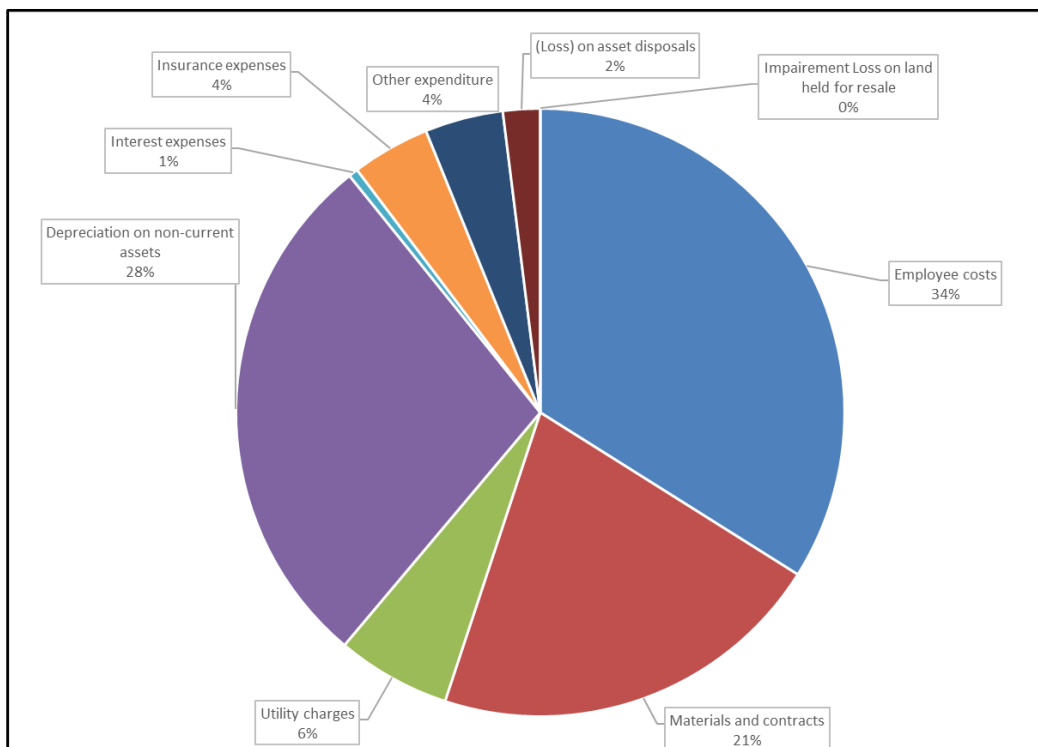


## INCOME- ACTUAL V BUDGET

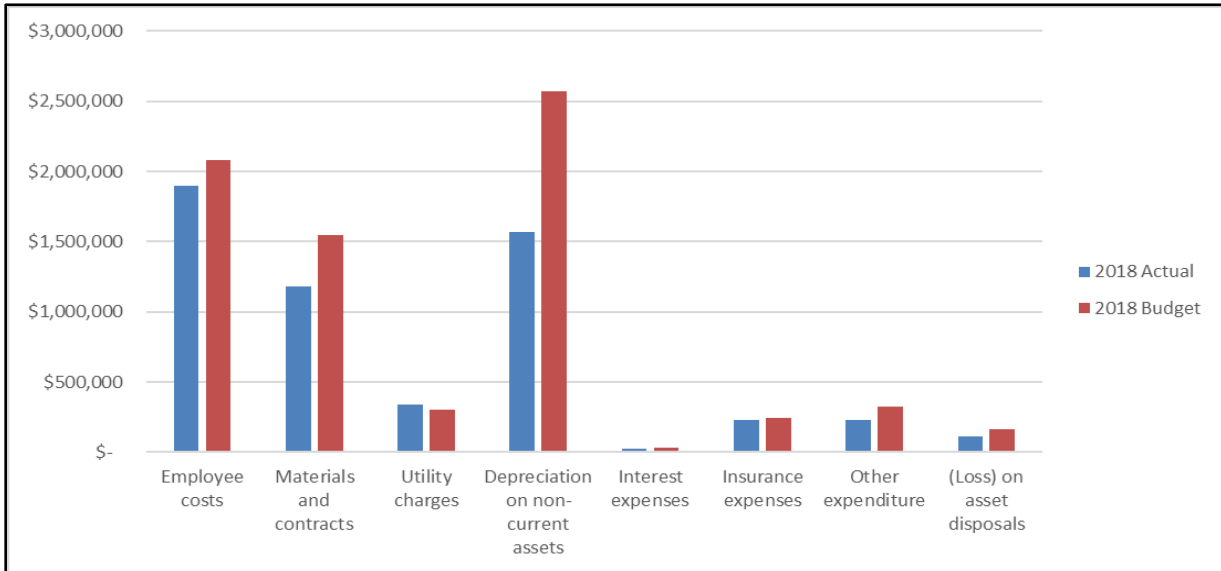


The two above graphs show the three main components of revenue as follows; rates \$2.80 million (35%), operating and non-operating grants \$4.28 million (53%) and fees and charges \$0.55 million (7%). The remaining \$0.40 million (5%) has come from other sources of revenue such as service charges, interest charges and other revenue.

## OPERATING EXPENDITURE

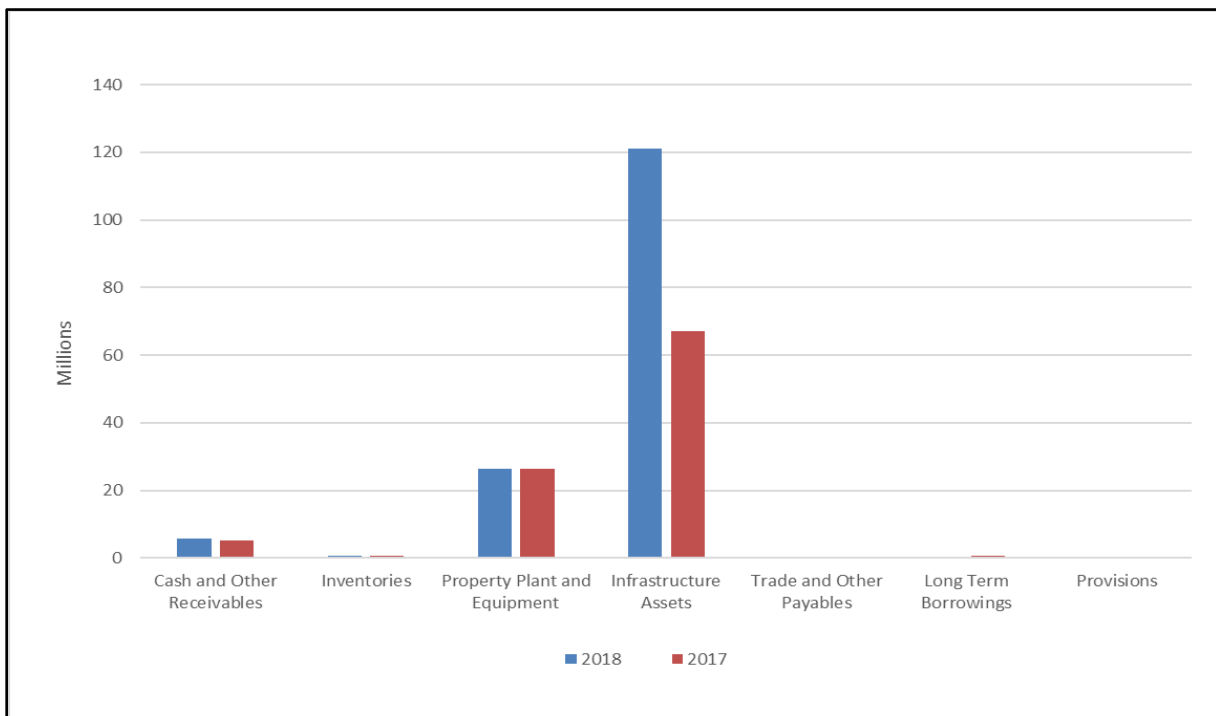


### EXPENDITURE- ACTUAL V BUDGET




The above two graphs show the three main components of expenditure was made up of \$1.89 million (34%) in employee costs, \$1.81 million (21%) of materials and contracts, \$1.56 million (28%) in depreciation with the remaining \$0.94 million (17%) being made up of utility charges, interest expenses, insurance expenses, other expenditure and loss on disposal of assets.

The Statement of Financial Position shows our net assets has increased by \$55.1 million. This is a result of an increase of \$54.1 million in road and other infrastructure assets due to revaluation capital improvements and a net increase of \$1.05 million in cash and other assets.







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The Statement of Cashflow combines details from the above statements to give an explanation on what changed the cash position from \$4.42 million to \$4.50 million, a movement of \$0.07 million. Cash from operating activities decreased by \$0.52 million.

Cash spent on investing activities (purchase of Plant and Equipment, Infrastructure etc) increased by \$0.39 million with the majority of the increase in infrastructure expenditure.

#### **FAIR VALUATIONS**

The Shire of Wongan-Ballidu has now entered into the fourth cycle of performing fair value assessments on the Shire's assets. Fair value assessments were completed for Road Infrastructure. This assessment resulted in an increase in value of \$52.7 million (Note 10).



**Mr Alan Hart**  
DEPUTY CHIEF EXECUTIVE OFFICER

# Chief Executive Officer's Report

## Building Services

Ms Melissa Marcon  
***BUILDING SERVICES COORDINATOR***



### RESPONSIBILITIES

Planning	Building Permits
Demolition Permits	Building Maintenance
Capital Projects	Cleaning of Public Buildings
Environmental Health	Medical Centre Building
Drum Muster	Swimming Pool
Public Buildings	Play Ground Equipment
Waste Management	Rental Management Agreements and Leases

### BUILDING MAINTENANCE

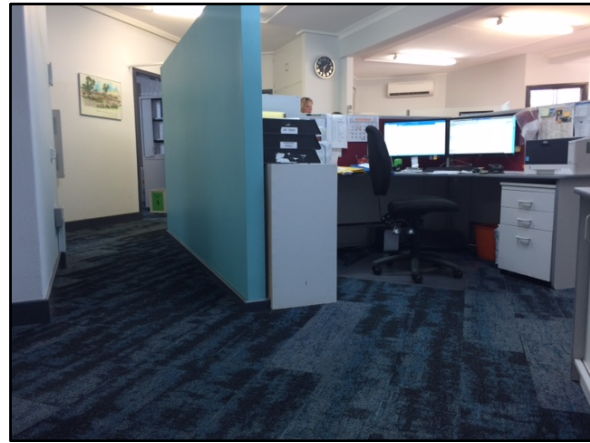
Maintenance and repairs are constantly being carried out on all Shire buildings and infrastructure by both Shire employees and contractors in an effort to keep infrastructure in the best condition possible.

Should a member of the community become aware of any building maintenance issues or damage to Shire property please report them to the Shire as soon as possible.

### CAPITAL PROJECTS

The following capital projects were completed during the year –

1. Administration Building – replacement of carpet to entire building and internal painting
2. Installation of Solar Panels – Administration building, Wongan Hills Sports Pavilion, Community Resource Centre, Swimming Pool, Medical Centre, Shire Depot and CEO Residence
3. Ballidu Hall – completion of remedial works to flooring, rear roof replacement and installation of soak wells and water drainage
4. Depot – carport for visitor/staff parking
5. Museum – installation of retaining wall
6. Swimming Pool – installation of new pump, replacement pipe work in pump room
7. Erection of shed for machinery parking
8. 8 Ellis Street – interior repaint, replacement of carpet and vinyl to living areas
9. 16 Moore Street – internal/external repaint
10. 49 Quinlan Street – replacement of Solar hot water system
11. 7 Wandoo Crescent – replacement of carpet to whole of house
12. 11 Wandoo Crescent, 30 Wandoo Crescent, 2B Patterson Street, 16 Moore Street – Internal/external repaint
13. 2A Patterson Street – External repaint



*Administration Building Internal Repaint and Carpet Replacement*



*Swimming Pool (PCYC), Community Resource Centre & Wongan Hills Sports Pavilion Solar Panels*

#### **CLEANING**

Cleaning of Shire facilities and amenities are carried out by both staff and contractors. Please report any cleaning issues to the Shire.

#### **WASTE MANAGEMENT**

The Wongan Hills Waste Management Facility is manned by a contractor with fees applying to patrons without tip passes.

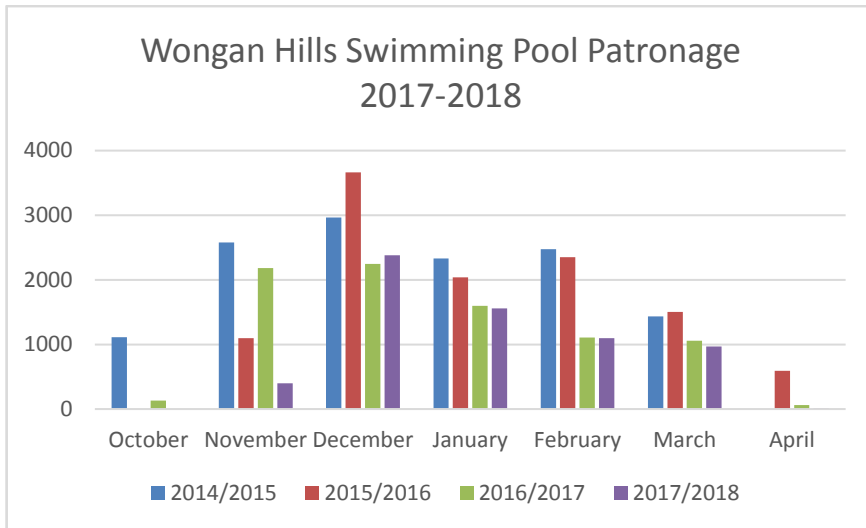
Opening hours are Thursday to Sunday 8.30 am to 4.30 pm. The Waste Facility is closed Christmas Day and Good Friday.

Although the Shire operates landfill facilities at Ballidu and Cadoux, asbestos and septic waste can only be received at the Wongan Hills facility.

Drum Muster has been relocated to the Wongan Hills Waste Facility. Access to this service can now be done weekly on a Friday from 9 am to 4 pm. Bookings are no longer required which means people can now drop off weekly.

**WONGAN HILLS SWIMMING POOL**

The Wongan Hills Memorial Swimming Pool had another successful season. The total patronage for the 2017/18 year was 6412 patrons.



Total Patronage for Swimming Pool Season	
2014/2015	12,594
2015/2016	11,048
2016/2017	8,380
2017/2018	6,412

**Breakdown of swimming pool entrance income –**

2014/2015	\$28,716.40
2015/2016	\$29,248.87
2016/2017	\$27,130.84
2017/2018	\$20,203.30

**Breakdown of swimming pool operating costs –**

2014/2015	\$210,307.95
2015/2016	\$184,696.77
2016/2017	\$169,845.00
2017/2018	\$160,650.00

The opening of the pool was later this year due to an unexpected issue with the pool pump which required the Shire to replace the existing pump. Once complete there were no other mechanical issues with the pool and the season was completed without incident.

Monday and Wednesday night Aqua classes proved successful along with swimming lessons conducted by the Pool Manager, Sandy Ciabbarri.

Inter school swimming lessons were held by Wongan Hills District High School, and Calingiri and Yerecoin Primary Schools. The Shire was able to assist in interm swimming lessons for Wongan Hills by allowing Sandy to teach due to a shortage in teachers for their lessons. There was also an interschool swimming carnival held where other schools from around the district attended and competed against our school. We also continued to host VacSwim in December and January.

## BUILDING SERVICES

BUILDING SERVICES EXPENDITURE 2017/2018	
Building Maintenance	\$264,641.00
Building Capital Expenses	\$271,891.00
Cleaning of Public Buildings	\$78,246.00
Swimming Pool Operating Costs	\$160,650.00
Utilities and Insurance to Council Buildings	\$290,239.00
Waste Collection	\$113,257.00

## Building Approval Statistics

BUILDING APPROVAL STATISTICS			
Summary 2017/2018			
Type of Permit Issued For	Number	Value of Work	Fees Received
Patio, Carport, Verandah, Greenhouse	14	\$338,710.00	\$2,642.06
Illuminated sign	1	\$2,280.00	\$159.35
New Dwelling	2	\$404,475.00	\$1,301.40
Swimming Pool	1	\$35,000.00	\$159.35
Alteration to existing building	11	\$308,256.00	\$1066.25
Telecommunications tower	2	\$520,000.00	\$1,700.40
<b>TOTAL</b>	<b>31</b>	<b>\$1,608,721.00</b>	<b>\$7,028.81</b>
Total 2017/2018	31	\$1,608,721.00	\$7,028.81
Total 2016/2017	19	\$1,765,972	\$11,462.23
Total 2015/2016	33	\$4,890,703	\$6,529.42
Total 2014/2015	34	\$3,897,796	\$6,451.25
Total 2013/2014	18	\$1,834,402	\$4,039.26
Total 2012/2013	13	\$588,084	\$2,382.65
Total 2011/2012	17	\$4,756,310	\$10,301.00
Total 2010/2011	26	\$1,981,003	\$5,708.00
Total 2009/2010	41	\$2,835,194	\$8,374.00
Total 2008/2009	28	\$1,723,265	\$11,689.00
Total 2007/2008	49	\$3,589,381	\$21,073.00
Total 2006/2007	50	\$2,745,394	\$15,681.00
Total 2005/2006	38	\$3,315,606	\$6,929.00



### Planning Approvals Issued

PLANNING APPROVALS ISSUED		
Summary 2017/2018		
Number of Approvals Issued	Value of Development	Fees Received
13	\$1,089,203.00	\$3,401.00

### Demolition Permits Issued

DEMOLITION PERMITS ISSUED		
Summary 2017/2018		
Number of Permits Issued	Value of development	Fees received
1	\$36,696.00	\$97.70

### ENVIRONMENTAL HEALTH

For the 2017/2018 year health issues were dealt with by a contracted Public Health Officer who conducted food premises inspections, implemented an IMALERT program which is an online tool to upskill people in the preparation and handling of food.

#### EHO Report on Food Premise Inspections

In the 2017/2018 year the Shire has 28 registered food businesses. Of these 28 registered food businesses 21 were inspected by the Public Health Officer.



**Ms Melissa Marcon**  
BUILDING SERVICES COORDINATOR

# Chief Executive Officer's Report

## Works & Services

Mr Karl Mickle  
**MANAGER WORKS & SERVICES**



During the year under review, Council once again committed in excess of \$3 million towards the development and maintenance of its road infrastructure.

The table below illustrates some of the wide range of works that were completed during this period.

<b><u>PROJECT</u></b>	<b><u>EXPENDITURE</u></b>
Roads – Construction (excluding footpaths)	\$ 2,246,901
Roads – Maintenance	\$ 713,303
Street Lighting and maintenance	\$ 20,000
Street sweeping and cleaning	\$ 70,698
Footpath Construction / Maintenance	\$ 13,033
Street Tree Maintenance	\$ 22,624

Council is highly reliant on funds being made available from bodies such as the Federal Government, WA Local Government Grants Commission and Main Roads WA each year and this year was no different, with Council receiving over \$2,543,587 in direct funding and other fees and charges. The break-down of the funding was as follows:

WA Local Government Grants Commission	\$ 710,658
MRWA (Direct Grant)	\$ 183,461
MRWA (Project Specific)	\$ 569,572
Federal Government (Roads to Recovery)	\$ 993,829
Street Light Subsidy	\$ 4,630
Blackspot	\$ 81,437

Road construction projects for the financial year included:

SHIRE OF WONGAN-BALLIDU 2017-2018 Capital Works Programme					
Works Program	Section	Comments	Funding Source	Shire Funds	Total Cost
Dowerin-Kalannie Rd	Widen to 8.00Meters SLK 35.02-37.65 (2.63Km)		RRG	\$ 96,427	\$ 289,281
Hospital Road	Widen to 8.00Meters SLK 53.20-55.20 (2.Km)		RRG	\$ 72,933	\$ 218,800
Waddington Rd	Final Seal SLK 8.00 -10.00(2Km)		RRG	\$ 30,875	\$ 92,625
Waddington Rd	Realign curve and widen to 8.m bitumen SLK 13.40-15.00(1.6Km)		RRG	\$ 73,583	\$ 220,750
Hospital Road	Tight vertical and Horizontal curves Stage 2 (SLK 9.30-10.20)	STAGE Two	RRG	\$ 40,719	\$ 175,156
Ballidu East Road	Shoulders Widen	ROAD TRIP	R2R		\$ 25,371
Ballidu bindi bindi road	Re-Seal SLK 14.4-15.4	ROAD TRIP	R2R		\$ 39,391
Manmanning Road	Asphalt intersection, cement stabilise floodways repair shoulders and reseal Slk (0.00-0.50)(2.00-2.20-2.60-5.80)	ROAD TRIP	R2R		\$ 347,003
Yerecion South East Road	Re-Form -& seal Slk10.10-13.3 (3.3Km)	ROAD TRIP	R2R		\$ 146,804
Vincent Road	Gravel Re-Sheet Slk 0.00-1.00	ROAD TRIP	R2R		\$ 28,343
Old Koorda Wongan Hills Road	Gravel Re-Sheet Slk 6.00-9.00 3km	ROAD TRIP	R2R		\$ 54,925
Cadoux North Road	Gravel Re-Sheet 2Km 1 km trial of PMB-Stabiliser	ROAD TRIP	R2R		\$ 56,019
Kalguddering East Road	Clear and widening spot Re-Sheeting over rocks Slk		R2R		\$ 34,457
Mocardy Dam	Pipe Line to town		DOW-DoE	\$ 123,383	\$ 753,279
Gabalong East Road	Gravel Re-Sheet Slk 0.00-2.00 2Km	Re- Sheetting	SHIRE		\$ 47,376
Cadoux South Road	Install Floodway wall		SHIRE		\$ 14,863
Johnson Street	Re-Seal 950 meters	ROAD TRIP	SHIRE		\$ 59,965
Ballidu East Road	Re-Seal Junction Ballidu East-Hospital Road 1500SqM		SHIRE		\$ 11,283
Sheoak Road	Gravel Re-Sheet Slk 4.00-5.8-10.20-12.20 3.8Km	ROAD TRIP	SHIRE		\$ 64,082
Manmanning Road	Shoulder work 1km and seal over hills	ROAD TRIP	SHIRE		\$ 48,067
Wongan Cadoux Road	2 km Cement stabilise		SHIRE		\$ 66,665
White Wells Road	Gravel Re-Sheet Slk 0.00-2.90 2.9Km		SHIRE		\$ 54,321
Hourigan Road	Gravel Re-Sheet Slk 8.60-10.60 Km 2		SHIRE		\$ 47,376
Jensen Street	Industrial Area Signage & Lighting		SHIRE		\$ 16,500
Ambulance	Remove traffic island		SHIRE		\$ 2,394
					<b>\$ 2,915,094</b>

201718 Funding		
RRG		547,637
RRG-Blackspot Stage 2		81,437
RRG-Blackspot Stage 1 Rollover into Stage 2		53,000
R2R		732,313
(DOW)-Department of Water		524,295
(DoE)-Department of Education		100,000
WHDHS -contribution		5,601
Shire Funds		870,811
	<b>Total</b>	<b>2,915,094</b>

## CONSTRUCTION CREW

Once again, it's been a very busy year for the construction crew with the major projects. The crew have completed 8.5km of road widening, 18.5km of gravel resheeting, and 3.7km of patch repairs on bitumen surfaces and 2.5 km of resurfacing and floodway repairs.



*Manmanning Road Intersection*

Road widenings are done to increase driver safety on our roads. Three of the major road widening projects were partially funded by Regional Road Group (Main Roads WA), this funding is applied for each year to be able to maintain our road infrastructure to an optimal level. Traffic Counters are placed on our major arterial roads to provide sufficient data to Main Roads to determine funding each year. This data is then used to determine eligibility amongst all Shires in Western Australia.

Roads that received funding through Regional Road Group this financial year were Dowerin-Kalannie Road, Hospital Road, and Waddington Road. These works totalled 8.25 kilometres of widening to an 8 metre seal.

This year we also received Blackspot funding for works on Hospital Road Stage 2. Stage 1 works were performed in the 2016/2017 financial year, this requires safety audits and engineered designs before works can commence in stage 2. Blackspot funding is determined once again by traffic data and safety audits supplied to Main Roads. Works done for Stage 2 of the project included realignment of the road, widening and clearing according to safety audits and engineer design requirements, and seal to 8 metres



*Before*



*After*

### Yerecoin South East Road

A section of 1.8 km on the Yerecoin South East Road was widened and upgraded from a 4 metre to a 7 metre seal. Shoulders were repaired and widened on a 1.5 km section, this was sealed once repairs were completed.

This work has greatly improved visibility and safety on these roads. The Construction crew have done a fantastic job completing the works program under budget and on time.

JOB LOCATION	sq.m	TREATMENT
Dowerin-Kalannie Rd	31000	primer & 14mm seal
Hospital Road	17000	primer & 14mm seal
Waddington Rd	17000	primer & 14mm seal
Waddington Rd	17000	10mm Final seal
Hospital Road (Stage 2 Black Spot )	8000	Primer-Two coat 14mm & 7mm- S5R Crumbed Rubber
Ballidu-Bindi Bindi road	6000	10mm reseal-S5R Crumbed Rubber
Manmanning Road	1000	Asphalt
Manmanning Road	27200	Two coat 14mm & 7mm- S5R Crumbed Rubber
Yerecoin South East Road	19800	Primer-Two coat 14mm & 7mm- S5R Crumbed Rubber
Johnson Street	1000	10mm/7mm reseal- S5R Crumbed Rubber
Ballidu East Road	1500	10mm reseal -S5R Crumbed Rubber
Manmanning Road	3500	Two coat 14mm & 7mm- S5R Crumbed Rubber
Wongan-Cadoux Road	3500	10mm/7mm reseal- S5R Crumbed Rubber

I would also like to thank all farmers involved in assisting us to obtain gravel this year, without their assistance it would be difficult to maintain our roads to current standards.

### MAINTENANCE CREWS

The maintenance grader drivers have had a busy season maintaining the 980 kilometers of unsealed roads. We have modified our grading techniques throughout the year which has greatly improved the network. They also have done outstanding work clearing back slopes and blind corners.

The patching truck has been busy patching the bitumen roads around the Shire and preparing the roads for reseals, this is quite an intensive task as our bitumen network is approximately 350 kilometers in total. This crew also replace guideposts and signs that need repairs, assist in other areas when required and also dig graves at the cemetery in preparation for upcoming funeral services.





*Intersection Repairs in Ballidu*

### **Roadside Clearing**

The construction crew carried out some clearing works along the inside of the bend at the junctions between Dowerin-Kalannie, Burakin-Wialki Road and the Hospital Road intersections. This has improved vision on approach to each junction and vision looking north from the Hospital Road Junction.

### **White Wells Road**

The Capital Works program began with the gravel resheet of a section of 3km on White Wells Road, from the Kondut West Road Junction to the Barret-Lennard Road Junction. The crew cleared a large volume of material that has built up on the backslopes over the years on this project, we also designated an area for the planting of local species of trees. We hope to follow this practice into future financial years. The material that had been taken from the backslopes was also used to rehabilitate a gravel pit.



*Before*



*Ripped*

## Site Rehabilitated



Maintenance Grader Figures for **March**

Total Major Arterial Roads 30.12km	Total Local Roads 18.10km
Total Minor Arterial Roads 3.9km	Total Bus Routes 27.12km
Total Minor Roads 39.41km	Total Urban Roads 1.24km

Maintenance Grader Figures for **April**

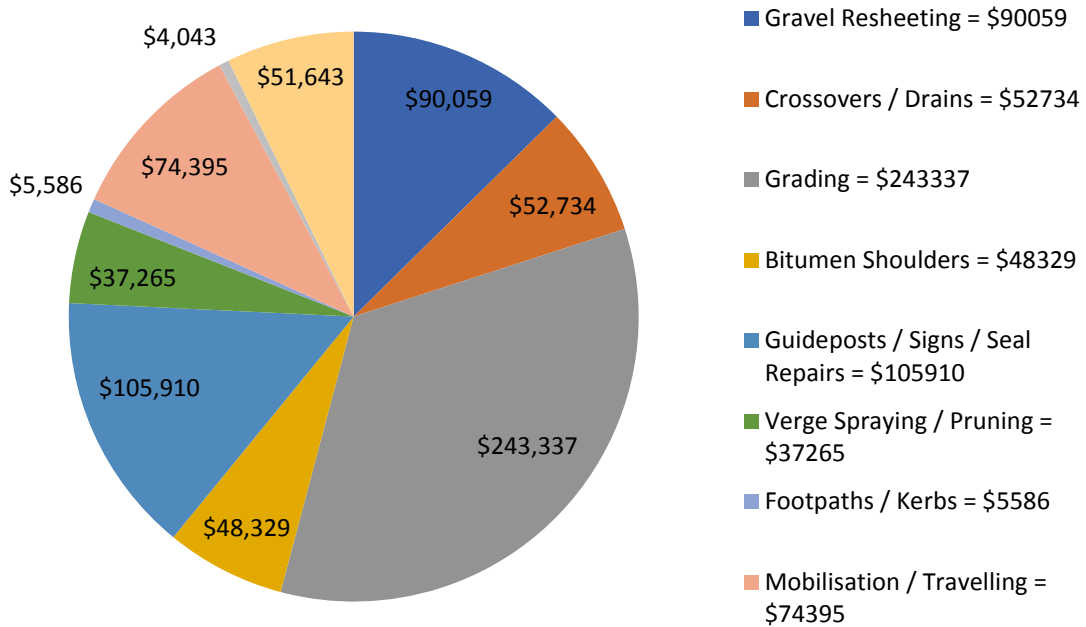
Total Major Arterial Roads 22.2km	Total Local Roads 3.6km
Total Minor Arterial Roads 3.6km	Total Bus Routes 34.3km
Total Minor Roads 13km	Total Urban Roads .8km

### Maintenance Grading Kilometer Breakdown

Total	Road Inspected But No Grading Req'd	Touch-Up Grading 2nd Cut Standard	Full Formation Grading Double Cut	Formation Grading Single Cut	Bitumen Shoulder Grading	Drains Cut-Offs Backslopes	Grader Hours	Manhours	Grader Efficiency (Aim 70%)
July	6.40	0.00	61.10	84.00	164.90	127.40	212.70	279.10	76.21%
August	4.00	23.06	112.84	87.52	0.00	111.55	330.60	402.50	82.14%
September	0.50	0.00	27.50	136.10	0.00	83.40	161.40	250.10	64.53%
October	0.00	0.00	21.14	225.10	0.00	185.50	214.45	249.25	86.04%
November	0.00	0.00	2.50	125.31	0.00	68.20	143.00	155.50	91.96%
December	0.00	0.00	0.10	76.10	0.00	2.00	60.50	60.50	100.00%
January	0.00	0.00	14.18	89.30	0.00	38.20	130.40	141.50	92.16%
February	0.00	0.00	13.40	84.70	0.00	55.22	148.00	178.49	82.92%
March	0.00	0.00	9.24	53.78	0.00	62.55	134.60	168.20	80.02%
April	0.00	0.00	0.00	80.40	0.00	33.20	109.70	133.00	82.48%
May	0.00	0.00	0.00	25.00	0.00	28.70	32.20	48.50	66.39%
June	0.00	0.00	0.00	0.00	663.36	0.00	298.30	310.25	96.15%

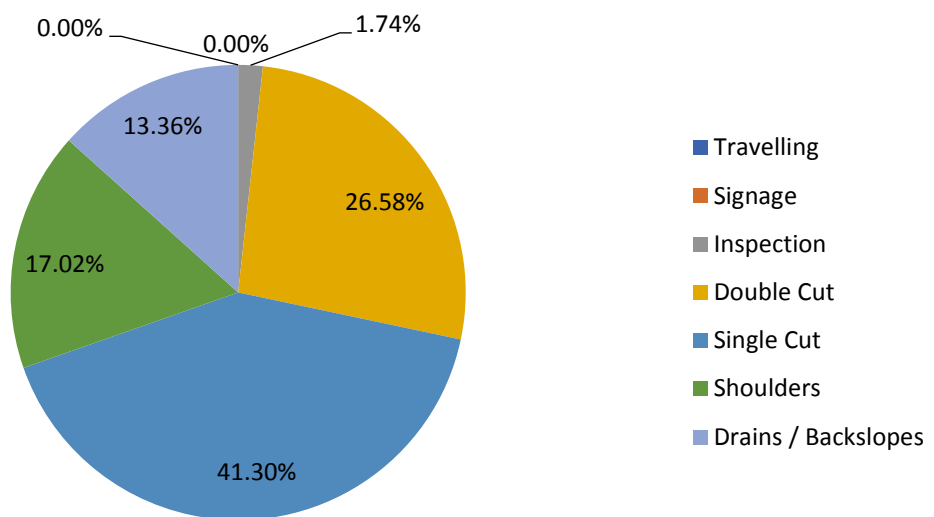


## COA 12000 Expenditure by Activity YTD 2017-2018



### PARKS & GARDENS

## Percentage Breakdown of Grading Activity 2017/2018



The gardens once again look amazing thanks to the Parks and Gardens staff. They have received numerous compliments from not only people within the community but also people that are passing through, whether it be by letter or by someone calling into the office to pass on their acknowledgement. The gardens throughout the Shire are something the whole community can be proud of.



#### PLANT REPLACEMENT

Council maintains and regularly reviews and updates a comprehensive 10 year “Plant Replacement Programme” that schedules the most cost-effective replacement cycles for all of its plant.

This process achieves two (2) goals:

- It ensures that the best returns are achieved on the sale of plant
- It provides the most up-to-date and efficient machinery to undertake works.



*CATGrader – PG16*



*Holden Colorado - VWC*



*Grader Ute – PUT73*



*Mack – PTK36*

This financial year saw the Works Department purchase a new CAT Grader, Mack Trident Prime Mover, upgrade the Works Supervisor's ute and also one of the Grader utes. The Parks & Gardens received an upgrade on their Mulchmaster.

#### MISCELLANEOUS

To coincide with last years reseal and reline of the parking bays in Fenton Place, the Shire has installed traffic calmers in a number of locations in the main pedestrian areas. This has aided in promoting safer use of cross overs and slowed traffic to a safer standard.



#### COMMUNITY INVOLVEMENT

The Shire of Wongan-Ballidu strives to assist with Community Projects whenever possible, this year being no exception.

##### **New Road for Ninan House Units**

This year the Wongan-Ballidu Aged Persons' Home Association installed some new units behind the existing units on Martin Street.



This required a new road to be installed to replace the gravel road that was being utilised. The Construction Crew carried out the initial formation in preparation for footpaths to be installed. The seal will be finalised in the future.



### **Ballidu School Memorial**

The Shire were asked to assist in the creation of a memorial for the Ballidu Primary School. Work consisted of the relocation of a tractor which was on the school grounds, the Ballidu Primary School Sign, two large rocks with plaques, re-fence the new area and the incorporation of over 90 brick pavers into the existing footpath.

Work was carried out by some of our Maintenance Crew and the end result is a credit to our employees and the Ballidu residents who were involved.





### **Wongan Hills District High School**

Throughout the year the Shire has assisted the local school with numerous tasks.

Each year in preparation for Tree Planting Day the Shire allocate an area of land for the Kindy Kids of WHDHS to plant trees, the Parks & Gardens crew prepare the ground and set out the saplings and covers for the kids.

The Athletics Carnival for the WHDHS is another annual event the Works department assists with. The long jump sand pits at the Sports Pavilion are supplied and installed by the Shire. The Shire has also assisted in road closures for the cross country events, helping with moving equipment to and from the school.



Mr Karl Mickle  
**MANAGER WORKS & SERVICES**

# Chief Executive Officer's Report

## Community Services



Mrs Alana Wigmore  
***Manager Community Services***

The Shire continued to work with its strong and vibrant community, developing its social capital as well as the places that bring people together.

Building community relationships is important to the Shire. This is undertaken through a wide range of community events and activities.

Our local sporting clubs and community groups provide numerous options for local community members, and are supported by the Shire through the use and maintenance of facilities through the Building Services portfolio, and support in accessing funds from the Council's Community Development Fund and other State and Federal Government funds.

The Shire is extraordinarily lucky to have a high number of volunteers involved in the services, organisations and community groups right across the Shire.

The Shire welcomed new citizens and celebrated and strengthened local relationships at many inclusive community events. The Community Services portfolio provides services that help strengthen the community's capacity to meet its own needs. We work in partnership with the local community in the following areas:

- Sport and Recreation
- Community Events
- Community Groups
- Economic Development
- Tourism
- Community Resource Centre



## SPORT AND RECREATION

The Shire works in partnership with local sporting clubs to offer a wide range of sports to the community. The clubs have first priority for the use of the Shire's major ovals and sporting infrastructure, and are supported to secure funds for the upgrading of their facilities.

The Shire contributes an annual financial contribution to the Wongan Hills, Cadoux and Ballidu Sports Councils and also supports these groups by subsidising utility costs such as water and electricity.

In the 2017-2018 year, the long awaited Sports and Community Co-Location Project finally came into final planning, with the securing of \$435,000 Community Sport and Recreation Facilities Funding from the Department of Local Government, Sport and Cultural Industries.

The Shire also secured funding from the WA Regional Bike Network, which allowed construction of new paths in the Wongan Hills townsite to improve safety and encourage more recreational cycle and scooter use. The funding will be used in accordance with the Shire's 10-Year Footpath Plan.

Community Garden funding was also secured in the 2017-2018 year, with the Wongan Hills Community Garden anticipated to be opened in 2018-2019.

### Community Events

Nearly 1000 people attended and were involved in the Shire's major community events, including:

- Wongan Hills Australia Day Breakfast
- ANZAC Day Ceremony
- Citizenship Ceremonies
- Christmas Lights Competition

The Shire supported the community to deliver further local events which were provided by organisations other than the Shire, for example the Seniors Christmas Function, Masters Football Carnival, Ballidu Australia Day Breakfast, Bike It To Ballidu and the Harvest Festival.





*The Wongan Hills ANZAC Day Organising Committee*

2017 – 2018 COMMUNITY EVENTS & GROUPS SUBSIDIES	
Wongan Seniors Christmas Function	\$1,200
Wongan Masters Football Carnival	\$1,000
Wongan Hills Tidy Towns	\$500
Ballidu Tidy Towns	\$500
WH Cricket Association	\$750
Wongan Bushcare	\$300
Australia Day Function - Ballidu	\$200
School Chaplaincy	\$35,500
Cadoux Sports Council (as per lease)	\$8,512
WH Sports Council (as per lease)	\$8,512
Ballidu Sports Council (as per lease)	\$8,512
WH Museum - Gardening maintenance (as per lease)	\$2,944
Elizabeth Telfer Centre maintenance (as per lease)	\$3,000
Christmas Lights Competition	\$1,000
Bike it to Ballidu	\$300
WHDHS Scholarship	\$350
Ballidu Art Society	\$4,500
Wongan Hills Progress Association	\$5,000
WH Tourism Group	\$10,000
Tourism & Area Promotion**	\$12,895
Miscellaneous - To be used at discretion of Council and CEO	\$1,500
<b>Total</b>	<b>\$ 106,975</b>

## COMMUNITY GROUPS

The Shire financially supported nine local community groups in their operation, and continues to advocate and assist these groups to grow and develop. These groups provide valuable service to our community, and include Wongan Hills Tidy Towns, Ballidu Tidy Towns, Wongan Hills Cricket Association, Wongan Bushcare, Bike It to Ballidu, Ballidu Arts Society, Elizabeth Telfer Centre, Wongan Hills Arts Society and the Wongan Hills & Districts Museum.

The Shire continued to collaborate with Wongan Hills District High School and Youthcare to support a Chaplaincy service to Wongan Hills, and also provided an annual scholarship to the school.

Additionally, the Shire's annual Community Development Fund supported targeted activities held by the Wongan-Ballidu Menshed, Rotary Club and IgKnight, totalling \$10,200.

2017 – 2018 COMMUNITY DEVELOPMENT FUND				
Applicant	Project	Total Cost of Project	CDF Request	Approved
Wongan-Ballidu and Districts Menshed Inc	<i>Purchase and installation of ICT equipment to be used for educational, health and social purposes such as skin clinic, defibrillation training, Westlink broadcasts</i>	\$2,698.00	\$1,998.00	\$1,200.00
Rotary Club of Wongan Hills/Youthcare	<i>Purchase of shed and concrete to erect shed in order to store Rotary BBQ trailer and Youthcare equipment trailer</i>	\$12,027.12	\$6,000.00	\$6,000.00
Wongan Hills Tourism Association	<i>Funding towards provision of 3 day Reynoldson Reserve Festival including Saturday night entertainment, long table lunch, Sunday morning tea, childrens activities, wildflower tour and markets.</i>	\$30,000.00	\$10,000.00	\$10,000.00
IgKnight	<i>Funding towards outings and excursions for school age children</i>	\$3,500	\$3,000.00	\$3,000.00

## ECONOMIC DEVELOPMENT

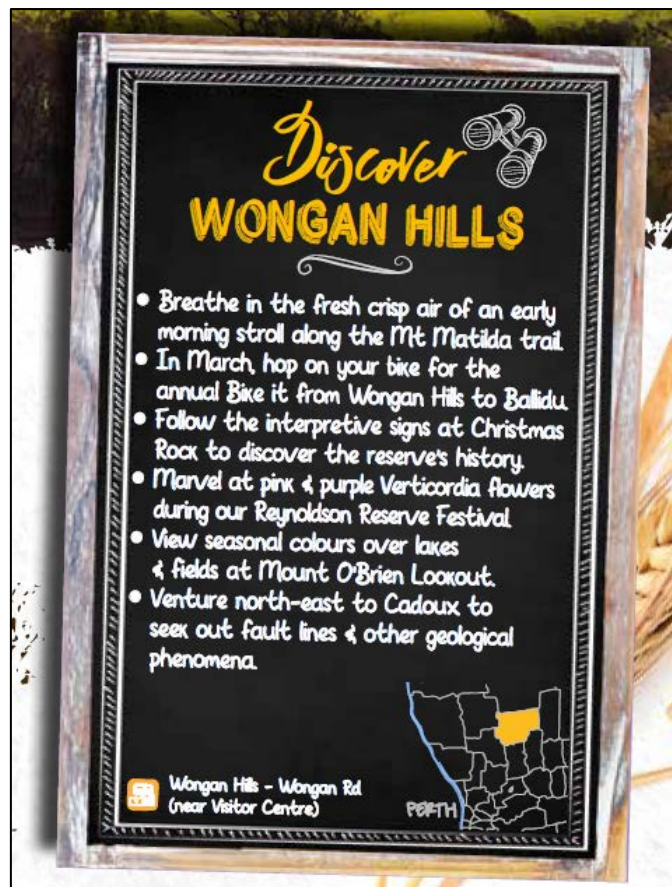
The Shire of Wongan-Ballidu hosted a Main Street Business Sundowner in the 2017/2018 year, for businesses situated in Fenton Place, Wongan Hills. This was held to allow local business people, Shire staff and Councillors an opportunity to network in a relaxed setting.

Contemporary issues and insights were shared, and the Shire is working with local business to grow and develop the local economy.

## TOURISM

The Shire contributed over \$25,000 per annum to Tourism within the Shire, by supporting the Wongan Hills Visitors Centre and Tourism Group by both direct funding and provision of a building and utilities. An additional \$10,000 was provided to the group to support the Reynoldson Reserve Festival, which drew record crowds in October 2017.

The Shire is also actively involved and contributes to the annual Discover Golden Horizons and Australia's Golden Outback tourism campaigns.



*The Shire's excerpt from the Discover Golden Horizon's Brochure, a collaboration across four shires, with an annual print run of 5000.*



## COMMUNITY RESOURCE CENTRE

There are 109 Community Resource Centres in rural, remote and regional centres across WA. The Network is supported by the [Department of Primary Industries and Regional Development](#) (DPIRD) with funding from the State government's [Royalties for Regions](#) program. The Wongan Hills Community Resource Centre operates as a business unit of the Shire of Wongan-Ballidu, and we are only one of eight CRCs in WA that operate this way.

DPIRD's funding to the Wongan Hills CRC is roughly \$100,000 per annum, and to receive this we must conduct around 35 Community and Economic Development activities and events in the community each year.

Event Highlights in the 2017-2018 year include:

- 123 Magic (Parenting)
- Agrimaster
- Alzheimer's WA / Dementia WA public sessions
- Customer Service Workshop
- Enterprising Communities
- Forklift Accreditation
- Hand Therapy at Lovegrove Lodge
- Leading Wheatbelt Women
- Seniors Week High Tea
- Volunteer Week Afternoon Tea



*Attendees at the Regional Development Australia's 'Enterprising Communities' Webinar*



*Senior's High Tea, entertainment by Gary Lynn*

The CRC also offers a range of State and Federal Government related activities, such as being an Access Point for Centrelink and other Government services, and free 'Hot Office' hires for government employees and agencies. The State Government does assist in other ways, such as allocating extra funding to each CRC to deliver an annual Traineeship.



*Attendees at the Volunteer's Week Thankyou afternoon tea contributed to a 'I Volunteer Because...' poster, which is now on display at the CRC.*



We also house the Shire library, manage the Wonga-Balli Boomer and we manage the Department of Transport Licencing agency services for the Shire. The Shire financially supports these services, as it did when these services were based out of other venues.



*The Shire's bright and modern Library, housed at the Community Resource Centre*

Mrs Alana Wigmore  
**MANAGER COMMUNITY SERVICES**

# Statutory Reports

The Shire of Wongan-Ballidu is responsible for the good governance of the Shire and carries out functions as required including statutory compliance and provision of services and facilities.

The Council consists of seven elected members who meet each month, except January, to make decisions relating to the policy and direction of the Shire. All Council meetings are open to the public and the meeting dates and venues are advertised. Members of the public are able to ask questions during Public Question Time at the commencement of each meeting.

Council maintains records relating to each property within the Shire and also records relating to the function and administration of the Shire including Codes of Conduct, Minutes of Meetings, Register of Financial Interests, Register of Delegated Authority, Rate Book, Electoral Roll, Financial Statements, Local Laws and Town Planning Schemes.

These documents can be inspected free of charge at the Shire Administration Office, corner Quinlan Street and Elphin Crescent Wongan Hills, 9.00am to 4:30pm, Monday to Friday (except public holidays).

Changes to personal information should be made in writing.

Council had no requests for Freedom of Information during the year under review as Council has an active policy of providing access to information wherever possible and practical (where it does not contravene the privacy rights of individuals) free of charge. Note that a small administrative / copy charge may be incurred.

Requests for information under the Freedom of Information Act can be sent to:

Chief Executive Officer  
Shire of Wongan-Ballidu  
PO Box 84  
WONGAN HILLS WA 6603

## ***DISABILITY SERVICES AND INCLUSIVENESS PLAN***


Council continues to upgrade its buildings to incorporate access for the disabled.

All applications for building licences have the Building Code of Australia access requirements applied.

The Shire continues to improve access to written information and publications and increase awareness through public information and grievance mechanisms.

## ***NATIONAL COMPETITION POLICY***

In 1995 the Council of Australian Government entered into a number of agreements known as the *National Competition Policy*. The policy is a whole of Government approach to bring about reform in the public sector to encourage Government to become more competitive.



Local Government will mainly be affected where it operates significant business activities that compete or could compete with private sector business. Local Government will also be impacted where its local laws unnecessarily affect competition.

The Shire of Wongan-Ballidu is required to comply with certain policies contained within the National Competition Policy statement and report on progress in connection with Competitive Neutrality Principles and review of Local Laws.

### **COMPETITIVE NEUTRALITY**

The principle of competitive neutrality is that government businesses should not enjoy a competitive advantage, or suffer a disadvantage, simply as a result of their public sector ownership. Measures should be introduced to effectively neutralize any net competitive advantage flowing from government ownership.

Competitive neutrality should apply to all business activities that generate a user pays income of over \$200,000 per annum, unless it can be shown it is not in the public interest. A public benefit test is used to determine if competitive neutrality is in the public interest. This involves assessing the benefits of implementing competitive neutrality against the costs. If the benefits exceed the costs, competitive neutrality should be implemented.

*The Shire of Wongan-Ballidu does not control any business activity with a user pays income in excess of \$200,000.*

### **PUBLIC INTEREST DISCLOSURE**

The Public Interest Disclosure Act was established by the Commissioner for Public Sector Standards under Section 20 of the Public Interest Disclosure Act 2003.

One of the principles of the new legislation is not just to provide protection to those who make disclosures (and those who are the subject of disclosures) but also encourages a system of transparency and accountability in the way government or government officials act and utilise public monies.

Matters that fall into the category of public interest include the following:

- Improper Conduct (irregular or unauthorised use of public resources)
- An offence under State Law including corruption (substantial unauthorised or irregular use of, or substantial mismanagement of, public resources).
- Administration matters generally (conduct involving a substantial risk of injury to public health, prejudice to public safety or harm to the environment)

Matters that relate to the Shire of Wongan-Ballidu should be referred to the Shire of Wongan-Ballidu's Public Interest Disclosure Officer. Disclosures to the Public Interest Disclosure Officer can be made not just about officers of a local authority but also its elected officials.

There is an obligation on the Public Interest Disclosure Officer in the Public Interest Disclosure Act to ensure that the disclosure is confidential and that the person making a disclosure is provided adequate protection from reprisals, civil and criminal liability, dismissal or breach of confidentiality.

The Shire of Wongan-Ballidu had no Public Interest Disclosures during the reporting period.



## **RECORDKEEPING PLAN**

The State Records Act 2000 is an Act to provide for the keeping of State records and for related purposes. Section 19 of the Act requires that every government organization must have a recordkeeping plan (RKP) that has been approved by the State Records Commission.

A government organization's recordkeeping plan sets out the matters about which records are to be created by the organization and how it is to keep it records.

The recordkeeping plan comprises of a range of documents which, when assessed as a whole, provides an accurate reflection of the recordkeeping program within the organization. More specifically, documentation regarding the organization's recordkeeping system/s, disposal arrangements, policies, practices and processes are the essential components of the recordkeeping plan. The inclusion of such documentation will constitute evidence of compliance.

The Shire of Wongan-Ballidu reviewed the RKP in April 2011 and a revised RKP was submitted to the State Records Office (SRO) for Approval on the 5<sup>th</sup> August 2016.

The SRO Approved the Amended RKP effectively on the 5<sup>th</sup> August 2016.

The RKP reflects current situation and reports on compliance areas as per SRC Standard 2, Principle 6.

The RKP reports policies, procedures and activities which are or will be implemented by the Shire of Wongan-Ballidu to comply with the State Records Act 2000.

Staff members responsible for records management have been trained in the basic retention and disposal methods for Local Government and have attended Record Keeping Plan training at the Office of State Records.

In-house recordkeeping training sessions for staff are conducted on an as needs basis, for example, when an aspect of the recordkeeping systems changes, or if, responsibilities change.

The Induction/introduction clearly addresses employee roles and responsibilities in relation to recordkeeping and the program is run in accordance with the RKP.

Staffs are encouraged to attend training courses outside the organization whenever practicable.

Further training is programmed for new and existing staff in the following reporting period.

In accordance with section 28 of the State Records 2000, the plan for the Shire of Wongan-Ballidu is to be reviewed within (5) five years of its approval date.

A completion of this review will be submitted to the SRO on or before 5<sup>th</sup> August 2021.

### **INFORMATION ON PAYMENTS TO EMPLOYEES**

For the purposes of Section 5.53(2) (g) the Annual Report of a Local Government for a financial year, below in bands of \$10,000, is the number of employees of the Shire of Wongan-Ballidu entitled to an annual salary of \$100,000 or more.

Annual salary only includes the cash component of any remuneration.

Annual Salary Entitlements	Actual
<i>Employee entitled to an annual salary of \$100,000 to \$110,000</i>	<i>1</i>
<i>Employee entitled to an annual salary of \$150,000 to \$160,000</i>	<i>1</i>

### **CODE OF CONDUCT BREACHES**

The Council's complaints officer has reviewed no complaints valid or otherwise against its adopted Code of Conduct of the State-wide Local Government (Rules of Conduct) Regulations during the financial year.

### **CONDUCT OF ELECTED MEMBERS**

Pursuant to Section 5.110 and 5.121 of the Local Government Act 1995 the complaints officer for a local government is required to maintain a register of complaints which records all complaints that result in action under section 5.110(6)(b) or (c) of that Act.

The register of complaints is to include, for each recorded complaint —

- (a) the name of the council member about whom the complaint is made;
- (b) the name of the person who makes the complaint;
- (c) a description of the minor breach that the standards panel finds has occurred; and
- (d) details of the action taken under section 5.110(6)(b) or (c).

Details of entries made under section 5.121 during the 2017/18 financial year in the register of complaints are;

- (i) the number of complaints recorded in the register of complaints: Nil
- (ii) how the recorded complaints were dealt with: Not applicable

Stuart Taylor  
Designated Complaints Officer  
Chief Executive Officer  
Shire of Wongan-Ballidu



## **REVIEW OF THE PLANNING FOR THE FUTURE**

The Local Government Act 1995 states the necessity for the preparation and implementation for Planning for the Future.

The Plan will provide a structural medium for the Local Government to develop a process by which works and services can be delivered, not only efficiently, but also progressively.

This is not to say the Plan is set in concrete. The Plan may be reviewed on an annual basis, but must be updated each second year before budget adoption to ensure that community needs are continually amended and delivered.

It is for this reason that Council urges the community to interact with Council in developing the Plan so as to guarantee open, fair and responsible government.

On behalf of the Shire of Wongan-Ballidu, I invite the community to take the opportunity to enter and develop a partnership that will take us into an exciting and fulfilling future.

Section 5.56 is as follows:

### 5.56 Planning for the future

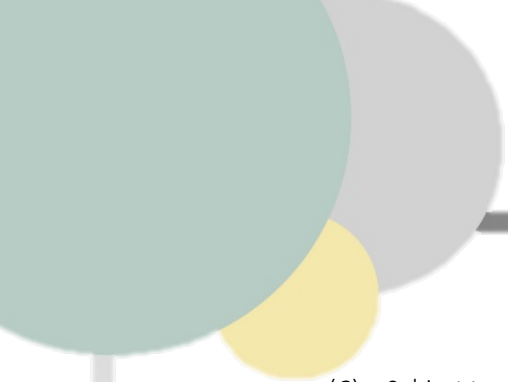
- (1) A local government is to plan for the future of the district.
- (2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.

Section 19C is as follows:

### 19C. Strategic community plans, requirements for (Act s. 5.56)

- (1) A local government is to ensure that a strategic community plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
- (2) A strategic community plan for a district is to cover the period specified in the plan, which is to be at least 10 financial years.
- (3) A strategic community plan for a district is to set out the vision, aspirations and objectives of the community in the district.
- (4) A local government is to review the current strategic community plan for its district at least once every 4 years.
- (5) In making or reviewing a strategic community plan, a local government is to have regard to —
  - (a) the capacity of its current resources and the anticipated capacity of its future resources;  
and
  - (b) strategic performance indicators and the ways of measuring its strategic performance by the application of those indicators; and
  - (c) demographic trends.



- 
- (6) Subject to subregulation (9), a local government may modify its strategic community plan, including extending the period the plan is made in respect of.
  - (7) A council is to consider a strategic community plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications.  
\*Absolute majority required.
  - (8) If a strategic community plan is, or modifications of a strategic community plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.
  - (9) A local government is to ensure that the electors and ratepayers of its district are consulted during the development of a strategic community plan and when preparing modifications of a strategic community plan.
  - (10) A strategic community plan for a district is to contain a description of the involvement of the electors and ratepayers of the district in the development of the plan or the preparation of modifications of the plan.

## **COUNCILS PREFERRED AGENTS**

### **AUDITORS**

*Moore Stephens (WA) Pty Ltd  
Chartered Accountants  
2 The Esplanade  
PERTH WA 6000*

### **SOLICITORS**

*McLeods Barristers & Solicitors  
Stirling Law Chambers  
220-222 Stirling Highway  
CLAREMONT WA 6010*

### **SETTLEMENT AGENTS**

*St James Conveyancing  
P O Box 912  
BALCATTA WA 6914*

### **BANKING AGENTS**

*ANZ Bank  
Fenton Place  
WONGAN HILLS WA 6603*

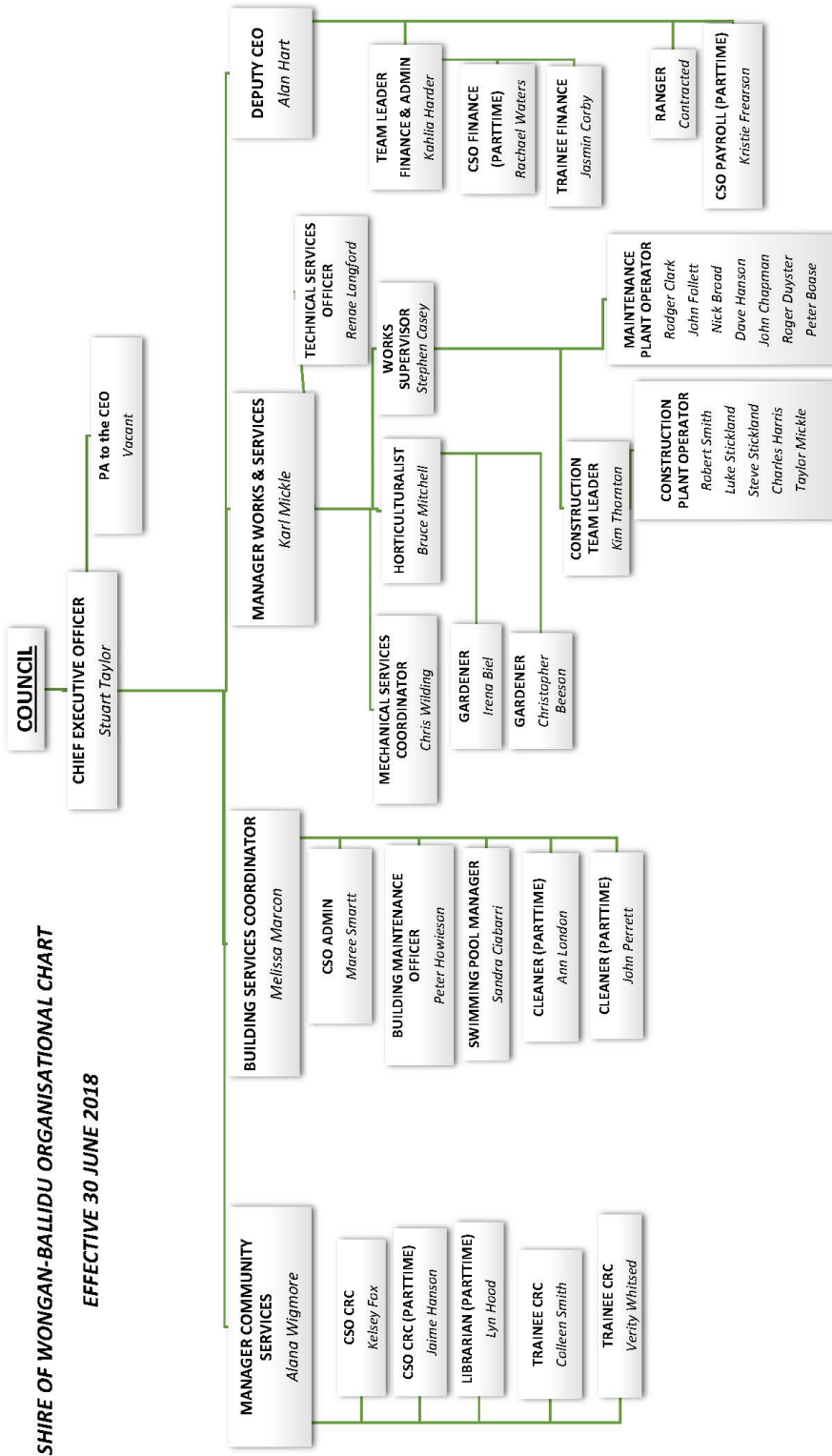
### **DEBT COLLECTION AGENTS**

*Austral Mercantile Collections  
Level 2, 32 Kings Park Road  
WEST PERTH WA 6005*

### **INSURANCE BROKERS**

*Local Government Insurance Services  
17 Altona Street  
WEST PERTH WA 6005*

# Organisational Chart



**SHIRE OF WONGAN-BALLIDU**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2018**

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Principal place of business:

Cnr Quinlan Street & Elphin Crescent, Wongan Hills WA 6603

**SHIRE OF WONGAN-BALLIDU  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Shire of Wongan-Ballidu for the financial year ended 30 June 2018 is based on proper accounts and records to present fairly the financial position of the Shire of Wongan-Ballidu at 30 June 2018 and the results of the operations for the financial year then ended in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 13th day of November 2018



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Mr Alan Hart  
Acting Chief Executive Officer

**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
<b>Revenue</b>				
Rates	19(a)	2,800,051	2,796,594	2,822,466
Operating grants, subsidies and contributions	2	2,638,057	1,957,732	3,367,654
Fees and charges	2	552,264	496,859	543,410
Interest earnings	2(a)	86,420	86,426	95,290
Other revenue	2(a)	321,590	192,300	854,334
		<b>6,398,382</b>	<b>5,529,911</b>	<b>7,683,154</b>
<b>Expenses</b>				
Employee costs		(1,897,665)	(2,082,329)	(2,020,853)
Materials and contracts		(1,180,962)	(1,549,430)	(1,998,807)
Utility charges		(338,820)	(304,603)	(324,686)
Depreciation on non-current assets	9(b)	(1,569,937)	(2,573,155)	(2,360,098)
Interest expenses	2(a)	(28,136)	(33,470)	(33,214)
Insurance expenses		(232,042)	(246,761)	(220,893)
Other expenditure		(232,631)	(323,874)	(280,397)
		<b>(5,480,193)</b>	<b>(7,113,622)</b>	<b>(7,238,948)</b>
		<b>918,189</b>	<b>(1,583,711)</b>	<b>444,206</b>
Non-operating grants, subsidies and contributions	2	1,644,839	1,436,387	1,083,202
Profit on asset disposals	9(a)	82	0	0
(Loss) on asset disposals	9(a)	(110,257)	(165,176)	(122,460)
Impairment Loss on land held for resale		0	0	(115,335)
<b>Net result</b>		<b>2,452,853</b>	<b>(312,500)</b>	<b>1,289,613</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	52,731,189	0	4,302,487
<b>Total other comprehensive income</b>		<b>52,731,189</b>	<b>0</b>	<b>4,302,487</b>
<b>Total comprehensive income</b>		<b>55,184,042</b>	<b>(312,500)</b>	<b>5,592,100</b>

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



**STATEMENT OF COMPREHENSIVE INCOME  
BY PROGRAM  
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$		
<b>Revenue</b>	2(a)			
Governance		70,431	78,349	88,822
General purpose funding		4,872,172	3,836,594	5,868,068
Law, order, public safety		34,694	33,700	33,988
Health		49,284	22,600	144,462
Education and welfare		10,190	4,743	5,406
Housing		103,729	75,306	64,884
Community amenities		203,334	178,680	184,149
Recreation and culture		45,487	48,977	85,914
Transport		440,150	819,357	722,214
Economic services		44,200	41,950	32,528
Other property and services		524,711	389,655	452,719
		6,398,382	5,529,911	7,683,154
<b>Expenses</b>	2(a)			
Governance		(346,472)	(420,378)	(320,967)
General purpose funding		(131,135)	(113,582)	(114,619)
Law, order, public safety		(123,254)	(276,130)	(160,449)
Health		(171,519)	(147,535)	(242,921)
Education and welfare		(188,800)	(205,555)	(202,549)
Housing		(167,913)	(176,205)	(181,559)
Community amenities		(401,570)	(444,782)	(386,219)
Recreation and culture		(1,496,781)	(1,748,973)	(1,808,519)
Transport		(1,666,217)	(2,317,693)	(2,846,403)
Economic services		(165,189)	(252,172)	(256,747)
Other property and services		(593,207)	(977,147)	(684,783)
		(5,452,057)	(7,080,152)	(7,205,735)
<b>Finance Costs</b>	2(a)			
Education and welfare		(15,318)	(16,737)	(3,618)
Housing		(6,952)	(6,306)	(7,779)
Recreation and culture		(2,710)	(1,877)	(2,834)
Other property and services		(3,156)	(8,550)	(18,983)
		(28,136)	(33,470)	(33,214)
		918,189	(1,583,711)	444,205
Non-operating grants, subsidies and contributions	2	1,644,839	1,436,387	1,083,202
Profit on disposal of assets	9(a)	82	0	0
(Loss) on disposal of assets	9(a)	(110,257)	(165,176)	(122,460)
Impairment Loss on land held for resale		0	0	(115,335)
		1,534,664	1,271,211	845,407
<b>Net result</b>		<b>2,452,853</b>	<b>(312,500)</b>	<b>1,289,612</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	52,731,189	0	4,302,487
<b>Total other comprehensive income</b>		<b>52,731,189</b>	<b>0</b>	<b>4,302,487</b>
<b>Total comprehensive income</b>		<b>55,184,042</b>	<b>(312,500)</b>	<b>5,592,099</b>

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 30TH JUNE 2018**

	NOTE	2018	2017
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	4,506,431	4,427,258
Trade and other receivables	5	659,098	519,901
Inventories	6	11,856	11,263
<b>TOTAL CURRENT ASSETS</b>		<b>5,177,385</b>	<b>4,958,422</b>
<b>NON-CURRENT ASSETS</b>			
Other receivables	5	492,109	164,555
Inventories	6	724,000	724,000
Property, plant and equipment	7	26,540,723	26,317,976
Infrastructure	8	121,133,705	67,005,441
<b>TOTAL NON-CURRENT ASSETS</b>		<b>148,890,537</b>	<b>94,211,972</b>
<b>TOTAL ASSETS</b>		<b>154,067,922</b>	<b>99,170,394</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	112,158	203,753
Current portion of long term borrowings	12(a)	80,481	556,007
Provisions	13	350,274	354,176
<b>TOTAL CURRENT LIABILITIES</b>		<b>542,913</b>	<b>1,113,936</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term borrowings	12(a)	448,705	139,649
Provisions	13	52,193	76,740
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>500,898</b>	<b>216,389</b>
<b>TOTAL LIABILITIES</b>		<b>1,043,811</b>	<b>1,330,325</b>
<b>NET ASSETS</b>		<b>153,024,111</b>	<b>97,840,069</b>
<b>EQUITY</b>			
Retained surplus		59,281,434	56,427,087
Reserves - cash backed	4	2,235,362	2,636,856
Revaluation surplus	10	91,507,315	38,776,126
<b>TOTAL EQUITY</b>		<b>153,024,111</b>	<b>97,840,069</b>

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	RETAINED SURPLUS	RESERVES- CASH BACKED	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
<b>Balance as at 1 July 2016</b>		<b>55,130,824</b>	<b>2,643,507</b>	<b>34,473,639</b>	<b>92,247,970</b>
Comprehensive income					
Net result		1,289,612	0	0	1,289,612
Changes on revaluation of assets	10	0	0	4,302,487	4,302,487
Total comprehensive income		1,289,612	0	4,302,487	5,592,099
Transfers from/(to) reserves		6,651	(6,651)	0	0
<b>Balance as at 30 June 2017</b>		<b>56,427,087</b>	<b>2,636,856</b>	<b>38,776,126</b>	<b>97,840,069</b>
Comprehensive income					
Net result		2,452,853	0	0	2,452,853
Changes on revaluation of assets	10	0	0	52,731,189	52,731,189
Total comprehensive income		2,452,853	0	52,731,189	55,184,042
Transfers from/(to) reserves		401,494	(401,494)	0	0
<b>Balance as at 30 June 2018</b>		<b>59,281,434</b>	<b>2,235,362</b>	<b>91,507,315</b>	<b>153,024,111</b>

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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Budget	2017 Actual
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		\$	\$	\$
<b>Receipts</b>				
Rates		2,748,337	2,796,592	2,792,081
Operating grants, subsidies and contributions		2,431,649	1,957,732	3,160,556
Fees and charges		552,264	496,860	543,410
Interest earnings		86,420	86,426	95,290
Goods and services tax		124,901	0	157,880
Other revenue		321,590	122,300	854,333
		6,265,161	5,459,910	7,603,550
<b>Payments</b>				
Employee costs		(1,909,876)	(1,972,329)	(2,066,755)
Materials and contracts		(917,709)	(1,398,462)	(1,482,172)
Utility charges		(338,820)	(304,603)	(324,686)
Interest expenses		(33,050)	(33,470)	(49,997)
Insurance expenses		(232,042)	(246,761)	(220,893)
Goods and services tax		(366,765)	0	(414,804)
Other expenditure		(232,631)	(323,874)	(280,397)
		(4,030,893)	(4,279,499)	(4,839,704)
<b>Net cash provided by (used in) operating activities</b>	14	2,234,268	1,180,411	2,763,846
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment		(1,196,154)	(1,460,982)	(905,524)
Payments for construction of infrastructure		(2,380,827)	(3,029,150)	(2,064,794)
Advances to community groups		(400,000)	(400,000)	0
Non-operating grants, subsidies and contributions		1,644,839	1,436,387	1,083,202
Proceeds from sale of fixed assets		277,046	246,500	222,045
<b>Net cash provided by (used in) investment activities</b>		(2,055,096)	(3,207,245)	(1,665,071)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of long term borrowings		(566,470)	(576,800)	(52,713)
Proceeds from self supporting loans		66,470	76,800	67,258
Proceeds from new long term borrowings		400,000	400,000	0
<b>Net cash provided by (used in) financing activities</b>		(100,000)	(100,000)	14,545
<b>Net increase (decrease) in cash held</b>		79,172	(2,126,834)	1,113,320
Cash at beginning of year		4,427,259	4,513,300	3,313,938
<b>Cash and cash equivalents at the end of the year</b>	3	4,506,431	2,386,466	4,427,258

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

**RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at July 1 b/fwd - surplus/(deficit)</b>				
		1,785,730	1,785,731	627,833
		1,785,730	1,785,731	627,833
<b>Revenue from operating activities (excluding rates)</b>				
Governance		70,431	78,349	88,822
General purpose funding		2,089,943	1,058,000	3,062,904
Law, order, public safety		34,694	33,700	33,988
Health		49,284	22,600	144,462
Education and welfare		10,190	4,743	5,406
Housing		103,729	75,306	64,884
Community amenities		203,334	178,680	184,149
Recreation and culture		45,487	48,977	85,914
Transport		440,232	819,357	722,214
Economic services		44,200	41,950	32,528
Other property and services		524,711	389,655	452,718
		3,616,235	2,751,317	4,877,989
<b>Expenditure from operating activities</b>				
Governance		(385,432)	(450,916)	(332,967)
General purpose funding		(131,135)	(113,582)	(114,619)
Law, order, public safety		(123,254)	(276,130)	(160,449)
Health		(171,519)	(147,535)	(256,407)
Education and welfare		(204,118)	(222,292)	(206,167)
Housing		(174,865)	(182,511)	(189,338)
Community amenities		(401,570)	(444,782)	(386,219)
Recreation and culture		(1,499,491)	(1,750,850)	(1,811,353)
Transport		(1,737,514)	(2,452,331)	(2,932,690)
Economic services		(165,189)	(252,172)	(372,081)
Other property and services		(596,363)	(985,697)	(714,453)
		(5,590,450)	(7,278,798)	(7,476,743)
<b>Operating activities excluded</b>				
(Profit) on disposal of assets	9(a)	(82)	0	0
Loss on disposal of assets	9(a)	110,257	165,176	122,460
Movement in Long Service Leave Reserve		1,238	0	1,696
Movement in deferred pensioner rates (non-current)		(8,035)	0	(11,459)
Movement in employee benefit provisions (non-current)		(24,547)	0	7,233
Fair Value Adjustment to Land Held for Resale				115,335
Depreciation and amortisation on assets	9(b)	1,569,937	2,573,155	2,360,098
<b>Amount attributable to operating activities</b>		1,460,283	(3,419)	624,442
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions		1,644,839	1,436,387	1,083,202
Proceeds from disposal of assets	9(a)	277,046	246,500	222,045
Purchase of property, plant and equipment	7(b)	(1,196,154)	(1,460,982)	(905,524)
Purchase and construction of infrastructure	8(b)	(2,380,827)	(3,029,150)	(2,064,794)
<b>Amount attributable to investing activities</b>		(1,655,096)	(2,807,245)	(1,665,071)
<b>FINANCING ACTIVITIES</b>				
Advances to community groups		(400,000)	(400,000)	0
Repayment of long term borrowings	12(a)	(566,470)	(576,800)	(52,713)
Proceeds from new long term borrowings	12(b)	400,000	400,000	0
Proceeds from self supporting loans	12(a)	66,470	76,800	67,258
Transfers to reserves (restricted assets)	4	(483,408)	(481,798)	(383,349)
Transfers from reserves (restricted assets)	4	884,902	1,013,867	390,000
<b>Amount attributable to financing activities</b>		(98,506)	32,069	21,196
<b>Surplus(deficiency) before general rates</b>		(293,319)	(2,778,595)	(1,019,433)
<b>Total amount raised from general rates</b>	19	2,782,229	2,778,594	2,805,163
<b>Net current assets at June 30 c/fwd - surplus/(deficit)</b>	20	<b>2,488,910</b>	<b>(1)</b>	<b>1,785,730</b>

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



## 1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities and to the extent they are not in-consistent with the *Local Government Act 1995* and accompanying regulations.), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. 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 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

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

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

### THE 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.

### THE LOCAL GOVERNMENT REPORTING ENTITY (Continued)

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 22 to these financial statements.

### AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

#### Land under roads

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the fact *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of *AASB 1051, Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Shire.

## 2. REVENUE AND EXPENSES

(a) Revenue	2018 Actual	2017 Actual
	\$	\$
<b>Significant revenue</b>		
Flood Damage Income	0	499,422
<b>Other revenue</b>		
Reimbursements and recoveries	206,989	240,103
Other	114,597	114,808
	321,586	354,911
<b>Fees and Charges</b>		
Governance	4,902	9,349
General purpose funding	4,753	5,147
Law, order, public safety	11,870	14,335
Health	31,721	26,529
Education and welfare	0	1,666
Housing	86,372	64,328
Community amenities	201,640	182,341
Recreation and culture	26,448	34,715
Transport	2,059	34,402
Economic services	40,200	26,159
Other property and services	142,299	144,439
	552,264	543,410

## 2. REVENUE AND EXPENSES (Continued)

### (a) Revenue (Continued)

#### Grant Revenue

Grants, subsidies and contributions are included as operating and non-operating revenues in the Statement of Comprehensive Income:

	2018	2017
	\$	\$
<b>Operating grants, subsidies and contributions</b>		
General purpose funding	1,969,541	2,937,438
Law, order, public safety	22,824	19,653
Health	0	1,808
Recreation and culture	10,550	38,818
Transport	436,728	185,727
Other property and services	198,414	184,210
	<u>2,638,057</u>	<u>3,367,654</u>
<b>Non-operating grants, subsidies and contributions</b>		
Transport	1,644,839	1,083,202
	<u>1,644,839</u>	<u>1,083,202</u>
<b>Total grants, subsidies and contributions</b>	<u>4,282,896</u>	<u>4,450,856</u>

#### SIGNIFICANT ACCOUNTING POLICIES

##### Grants, Donations and Other Contributions

Grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over

##### Grants, Donations and Other Contributions (Continued)

a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining

Chief Executive Officer

That note also discloses the amount of contributions

operations for the current period.

#### Interest earnings

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
- Loans receivable - clubs/institutions	8,183	11,426	(3,524)
- Reserve funds	28,386	32,523	57,041
- Other funds	22,826	20,477	13,608
Other interest revenue (refer note 19(c))	27,025	22,000	28,165
	<u>86,420</u>	<u>86,426</u>	<u>95,290</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

**2. REVENUE AND EXPENSES (Continued)**

**(b) Expenses**

**Auditors remuneration**

- Audit of the Annual Financial Report  
Other Services

**Interest expenses (finance costs)**

Long term borrowings (refer Note 12(a))

	2018	2017
	\$	\$
	25,205	24,465
	7,250	
	32,455	24,465
	28,136	33,214
	28,136	33,214

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

3. CASH AND CASH EQUIVALENTS	NOTE	2018 \$	2017 \$
Unrestricted		2,269,268	1,788,600
Restricted		2,237,163	2,638,658
		4,506,431	4,427,258
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Depot Improvement Reserve	4	6,260	6,162
Plant Reserve	4	710,580	657,895
Loan Repayments Reserve	4	0	511,228
Housing Reserve	4	1,794	1,766
WH CRC Reserve	4	13,097	12,893
LSL Reserve	4	79,380	78,142
Swimming Pool Reserve	4	134,689	132,589
Historical Reserve	4	6,851	6,744
Medical Facilities and Royalties for Regions Special	4	284,986	408,982
Waste Management Reserve	4	33,855	28,386
Housing-JV Stickland Street Reserve	4	41,765	36,173
Housing-JV Quinlan Street Reserve	4	33,421	27,959
Housing-JV Patterson Street Reserve	4	32,885	27,431
Sporting Co-Location Reserve	4	855,799	700,506
Unspent grants	18	1,801	1,801
		2,237,163	2,638,657

#### SIGNIFICANT ACCOUNTING POLICIES

##### Cash and cash equivalents

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

##### Cash and cash equivalents (Continued)

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



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

4. RESERVES - CASH BACKED

	2018 Actual Opening Balance	2018 Actual Transfer to	2018 Actual Transfer (from)	2018 Actual	2018 Budget Opening Balance	2018 Budget Transfer to	2018 Budget Transfer (from)	2018 Budget Closing Balance	2017 Actual Opening Balance	2017 Actual Transfer to	2017 Actual Transfer (from)	2017 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Depot Improvement Reserve	6,162	98	0	6,260	6,162	92	0	6,254	6,028	134	0	6,162
Plant Reserve	657,895	234,585	(181,900)	710,580	657,895	233,868	(247,000)	644,763	570,994	286,901	(200,000)	657,895
Loan Repayments Reserve	511,228	89	(511,317)	0	511,228	639	(511,867)	0	500,121	11,107	0	511,228
Housing Reserve	1,766	28	0	1,794	1,766	26	0	1,792	1,728	38	0	1,766
WH CRC Reserve	12,893	204	0	13,097	12,893	193	0	13,086	12,613	280	0	12,893
LSL Reserve	78,142	1,238	0	79,380	78,142	1,172	0	79,314	76,444	1,698	0	78,142
Swimming Pool Reserve	132,589	2,100	0	134,689	132,589	1,989	0	134,578	100,273	32,316	0	132,589
Historical Reserve	6,744	107	0	6,851	6,744	101	0	6,845	6,597	147	0	6,744
Medical Facilities and Royalties for Regions Sp	408,982	42,689	(166,685)	284,986	408,982	42,855	(230,000)	221,837	400,097	8,885	0	408,982
Waste Management Reserve	28,386	5,469	0	33,855	28,386	5,426	0	33,812	22,863	5,523	0	28,386
Housing-JV Stickland Street Reserve	36,173	5,592	0	41,765	36,173	5,543	0	41,716	30,481	5,692	0	36,173
Housing-JV Quinlan Street Reserve	27,959	5,462	0	33,421	27,959	5,419	0	33,378	32,257	5,702	(10,000)	27,959
Housing-JV Patterson Street Reserve	27,431	5,454	0	32,885	27,431	5,411	0	32,842	21,929	5,502	0	27,431
Sporting Co-Location Reserve	700,506	180,292	(25,000)	855,798	700,506	179,063	(25,000)	854,569	861,082	19,424	(180,000)	700,506
	2,636,856	483,408	(884,902)	2,235,362	2,636,856	481,798	(1,013,867)	2,104,787	2,643,507	383,349	(390,000)	2,636,856

All of the reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3 to this financial report.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
Depot Improvement Reserve	Unknown	- To be used To fund capital improvements and maintenance works at the Shire of Wongan-Ballidu.
Plant Reserve	Unknown	- To be used for the purchase of major plant.
Loan Repayments Reserve	Unknown	- To be used to fund loan repayments for land an housing development in the Shields Crescent and
Housing Reserve	Unknown	- To be used for the development of housing within the Shire.
WH CRC Reserve	Unknown	- To be used to transfer funds from the Community Resource Centre operations for the future purchase of capita, furniture and equipment.
Land and Building Reserve	Unknown	- To be used for purchase of land and the construction and maintenance of Council assets.
LSL Reserve	Unknown	- To be used for Coucil's current and non-current long service leave liability.
Swimming Pool Reserve	Unknown	- To be used to fund capital and maintenance works at the Wongan Hills Memorial Swimming Pool.
Historical Reserve	Unknown	- To be used to fund historical publications and projects of the Shire.
Medical Facilities and Royalties for Regions Special Reserve	Unknown	- To be used to fund the refurbishment of a multi-purpose medical facility in Wongan Hills to house the doctor, dentist and other medical services and to fund projects identified for the Royalties for Regions programme.
Waste Management Reserve	Unknown	- To be used to fund the future waste management facilit needs of the Shire.
Centenary Celebrations Reserve	Unknown	- To be used to fund community groups and Council events to commemorate the Centenary and other historic activities as determined by the Shire of Wongan-Ballidu.
Industrial and LIA Park Reserve	Unknown	- To be used to fund the development and operating costs of Wongan Hills Industrial and LIA Park. To be used as the facility to record all of the project costs and revenues with the balance after completion of the project to be transferred to the Municipal Fund.
Housing-JV Stickland Street Reserve	Unknown	- To be used to fund the capital and operating costs of the Housing joint venture in Stickland Street.
Housing-JV Quinlan Street Reserve	Unknown	- To be used to fund the capital and operating costs of the Housing joint venture in Quinlan Street.
Housing-JV Patterson Street Reserve	Unknown	- To be used to fund the capital and operating costs of the Housing joint venture in Quinlan Street.
Sporting Co-Location Reserve	Unknown	- To be used to fund the implementation of the co-location of sports facilities within the Shire of Wongan-Ballidu.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018**

**5. TRADE AND OTHER RECEIVABLES**

**Current**

Rates outstanding  
Sundry debtors  
GST receivable  
Loans receivable - clubs/institutions

**Non-current**

Rates outstanding - pensioners  
Loans receivable - clubs/institutions

Information with respect to the impairment or otherwise of the totals of rates outstanding and sundry debtors is as follows:

**Rates outstanding**

Includes:  
Past due and not impaired

**Sundry debtors**

Includes:  
Past due and not impaired

	2018	2017
	\$	\$
Rates outstanding	186,653	142,974
Sundry debtors	330,267	267,943
GST receivable	72,120	52,937
Loans receivable - clubs/institutions	70,058	56,047
	<b>659,098</b>	<b>519,901</b>
Rates outstanding - pensioners	32,941	24,906
Loans receivable - clubs/institutions	459,168	139,649
	<b>492,109</b>	<b>164,555</b>
Rates outstanding	186,653	142,974
Sundry debtors	97,182	58,362

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other receivables**

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

**Classification and subsequent measurement**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018**

**6. INVENTORIES**

**Current**

Inventories

**Non-current**

Land Held for Resale- Independent Valuation 2017

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
	11,856	11,263
	<b>11,856</b>	<b>11,263</b>
	724,000	724,000
	<b>724,000</b>	<b>724,000</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**General**

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

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

**Land held for sale**

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

**Land held for sale (Continued)**

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

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale

Chief Executive Officer

over the land, are passed on to the buyer at this

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018**

**7 (a). PROPERTY, PLANT AND EQUIPMENT**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Land and buildings		
Land - freehold land at:		
- Independent valuation 2017 - level 3	2,246,631	2,223,200
	<u>2,246,631</u>	<u>2,223,200</u>
Land - vested in and under the control of Council at:		
- Independent valuation 2017 - level 3	500,000	500,000
	<u>500,000</u>	<u>500,000</u>
Total land	<u>2,746,631</u>	<u>2,723,200</u>
Buildings - non-specialised at:		
- Independent valuation 2017 - level 3	3,956,833	3,837,931
Buildings - non-specialised - Less: accumulated depreciation	(41,387)	0
	<u>3,915,446</u>	<u>3,837,931</u>
Buildings - specialised at:		
- Independent valuation 2017 - level 3	15,726,427	15,518,455
Buildings - specialised - Less: accumulated depreciation	(124,679)	0
	<u>15,601,748</u>	<u>15,518,455</u>
Total buildings	<u>19,517,194</u>	<u>19,356,386</u>
Total land and buildings	<u>22,263,825</u>	<u>22,079,586</u>
Furniture and equipment at:		
- Independent valuation 2016 - level 3	243,368	198,355
Furniture and equipment - Less: accumulated depreciation	(56,753)	(24,137)
	<u>186,615</u>	<u>174,218</u>
Plant and equipment at:		
- Independent valuation 2016 - level 3	4,476,493	4,200,563
Plant and equipment - Less: accumulated depreciation	(701,675)	(448,458)
	<u>3,774,818</u>	<u>3,752,105</u>
Motor Vehicles at:		
- Management valuation 2016 - level 3	373,838	349,988
Motor Vehicles - Less: accumulated depreciation	(58,373)	(37,921)
	<u>315,465</u>	<u>312,067</u>
<b>Total property, plant and equipment</b>	<u>26,540,723</u>	<u>26,317,976</u>

## 7. PROPERTY, PLANT AND EQUIPMENT (Continued)

### (b) Movements in Carrying Amounts

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

	Land - freehold land	Land - vested in and under the control of Council	Total land	Buildings - non-specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Motor Vehicles	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2016</b>	1,918,630	266,887	2,185,517	3,610,744	14,999,790	18,610,534	20,796,051	198,354	3,818,570	321,000	25,133,975
Additions	0	0	0	13,568	103,975	117,543	117,543		579,993	207,988	905,524
(Disposals)	0	0	0	0	0	0	0	0	(168,852)	(175,652)	(344,504)
Revaluation increments/ (decrements) transferred to revaluation surplus	304,570	233,113	537,683	1,389,905	(338,603)	1,051,302	1,588,985	0	0	0	1,588,985
Depreciation (expense)	0	0	0	(64,559)	(373,909)	(438,468)	(438,468)	(24,136)	(477,606)	(41,269)	(981,479)
Transfers	0	0	0	(1,111,727)	1,127,202	15,475	15,475				15,475
<b>Carrying amount at 30 June 2017</b>	2,223,200	500,000	2,723,200	3,837,931	15,518,455	19,356,386	22,079,586	174,218	3,752,105	312,067	26,317,976
Additions	23,431		23,431	123,921	217,839	341,760	365,191	45,014	610,300	175,649	1,196,154
(Disposals)	0	0	0	0	0	0	0	0	(255,450)	(131,771)	(387,221)
Prior Year Adjustments	0	0	0	31	88	119	119	(50)	(18,987)	(928)	(19,846)
Depreciation (expense)	0	0	0	(41,417)	(124,767)	(166,184)	(166,184)	(32,567)	(313,150)	(39,552)	(551,453)
Transfers	0	0	0	(5,020)	(9,867)	(14,887)	(14,887)	0	0	0	(14,887)
<b>Carrying amount at 30 June 2018</b>	2,246,631	500,000	2,746,631	3,915,446	15,601,748	19,517,194	22,263,825	186,615	3,774,818	315,465	26,540,723



## 7. PROPERTY, PLANT AND EQUIPMENT (Continued)

### (c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>Land and buildings</b>					
Land - freehold land	Level 2/3	Market approach using observable or estimated open market values of similar assets, adjusted for condition and comparability, at their highest and best use	Independent Valuation	June 2017	Available or estimated market information
Land - vested in and under the control of Council	Level 3	Cost Approach using current replacement cost	Independent Valuation	June 2017	Improvement to land using construction costs (level 2 inputs) and current condition (Level 3 inputs)
Buildings - non-specialised	Level 2	Market approach using recent observable data for similar buildings	Independent Valuation	June 2017	Available market information and utilising both observable and unobservable inputs being construction costs based on recent contract prices,current condition (Level 2 inputs), residual values and remaining useful life assessments (Level 3 inputs)
Buildings - specialised	Level 2/3	Cost Approach using current replacement cost	Independent Valuation	June 2017	Available market information and utilising both observable and unobservable inputs being construction costs based on recent contract prices,current condition (Level 2 inputs), residual values and remaining useful life assessments (Level 3 inputs)
<b>Furniture and equipment</b>	Level 3	Cost approach using depreciated replacement cost	Independent Valuation	June 2016	Available market information and utilising both observable and unobservable inputs being construction costs based on recent contract prices,current condition (Level 2 inputs), residual values and remaining useful life assessments (Level 3 inputs)
<b>Plant and equipment</b>					
- Independent valuation 2016	Level 2	Market approach using recent observable data for similar plant items	Independent Valuation	June 2016	Available market information
	Level 2	Market approach using recent observable data for similar motor vehicles	Independent Valuation	June 2016	Available market information
<b>Motor Vehicles</b>					

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

8 (a). **INFRASTRUCTURE**

	2018	2017
	\$	\$
Infrastructure - Roads		
- Independant Valuation 2018 - level 3	96,513,796	50,534,980
Infrastructure - Roads - Less: accumulated depreciation	0	(1,880,594)
	<u>96,513,796</u>	<u>48,654,386</u>
Infrastructure - Other		
- Management valuation 2017 - level 3	5,223,960	4,033,916
Infrastructure - Other - Less: accumulated depreciation	(112,331)	(103,516)
	<u>5,111,629</u>	<u>3,930,400</u>
Infrastructure - Footpaths		
- Management valuation 2018 - level 3	1,799,465	1,354,000
Infrastructure - User defined 3 - Less: accumulated depreciation	0	(90,176)
	<u>1,799,465</u>	<u>1,263,824</u>
Infrastructure - Drainage		
- Management valuation 2018 - level 3	10,758,210	6,132,000
Infrastructure - User defined 4 - Less: accumulated depreciation	0	(110,155)
	<u>10,758,210</u>	<u>6,021,845</u>
Infrastructure - Parks and Ovals		
- Management valuation 2018 - level 3	7,169,520	7,144,500
Infrastructure - User defined 5 - Less: accumulated depreciation	(680,065)	(473,901)
	<u>6,489,455</u>	<u>6,670,599</u>
Infrastructure - Signs		
- Management valuation 2015 - level 3	497,522	497,522
Infrastructure - User defined 6 - Less: accumulated depreciation	(36,372)	(33,135)
	<u>461,150</u>	<u>464,387</u>
<b>Total infrastructure</b>	<u>121,133,705</u>	<u>67,005,441</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

8. INFRASTRUCTURE (Continued)

(b) Movements in Carrying Amounts

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

	Infrastructure -						Total
	Infrastructure - Roads	Infrastructure - Other	Infrastructure - Footpaths	Infrastructure - Drainage	Parks and Ovals	Infrastructure - Signs	Infrastructure
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2016</b>	46,997,300	1,892,231	1,308,912	6,044,400	6,897,441	480,955	63,621,239
Additions	2,064,794	0	0	0	0	0	2,064,794
Revaluation increments/ (decrements) transferred to revaluation surplus	551,484	2,162,018	0	0	0	0	2,713,502
Depreciation (expense)	(959,192)	(103,516)	(45,088)	(22,555)	(231,700)	(16,568)	(1,378,619)
Transfers	0	(20,333)	0	0	4,858	0	(15,475)
<b>Carrying amount at 30 June 2017</b>	48,654,386	3,930,400	1,263,824	6,021,845	6,670,599	464,387	67,005,441
Additions	2,380,827	0	0	0	0	0	2,380,827
Revaluation increments/ (decrements) transferred to revaluation surplus	46,073,678	1,280,763	572,312	4,792,682	31,600	0	52,751,035
Depreciation (expense)	(595,095)	(119,465)	(36,671)	(56,317)	(207,699)	(3,237)	(1,018,484)
Transfers	0	19,931	0	0	(5,045)	0	14,886
<b>Carrying amount at 30 June 2018</b>	96,513,796	5,111,629	1,799,465	10,758,210	6,489,455	461,150	121,133,705

## 8. INFRASTRUCTURE (Continued)

### (c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction cost and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Other	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction cost and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Footpaths	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction cost and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Drainage	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction cost and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Parks and Ovals	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction cost and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Signs	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction cost and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

## 9. FIXED ASSETS

### SIGNIFICANT ACCOUNTING POLICIES

#### Fixed assets

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

#### Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

#### Revaluation

The fair value of fixed assets is determined at least every three years in accordance with the regulatory framework. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

#### Land under control

In accordance with *Local Government (Financial Management) Regulation 16(a)(ii)*, the Shire was required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or Regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

## 9. FIXED ASSETS (Continued)

### (a) Disposals of Assets

The following assets were disposed of during the year.

	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit	Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Property, Plant and Equipment</b>								
<b>Governance</b>								
Hyundai Genesis	53,781	36,364	0	(17,417)	55,655	48,000	0	(7,655)
Nissan Pathfinder	39,725	18,182	0	(21,543)	40,883	18,000	0	(22,883)
<b>Other property and services</b>								
Mulcher	2,418	2,500	82	0	2,515	2,500	0	(15)
Cat Grader	164,979	145,000	0	(19,979)	183,086	105,000	0	(78,086)
Hino Prime Mover	88,052	45,000	0	(43,052)	90,600	45,000	0	(45,600)
Holden Colorado Utility	15,471	11,818	0	(3,653)	15,388	10,000	0	(5,388)
Holden Colarado Dual Cab Utility	22,795	18,182	0	(4,613)	23,549	18,000	0	(5,549)
	387,221	277,046	82	(110,257)	411,676	246,500	0	(165,176)

### (b) Depreciation

	2018	2017
	\$	\$
Buildings - non-specialised	41,417	64,559
Buildings - specialised	124,767	373,909
Furniture and equipment	32,567	24,136
Plant and equipment	313,150	477,606
Motor Vehicles	39,552	41,269
Infrastructure - Roads	595,095	959,192
Infrastructure - Other	119,465	103,516
Infrastructure - Footpaths	36,671	45,088
Infrastructure - Drainage	56,317	22,555
Infrastructure - Parks and Ovals	207,699	231,700
Infrastructure - Signs	3,237	16,568
	1,569,937	2,360,098



## 9. FIXED ASSETS (Continued)

### (b) Depreciation (Continued)

#### SIGNIFICANT ACCOUNTING POLICIES

##### Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, 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.

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

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

##### Depreciation rates

Major depreciation periods used for each class of depreciable asset are:

##### Depreciation (Continued)

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

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

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

10. REVALUATION SURPLUS

	2018 Opening Balance	2018 Revaluation Increment	2018 Revaluation (Decrement)	2018 Total Movement on Revaluation	2018 Closing Balance	2017 Opening Balance	2017 Revaluation Increment	2017 Total Movement on Revaluation	2017 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus -Land - freehold land	14,695,153	0	0	0	14,695,153	13,106,168	1,588,985	1,588,985	14,695,153
Revaluation surplus -Buildings - non-specialised	0	31	0	31	31	0	0	0	0
Revaluation surplus -Buildings - specialised	0	88	0	88	88	0	0	0	0
Revaluation surplus -Furniture and equipment	163,547	0	(50)	(50)	163,497	163,547	0	0	163,547
Revaluation surplus -Plant and equipment	2,082,319	0	(18,987)	(18,987)	2,063,332	2,082,319	0	0	2,082,319
Revaluation surplus -Motor Vehicles	14,679	0	(928)	(928)	13,751	14,679	0	0	14,679
Revaluation surplus - Infrastructure - Roads	4,694,211	46,073,678	0	46,073,678	50,767,889	4,142,727	551,484	551,484	4,694,211
Revaluation surplus - Infrastructure - Other	3,140,785	1,280,763	0	1,280,763	4,421,548	978,767	2,162,018	2,162,018	3,140,785
Revaluation surplus - Infrastructure - Footpaths	1,100,452	572,312	0	572,312	1,672,764	1,100,452	0	0	1,100,452
Revaluation surplus - Infrastructure - Drainage	6,020,318	4,792,682	0	4,792,682	10,813,000	6,020,318	0	0	6,020,318
Revaluation surplus - Infrastructure - Parks and Ovals	6,415,851	31,600	0	31,600	6,447,451	6,415,851	0	0	6,415,851
Revaluation surplus - Infrastructure - Signs	448,811	0	0	0	448,811	448,811	0	0	448,811
	38,776,126	52,751,154	(19,965)	52,731,189	91,507,315	34,473,639	4,302,487	4,302,487	38,776,126

Movements on revaluation of fixed assets are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018**

**11. TRADE AND OTHER PAYABLES**

**Current**

Sundry creditors  
Accrued interest on long term borrowings  
Accrued salaries and wages  
ATO liabilities

	2018	2017
	\$	\$
	773	103,692
	6,083	10,997
	46,035	34,648
	59,267	54,416
	<b>112,158</b>	<b>203,753</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**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

**Trade and other payables (Continued)**

of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

## 12. INFORMATION ON BORROWINGS

### (a) Repayments - Borrowings

Particulars	Principal	New Loans	Principal Repayments		Principal 30 June 2018		Interest Repayments	
	1 July 2017		Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Other property and services</b>								
145C-Land Purchase and Development	500,000	0	500,000	500,000	0	0	3,156	8,550
	500,000	0	500,000	500,000	0	0	3,156	8,550

Particulars	Principal	New Loans	Principal Repayments		Principal 30 June 2018		Interest Repayments	
	1 July 2017		Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Self Supporting Loans</b>								
<b>Education and welfare</b>								
151A-Wongan Ballidu Aged Homes	0	300,000	7,600	15,565	292,400	284,435	9,478	10,121
151B-Wongan Ballidu Aged Homes	0	100,000	2,823	5,188	97,177	94,812	2,288	3,373
<b>Housing</b>								
142-Community Association	111,258	0	34,879	34,880	76,379	76,378	6,952	6,306
<b>Recreation and culture</b>								
147-Construction of Aged Complex	48,786	0	7,571	7,570	41,215	41,216	3,552	3,243
149-Wongan Hills Bowling Club	35,612	0	13,597	13,597	22,015	22,015	2,710	1,877
	195,656	400,000	66,470	76,800	529,186	518,856	24,980	24,920
	695,656	400,000	566,470	576,800	529,186	518,856	28,136	33,470

Self supporting loans are financed by payments from third parties.  
All other loan repayments were financed by general purpose revenue.

### Borrowings

	2018	2017
	\$	\$
Current	80,481	556,007
Non-current	448,705	139,649
	529,186	695,656

12. INFORMATION ON BORROWINGS (Continued)

(b) New Borrowings - 2017/18

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term Years	Total Interest & Charges	Interest Rate	Amount (Used)		Balance Unspent
	Actual	Budget						Actual	Budget	
	\$	\$				\$	%	\$	\$	\$
151A SS-Wongan-Ballidu Aged Homes	300,000	300,000	WA Treasury	P&I	15	92,244	3.65%	300,000	300,000	0
151B SS-Wongan-Ballidu Aged Homes	100,000	100,000	WA Treasury	P&I	15	28,868	3.48%	100,000	100,000	0
	400,000	400,000				121,112		400,000	400,000	0

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

	2018	2017
	\$	\$
Bank overdraft limit	100,000	100,000
Bank overdraft at balance date	0	0
Credit card limit	7,500	7,500
Credit card balance at balance date	0	0
<b>Total amount of credit unused</b>	<b>107,500</b>	<b>107,500</b>

Loan facilities

Loan facilities - current	80,481	556,007
Loan facilities - non-current	448,705	139,649
<b>Total facilities in use at balance date</b>	<b>529,186</b>	<b>695,656</b>

Unused loan facilities at balance date

NIL NIL

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

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

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

## 13. PROVISIONS

### Opening balance at 1 July 2017

Current provisions  
Non-current provisions

Additional provision

### Balance at 30 June 2018

### Comprises

Current  
Non-current

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
	146,390	207,786	354,176
	0	76,740	76,740
	146,390	284,526	430,916
	10,270	(38,719)	(28,449)
	156,660	245,807	402,467
	156,660	193,614	350,274
	0	52,193	52,193
	156,660	245,807	402,467

### SIGNIFICANT ACCOUNTING POLICIES

#### Employee benefits

##### 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

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

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at

##### Other long-term employee benefits (Continued)

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.

##### Provisions

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

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



**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**14. NOTES TO THE STATEMENT OF CASH FLOWS**

**Reconciliation of Cash**

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

	<b>2018 Actual</b>	<b>2018 Budget</b>	<b>2017 Actual</b>
	\$	\$	\$
<b>Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>			
Net result	2,452,853	(312,500)	1,289,613
Non-cash flows in Net result:			
Depreciation	1,569,937	2,573,155	2,360,098
(Profit)/loss on sale of asset	110,175	165,176	122,460
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(133,221)	0	(79,603)
(Increase)/decrease in inventories	(593)	0	(1,741)
Increase/(decrease) in payables	(91,595)	80,967	71,640
Increase/(decrease) in provisions	(28,449)	110,000	(30,753)
Impairment loss on land held for resale		0	115,335
Grants contributions for the development of assets	(1,644,839)	(1,436,387)	(1,083,202)
Net cash from operating activities	2,234,268	1,180,411	2,763,847

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018**

**15. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Governance	1,681,864	1,569,384
Law, order, public safety	275,375	300,149
Health	1,881,767	1,885,366
Education and welfare	778,421	736,722
Housing	994,114	989,172
Community amenities	940,752	914,257
Recreation and culture	19,972,826	19,209,275
Transport	111,622,310	58,277,562
Economic services	6,031,052	5,333,812
Other property and services	4,219,946	4,107,718
Unallocated	5,669,494	5,846,977
	<b>154,067,922</b>	<b>99,170,394</b>

## 16. JOINT ARRANGEMENTS

The Shire together with the Department of Housing have a joint venture arrangement with regard to the ownership of four housing units in Quinlan Street, three housing units in Stickland Street and two housing units in Patterson Street, Wongan Hills.

	%	Valuation	2018	2017
			\$	\$
Stickland Street	11.22	297,915	31,043	33,426
Quinlan Street	9.20	687,166	61,985	63,219
Patterson Street	12.00	206,900	28,791	24,828

	2018	2017
	\$	\$
<b>Non-current assets</b>		
Land and buildings	131,370	121,473
Less: accumulated depreciation	(9,551)	0
	121,819	121,473

### SIGNIFICANT ACCOUNTING POLICIES

#### Interests in joint arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to note 24 for a description of the equity method of accounting.

#### Interests in joint arrangements (Continued)

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Shire's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

## 17. RELATED PARTY TRANSACTIONS

### Elected Members Remuneration

The following fees, expenses and allowances were paid to council members and/or the President.

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Meeting Fees	7,515	10,710	8,112
President's allowance	1,000	1,000	1,000
Deputy President's allowance	250	250	250
Travelling expenses	1,208	2,534	1,562
Telecommunications allowance	6,750	7,000	6,250
	<u>16,723</u>	<u>21,494</u>	<u>17,174</u>

### Key Management Personnel (KMP) Compensation Disclosure

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

	2018	2017
	\$	\$
Short-term employee benefits	598,451	571,514
Post-employment benefits	70,626	61,921
Other long-term benefits	77,505	65,337
	<u>746,582</u>	<u>698,772</u>

#### *Short-term employee benefits*

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

#### *Post-employment benefits*

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

#### *Other long-term benefits*

These amounts represent long service benefits accruing during the year.

### 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 guaranties exist in relation to related parties at year end.

The following transactions occurred with related parties:

	2018	2017
	\$	\$
Sale of goods and services		
Purchase of goods and services	36,217	18,609

### Related Parties

#### The Shire's main related parties are as follows:

##### *i. Key management personnel*

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

##### *iii. Joint venture entities accounted for under the proportionate consolidation method*

The Shire has a one-third interest in an environmental health and building service. The interest in the joint venture entity is accounted for in these financial statements using the proportionate consolidation method of accounting. For details of interests held in joint venture entities, refer to Note 16.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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18. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening	Received <sup>(2)</sup>	Expended <sup>(3)</sup>	Closing	Received <sup>(2)</sup>	Expended <sup>(3)</sup>	Closing
	Balance <sup>(1)</sup>			Balance <sup>(1)</sup>			Balance
	1/07/16	2016/17	2016/17	30/06/17	2017/18	2017/18	30/06/18
	\$	\$	\$	\$	\$	\$	\$
<b>Community amenities</b>							
CRC Community Res Network	1,780	0	0	1,780	0	0	1,780
<b>Other property and services</b>							
Dept of Regional Development	0	15,285	(15,264)	21	0	0	21
<b>Total</b>	<b>1,780</b>	<b>15,285</b>	<b>(15,264)</b>	<b>1,801</b>	<b>0</b>	<b>0</b>	<b>1,801</b>

Notes:

(1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.

(2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.

(3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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19. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	Value \$	Rate Revenue \$	Interim Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Total Revenue \$
<b>Differential general rate / general rate</b>									
<b>Gross rental valuations</b>									
Wongan Hills	0.094574	457	5,860,161	557,928	2,037	559,965	550,946	2,500	553,446
Ballidu and Cadoux	0.094574	68	449,824	42,542	0	42,542	42,542	0	42,542
<b>Unimproved valuations</b>									
Rural	0.011608	265	193,001,000	2,164,927	0	2,164,927	2,164,927	0	2,164,927
Mining	0.011608	0	0	0	0	0	0	0	0
<b>Sub-Total</b>		790	199,310,985	2,765,397	2,037	2,767,433	2,758,415	2,500	2,760,915
<b>Minimum payment</b>	<b>Minimum \$</b>								
<b>Gross rental valuations</b>									
Wongan Hills	622	52	143,733	33,588	0	33,588	33,600	0	33,600
Ballidu and Cadoux	325	22	11,690	7,150	0	7,150	7,143	0	7,143
<b>Unimproved valuations</b>									
Rural	325	16	242,700	4,225	0	4,225	4,221	0	4,221
Mining	325	12	72,796	5,200	(398)	4,802	5,195	0	5,195
<b>Sub-Total</b>		102	470,919	50,163	(398)	49,765	50,159	0	50,159
		892	199,781,904	2,815,560	1,638	2,817,198	2,808,574	2,500	2,811,074
Discounts/concessions (refer note 19(b))						(34,969)			(32,480)
<b>Total amount raised from general rate</b>						2,782,229			2,778,594
Ex-gratia rates						17,822			18,000
<b>Totals</b>						2,800,051			2,796,594

**SIGNIFICANT ACCOUNTING POLICIES**

**Rates**

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.



19. RATING INFORMATION (Continued)

(b) Discounts, Incentives, Concessions, & Write-offs

Rates Discounts

Rate or Fee Discount Granted	Discount %	Discount \$	Actual \$	Budget \$	Circumstances in which Discount is Granted
Early Payment Discount			34,969	32,480	Payment may be received within 21 days of issue of the rates notice
			34,969	32,480	

## 19. RATING INFORMATION (Continued)

### (c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan	Instalment Plan	Unpaid Rates
		Admin Charge	Interest Rate	Interest Rate
		\$	%	%
<b>Option One</b>				
Single full payment	29-Sep-17			11.00%
<b>Option Two</b>				
First instalment	29-Sep-17	\$ 12.00	5.50%	
Second instalment	28-Nov-17	\$ 12.00	5.50%	
Third instalment	29-Jan-18	\$ 12.00	5.50%	
Fourth instalment	30-Mar-18	\$ 12.00	5.50%	

	2018	
	2018	Budget
	\$	\$
Interest on unpaid rates	19,819	15,000
Interest on instalment plan	7,206	7,000
	<u>27,025</u>	<u>22,000</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

## 20. NET CURRENT ASSETS

Composition of net current assets for  
the purposes of the Rate Setting Statement

	<b>2018</b> <b>(30 June 2018</b> <b>Carried</b> <b>Forward)</b>	<b>2018</b> <b>(1 July 2017</b> <b>Brought</b> <b>Forward)</b>	<b>2017</b> <b>(30 June 2017</b> <b>Carried</b> <b>Forward)</b>
	\$	\$	\$
<b>Surplus/(Deficit)</b>	2,488,910	1,785,730	1,785,730
<b>CURRENT ASSETS</b>			
Cash and cash equivalents			
Unrestricted	2,269,268	1,788,600	1,788,600
Restricted	2,237,163	2,638,658	2,638,658
Receivables			
Rates outstanding	186,653	142,974	142,974
Sundry debtors	330,267	267,942	267,942
GST receivable	72,108	52,937	52,937
Loans receivable - clubs/institutions	70,058	56,047	56,047
Inventories			
Inventories	11,856	11,262	11,262
<b>LESS: CURRENT LIABILITIES</b>			
Trade and other payables			
Sundry creditors	(773)	(103,692)	(103,692)
Accrued interest on long term borrowings	(6,083)	(10,997)	(10,997)
Accrued salaries and wages	(46,035)	(34,648)	(34,648)
ATO liabilities	(59,267)	(54,416)	(54,416)
Current portion of long term borrowings	0	(500,000)	(500,000)
Self Supporting Loan	(80,481)	(56,007)	(56,007)
Provisions			
Provision for annual leave	(156,660)	(146,390)	(146,390)
Provision for long service leave	(193,614)	(207,786)	(207,786)
<b>Unadjusted net current assets</b>	<b>4,634,460</b>	<b>3,844,484</b>	<b>3,844,484</b>
<b>Adjustments</b>			
Less: Reserves - restricted cash	(2,235,362)	(2,636,856)	(2,636,856)
Less: Loans receivable - clubs/institutions	(70,058)	(56,047)	(56,047)
Add: Current portion of long term borrowings	0	500,000	500,000
Debentures-Self Supporting Loans	80,481	56,007	56,007
Leave Reseve	79,380	78,142	78,142
<b>Adjusted net current assets - surplus/(deficit)</b>	<b>2,488,910</b>	<b>1,785,730</b>	<b>1,785,730</b>

### Difference

There was no difference between the surplus/(deficit) 1 July 2017 brought forward position used in the 2018 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2017 audited financial report.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018**

**21. FINANCIAL RISK MANAGEMENT**

The Shire's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Shire's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Shire.

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

Financial risk management is carried out by the finance area under policies approved by the Council.

The Shire held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2018	2017	2018	2017
	\$	\$	\$	\$
<b>Financial assets</b>				
Cash and cash equivalents	4,506,431	4,427,258	4,506,431	4,427,258
Receivables	1,151,207	684,456	1,151,207	684,456
	5,657,638	5,111,714	5,657,638	5,111,714
<b>Financial liabilities</b>				
Payables	112,158	203,753	112,158	203,753
Borrowings	529,186	695,656	551,392	721,168
	641,344	899,409	663,550	924,921

Fair value is determined as follows:

Cash and cash equivalents, receivables, payables - estimated to the carrying value which

Borrowings - held to maturity investments, estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

**21. FINANCIAL RISK MANAGEMENT (Continued)**

**(a) Cash and Cash Equivalents**

The Shire’s objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash portfolio. The Shire has an Investment Policy and the Policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

Cash is subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the Shire.

The Shire manages these risks by diversifying its portfolio and only investing in investments authorised by Local Government (Financial Management) Regulation 19C.

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% <sup>(1)</sup> movement in interest rates on cash		
- Equity	45,064	44,273
- Statement of Comprehensive Income	45,064	44,273

*Notes:*

<sup>(1)</sup> Sensitivity percentages based on management's expectation of future possible interest rate movements.

## **21. FINANCIAL RISK MANAGEMENT (Continued)**

### **(b) Receivables**

The Shire’s major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The Shire is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

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

The Shire makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Shire’s credit risk at balance date was:

	<b>2018</b>	<b>2017</b>
	%	%
Percentage of rates and annual charges		
- Current	0.00%	0.00%
- Overdue	100.00%	100.00%
Percentage of other receivables		
- Current	74%	77%
- Overdue	26%	23%



## 21. FINANCIAL RISK MANAGEMENT (Continued)

### (c) Payables and borrowings

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

The contractual undiscounted cash flows of the Shire's Payables and Borrowings are set out in the Liquidity Table below:

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b>2018</b>					
Payables	112,158	0	0	112,158	112,158
Borrowings	80,481	80,041	368,664	529,186	529,186
	192,639	80,041	368,664	641,344	641,344
<b>2017</b>					
Payables	203,753	0	0	203,753	203,753
Borrowings	576,024	154,113	0	730,137	695,656
	779,777	154,113	0	933,890	899,409

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

Year ended 30 June 2018	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
<b>Borrowings</b>								
<b>Fixed rate</b>								
Long term borrowings	80,481	77,231	31,701	33,170	29,308	277,295	529,186	4.53%
Weighted average Effective interest rate	4.91%	4.74%	4.43%	4.43%	4.12%	4.20%		
<b>Year ended 30 June 2017</b>								
<b>Borrowings</b>								
<b>Fixed rate</b>								
Long term borrowings	0	500,000	0	195,696	0	0	695,696	4.55%
Weighted average Effective interest rate	0.00%	3.42%	0.00%	6.46%	0.00%	0.00%		

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018**

**22. TRUST FUNDS**

Funds held at balance date over which the Shire has no control and which are not included in the financial statements are as follows:

	<b>1 July 2017</b>	<b>Amounts Received</b>	<b>Amounts Paid</b>	<b>30 June 2018</b>
	\$	\$	\$	\$
Lake Ninan/Hinds Fire Brigade	4,821	0	0	4,821
Mocardy Bushfire Brigade	7,931	0	(144)	7,787
Housing Tenancy Bonds	5,668	1,480	(2,080)	5,068
Transport Payments	9,091	780,712	(757,284)	32,519
CRC Office Bond	500	0	(500)	0
Discover Golden Horisons	15,309	7,500	(2,506)	20,303
WH Nature Playground	1,679	0	0	1,679
Shire Hall Hire Bond	0	700	(280)	420
CRC Room Hire Bond	0	2,250	(2,200)	50
Councillor Nomination Deposits	0	480	(320)	160
	<u>44,999</u>			<u>72,807</u>

### 23. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Shire.

Management's assessment of the new and amended pronouncements that are relevant to the Shire, applicable to future reporting periods and which have not yet been adopted are set out as follows:

	<b>Title</b>	<b>Issued / Compiled</b>	<b>Applicable (1)</b>	<b>Impact</b>
(i)	AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Shire, it is not anticipated the Standard will have any material effect.
(ii)	AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2019	<p>This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.</p> <p>The effect of this Standard will depend on the nature of future transactions the Shire has with those third parties it has dealings with. It may or may not be significant.</p>
(iii)	AASB 16 Leases	February 2016	1 January 2019	<p>Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability into the statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position when AASB 16 is adopted.</p> <p>Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Shire, the impact is not expected to be significant.</p>

Notes:

(1) Applicable to reporting periods commencing on or after the given date.

## 23. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS (Continued)

Title	Issued / Compiled	Applicable (1)	Impact
(iv) AASB 1058 Income of Not-for-Profit Entities	December 2016	1 January 2019	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> <li>- Assets received below fair value;</li> <li>- Transfers received to acquire or construct non-financial assets;</li> <li>- Grants received;</li> <li>- Prepaid rates;</li> <li>- Leases entered into at below market rates; and</li> <li>- Volunteer services.</li> </ul> <p>Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Shire's operations.</p>

Notes:

(1) Applicable to reporting periods commencing on or after the given date.

### Adoption of New and Revised Accounting Standards

During the current year, the Shire adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

Whilst many reflected consequential changes associate with the amendment of existing standards, the only new standard with material application is as follows:

(i) AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities	1 January 2017
(ii) AASB 2016-7 Amendments to Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities	1 January 2017

## 24. OTHER SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

### b) Current and non-current classification

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

### c) Rounding off figures

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

### d) Comparative figures

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

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

### e) Budget comparative figures

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

### f) Superannuation

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

### g) Fair value of assets and liabilities

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

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

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

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

### h) Fair value hierarchy

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

#### Level 1

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

#### Level 2

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

#### Level 3

Measurements based on unobservable inputs for the asset or liability.

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

### Valuation techniques

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

#### Market approach

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

#### Income approach

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

#### Cost approach

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

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

### i) Impairment of assets

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

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

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018**

**25. ACTIVITIES/PROGRAMS**

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

<b>PROGRAM NAME</b>	<b>OBJECTIVE</b>	<b>ACTIVITIES</b>
<b>GOVERNANCE</b>	The objective of the Governance program is to provide an efficient decision making process for the efficient allocation of scarce resources.	Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.
<b>GENERAL PURPOSE FUNDING</b>	The objective of this program is to generate general purpose funding to deliver a high quality of services to the community.	Activities involve the raising of rates, maximisation of general purpose government grants and interest revenue.
<b>LAW, ORDER, PUBLIC SAFETY</b>	The objective of the program is to provide the highest standard of supervision of various local laws and statutory regulations	Activities involve animal control, fire prevention and emergency services to ensure a safer community.
<b>HEALTH</b>	The Shire's health program aims to provide an operational framework for good community health.	Activities involve supervision of food quality and pest control, provision of maternal and infant health and the provision of a doctor to the community.
<b>EDUCATION AND WELFARE</b>	Proportion and support of education for the youth of the community and care of the elderly.	Activities involve the support for aged accommodation, Community Health Care Centre, and Youth Services within the community
<b>HOUSING</b>	This program aims to provide and maintain a high standard of housing to the community and staff	Activities involve management and maintenance of various rental residences throughout Wongan Hills.
<b>COMMUNITY AMENITIES</b>	The objective of this program is to provide and maintain a high quality of sanitation, planning and cemetery services to the community.	Activities involve the management of refuse services, maintenance of refuse sites, administration of the town planning scheme, maintenance of the cemeteries in Wongan Hills and Ballidu
<b>RECREATION AND CULTURE</b>	The areas of recreation and culture are of the highest importance to the community of the Shire of Wongan-Ballidu	Council's objective for this program is to provide, develop and maintain a superior level and quality of recreation facilities and cultural activities. This includes maintenance of civic centres and halls, recreation centres, ovals, parks and gardens, swimming areas, museums and the library facilities.
<b>TRANSPORT</b>	Maintenance and development of the Shire's infrastructure and transport services is the objective of this program.	Construction and maintenance of streets, roads, bridges and footpaths, cleaning and lighting of streets, depot maintenance and maintenance of aerodromes are all provided to community.
<b>ECONOMIC SERVICES</b>	This program aims to regulate and provide tourism and area promotion to generate interest in the Shire and therefore generate tourist dollars for the benefit of the community.	Standpipes and Tourism and Area promotion
<b>AND SERVICES</b>	This program provides for the corporate overheads, support for the CRC, business enterprise and general building maintenance	Activities include, private works, community resource centre operations, maintenance of government buildings and business enterprise centre.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018**

**26. FINANCIAL RATIOS**

	2018	2017	2016
Current ratio	6.34	2.24	2.27
Asset consumption ratio	0.99	0.97	0.97
Asset renewal funding ratio	1.36	0.91	0.97
Asset sustainability ratio	2.03	1.39	1.63
Debt service cover ratio	4.05	30.26	7.50
Operating surplus ratio	0.22	0.06	(0.26)
Own source revenue coverage ratio	0.67	0.50	0.58

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

**Notes:**

Three of the current year ratios disclosed above were distorted by the early receipt of Financial Assistance Grants. In addition, three of the prior year ratios were impacted by revenue and expenses associated with flood damage re-instatement which is considered one-off in nature.

	2017/18	2016/17	2015/16
	\$	\$	\$
Amount of Financial Assistance Grant received during the year relating to the subsequent year.	1,046,381	1,023,456	0
Amount of Financial Assistance Grant received in prior year relating to current year.	1,023,456	0	985,342
Amount of reimbursement for flood damage received	0	499,422	0
Expenditure on flood damage re-instatement	0	551,484	0

If the events detailed above did not occur, the impacted ratios in the 2018, 2017 and 2016 columns above would be as follows:

	2018	2017	2016
Current ratio	4.09	1.25	2.27
Debt service cover ratio	4.01	18.95	13.92
Operating surplus ratio	0.21	(0.20)	(0.02)
Own source revenue coverage ratio	N/A	0.55	N/A



## **INDEPENDENT AUDITOR'S REPORT TO THE COUNCILLORS OF THE SHIRE OF WONGAN-BALLIDU**

### **REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

#### **Opinion**

We have audited the accompanying financial report of the Shire of Wongan-Ballidu (the Shire), which comprises the Statement of Financial Position as at 30 June 2018, Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and the Rate Setting Statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement by Chief Executive Officer.

In our opinion, the financial report of the Shire of Wongan-Ballidu:

- a) is based on proper accounts and reports; and
- b) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

#### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Shire in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter – Basis of Preparation**

We draw attention to Note 1 to the financial report, which describes the basis of preparation. The financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act. Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. Our opinion is not modified in respect of this matter.

#### **Responsibilities of the Chief Executive Officer and Council for the Financial Report**

The Chief Executive Officer (CEO) of the Shire is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

**INDEPENDENT AUDITOR'S REPORT  
TO THE COUNCILLORS OF  
THE SHIRE OF WONGAN-BALLIDU (CONTINUED)****REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONTINUED)****Responsibilities of the Chief Executive Officer and Council for the Financial Report (continued)**

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 and 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**

Our objectives of the 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 our 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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, international omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Shire's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report, as we cannot predict future events or conditions that may have an impact.

**INDEPENDENT AUDITOR'S REPORT  
TO THE COUNCILLORS OF  
THE SHIRE OF WONGAN-BALLIDU (CONTINUED)**

**Auditor's Responsibilities for the Audit of the Financial Report (continued)**

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council and the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) All required information and explanations were obtained by us.
- b) All audit procedures were satisfactorily completed in conducting our audit.
- c) In our opinion, the asset consumption ratio and the asset renewal ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

**MATTERS RELATING TO THE ELECTRONIC PUBLICATION OF THE AUDITED FINANCIAL REPORT**

This auditor's report relates to the annual financial report of the Shire of Wongan-Ballidu for the year ended 30 June 2018 included 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 described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

MOORE STEPHENS  
CHARTERED ACCOUNTANTS



Wen-Shien Chai  
Partner

Signed at Perth this 13<sup>th</sup> day of November 2018