

Annual Report

2019/20







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ACKNOWLEDGEMENT OF COUNTRY

**Kaya Wanjoo Yued Boodja (pronounced “Kya Wanjoo Yued Booja”)
Hello – Welcome to the land of the Yued Traditional Owners.**

The Shire of Gingin would like to acknowledge the Yued people who are the traditional custodians of this land. The Shire would like to pay respect to the Elders past, present and emerging of the Yued Nation and extend this respect to all Aboriginal people. The Shire also recognises the living culture of the Yued people and the unique contribution they have made to the Gingin region.

The Yued region covers an area of 20,252km². Their Booja – meaning ‘their country’ includes the Shires of Coorow, Dalwallinu, Dandaragan, Moora, Gingin, Victoria Plains, Toodyay and Chittering.

Nyoongar camping grounds, birthing areas, festival places, song lines and sacred lore sites are scattered throughout the Yued region. They are very significant and important for the Yued community.

The Shire of Gingin formally recognises the Yued Nyoongar People as an important stakeholder in the development and progression of the Shire.



ABOUT THIS REPORT

As required by the *Local Government Act 1995* and associated regulations, the Shire of Gingin's Annual Report for 2019/20 provides an overview of the operations, activities and major projects undertaken by the Shire for that period and includes major initiatives proposed to commence or to continue in the next financial year.

The performance of the Council is assessed against the Vision, Mission, Focus Areas, Objectives, Outcomes and Priorities as set out in the Shire of Gingin Strategic Community Plan 2019-2029 and the Actions contained in the Corporate Business Plan 2019-2023.

These plans provide strategic focus for elected members and the organisation and affirms our commitments to the community.





OUR VISION

“We are a welcoming and progressive community that celebrates its diversity and unique rural and coastal environment.”

COMMUNITY ASPIRATIONS & COUNCIL OBJECTIVES

FOCUS AREA 1 – Community Wellbeing

COMMUNITY ASPIRATION

An active, healthy and safe community with a range of easily accessible services and facilities.

COUNCIL OBJECTIVE

To support the Shire of Gingin community to be inclusive, vibrant, healthy and safe through the Shire’s shared service delivery.

FOCUS AREA 2 – Natural Environment

COMMUNITY ASPIRATION

The Shire of Gingin’s natural assets are protected for future generations and recognised as one of the greatest sources of pride in our community.

COUNCIL OBJECTIVE

To develop the Shire’s capacity to support the conservation of natural assets and undertake sustainable resource management.

FOCUS AREA 3 – Infrastructure & Development

COMMUNITY ASPIRATION

High quality community infrastructure and development.

COUNCIL OBJECTIVE

To effectively manage growth and provide for the community through the delivery of community infrastructure in a financially responsible manner.

FOCUS AREA 4 – Economic Development

COMMUNITY ASPIRATION

A strong economy based on tourism, agriculture, resources and supportive industries.

COUNCIL OBJECTIVE

To support economic development through the Shire’s service delivery.

FOCUS AREA 5 – Governance

COMMUNITY ASPIRATION

Progressive and transparent leadership which is contemporary and involves the community in responsible governance.

COUNCIL OBJECTIVE

To demonstrate effective leadership, governance and advocacy.





A MESSAGE FROM THE SHIRE PRESIDENT

CR WAYNE FEWSTER



On behalf of Council I am pleased to present the Shire of Gingin's Annual Report for 2019/20 to the community.

This financial year the rate increase was again 2.75% to the rate in the dollar across UV and GRV rated properties with a minimum UV rate of \$1,400 and \$1,110 for GRV properties. A differential minimum rate of \$2,548 was applied with an average 7.5% increase to the rate in the dollar.

Council believed this was sufficient for the Shire to manage the planned 2019/20 projects and services for the community with assistance from government grant funding where required. Council has always been very conscious of delivering a low rate increase where possible, so to have achieved this again in 2019/20 we feel is a terrific result for our ratepayers.

2019 ELECTIONS

In October 2019 Local Government Elections were held with five Councillor positions (including my own) up for re-election. Congratulations to Councillors Jan Court and Frank Peczka on your re-election and welcome to new Councillors Andrea Vis and Linda Balcombe. Thank you to departing Councillors Ian (Sam) Collard (Shire President) and John Elgin (Deputy Shire President). I acknowledge your commitment to the community during your tenure with the Shire. You will both be sorely missed so I wish you well.

Thank you to my fellow Councillors for electing me to the position of Shire President and congratulations to Councillor Kim Rule who was elected to the position of Deputy Shire President. As ever, we and Council will strive to meet community expectations.

YANCHEP BUSH FIRE

It would be remiss of me not to mention the Yanchep Bush Fire which occurred in December 2019. Approximately 14,000ha of bush land was burnt across Two Rocks and the Shire of Gingin. One home was lost but fortunately thanks to the efforts of fire fighters, 6,000 homes were saved. I said this at the time but I will say it again: Council and I express our heartfelt thanks and gratitude to the amazing fire fighters, Shire staff and more who worked so hard to protect the lives and properties of the Shire of Gingin and City of Wanneroo residents. Your efforts are appreciated and recognised as being well and above the call of duty – thank you.

This fire (coupled with the recent Red Gully & Yeal Bush Fires) is an important reminder that we should never become complacent. Having a Bush Fire Plan is a necessity living in Australia, a country where bush fires have long been a part of our nation's history. I implore all Shire of Gingin residents: if you don't yet have a Bush Fire Plan in place then now is the time to look at preparing one. The Department of Fire & Emergency Services has some terrific resources to help you create your plan. Visit <https://mybushfireplan.wa.gov.au/>. Alternatively, your local Chief Bush Fire Control Officer can always provide assistance. Contact Phil Barrett on 0408 943 576.

COVID-19

A global pandemic is not something any one of us particularly thought would affect us this financial year. However, the last quarter of 2019/20 was significantly impacted by the Coronavirus (COVID-19) Pandemic. A State of Emergency and a Public Health State of Emergency was declared in Western Australia for the first time in its history and our borders were closed to the rest of our nation and the international world beyond.

Staff, Council and I are fully aware of just how difficult times have been for residents, ratepayers and our hardworking local businesses. The Shire of Gingin has striven hard to implement a number of changes to help safeguard our communities during this time and to provide access to information and assistance where required.

Throughout most of March to May, Shire staff worked long hours to implement the many changes required by the Pandemic which continued to evolve rapidly. The impacts felt upon the community and throughout the following months, have been many and varied in severity. From regional border lock downs which separated families and cut off access to our capital city to the cancellation of events, pressure put on local industries and the loss of jobs, isolation and much more – the effects of the Pandemic have all been felt by us in some way or another. I am sure they will continue to be felt for many more months – perhaps years – yet to come.

However, despite the challenges of 2019/20 (i.e. COVID-19, bush fires, etc.), Shire staff rose admirably to the occasion. Thank you to Aaron and staff for all of your time, dedication and commitment. It is not always very visible to the community just how much work staff do behind the scenes so I hope the community will join me in acknowledging this. Thank you also to my fellow Councillors for your time, commitment and effort over the past 12 months. Whilst several major projects may not have been completed or were deferred to 2020/21 due to the impacts of COVID-19 and other factors, it is still nothing short of amazing how much has been completed despite this. The community should take pride in the number of projects that have been delivered this year or have had significant progress made towards their completion such as the construction of the Woodridge St John Ambulance WA Facility and Gingin Emergency Services Facility, the significant progress made towards the construction of the Redfield Park Emergency Service Facility, the completion of significant coastal erosion related reports, progress towards safety improvements for the Lancelin Off-road Vehicle Area, the rebranding of the Shire's corporate logo and more.

I hope this Annual Report portrays the sheer amount of hard work our Council and Shire staff have exerted over the last 12 months in our tireless attempt to serve our many community's interests.



A MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

AARON COOK



Welcome to the Shire of Gingin's Annual Report 2019/20.

This reporting financial year has been faced with some very big challenges given the impact of COVID-19. However, as ever Council and staff have risen to the occasion. Advancements in a number of significant projects have been made whilst the day to day services of Council have continued to be provided with minimal interruption in general to the community.

COASTAL EROSION

Council and staff have not rested in their efforts to address this matter. Coastal erosion is arguably the Shire's biggest concern as we look forward to the years ahead. A large amount of work has been undertaken by the Shire over the past 12 months to carry out further research (Coastal Inundation Study, etc.) to better inform Council of the implications and to investigate some more long term strategies to deal with this matter. This further research has been at the behest of the State Government to ensure that whatever strategies the Shire undertakes, they have been thoroughly explored and determined to be the absolute best course of action.

In the meantime, short term strategies have continued to be employed, being predominantly the undertaking of sand renourishment works on an annual basis. Whilst this may seem to the general public to be ineffective and a waste of funding, the Shire would like to assure the community that it is a valid strategy and it is serving its purpose which is to allow the Shire more time to undertake the relevant research as directed by the State Government.

This approach is in line with that taken by other local governments and will ensure long term support from the State and Federal Governments, which is essential in this large-scale, complicated and highly litigious issue that is facing the State.

COMMUNITY RESILIENCE SCORECARD

Biennially the Shire undertakes a public survey to assist it in identifying areas of improvement. The survey undertaken in early 2020 highlighted several areas of improvement including rubbish tip services, how the community is informed about local issues, maintenance of unsealed roads and management of roadside verges and streetscapes. This was very pleasing to learn as the Shire tries hard to respond to the results of our public surveys.

The survey also highlighted that the community feels improvements need to be made in regards to the green waste kerbside collection, bush fire prevention and control, conservation and environmental management and the

management of coastal erosion and inundation. These are areas that the Shire is particularly keen to improve in and we hope this will be evident by the time the next survey is undertaken in 2022.

What the community feels the Shire has improved its delivery of was pleasing to hear as the Shire has tried hard to do so.

ORANGE SPRINGS ROAD UPGRADE

Work continues to progress with the upgrade of Orange Springs Road which is expected to be completed later this year.

This \$9 million project is being undertaken with of united funding from the State Government and the upgrade will ensure the road remains up to task to handle the high volume of heavy haulage traffic which readily makes use of it.

UPPER COASTAL SPORTING FACILITIES MASTER PLAN

Work got underway in November 2019 to carry out a series of workshops (3 in total) with the communities in the Upper Coastal Region of the Shire (being Lancelin, Ledge Point and surrounding estates).

These workshops assisted independent consultants to complete a draft report which will be presented to Council shortly. The premise of the Master Plan is to consider existing infrastructure, financial sustainability, past research, needs analysis and community priorities for the entire Upper Coastal sub-region. Whilst the Shire expects this plan to polarise some in the community, we hope that it will be the start of addressing a number of outstanding issues and we encourage community members to get involved in future consultation for this project.

I would like to thank the Shire of Gingin community for its ongoing support and encourage residents and ratepayers to contact the administration should they have any queries and concerns. We will work to the best of our ability to assist, resolve or at least provide answers to issues raised. We are an organisation that continually looks to improve its processes and provide open and transparent local government leadership.



YOUR COUNCIL FOR 2019/20



CR WAYNE FEWSTER
SHIRE PRESIDENT
Term: 2023



CR KIM RULE
DEPUTY SHIRE PRESIDENT
Term: 2021



CR FRANK JOHNSON
COUNCILLOR
Term: 2021



CR FRANK PECZKA
COUNCILLOR
Term: 2023



CR JAN COURT
COUNCILLOR
Term: 2023



CR JACQUI LOBB
COUNCILLOR
Term: 2021



CR ANDREA VIS
COUNCILLOR
Term: 2023



CR LINDA BALCOMBE
COUNCILLOR
Term: 2023



CR JAMES MORTON
COUNCILLOR
Term: 2021



COUNCIL MEETING ATTENDANCE

Council is the decision-making body of the Shire and usually meets on the third Tuesday of every month at 3pm.

For 2019/20 the number of Council meetings held and the numbers of those meetings attended by each Elected Member is as follows:

Councillor	Ordinary Council Meeting (12)	Special Council Meeting (5)	Annual Electors Meeting (1)	TOTAL
Cr Ian (Sam) Collard <i>(Retired October 2019)</i>	3	2		5
Cr John Elgin <i>(Retired October 2019)</i>	2	1		3
Cr Wayne Fewster	11	5	1	17
Cr Kim Rule	11	5	1	17
Cr Jan Court	11	5	1	17
Cr Frank Johnson	12	5	1	18
Cr Jacqui Lobb	11	3	1	15
Cr Frank Peczka	12	5	1	18
Cr James Morton	10	3	1	14
Cr Linda Balcombe <i>(Elected October 2019)</i>	7	3	1	11
Cr Andrea Vis <i>(Elected October 2019)</i>	7	2	1	10



ABOUT THE SHIRE

Just a short drive from Perth, the Shire of Gingin retains its rural and coastal charm. Locals enjoy the quiet lifestyle while visitors flock to the area to enjoy the Shire's quality beaches and picturesque rolling hills.

The Shire is predominantly a rural area and its district falls within the central coastal region of the Wheatbelt in Western Australia.

It encompasses an area of 3,223 km² and is home to a population of approximately 5,000 permanent residents. There are five townships within the Shire being Gingin, Guilderton, Lancelin, Ledge Point and Seabird in addition to a number of smaller rural estates.

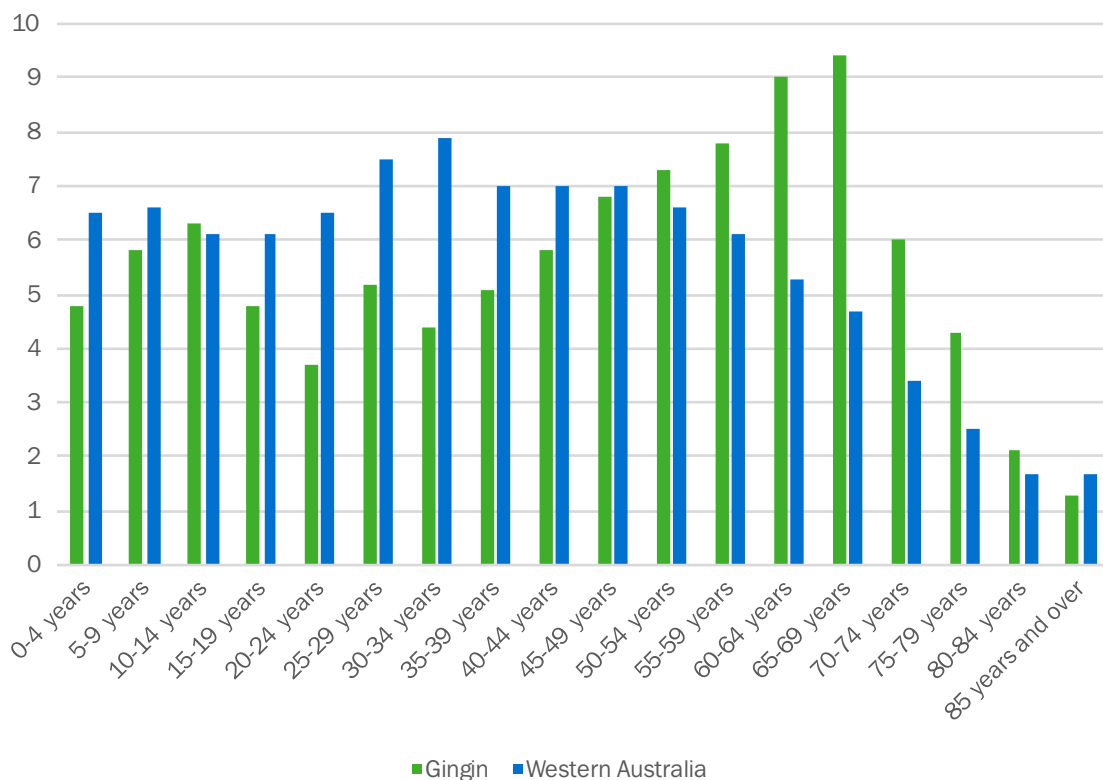
Geographically the Shire stretches from the coastline across the flat sandy soils of the Swan Coastal Plain in the west to the hinterland and foothills of the Darling Scarp in the east. It also embraces the lower reaches of the Moore River together with a system of fresh water lakes, streams and swamps and the watercourse of the Gingin Brook.

The Shire's strategic location means that it is one of the fastest growing rural areas in Western Australia and it is anticipated that the Shire's population will grow to approximately 6,600 by 2023, increasing to 7,900 by 2031.

Agriculture is the Shire's primary economic contributor. It accounts for 41.9% of local business and some 137,145 ha of land. However, peri-urban growth and associated pressure on market gardening has resulted in the Shire broadening its focus from traditional broad acre farming to intensive horticulture. Local industries within the Shire include cattle and sheep grazing, apiaries, irrigated horticulture, viticulture, olive groves, aquaculture, piggeries, poultry farms, wineries, abattoirs, feedlots, and cray fishing. In addition to rural industries the Shire's economy is also based around tourism with coastal areas experiencing a large influx of people during the summer holiday season.

With its magnificent coastline, pristine river systems and panoramic views, the Shire of Gingin is a unique and exciting place to live and visit.

POPULATION % BY AGE



Gingin Community Bank
Branch and Lancelin branch
Bendigo Bank



GINGIN

SUMMER Suite of Events



#ShireofGingin #SummerSuiteofEvents2020

Like

Comment





YOUR EXECUTIVE TEAM



AARON COOK
CHIEF EXECUTIVE OFFICER

- Elected Member Support
- Human Resources
- Communications & Marketing
- Special Projects
- Occupational Health & Safety
- Integrated Strategic Planning
- Governance
- Emergency Services



LES CRICHTON
EXECUTIVE MANAGER
CORPORATE & COMMUNITY
SERVICES

- Administration
- Finance
- Information Technology
- Information Management
- Customer Service
- Rates
- Community & Economic Development
- Youth Services



ALLISTER BUTCHER
EXECUTIVE MANAGER
OPERATIONS

- Shire Facilities
- Engineering and Civil Operations
- Parks & Gardens
- Asset Management
- Road Works
- Disability Access



BOB KELLY
EXECUTIVE MANAGER
REGULATORY &
DEVELOPMENT SERVICES

- Waste Services
- Building Services
- Planning Services
- Town Planning
- Ranger Services
- Environmental Health



INTEGRATED PLANNING & REPORTING

COMMUNITY ENGAGEMENT

STRATEGIC COMMUNITY PLAN (10 Years)



What is it?

The Strategic Community Plan is made using feedback from the community. The Plan then sets the Shire's strategic direction for the next ten years.

The Plan is reviewed on a minor basis every two years and on a major basis every four years. A minor review was undertaken in July 2019.

CORPORATE BUSINESS PLAN (4 Years)



What is it?

The Corporate Business Plan is the 4 year plan created to implement the first 4 years of strategic goals outlined in the Strategic Community Plan.

The Corporate Business Plan is reviewed and updated on a minor basis annually. A major review (in line with the Strategic Community Plan) is undertaken every four years. A minor review was undertaken in August 2019.

ANNUAL BUDGET (1 Year)



What is it?

The Annual Budget sets out the operational expenditure for projects from the first year of the Corporate Business Plan in addition to ongoing general expenses.

The Annual Budget is adopted at the beginning of each financial year in addition to the Shire's annual Fees & Charges for various services to the community.

OUTPUTS

(Annual Report – 1 Year / Quarterly Reports)

Both the Strategic Community Plan and the Corporate Business Plan are monitored and their progress reported to Council on a quarterly basis. The Strategic Community Plan undergoes a minor review every two years and a major review every four years. During these review periods community feedback is sought to form the backbone of the new documents. The Corporate Business Plan is reviewed annually.

The Annual Report gives an overview annually to the community of everything achieved by the Shire in line with the Strategic Community Plan and Corporate Business Plan. The Annual Report is a requirement of the *Local Government Act 1995*.



INFORMING STRATEGIES

'Informing Strategies' are supporting documents which are used by Council to test and inform the long-term aspirations of the Strategic Community Plan and to guide the deliverables which can be achieved in the Corporate Business Plan and Annual Budget.

The Shire's current 'Informing Strategies' include:

- Age Friendly Community Plan
- Asset Management Plan
- Coastal Hazard Risk Management & Adaption Plan
- Code of Conduct
- Cultural Heritage Management Plan
- Customer Service Charter
- Delegation Register
- Disability Access & Inclusion Plan
- Equal Employment Opportunity Management Plan
- Forward Capital Works Plan
- Health Plan
- Incident Management & Business Continuity Response Plan
- Induction Manual
- IT Disaster Plan
- Lancelin Off-road Vehicle Area Plan
- Long Term Financial Plan
- Municipal Inventory of Heritage Places
- Occupational Safety & Health Management Plan
- Organisational Chart
- Outside Staff Enterprise Bargaining Agreement
- Policy Manual
- Reconciliation Action Plan
- Records Disaster Plan
- Records Management Plan
- Stable Fly Management Plan
- Trails Master Plan
- Waste Management Plan
- Workforce Plan
- Youth Strategy



STRATEGIC COMMUNITY PLAN

The Shire of Gingin's Strategic Community Plan 2019/29 is the overarching document developed to embody the aspirations and goals of the Shire's communities. The community's aspirations and Council's objectives drive the Focus Areas (listed below) for the plan that Council and the Shire of Gingin will be measured against to ensure the future desires of the community are attained.

The five Focus Areas are Community Wellbeing, Natural Environment, Infrastructure & Development, Economic Development and Governance.

The Strategic Community Plan underwent a minor review in May 2019 and is scheduled for a major review in 2021 when fresh feedback from the community will be sought. This Annual Report aligns with the Strategic Community Plan 2019/29.



Community Wellbeing

OBJECTIVE

To support the Shire of Gingin community to be inclusive, vibrant, healthy and safe through the Shire's shared service delivery.

Natural Environment

OBJECTIVE

To develop the Shire's capacity to support the conservation of natural assets and undertake sustainable resource management.

Infrastructure & Development

OBJECTIVE

To effectively manage growth and provide for the community through the delivery of community infrastructure in a financially responsible manner.

Economic Development

OBJECTIVE

To support economic development through the Shire's service delivery.

Governance

OBJECTIVE

To demonstrate effective leadership, governance and advocacy.



COMMUNITY WELLBEING



The following **Outcomes** and **Priorities** are outlined in the Strategic Community Plan 2019/29.

Outcomes cover a broad aim created by Council based upon feedback from the community. **Priorities** refine those outcomes into smaller goals and under each there is a breakdown into even more specific tasks for Council to complete which are known as 'Actions' and are outlined in the Corporate Business Plan 2020/24.

Both plans are living documents which are reviewed regularly by the Shire to ensure Council is on track to complete the tasks listed as 'Actions'. A summary of the progress Council and staff have made over the past financial year has been provided for each 'Action' from the Corporate Business Plan as follows.



FOCUS AREA 1 – Community Wellbeing

SCP OUTCOME 1.1 – INCLUSIVE

Our community has access to a range of community programs, services and initiatives that support wellbeing and inclusion

ACTION 1.1.0-01 Ongoing delivery of Gingin Cemetery Services

There were 3 burials and 3 ashes interments during the reporting period, together with the processing and issue of 6 Grants of Right of Burial. A new non-denominational section was developed in the cemetery and is now available to the public. Minor drainage works were also undertaken to ensure that water runoff was appropriately flowing away from cemetery plots.

PRIORITY 1.1.1 Support ageing in place through the implementation and monitoring of the Age Friendly Community Plan

ACTION 1.1.1-01 Support an increase in the number of Independent Living Units available within the Shire in partnership with the private sector and/or through direct service provision

Currently there are still insufficient numbers on waiting lists to support progression of this action so the Shire will continue to support existing services for the time being. Various improvements were completed in 2019/20 to improve security and ease of access to the well-aged, the efficiency of lighting infrastructure and the visual enhancement of the amenity to both the Independent Living Units in Gingin and Lancelin.

ACTION 1.1.1-02 Advocate for improved Senior Services

The Shire continues to advocate for improved Senior Services. A free Hearing Service and mobile self-testing booth was facilitated by the Shire for the Lancelin and Gingin town sites and an Arthritis information workshop was provided in Guilderton. The Shire also facilitated a free Disability Support Officer service to further support local businesses to accommodate disabilities associated with ageing.

PRIORITY 1.1.2 Encourage programs and facilities that engage and support children and young people to stay in the Shire

ACTION 1.1.2-01 Ongoing delivery of programs and facilities that engage and support children and young people to stay in the Shire

Funding for a youth specific website to be designed and managed by youth was successfully sourced. Local youths were also involved in designing a Shire of Gingin youth logo for the website which in future will inform its overall appearance.

PRIORITY 1.1.3 Provide leadership on the standards required by the Reconciliation Action Plan

ACTION 1.1.3-01 Prioritise actions from Reconciliation Action Plan and commence implementation

No action was taken to progress this Action this financial year due to limited resources.



PRIORITY 1.1.4 Implement the Disability Action and Inclusion Plan

ACTION 1.1.4-01 Implement the Disability Action and Inclusion Plan

This action is an ongoing process by which the Shire reviews the facilities and/or services it provides for improved accessibility to all patrons.

Officers have completed the 2019/20 implementation of the Disability Action and Inclusion Plan with the following achievements reached:

- Implemented additional accessibility friendly parking spaces at the Woodridge Recreation Grounds with designated spaces and clearly visible line marking with accessible parking space and associated exclusion zones.
- Continual improvement to online media, physical resources and the Shire's website to allow more inclusivity and aligning with disability guidelines.
- Continual dignity and respect displayed towards all persons with disabilities by Shire staff in all instances.

The Shire continues to address the Plan within planning and coordination of events and activities. Community Infrastructure planning has also taken into account accessibility, for example universal access at the proposed Gingin Outdoor Activity Space.

**SCP OUTCOME 1.2 – VIBRANT
Our community can participate in a range of activities and events that celebrate and promote our unique lifestyle and heritage**

ACTION 1.2.0-01 Ongoing Delivery of the Shire's Grants Program

COMMUNITY CAPACITY BUILDING WORKSHOPS

The Shire facilitated a Meet the Funders event (11 February 2020) held at the Lancelin Sporting Complex with presentations and information provided by 7 funding bodies including Roadwise, Lotterywest, Bendigo Bank, Healthways, RDA Wheatbelt, Department Local Government, Sport and Cultural Industries and the Shire of Gingin. Approximately 60 people attended and were provided with the opportunity to catch-up with the funders to discuss community projects in addition to having questions answered by a funder panel.

Community Clubs and Groups were also invited to attend a grant writing support session (3 February 2020) with relation to the Shire Community Funding round and 6 people took up this opportunity by participating in a Lancelin session.

SHIRE COMMUNITY FUNDING

The Shire of Gingin's annual community funding program received 27 applications requesting a total sum of \$169,640 (GST excl.) for the 2020-21 Financial Year. 20 applications were supported by Council including:

- Council Budget Request (over \$10,000+) to the value of \$34,275;
- Funding Assistance Scheme (Periodical Council commitments that align with specific Strategic Community Plan deliverables) \$41,000; and the
- Community Funding Program of \$8,000 and Public Liability Insurance \$3,466.

A number of applications were withdrawn due to COVID-19 impacts including applicants that had received funds for events in the previous financial year which were unable to be run. Funds were carried forward for 2020-21 on request.

EXTERNAL GRANTS

The Community Development and Services team sought funding for 16 grants of which 10 were successful and acquired funding to the value of \$195,298 (GST excl.)

PRIORITY 1.2.1 Provide practical support and encouragement for community groups and volunteers

ACTION 1.2.1-01 Ongoing delivery to provide practical support for community groups and volunteers

Council continues to support Club and Community development through the Community Development and Services team. This can include many different avenues such as providing technical advice to community groups, the waiving of fees on certain occasions, etc.

PRIORITY 1.2.2 Advocate with regional local governments and partners to reduce impediments to community group and volunteer activities

ACTION 1.2.2-01 Advocate to reduce impediments for community groups and volunteers activities

The Community Development and Services team has continued to publish a monthly community newsletter providing up to date resources, grants and local event information. 58% of community organisations received support for resources and with management practices from the Community Development Officer.

PRIORITY 1.2.3**Support and promote local regional events that offer clear economic and social benefits to the community.****ACTION 1.2.3-01****Assessment of existing and new community events that offer clear and economic benefits to the community**

The Shire reviews its scheduled events annually to ensure that there is clear and economic value to the community. This includes examining events to ensure they continue to be sustainable, offer economic opportunities for local businesses to get involved, etc.

ACTION 1.2.3-02**Delivery of a range of community events that offer clear and economic benefits to the community**

The Shire, supported by Bendigo Bank, has created a community hub type of atmosphere by providing cost free events and minimal cost triathlons which has engaged many members of the extended community including those that may not have otherwise participated due to financial reasons.

Engagement of the community offers the potential to increase social capital and inclusiveness and thereby foster community pride/spirit. The chance to volunteer as well as attend these events also assists with community connections for our aged population.

PRIORITY 1.2.4**Further develop identity and sharing of Shire resources on a sub-regional basis****ACTION 1.2.4-01****Continue to identify, advocate and pursue partnerships for the sharing of Shire resources on a sub-regional basis**

The Northern Growth Alliance continues for the Shire of Gingin with the Shires of Chittering and Dandaragan. Additionally there are ongoing discussions and actions with resource sharing with the Shire of Chittering regarding administrative services and assistance.

The Shire also resource shares the Bush Fire Mitigation Officer with the Shire of Victoria Plains.

SCP OUTCOME 1.3 – HEALTHY & SAFE**Our community has access to quality health and community safety programs, services and initiatives that promote resilience****ACTION 1.3.0-01****Ongoing delivery of Local Emergency Services**

The delivery of Local Emergency Services continues to be a high priority for the Shire of Gingin, particularly in light of the Yanchep Bush Fire in December 2019 which caused an Emergency Warning level to be issued for Woodridge and surrounding areas within the Shire. Ongoing delivery for 2019/20 has included:

- Completion of the Woodridge St Johns Ambulance WA facility to provide greater provision of services for the community.
- The Redfield Park Emergency Service Facility was constructed during the 2019/20 financial year and significant progress was made towards the completion of the Gingin Emergency Services Facility. Tender documentation was completed with an invitation for tenders and construction planned to be undertaken and completed during 2020-21.
- Mitigation works were carried out in Ledge Point, Lancelin, Seabird, around Gingin Brook, a small amount at Guilderton, Seaview Park & Ocean Farm. This work was undertaken by the Shire and the Department of Fire & Emergency Services collaboratively and was in excess of \$1 million.
- As previously mentioned, a significant bush fire affected the communities of Woodridge and surrounds within the Shire of Gingin in December 2019. A number of potential improvements were identified during this emergency event both at a brigade and management level. The Shire has since undertaken these improvements in conjunction with local brigades and staff.
- Training was undertaken with local brigades throughout 2019/20. Many volunteer members have reached significant service achievements so several service award medals were handed out at Australia Day in January 2020.
- The Chief Bush Fire Control Officer worked in collaboration with the Shire's Communications & Marketing Officer to undertake a significant review of the Shire's Fire Break Orders which are issued annually to rate payers. Additional information was added to further assist rate payers with understanding their obligations and a large amount of formatting was undertaken to brighten up the appearance of the Orders and give them more relevance to readers.

ACTION 1.3.0-02**Ongoing delivery of Environmental Health Services**

The Shire's health team continues to deliver the Shire's Environmental Health Services to a high standard including:

- Food Safety – food business monitoring, education programs, advice of food recalls and investigation if required, support Department of Health investigation into the increase of Salmonellosis
- Regulating Specific Premises – accommodation/residential, public buildings, caravan parks/camping grounds
- Water Safety – recreational waters, aquatic facilities, waste water systems
- Environmental Hazards – noise, air pollution, asbestos, chemical waste, pests, vectors, clandestine laboratories
- Waste Management – ensure landfills comply with environmental licensing conditions
- Event Management – ensure public safety at events
- Health Promotion – support Department of Health campaigns where appropriate
- Customer Service – maintain and enhance strong relationships with the public, business and community groups

The COVID-19 pandemic in early March 2020 brought about an unprecedented demand on the Health Services team. Implementation, advice and provision of urgent Commonwealth and State Government demands and directions to local businesses, community groups and residents, Council and staff on a daily basis was maintained throughout the course of the pandemic over a 4 month period. Media releases and legal directives from the Department of Health and Premier's Office were communicated to our different population groups with the utmost speed.

INTERACTIVE FOOD SAFETY TRAINING – I'M ALERT FOOD SAFETY

This free online training program is integral for food business managers and community groups to train their staff/volunteers in the risk of food borne illness resulting from poor food handling practices.

ENVIRONMENTAL WATER MONITORING

The Shire participated in the Department of Health Recreational Water Sampling (Bacteriological) Program from November 2019 – April 2020. Water samples were obtained from four Moore River locations and two Lancelin Bay sites for testing purposes. The health of the water bodies and presence of amoeba was the main focus of testing. Shire onsite signage and public education campaigns continue to make the public aware of the hazards of swimming in these attractive swimming areas.

STABLE FLY

During 2019/20 the Shire conducted 271 inspections throughout the district. The Shire's Stable Fly Officer maintained a vigilant approach to monitoring and pursuing complaints from the community. The officer worked with the many growers in the region to help change attitudes through education on the importance of the recommended processes to reduce breeding on their properties. The centralised reporting mechanism for complaints through the DPIRD Pest App continues to support the collection of quality data to combat Stable Fly.

The introduction of DPIRD's Biosecurity and Agriculture Management (Stable Fly) Management Plan 2019 in September 2019, produced a number of new initiatives in controlling the pest.

PRIORITY 1.3.1 Develop improved access to medical services and allied health in each sub regional area

ACTION 1.3.1-01 Ongoing delivery of General Practitioner Services

Improvement to the usability and visual amenity of the Gingin Medical Centre facility were undertaken through upgrading of the fixtures (lighting, wall finishes, painting, etc.)

Ongoing support is being provided to the Lancelin Medical Centre and Council also ensured that the Gingin Medical Centre remained open under the Shire's administration to ensure no loss of service to patients.

The Shire engaged Stoneham and Associates to prepare a Public Health Plan (PHP) for the Shire this financial year.

A thorough and exhaustive process of data gathering, holding community workshops and surveys, staff and Councillor surveys and consultation with key service groups within the Shire was undertaken to identify priority areas for the Shire to focus on. Due to delays created by COVID-19, it is anticipated the PHP will be considered for adoption by Council before the end of 2020.





**NATURAL
ENVIRONMENT**

NATURAL ENVIRONMENT (FOCUS AREA 2)

SCP OUTCOME 2.1 – CONSERVATION

The Shire’s ecological services and natural assets are respected and enhanced

ACTION 2.1.0-01 Coastal Protection Works and Erosion Control

Significant investigations were undertaken into formulating strategies to combat Coastal Erosion. In particular for the 2019/20 financial year the Shire developed two guiding documents being a Coastal Hazard Risk Management and Adaptation Planning Report and an Inundation Report of our coastal areas subjected to coastal hazards.

As a temporary measure the Shire has undertaken sand renourishment works for the Lancelin Foreshore to the total cost of \$38,672. This has protected the Shire’s assets and allowed facilities to still be utilised while further investigative studies are undertaken and grant funding sought in consultation with State Government departments.

ACTION 2.1.0-02 Consider a permanent coastal projects officer for inclusion in the Workforce Plan

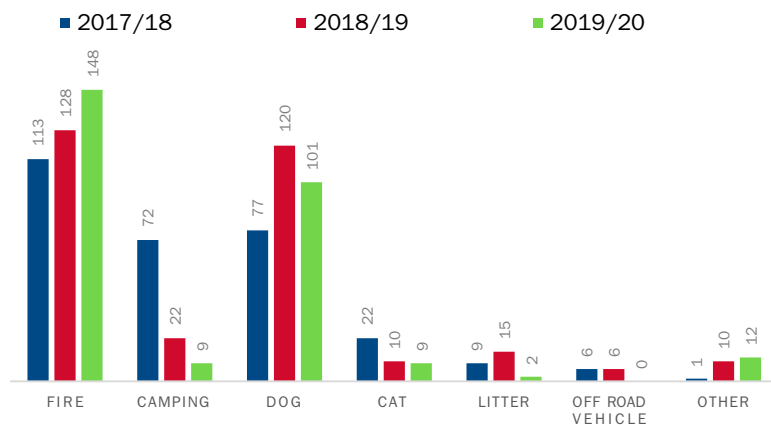
Council has not been in a position to facilitate the engagement of an officer to undertake this role within the administration due to funding/budget limitations.

ACTION 2.1.0-03 Improve management of off-road vehicles to protect natural areas, resources and public safety

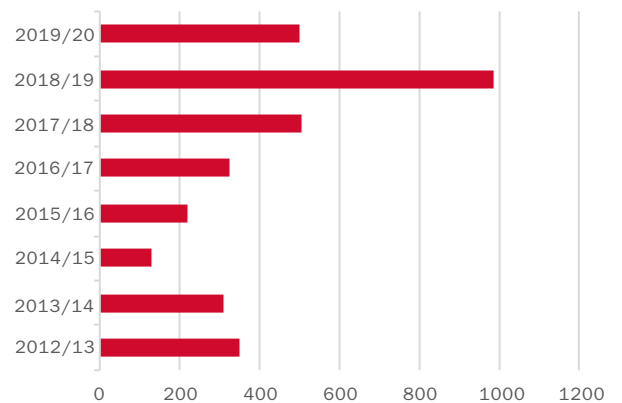
Shire Rangers are involved with community education, awareness and enforcement of various legislation, which includes the *Dog Act 1976*, *Cat Act 2011*, *Local Government Act 1995* (sections 3.39, 9.11, 9.13, 9.15, 9.16), *Bushfires Act 1954 – Fire Control Officer*, *Litter Act 1999*, *Control of Vehicles (Off-road Areas) Act 1978* and the Shire’s Local Laws.

Within the 2020/21 period the Shire’s Rangers issued the following infringements:

INFRINGEMENTS



NO. OF PARKING INFRINGEMENTS BY YEAR



GUILDERTON FORESHORE PAID PARKING

On 14 March 2020 in response to COVID-19 Council determined that the parking meters at Guilderton be decommissioned until 1 June 2020 and the following statistics reflect this:

Total amount collected in parking meters:	\$ 79,446
Total number of tickets purchased:	17,254
Total value of parking infringements issued:	\$ 53,375
Total value of parking infringement notice paid:	\$ 43,200
Total amount of parking infringement notices issued:	546

LANCELIN OFF-ROAD VEHICLE AREA (LORVA)

The Shire's commitment to undertake the treatment and management options recommended in the LGIS Public Liability Site Risk Assessment Plan of the LORVA 2019/20 has been delayed by the following issues:

- LORVA land falls within the Yued Indigenous Land Use Agreement area and the current delays with the South West Native Title Settlement have resulted in the Department of Planning, Lands and Heritage postponing the Shire's s. 91 Licence; and
- COVID-19 restrictions required the closure of the LORVA from March – June which therefore deferred scheduled works.

Despite the delays the Shire has undertaken the following recommendations to the LORVA:

1. Improvement of the condition of the main entrance track by widening and straightening the track (scheduled for completion October 2020);
2. Creation and production of appropriate signage in the LORVA as per LGIS recommendations with installation scheduled for October 2020;
3. The first draft of the local law is currently being developed to assist with the management and area delineations of the LORVA; and
4. The Shire of Gingin had two representatives successfully appointed to the Control of Vehicles (Off-road Vehicle Areas) Advisory Committee to advocate and actively set guidelines for the LORVA

ACTION 2.1.0-05 Weed Register and control strategy – 5yr review

Targeted weed control for declared weeds has been undertaken across the Shire. The Shire also regularly undertakes an annual verge spraying program to assist in the control of the spread of weeds across the Shire.

PRIORITY 2.1.1 Develop a Coastal Management Policy and implement a Coastal Management Plan to protect and enhance our coast

ACTION 2.1.1-01 Ongoing implementation of the Coastal Hazard Risk Management and Adaptation Planning

The Coastal Hazard Risk Management and Adaptation Plan (CHRMAP) is continuing to influence planning decisions on the coast where properties are affected within the erosion predicted areas. Council has applied for additional grant funds for the next financial period to incorporate the Inundation Plan into the CHRMAP

PRIORITY 2.1.2 Implement the Trails Master Plan

ACTION 2.1.2-01 Trails Master Plan Project delivery

Action postponed to 2023/24 financial year to allow review and appropriate resourcing allocation.

PRIORITY 2.1.3 Advocate to ensure the Shire is not disadvantaged by environmental offsets from urban areas

ACTION 2.1.3-01 Advocate to ensure the Shire is not disadvantaged by environmental offsets from urban areas

Council continues to advocate to the State Government the disadvantage that their offsets create within the Shire to benefit other local governments and developers.

SCP OUTCOME 2.2 – SUSTAINABLE RESOURCE MANAGEMENT

The Shire practices sustainable resource management within its operations and supports the community to do the same

PRIORITY 2.2.1 Maintain quality waste services that support the Western Australian Waste Strategy

ACTION 2.2.1-01 Transfer to Tip Rationalisation Reserve

This has been completed.



ACTION 2.2.1-02 Seabird landfill - Construction of new cell and fill material

This has been completed.

ACTION 2.2.1-03 Gingin Landfill - Transportable toilet

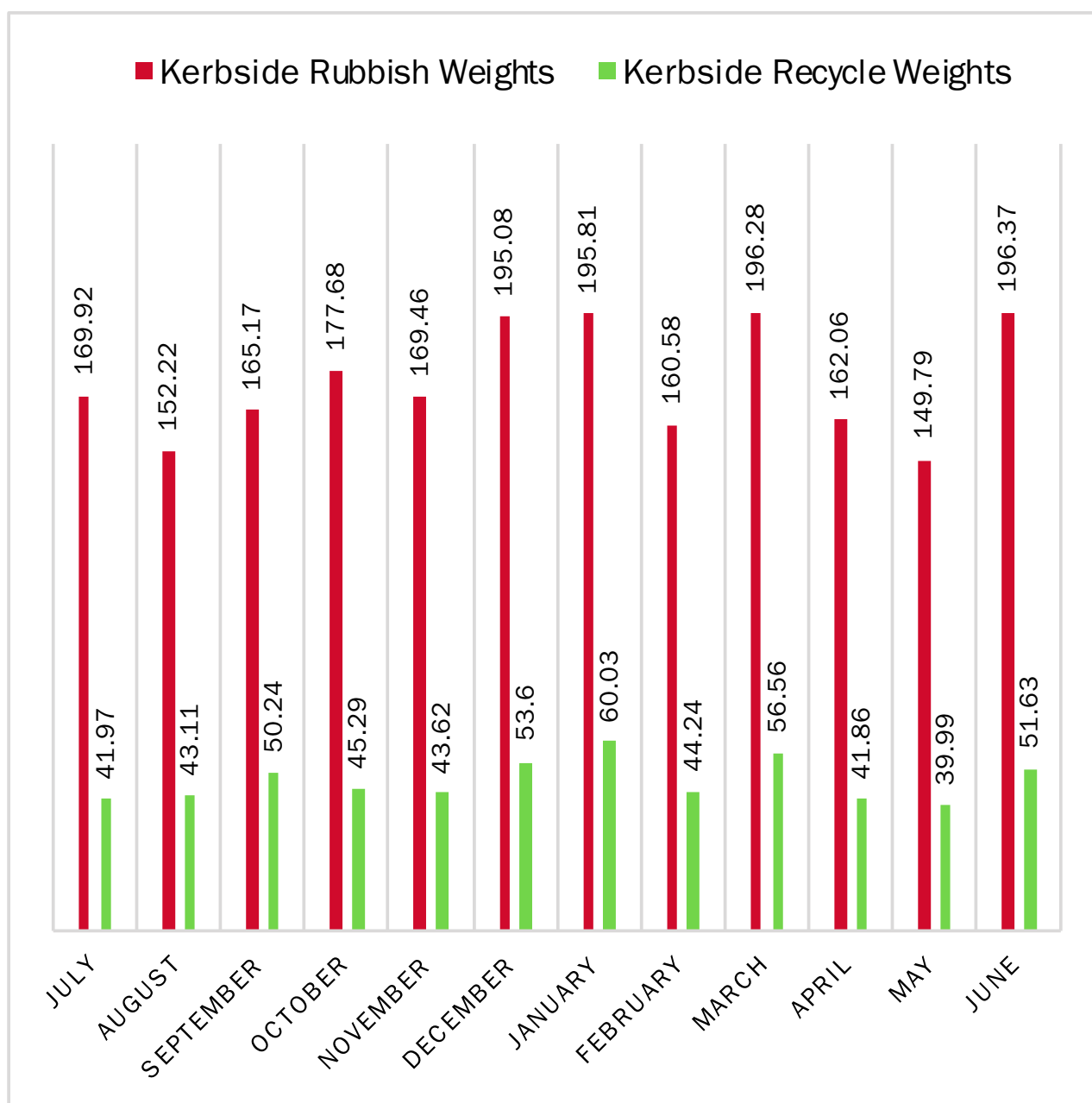
This action has been completed with a new transportable ablution facility at the Gingin Landfill site provided which is more than appropriate in terms of amenity and environmental sensitivity.

ACTION 2.2.1-04 Deliver Key service Area – Waste Services

KERBSIDE SERVICES – AVON WASTE

The Shire provides the vital service of kerbside household refuse (weekly) and recycling (fortnightly) waste collections. The Shire's five town sites, rural living estates and a number of rural properties along the adjoining arterial roads are serviced.

WASTE SERVICES – TONNES PER MONTH



TOTAL

KERBSIDE RUBBISH WEIGHTS - 2090.41T
KERBSIDE RECYCLED WEIGHTS - 5172.12T

RECYCLING SERVICES

The Shire supports community groups such as Lancelin Lions by assisting with the transport costs of their recycling program. All landfill sites have recycling centres managed by the operators of each sites.

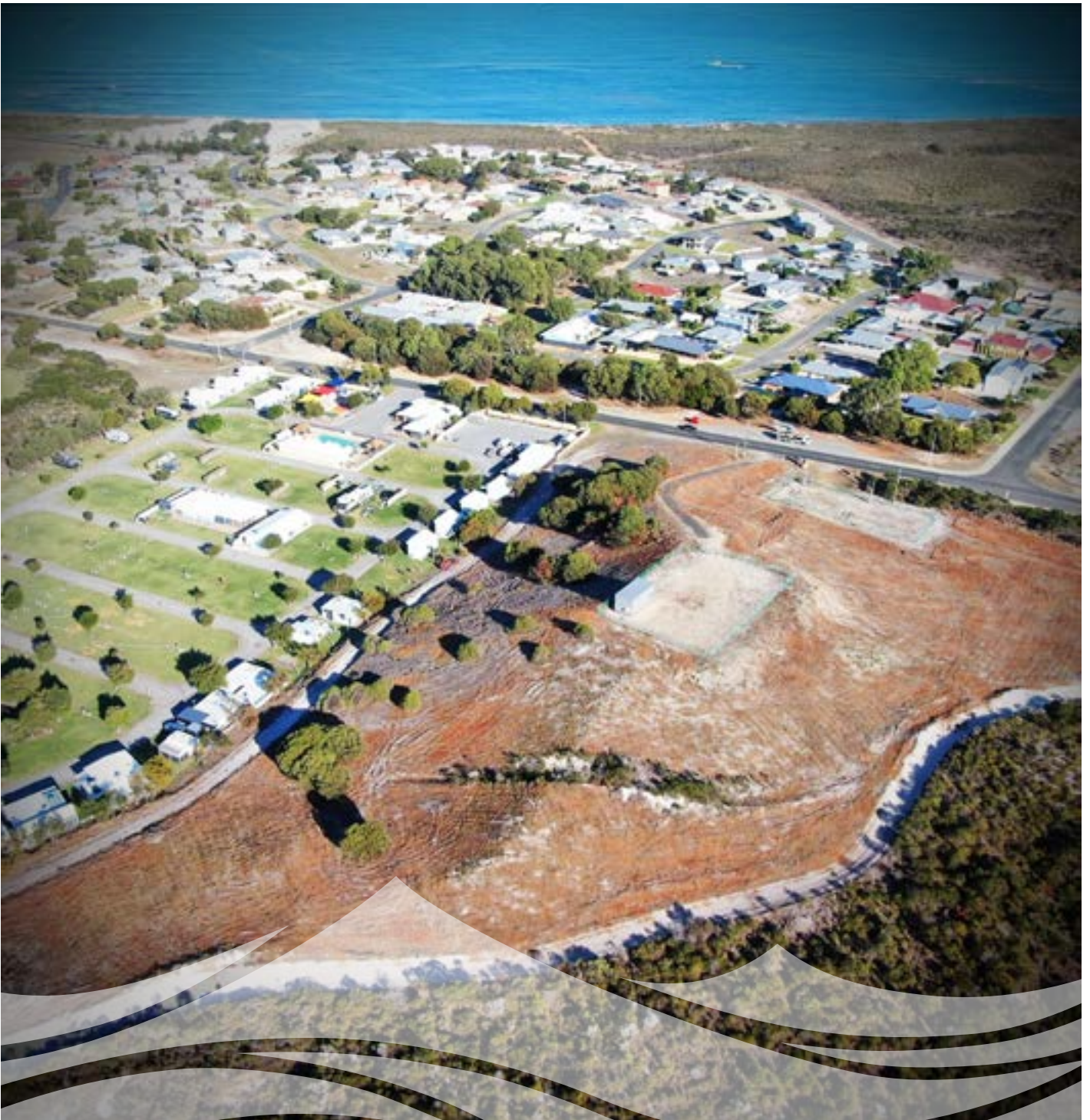
LANDFILL SITES

The Gingin, Lancelin and Seabird Landfill Sites are operated by contractors under the direction of the Shire's Principal Environmental Health Officer. Operators manage the sites in accordance with Department of Water & Environmental Regulation (DWER) licencing conditions.

Tip Passes are provided to every property in the Shire. This enables ratepayers to access the landfill sites as often as required for the disposal of their general domestic waste.

WASTE MANAGEMENT ADVISORY COMMITTEE (WMAC)

The Council established a WMAC in 2019/20 to develop a strategic framework for the Shire's waste function for the medium to long term. WMAC will have at its disposal a high level Waste Management Plan developed by Talis Consultants in 2018 to help drive reform in this portfolio.



PRIORITY 2.2.2**Continue to investigate increased alternative energy sources for Shire buildings and assets****ACTION 2.2.2-01****Investigate increased alternative energy sources for Shire buildings and assets**

This action is an ongoing process in reviewing and provisioning of alternative energy generation sources for Shire buildings and assets where resourcing allows.

ACTION 2.2.2-02**Electrical Vehicle Charging Station - LA Wangaree Park**

This action has been completed. Given the increasing prominence of electrical vehicles it is imperative that as a local government the Shire drives (with our communities' support) alternate energy-provisioned technology to reduce our carbon footprint.

As such, the Electrical Vehicle Charging Station (EVCS) installed in the car parking area to the north of Wangaree Park in Lancelin is a first for the Shire in providing alternative options and incentives for the community and tourists to utilise electrical vehicle technologies. Since its installation on 9 April 2020 the following statistics are taken for the 2019/20 financial year:

- 12 total charging sessions
- Average charge time of 30 minutes
- 64.59kWh of total energy utilised
- Total cost for installation \$14,379

ACTION 2.2.2-03**Electrical Vehicle Charging Station - GG Granville Park**

This action has been postponed to 2021/22 due to financial constraints.





INFRASTRUCTURE & DEVELOPMENT



INFRASTRUCTURE & DEVELOPMENT (FOCUS AREA 3)

SCP OUTCOME 3.1 – DEVELOPMENT New and existing developments meet the Shire’s Strategic Objectives and Outcomes

ACTION 3.1.0-01 Ongoing implementation and review of the Local Heritage List

Completed in 2017. A review is required every 5 years so the next review will be in 2022.

ACTION 3.1.0-02 Pool Inspections (legislated) 2nd year of a 2 year process

303* pools were required to be inspected in 2019/20. Of these:

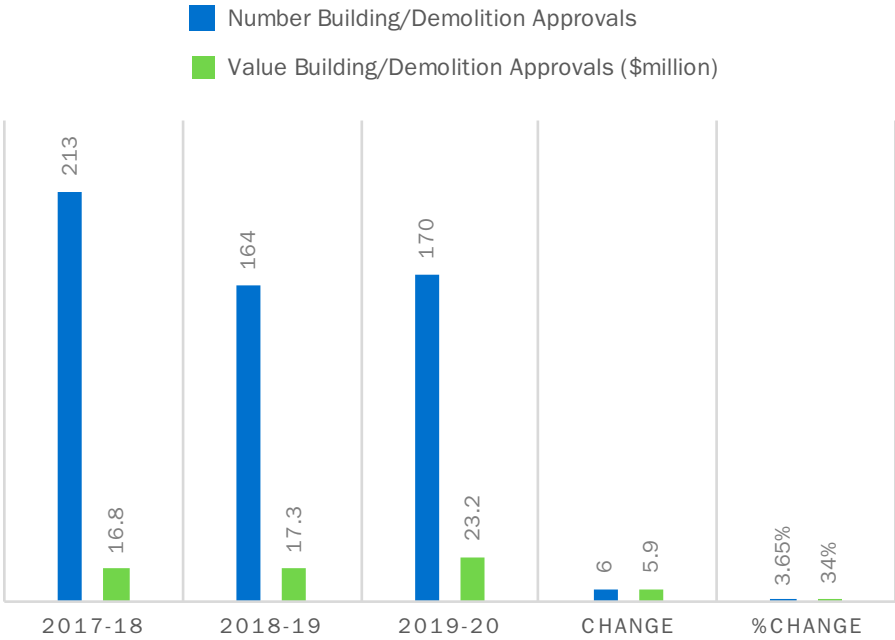
- 58 were deemed empty or removed;
- 244 were deemed compliant after working with the landowner; and
- 1 is yet to be inspected and will be inspected in October 2020.

Swimming pool inspections are an ongoing program due to new pools being constructed and four-yearly inspections coming due at staggered timeframes.

**These statistics are based on the swimming pools recorded in the Shire’s swimming pool register and do not include pools where property owners have failed to notify the Shire.*

ACTION 3.1.0-03 Deliver Key Service Area - Building Permits

During 2019/20, the Shire issued 170 building and demolition approvals with an estimated value of \$23.2 million.



The overall quantum and value of building and demolition approvals increased slightly in the 2019/20 year. It is anticipated that demand for building approvals will increase further in 2020/21 due to government construction grants and funding as a result of COVID-19.

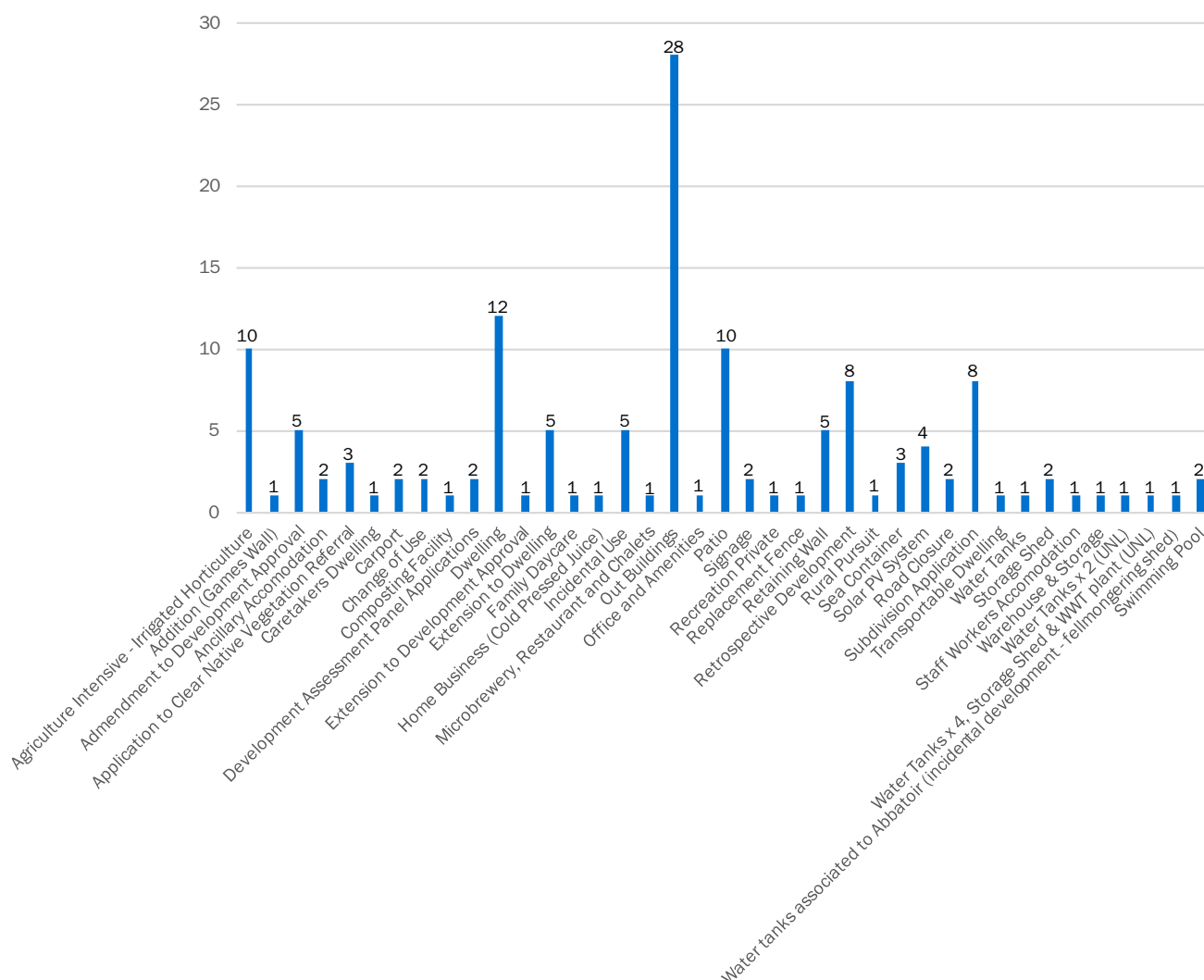
ACTION 3.1.0-04 Consider an increase of an .5 FTE to Deliver Key Service Area - Building Permits

The Shire will consider the creation of a new role (Compliance Officer) to fulfill this Action in the 2021/22 financial year.



ACTION 3.1.0-05**Deliver Key Service Area - Planning Permits**

During 2019/20 the Statutory Planning Department received 140 applications for development approval varying from small scale patios to large scale agriculture intensive activities.

AMOUNT OF DEVELOPMENT APPLICATIONS RECEIVED FROM 1 JULY 2019 - 30 JUNE 2020**ACTION 3.1.0-06****Consider an increase of an .5FTE to Deliver Key Service Area - Planning Permits**

The Shire will consider the creation of a new role (Compliance Officer) to fulfill this Action in the 2021/22 financial year.

ACTION 3.1.0-07**Ongoing provision of Drainage Infrastructure**

The Shire continues to undertake improvements to aging drainage infrastructure and within the 2019/20 financial year a total of \$7,400 was spent on various projects providing improved drainage infrastructure and replacing drainage assets that were at the end of their life.

Drainage works were undertaken on Gingin Brook Road (approximately 4km west of Brand Highway) with the removal, replacement and improvement of drainage culverts totalling \$118,675. This project will alleviate water overtopping the road and will make this busy road safer during the winter months.

PRIORITY 3.1.1**Support strategies that facilitate commercial development****ACTION 3.1.1-01****Ongoing review and implementation of the Town Planning Strategies and Schemes**

The Shire engaged a consultant to facilitate the majority of the Scheme Review. It is planned that this will be undertaken in the 2020/21 financial year.

ACTION 3.1.1-02 **Development of Lancelin Commercial Centre/Plaza**

The land exchange is progressing between the parties involved. Completion is expected in 2020/21 and then the Shire will be able to action accordingly.

ACTION 3.1.1-03 **Support and facilitate commercial development consistent with the Shire's objectives**

Finalisation of Ingham's Poultry Hatchery proposal was approved by the Mid-West Joint Development Assessment Panel on 1 May 2020 for Lot 6 Coonabidgee Road, Muckenburra. The commercial operation is expected to create a number of jobs for local residents in the Shire.

Caraban Microbrewery, Restaurant and Chalets was approved by Council on 18 February 2020 for Lot 421 (558) Caraban Road, Caraban. This is a commercial tourist venture that is expected to boost visitor numbers to the Shire of Gingin.

An extension of time to substantially commence development for the proposed Class II Landfill Site Comprising of 10 Cells and Associated Structures at Lot 98 Wannamal Road South, Cullalla, was granted on 20 December 2019 by the Midwest Joint Development Assessment Panel.

PRIORITY 3.1.2 **Support strategies that facilitate greater investment in housing and housing diversity**

ACTION 3.1.2-01 **Gingin Sewer design**

The Shire continues to review avenues (including external funding opportunities) for the installation of sewerage in the Gingin town site so as to provide improved amenity and improve lot yields.

ACTION 3.1.2-02 **Advocate for strategies that facilitate greater investment in housing and housing diversity**

Ongoing discussions have occurred between the Shire of Gingin and H & H Development throughout the 2019/20 year in regards to the Gingin Eco Lifestyle Village approved by Council on 19 June 2018. Due to COVID-19, development timeframes have been put on hold, although H & H Development still has every intention of pursuing its Gingin Eco Lifestyle Village in the future.

Clearance of conditions for Stage 1 of Country Heights Estate has been ongoing throughout the 2019/20 financial year between the developers Claymont Development Pty Ltd and the Shire of Gingin. Country Heights Estate subdivision foresees Stage 1 of their subdivision clearance being approved late in 2020. Stage 1 includes 45 lots. Once the subdivision clearance has been approved by the West Australian Planning Commission then Stage 1 of lots will be released for sale.

PRIORITY 3.1.3 **Continue to invest in the Guilderton Caravan Park upgrades**

ACTION 3.1.3-01 **Ongoing delivery of Shire-managed caravan parks**

The Shire continues to manage the Guilderton Caravan Park so as to provide high class facilities for the local community and tourists alike. However, at the 17 November 2019 Ordinary Council Meeting Council resolved to firstly endorse the short, medium and long term strategies identified in the Business Development Strategy for the Guilderton Caravan Park and call tenders for management of the Guilderton Caravan Park, with the request for tender to include a development timeframe produced by Administration, giving tenders the option of tendering on the basis of lease or contract management, with Council to determine its preferred management module based on tender submissions received.

The Lancelin Caravan Park continues to be managed on behalf of the Shire with numerous upgrades occurring including the installation of an undercover pool, play equipment and turfing areas which has greatly lifted the visual amenity of this area of Lancelin and improved/increased visitors to Lancelin.

SCP OUTCOME 3.2 – COMMUNITY INFRASTRUCTURE**The Shire provides fit for purpose community infrastructure in a financially responsible manner**

ACTION 3.2.0-01 **Expand and upgrade Community Facilities**

Various expansions & upgrades to community facilities were undertaken in the 2019/20 financial year with the following significant projects undertaken:

Gingin

- Aquatic Centre Emergency Access Gates & Fencing - \$10,070
- Granville Ablution Facility Septic Upgrades/Improvements - \$8,897
- Hockey Pitch Additional Lighting & Refurbishment (jointly funded by Gingin Recreation Group, Gingin Hockey Group & Shire of Gingin) - \$10,400

Guilderton

- General Store Flooring Renewal - \$6,290

Lancelin

- Wangaree Park Electrical Vehicle Charging Station - \$14,379

Ledge Point

- Country Club Ceiling Renewal - \$9,480

Seabird

- Tennis Courts Emergency Access Gates - \$2,980

Woodridge

- Reconstruction of steps & handrails - \$3,500
- Tennis Courts Emergency Access Gates & Lighting Renewal - \$7,167

ACTION 3.2.0-02 Maintain and upgrade Community Facilities

During the 2019/20 financial year an assorted number of projects were undertaken to maintain or upgrade community facilities with the following being of note:

Gingin

- Conservation Management Plan for Arts & Crafts Building - \$2,393
- Conservation Management Plan for Old Granville Building - \$6,600

Lancelin

- Skate Park Stage 2 Detailed Design improvement to flow, visual amenity & sustainability - \$3,636

Ledge Point

- Relocation & renewal of exercise equipment at Recreation Grounds - \$3,000

Shire of Gingin

- Arborist tree inspections & reporting for Shire public open space - \$17,288

Woodridge

- Renewal/improved line marking for accessibility and visibility - \$2,781

CONCEPT ENQUIRES

12 were received (3 x Rural Gingin sub-region, 2 x Lower Coastal and 7 x Upper Coastal) during 2019/20 with an estimated whole of life cost exceeding \$900K. One was not supported whilst 10 received in-principle support and one is outstanding as it requires further information before Council may consider it.

PRIORITY 3.2.1 Develop and plan community infrastructure to improve use and financial sustainability

ACTION 3.2.1-01 Ongoing Delivery to design and plan community infrastructure to improve use and financial sustainability

This action is an ongoing process in which Shire infrastructure is reviewed and designed for better utilisation and financial sustainability.

UPPER COASTAL SPORTING FACILITIES MASTER PLAN

Consultants were contracted to undertake the Upper Coastal Sporting Facilities Master Plan and Business Case-Cost Benefit Analysis which included research and a number of community/stakeholder engagement workshops and meetings. This project includes a Working Group made up of community representatives from the Lancelin Community and Sporting Assoc., Ledge Point Country Club, Ocean Farm and Seaview Park Community Associations along with three Shire Councillors.

A draft master Plan based on rationale was presented to the Working Group and Council for initial review and comment late in 2019/20.

PRIORITY 3.2.2 Improve the provision of age-friendly infrastructure for all, including Disability Access and Inclusion Planning

ACTION 3.2.2-01 Review and Implement Disability Access and Inclusion Plan

This action was postponed to 2022. The Disability Access and Inclusion Plan was established in 2017 and is utilised for 5 years in line with legislative requirements.

ACTION 3.2.2-02 Implementation of Age Friendly Communities Report within existing resources and facilities.

The Shire continues to deliver against the Age-Friendly Community Plan with various deliverables recognised in other areas of this report.

PRIORITY 3.2.3 Rationalise and consolidate older community infrastructure

ACTION 3.2.3-01 Review and Rationalise community facilities in consultation with community

This action is an ongoing process in which Shire infrastructure is reviewed for rationalisation and to provide an improved level of service with financial sustainability in mind.



SCP OUTCOME 3.3 – CONNECTIVITY & ACCESSIBILITY

The Shire's community and infrastructure supports connectivity and accessibility

PRIORITY 3.3.1

Undertake and implement effective integrated transport network planning

ACTION 3.3.1-01

Review road hierarchy plan

This action has been completed with an internal review of the Road Hierarchy Plan undertaken in correlation with accompanying criteria (road surface materials, vehicle load and road significance/purpose).

PRIORITY 3.3.2

Continue the focus on upgrading existing roads, verges, streetscapes and trails

ACTION 3.3.2-01

Maintain existing Road, Path and sundries network

The Shire of Gingin not only constructs roads and drains but also maintains these assets so that the public can continue to utilise this infrastructure safely.

The Shire of Gingin has 927km of roads with 491km of sealed road and 436km of unsealed roads spread over 3,325km².

For this financial year the Shire has spent approximately \$2.653 million on maintaining the Shire's road associated assets. An amount of \$2.653 million was spent in (but not limited to) the following areas:

- | | |
|--------------------------------------|---------------------------------------|
| • General Maintenance – Sealed Roads | \$525,508 (16% decrease from 18/19) |
| • General Maintenance – Gravel Roads | \$1,027,097 (12% increase from 18/19) |
| • Verge Maintenance | \$624,214 (32% increase from 18/19) |
| • Traffic Signs and Equipment | \$58,129 (36% decrease from 18/19) |

The Shire's road associated assets are continually deteriorating and require increased maintenance annually. The Shire of Gingin endeavours to maintain its assets to the highest possible standards with the funds and resources at its disposal ensuring that funds are spent in the most efficient possible manner.

There has been a decrease across some areas of road maintenance as we are continually reviewing maintenance practices to ensure maintenance of the Shire's assets is undertaken in the most cost effective manner (i.e. get more done with less money).

ACTION 3.3.2-02

Expand and upgrade Road, Path and sundries network

In 2019/20 the Shire of Gingin spent \$4.336 million on road construction projects (\$3.430 million in 2018/19). Some of the major capital roadworks programs undertaken are:

- | | |
|--|-------------|
| • Orange Springs Road (reconstruct road, widen road width, widen seal to 8m) | \$2,660,961 |
| • Sappers Road (reconstruct road, widen road width and widen seal to 8m) | \$981,772 |
| • Nilgen Road (reseal) | \$187,799 |
| • North Street (Lancelin; asphaltting works) | \$43,785 |
| • Gingin Brook Road (replace and upgrade culvert) | \$118,675 |
| • Boonanarring Road (reseal) | \$54,380 |

To assist with the road construction program for 2019/20 a total of \$4.079m funding (\$1.462m in 2018/19) was received from the following areas:

- | | |
|--|-------------|
| • State Government (Aglime Funding; untied) | \$2,660,961 |
| • State Government (Regional Road Group and Direct Grants) | \$850,482 |
| • Roads to Recovery (Federal Government) – various roads | \$545,296 |
| • Other contributions | \$22,461 |

The Shire has been working with State Government agencies, Main Roads WA and local agricultural lime producers regarding the movement of heavy haulage vehicles through the Shire of Gingin. This includes working on a long term strategy for the heavy haulage vehicles on the Shire's roads for agricultural lime cartage. Through this lobbying the Shire has been able to secure \$5.2 million to upgrade as much of Orange Springs Road as possible which is 10.2km from Cowalla Road. Due to the clearing application process (and waiting on appeals) the Shire was unable to undertake upgrade works until March 2020. The Shire was able to complete approximately 5km of the 10.2km works before the end of the financial year with works continuing in to the 2020/21 year and the remaining grant funding carried forward.

As part of developments across the Shire, developers have undertaken the upgrade of Shire roads at no cost to the Shire. These roads are Coonabidgee Road (upgrade from gravel to a 7m bitumen road for a chicken hatchery) and Cheriton Road (upgrade 3.5km from gravel and 4m seal to an 8m wide seal as part of a subdivision development).

The Shire of Gingin is continually looking for ways to increase the quantity and standard of work completed to ensure road assets are renewed and upgraded in a sustainable manner. The Shire is upgrading the major sealed roads connecting the Shire to other regions in a progressive manner to ensure that these road assets are able to withstand current and projected future traffic volumes.

LEDGE POINT TO LANCELIN ROAD

The Shire contracted consultants to undertake a Business Case Cost Benefit Analysis to seal the Old Ledge Point Road, which would create a direct connection between Ledge Point and Lancelin. The report considered three options including a limestone surface, sealing with a 10-metre bitumen width and a 9-metre bitumen width, with the latter providing the best value for money. The next stage is to explore funding opportunities and to undertake design specifications.

PRIORITY 3.3.3

Advocate for appropriate road networks to support increased agri-business and extractive enterprises such as lime, sand and gravel

ACTION 3.3.3-01

Advocacy - Appropriate road networks to support increased agri-business and extractive enterprises such as lime, sand and gravel

The Shire continually advocates with road networks like Regional Road Group, Main Roads WA, Roads to Recovery, Aglime, etc. to support increased agri-business and extractive enterprises.

The road construction program for 2019/20 which totalled \$4.079m in funding (\$1.462m in 2018/19) was received from the following areas:

- State Government (Aglime Funding; untied) \$2,660,961
- State Government (Regional Road Group and Direct Grants) \$850,482
- Roads to Recovery (Federal Government) – various roads \$545,296
- Other contributions \$22,461

PRIORITY 3.3.4

Investigate partnerships for the provision of community assisted transport.

ACTION 3.3.4-01

Investigate partnerships for the provision of community assisted transport.

Council continues to support the community transport initiative. A new Community Car was purchased for the Gingin Community Car Service during the 2019/20 financial period.

With the onset of COVID-19 in March 2020, consideration of the impacts on this service provided to vulnerable people being transported was considered and actions were set in place.

Council and local volunteers continue to support the community car initiatives by meeting operating, maintenance and insurance costs. Additional management documents were collaboratively developed by the Lancelin and Gingin services.





ECONOMIC DEVELOPMENT



ECONOMIC DEVELOPMENT (FOCUS AREA 4)

SCP OUTCOME 4.1 – TOURIST PLAYGROUND

An internationally acclaimed tourist playground

Priority 4.1.1 **Support the development of the Shire of Gingin as a premier destination in alignment with the Northern Growth Alliance Tourism Strategy**

ACTION 4.1.1-01 **Action and budget the priorities from the Northern Growth Alliance Tourism Strategy**

The tourism actions from the Northern Growth Alliance have been considered by Council. However, no joint action of marketing has been actioned yet due to competing priorities for each Council.

ACTION 4.1.1-02 **In partnership with State and Federal Government invest in major Community Infrastructure projects that support tourism**

The Shire continues to advocate for funding with State & Federal Government Departments to invest into community projects that promote/support tourism.

ACTION 4.1.1-03 **Expand, upgrade and maintain Community Facilities that support tourism and service the local community**

The Shire has numerous areas of public open space (parks, gardens, beaches and foreshores) and buildings to maintain covering five town sites and six rural living areas. Expenditure on public open spaces and buildings was \$2.1m with significant locations during 2019/20 including:

• Gingin Recreation Grounds	\$128,538
• Gingin Medical Centre Maintenance	\$20,923
• Granville Civic Centre	\$50,104
• Guilderton Foreshore	\$67,938
• Lancelin Beaches & Foreshore	\$10,821
• Lancelin Recreation Grounds	\$48,077
• Lancelin Wangaree Park	\$52,447
• Ledge Point Key Biscayne Park	\$38,842
• Ledge Point Recreation Ground	\$43,232
• Seabird Recreation Ground	\$19,265
• Woodridge Hall	\$44,957

Expenditure on maintenance of the Shire's assets includes staff time and contractor costs, with the most significant contractor cost being the turf maintenance contract.

The Lancelin Skate Park Upgrade Stage 2 was in the process of seeking grant funding when the impacts of the COVID-19 pandemic resulted in changes to funding programs and priorities. The Shire received funding from the Local Roads and Community Infrastructure program which will contribute to the completion of this project in 2020/21.

Priority 4.1.2 **Advocate for the proposed marina at Ledge Point and actively seek continued political support.**

ACTION 4.1.2-01 **Advocate to locate a boat ramp at Ledge Point**

This item continues to grow in momentum with the stage two report being finalised during 2019/20 and comments received from the Department of Transport.

ACTION 4.1.2-02 **Source development/financial partnerships**

The marina project is not at a development stage and the Department of Transport is still considering the development of the overall project.

Priority 4.1.3 **Source funding for the Gingin Regional Children's Playground**

Action 4.1.3-01 **In partnership with State and Federal Government source funding for the Gingin Regional Children's Playground**

The Community Working Group and the Shire of Gingin have been working in collaboration to finalise the design specifications for the renamed Gingin Outdoor Activity Space. The Community Working Group has been actively fund raising and seeking sponsorship and has previously applied to Bendigo Bank Gingin and were successful in securing funding.

The Shire of Gingin worked to secure the final funding requirements to support this project's implementation. The proposed project aims to include universal access pathways and toilets, a shaded picnic area, junior play, skate park, basketball quarter court, pump track, climbing equipment and a grassed area.



SCP OUTCOME 4.2 – FOOD BOWL

A strategically significant agricultural hub to the Perth Metropolitan Area

Priority 4.2.1 Update the Shire's Town Planning Scheme to recognise the development of an Agri-Industry Hub (Special Areas)

ACTION 4.2.1-01 Include Agri-Industry Hub (Special Areas) when reviewing TPS 9 - Land Use

A consultant was engaged for the Scheme Review. The majority of this work will be conducted in 2020/21.

Priority 4.2.2 Ongoing advocacy for agri-industry and seafood processing

ACTION 4.2.2-01 Deliver Key Service Area – Ongoing advocacy for Agri-industry and Seafood Processing

No further action has been undertaken within this space other than advocacy with Ministers and State Departments. The Wheatbelt Development Commission has been informed of this project and is considering if it will prepare a paper for the Minister.

ACTION 4.2.2-02 In partnership with the Wheatbelt Development Commission identify a site for a agri-industry processing hub

The Wheatbelt Development Commission considers this project to have significant potential and benefit to the area and the State. However, no site has been identified for this project yet.

Priority 4.2.3 Continue to advocate to the Department of water for water allocation issues on behalf of key stakeholders.

ACTION 4.2.3-01 Deliver Key Service Area - Service Activity Overview

Significant meetings have been held with the Department of Water throughout the 2019/20 financial year. Whilst Council continues to advocate in regards to clarity surrounding water allocation and the impacts on the High Intensity Agriculture sector and farming community, there is still a large degree of confusion in regards to the direction regarding this and similar issues.

SCP OUTCOME 4.3 – INNOVATION

Innovation is the foundation of economic growth across the Shire

Priority 4.3.1 Continue to develop policies that encourage small commercial enterprises.

ACTION 4.3.1-01 Continue to develop policies and practices that encourage small commercial enterprises

A consultant was engaged to review existing policies. The majority of this work will be conducted in the 2020/21 financial year.

Priority 4.3.2 Promote and advocate Local Economic Development Support programs and initiatives

ACTION 4.3.2-01 Continue to support Economic Development programs

Council continues to advocate in this area when meeting with Ministers and Departments to ensure that the Shire of Gingin is recognised and assisted by the State for the economic impacts that the Shire has in Agriculture and Tourism.

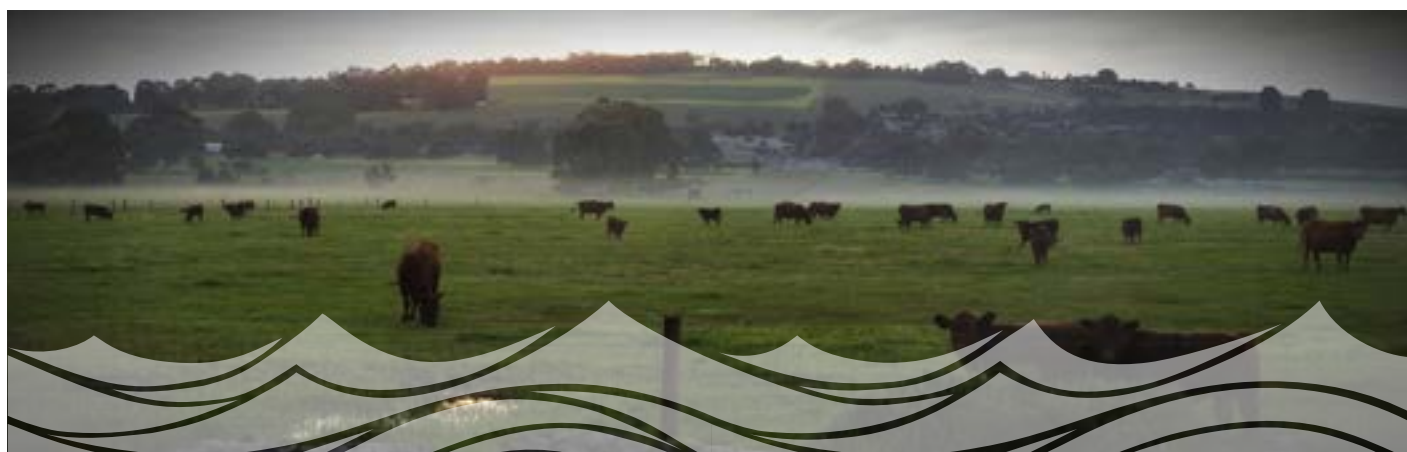
ACTION 4.3.2-02 Develop and implement an Economic Development Strategy that encourage small commercial enterprises

Whilst an Economic Development Strategy has not been prepared, Council has implemented many small changes to ensure that Small Business is assisted where possible to enable quick processing and assistance.

Priority 4.3.3 – Advocate for improved access to telecommunications infrastructure

ACTION 4.3.3-01 Advocate for improved access to telecommunications infrastructure

Advocacy continues for better telecommunications with Local and State Members and telecommunications companies. There has been traction in this area especially for increased/better service during emergencies such as bush fires, etc.





GOVERNANCE

GOVERNANCE (FOCUS AREA 5)

SCP OUTCOME 5.1 – VALUES

Our Organisation/Business Values are demonstrated in all that we do

ACTION 5.1.0-01 Facilitate Good Governance

COMPLETION OF PRIMARY AND ANNUAL RETURNS

As required by s.5.75 of the *Local Government Act 1995*, 5 Designated Officers and 5 Councillors completed Primary Returns within 3 months of being appointed or elected to their positions.

A total of 22 Councillors and Designated Officers submitted an Annual Return by the due date of 31 August 2019, as required by s.5.76 of the *Local Government Act 1995*.

POLICIES OF COUNCIL

A comprehensive review of all policies contained within Part 1 of Council's Policy Manual was completed at the January 2020 Council meeting, with 13 policies repealed, 4 repealed and replaced, 7 reviewed and retained, and 5 amended. In addition, 3 new policies were adopted during the reporting period.

2019 COMPLIANCE AUDIT RETURN

Regulation 14 of the *Local Government (Audit) Regulations 1996* requires that all local governments complete a Compliance Audit Return for the previous calendar year (1 January to 31 December).

The Compliance Audit Return for 2019 was presented to Council at its March 2020 meeting and was subsequently submitted to the Department of Local Government, Sport and Cultural Industries by the statutory deadline of 31 March 2020. The Return addressed 104 separate items of local government operation and identified a high standard of compliance, with 1 instance of partial non-compliance. This related to an oversight in presenting the results of a review of the appropriateness and effectiveness of the Shire's financial management systems and procedures, which was carried out in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996*, to Council. This oversight was addressed immediately it was detected, and the review results were presented to Council at its March 2020 meeting.

DELEGATIONS BY COUNCIL

In accordance with s.5.46 of the *Local Government Act 1995*, a review of the Shire's Delegated Authority Register was undertaken during the 2019/20 financial year, with Council adopting the reviewed Register at its meeting on 16 June 2020.

COMPLAINTS OF MINOR BREACH

In accordance with s.5.53(2) and 5.121 of the *Local Government Act 1995*, a local government's Annual Report must disclose the number of complaints or minor breach of the *Local Government (Rules of Conduct) Regulations 2007* received each year that result in a finding by the Local Government Standards Panel that a minor breach has actually occurred.

No such findings were made with respect to the Shire of Gingin during the reporting period.

Priority 5.1.1 Develop the skills and capabilities of our Elected Members and Staff

ACTION 5.1.1-01 The Shire's Code of Conduct TRACK is led by the Executive Management Team and demonstrated in work practices

The Shire continues to follow the TRACK methodology and continually reiterates this within staff meetings and its daily practices.

ACTION 5.1.1-02 Provide training and development opportunities to Elected Members.

Prior to the October 2019 local government elections, changes to the *Local Government Act 1995* (s.5.126) introduced a requirement for every Councillor to complete a specified course of training known as Council Member Essentials within 12 months of being elected to Council. The Shire of Gingin has subscribed to the Western Australian Local Government Association (WALGA), one of the training providers for Council Member Essentials recognised in legislation, for the provision of this training.

S.5.127 of the *Local Government Act 1995* requires every local government to prepare a report for each financial year on the training completed by Councillors during the financial year, and to publish that report on its website within 1 month of the end of the financial year. The Shire of Gingin's Councillor Training Register 2019/20 was published on the Shire's website in July 2020.

In addition, s.5.128 of the *Local Government Act 1995* requires every local government to prepare and adopt a policy in relation to the continuing professional development of council members. The Shire of Gingin's Policy 1.33 Elected Member Training addresses this obligation by recognising that provision will be made in the Shire's annual Budget for sufficient funds to undertake 1 onsite training session to be attended by all Councillors. In accordance with Policy 1.33, in March 2020 WALGA delivered its Planning Practices – The Essentials module onsite to all Councillors.

ACTION 5.1.1-03 Provide training and development opportunities to Staff

One of the main objects in 2019/20 was to provide staff with adequate training to better equip them in their roles and responsibilities, especially in the areas of Mental Health Awareness and Building Resilience. New Administrative staff completed WALGA'S Introduction to Local Government Course online. As part of our Health and Well Being Program we offered annual Skin Cancer Screenings and Flu Vaccinations. We also did Audiometric Testing and Drug & Alcohol Screening and some staff chose to undergo a Health Assessment.

The Executive Managers showed leadership in keeping the Shire's staff safe during COVID-19. Compassion, understanding, good governance, education and support were all paramount to keeping staff happy and productive during "isolation". The uninterrupted and continued provision of Shire services was essential during a pandemic that could never have been planned for. The degree of positivity and resilience across the Shire was a credit to the integrity of all Shire employees. The lessons learned during this period have given the Shire a chance to embrace technology, innovation and new practices to improve customer service and internal efficiencies in the future.

Some staff have undertaken studies in their own time and are working towards some very significant qualifications, including a Diploma in Project Management, Diploma of Environmental Health, Certificate of Registration Building Surveying - Level Two and a Bachelor of Law.

Priority 5.1.2 Increase the focus on future financial sustainability, to cater for anticipated growth

ACTION 5.1.2-01 Implement and review the Shire's Strategic Community Plan and Corporate Business Plan

The Shire's current Strategic Community Plan 2019/29 (adopted 21 May 2019) is due for major review in 2021. The Corporate Business Plan is updated on a yearly basis with the current plan being 2019/23. It was adopted by Council on 17 September 2019.

ACTION 5.1.2-02 Implement and review the Long Term Financial Plan

A full review of the Long Term Financial Plan is scheduled to be undertaken in the 2020/21 financial year.

ACTION 5.1.2-03 Implement and review the Workforce Plan

The Workforce Plan is a living document which is updated on a six-monthly basis including projections from the Long Term Financial Plan. It identifies possible future staffing inclusion(s) due to change of Council's strategic direction and/or impacts of development and population growth.

ACTION 5.1.2-04 Implement and review Asset Management Plans

This action was commenced in the 2019/20 financial year with continuation of review and implementation in 2020/21.

ACTION 5.1.2-05 Maintain Administration Assets

Refer Action 5.1.2-06 below.

ACTION 5.1.2-06 Expand and upgrade Administration Assets

In the 2019/20 financial year the expansion of the Gingin Administration Centre commenced with the construction of an external archival storage facility to cater for future staffing growth to meet the demand of community needs and facilitate improved servicing. Accessibility and security was also improved with the implementation of an access control system.

- | | |
|--|----------|
| • Gingin Administration Office Access Control System | \$17,305 |
| • Gingin Administration Archival Building Construction (completion in 2020/21) | \$62,425 |

ACTION 5.1.2-07 Maintain Administration Plant, Furniture and Equipment

In 2019/20 the Shire of Gingin replaced a number of items of plant to assist with the completion of its Budget and to maintain a sustainable and economic fleet. The Shire spent a total of \$436,411 on purchasing plant and machinery. The major items of new plant purchased in 2019/20 were:

- | | |
|--------------------------------|-----------|
| • Multi Tyred Roller | \$181,900 |
| • Second Hand Road Sweeper | \$126,575 |
| • Small Twin Steel Drum Roller | \$42,900 |

The Shire had some issues securing plant (mainly due to availability due to COVID-19 international transport restrictions) and had a number of carry forwards into 2020/21 such as a grader and a number of utilities.

ACTION 5.1.2-08 Consider an additional 1 FTE for Corporate & Community Services

This is listed for action in the 2020/21 financial year.

ACTION 5.1.2-09**Transfer of 1% of rates to Future Fund Reserve**

This was completed.

SCP OUTCOME 5.2 – SERVICE**The Shire provides customer focused service delivery**

ACTION 5.2.0-01**Ongoing provision of Customer Service**

CUSTOMER SERVICE

Servicing the Shire of Gingin's many rate payers and visitors is an ongoing task which takes many formats including face to face contact, emails, letters, telephone, social media, etc. The Shire continues to seek continued improvement of its services through staff training, the implementation of new service practices and upgrades to its information output services and methods in alignment with the Shire's Customer Service Charter.

RECORD KEEPING

The *State Records Act 2000* requires all government organisations to include in their Annual Report a statement on their compliance with their Record Keeping Plan. All employees of the Shire of Gingin are legally required to comply with the contents of this Plan. Reviews of the Record Keeping Plan are required to be carried out not less than once every five years. The efficiency and effectiveness of the Shire's record keeping procedures was reviewed during 2017-18 and a revised Record Keeping Plan was submitted to the State Records Commission (RKP 2017016). The review confirmed that the Shire's procedures are compliant, and approval was received from the State Records Commission on 24 October 2017. The next review is scheduled for 2022.

The Shire of Gingin's Electronic Document Records Management System, SynergySoft Central Records, enables reliable and secure recording of and access to documents. Records Officers appraise, retain and dispose of records in accordance with the General Disposal Authority for Local Government Records. The Synergy customer service module enables the recording and response details of all customer service requests received by telephone, electronic mail and hard copy correspondence.

Every new employee who is required to use the record keeping/information management system must attend a records induction training session at commencement of duties. The induction sessions are delivered by experienced Records Officers. Further training is available to all officers on a one-to-one basis. Compulsory, in-house record keeping training sessions are held for all employees to ensure sound understanding and awareness of record keeping responsibilities. Responsibilities for records management of electronic communications are included in the Shire of Gingin's Operational Policy Manual. Records Officers also attend external training.

The Shire of Gingin will continue to work towards improving record keeping practices and electronic document management, aiming to reduce the use and storage of paper records.

FREEDOM OF INFORMATION

Under the *Freedom of Information Act 1982* (FOI), the Shire of Gingin provides the public with access to Council documents upon request. An Application for Access to Documents form is available on the Shire's website or in hard copy. More detailed information on FOI is contained in the Shire's Freedom of Information Statement which is available on its website.

During 2019/20 financial year the Shire received four Freedom of Information requests.

ARCHIVE FACILITY

The Shire of Gingin commenced an upgrade of its archive facilities in June 2020. The old building was not adequate and a more up to date storage facility was required. The completed building will store all archival material and "to be destroyed" material that the Shire produces as well as housing all the current files in compactuses.

ACTION 5.2.0-02**Review and maintain Human Resource Systems**

The Shire of Gingin prides itself on being an "Employer of Choice". Even in these times of competing against the mining sector to engage staff and being unable to offer the same level of wages, we still attract a large volume of applications for all vacant positions we advertise. In 2019/20 the Shire had upward 30 applications for some of the vacant positions that were advertised.

The only new position created in 2019/20 was that of an Operations Support Officer. Several staff transferred to other positions and new staff were employed to fill those positions that were vacated. The Shire also employed a DFES funded Bushfire Risk Planning Coordinator for a further two years.

The most significant changes included new staff members in the following roles:

- Executive Manager Regulatory and Development Services
- Executive Manager Corporate and Community Services
- Principal Environmental Health Officer
- Statutory Planning Officer - 12 month contract
- Coordinator Corporate Services
- Personal Assistant to EMCCS
- Customer Service Officers (2)

This year the Shire employed two new Aquatic Centre Duty Managers and five Swimming Instructors to manage the pool and teach swimming lessons over the busy summer period, including private lessons, Vacswim, Super Seals Swim Club, In-Term School swimming lessons and several swimming carnivals.

The Shire has a full-time equivalent (FTE) staffing level of 71 persons and a total of 90 staff members, including vacancies, staff on parental leave and short term contracts. The Shire regularly receives “Expressions of Interest” for employment through the Shire’s website. Factors such as population growth, increased building and planning development applications and an increase in the demand for community services will have a significant effect on the workforce and its capabilities in the future.

PAYMENT TO EMPLOYEES

Salary Band \$	NUMBER OF OFFICERS	
	2019/20	2018/19
100,000 – 110,000	2	0
110,000 – 120,000	0	2
120,000 – 130,000	2	0
130,000 – 140,000	2	2
140,000 – 150,000	0	1
150,000 – 180,000	0	0
180,000 – 190,000	0	1
190,000 – 200,000	1	1
200,000 – 280,000	0	0
280,000 – 290,000	1*	0

*Gingin Medical Centre salaries included.

EQUAL EMPLOYMENT OPPORTUNITY

Section 146 of the *Equal Opportunity Act 1984* requires local governments to report on the progress of their diversity and inclusion activities and programs, and workforce data to the Director of Equal Opportunity in Public Employment (DEOPE). In May 2020, the Shire of Gingin participated in the Equal Employment Opportunity Survey administered by the Public Sector on behalf of the DEOPE in order to meet this legislative requirement.

In addition, the Shire focuses on providing employment opportunities for Aboriginal Australians and People Aged 24 Years and Under (Youth). In addition to the Shire’s usual channels, all vacant positions were advertised through the South West Aboriginal Land and Sea Council.

The Shire of Gingin is committed to providing a workplace where every individual is treated with respect in an environment free from discrimination and harassment.

Action 5.2.0-03 **Develop a program of Service Reviews and an approach to Service/Place Planning**

Internal service reviews (staffing and/or process mapping) informs the Workforce Plan of possible staffing requirements for consideration. This is undertaken as an in-house process when and where required.

Priority 5.2.1 **Implement a Community Engagement Policy to continue improvement in the Shire’s communication and engagement**

Action 5.2.1-01 **Develop and maintain a Stakeholder and Community Engagement Strategy and Policy**

This project has been delayed due to staff capacity constraints however this is planned to commence in mid-2021 in conjunction with the Strategic Community Plan Review.

Action 5.2.1-02 **Develop an E-newsletter for the Shire**

This action has been completed. Given that communication is imperative in today’s society, Council and staff are committed to connecting clearly and often with our community members regarding issues of topical importance.

The Shire currently has two electronic newsletters which are circulated to the community on a monthly basis. One covers local and Shire events whilst the second provides links and information for resources (such as grants, workshops, etc.) that may be useful to the community.

This action relates to the development of a single core newsletter to convey information for Shire related news and important announcements. This e-newsletter was to be conveyed on a monthly basis and was to coincide with the monthly development of the ‘Council to Community’ publications prepared to be published in each of the Shire’s 4 newspapers.

The onset of COVID-19 in March 2020 ensured that the development of a new electronic newsletter format was set in motion with the first issue of this e-newsletter distributed to the public on 8 April 2020.

The e-newsletter began life as a newsletter specifically for COVID-19 news related to how the Pandemic was affecting Shire services and what resources were available to the community. Over the course of the next few months, gradually the e-newsletter has switched to more general Shire news. The other two e-newsletters continue to be published but by the end of 2020, the aim is that all 3 newsletters will be amalgamated into one publication to go out monthly. In addition to being able to subscribe to receive a copy of this e-newsletter, community members can also subscribe to have a paper copy posted to them instead if they prefer.

Action 5.2.1-03 Undertake Biennial Community Perception Survey

The Resident Perception Survey 2020 has been completed (June 2020) and will be used as a component of community engagement for the major review of the Shire's Strategic Community Plan (due 2021) and as a useful planning tool for other services/initiatives.

Action 5.2.2-01 Maintain and upgrade Shire IT Equipment

Provision for renewal of server infrastructure will be included in the 2020/21 Annual Budget following completion of an IT Infrastructure review.

Action 5.2.2-02 Identify areas for technology based improvements to service delivery

- An IT Infrastructure review has been completed.
 - A software review has also been completed (migration to new software platform [Altus] is planned for the 2020/21 financial year).
-

SCP OUTCOME 5.3 – PARTNER
The Shire works productively with a range of partners to deliver better outcomes for the community

Priority 5.3.1 Formalise and strengthen the advocacy process of the Shire

ACTION 5.3.1-01 Identify project/administrative process/other issue that Council wants to platform as an improvement process or has community benefit, as an area of advocacy for 2019/20 and implement

Council at its meeting on 20 June 2019 resolved to advocate that it was opposed to Unconventional Fracking within the Shire of Gingin. The relevant Minister and Department were notified of this resolution.

ACTION 5.3.1-02 Maintain and continue to work with the Northern Growth Alliance on regional projects.

The Northern Growth Alliance continues to progress with the Shires of Chittering and Dandaragan.

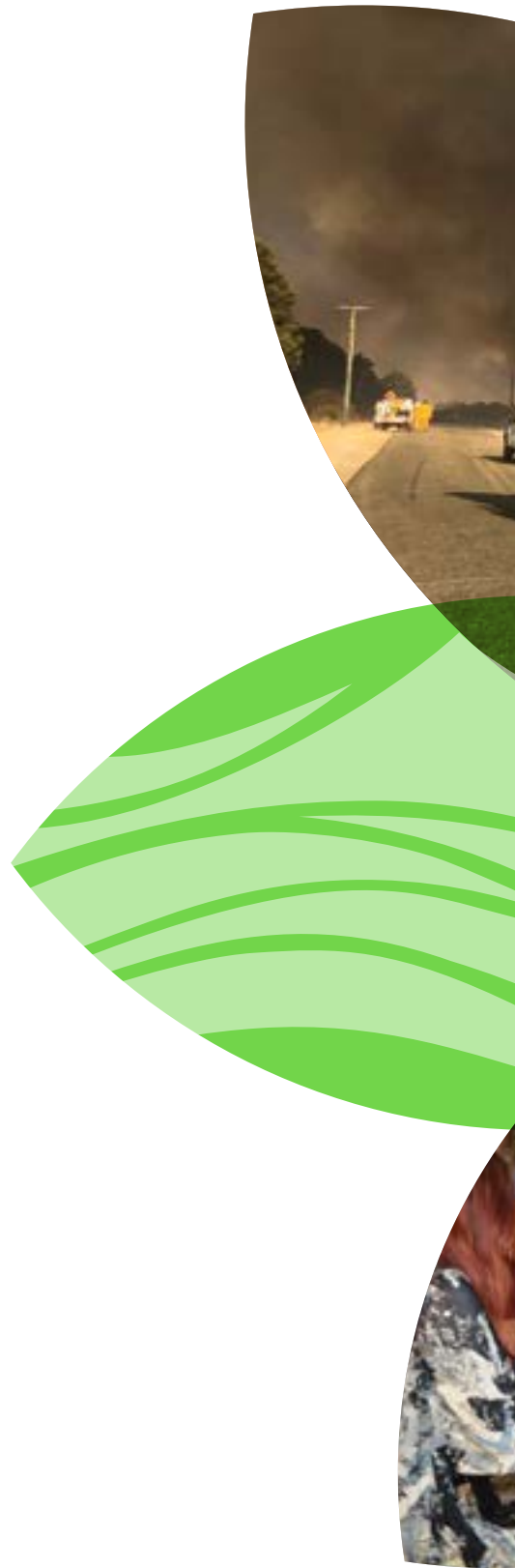
Priority 5.3.2 Encourage the Water Advisory Group to work collaboratively with stakeholders to address priority water issues

ACTION 5.3.2-01 Encourage the Water Advisory Group to work collaboratively with stakeholders to address priority water issues

Council has continued to work with the Department and the Water Advisory Group to address priority issues within this area.







Financial Report 2019/20







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STATEMENT BY CHIEF EXECUTIVE OFFICER

SHIRE OF GINGIN FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Gingin for the financial year ended 30 June 2020 is based on proper accounts and records to present fairly the financial position of the Shire of Gingin at 30 June 2020 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

20th

day of

December

2020

Les Crichton
Acting Chief Executive Officer



STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
Rates	25(a)	8,356,820	8,370,427	7,894,781
Operating grants, subsidies and contributions	2(a)	3,128,167	1,989,036	3,174,611
Fees and charges	2(a)	3,640,134	4,444,870	4,002,329
Interest earnings	2(a)	283,632	271,000	313,736
Other revenue	2(a)	495,538	125,179	437,380
		15,904,291	15,200,512	15,822,837
Expenses				
Employee costs		(6,172,389)	(6,416,925)	(5,592,097)
Materials and contracts		(5,140,455)	(5,721,629)	(5,303,073)
Utility charges		(432,664)	(435,934)	(444,135)
Depreciation on non-current assets	11(b)	(6,073,189)	(4,869,205)	(5,806,724)
Interest expenses	2(b)	(118,757)	(120,885)	(128,311)
Insurance expenses		(483,190)	(461,619)	(417,961)
Other expenditure	2(b)	(753,863)	(747,820)	(667,517)
		(19,174,507)	(18,774,017)	(18,359,818)
		(3,270,216)	(3,573,505)	(2,536,981)
Non-operating grants, subsidies and contributions	2(a)	3,876,600	9,997,448	2,402,656
Profit on asset disposals	11(a)	9,796	180,048	33,603
(Loss) on asset disposals	11(a)	(83,759)	(38,392)	(1,610,651)
Fair value adjustments to financial assets at fair value through profit or loss		1,153	0	70,068
		3,803,790	10,139,104	895,676
Net result for the period		533,574	6,565,599	(1,641,305)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	0	0	(761,290)
Total other comprehensive income for the period		0	0	(761,290)
Total comprehensive income for the period		533,574	6,565,599	(2,402,595)

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



STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
Governance	2(a)	0	2,050	1,257
General purpose funding		10,560,353	9,670,941	10,412,211
Law, order, public safety		1,002,027	483,105	670,388
Health		450,101	665,491	94,718
Education and welfare		96,391	103,320	369,181
Housing		23,553	36,000	23,349
Community amenities		1,719,449	1,848,110	1,773,083
Recreation and culture		152,283	240,196	213,234
Transport		230,029	292,514	284,336
Economic services		1,170,585	1,625,687	1,520,518
Other property and services		499,520	233,098	460,562
		15,904,291	15,200,512	15,822,837
Expenses				
Governance	2(b)	(1,261,085)	(1,199,362)	(1,171,077)
General purpose funding		(472,082)	(708,736)	(559,298)
Law, order, public safety		(2,177,016)	(1,669,539)	(1,980,237)
Health		(1,143,787)	(1,178,274)	(220,734)
Education and welfare		(266,525)	(250,020)	(933,110)
Housing		(66,437)	(40,208)	(23,556)
Community amenities		(2,841,159)	(3,134,930)	(2,410,093)
Recreation and culture		(3,716,756)	(3,835,821)	(3,826,535)
Transport		(5,766,691)	(4,530,903)	(5,355,373)
Economic services		(1,208,909)	(1,368,761)	(1,367,719)
Other property and services		(135,303)	(736,578)	(383,775)
		(19,055,750)	(18,653,132)	(18,231,507)
Finance Costs				
Health	2(b)	(9,154)	(9,910)	(10,923)
Community amenities		(32,498)	(33,126)	(34,101)
Recreation and culture		(61,296)	(61,888)	(65,710)
Economic services		(2,977)	(3,347)	(4,152)
Other property and services		(12,832)	(12,614)	(13,425)
		(118,757)	(120,885)	(128,311)
		(3,270,216)	(3,573,505)	(2,536,981)
Non-operating grants, subsidies and contributions	2(a)	3,876,600	9,997,448	2,402,656
Profit on disposal of assets	11(a)	9,796	180,048	33,603
(Loss) on disposal of assets	11(a)	(83,759)	(38,392)	(1,610,651)
Fair value adjustments to financial assets at fair value through profit or loss		1,153	0	70,068
		3,803,790	10,139,104	895,676
Net result for the period		533,574	6,565,599	(1,641,305)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	0	0	(761,290)
Total other comprehensive income for the period		0	0	(761,290)
Total comprehensive income for the period		533,574	6,565,599	(2,402,595)

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



STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	NOTE	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	3	9,474,792	7,249,115
Trade and other receivables	6	1,994,404	1,894,751
Other financial assets	5(a)	13,165	13,819
Inventories	7	30,607	37,516
Other assets	8	18,542	17,173
TOTAL CURRENT ASSETS		11,531,510	9,212,374
NON-CURRENT ASSETS			
Trade and other receivables	6	141,279	128,487
Other financial assets	5(b)	96,221	102,820
Property, plant and equipment	9	42,194,112	47,451,075
Infrastructure	10	143,620,035	143,660,079
Right-of-use assets	12(a)	2,638	0
TOTAL NON-CURRENT ASSETS		186,054,285	191,342,461
TOTAL ASSETS		197,585,795	200,554,835
CURRENT LIABILITIES			
Trade and other payables	14	1,420,907	1,219,810
Contract liabilities	15	1,950,161	0
Lease liabilities	16(a)	2,330	0
Borrowings	17(a)	222,197	224,228
Employee related provisions	18	981,546	889,719
TOTAL CURRENT LIABILITIES		4,577,141	2,333,757
NON-CURRENT LIABILITIES			
Lease liabilities	16(a)	348	0
Borrowings	17(a)	1,767,829	1,977,186
Employee related provisions	18	139,737	98,560
TOTAL NON-CURRENT LIABILITIES		1,907,914	2,075,746
TOTAL LIABILITIES		6,485,055	4,409,503
NET ASSETS		191,100,740	196,145,332
EQUITY			
Retained surplus		41,223,558	43,150,066
Reserves - cash backed	4	5,553,210	4,291,963
Revaluation surplus	13	144,323,972	148,703,303
TOTAL EQUITY		191,100,740	196,145,332

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



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2018		45,575,686	3,507,648	149,464,593	198,547,927
Comprehensive income					
Net result for the period		(1,641,305)	0	0	(1,641,305)
Other comprehensive income	13	0	0	(761,290)	(761,290)
Total comprehensive income		(1,641,305)	0	(761,290)	(2,402,595)
Transfers from reserves	4	550,221	(550,221)	0	0
Transfers to reserves	4	(1,334,536)	1,334,536	0	0
Balance as at 30 June 2019		43,150,066	4,291,963	148,703,303	196,145,332
Change in accounting policies	29(b)	(1,198,835)	0	(4,379,331)	(5,578,166)
Restated total equity at 1 July 2019		41,951,231	4,291,963	144,323,972	190,567,166
Comprehensive income					
Net result for the period		533,574	0	0	533,574
Total comprehensive income		533,574	0	0	533,574
Transfers from reserves	4	228,918	(228,918)	0	0
Transfers to reserves	4	(1,490,165)	1,490,165	0	0
Balance as at 30 June 2020		41,223,558	5,553,210	144,323,972	191,100,740

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



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		8,378,102	9,320,427	7,501,003
Operating grants, subsidies and contributions		3,801,773	2,189,036	3,174,611
Fees and charges		3,640,134	4,444,870	4,375,987
Interest received		283,632	271,000	313,736
Goods and services tax received		453,950	5,794	492,940
Other revenue		495,538	125,179	920,264
		17,053,129	16,356,306	16,778,541
Payments				
Employee costs		(6,111,124)	(6,416,925)	(5,579,333)
Materials and contracts		(4,968,899)	(7,017,329)	(5,259,179)
Utility charges		(432,664)	(435,934)	(444,135)
Interest expenses		(118,757)	(120,885)	(130,777)
Insurance paid		(483,190)	(461,619)	(417,961)
Goods and services tax paid		(403,137)	0	(485,486)
Other expenditure		(753,863)	(747,820)	(667,517)
		(13,271,634)	(15,200,512)	(12,984,388)
Net cash provided by (used in) operating activities	19	3,781,495	1,155,794	3,794,153
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for financial assets at amortised cost		0	0	(23,570)
Payments for financial assets at amortised cost - self supporting loans		0	0	18,339
Payments for purchase of property, plant & equipment	9(a)	(1,061,150)	(5,314,309)	(916,926)
Payments for construction of infrastructure	10(a)	(4,436,865)	(9,058,708)	(2,907,298)
Non-operating grants, subsidies and contributions	2(a)	3,876,600	9,997,448	2,402,656
Proceeds from financial assets at amortised cost - self supporting loans		8,406	13,819	0
Proceeds from sale of property, plant & equipment	11(a)	301,500	332,091	707,830
Net cash provided by (used in) investment activities		(1,311,509)	(4,029,659)	(718,969)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(211,388)	(213,371)	(205,444)
Payments for principal portion of lease liabilities	16(b)	(32,921)	0	0
Proceeds from new borrowings	17(b)	0	830,440	23,570
Net cash provided by (used in) financing activities		(244,309)	617,069	(181,874)
Net increase (decrease) in cash held		2,225,677	(2,256,796)	2,893,310
Cash at beginning of year		7,249,115	6,790,800	4,355,805
Cash and cash equivalents at the end of the year	19	9,474,792	4,534,004	7,249,115

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



RATE SETTING STATEMENT

FOR THE YEAR ENDED 30 JUNE 2020

NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$	
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)				
26 (b)	1,598,228	2,349,362	1,264,407	
	1,598,228	2,349,362	1,264,407	
Revenue from operating activities (excluding rates)				
Governance	0	2,050	1,257	
General purpose funding	2,069,103	1,210,514	2,433,416	
Law, order, public safety	1,005,764	483,105	670,388	
Health	450,101	680,195	94,718	
Education and welfare	96,391	144,620	369,181	
Housing	23,553	36,000	23,349	
Community amenities	1,719,449	1,848,110	1,773,083	
Recreation and culture	152,283	240,196	213,234	
Transport	236,088	416,558	285,428	
Economic services	1,170,585	1,625,687	1,520,518	
Other property and services	500,673	233,098	563,141	
	7,423,990	6,920,133	7,947,713	
Expenditure from operating activities				
Governance	(1,261,085)	(1,199,362)	(1,171,077)	
General purpose funding	(472,082)	(708,736)	(559,298)	
Law, order, public safety	(2,177,016)	(1,674,529)	(2,029,601)	
Health	(1,157,275)	(1,188,184)	(231,657)	
Education and welfare	(266,525)	(250,020)	(933,110)	
Housing	(66,437)	(40,208)	(23,556)	
Community amenities	(2,873,657)	(3,168,056)	(2,444,194)	
Recreation and culture	(3,778,642)	(3,897,709)	(3,899,820)	
Transport	(5,787,757)	(4,564,305)	(5,422,560)	
Economic services	(1,213,795)	(1,372,108)	(1,371,871)	
Other property and services	(203,995)	(749,192)	(1,883,725)	
	(19,258,266)	(18,812,409)	(19,970,469)	
Non-cash amounts excluded from operating activities	26(a)	6,174,384	4,727,549	7,261,775
Amount attributable to operating activities		(4,061,664)	(4,815,365)	(3,496,574)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	3,876,600	9,997,448	2,402,656
Proceeds from disposal of assets	11(a)	301,500	332,091	707,830
Proceeds from financial assets at amortised cost - self supporting loans		8,406	13,819	0
Payments for financial assets at amortised cost - self supporting loans		0	0	18,339
Purchase of property, plant and equipment	9(a)	(1,061,150)	(5,314,309)	(916,926)
Purchase and construction of infrastructure	10(a)	(4,436,865)	(9,058,708)	(2,907,298)
Amount attributable to investing activities		(1,311,509)	(4,029,659)	(695,399)
FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(211,388)	(213,371)	(205,444)
Proceeds from borrowings	17(c)	0	830,440	0
Payments for principal portion of lease liabilities	16(b)	(32,921)	0	0
Transfers to/(from) Restricted Cash		0	(149,631)	0
Transfers to reserves (restricted assets)	4	(1,490,165)	(405,924)	(1,334,536)
Transfers from reserves (restricted assets)	4	228,918	323,083	550,221
Amount attributable to financing activities		(1,505,556)	384,597	(989,759)
Surplus/(deficit) before imposition of general rates		(6,878,729)	(8,460,427)	(5,181,732)
Total amount raised from general rates	25(a)	8,491,250	8,460,427	7,978,795
Surplus/(deficit) after imposition of general rates	26(b)	1,612,522	0	2,797,063

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



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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

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 Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

AMENDMENTS TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Prior to 1 July 2019, *Financial Management Regulation 16* arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Shire. This was not in accordance with the requirements of AASB 1051 *Land Under Roads* paragraph 15 and AASB 116 *Property, Plant and Equipment* paragraph 7.

From 1 July 2019, the Shire has applied AASB 16 Leases which requires leases to be included by lessees in the statement of financial position. Also, the *Local Government (Financial Management) Regulations 1996* have been amended to specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position) rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparative year amounts have been retained as AASB 16 does not require comparatives to be restated in the year of transition.

Therefore the departure from AASB 1051 and AASB 16 in respect of the comparatives for the year ended 30 June 2019 remains.

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.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

On 1 July 2020 the following new accounting standards are to be adopted:

- AASB 1059 *Service Concession Arrangements: Grantors*
- AASB 2018-7 *Amendments to Australian Accounting Standards - Materiality*

AASB 1059 *Service Concession Arrangements: Grantors* is not expected to impact the financial report.

Specific impacts of AASB 2018-7 *Amendments to Australian Accounting Standards - Materiality*, have not been identified.

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.

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 30 to these financial statements.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates - general or differential rates	General or differential rates	Over time	Payment dates adopted by Council during the year	None	Adopted by Council annually	When Taxable event occurs	Not applicable	When rates notice issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligation	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the funding body	Based on the progress of works to match performance obligation	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations
Grants, subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment of the licence, registration or approval
Fees and charges - pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annual fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection completion based on 4 year cycle
Fees and charges - other inspections	Regulatory food, health and safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Fees and charges - waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by Council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit payment	None	Adopted by Council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Fees and charges - property hire and entry	Use of halls and facilities	Single point in time	Bond payable full in advance, hire payable post hire	If terms are met bond is refundable	Adopted by Council annually	Based on timing of entry to facility	Returns limited to repayment of transaction	On entry or at conclusion of hire
Fees and charges - memberships	Pool passes	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by Council annually	Apportioned equally across the access period	Returns limited to repayment of transaction	Output method over 12 months matched to access rights
Fees and charges for other goods and services	Cemetery services, library services, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by Council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Fees and charges - Caravan Park Accommodation	Accommodation	Over time	Deposit payable full in advance	Deposit in non-refundable. Pre-paid fees refundable if conditions are met.	Adopted by Council annually	Applied fully based on timing of provision	Returns limited to repayment of transaction	On entry or at conclusion of hire
Fees and charges - sale of stock	Kiosk and history books	Single point in time	In full in advance	None	Adopted by Council annually	Applied fully based on timing of provision	Not applicable	Output method based on goods
Fees and charges - fines	Fines issued for breaches of local laws	Single point in time	Payment in full within defined time	None	Adopted by Council through local law	When Taxable event occurs	Not applicable	When fine notice is issued
Other revenue - commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Other revenue - reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with customer	When claim is agreed	Not applicable	When claim is agreed



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

(a) Grant revenue

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

NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Operating grants, subsidies and contributions			
Governance	0	2,050	0
General purpose funding	1,792,586	1,030,033	2,135,774
Law, order, public safety	772,099	331,555	516,036
Health	54,503	0	24,091
Education and welfare	680	0	0
Community amenities	128,399	189,038	16,914
Recreation and culture	56,912	132,846	107,323
Transport	218,548	207,514	194,458
Economic services	1,000	1,000	15,975
Other property and services	103,440	95,000	164,040
	3,128,167	1,989,036	3,174,611
Non-operating grants, subsidies and contributions			
Law, order, public safety	0	3,557,931	218,400
Community amenities	27,375	171,705	0
Recreation and culture	0	1,074,690	0
Transport	3,849,225	5,193,122	0
Economic services	0	0	2,858
Other property and services	0	0	2,181,398
	3,876,600	9,997,448	2,402,656
Total grants, subsidies and contributions	7,004,767	11,986,484	5,577,267
Fees and charges			
General purpose funding	19,630	22,000	19,870
Law, order, public safety	201,632	230,050	135,104
Health	394,970	635,341	356,648
Education and welfare	95,711	103,320	94,675
Housing	23,553	36,000	23,349
Community amenities	1,595,935	1,659,072	1,643,514
Recreation and culture	92,477	107,350	92,616
Transport	55	0	86,509
Economic services	1,191,116	1,624,687	1,526,314
Other property and services	25,055	27,050	23,730
	3,640,134	4,444,870	4,002,329

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Contracts and transfers for recognisable non-financial assets

Revenue from contracts and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods and services:

Operating grants, subsidies and contributions
Non-operating grants, subsidies and contributions

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Operating grants, subsidies and contributions	1,183,804	0	461,588
Non-operating grants, subsidies and contributions	3,876,600	9,997,448	2,402,656
	5,060,404	9,997,448	2,864,244

Revenue from contracts and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:

Contracts included as a contract liability at the start of the period
Other revenue from contracts recognised during the year
Other revenue from performance obligations satisfied during the year

Contracts included as a contract liability at the start of the period	1,108,099	0	0
Other revenue from contracts recognised during the year	1,183,804	0	461,588
Other revenue from performance obligations satisfied during the year	2,768,501	9,997,448	691,370
	5,060,404	9,997,448	1,152,958

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

Trade and other receivables from contracts
Contract liabilities from contracts

Trade and other receivables from contracts	6	497,941	357,864
Contract liabilities from contracts	15	(1,950,161)	0

Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'.

Contract liabilities for contracts primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met.

Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less.

Consideration from contracts is included in the transaction price.

Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:

General rates

2020 Actual	2020 Budget	2019 Actual
\$	\$	\$
8,351,893	8,365,427	7,889,889
8,351,893	8,365,427	7,889,889
207,883	125,179	89,721
287,655	0	347,659
495,538	125,179	437,380
498	0	1,183
48,183	65,000	76,947
186,378	139,000	164,529
48,573	67,000	71,077
283,632	271,000	313,736

Other revenue

Reimbursements and recoveries

Other

Interest earnings

Financial assets at amortised cost - self supporting loans

Interest on reserve funds

Rates instalment and penalty interest (refer Note 25(c))

Other interest earnings

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
General rates	8,351,893	8,365,427	7,889,889
	8,351,893	8,365,427	7,889,889
Other revenue			
Reimbursements and recoveries	207,883	125,179	89,721
Other	287,655	0	347,659
	495,538	125,179	437,380
Interest earnings			
Financial assets at amortised cost - self supporting loans	498	0	1,183
Interest on reserve funds	48,183	65,000	76,947
Rates instalment and penalty interest (refer Note 25(c))	186,378	139,000	164,529
Other interest earnings	48,573	67,000	71,077
	283,632	271,000	313,736

Interest earnings (continued)

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report

- Other services

Interest expenses (finance costs)

Borrowings

Lease liabilities

Other expenditure

Impairment loss on trade and other receivables from contracts with customers

Sundry expenses

Note	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Auditors remuneration			
- Audit of the Annual Financial Report	31,884	50,000	29,973
- Other services	8,604	0	3,150
	40,488	50,000	33,123
Interest expenses (finance costs)			
Borrowings	17(b) 118,316	120,885	128,311
Lease liabilities	16(b) 441	0	0
	118,757	120,885	128,311
Other expenditure			
Impairment loss on trade and other receivables from contracts with customers	4,167	0	0
Sundry expenses	749,696	747,820	667,517
	753,863	747,820	667,517



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

3. CASH AND CASH EQUIVALENTS

	NOTE	2020 \$	2019 \$
Cash at bank and on hand		9,474,792	7,249,115
Total cash and cash equivalents		9,474,792	7,249,115

Restrictions

The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

- Cash and cash equivalents

8,026,737	6,486,134
8,026,737	6,486,134

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

Reserves - cash backed	4	5,553,210	4,291,963
Contract liabilities from contracts	15	1,950,161	0
Unspent grants, subsidies and contributions		0	1,711,286
Bonds and deposits held	14	523,366	482,885
Total restricted assets		8,026,737	6,486,134

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 with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Restricted assets

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

4. RESERVES - CASH BACKED

- (a) LSL, Annual, Sick Leave and Staff Contingency
- (b) Office Equipment Reserve
- (c) Plant and Equipment Reserve
- (d) Land and Buildings Reserve
- (e) Guilderton Caravan Park Reserve
- (f) Shire Recreation Development Reserve
- (g) Redfield Park Reserve
- (h) Ocean Farm Recreation Reserve
- (i) Tip Rationalisation Reserve
- (j) Lancelin Community Sport and Recreation Reserve
- (k) Community Infrastructure Reserve
- (l) Staff Housing
- (m) Future Infrastructure Reserve
- (n) Guilderton Country Club Reserve

	2020		2020		2020		2020		2020		2019		2019	
	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance	Budget Opening Balance	Budget Transfer to	Budget Transfer (from)	Budget Closing Balance	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance	Actual Opening Balance	Actual Transfer (from)
(a) LSL, Annual, Sick Leave and Staff Contingency	\$ 423,650	\$ 4,800	\$ 0	\$ 428,450	\$ 460,968	\$ 8,262	\$ 0	\$ 469,230	\$ 457,923	\$ 10,045	\$ (44,318)	\$ 423,650	\$ 457,923	\$ (44,318)
(b) Office Equipment Reserve	2,903	33	0	2,936	9,903	51	0	9,954	2,841	62	0	2,903	2,841	0
(c) Plant and Equipment Reserve	1,285,433	761,646	(214,539)	1,832,540	637,351	11,252	(23,591)	625,012	623,669	713,802	(52,038)	1,285,433	623,669	(52,038)
(d) Land and Buildings Reserve	711,861	392,062	0	1,103,923	711,861	233,090	(4,492)	940,459	858,805	36,015	(182,859)	711,861	858,805	(182,859)
(e) Guilderton Caravan Park Reserve	35,187	400	0	35,587	35,187	621	(20,000)	15,808	137,226	3,011	(105,050)	35,187	137,226	(105,050)
(f) Shire Recreation Development Reserve	74,092	830	0	74,922	74,092	1,308	(60,000)	15,400	69,861	21,533	(17,302)	74,092	69,861	(17,302)
(g) Redfield Park Reserve	31,032	348	0	31,380	31,032	548	0	31,580	30,366	666	0	31,032	30,366	0
(h) Ocean Farm Recreation Reserve	30,728	344	0	31,072	30,728	542	0	31,270	30,068	660	0	30,728	30,068	0
(i) Tip Rationalisation Reserve	1,090,292	203,376	0	1,293,668	1,090,292	43,886	0	1,134,178	625,112	513,713	(48,533)	1,090,292	625,112	(48,533)
(j) Lancelin Community Sport and Recreation Reserve	60,768	18,745	0	79,513	57,463	1,014	0	58,477	53,292	18,436	(10,960)	60,768	53,292	(10,960)
(k) Community Infrastructure Reserve	2,096	28	0	2,124	2,096	37	0	2,133	89,201	1,956	(89,061)	2,096	89,201	(89,061)
(l) Staff Housing	33,093	371	0	33,464	33,093	584	0	33,677	32,383	710	0	33,093	32,383	0
(m) Future Infrastructure Reserve	501,828	101,688	(14,379)	589,137	501,828	104,624	(215,000)	391,452	491,055	10,773	0	501,828	491,055	0
(n) Guilderton Country Club Reserve	9,000	5,494	0	14,494	5,975	105	0	6,080	5,846	3,154	0	9,000	5,846	0
	4,291,963	1,490,165	(228,918)	5,553,210	3,681,869	405,924	(323,083)	3,764,710	3,507,648	1,334,536	(550,221)	4,291,963	3,507,648	(550,221)

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

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

Anticipated date of use	Name of Reserve	Purpose of the reserve
As required	(a) LSL, Annual, Sick Leave and Staff Contingency	Used to fund annual leave, long service leave, sick leave, redundancy/retirement and staff contingency.
As required	(b) Office Equipment Reserve	Used for the acquisition and/or replacement of major items of office equipment (including computer systems).
As required	(c) Plant and Equipment Reserve	Used for the purchase of major plant and equipment.
As required	(d) Land and Buildings Reserve	Used for the replacement and/or acquisition of land and buildings.
As required	(e) Guilderton Caravan Park Reserve	Used for the development of Guilderton Caravan Park facilities.
As required	(f) Shire Recreation Development Reserve	Used for the development of Shire Recreation facilities.
As required	(g) Redfield Park Reserve	Used for the development of Public Open Space within the Redfield Park subdivision.
As required	(h) Ocean Farm Recreation Reserve	Used for the development of recreation and community facilities with the Ocean Farm subdivision.
As required	(i) Tip Rationalisation Reserve	Used for rationalisation of rubbish tip facilities within the Shire.
As required	(j) Lancelin Community Sport and Recreation Reserve	Used in developing building and other associated infrastructure at the Lancelin Community Sporting Club and are to be spent upon request from the club, and approval from Council.
As required	(k) Community Infrastructure Reserve	Used to assist in financing of community facilities.
As required	(l) Staff Housing	To be used to fund Staff housing infrastructure additions and/or replacement.
As required	(m) Future Infrastructure Reserve	To be used to fund future infrastructure construction, purchase, additions and/or renewals.
As required	(n) Guilderton Country Club Reserve	To be used to fund the development of the Guilderton Country Club and are to be spent upon request from the Club, and approval from Council.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

5. OTHER FINANCIAL ASSETS

	2020 \$	2019 \$
(a) Current assets		
Financial assets at amortised cost	13,165	13,819
	<u>13,165</u>	<u>13,819</u>
Other financial assets at amortised cost		
Self supporting loans	2,183	2,136
Loan Advances to Community Groups	10,982	11,683
	<u>13,165</u>	<u>13,819</u>
(b) Non-current assets		
Financial assets at amortised cost	25,000	32,752
Financial assets at fair value through profit and loss	71,221	70,068
	<u>96,221</u>	<u>102,820</u>
Financial assets at amortised cost		
Self supporting loans	19,252	21,435
Loan Advances to Community Groups	5,748	11,317
	<u>25,000</u>	<u>32,752</u>
Financial assets at fair value through profit and loss		
Units in Local Government House Trust	71,221	70,068
	<u>71,221</u>	<u>70,068</u>

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 17(b) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

The Shire classifies the following financial assets at fair value through profit and loss:

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 27.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Sundry debtors	
GST receivable	
Allowance for impairment of receivables	
Legal Costs - recovery of rates	
Rubbish Fees	

Non-current

Pensioner's rates and ESL deferred	
------------------------------------	--

Movement in the allowance for impairment of receivables

Balance at start of period	
Additional allowance recognised.	
Receivables written off during the year as uncollectable	
Closing Balance	

	2020	2019
	\$	\$
Rates receivable	1,076,233	1,094,223
Sundry debtors	497,941	357,864
GST receivable	0	50,813
Allowance for impairment of receivables	(4,167)	0
Legal Costs - recovery of rates	347,332	322,569
Rubbish Fees	77,065	69,282
	1,994,404	1,894,751
Pensioner's rates and ESL deferred	141,279	128,487
	141,279	128,487
Balance at start of period	0	0
Additional allowance recognised.	4,167	0
Receivables written off during the year as uncollectable	0	0
Closing Balance	4,167	0

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.

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

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 27.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

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.

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

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



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

7. INVENTORIES

Current

Fuel and materials
History Books

	2020	2019
	\$	\$
	19,561	28,935
	11,046	8,581
	30,607	37,516
	37,516	30,494
	(9,374)	(302,999)
	(2,678)	(1,407)
	5,143	311,428
	30,607	37,516

The following movements in inventories occurred during the year:

Carrying amount at beginning of period

Inventories expensed during the year
Write down of inventories to net realisable value
Additions to inventory

Carrying amount at end of period

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.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

8. OTHER ASSETS

Other assets - current

Prepayments

	2020	2019
	\$	\$
	18,542	17,173
	<u>18,542</u>	<u>17,173</u>

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

9. PROPERTY, PLANT AND EQUIPMENT

(a) 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 - 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	Tools	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2018	16,422,000	3,823,555	20,245,555	1,615,403	23,399,028	25,014,431	45,259,986	259,543	5,627,234	7,485	51,154,248
Additions	130,000	0	130,000	34,130	173,379	207,509	337,509	58,450	520,967	0	916,926
(Disposals)	(1,922,934)	0	(1,922,934)	0	(2,431)	(2,431)	(1,925,365)	(39,692)	(283,518)	0	(2,248,575)
Revaluation increments / (decrements) transferred to revaluation surplus	(1,317,066)	555,776	(761,290)	0	0	0	(761,290)	0	0	0	(761,290)
Depreciation (expense)	0	0	0	(52,259)	(785,610)	(837,869)	(837,869)	(39,522)	(731,170)	(1,792)	(1,610,353)
Transfers	0	0	0	(1)	120	119	119	0	0	0	119
Carrying amount at 30 June 2019	13,312,000	4,379,331	17,691,331	1,597,273	22,784,486	24,381,759	42,073,090	238,779	5,133,513	5,693	47,451,075
Comprises:											
Gross carrying amount at 30 June 2019	13,312,000	4,379,331	17,691,331	1,681,830	24,045,411	25,727,241	43,418,572	343,463	7,265,993	12,900	51,040,928
Accumulated depreciation at 30 June 2019	0	0	0	(84,557)	(1,260,925)	(1,345,482)	(1,345,482)	(104,684)	(2,132,480)	(7,207)	(3,589,853)
Carrying amount at 30 June 2019	13,312,000	4,379,331	17,691,331	1,597,273	22,784,486	24,381,759	42,073,090	238,779	5,133,513	5,693	47,451,075
Change in accounting policy	0	(4,379,331)	(4,379,331)	0	0	0	(4,379,331)	0	0	0	(4,379,331)
Carrying amount at 1 July 2019	13,312,000	0	13,312,000	1,597,273	22,784,486	24,381,759	37,693,759	238,779	5,133,513	5,693	43,071,744
Additions	0	0	0	6,290	415,993	422,283	422,283	0	638,867	0	1,061,150
(Disposals)	(147,000)	0	(147,000)	0	(57,951)	(57,951)	(204,951)	0	(169,922)	0	(374,873)
Depreciation (expense)	0	0	0	(53,162)	(786,875)	(840,037)	(840,037)	(42,886)	(679,959)	(1,027)	(1,563,909)
Carrying amount at 30 June 2020	13,165,000	0	13,165,000	1,550,401	22,355,653	23,906,054	37,071,054	195,893	4,922,499	4,666	42,194,112
Comprises:											
Gross carrying amount at 30 June 2020	13,165,000	0	13,165,000	1,688,119	24,393,804	26,081,923	39,246,923	343,462	7,570,224	12,900	47,173,509
Accumulated depreciation at 30 June 2020	0	0	0	(137,718)	(2,038,151)	(2,175,869)	(2,175,869)	(147,569)	(2,647,725)	(8,234)	(4,979,397)
Carrying amount at 30 June 2020	13,165,000	0	13,165,000	1,550,401	22,355,653	23,906,054	37,071,054	195,893	4,922,499	4,666	42,194,112



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land - freehold land	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2019	Price per hectare
Land - freehold land	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2019	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2017	Price per square metre
Buildings - non-specialised	3	Cost approach using depreciated replacement cost	Management valuation	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Furniture and equipment	3	Cost approach using depreciated replacement cost	Independent registered valuers and Management Valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Plant and equipment	3	Cost approach using depreciated replacement cost	Independent registered valuers and Management Valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Tools	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2016	Purchase costs 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 by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

Following a change to *Local Government (Financial Management) Regulation 17A*, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

10. INFRASTRUCTURE

(a) 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 - roads \$	Infrastructure - Footpaths \$	Infrastructure - Parks and Ovals \$	Infrastructure - Other \$	Infrastructure - Bridges \$	Total Infrastructure \$
Balance at 1 July 2018	123,238,866	133,337	13,011,444	6,206,288	2,395,520	144,985,455
Additions	2,026,533	150,472	484,968	55,325	190,000	2,907,298
(Disposals)	0	(5,814)	0	(30,489)	0	(36,303)
Depreciation (expense)	(2,714,693)	(11,120)	(762,994)	(591,020)	(116,544)	(4,196,371)
Carrying amount at 30 June 2019	122,550,706	266,875	12,733,418	5,640,104	2,468,976	143,660,079
Comprises:						
Gross carrying amount at 30 June 2019	125,265,399	277,995	13,496,413	6,801,172	2,585,268	148,426,247
Accumulated depreciation at 30 June 2019	(2,714,693)	(11,120)	(762,995)	(1,161,068)	(116,292)	(4,766,168)
Carrying amount at 30 June 2019	122,550,706	266,875	12,733,418	5,640,104	2,468,976	143,660,079
Additions	4,322,545	8,806	139,805	(34,291)	0	4,436,865
(Disposals)	0	0	0	(590)	0	(590)
Depreciation (expense)	(2,982,342)	(11,027)	(785,316)	(572,298)	(125,336)	(4,476,319)
Carrying amount at 30 June 2020	123,890,909	264,654	12,087,907	5,032,925	2,343,640	143,620,035
Comprises:						
Gross carrying amount at 30 June 2020	129,587,944	286,801	13,636,218	6,766,081	2,585,269	152,862,313
Accumulated depreciation at 30 June 2020	(5,697,035)	(22,147)	(1,548,311)	(1,733,156)	(241,629)	(9,242,278)
Carrying amount at 30 June 2020	123,890,909	264,654	12,087,907	5,032,925	2,343,640	143,620,035



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

10. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

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

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

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



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

11. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

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

At the end of each period the 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 land, buildings, infrastructure, investment properties and vested improvements 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.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under control prior to 1 July 2019

In accordance with the then *Local Government (Financial Management) Regulation 16(a)(ii)*, the Shire was previously required to include as an asset (by 30 June 2013), vested 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.

Land under roads prior to 1 July 2019

In Western Australia, most 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 then *Local Government (Financial Management) Regulation 16(a)(i)* which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then *Local Government (Financial Management) Regulation 16(a)(i)* prohibited 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 was not included as an asset of the Shire.

Land under roads from 1 July 2019

As a result of amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, are treated as right-of-use assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A(2)(iv)* is a departure from AASB 16 which would have required the Shire to measure the vested improvements as part of the related right-of-use assets at zero cost.

Refer to Note 12 that details the significant accounting policies applying to leases (including right of use assets).



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

11. FIXED ASSETS

(a) Disposals of Assets

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss	2020 Budget Net Book Value	2020 Budget Sale Proceeds	2020 Budget Profit	2020 Budget Loss	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	147,000	134,400	0	(12,600)	0	0	0	0	1,922,934	500,000		(1,422,934)
Buildings - specialised	57,951	25,600	0	(32,351)	0	0	0	0	2,431	0	0	(2,431)
Furniture and equipment	0	0	0	0	0	0	0	0	39,692	0	0	(39,692)
Plant and equipment	169,922	141,500	9,796	(38,218)	190,435	332,091	180,048	(38,392)	283,518	207,830	33,603	(109,291)
Infrastructure - Footpaths	0	0	0	0	0	0	0	0	5,814	0	0	(5,814)
Infrastructure - Other	0	0	0	(590)	0	0	0	0	30,489	0	0	(30,489)
	374,873	301,500	9,796	(83,759)	190,435	332,091	180,048	(38,392)	2,284,878	707,830	33,603	(1,610,651)

The following assets were disposed of during the year.

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
Plant and Equipment				
Law, order, public safety				
Ranger Utility GG070	18,990	22,727	3,737	0
Health				
Hyundai Getz GG096	4,334	0	0	(4,334)
Transport				
Hyundai i30 Wagon GG11866	7,500	7,364	0	(137)
Isuzu D-Max Utility 5GG	43,656	22,727	0	(20,929)
Bomag Roller GG029	44,441	50,500	6,059	0
Economic services				
Isuzu MU-X 3GG	21,000	19,091	0	(1,909)
Other property and services				
Volkswagon Passatt 2GG	30,000	19,091	0	(10,909)
	169,922	141,500	9,796	(38,218)
Land				
Other Property and Services				
Lot 402 Brockman St Gingin	147,000	134,400	0	(12,600)
	147,000	134,400	0	(12,600)
Buildings				
Other Property and Services				
Building Lot 402 Brockman St, Gingin	57,951	25,600	0	(32,351)
	57,951	25,600	0	(32,351)
Infrastructure Other				
Recreation and culture				
LP Country Club Shed	0	0	0	(590)
	0	0	0	(590)
	374,873	301,500	9,796	(83,759)



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

11. FIXED ASSETS

(b) Depreciation

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Buildings - non-specialised	53,162	32,297	52,259
Buildings - specialised	786,875	804,555	785,610
Furniture and equipment	42,886	47,862	39,522
Plant and equipment	679,959	743,147	731,170
Tools	1,027	1,790	1,792
Infrastructure - roads	2,982,342	1,787,514	2,714,693
Infrastructure - footpaths	11,027	12,486	11,120
Infrastructure - parks and ovals	785,316	950,547	762,994
Infrastructure - other	572,298	372,779	591,020
Infrastructure - bridges	125,336	116,228	116,544
Buildings	6,940	0	0
Plant and equipment	26,021	0	0
	6,073,189	4,869,205	5,806,724

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.

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

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

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

Depreciation rates

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

Asset Class	Useful life
Buildings - non specialised	2 to 50 years
Buildings - specialised	2 to 50 years
Furniture and equipment	4 to 30 years
Plant and equipment	5 to 15 years
Tools	4 to 10 years
Infrastructure - Footpaths	40 years
Infrastructure - Parks & ovals	5 to 25 years
Infrastructure - Bridges	50 to 100 years
Infrastructure - Other	5 to 25 years
Infrastructure - Car parks (sealed)	40 years
Sealed roads and streets	
- formation	not depreciated
- pavement	50 years
Seal	
- bituminous seals	25 years
- asphalt surfaces	25 years
Gravel roads	
- formation	not depreciated
- pavement	50 years
Footpaths - slab	12 years
Formed roads - unsealed (reducing balance)	
- formation	not depreciated
- pavement	50 years
Sewerage piping	80 years
Water supply piping and drainage systems	85 years
Right-of-use (buildings)	Based on the remaining lease
Right-of-use (plant and equipment)	Based on the remaining lease

Depreciation on revaluation

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:

- 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
- Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

12. LEASES

(a) Right-of-Use Assets

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

	Buildings \$	Plant and equipment \$	Right-of-use assets Total \$
Recognised on initial application of AASB 16	6,940	28,659	35,599
Depreciation (expense)	(6,940)	(26,021)	(32,961)
Carrying amount at 30 June 2020	0	2,638	2,638
(b) Cash outflow from leases			
Interest expense on lease liabilities	79	362	441
Lease principal expense	6,940	25,981	32,921
Total cash outflow from leases	7,019	26,343	33,362

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

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

Leases for right-of-use assets are secured over the asset being leased.

Right-of-use assets - valuation

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 11 for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

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



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

14. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Accrued salaries and wages
ATO liabilities
Other payables
Bonds and deposits held
Accrued interest on long term borrowings
Prepaid Income

2020	2019
\$	\$
654,646	480,007
106,820	0
84,950	50,961
0	105,728
0	72,855
523,366	482,885
24,835	27,374
26,290	0
1,420,907	1,219,810

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 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

Prepaid rates

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



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

15. CONTRACT LIABILITIES

Current

Contract liabilities

2020	2019
\$	\$
1,950,161	0
1,950,161	0

SIGNIFICANT ACCOUNTING POLICIES

Contract Liabilities

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

With respect to transfers for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.

Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

16. LEASE LIABILITIES

	2020	2019
(a) Lease Liabilities	\$	\$
Current	2,330	0
Non-current	348	0
	2,678	0

(b) Movements in Carrying Amounts

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2020									
					Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020	Actual Lease Principal 1 July 2019	Actual Lease Principal 30 June 2020						
Transport	2	T-Culp	3.10%	36	23,759	23,759	0	243	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
Street sweeper	1	Lewis Hughes	2.10%	12	6,940	6,940	0	79	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Leasehold improvements office	3	Advance Office Solutions	3.10%	60	4,900	2,222	2,678	119	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Postal franking machine					35,599	32,921	2,678	441	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

17. INFORMATION ON BORROWINGS

	2020	2019
Borrowings	\$ 222,197	\$ 224,228
Current	1,767,828	1,977,180
Non-current	1,990,026	2,201,414

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	30 June 2020		30 June 2019		30 June 2020		30 June 2019		30 June 2020		30 June 2019		30 June 2020	
				Actual Principal	Budget Principal	Actual Principal	Budget Principal	Actual Principal	Budget Principal	Actual Principal	Budget Principal	Actual Principal	Budget Principal	Actual Principal	Budget Principal	Actual Principal	Budget Principal
Health																	
Gingin Medical Centre	L100	WATC*	6.51%	159,075	27,817	9,910	131,258	0	27,817	0	9,910	185,141	185,141	0	26,066	10,923	159,075
Community amenities																	
Tilo Rationalisation	L111	WATC*	6.49%	452,768	17,657	29,103	435,112	0	17,657	0	29,103	469,334	469,334	0	16,565	29,791	452,768
Seabird Sea Wall	L127	WATC*	2.51%	165,317	20,297	4,023	145,020	0	20,297	0	4,023	185,113	185,113	0	19,796	4,310	165,317
Grace Darling Park Sea Wall				0	0	0	0	167,600	0	0	0	0	0	0	0	0	0
Recreation and culture																	
Guilderton Country Club	L114	WATC*	7.14%	403,488	33,313	28,225	370,175	0	33,313	0	28,225	434,545	434,545	0	31,057	30,229	403,488
Cunliffe Street Redevelopment	L119	WATC*	7.19%	0	0	0	0	250,000	0	0	0	0	0	0	0	0	0
Regional Handout Facility	L120	WATC*	6.68%	285,175	20,844	18,707	264,331	0	20,844	0	18,707	304,694	304,694	0	19,519	19,981	285,175
Regional Handout Facility	L124A	WATC*	4.13%	274,651	20,184	11,075	254,467	0	20,183	0	11,036	294,026	294,026	0	19,375	11,886	274,651
Swimming Pool Tiling	L126	WATC*	3.10%	109,739	14,268	3,292	95,471	0	14,268	0	3,292	123,574	123,574	0	13,835	3,549	109,739
Economic services																	
Lancelin Caravan Park Assets	L128	WATC*	2.52%	142,607	39,477	3,347	103,130	0	39,477	0	3,347	181,108	181,108	0	38,501	3,961	142,607
Guilderton Caravan Park Waste Water				0	0	0	0	400,000	0	0	0	0	0	0	0	0	0
Other property and services																	
Lot 44 Weld Street Gingin	L123	WATC*	6.96%	185,023	15,395	12,614	169,628	0	15,395	0	12,614	199,400	199,400	0	14,377	13,425	185,023
				2,177,843	209,252	117,823	1,968,591	817,600	198,395	120,357	2,797,048	2,376,935	2,376,935	0	199,091	128,065	2,177,843
Self Supporting Loans																	
Recreation and culture																	
Gingin Equestrian Centre	L130	WATC*	2.16%	0	0	30	0	12,840	12,840	30	498	0	0	0	0	0	0
Ledge Point Country Club Cool Room				23,571	2,136	498	21,435	0	2,136	498	19,292	0	0	0	55	23,571	0
Economic services																	
Gingin Sale Yards	L103	WATC*	6.02%	23,571	2,136	528	21,435	0	2,136	528	19,292	6,353	6,353	0	6,353	191	23,571
				2,201,414	211,388	118,316	1,990,026	830,440	213,371	120,885	2,816,340	2,383,288	2,383,288	23,570	205,444	128,311	2,201,414

* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 5 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

17. INFORMATION ON BORROWINGS (Continued)

(c) New Borrowings - 2019/20

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate %	Amount Borrowed		Amount (Used)		Total Interest & Charges \$	Actual Balance Unspent \$
					2020 Actual \$	2020 Budget \$	2020 Actual \$	2020 Budget \$		
Cuncliffe St Car Park	WATC	Debenture	10	3.00%	0	250,000	0	250,000	0	0
GU Caravan Park Waste Water	WATC	Debenture	10	3.00%	0	400,000	0	400,000	0	0
Grace Darling Park Sea Wall	WATC	Debenture	10	3.00%	0	167,600	0	167,600	0	0
* WA Treasury Corporation					0	817,600	0	817,600	0	0

	2020 \$	2019 \$
(d) Undrawn Borrowing Facilities		
Credit Standby Arrangements		
Bank overdraft limit	500,000	500,000
Bank overdraft at balance date	0	0
Credit card limit	29,000	29,000
Credit card balance at balance date	(3,959)	(7,823)
Total amount of credit unused	525,041	521,177
Loan facilities		
Loan facilities - current	222,197	224,228
Loan facilities - non-current	1,767,829	1,977,186
Lease liabilities - current	2,330	0
Lease liabilities - non-current	348	0
Total facilities in use at balance date	1,992,704	2,201,414
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.

Risk

Information regarding exposure to risk can be found at Note 27.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

18. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

Opening balance at 1 July 2019

Current provisions
Non-current provisions

Additional provision

Balance at 30 June 2020

Comprises

Current
Non-current

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date
More than 12 months from reporting date
Expected reimbursements from other WA local governments

	Provision for Annual & Sick Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2019			
Current provisions	442,251	447,468	889,719
Non-current provisions	9,870	88,690	98,560
	452,121	536,158	988,279
Additional provision	90,371	42,633	133,004
Balance at 30 June 2020	542,492	578,791	1,121,283
Comprises			
Current	524,292	457,254	981,546
Non-current	18,200	121,537	139,737
	542,492	578,791	1,121,283

	2020	2019
	\$	\$
Less than 12 months after the reporting date	670,552	558,523
More than 12 months from reporting date	400,894	366,936
Expected reimbursements from other WA local governments	49,837	62,820
	1,121,283	988,279

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

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

FOR THE YEAR ENDED 30 JUNE 2020

19. 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:

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Cash and cash equivalents	9,474,792	4,534,004	7,249,115
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	533,574	6,565,599	(1,641,305)
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(1,153)	0	(70,068)
Depreciation on non-current assets	6,073,189	4,869,205	5,806,724
(Profit)/loss on sale of asset	73,963	(141,656)	1,577,048
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(112,445)	1,155,794	(13,718)
(Increase)/decrease in other assets	(1,369)	0	
(Increase)/decrease in inventories	6,909	0	(7,022)
Increase/(decrease) in payables	110,361	(108,119)	537,881
Increase/(decrease) in provisions	133,004	0	7,269
Increase/(decrease) in contract liabilities	842,062	(1,187,581)	
Non-operating grants, subsidies and contributions	(3,876,600)	(9,997,448)	(2,402,656)
Net cash from operating activities	3,781,495	1,155,794	3,794,153



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

20. CONTINGENT LIABILITIES

The Shire did not have any contingent liabilities as at 30 June 2020.

21. SUBSEQUENT EVENTS

The Shire did not have any subsequent events at the reporting date.

22. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2020	2019
	\$	\$
General purpose funding	1,564,869	1,545,264
Law, order, public safety	1,958,970	1,830,292
Health	2,620,027	2,683,618
Education and welfare	738,300	753,685
Community amenities	1,591,542	1,809,401
Recreation and culture	29,364,393	30,953,888
Transport	127,315,421	126,140,603
Economic services	1,980,057	2,032,445
Other property and services	16,662,243	20,839,978
Unallocated	13,789,973	11,965,661
	197,585,795	200,554,835



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

23. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects

	2020	2019
	\$	\$
	4,758,818	0
	4,758,818	0
	4,758,818	0

Payable:

- not later than one year

In 2020 the Capital Expenditure commitments are:

Redfield Park Fire Shed, Gingin Administration building archive shed and Orange Springs Road

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts (short term and low value leases).

Payable:

- not later than one year

- later than one year but not later than five years

	2020	2019
	\$	\$
	0	43,292
	0	24,003
	0	67,295

SIGNIFICANT ACCOUNTING POLICIES

Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Shire, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower of the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leases (Continued)

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

24. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Meeting fees	79,625	79,000	79,000
President's allowance	16,000	16,000	16,000
Deputy President's allowance	4,000	4,000	4,000
Travelling expenses	12,740	15,000	17,316
IT allowance	18,180	18,544	18,180
Conferences / Training	26,527	26,690	16,498
	157,072	159,234	150,994

Key Management Personnel (KMP) Compensation Disclosure

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

	2020 Actual	2019 Actual
	\$	\$
Short-term employee benefits	650,084	790,202
Post-employment benefits	70,014	84,931
Other long-term benefits	14,930	19,141
Termination benefits	34,196	10,663
	769,224	904,937

Short-term employee benefits

These amounts include all salary, 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.

Termination benefits

These amounts represent termination benefits paid to KMP.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

24. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

The following transactions occurred with related parties:

	2020 Actual	2019 Actual
	\$	\$
Sale of goods and services	26,391	4,725
Purchase of goods and services	16,629	457,313

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.

ii. Other Related Parties

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

iii. Entities subject to significant influence by the Shire

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



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

25. RATING INFORMATION

(a) Rates

RATE TYPE

Differential general rate

Gross rental valuations

GRV- Townsites

GRV- Other

Unimproved valuations

UV- Rural

UV- Other

UV-Intensive/Mining

UV-Exploration Mining

Sub-Total

Minimum payment

Gross rental valuations

GRV- Townsites

GRV- Other

Unimproved valuations

UV- Rural

UV- Other

UV-Intensive/Mining

UV-Exploration Mining

Sub-Total

Total amount raised from general rate

Concessions (Note 25(b))

Ex-gratia rates

Totals

Rate in \$	Number of Properties	2019/20 Actual Rateable Value		2019/20 Actual Rate Revenue		2019/20 Actual Interim Rates		2019/20 Actual Back Rates		2019/20 Budget Interim Rate		2019/20 Budget Back Rate		2019/20 Budget Total Revenue		2018/19 Actual Total Revenue	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
0.087510	1,546	26,070,414	2,281,448	40,175	2,648	2,324,271	2,281,448	2,000	2,000	10,000	2,000	2,293,448	2,000	2,293,448	2,425,643	1,309,871	
0.087510	908	14,632,362	1,280,492	0	0	1,280,492	1,280,492	0	0	0	0	1,280,492	0	1,280,492	1,349,224	13,888	
0.004970	413	264,410,000	1,341,352	0	0	1,341,352	1,341,352	0	0	0	0	1,341,352	0	1,341,352	564,368	0	
0.005073	2	1,840,000	9,334	0	0	9,334	9,334	0	0	0	0	9,334	0	9,334	0	0	
0.009396	135	67,423,000	633,507	0	0	633,507	633,507	0	0	0	0	633,507	0	633,507	29,555	0	
0.005073	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Minimum \$	3,004	374,375,776	5,546,133	40,175	2,648	5,588,956	5,546,133	2,000	2,000	10,000	2,000	5,558,133	2,000	5,558,133	5,662,994	0	
	1,082	9,355,639	1,212,120	0	0	1,212,120	1,212,120	0	0	0	0	1,212,120	0	1,212,120	884,790	730,206	
	769	4,850,146	869,130	0	0	869,130	869,130	0	0	0	0	869,130	0	869,130	458,745	0	
	378	76,072,880	522,200	0	0	522,200	522,200	0	0	0	0	522,200	0	522,200	212,505	0	
	2	427,000	2,800	0	0	2,800	2,800	0	0	0	0	2,800	0	2,800	0	0	
	107	18,138,583	262,444	0	0	262,444	262,444	0	0	0	0	262,444	0	262,444	29,555	0	
	30	73,225	33,600	0	0	33,600	33,600	0	0	0	0	33,600	0	33,600	2,315,601	0	
	2,368	108,917,473	2,902,294	0	0	2,902,294	2,902,294	0	0	0	0	2,902,294	0	2,902,294	7,978,795	4,892	
	5,372	483,293,249	8,448,427	40,175	2,648	8,491,250	8,448,427	2,000	2,000	10,000	2,000	8,460,427	2,000	8,460,427	7,978,795	4,892	
						(139,357)	(139,357)					(95,000)		(95,000)	(88,906)	4,892	
						4,927	4,927					5,000		5,000	7,894,781	0	
						8,356,820	8,356,820					8,370,427		8,370,427	7,894,781	0	

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period.

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



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

25. RATING INFORMATION (Continued)

Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted

	Type	Discount %	Discount \$	2020 Actual \$	2020 Budget \$	2019 Actual \$
General and minimum rates for properties that are classified within the UV Intensive Differential Rating Category that have a mix of non-intensive and intensive use on a property.	Concession	Based on the area of land on the property used for non-intensive purposes.	Based on the area of land on the property used for non-intensive purposes.	139,357	95,000	88,906
				139,357	95,000	88,906
Total discounts/concessions (Note 25(a))				139,357	95,000	88,906

Rate or Fee and Charge to which the Waiver or Concession is Granted

Circumstances in which the Waiver or Concession is Granted and to whom it was available

Objects of the Waiver or Concession

Reasons for the Waiver or Concession

General and minimum rates for properties that are classified within the UV Intensive Differential Rating Category that have a mix of non-intensive and intensive use on a property.	A concession is granted based on the area of land used for non-intensive rural purposes. The rates concession is calculated by determining the percentage of the property used for intensive purposes, the balance being non-intensive.	To ensure that the rates paid for a property appropriately reflect the use of the property. The concession is provided for split use differentially rated rural properties where there is a mixed use of nonintensive and intensive use on that property and where less than 75% of the property is classified as 'Intensive Use'.	Property owners within the Shire carry on a variety of mixed uses on their land, with some using less than 75% of their land for non-intensive rural uses. The concession provides for these situations by ensuring the property owner only pays the relevant rates applicable to the use of the land.
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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

25. RATING INFORMATION (Continued)

(c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single full payment	11 September 2019	0.00	0.00%	11.00%
Option Two				
First instalment	11 September 2019	0.00	5.50%	11.00%
Second instalment	11 November 2019	5.00	5.50%	11.00%
Option Three				
First instalment	11 September 2019	0.00	5.50%	11.00%
Second instalment	11 November 2019	5.00	5.50%	11.00%
Third instalment	16 January 2020	5.00	5.50%	11.00%
Fourth instalment	16 March 2020	5.00	5.50%	11.00%
		2020 Actual \$	2020 Budget \$	2019 Actual \$
Interest on unpaid rates		155,334	110,000	133,574
Interest on instalment plan		28,676	29,000	28,511
Charges on instalment plan		19,630	22,000	19,870
Deferred pensioner rates interest		2,368	0	2,444
		206,008	161,000	184,399



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

26. RATE SETTING STATEMENT INFORMATION

Note	2019/20	2019/20	2019/20	2018/19	
	(30 June 2020 Carried Forward)	Budget (30 June 2020 Carried Forward)	(1 July 2019 Brought Forward)	(30 June 2019 Carried Forward)	
	\$	\$	\$	\$	
(a) Non-cash amounts excluded from operating activities					
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .					
Adjustments to operating activities					
Less: Profit on asset disposals	11(a)	(9,796)	(180,048)	(33,603)	(33,603)
Less: Fair value adjustments to financial assets at fair value through profit and loss		(1,153)		(70,068)	(70,068)
Movement in pensioner deferred rates (non-current)		(12,792)	0	(6,106)	(6,106)
Movement in employee benefit provisions (non-current)		41,177	0	(45,823)	(45,823)
Add: Loss on disposal of assets	11(a)	83,759	38,392	1,610,651	1,610,651
Add: Depreciation on non-current assets	11(b)	6,073,189	4,869,205	5,806,724	5,806,724
Non cash amounts excluded from operating activities		6,174,384	4,727,549	7,261,775	7,261,775
(b) Surplus/(deficit) after imposition of general rates					
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.					
Adjustments to net current assets					
Less: Reserves - cash backed	4	(5,553,210)	(3,764,709)	(4,291,963)	(4,291,963)
Less: Cash - restricted		0	(149,631)	0	0
Less: Financial assets at amortised cost - self supporting loans	5(a)	(13,164)	(6,353)	(13,819)	(13,819)
Add: Current liabilities not expected to be cleared at end of year					
- Current portion of borrowings	17(a)	222,197	632,485	224,228	224,228
- Current portion of lease liabilities		2,330	0	0	0
Total adjustments to net current assets		(5,341,847)	(3,288,208)	(4,081,554)	(4,081,554)
Net current assets used in the Rate Setting Statement					
Total current assets		11,531,510	5,273,681	9,212,374	9,212,374
Less: Total current liabilities		(4,577,141)	(1,985,473)	(3,532,592)	(2,333,757)
Less: Total adjustments to net current assets		(5,341,847)	(3,288,208)	(4,081,554)	(4,081,554)
Net current assets used in the Rate Setting Statement		1,612,522	0	1,598,228	2,797,063
(c) Adjustments to current assets and liabilities at 1 July 2019 on application of new accounting standards					
Total current assets at 30 June 2019				9,212,374	
Total current assets at 1 July 2019				9,212,374	
Total current liabilities at 30 June 2019				(2,333,757)	
- Contract liabilities from contracts	28(a)			(1,108,099)	
- Rates paid in advance	28(b)			(90,736)	
Total current liabilities at 1 July 2019				(3,532,592)	



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

27. FINANCIAL RISK MANAGEMENT

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

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

(a) Interest rate risk

Cash and cash equivalents

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2020					
Cash and cash equivalents	1.16%	9,474,792	0	9,471,992	2,800
2019					
Cash and cash equivalents	2.04%	7,249,115	0	7,246,315	2,800

Sensitivity

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

Impact of a 1% movement in interest rates on profit and loss and equity*

	2020	2019
	\$	\$
	94,720	72,463

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 17(b).



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

27. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2019 and 1 July 2018 (on adoption of AASB 9) was determined as follows for rates receivable. No expected credit loss was forecast on 1 July 2018 or 30 June 2019 for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2020					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	459,155	392,266	207,020	583,468	1,641,909

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2019					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	563,426	286,375	171,565	593,195	1,614,561

The loss allowance as at 30 June 2020 and 30 June 2019 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2020					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	2.01%	
Gross carrying amount	268,773	18,618	2,869	207,681	497,941
Loss allowance	0	0	0	4,167	4,167

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2019					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	251,182	8,446	9,869	88,368	357,865



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

27. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

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

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

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2020					
Payables	1,420,907	0	0	1,420,907	1,420,907
Borrowings	332,272	1,184,463	1,006,418	2,523,153	1,990,026
Contract liabilities	1,950,161	0	0	1,950,161	1,950,161
Lease liabilities	2,330	348	0	2,678	2,678
	3,705,670	1,184,811	1,006,418	5,896,899	5,363,772
2019					
Payables	1,219,810	0	0	1,219,810	1,219,810
Borrowings	332,244	1,265,042	1,258,111	2,855,397	2,201,414
	1,552,054	1,265,042	1,258,111	4,075,207	3,421,224



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

28. INITIAL APPLICATION OF AUSTRALIAN 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.

(a) AASB 15: Revenue from Contracts with Customers

The Shire adopted AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments were made to the amounts recognised in the statement of financial position at the date of initial application (1 July 2019):

	Note	AASB 118 carrying amount 30 June 2019 \$	Reclassification \$	AASB 15 carrying amount 01 July 2019 \$
Contract liabilities - current				
Contract liabilities from contracts with customers	15	0	(1,108,099)	(1,108,099)
Adjustment to retained surplus from adoption of AASB 15	29(b)	0	(1,108,099)	(1,108,099)

(b) AASB 1058: Income For Not-For-Profit Entities

The Shire adopted AASB 1058 Income for Not-for-Profit Entities (issued December 2016) on 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods was not restated in accordance with AASB 1058 transition requirements.

In applying AASB 1058 retrospectively with the cumulative effect of initially applying the Standard on 1 July 2019 changes occurred to the following financial statement line items by application of AASB 1058 as compared to AASB 118: Revenue and AASB 1004: Contributions before the change:

	Note	AASB 118 and AASB 1004 carrying amount 30 June 2019 \$	Reclassification \$	AASB 1058 carrying amount 01 July 2019 \$
Trade and other payables				
Rates paid in advance	14	0	(90,736)	(90,736)
Contract liabilities - current				
Adjustment to retained surplus from adoption of AASB 1058	29(b)	0	(90,736)	(90,736)

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance gave rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 the prepaid rates were recognised as a financial asset and a related amount recognised as a financial liability and no income recognised by the Shire. When the taxable event occurred, the financial liability was extinguished and the Shire recognised income for the prepaid rates that have not been refunded.

Assets that were acquired for consideration, that were significantly less than fair value principally to enable the Shire to further its objectives, may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

28. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

The table below provides details of the amount by which each financial statement line item is affected in the current reporting period by the application of this Standard as compared to AASB 118 and 1004 and related Interpretations that were in effect before the change.

		2020 \$	Adjustment due to application of AASB 15 and AASB 1058	2020 \$ Compared to AASB 118 and AASB 1004
	Note	As reported under AASB 15 and AASB 1058		
Statement of Comprehensive Income				
Revenue				
Rates	25(a)	8,356,820	106,820	8,463,640
Operating grants, subsidies and contributions	2(a)	3,128,167	1,950,161	5,078,328
Fees and charges	2(a)	3,640,134	0	3,640,134
Non-operating grants, subsidies and contributions	2(a)	3,876,600	0	3,876,600
Net result		533,574	2,056,981	2,590,555
Statement of Financial Position				
Trade and other payables	14	1,420,907	(106,820)	1,314,087
Contract liabilities	15	1,950,161	(1,950,161)	0
Net assets		191,100,740	2,056,981	193,157,721
Statement of Changes in Equity				
Net result		533,574	2,056,981	2,590,555
Retained surplus		41,223,558	2,056,981	43,280,539

Refer to Note 2(a) for new revenue recognition accounting policies as a result of the application of AASB 15 and AASB 1058.

(c) AASB 16: Leases

The Shire adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the Shire has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB 16 recognised on 1 July 2019. In applying AASB 16, under the specific transition provisions chosen, the Shire will not restate comparatives for prior reporting periods.

	Note	2020 \$
Operating lease commitments at 30 June 2019 applying AAS 117		67,295
Discount applied using incremental borrowing rate		(31,696)
Lease liability recognised as 1 July 2019 discounted using the Shire's incremental borrowing rate of 2.10% and 3.10%	16(b)	35,599
Lease liability - current		32,921
Lease liability - non-current		2,678
Right-of-use assets recognised at 1 July 2019		35,599

In applying AASB 16 for the first time, the Shire will use the following practical expedient permitted by the standard.
- The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

29. CHANGE IN ACCOUNTING POLICIES

(a) Change in Accounting Policies due to regulation changes

Effective 6 November 2020, *Local Government (Financial Management) Regulation 16* was deleted and *Local Government (Financial Management) Regulation 17A* was amended with retrospective application. The changes were effective for financial years ending on or after 30 June 2020 so are required to be applied retrospectively with cumulative effect applied initially on 1 July 2019.

In accordance with the changes, the Shire was required to remove the values attributable to certain crown land assets previously required to be recognised, as well as the associated revaluation surplus at 1 July 2019. These assets have been measured as concessionary lease right-of-use assets at zero cost in accordance with AASB 16. For further details relating to these changes, refer to Note 11.

In summary the following adjustments were made to the amounts recognised in the statement of financial position at the date of initial application (1 July 2019):

	Note	Carrying amount 30 June 2019 \$	Reclassification \$	Carrying amount 01 July 2019 \$
Property, plant and equipment	9	47,451,075	(4,379,331)	43,071,744
Revaluation surplus	13	148,703,303	(4,379,331)	144,323,972

Also, following changes to *Local Government (Financial Management) Regulation 17A*, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously or during the year were not reversed as it was deemed fair value approximates cost at the date of the change.

(b) Changes in equity due to change in accounting policies

The impact on the Shire's opening retained surplus due to the adoption of AASB 15 and AASB 1058 as at 1 July 2019 was as follows:

	Note	Adjustments	2019 \$
Retained surplus - 30 June 2019			43,150,066
Adjustment to retained surplus from adoption of AASB 15	28(a)	(1,108,099)	
Adjustment to retained surplus from adoption of AASB 1058	28(b)	(90,736)	(1,198,835)
Retained surplus - 1 July 2019			41,951,231

The impact on the Shire's opening revaluation surplus resulting from *Local Government (Financial Management) Regulation 16* being deleted and the amendments to *Local Government (Financial Management) Regulation 17A* as at 1 July 2019 was as follows:

	Note	Adjustments	2019 \$
Revaluation surplus - 30 June 2019			148,703,303
Adjustment to revaluation surplus from deletion of FM Reg 16	29(a)	(4,379,331)	
Adjustment to revaluation surplus from deletion of FM Reg 17	29(a)	0	(4,379,331)
Revaluation surplus - 1 July 2019			144,323,972



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

30. TRUST FUNDS

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

	1 July 2019	Amounts Received	Amounts Paid	30 June 2020
	\$	\$	\$	\$
Bonds, Tenders etc	6,867	0	(800)	6,067
Community Groups	1,569	0	0	1,569
D Wedge Trust	6,405	0	0	6,405
Landscaping Bonds	13,112	0	0	13,112
Other Bonds/Trusts	4,546	135	(135)	4,546
Public Open Space	46,218	0	0	46,218
Councillor Nomination Deposits	0	560	(560)	0
	78,717	695	(1,495)	77,917



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

31. 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 capaShire 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 30 JUNE 2020

32. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
GOVERNANCE To provide a 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
GENERAL PURPOSE FUNDING To collect revenue to allow for the provision of services	Rates, general purpose government grants and interest revenue
LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer and environmentally conscious community	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services
HEALTH To provide an operational framework for environmental and community health	Inspection of food outlets and their control, noise control and waste disposal compliance
EDUCATION AND WELFARE To provide services to disadvantaged persons, the elderly, children and youth	Maintenance of playgroup centre, aged care housing and Wangaree Community Centre. Provision and maintenance of youth services
HOUSING To provide and maintain staff and other housing	Provision and maintenance of staff and other housing
COMMUNITY AMENITIES To provide services required by the community	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences
RECREATION AND CULTURE To establish and effectively manage infrastructure and resource which will help the social well being of the community	Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library and other cultural facilities
TRANSPORT To provide safe, effective and efficient transport services to the community	Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.
ECONOMIC SERVICES To help promote the shire and its economic wellbeing	Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes
OTHER PROPERTY AND SERVICES To monitor and control Shire's overheads operating accounts	Private works operation, plant repair and operation costs and engineering operation costs, administration costs allocated and other unclassified works and services



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

33. FINANCIAL RATIOS

	2020 Actual	2019 Actual	2018 Actual
Current ratio	0.97	1.91	1.61
Asset consumption ratio	0.93	0.96	0.71
Asset renewal funding ratio	1.10	1.09	1.47
Asset sustainability ratio	0.81	0.30	1.05
Debt service cover ratio	8.64	5.67	4.93
Operating surplus ratio	(0.27)	(0.33)	(0.33)
Own source revenue coverage ratio	0.65	0.62	0.59

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	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation}}$
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	$\frac{\text{own source operating revenue}}{\text{operating expense}}$



INDEPENDENT AUDITOR'S REPORT



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INDEPENDENT AUDITOR'S REPORT TO THE COUNCILLORS OF THE SHIRE OF GINGIN

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of the Shire of Gingin (the Shire), which comprises the Statement of Financial Position as at 30 June 2020, 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 Gingin:

- 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 2020 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 Notes 1 and 11 to the annual financial report, which describe the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act, including the Local Government (Financial Management) Regulations 1996 (Regulations). Our opinion is not modified in respect of these matters:

- (i) Regulation 17A requires a local government to measure vested improvements at fair value and the associated vested land at zero cost. This is a departure from AASB 16 Leases which would have required the entity to measure the vested improvements also at zero cost.
- (ii) In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 did not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report.



INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT TO THE COUNCILLORS OF THE SHIRE OF GINGIN (CONTINUED)

Report on the Audit of the Financial Report (continued)

Responsibility of the Directors 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.

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 Responsibility for the Audit of the Financial Report

Our objectives 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 the 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 the users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standard Board website at http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our audit report.

Report on Other Legal and Regulatory Requirements

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

- a) The following material matter indicates non-compliance with Part 6 of the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 or applicable financial controls of any other written law were identified during the course of our audit.
 - Accounting journal entries were posted without being reviewed by a person independent of the preparer. Accounting journals can represent significant adjustments to previously approved transactions and should therefore be appropriately reviewed and approved.
- b) In our opinion, there is an indication of a significant adverse trend in the financial position of the Shire as the Operating Surplus Ratio have been below the DLGSCI standard for the past 3 years.
- c) All required information and explanations were obtained by us.
- c) All audit procedures were satisfactorily completed in conducting our audit.
- d) 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.



INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT TO THE COUNCILLORS OF THE SHIRE OF GINGIN (CONTINUED)

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 Gingin for the year ended 30 June 2020 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.



GREG GODWIN
PARTNER

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 22nd day of December 2020.



NOTES



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