



# Annual Report

## 2020-2021

# Where to find Us



## Customer Service Centres

### Gingin Administration Centre

**A:** 7 Brockman Street, Gingin

**P:** (08) 9575 5100

**E:** mail@gingin.wa.gov.au

### Lancelin Office

**A:** 255 Vins Way, Lancelin

**P:** (08) 9575 5155

**E:** mail@gingin.wa.gov.au



## Libraries

### Gingin Library

**A:** 1 Lily King Place, Gingin

**P:** (08) 9575 5153

**E:** ginginlibrary@gingin.wa.gov.au

### Lancelin Library

**A:** 255 Vins Way, Lancelin

**P:** (08) 9575 5155

**E:** lancelin@gingin.wa.gov.au



## Swimming Pool

### Gingin Aquatic Centre

**A:** Gingin Recreation Grounds,

New Street, Gingin

**P:** (08) 9575 5154

**E:** poolmanager@gingin.wa.gov.au

## Find us at

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

or follow us on Facebook



This report is available in alternate formats on request.

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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 20,252km<sup>2</sup>. 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.

# Our Vision

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

## **We aspire to have:**

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

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

High quality community infrastructure and development.

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

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

## **Council aims to match by:**

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

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

Effectively managing growth and providing for the community through the delivery of community infrastructure in a financially responsible manner.

Supporting economic development through the Shire's service delivery.

Demonstrating effective leadership, governance and advocacy.





# Shire President's Report



**On behalf of Council I am pleased to present the Shire of Gingin's Annual Report for 2020/21 to the community following a colossal year of both highs and lows.**

## COVID-19 Impact

It is no secret that the COVID-19 Pandemic has had a huge impact on the lives of all citizens across our Shire. Additionally, Council and the Shire at large has also felt this impact with supplies and building contractors difficult to source in addition to the cost of goods rising significantly over the past 12 months.

It was important to Council however, to bear some of the brunt of the financial hardship caused by the Pandemic which was why this financial year, like many Councils across WA, Council elected to keep the rate increase at 0% to the rate in the dollar across UV and GRV rated properties. The minimum UV rate of \$1,400 and \$1,110 for GRV properties remained unchanged as well as the differential minimum rate of \$2,548.

## Volunteer Contributions

As we would all know, volunteers are a priceless resource in any community that we draw on during times of emergency but also to give life to our communities and make them the incredible places that they are to live, work and play.

This year we honoured our volunteers with a 'Volunteer Thank You Evening' event in Gingin which was a special opportunity to recognise the contribution made by our many communities' wonderful volunteers and to provide them with an evening's entertainment. On behalf of Council, I extend my heartfelt thanks to three other organisations beside the Shire which acquired funding from Volunteering WA to hold this event (Lancelin Community Resource & Visitor Centre, Ledge Point Community Association and the Woodridge Community Association) and to the many volunteers and community groups who helped to make this special evening possible. It was a long overdue opportunity to give something back to those who have already given so much to our communities.

## BEN Signs

One of the most important community projects the Shire has undertaken this year was the installation of the Beach Emergency Number (BEN) signs at 66 locations across the Shire.

The locations chosen for each of these signs throughout the Shire of Gingin were determined by the Shire in consultation with the Department of Primary Industries and Regional Development, the Department of Biodiversity, Conservation and Attractions and with relevant community stakeholders and organisations – of which there were many.

I hope community members never have to make use of the BEN signs but if you do, that they afford you the precious seconds that in an emergency are so often the difference between life and death.

## Gingin Outdoor Activity Space

Without a doubt the Gingin Outdoor Activity space and the community group behind it is one of the best projects produced in our Shire for quite some time. This project was community driven from the start with the Gingin Outdoor Activity Space Project group coming together in 2018 with the idea that they wanted to potentially relocate, renew and add to existing playground equipment for children in Gingin.

The Project Group actively worked with the Shire at all stages of this project to ensure their vision was achieved. This included independently undertaking fundraising activities and sourcing sponsorships, obtaining in-kind works and contributions and securing \$150,000 in partnership with the Gingin CRC through a successful Bendigo grant application. This project is a stellar example of how community members can champion a project and work in partnership with Council to achieve it.

## Bush Fires

2020/21 produced three bush fires which reached emergency level. The most significant was the Red Gully Bush Fire in January 2021 which burnt through nearly 10,000 hectares.

Each time we have a bush fire of this magnitude it is an incredibly humbling experience to witness the professionalism and willingness of all of the various agencies to work collaboratively and share resources to overcome these emergency threats. The army of local fire fighters and those that come from further afield in addition to the many Shire staff that work together to protect our communities and overcome these threats is so incredibly invaluable to Council and the Shire of Gingin. The commitment of all to protect our communities will not quickly be forgotten.

I'd like to thank the Councillors for their dedication and hard work over the past 12 months. There have been a lot of challenges but Council has risen admirably to the occasion I believe. I would also like to acknowledge and thank Shire staff for all of their hard work this past financial year. The pandemic, bush fires and several challenging projects have created a very busy and tough environment for staff to work in over the past 12 months. This has meant a lot of overtime and sacrifices beyond the usual to keep up with delivering the Shire's many services and projects to the community. I hope that community members will join with Council and I in commending them for their hard work and efforts.

I would lastly like to extend my gratitude to the wider community for your encouragement and support over the past 12 months and into the next. As a community we have lived through arguably the most challenging period in recent memory. 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.

**Cr Wayne Fewster**  
**SHIRE PRESIDENT**

# CEO'S Report



**We've had an incredible 12 months in the Shire of Gingin with a variety of challenges which ultimately we've come together with community spirit and perseverance at the fore to see through and reach a number of significant achievements.**

## Orange Springs Road

Stage 1 of the Orange Springs Road upgrade (from Cowalla Rd east for 10.2km), which was fully funded by the State Government for \$5.2 million concluded construction in August 2020. This project increased the road and seal width to ensure the road remains up to task to handle the high volume of heavy haulage traffic which readily makes use of it and it is also safer for local traffic.

The Shire was notified that further funding of \$4 million was awarded by the Federal and State Government for Stage 2 (the remaining 7.7km to Brand Highway) through the Wheatbelt Secondary Freight Network. These works continued on seamlessly from the Stage 1 works and concluded in December 2020. The only monetary contribution from the Shire for the full 17.9km reconstruction of Orange Springs Road was \$260,000 from a total project cost of \$9.2m.

## Altus Implementation

The Shire of Gingin this year became an early adopter for the Altus Financial Suite – the first local government in WA to trial this new financial product.

This software program is designed to replace the aging Synergy Soft platform in use by many WA local governments across the State. The Altus Financial Suite is a cloud-based financial and accounting solution and business management system that takes older, more manual, paper-based processes and systemises them in a product that is accessible from anywhere, anytime.

The implementation was not without its challenges and required tremendous amounts of time and input from staff. However, already its effects are being felt with a reduction in paperwork and swifter processing times.

## Coastal Erosion

With rising sea levels predicted, coastal erosion continues to remain one of Council's top priorities to address. During this period Council resolved and actioned the closure of the Edward Island Point Access during the winter months to allow the area some time to recover each year from the vehicle and pedestrian traffic. The Old Access Track is now permanently closed and vehicle access is from the beach. Council has also installed sand traps in the area to assist in the dune restoration and these were quite successful in naturally rebuilding sand depth.

Towards the latter end of the financial year staff began the consultation process with the public to fill in a number of gaps in the Coastal Hazard Risk Management and Assessment Plan. This consultation will continue into the 2021/22 financial year.

## Economic Activity

The COVID-19 Pandemic has impacted the Shire in perhaps one way we didn't expect and that is by increasing economic activity levels throughout the Shire, particularly for the Shire's Building and Planning Departments. The WA Government's housing stimulus package combined with the lack of rentals in WA saw a sharp uptake in the demand for construction of new housing. Lockdowns and travel restrictions also have given rise to many looking to undertake domestic building projects at home adding further increases to the demand for building and planning application approvals.

This rise in demand has invigorated the Shire's economic forefront with the trade-off of placing a great deal of pressure on the Shire's Building Surveyor and Planners to process all of the incoming planning applications and building permits. It is expected that this trend will continue well into the next financial year and possibly the following one as well.

## Bush Fire Mitigation

With three more Emergency Level bush fires during the 2020/21 financial year (including the Red Gully Bush Fire which burnt through close to 10,000 ha), Council and staff have focused heavily on undertaking mitigation works for the 2020/21 financial year.

Since January 2019 the Shire has secured \$1,321,874 in Mitigation Activity Funding (MAF) and implemented 103 treatments in an effort to address the risk to identified assets. The MAF funded program has been extensively supported by the works undertaken by the DFES Metropolitan North Coastal Region under the guidance of District Officer Shaun Champ. The Shire of Gingin and DFES Regional Office have worked closely to coordinate the mitigation activities within the Shire, engage other key stake holders and maximise the outcomes of our respective mitigation programs.

In 2021 DFES committed a further \$1,043,500 for mitigation in Extreme and Very High Risk areas.

The value of mitigation works across the Shire cannot be underestimated with the 2019 Lancelin Bush Fire, the 2021 Red Gully and 2021 Gingin Brook bush fires benefiting greatly. The impact of mitigation activities was clearly evident in combatting these bush fires by either directly reducing the intensity of fire behaviour or assisting in the planning of tactics to defend residential areas as these fires approached.

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.

**Aaron Cook**  
**CHIEF EXECUTIVE OFFICER**

# Snapshot of the Shire

The Shire of Gingin is diverse in people, place and activity. Here's a snapshot of your Shire over the last year.

## Social



**11,448**

Serviceable Population

*(This figure is estimated based on the calculation of the 2016 Census population + 45% of the number of rateable properties in the Shire x 2.5 average per household)*



**5,353<sup>^</sup>**

People living in the Shire of Gingin



**1.9%\***

Aboriginal and Torres Strait Islander population



**47\***

Median Age



**\$1,123\***

Median Weekly household income



**23%\***

Residents born overseas



**3,891\***

Dwellings



**31%\***

Households with a mortgage



**18%\***

Households renting



**2**

Schools



**1**

Swimming Pool



**3,223km<sup>2</sup>**

Total Area



**70km**

Coastline



**5**

Town Sites



**923km**

Sealed/Unsealed Roads



**60-130km**

Distance north from Perth CBD



# Economic



**6.5%\***

Unemployment Rate



**Labouring\***

Largest employer



**\$441,000°**

Median housing value  
*(town sites only)*



**615^**

Local businesses



**Vegetable Growing\***

Top Industry

*Sources*

*^ABS ERP 2020*

*\*ABS Census 2016*

*°REIWA*



## About Council

### Your Councillors represent you: the Community.

The Shire of Gingin is served by a Council consisting of a Shire President and eight Councillors who are elected by popular vote to represent your community.

The Shire's Councillors work together as a team to represent the interests of the Shire as a whole. Once a decision is made by Council it is the responsibility of the Chief Executive Officer to see that decision implemented.



**Cr Wayne Fewster**  
**SHIRE PRESIDENT**  
Term – 2023



**Cr Kim Rule**  
**DEPUTY SHIRE PRESIDENT**  
Term – 2025





**Cr Linda Balcombe**  
COUNCILLOR  
Term – 2023



**Cr Jan Court**  
COUNCILLOR  
Term – 2023



**Cr Frank Johnson**  
COUNCILLOR  
Term – 2025



**Cr Jacqui Lobb**  
COUNCILLOR  
Retired 2021



**Cr James Morton**  
COUNCILLOR  
Retired 2021



**Cr Frank Peczka**  
COUNCILLOR  
Term – 2023



**Cr Andrea Vis**  
COUNCILLOR  
Term – 2023

## 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 2020/21 the number of Council meetings held and the numbers of those meetings attended by each Elected Member is as follows:

Councillor	Ordinary (12)	Special (7)	Annual Electors (1)	Committee Meetings*
Cr Wayne Fewster	11	7	1	15
Cr Linda Balcombe	12	7	1	7
Cr Jan Court	12	7	1	9
Cr Frank Johnson	11	6	1	12
Cr Jacqui Lobb	10	4	1	3
Cr James Morton	11	5	1	9
Cr Frank Peczka	12	6	1	6
Cr Kim Rule	10	6	1	10
Cr Andrea Vis	11	3	1	5

\* Note that Committee attendances listed for individual Councillors only relate to those Committees of Council that the Councillor was appointed to as either a member or deputy member.

## Council Committees

Under the *Local Government Act 1995* local governments are required to have an Audit Committee that meets at least twice a year. The Audit Committee ensures that the Shire of Gingin fulfills its governance responsibilities in areas such as financial and risk management, internal control structure, ethical accountability and legislative compliance.

Non-statutory committees include the Bush Fire Advisory Committee, Coastal Erosion Advisory Committee, Gingin Medical Centre Committee, Guilderton Caravan Park Advisory Committee, Local Emergency Management Committee and the Plant Committee. Attendance at Committee Meetings for all Councillors has been tallied together in the above table.



# About the Shire

**Boasting one of WA's oldest towns and strong links to significant historical Australian events including a number of famous shipwrecks, the Shire of Gingin rests on the northern doorstep to WA's capital and is one of the state's fastest growing local governments.**

It's a hive of agricultural productivity, memorable coastlines and lush green valleys with easy access to the nearby bustling metropolis of Perth. Our residents enjoy a relaxed way of life living in our Shire's many communities whilst keeping their fingers on the area's economic pulse.

In recent years the Shire has experienced population growth and it is forecast to continue growing at a substantial rate with forecast figures tipped to reach 6,600 by 2023 and increase to 7,900 by 2031.

The Shire encompasses an area of 3,223 km<sup>2</sup> and is home to a population of approximately 5,300 permanent residents. There are five townships within the Shire being Gingin (1871), Guilderton (1951), Lancelin (1950), Ledge Point (1955) and Seabird (1968) 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 Moore River together with a system of freshwater lakes, streams and swamps and the watercourse of Gingin Brook.

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.

# About Shire Staff



**Aaron Cook**  
Chief Executive Officer  
Elected Member

- Support
- Human Resources
- Communications & Marketing
- Tourism
- 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



**Bob Kelly**  
Executive Manager  
Regulatory & Development  
Services

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



**Allister Butcher**  
Executive Manager  
Operations

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



## Planning for the Future

### The Shire of Gingin's Plan for the Future is comprised of two key documents – the Strategic Community Plan and the Corporate Business Plan.

The 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 five Focus Areas (Community Wellbeing, Natural Environment, Infrastructure & Development, Economic Development and Governance) for the plan that Council and the Shire of Gingin will be measured against to ensure the future desires of the community are attained.

This Annual Report aligns with the Strategic Community Plan 2019-29 and describes the Shire's performance against its Strategic Community Plan and the Corporate Business Plan. It's an essential tool to inform the community and key stakeholders about the Shire's achievements and future plans.

In the following pages, major highlights and key achievements under each of the five objectives will be showcased to demonstrate the Shire's progress towards meeting the vision and aspirations set for us by the community.

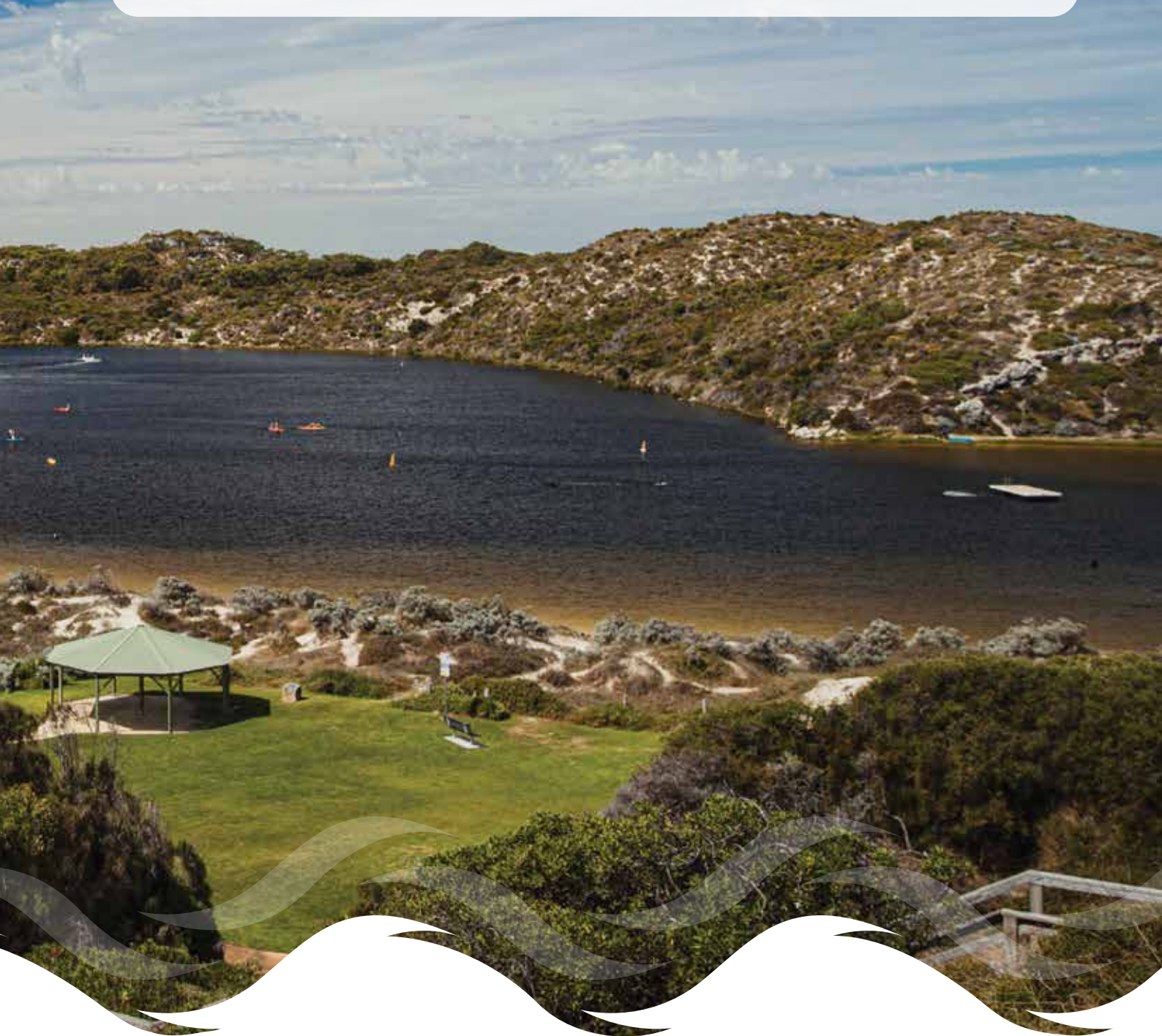






# 2020/21 Year in Review

This report summarises the Shire of Gingin's progress during the 2020/21 financial year towards attaining the objectives, outcomes and actions set out in the Shire's Strategic Community Plan 2019-29.





# Community Wellbeing



## Volunteers

On 22 May 2021 Council honoured our volunteers with a **Volunteer Thank You Evening** event in Gingin which was a special opportunity to recognise the contribution made by our many communities' wonderful volunteers and to provide them with an evening's entertainment.

Three organisations (Lancelin Community Resource & Visitor Centre, Ledge Point Community Association, Woodridge Community Association) and the Shire acquired funding from Volunteering WA to hold this event with volunteers once again stepping up to help put on this event itself. It was a long overdue opportunity to give something back to those who have already given so much to our communities.

The Shire also relies on volunteers to assist the Gingin Care Group (themselves also made up of volunteers) and the Gingin CRC with their Community Car Service in Gingin. A similar service also operates out of Lancelin with volunteers assisting the Lancelin CRC to operate this service. This community initiative is a wonderful example of community spirit to help those unable to drive themselves to get to and from their medical appointments.

Volunteers are active no matter where you look in our communities from our emergency services such as our bush fire brigades, St John's Ambulance, etc. to their involvement with local sporting clubs and community events such as the Gingin British Car Day or the Lancelin Buskers Festival, etc. The Shire continues to support our volunteers with access to free information and resources plus support for their activities in our communities.



# Shire Events & Funding

## Community Funding Program

Every year Council provides financial support to local community organisations and groups for projects and events. There are four funding streams available:

- Community Projects (up to \$10,000);
- Council Budget Requests (over \$10,000);
- Public Liability Insurance (up to 50% contribution); and
- A Funding Assistance Scheme (available in 3-year cycles).



**27**

Grant Applications received totalling \$170,986



**24**

Successful Grant Applications totalling \$99,823



## Community Events (run by the Shire)

Despite the challenges of COVID-19 during 2020/21, the Shire was able to host the following annual events:

- Summer Suite of Events which included:
  - Music in the Park – Guilderton (9 January 2021);
  - Australia Day Picnic Breakfast - Neergabby (26 January 2021);
  - Gingin Triathlon (21 March 2021); and
  - Immerse Creative Arts Festival – Lancelin (10 April 2021).
- Youth Week Roadshow – held in Gingin, Guilderton and Lancelin during Youth Week (9-16 April 2021).
- Volunteer Thank You Evening – held in Gingin on 22 May 2021 to celebrate and honour the Shire's volunteers during Volunteer Week, 17-23 May 2021.

Owing to the health implications of COVID-19, the Shire's annual Seniors' Week event in November 2021 was unfortunately cancelled.



**5**

Australian Citizenship Ceremonies



**30**

New Australian Citizens



**8**

Countries of Origin

## Community Events (supported by the Shire)

In 2020/21 the Shire provided financial and in-kind support to local groups who hosted a range of community events which included:

- Woodridge Community Breakfast – November 2020
- Ledge Point Sandcastle Competition – January 2021;
- Lancelin Primary School P&C Monster Fête – February 2021;
- Rock'n Arts in the Park – March 2021;
- Ledge Point Easter event – April 2021;
- Gingin Easter Egg Hunt – April 2021;
- Gingin British Car Day – May 2021; and
- A number of Moore Catchment Council community information sessions and planting days throughout 2020/21.



**113**

Event Applications received for local community events



## Gingin Library

1,423 Visitors  
241 Rhyme & Story Time attendees\*



## Lancelin Library

1,011 Visitors  
121 Rhyme & Story Time attendees

*\*Rhyme & Story Time attendees reduced significantly during the COVID-19 Pandemic.*





Photo: James Morton



Photo: Nikki Woods

## Bush Fires

Bush fires across Australia are becoming an even more regular occurrence in recent years with the Shire of Gingin no exception. The 2020/21 bush fire season could well be looked at as a watershed moment for our Emergency Services responders with two significant incidents that tested everyone from frontline operational firefighters to Shire staff.

When these emergencies happen, not only do volunteers have to step up to deal with them but so too, does the Shire. During any local emergency the community looks to the Shire for support and this support is provided in a variety of ways. For bush fires this includes the supply of personnel and machinery to support firefighters, staff to assist at evacuation centres (if established), senior/technical staff to liaise with the various agencies/groups involved, communications staff to provide critical information to the community and staff to assist in the recovery effort in the aftermath of the event and more.

### Red Gully Bush Fire

At 9:37am on 2 January 2021 the alarm went off for a fire at Red Gully that would see one of the biggest firefighting operations the Shire has ever undertaken. This fire burnt approximately 10,000ha and stretched from east of Brand Highway to Ocean Farm in the west. It had firefighters from across the state set up operations points at all four corners of the Shire to facilitate the emergency response effort which at its peak included eight air resources and approximately 200 firefighting appliances.

The fire posed a significant threat to the communities of Ocean Farm Estate and Seaview Park Estate in the Shire of Gingin. Additional concern was held for the safety of persons traversing the Nilgen Nature reserve to the west of Indian Ocean Drive and for the localities of Wedge Island and Grey Settlement in the Shire of Dandaragan.

Shire staff were instrumental in activating and assisting where necessary at the Guilderton Hall evacuation centre which ran for a period of five days. Other staff played active roles in recovery, the supply of necessary stores, equipment, transport and just as importantly, knowledge toward the effort to protect the community. To further complicate an already complex situation, a second fire erupted out of the Yeal nature reserve to the south-west of the Shire which required the remobilising of some of the already exhausted crews who were stood down from the Red Gully Bush Fire for much needed rest.

### Gingin Brook Bush Fire

Close to the end of the fire season the Shire's resources and resilience was again tested with a short, sharp but very intense fire that struck at the very heart of the Gingin town site. An entirely accidental cause saw this fire race along the Brook and head towards the town centre only to be pulled up short of the water wheel. In an emergency of this scale time is precious.

The Shire has made significant investments into our fire-fighting resources, in particular for our volunteers and the training resources available to them. This investment will always bear fruit as it did during both the Red Gully Bush Fire and the Gingin Brook Bush Fire. Were it not for the swift action of the Shire's volunteer emergency services personnel, those from surrounding local governments, career firefighters, Department of Fire & Emergency Services (DFES) and Shire personnel, the outcome may have been very different for both the Gingin Brook Bush Fire and the Red Gully Bush Fire.

Mitigation works also played their role. These works were carried out by DFES in collaboration with Shire along the Gingin Brook and in particular the Three Bridges earlier in the year. Without them, the Three Bridges would most certainly have been lost to the fire.



## Mitigation Works

Under the 'State Hazard Plan – Fire' an integrated Bushfire Risk Management Plan (BRMP) must be developed for local government areas with significant bushfire risk.

In 2018 the Shire secured funding from the Department of Fire & Emergency Services (DFES) to employ a Risk Planning Coordinator with the responsibility of developing the Shire's BRMP as part of a state-wide initiative. The development of the plan involved consultation with other agency stakeholders to ensure mitigation strategies are coordinated and executed efficiently regardless of land tenure.

In January 2019 Council endorsed the Shire's BRMP which had been approved by the Office of Bushfire Risk Management. This BRMP identified in excess of 5,000 assets with a risk rating from Extreme to Low Risk. Since January 2019 the Shire has secured \$1,321,874 in Mitigation Activity Funding (MAF) and implemented 103 treatments in an effort to address the risk to identified assets. During the 2021/22 MAF Round we will be seeking a further \$500,000 to continue our mitigation activities within Extreme and Very High Risk areas within the Shire.

The MAF funded program has been extensively supported by the works undertaken by the DFES Metropolitan North Coastal Region under the guidance of District Officer Shaun Champ. The Shire of Gingin and DFES Regional Office have worked closely to coordinate the mitigation activities within the Shire, engage other key stake holders and maximise the outcomes of our respective mitigation programs.

In 2021 DFES committed a further \$1,043,500 for mitigation in Extreme and Very High Risk areas.

In a recent Office of Bushfire Risk Management review on the effectiveness of mitigation activities within WA, the effectiveness and strategic value of this collaboration was noted by the Office.

During the Lancelin (2019), Red Gully (2021) and Gingin Brook (2021) fires the impact of mitigation activities was clearly evident in either directly reducing the intensity of fire behaviour or assisting in the planning of tactics to defend residential areas as these fires approached.

During 2021 the Shire was one of three local governments selected to trial a new role jointly funded by DFES, the Shire of Gingin and the Shire of Victoria Plains. The trial seeks to address the need to continue to support local governments in the identification and treatment of the risk from fire beyond the initial program which was initiated in 2019.

The Shire of Gingin is looking forward to continuing to participate in the Mitigation Activity Program in collaboration with the DFES Metropolitan North Coastal Region into the next financial year and beyond.



# Beach Emergency Signs

The Beach Emergency Number signage (BEN signs) system is named in honour of fatal shark bite victim Ben Gerring who lost his life after a shark bite incident in 2016. At the time, emergency services had difficulty locating the closest beach access point and consequently lost valuable support time.

In 2020 the BEN sign project for the Shire of Gingin coastal and designated inland areas was completed. A total of 65 BEN signs were placed along 70kms of coastline from Narrow Neck to the north of Lancelin to the Flat Rocks Lookout at Wilbinga and also in non-coastal areas where a high number of incidents and difficult access routes were reported by these services.

Each BEN sign has a unique code linked to the sign's location coordinates based on the distance between the sign location and the Shire of Gingin's northern boundary. Sign information has been integrated into a computer aided dispatch systems used by emergency services (ambulance, police and fire crews) and Surf Life Saving WA.

Access routes to each sign and the best pole position was determined through consultation with local stakeholders including community associations and coastal groups, land owners, the Department of Biodiversity, Conservation and Attractions (DBCA – Parks and Wildlife Service, Western Australia) and Shire of Gingin Emergency Services. This information included 4WD-only, beach driving, seasonal road closures and directions to access off-road locations in the Shire of Gingin and DBCA managed land.

All BEN signs have a dual purpose as each installed sign is reversible – a uniform red and green sign on the front and a beach closure sign on the back.

Since installation BEN signs have been instrumental in saving lives and providing a location marker for shark sightings, wildlife injuries and navigational points for 4 wheel drivers and tourists.

The location of the Shire of Gingin BEN signs are listed on the SharkSmart App which is free to download onto your smart phone.



7

000 calls to St Johns Ambulance



5

Shark sightings



Photo: Gingin DHS



## Cadetship Program

Under the State Hazard Plan for Fire local governments identified as having significant bushfire risk are required to have a Bushfire Risk Management Plan (BRMP) endorsed by the Office of Bushfire Risk Management (OBRM).

A key element of the Shire of Gingin's BRMP is to increase community bushfire risk awareness, build resilience and enhance our bushfire response capability.

In 2020 the Shire of Gingin in partnership with Gingin District High School and supported by Gingin Volunteer Fire and Rescue Service and the Department of Fire & Emergency Services (DFES), piloted a Cadet Firefighter Program with 22 x Year 10 students.

In 2021 the Minderoo Foundation joined the program by extending financial assistance to provide students with Personal Protective Equipment. This support enabled the program to be expanded to include introducing the students to planned burns where they can experience different fire behaviour and suppression techniques. Minderoo also hosted a national conversation during 2021 with fire services and education representatives around the country to promote the program.

As we move into 2022, the Shire of Gingin and Gingin District High School continue to expand the program by introducing students to the newly develop DFES 'Assist in Planned Burns' program, first aid training and introductions to the other volunteer services available to them within the shire.

The Shire and Gingin District High School would like to express its thanks to all those volunteers who have assisted in the delivery of the program. In particular we would like to acknowledge the continued support of the Minderoo Foundation and the Gingin Volunteer Fire and Rescue Service.

# Environmental Health

The role of the Shire's Health Officers is to manage, monitor and provide education on public health risks in a number of different areas. This includes food safety; wastewater disposal; building applications; health complaints (pests, animals, bees, noise, dust, sand drift, odours, nuisances, etc.); trading in public places; account enquiries; public buildings and events; lodging houses; event applications; caravan parks and camping grounds; water quality monitoring (recreational facilities and natural recreational water bodies such as Moore River); drinking water; skin penetration; substandard/dilapidated and/or unsightly properties, buildings and dwellings; and the management of waste collection services and waste disposal facilities.

The Health Services Department is responsible for providing support and guidance to the Shire's Waste Management Advisory Committee in developing a financially viable and environmentally sustainable strategic approach to the provision of services and facilities that the community needs for the next 50+ years. The Department also works closely with local food businesses such as major egg producers in reducing incidence of Salmonella, the Guilderton Store to become operational and the developers of a proposed boutique micro-brewery.

COVID 19 has required a robust response from the Department with the ability to be locally responsive and action-focussed in providing the public, businesses, community groups, Council and the Shire's Executive and staff with the health advice and knowledge in all aspects to help prevent the spread of Coronavirus. The Department continues to actively monitor, review and advise on the risk that COVID-19 presents to the community as the pandemic evolves into 2021/22.

The Shire also employs a Stable Fly Officer to provide a monitoring, investigation and educational role to the local agricultural industry to help minimise stable fly numbers with the insect a prevalent pest throughout the Shire. The role supports Department of Primary Industries & Regional Development by promoting its guidelines as well as the general public and local Stable Fly Action Group in receiving and reacting to real time 'on-the-ground' intelligence that help address problem areas.



**50**

Food Inspections



**8**

Food Sample Tests



**281**

Building Applications assessed



**204**

Health Complaints investigated



**92**

Waste Water Approvals provided



**412**

Sale of Property Assessments



**64**

Water Quality Samples from 7 x aquatic facilities



**114**

Water Quality Samples from local water bodies



**273**

Stable Fly Complaints received



**4**

Lodging Houses inspected



**10**

Caravan Parks/ Camping Grounds audited/monitored



**113**

Event Applications assessed for risk compliance

# Community Health

During 2020/21 public health was at the forefront of the world's thoughts with the COVID-19 Pandemic continuing to dominate many aspects of our lives. During this time the Shire continued to promote the health mandates enacted by the WA State Government as per its declared State of Emergency. This included:

- Providing updates on key public health requirements as they were enacted;
- Directing the public to additional online resources;
- Managing Shire services and public spaces to remain in alignment with the health mandates;
- Liaising with State Government agencies to clarify directions as required; and
- Any other relevant actions in order to keep our community safe.

The Gingin Medical Centre Committee (comprising several Councillors and the CEO) said farewell to Dr Danel Conradie in August 2020 and shortly thereafter commenced the recruitment of a new doctor. They were successful and Dr Oladapo Alegbe (Dr Dapo) commenced with the Gingin Medical Centre in January 2021. Previously Dr Dapo was based in Northam with twenty years of general practitioner experience.

Throughout 2020/21 the Shire continued to promote health services and safe practices to the community including free breast screenings, hearing clinics, eye clinics, safe swimming practices in recreational water bodies, safe use of off-road vehicle areas and more.



# Natural Environment



## Coastal Erosion

Coastal Erosion has continued in the Shire however, this has been to a lesser extent than previous years. It is important that Council and the community work together regarding coastal erosion as many of the impacts are not from storm damage but rather from how members of the public and tourists use the coastal areas and where they drive.

The impacts of coastal erosion are increasing in complexity due to the issues of infrastructure and residents and the requirements of State and Local Town Planning and how the Shire will progress with the impacts and potential future coastal lines.

During 2020/21:

- There have been no significant works required other than sand re-nourishment in the Grace Darling Park area in Lancelin.
- Council has continued to apply for grants through the State for various actions and has been successful in obtaining them and undertaking these works.
- Council resolved and actioned the closure of the Edward Island Point Access Track during the winter months to allow the area some time to recover each year from the vehicle and pedestrian traffic. The old access track is now permanently closed and vehicle access is from the beach.
- Council has also installed sand traps at Lancelin to assist with the dune restoration and since their installation these have been quite successful in naturally rebuilding sand depth.

## Inundation Study

Additionally in August 2020 Council received the Shire's Inundation Study from the consultants contracted to undertake this study. The Inundation Study identifies potential areas subject to coastal inundation risk through coastal locations of the Shire at Lancelin, Ledge Point, Seabird and Guilderton.

The project's outcomes will be used to improve the understanding of coastal inundation hazards for the Shire now and into the future and also to inform risk management and adaptation planning. Additionally it details planning timeframes under projected sea level rise.

# Rangers

The Shire of Gingin Rangers are focused on community safety through education and awareness campaigns and the enforcement of various legislation and Shire Local Laws. The Shire's Rangers monitor community compliance in a range of areas and investigate complaints. Rangers primarily undertake an education first approach but if required, can enforce regulatory controls which may include administrative controls, penalties or prosecution.

Rangers also respond to many customer service requests and undertake a variety of duties including (but not limited to) uncontrolled/unregistered dogs/cats, stock on road, abandoned vehicles, beach closures due to shark sightings, off-road vehicle area closures due to Total Fire Bans, an annual fire break inspection program, fire permit breaches, illegal parking, the patrol of off-road vehicle/prohibited vehicle areas, illegal camping and littering.

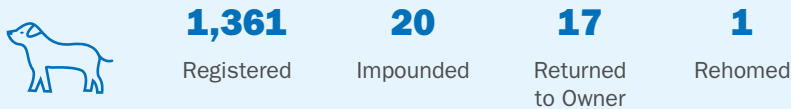
Within the 2020 -2021 period, Rangers issued 626 notices in the following areas:



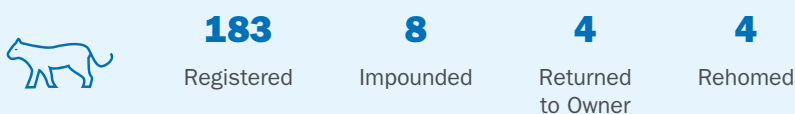
## Firebreak Inspections



## Dogs



## Cats



**\$95,290**

in funds collected from Parking Meters in 2020/21

## Guilderton Foreshore Paid Parking

In 2017 (after a public consultation period), Council introduced paid parking in Guilderton in select areas. This measure was introduced to assist with funding the protection of the native environment around Guilderton and also for much needed infrastructure improvements for Guilderton, in particular for the foreshore area on the Moore River which is extremely popular with the community and visitors to Guilderton.

To date, the funds raised from the paid parking in Guilderton have not been spent by Council but are being kept in reserve until sufficient funding has been accrued.



**19,983**

Total number of parking tickets purchased



# Waste Services



**171.2 T**

Glass



**26.07 T**

Metals



**235.26 T**

Paper/Cardboard



**33.45 T**

Plastics



**181.42 T**

Bulky Wastes



**1.92 T**

Batteries



**3.42 T**

Waste Oil



**1.32 T**

Tyres

## Kerbside Collections



### Domestic

**451 T**

Recycling Collection

**2,109 T**

Waste Collection

### Commercial

**18 T**

Recycling Collection

**70 T**

Waste Collection

## Verge Collection



**129.8 T**

Annual Green Waste Collection

## Street/Park Bins



**293.28 T**

Waste Collection

## Landfill Drop Offs



**4,223.8 T**

Waste Deposited to Landfill

# Infrastructure & Development



## Orange Springs Road

Stage 1 of the Orange Springs Road upgrade (from Cowalla Rd east for 10.2km), which was fully funded by the State Government for \$5.2 million concluded construction in August 2020. This project increased the road and seal width to ensure the road remains up to task to handle the high volume of heavy haulage traffic which readily makes use of it and that it is also safer for local traffic.

The Shire was notified that further funding of \$4 million was awarded by the Federal and State Government for Stage 2 (the remaining 7.7km to Brand Highway) through the Wheatbelt Secondary Freight Network. These works continued on seamlessly from the Stage 1 works and concluded in December 2020. The only monetary contribution from the Shire for the full 17.9km reconstruction of Orange Springs Road was \$260,000 from a total project cost of \$9.2m.

The value of these large-scale road network projects cannot be underestimated. Rail has remained underdeveloped in Western Australia for many decades now and in some instances, has been discontinued. This means an increasing number of trucks make use of our road networks to transport goods around WA and Australia at large. Additionally, the size and number of trucks and other vehicles has continued to grow as our population expands and the demand for the supply of goods rises.

Orange Springs Road is a recognised lime freight road in addition to being made use of for vehicles to cross east-west from Brand Highway to Indian Ocean Drive and vice versa. These upgrades are the largest road upgrades undertaken in the Shire in a number of years and it is envisaged that as the Shire's population continues to grow as forecast, further large-scale road upgrades and improvements will be undertaken.



## Road Asset Renewals

The Shire of Gingin has delivered and commenced a number of road infrastructure projects during the year. This includes the completion of the major construction upgrades for Orange Springs Road, road upgrade works for Cheriton Road and Coonabidgee Road, the sealing of Mortimer Road, the re-sheeting of Dingo Road and the annual gravel/sealed road patching and grading programs.

The Shire's Road Construction and Maintenance crews have also continued to undertake all of its regular duties including signage installation/upgrades, gravel/limestone/sand cartage, tree pruning, verge maintenance, spraying, fire breaks installation, drainage works, storm damage clean up and more.



# Infrastructure Works



**163\***

locations where Gravel/ Sealed Road Patching was undertaken



**65\***

locations where Maintenance Grading was carried out



**24\***

locations where new Signage was installed



**42\***

locations where Tree Pruning/Verge Maintenance was undertaken



**55\***

locations where Spraying was carried out



**28\***

locations where fresh Fire Breaks were installed



**22\***

locations where Drainage works were undertaken



**31\***

locations where Slashing works were carried out



**10**

locations where Street Sweeping was carried out



**897**

Customer Service Requests received and actioned accordingly



**30**

Restricted Access Vehicle applications received and accessed for approval

*\*These statistics include occasions where locations were visited to undertake works more than once, e.g. Cullulla Road had maintenance grading undertaken on it on five separate occasions throughout 2020/21 to ensure it remained at a good standard to drive on with the road heavily used.*



# Granville Upgrades

The Shire of Gingin is home to a vast array of assets and facilities which are available for public use. From time to time however, these facilities need to be updated and/or have significant maintenance works undertaken. These works are generally factored into the Shire's asset planning and are carried out as time and budgeting permits. This financial year saw two such sets of works take place in Granville Park in addition to others across the Shire.

The re-roofing of the Granville Civic Centre was commenced in February 2021 with scaffolding erected to facilitate the removal and replacement of the roof which had become critically deteriorated. The roof replacement was completed in a timely fashion and works concluded in March 2021.

The ablution block in Granville Park also received a much-needed face-lift in January 2021 with works taking a little longer to complete than those for the Granville Civic Centre. These works included a full re-roof of the structure, retiling and screeding, painting and improved/renewed fixtures.



# Redfield Park Fire Shed

In 2018/19 the Shire's Community Emergency Services Manager/Chief Bush Fire Control Officer was approached by the leadership group from the Guilderton and Districts Volunteer Bush Fire Brigade to build an extension on their existing facility in Redfield Park as there was insufficient room to house all their appliances.

Due to both the Brigade's facilities being deemed no longer fit for purpose, an application was made for funding from the Local Government Grant Scheme (LGGS) via the Department of Fire & Emergency Services (DFES) to build a new 3 bay facility with office space, a training area, kitchen and ablutions. The construction of the station itself took approximately 16 weeks with further time spent with fencing and carpark areas to finish off.

With the completion of this facility, both the Shire and DFES emergency services personnel have a state-of-the-art facility capable of accommodating a Level 2 incident management team, a large modern training facility and a station the local brigade can be proud to call home.





## Concept Enquiries

From time to time a community group, sporting group or an individual may wish to undertake a project where they will alter, upgrade and/or add new infrastructure/assets to the Shire of Gingin's land and property (including Reserve land where a Management or Vesting Order may be in place).

A Concept Enquiry is an easy way to ensure that all of the relevant and required information and documentation (e.g. development approvals, building licence permits, etc.) has been submitted. This process ensures that any changes made to a Shire owned or vested premises is compliant with management orders (if applicable), building insurances, bush fire plans, building usage compliance, Town Planning Scheme requirements, etc. Additionally, part of the assessment process ascertains if the project aligns with the Shire's Strategic Community Plan (created through community feedback) and complies with Health, Building and any other relevant legislative requirements.

### Concept Enquiries 2020/21



**12**

submitted



**11**

approved



**5**

projects currently completed

## Planning

With the release of Stage 1 of the Country Heights Rural Living Estate, in conjunction with the Federal Government Economic Stimulus Package (a measure introduced to boost the Australian economy in the face of the Coronavirus Pandemic), the number of planning applications processed increased from the previous year indicating confidence in the residential construction sector. Extractive Industries, Irrigated Horticulture and Animal Husbandry-Intensive uses continue to be attracted to the region boosting local employment and economic diversity.

The Statutory Planning Department anticipates further increases in the number of applications over the next 12 months and looks forward to seeing the approvals issued transition into the construction phase. Residents may observe increased building activity within the town sites and rural living estates as builders and trades are stretched to keep up in light of the COVID-19 pandemic and increased demand.



**199**

Development Applications received



**184**

Development Applications approved

# Building

The Shire's Building Department is responsible not just for the issuing of building permits but also for a number of other areas throughout the Shire.

## Swimming Pool Inspections

Swimming pool inspections are an ongoing program due to new pools and spas being constructed and four-yearly inspections coming due at staggered timeframes depending on when they are completed. The Building Department carries out compliance inspections when notified that a swimming pool or spa and safety barrier are completed and ready for inspection.

## Building Permits

The building department has seen a marked increase in applications being submitted as a direct result of the government construction grants and the closed international/interstate borders due to COVID-19.

Two major projects receiving building approval during the 2020/21 financial year were the Gingin Outdoor Activity Space and the Level 3 Incident Control Centre.

These statistics are comprised of:



**36**

Commercial/  
Industrial/  
Occupancy Permits



**93**

Outbuildings/  
Swimming Pools/  
Spas/Retaining Walls



**74**

Dwellings



**48**

Dwelling  
Additions



**10**

Demolitions



**12**

Building Permits issued  
for Swimming Pools/Spas  
& Safety Barriers  
▲ 50% on 2019/20

**170**

Building/Demolition/  
Occupancy Permits  
in 2019/20  
**Value of \$23.2 million**

**▲261**

Building/Demolition/  
Occupancy Permits  
in 2020/21  
**Value of \$29.2 million**

## Gingin Outdoor Activity Space

The Gingin Outdoor Activity Space (GOAS) is a nature-based playground located in the centre of Gingin near the popular Gingin Brook and historic water wheel that has featured on many artist's paintings of the area. There is a café nearby as well as a small independent supermarket.

The Gingin Outdoor Activity Space design incorporates nature-play along with rural/agricultural themes designed to promote community identity, ownership and pride. The design caters for all ages and abilities and takes into consideration mobility access as well as prams, scooters and other wheeled conveyances. Activities and equipment for children of all ages and youth have been included in the design.

The playground includes a BBQ and picnic area with a covered gazebo and picnic tables suitable for family gatherings and parties, several lawn areas with shade trees and a water play area suitable for toddlers. A unisex accessible toilet block is located at the playground and there are two water fountains in the park suitable for drinking water.

The cost of the Gingin Outdoor Activity Space was just over \$1million which was largely funded by grants and community funding.

## Level 3 Incident Control Centre

The Level 3 Incident Control Centre (renamed the Gingin Emergency Services Centre) is a joint venture by the Shire of Gingin and the Department of Fire and Emergency Services. This building will serve as the Incident Control Centre for all emergency services that are required in the event of a serious accident or disaster in Gingin or surrounding localities. The cost of this project was \$2.87 million and the project is due to be completed in mid-2022.





# Economic Development



## Gingin Outdoor Activity Space

The Gingin Outdoor Activity Space was a community-based initiative that was predominantly driven by the Gingin Outdoor Activity Space Project group (formerly Gingin Interactive Space Group), a community working group who came together to initiate and progress the development of a new outdoor activity space within the Gingin town site. The working group was independently formed in 2018 and was made up of several community members representing different demographics and/or interests in the community.

This project (formerly known as the Gingin Regional Playground) was instigated by the community given the aging and limited playground equipment in the Gingin town site. The original 'Gingin Regional Playground' project was to potentially relocate, renew and add to existing playground equipment for children. However, the project evolved over time given the need for an outdoor space that supported the inclusion and engagement of all ages. The Working Group's vision was 'for a cohesive, accessible multigenerational outdoor recreational space within the centre of Gingin town.'

The Working Group actively collaborated with the Shire and Council at all stages of this project to ensure their vision was achieved. This included independently undertaking fundraising activities and sourcing sponsorships (\$50,000), obtaining in-kind works and contributions (\$35,000) and securing \$150,000 in partnership with the Gingin District Community Resource Centre through a successful Bendigo Bank grant application. The Working Group also contributed to acquiring Federal funding (Building Our Future – Australian Government) with Hon. Christian Porter's support by meeting with him and discussing the project, the community's needs and the Working Group's role.

Construction of the Gingin Outdoor Activity Space was commenced in January 2021 with the project mostly completed by May 2021 when it was 'unofficially opened' to the public.

# WA's Largest Food Bowl

If you ever wondered where your fresh fruit and vegetables in the supermarket came from then there is a fair chance they were grown right here in the Shires of Gingin, Chittering and Dandaragan.

These three Shires make up one of five regions in the Wheatbelt known as the Central Coast Wheatbelt region. This region produces more fresh fruit and vegetables than anywhere else in Western Australia. Some of the products produced here include:

- 83% of WA's oranges
- 80% of WA's lemons
- 64% of WA's blueberries
- 60% of WA's lettuce
- 51% of WA's cauliflower
- 41% of WA's mangoes

In October 2020 these three Shires came together in partnership with the Department of Primary Industries & Regional Development (DPIRD) and the Wheatbelt Development Commission (WDC) to create a Food & Beverage Capability Guide. The purpose of this guide is to showcase our larger producers throughout the Central Coast Wheatbelt and also our many more specialised producers providing jams, preserves, honeys, cheeses, wines and more.

The Central Coastal Wheatbelt Food & Beverage Capability Guide currently features 11 x food and beverage producers from the Shire of Gingin including Borrello Beef, Bullbar Beef Jerky, Dr Jims Famous Lemon Squash, Gingin Pomegranates and Dates, Guinea Grove Farm, Local Goat Artisan Cheese, Loose Leaf Lettuce, Marvick Native Farms, Northern Valleys Fruit Pops, West Coast Honey and Western Produce. This number is as of November 2021 and this is just a small fraction of our local producers with an opportunity available annually for more producers to be included in the guide when it is reviewed.

The Guide is FREE for all businesses to participate in and the Guide is available digitally via the Shire's website ([www.gingin.wa.gov.au/food-and-beverage-capability-guide](http://www.gingin.wa.gov.au/food-and-beverage-capability-guide)) or also in hard copy from the Shire's Gingin Administration Centre and Lancelin Office.



## Old Ledge Point Road

The specifications for the Old Ledge Point Road development has been significantly progressed during the 2020/21 financial year so that should funding be secured for this project, the matter can be progressed in a timely manner.

This project has taken a higher priority basis with Council due to the increased safety issue for Lancelin and Ledge Point as they are "one road in and one road out" communities. The additional access from the construction of the Old Ledge Point Road will provide another layer of safety depending on the emergency. The development of this road will also assist in increasing the transfer of tourists between the two towns and to improve the interconnection of the two communities.

## Ledge Point Marina

Progression with the Ledge Point Marina has been slow over the 2020/21 financial year after the two environmental reports were completed prior.

The next stages for the Marina are for the Department of Transport to undertake the Engineering and Technical Specification Drawings. Council has been actively advocating for the Marina and will continue to do so to progress this project.



# Governance



## Finance

### 2020/21 Overview

- COVID-19 support given to the community with a 0% increase in rates and also the Shire's Fees and Charges for the for the 2020/21 financial year.
- Financial oversight and acquittal of the joint Wheatbelt North Secondary Freight Network funded Orange Springs Road reconstruction at a total cost of \$9.2 million over the 2019/20 and 2020/21 financial years.
- Financial oversight and acquittal of the Gingin Outdoor Activity Space (GOAS) project completed at a cost of \$1.08 million. This project including funding contributions from the Federal Government's Local Roads and Community Infrastructure and Community Development Programs, sponsorship from Bendigo Bank (Gingin and Lancelin), local sponsorship and the Shire. The project represents the collective power of a community driven initiative.
- Distributed \$118,000 under Council's Community Funding Program for the 2020/21 financial year, further supporting community group operations impacted by COVID-19.

### Achievements

- Implemented the new Altus Financials platform as an 'Early Adopter' within the local government sector. Altus Financials will replace the current Enterprise Resource Planning (ERP) software used by the Shire and most other local governments to provide a more flexible, agile and contemporary financial system for the coming years.
- In preparation for the Altus Financials, the organisation's payroll system was also upgraded to a paperless app based system.
- Formalised the allocation of the Guilderton car parking revenue to the Guilderton Foreshore and Guilderton Parking Reserves to guarantee funding for the area.
- Obtained Ministerial approval to change the basis of rate for the Country Heights development from Unimproved Valuation (UV) to Gross Rental Value (GRV).
- Negotiated and finalised receipt of significant and long outstanding rates debt of \$1.1 million.
- Reviewed Restricted Cash procedures and holdings following changes in recognition of asset based revenue.
- Application of Differential Rating in 2021/22 Annual Budget in accordance with intent of Rating Strategy.
- Timely audit of 2019/20 Annual Financial Report.
- Timely adoption of 2020/21 Annual Budget incorporating ongoing response to COVID-19 pandemic.

# IT Disaster Recovery Plan

In July 2020 the Shire's IT Disaster Recovery Plan underwent a major review. This document is an internal document which is utilised by staff to ensure the capability of the Shire of Gingin to continue to deliver its services at an acceptable level following a disruptive incident or disaster that specifically affects its IT services.

A disaster can be any unexpected problem that results in a slowdown, interruption or failure in a key system or network. These problems can be caused by natural disasters (e.g. fire, earthquake, flood, etc.), technology failures, malicious acts, incompatibilities or simple human error. They can result in service outages, connectivity failures, data loss and related technical issues which can disrupt business operations, cause customer service problems, lowered workplace productivity and other associated issues.

The principal objective of the disaster recovery program is to develop, test and document a well-structured and easily understood plan which will help the Shire recover as quickly and effectively as possible from an unforeseen disaster or emergency which interrupts information systems and business operations.

## Risk Management

For a number of years, the Shire has had in place a Risk Management Policy (Policy No. 1.24) and supporting operational procedures that align with best practice, Australian Standards AS/NZS ISO 31000:2018 and that provide clear definitions of risk assessment criteria, measures of likelihood, risk acceptance criteria and control ratings.

Profiled areas of risk are reviewed on a regular basis by the Shire's Executive Management Team, with all profiles being reviewed and updated as necessary during the reporting period.

## Communications & Marketing

Keeping our many communities informed and up to date with the latest happenings across the Shire continues to be a challenge. Participants of the Shire's 2020 Resident Satisfaction Survey indicated that while they felt there had been an improvement in Shire communications and engagement, this area still rated poorly in terms of performance against most other areas of the survey.

Across the 2020/21 financial year however, the Shire implemented a number of changes with further improvements planned to be undertaken in consequent financial years. Thus far, these changes have proved to be well received in general by the public.

Social media and new software platforms such as Lumen5 are assisting hugely with helping the Shire and Council to deliver information to our communities in a timely manner. Facebook in particular, has been instrumental in the delivery of information to our communities during emergency incidents such as the Red Gully Bush Fire and COVID-19 Pandemic. The Shire has continued to grow its Facebook following throughout the 2020/21 financial year with numbers steadily rising and expected to reach over 5,000 in the 2021/22 financial year. This is a great result with more followers indicative that information from Council is reaching a great number of people across the Shire of Gingin and beyond.

### Key Achievements



#### E-Newsletter

launched for Council to Community publication



#### New Shire website

progressed. Set to launch late 2021



#### New Shire of Gingin logo

implemented October 2020



#### Annual Rates Mailout

reformatted to be a single mailout



#### Gingin 150th

signage and marketing of event commenced



# Human Resources

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. This year the Shire had experienced some challenges with sometimes 3 – 10 applications for some of the vacant positions that were advertised.

One of the main objectives for 2020/21 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. All new staff completed an 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 great leadership in keeping staff safe during the pandemic. 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 is essential during a pandemic. 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.

Several staff transferred to other positions and new staff were employed to fill those positions that were vacated. The most significant changes include the following roles:

- Executive Manager Operations and Assets
- Senior Rates Officer
- Information Technology Officer
- Customer Service Officers (2) – Gingin and Lancelin

This year the Shire Aquatic Centre Duty Managers and five Swimming Instructors managed the pool and teaching of 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 52 persons and a total of 74 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.

## 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 2021, 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.

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.

Employees				
	Casual	Full time	Part time	Total
<b>Female</b>	5	24	14	43
<b>Male</b>	1	28	2	31
<b>Total</b>	6	52	16	74

Department				
	Casual	Full time	Part time	Total
<b>CEO</b>	0	6	3	9
<b>CCS</b>	2	6	14	22
<b>OPS</b>	1	25	1	27
<b>RDS</b>	1	13	2	16
<b>Total</b>	4	50	20	74



# Statutory Reporting

## Register of Complaints

All complaints against the Shire of Gingin's Elected Members that result in a finding by the Local Government Standards Panel (under section 5.110(2)(a) of the *Local Government Act 1995*) that a minor breach has occurred must be recorded in a Register of Complaints.

Section 5.121(3) requires the CEO to publish an up-to-date version of the register of complaints on the local government's official website.

There have been no such findings made by the Local Government Standards Panel in relation to Shire of Gingin Elected Members for the 2020/21 financial year.

## Freedom of Information

In accordance with Section 96 and 97 of the Freedom of Information Act 1992, the Shire is required to publish an Information Statement which details the process of applying for information under the Act as well as information that the Shire provides outside the Act. For the 2020/21 financial year the following is being reported:

Number of FOI applications made	50
Number of successful applications	49
Number of cancelled applications	1

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

## Record Keeping Statement

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, 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. Ongoing training is available to all officers and is carried out on an as-needed basis.

## Public Interest Disclosure

The Public Interest Disclosure Act 2003 facilitates the disclosure of public interest information and provides for the protection of those making such disclosures and those who are the subject of the disclosures.

The Act provides a system for the matters disclosed to be investigated and for appropriate action to be taken.

There were no Public Interest Disclosures made to the Chief Executive Officer during the 2020/21 financial year.

## Delegations Review

In accordance with Section 5.46 of the *Local Government Act 1995*, the Shire of Gingin's Delegated Authority Register annual review was undertaken by Council at its meeting on 15 June 2021.





## Compliance – Regulation 17 Review & Compliance Audit Return

The Review of Risk Management, Internal Procedures and Legislative Compliance required under Regulation 17 of the Local Government (Administration) Regulations 1996 must be undertaken every three years.

A review was not required to be undertaken by the Shire of Gingin during the 2020/21 financial year.

## Primary & Annual Returns

Section 5.75 of the *Local Government Act 1995* requires Elected Members and designated officers to complete Primary Returns within 3 months of being elected or appointed to their positions. No Primary Returns were submitted by Elected Members (as no elections were conducted) during the 20/2021 financial year.

One designated officer was employed during the 20/2021 financial year and a Primary Return was submitted within the required timeframe.

Section 5.76 of the *Local Government Act 1995* requires all Elected Members and designated officers to submit an Annual Return by 31 August of each year. A total of 24 Councillors and designated officers submitted Annual Returns by the due date of 31 August 2020. There were no Returns submitted outside the statutory timeframe.

## Disability Access & Inclusion Plan

The Disability Services Act 1993 requires local governments to:

1. Maintain a Disability Access and Inclusion Plan (DAIP).
2. Address seven specific outcome areas within the plan.
3. Report annually on progress against actions within the plan.

The Shire's Disability Access and Inclusion Plan is a key strategic document which outlines the Shire's approach to working towards a more accessible and inclusive community. While it is a statutory requirement for the Shire to maintain and implement a DAIP, all community members benefit from the Shire's commitment to access and inclusion. The Shire's DAIP can be found on the Shire's website [www.gingin.wa.gov.au](http://www.gingin.wa.gov.au).

## Annual Salaries

In accordance with the Local Government (Administration) Regulations 1996, the Shire of Gingin is required to disclose in bands of \$10,000 the number of employees entitled to an annual salary package of \$130,000 or more.

Salary Band \$	NUMBER OF OFFICERS	
	2020/21	2019/20
130,000 – 139,999	1	2
140,000 – 149,999	0	0
150,000 – 159,999	1	0
160,000 – 169,999	0	0
170,000 – 179,999	0	0
180,000 – 189,999	0	0
190,000 – 199,999	0	1
200,000 – 209,999	1	0
210,000 – 219,999	1	0
280,000 – 290,000	0	1*

\* Gingin Medical Centre salaries included.



Photo: Bev King



## Flagship Projects 2021-2022

**In the coming financial year the Shire of Gingin has identified the following major priorities:**

- Gingin 150th Anniversary event
- Completion of the Gingin Emergency Services Centre
- Plan for Cunliffe Street Development
- Road construction work including Cowalla Rd & KW Road
- Major review (including community feedback) for the Strategic Community Plan
- Coastal Erosion – CHRMAP review and community consultation plus integration with Inundation Study
- Purchase of fire fighting units (9 x tankers)
- ALTUS implementation



Photo: Renae Daw





# Shire of Gingin Financial Report

FOR THE YEAR ENDED 20 JUNE 2021

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### Community vision

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

Principal place of business:  
7 Brockman Street  
GINGIN WA 6503



**SHIRE OF GINGIN  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

*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 2021 is based on proper accounts and records to present fairly the financial position of the Shire of Gingin at 30 June 2021 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

27

day of

June

2022



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Aaron Cook  
Chief Executive Officer

**SHIRE OF GINGIN**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	2021 Actual \$	2021 Budget \$	2020 Restated Actual \$
<b>Revenue</b>				
Rates	26(a)	8,394,694	8,366,400	8,356,820
Operating grants, subsidies and contributions	2(a)	3,469,153	2,220,668	3,128,167
Fees and charges	2(a)	4,088,852	4,191,433	3,640,134
Interest earnings	2(a)	147,713	201,000	283,632
Other revenue	2(a)	677,161	108,993	495,538
		<b>16,777,573</b>	<b>15,088,494</b>	<b>15,904,291</b>
<b>Expenses</b>				
Employee costs		(5,856,207)	(6,178,914)	(6,172,389)
Materials and contracts		(5,281,648)	(5,247,321)	(5,140,455)
Utility charges		(434,451)	(432,884)	(432,664)
Depreciation on non-current assets	11(b)	(6,291,548)	(4,922,878)	(6,050,112)
Interest expenses	2(b)	(108,584)	(110,075)	(118,757)
Insurance expenses		(450,686)	(467,076)	(483,190)
Other expenditure	2(b)	(544,209)	(422,656)	(753,863)
		<b>(18,967,333)</b>	<b>(17,781,804)</b>	<b>(19,151,430)</b>
		<b>(2,189,760)</b>	<b>(2,693,310)</b>	<b>(3,247,139)</b>
Non-operating grants, subsidies and contributions	2(a)	8,352,488	12,774,739	3,876,600
Profit on asset disposals	11(a)	73,706	-	9,796
Loss on asset disposals	11(a)	(73,266)	-	(83,759)
Fair value adjustments to financial assets at fair value through profit or loss		2,586	-	1,153
		<b>8,355,514</b>	<b>12,774,739</b>	<b>3,803,790</b>
<b>Net result for the period</b>		<b>6,165,754</b>	<b>10,081,429</b>	<b>556,651</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	12,638,926	-	-
<b>Total other comprehensive income for the period</b>		<b>12,638,926</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>18,804,680</b>	<b>10,081,429</b>	<b>556,651</b>

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



**SHIRE OF GINGIN**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	2021 Actual \$	2021 Budget \$	2020 Restated Actual \$
<b>Revenue</b>				
Governance		16,225	2,000	-
General purpose funding		10,376,030	9,500,914	10,560,353
Law, order, public safety		824,040	708,280	1,002,027
Health		377,219	723,500	450,101
Education and welfare		33,305	108,787	96,391
Housing		192,926	12,000	23,553
Community amenities		1,916,913	1,916,080	1,719,449
Recreation and culture		625,082	257,668	152,283
Transport		417,532	207,514	230,029
Economic services		1,686,491	1,428,651	1,170,585
Other property and services		311,810	223,100	499,520
		<b>16,777,573</b>	<b>15,088,494</b>	<b>15,904,291</b>
<b>Expenses</b>				
Governance		(1,819,099)	(1,160,411)	(1,261,085)
General purpose funding		(421,221)	(474,767)	(472,082)
Law, order, public safety		(2,236,597)	(1,794,849)	(2,177,016)
Health		(911,097)	(993,855)	(1,143,787)
Education and welfare		(250,013)	(226,486)	(243,448)
Housing		(41,752)	(41,645)	(66,437)
Community amenities		(1,086,078)	(3,146,395)	(2,841,159)
Recreation and culture		(2,192,808)	(3,784,908)	(3,716,756)
Transport		(6,584,526)	(4,060,146)	(5,766,691)
Economic services		(2,910,714)	(1,270,147)	(1,208,909)
Other property and services		(404,844)	(718,120)	(135,303)
		<b>(18,858,749)</b>	<b>(17,671,729)</b>	<b>(19,032,673)</b>
<b>Finance Costs</b>				
Health		(7,254)	(8,070)	(9,154)
Community amenities		(30,745)	(31,448)	(32,498)
Recreation and culture		(67,467)	(56,688)	(61,296)
Economic services		(1,963)	(2,345)	(2,977)
Other property and services		(1,155)	(11,524)	(12,832)
	2(b)	<b>(108,584)</b>	<b>(110,075)</b>	<b>(118,757)</b>
		<b>(2,189,760)</b>	<b>(2,693,310)</b>	<b>(3,247,139)</b>
Non-operating grants, subsidies and contributions	2(a)	8,352,488	12,774,739	3,876,600
Profit on disposal of assets	11(a)	73,706	-	9,796
Loss on disposal of assets	11(a)	(73,266)	-	(83,759)
Fair value adjustments to financial assets at fair value through profit or loss		2,586	-	1,153
		<b>8,355,514</b>	<b>12,774,739</b>	<b>3,803,790</b>
<b>Net result for the period</b>		<b>6,165,754</b>	<b>10,081,429</b>	<b>556,651</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	12,638,926	-	-
<b>Total other comprehensive income for the period</b>		<b>12,638,926</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>18,804,680</b>	<b>10,081,429</b>	<b>556,651</b>

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

**SHIRE OF GINGIN**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2021**

	NOTE	2021 \$	Restated * 2020 \$	Restated * 1 July 2019 \$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	3	9,438,399	9,474,792	7,249,115
Trade and other receivables	6	2,875,974	1,994,404	1,894,751
Other financial assets	5(a)	7,977	13,165	13,819
Inventories	7	34,392	30,607	37,516
Other assets	8	17,785	18,542	17,173
<b>TOTAL CURRENT ASSETS</b>		<b>12,374,527</b>	<b>11,531,510</b>	<b>9,212,374</b>
<b>NON-CURRENT ASSETS</b>				
Trade and other receivables	6	142,800	141,279	128,487
Other financial assets	5(b)	90,830	96,221	102,820
Property, plant and equipment	9	50,366,413	40,714,603	41,569,158
Infrastructure	10	151,590,018	143,620,035	143,660,079
Right-of-use assets	12(a)	109,100	2,638	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>202,299,161</b>	<b>184,574,776</b>	<b>185,460,544</b>
<b>TOTAL ASSETS</b>		<b>214,673,688</b>	<b>196,106,286</b>	<b>194,672,918</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	14	2,243,894	1,420,907	1,310,546
Contract liabilities	15	721,357	1,950,161	1,108,099
Lease liabilities	16(a)	24,023	2,330	-
Borrowings	17(a)	259,387	222,197	224,228
Employee related provisions	18	1,004,339	981,546	889,719
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,253,000</b>	<b>4,577,141</b>	<b>3,532,592</b>
<b>NON-CURRENT LIABILITIES</b>				
Lease liabilities	16(a)	85,369	348	-
Borrowings	17(a)	1,843,185	1,767,829	1,977,186
Employee related provisions	18	66,223	139,737	98,560
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,994,777</b>	<b>1,907,914</b>	<b>2,075,746</b>
<b>TOTAL LIABILITIES</b>		<b>6,247,777</b>	<b>6,485,055</b>	<b>5,608,338</b>
<b>NET ASSETS</b>		<b>208,425,911</b>	<b>189,621,231</b>	<b>189,064,580</b>
<b>EQUITY</b>				
Retained surplus		46,559,741	41,293,202	41,997,798
Reserves - cash backed	4	6,452,425	5,553,210	4,291,963
Revaluation surplus	13	155,413,745	142,774,819	142,774,819
<b>TOTAL EQUITY</b>		<b>208,425,911</b>	<b>189,621,231</b>	<b>189,064,580</b>

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

**SHIRE OF GINGIN**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2019</b>		<b>41,951,231</b>	<b>4,291,963</b>	<b>144,323,972</b>	<b>190,567,166</b>
Correction of error	30	46,567	-	(1,549,153)	(1,502,586)
<b>Restated balance at 1 July 2019</b>		<b>41,997,798</b>	<b>4,291,963</b>	<b>142,774,819</b>	<b>189,064,580</b>
Comprehensive income					
Net result for the period (restated)		556,651	-	-	556,651
Total comprehensive income		556,651	-	-	556,651
Transfers from reserves	4	228,918	(228,918)	-	-
Transfers to reserves	4	(1,490,165)	1,490,165	-	-
<b>Restated balance at 1 July 2020</b>		<b>41,293,202</b>	<b>5,553,210</b>	<b>142,774,819</b>	<b>189,621,231</b>
Comprehensive income					
Net result for the period		6,165,754	-	-	6,165,754
Other comprehensive income	13	-	-	12,638,926	12,638,926
Total comprehensive income		6,165,754	-	12,638,926	18,804,680
Transfers from reserves	4	1,564,253	(1,564,253)	-	-
Transfers to reserves	4	(2,463,468)	2,463,468	-	-
<b>Balance as at 30 June 2021</b>		<b>46,559,741</b>	<b>6,452,425</b>	<b>155,413,745</b>	<b>208,425,911</b>

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



**SHIRE OF GINGIN**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		8,696,678	8,366,400	8,378,102
Operating grants, subsidies and contributions		1,132,552	2,220,667	3,801,773
Fees and charges		4,095,639	4,191,433	3,640,134
Interest received		147,713	201,000	283,632
Goods and services tax received		-	-	453,950
Other revenue		677,161	108,993	495,538
		14,749,743	15,088,493	17,053,129
<b>Payments</b>				
Employee costs		(5,871,535)	(6,178,914)	(6,111,124)
Materials and contracts		(4,542,101)	(5,247,321)	(4,968,899)
Utility charges		(434,451)	(432,884)	(432,664)
Interest expenses		(108,584)	(110,075)	(118,757)
Insurance paid		(450,686)	(467,076)	(483,190)
Goods and services tax paid		(39,045)	-	(403,137)
Other expenditure		(544,209)	(422,655)	(753,863)
		(11,990,611)	(12,858,925)	(13,271,634)
<b>Net cash provided by/ (used in) operating activities</b>	19	2,759,132	2,229,568	3,781,495
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	9(a)	(1,909,436)	(6,582,668)	(1,061,150)
Payments for construction of infrastructure	10(a)	(9,593,537)	(12,062,667)	(4,436,865)
Non-operating grants, subsidies and contributions	2(a)	8,352,488	12,774,739	3,876,600
Proceeds from financial assets at amortised cost - self supporting loans		13,163	13,505	8,406
Proceeds from sale of property, plant & equipment	11(a)	253,274	253,545	301,500
<b>Net cash provided by/ (used in) investment activities</b>		(2,884,048)	(5,603,546)	(1,311,509)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	17(b)	(222,197)	(222,197)	(211,388)
Payments for principal portion of lease liabilities	16(b)	(24,023)	(7,580)	(32,921)
Proceeds from new borrowings	17(b)	334,743	527,000	-
<b>Net cash provided by/ (used in) financing activities</b>		88,523	297,223	(244,309)
<b>Net increase (decrease) in cash held</b>		(36,393)	(3,076,755)	2,225,677
Cash at beginning of year		9,474,792	9,424,688	7,249,115
<b>Cash and cash equivalents at the end of the year</b>	19	9,438,399	6,347,933	9,474,792

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

**SHIRE OF GINGIN**  
**RATE SETTING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at start of financial year - surplus/(deficit)</b>				
		1,612,521	2,018,290	1,598,228
		1,612,521	2,018,290	1,598,228
<b>Revenue from operating activities (excluding rates)</b>				
Governance		16,225	2,000	-
General purpose funding		1,986,533	1,134,514	2,069,103
Law, order, public safety		824,040	708,280	1,005,764
Health		377,219	723,500	450,101
Education and welfare		33,305	108,787	96,391
Housing		192,926	12,000	23,553
Community amenities		1,916,913	1,916,080	1,719,449
Recreation and culture		625,082	257,668	152,283
Transport		491,129	207,514	236,088
Economic services		1,686,491	1,428,651	1,170,585
Other property and services		314,505	223,100	500,673
		8,464,368	6,722,094	7,423,990
<b>Expenditure from operating activities</b>				
Governance		(1,819,099)	(1,160,411)	(1,261,085)
General purpose funding		(421,221)	(474,767)	(472,082)
Law, order, public safety		(2,236,597)	(1,794,849)	(2,177,016)
Health		(918,351)	(1,001,925)	(1,157,275)
Education and welfare		(250,013)	(226,486)	(243,448)
Housing		(41,752)	(41,645)	(66,437)
Community amenities		(1,119,366)	(3,177,843)	(2,873,657)
Recreation and culture		(2,260,275)	(3,841,596)	(3,778,642)
Transport		(6,655,249)	(4,060,146)	(5,787,757)
Economic services		(2,912,677)	(1,272,492)	(1,213,795)
Other property and services		(405,999)	(729,644)	(203,995)
		(19,040,599)	(17,781,804)	(19,235,189)
Non-cash amounts excluded from operating activities	27(a)	6,213,487	4,922,878	6,151,307
<b>Amount attributable to operating activities</b>		(2,750,223)	(4,118,542)	(4,061,664)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions	2(a)	8,352,488	12,774,739	3,876,600
Proceeds from disposal of assets	11(a)	253,274	253,545	301,500
Proceeds from financial assets at amortised cost - self supporting loans		13,165	13,505	8,406
Purchase of property, plant and equipment	9(a)	(1,909,436)	(6,582,668)	(1,061,150)
Purchase and construction of infrastructure	10(a)	(9,593,537)	(12,062,667)	(4,436,865)
<b>Amount attributable to investing activities</b>		(2,884,046)	(5,603,546)	(1,311,509)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	17(b)	(222,197)	(222,197)	(211,388)
Proceeds from borrowings	17(c)	334,743	527,000	-
Payments for principal portion of lease liabilities	16(b)	(24,023)	(7,580)	(32,921)
Transfers to reserves (restricted assets)	4	(2,463,468)	(47,013)	(1,490,165)
Transfers from reserves (restricted assets)	4	1,564,253	564,701	228,918
Transfer to Restricted Cash		-	553,641	-
Transfer from Restricted Cash		-	(12,864)	-
<b>Amount attributable to financing activities</b>		(810,692)	1,355,688	(1,505,556)
<b>Surplus/(deficit) before imposition of general rates</b>		(6,444,963)	(8,366,400)	(6,878,729)
<b>Total amount raised from general rates</b>	26(a)	8,389,497	8,366,400	8,491,250
<b>Surplus/(deficit) after imposition of general rates</b>	27(b)	<b>1,944,534</b>	<b>-</b>	<b>1,612,521</b>

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

**SHIRE OF GINGIN**  
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**FOR THE YEAR ENDED 30 JUNE 2021**

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**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**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.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* 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 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.

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

**THE LOCAL GOVERNMENT REPORTING ENTITY**

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

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 31 to these financial statements.

**INITIAL APPLICATION OF 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.

These were:

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

The adoption of these standards had no material impact on the financial report.

**NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS**

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

- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- AASB 2020-3 *Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*
- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

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

**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.

**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**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:

	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Operating grants, subsidies and contributions</b>			
Governance	16,225	2,000	-
General purpose funding	1,760,668	956,033	1,792,586
Law, order, public safety	708,822	489,668	772,099
Health	1,060	-	54,503
Education and welfare	20,677	5,000	680
Community amenities	185,098	300,702	128,399
Recreation and culture	506,481	164,751	56,912
Transport	215,630	207,514	218,548
Economic services	11,340	-	1,000
Other property and services	43,152	95,000	103,440
	<b>3,469,153</b>	<b>2,220,668</b>	<b>3,128,167</b>
<b>Non-operating grants, subsidies and contributions</b>			
Law, order, public safety	809,256	4,051,500	-
Education and welfare	-	2,000	-
Community amenities	-	-	27,375
Recreation and culture	379,113	1,372,862	-
Transport	7,164,119	7,348,377	3,849,225
	<b>8,352,488</b>	<b>12,774,739</b>	<b>3,876,600</b>
<b>Total grants, subsidies and contributions</b>	<b>11,821,641</b>	<b>14,995,407</b>	<b>7,004,767</b>
<b>Fees and charges</b>			
General purpose funding	2,820	-	19,630
Law, order, public safety	86,890	193,650	201,632
Health	282,478	723,000	394,970
Education and welfare	10,030	103,787	95,711
Housing	111,969	12,000	23,553
Community amenities	1,688,621	1,615,378	1,595,935
Recreation and culture	107,803	92,917	92,477
Transport	125,327	-	55
Economic services	1,617,028	1,428,651	1,191,116
Other property and services	55,886	22,050	25,055
	<b>4,088,852</b>	<b>4,191,433</b>	<b>3,640,134</b>

There were no changes to the amounts of fees or charges detailed in the original budget.

**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 Shire.

**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.

**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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

(a) Revenue (Continued)	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Contracts with customers and transfers for recognisable non-financial assets</b>				
Revenue from contracts with customers 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 or services:				
Operating grants, subsidies and contributions		-	-	1,183,804
Fees and charges		4,088,852	4,191,433	3,640,134
Other revenue		410,650	108,993	287,655
Non-operating grants, subsidies and contributions		8,352,488	12,774,739	3,876,600
		12,851,990	17,075,165	8,988,193
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:				
Revenue from contracts with customers included as a contract liability at the start of the period		1,950,161	-	1,108,099
Revenue from contracts with customers recognised during the year		2,549,341	4,300,426	4,003,494
Revenue from transfers intended for acquiring or constructing recognisable non financial assets during the year		8,352,488	12,774,739	3,876,600
		12,851,990	17,075,165	8,988,193
Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:				
Trade and other receivables from contracts with customers	6	1,727,666		497,941
Contract liabilities from contracts with customers	15	(721,357)		(1,950,161)

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



**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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

(a) Revenue (Continued)	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Revenue from statutory requirements</b>				
Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:				
General rates	26(a)	8,389,497	8,361,400	8,351,893
		8,389,497	8,361,400	8,351,893
<b>Other revenue</b>				
Reimbursements and recoveries		266,511	-	207,883
Other		410,650	108,993	287,655
		677,161	108,993	495,538
<b>Interest earnings</b>				
Financial assets at amortised cost - self supporting loans		451	-	498
Interest on reserve funds		20,418	30,000	48,183
Rates instalment and penalty interest (refer Note 26(c))		123,328	141,000	186,378
Other interest earnings		3,516	30,000	48,573
		147,713	201,000	283,632

**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).

**Interest earnings (continued)**

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

**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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

(b) Expenses	Note	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Auditors remuneration</b>				
- Audit of the Annual Financial Report		18,754	62,200	31,884
- Other services		3,350	2,800	8,604
* Audit fee for the Annual Report 2021 \$27,000 and \$1,800 for Other Services certifications.		22,104	65,000	40,488
<b>Interest expenses (finance costs)</b>				
Borrowings	17(b)	107,538	110,075	118,316
Lease liabilities	16(b)	1,046	-	441
		108,584	110,075	118,757
<b>Other expenditure</b>				
Impairment loss on trade and other receivables from contracts with customers		10,954	-	4,167
Sundry expenses		533,255	422,656	749,696
		544,209	422,656	753,863

**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**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



**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**3. CASH AND CASH EQUIVALENTS**

	NOTE	2021 \$	2020 \$
Cash at bank and on hand		9,438,399	9,474,792
<b>Total cash and cash equivalents</b>		<b>9,438,399</b>	<b>9,474,792</b>

**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		7,764,622	8,026,737
		<b>7,764,622</b>	<b>8,026,737</b>

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

Reserves - cash backed	4	6,452,425	5,553,210
Contract liabilities from contracts with customers	15	721,357	1,950,161
Bonds & deposits held	14	590,840	523,366
<b>Total restricted assets</b>		<b>7,764,622</b>	<b>8,026,737</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments 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.

**Restricted assets**

Restricted asset balances are not available for general use by the Shire 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.



## SHIRE OF GINGIN NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

### 4. RESERVES - CASH BACKED (Continued)

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:

	<b>Name of Reserve</b>	<b>Anticipated date of use</b>	<b>Purpose of the reserve</b>
1	L&L Annual, Sick Leave and Staff Contingency	As required	Used to fund annual leave, long service leave, sick leave, redundancy/retirement and staff contingency.
2	Office Equipment Reserve	As required	Used for the acquisition and/or replacement of major items of office equipment (including computer systems).
3	Plant and Equipment Reserve	As required	Used for the purchase of major plant and equipment.
5	Land and Buildings Reserve	As required	Used for the replacement and/or acquisition of land and buildings.
6	Guilderton Caravan Reserve	As required	Used for the development of Guilderton Caravan Park facilities.
7	Shire Recreation Development Reserve	As required	Used for the development of Shire Recreation facilities.
8	Redfield Park Reserve	As required	Used for the development of Public Open Space within the Redfield Park subdivision.
9	Ocean Farm Recreation Reserve	As required	Used for the development of recreation and community facilities with the Ocean Farm subdivision.
10	Tip Rationalisation Reserve	As required	Used for rationalisation of rubbish tip facilities within the Shire.
11	Lancelin Community Sport and Recreation Reserve	As required	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.
13	Community Infrastructure Reserve	As required	Used to assist in financing of community facilities.
14	Staff Housing	As required	To be used to fund Staff housing infrastructure additions and/or replacement.
15	Future Infrastructure Reserve	As required	To be used to fund future infrastructure construction, purchase, additions and/or renewals.
16	Guilderton Country Club Reserve	As required	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.
17	Coastal Management Reserve - Coastal Inundation	As required	For the purpose of funding coastal erosion mitigation and inundation works.
18	Guilderton Foreshore Reserve	As required	For the purpose to upgrade facilities and amenity within the Guilderton foreshore area.
19	Unspent Grants Reserve - DFES Grant	As required	For the purpose of isolating grant funds received and not used during a financial period.
20	Unspent Grants Reserve - Youth Services Website Grant	As required	For the purpose of isolating grant funds received and not used during a financial period.
21	Seniors Housing Reserve	As required	For the purpose of repairs, improvements, extensions or construction of seniors housing.
22	Gingin Railway Station Reserve	As required	For the purpose of improving and maintaining the Gingin Railway Station.
23	Subdivisions Reserve - Battle-Axe LA3 & LA90	As required	For the purpose of isolating subdivision monies intended for future works.
24	Contributions to Roads Reserve - Culliala Road Intersection	As required	For the purpose of funding future road works.
25	Subdivisions Reserve - Edgar Subdivision	As required	For the purpose of isolating subdivision monies intended for future works.
26	Subdivisions Reserve - Price - Lot 30 Hopkins Street Planning Conditions	As required	For the purpose of isolating subdivision monies intended for future works.
27	Subdivisions Reserve - Donaldson Subdivision	As required	For the purpose of isolating subdivision monies intended for future works.
28	Contribution to Roads Reserve - Cowalla Road Intersection	As required	For the purpose of funding future road works.
29	Contribution to Roads Reserve - China Road	As required	For the purpose of funding future road works.
30	Subdivisions Reserve - Harris M Subdivision	As required	For the purpose of isolating subdivision monies intended for future works.
31	Contribution to Roads Reserve - Balance of Muni Funds	As required	For the purpose of funding future road works.
32	Community Infrastructure Reserve - Lower Coastal Fire Control	As required	Used to assist in the financing of community facilities.
33	Community Infrastructure Reserve - Gingin Logo Plates	As required	Used to assist in the financing of community facilities.
34	Community Infrastructure Reserve - Gingin Ambulance	As required	Used to assist in the financing of community facilities.
35	Community Infrastructure Reserve - Concept Plan for Granville Park Gingin	As required	Used to assist in the financing of community facilities.
36	Community Infrastructure Reserve - Lancelin Ambulance	As required	Used to assist in the financing of community facilities.
37	Coastal Management Reserve - BEN Signs	As required	For the purpose of funding coastal erosion mitigation and inundation works.
38	Subdivision Reserve - Mallee Lane Subdivision Contribution towards DUP	As required	For the purpose of isolating subdivision monies intended for future works.
40	Public Open Space Reserve	As required	For the purpose of funding development of public open space.
41	Guilderton Trailer Parking Reserve	As required	For the purpose of future trailer park bay maintenance at Guilderton Foreshore.



**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**5. OTHER FINANCIAL ASSETS**

**(a) Current assets**

Financial assets at amortised cost

**Other financial assets at amortised cost**

Loan Advances to Community Groups

Self supporting loans

**(b) Non-current assets**

Financial assets at fair value from profit and loss

Financial assets through amortised cost

**Financial assets at amortised cost**

Self supporting loans

Loan advances

**Financial assets at fair value through profit and loss**

Units in Local Government House Trust

	2021	2020
	\$	\$
	7,977	13,165
	7,977	13,165
	5,748	10,982
	2,229	2,183
	7,977	13,165
	73,807	71,221
	17,023	25,000
	90,830	96,221
	17,023	19,252
	-	5,748
	17,023	25,000
	73,807	71,221
	73,807	71,221

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 28.

**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**6. TRADE AND OTHER RECEIVABLES**

**Current**

Rates receivable
Trade and other receivables
GST receivable
Allowance for impairment of receivables
Legal Costs - recovery of rates
Rubbish Fees

**Non-current**

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

	2021	2020
	\$	\$
	817,748	1,076,233
	1,727,666	497,941
	39,045	-
	(10,954)	(4,167)
	245,514	347,332
	56,955	77,065
	<u>2,875,974</u>	<u>1,994,404</u>
	142,800	141,279
	<u>142,800</u>	<u>141,279</u>

**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 28.

**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.

**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**7. INVENTORIES**

**Current**

Fuel and materials  
 History books

	2021	2020
	\$	\$
	16,227	19,561
	18,165	11,046
	<u>34,392</u>	<u>30,607</u>
	30,607	37,516
	(5,824)	(9,374)
	2,490	(2,678)
	7,119	5,143
	<u>34,392</u>	<u>30,607</u>

The following movements in inventories occurred during the year:

**Balance at beginning of year**

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

**Balance at end of year**

**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.



**SHIRE OF GINGIN**  
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**8. OTHER ASSETS**

**Other assets - current**

Prepayments

	2021	2020
	\$	\$
	17,785	18,542
	17,785	18,542

**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.

**SHIRE OF GINGIN  
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**9. PROPERTY, PLANT AND EQUIPMENT**

**(a) Movements in Balances**

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

	Land \$	Buildings - non- specialised \$	Buildings - specialised \$	Total land and buildings owned \$	Land and buildings works in progress \$	Total land buildings and equipment \$	Furniture and equipment \$	Plant and equipment \$	Tools \$	Total property, plant and equipment \$
Gross balance at 1 July 2019	12,978,909	1,681,830	22,829,349	37,490,088	-	37,490,088	343,462	7,265,993	12,900	45,112,443
Accumulated depreciation at 1 July 2019	-	(84,557)	(1,214,358)	(1,298,915)	-	(1,298,915)	(104,683)	(2,132,480)	(7,207)	(3,543,285)
<b>Balance at 1 July 2019</b>	<b>12,978,909</b>	<b>1,597,273</b>	<b>21,614,991</b>	<b>36,191,173</b>	<b>-</b>	<b>36,191,173</b>	<b>238,779</b>	<b>5,133,513</b>	<b>5,693</b>	<b>41,569,158</b>
Additions	-	6,290	415,993	422,283	-	422,283	-	638,867	-	1,061,150
Disposals	(147,000)	-	(57,951)	(204,951)	-	(204,951)	-	(169,922)	-	(374,873)
Depreciation (expense)	-	(53,162)	(763,798)	(816,960)	-	(816,960)	(42,886)	(679,959)	(1,027)	(1,540,832)
<b>Balance at 30 June 2020</b>	<b>12,831,909</b>	<b>1,550,401</b>	<b>21,209,235</b>	<b>35,591,545</b>	<b>-</b>	<b>35,591,545</b>	<b>195,893</b>	<b>4,922,499</b>	<b>4,666</b>	<b>40,714,603</b>
<b>Comprises:</b>										
Gross balance at 30 June 2020	12,831,909	1,688,119	23,177,743	37,697,771	-	37,697,771	343,462	7,570,224	12,900	45,624,357
Accumulated depreciation at 30 June 2020	-	(137,718)	(1,968,508)	(2,106,226)	-	(2,106,226)	(147,569)	(2,647,725)	(8,234)	(4,909,754)
<b>Balance at 30 June 2020</b>	<b>12,831,909</b>	<b>1,550,401</b>	<b>21,209,235</b>	<b>35,591,545</b>	<b>-</b>	<b>35,591,545</b>	<b>195,893</b>	<b>4,922,499</b>	<b>4,666</b>	<b>40,714,603</b>
Additions	25,000	875	545,913	571,788	418,921	990,709	-	918,727	-	1,909,436
Disposals	-	-	-	-	-	-	-	(252,833)	-	(252,833)
Revaluation increments / (decrements) transferred to revaluation surplus	(47,807)	214,843	8,839,215	9,006,251	-	9,006,251	-	-	-	9,006,251
Depreciation (expense)	-	(52,419)	(775,543)	(827,962)	-	(827,962)	(38,375)	(667,481)	(1,026)	(1,534,844)
Transfers	-	-	523,800	523,800	-	523,800	-	-	-	523,800
<b>Balance at 30 June 2021</b>	<b>12,809,102</b>	<b>1,713,700</b>	<b>30,342,620</b>	<b>44,865,422</b>	<b>418,921</b>	<b>45,284,343</b>	<b>157,518</b>	<b>4,920,912</b>	<b>3,640</b>	<b>50,366,413</b>
<b>Comprises:</b>										
Gross balance at 30 June 2021	12,809,102	1,713,700	30,342,620	44,865,422	418,921	45,284,343	343,462	8,073,739	12,900	53,714,444
Accumulated depreciation at 30 June 2021	-	-	-	-	-	-	(185,944)	(3,152,827)	(9,260)	(3,348,031)
<b>Balance at 30 June 2021</b>	<b>12,809,102</b>	<b>1,713,700</b>	<b>30,342,620</b>	<b>44,865,422</b>	<b>418,921</b>	<b>45,284,343</b>	<b>157,518</b>	<b>4,920,912</b>	<b>3,640</b>	<b>50,366,413</b>

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**9. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(b) Carrying Value Measurements**

<b>(i) Fair Value</b>	<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
	<b>Land and buildings</b>					
	Land - freehold land	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2021	Price per hectare
	Buildings - non-specialised	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2021	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 2021	Construction costs and current condition, residual values and remaining useful life assessments inputs
<b>(ii) Cost</b>						
	<b>Furniture and equipment</b>	3	Cost model	N/A	June 2016	Purchase costs
	<b>Plant and equipment</b>	3	Cost model	N/A	June 2016	Purchase costs

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 was effective from 1 July 2019 and represented a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximated cost at the date of change.



SHIRE OF GINGIN  
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10. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - parks & ovals	Infrastructure - other	Infrastructure - bridges	Total Infrastructure
	\$	\$	\$	\$	\$	\$
Gross balance at 1 July 2019	125,265,399	277,995	13,496,413	6,801,172	2,585,268	148,426,247
Accumulated depreciation at 1 July 2019	(2,714,693)	(11,120)	(762,995)	(1,161,068)	(116,292)	(4,766,168)
<b>Balance at 1 July 2019</b>	<b>122,550,706</b>	<b>266,875</b>	<b>12,733,418</b>	<b>5,640,104</b>	<b>2,468,976</b>	<b>143,660,079</b>
Additions	4,322,545	8,806	139,805	(34,291)	-	4,436,865
Disposals	-	-	-	(590)	-	(590)
Depreciation (expense)	(2,982,342)	(11,027)	(785,316)	(572,298)	(125,336)	(4,476,319)
<b>Balance at 30 June 2020</b>	<b>123,890,909</b>	<b>264,654</b>	<b>12,087,907</b>	<b>5,032,925</b>	<b>2,343,640</b>	<b>143,620,035</b>
<b>Comprises:</b>						
Gross balance 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)
<b>Balance at 30 June 2020</b>	<b>123,890,909</b>	<b>264,654</b>	<b>12,087,907</b>	<b>5,032,925</b>	<b>2,343,640</b>	<b>143,620,035</b>
Additions	8,346,460	8,450	1,231,277	7,350	-	9,593,537
Revaluation increments / (decrements) transferred to revaluation surplus	-	-	231,920	3,400,754	-	3,632,674
Depreciation (expense)	(3,237,557)	(10,924)	(783,683)	(574,930)	(125,336)	(4,732,430)
Transfers	-	-	(2,276,099)	1,752,301	-	(523,798)
<b>Balance at 30 June 2021</b>	<b>128,999,812</b>	<b>262,180</b>	<b>10,491,322</b>	<b>9,618,400</b>	<b>2,218,304</b>	<b>151,590,018</b>
<b>Comprises:</b>						
Gross balance at 30 June 2021	137,934,405	295,251	12,409,881	9,618,400	2,585,269	162,843,206
Accumulated depreciation at 30 June 2021	(8,934,593)	(33,071)	(1,918,559)	-	(366,965)	(11,253,188)
<b>Balance at 30 June 2021</b>	<b>128,999,812</b>	<b>262,180</b>	<b>10,491,322</b>	<b>9,618,400</b>	<b>2,218,304</b>	<b>151,590,018</b>

**SHIRE OF GINGIN  
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**10. INFRASTRUCTURE (Continued)**

**(b) Carrying Value Measurements**

<b>(i) Fair Value</b>	<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
	<b>Infrastructure - roads</b>	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3).
	<b>Infrastructure - footpaths</b>	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3).
	<b>Infrastructure - parks &amp; ovals</b>	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3).
	<b>Infrastructure - other</b>	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2021	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3).
	<b>Infrastructure - bridges</b>	3	Cost approach using depreciated replacement cost	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.

**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**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, and infrastructure 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, and infrastructure 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.

**Revaluation (Continued)**

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 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, is 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.

**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).



**SHIRE OF GINGIN**  
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**11. FIXED ASSETS**

(a) Disposals of Assets

	2021	2021	2021	2021	2021	2021	2021	2020	2020	2020	2020	
	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit	Budget Loss	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	-	-	-	-	-	-	-	-	147,000	134,400	-	(12,600)
Buildings - specialised	-	-	-	-	-	-	-	-	57,951	25,600	-	(32,351)
Furniture and equipment	-	109	109	-	-	-	-	-	-	-	-	-
Plant and equipment	252,834	253,165	73,597	(73,266)	253,545	253,545	-	-	169,922	141,500	9,796	(38,218)
Infrastructure - other	-	-	-	-	-	-	-	-	-	-	-	(590)
	252,834	253,274	73,706	(73,266)	253,545	253,545	-	-	374,873	301,500	9,796	(83,759)

The following assets were disposed of during the year.

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$
<b>Plant and Equipment</b>				
<b>Community amenities</b>				
Sale of Utility GG046	22,998	20,455	-	(2,543)
<b>Transport</b>				
Sale of John Deere 670D GG004	54,000	115,000	61,000	-
Sale of Utility GG068	14,527	21,636	7,109	-
Sale of Utility GG020	25,000	16,636	-	(8,364)
Sale of Van GG009	20,999	8,182	-	(12,817)
Sale of Prime Mover GG028	69,998	20,455	-	(49,542)
Sale of Utility 5GG	45,312	50,801	5,488	-
<b>Other property and services</b>				
Sale of iPad	-	109	109	-
	252,834	253,274	73,706	(73,266)
	252,834	253,274	73,706	(73,266)

**SHIRE OF GINGIN**  
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**11. FIXED ASSETS**

**(b) Depreciation**

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Buildings	827,962	839,782	816,960
Furniture and equipment	38,375	67,827	42,886
Plant and equipment	667,481	739,960	679,959
Tools	1,026	1,790	1,027
Infrastructure - roads	3,237,557	1,788,880	2,982,342
Infrastructure - footpaths	10,924	11,120	11,027
Infrastructure - parks & ovals	783,683	993,946	785,316
Infrastructure - other	574,930	360,707	572,298
Infrastructure - bridges	125,336	116,228	125,336
Right-of-use assets - buildings	8,267	-	6,940
Right-of-use assets - plant and equipment	16,007	2,638	26,021
	<b>6,291,548</b>	<b>4,922,878</b>	<b>6,050,112</b>

**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 60 years
Buildings - specialised	2 to 80 years
Furniture and equipment	3 to 50 years
Plant and equipment Large Plant	5 to 20 years
Plant and equipment Small Plant	1 to 5 years
Plant and equipment - Sundry	1 to 35 years
Tools	4 to 10 years
Infrastructure - Footpaths	40 years
Infrastructure - Parks & ovals	1 to 40 years
Infrastructure - Bridges	2 to 100 years
Infrastructure - Other	1 to 75 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 as follows:

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

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**12. LEASES**

**(a) Right-of-Use Assets**

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

	Right-of-use assets - buildings	Right-of-use assets - plant and equipment	Right-of-use assets Total
	\$	\$	
<b>Balance at 1 July 2019</b>	-	-	-
Recognised on initial application of AASB 16	6,940	28,659	35,599
Depreciation (expense)	(6,940)	(26,021)	(32,961)
<b>Balance at 30 June 2020</b>	-	2,638	2,638
Additions	20,855	109,881	130,736
Depreciation (expense)	(8,267)	(16,007)	(24,274)
<b>Balance at 30 June 2021</b>	12,588	96,512	109,100

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

	2021 Actual	2020 Actual
	\$	\$
Depreciation expense on lease liabilities	(24,274)	(32,961)
Interest expense on lease liabilities	1,046	441
Low-value asset lease payments recognised as expense	24,023	32,921
<b>Total amount recognised in the statement of comprehensive income</b>	795	401
Total cash outflow from leases	(25,069)	(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.



**SHIRE OF GINGJIN**  
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**13. REVALUATION SURPLUS**

	2021 Opening Balance	2021 Revaluation Increment	2021 Revaluation (Decrement)	Total Movement on Revaluation	2021 Closing Balance	2020 Opening Balance	2020 Change in Accounting Policy	2020 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	5,774,614	-	(47,807)	(47,807)	5,726,807	5,774,614	-	5,774,614
Land - vested in and under the control of Council	-	-	-	-	-	4,379,331	(4,379,331)	-
Buildings	15,861,740	9,054,059	-	9,054,059	24,915,799	15,861,740	-	15,861,740
Plant and equipment	2,429,366	-	-	-	2,429,366	2,429,366	-	2,429,366
Tools	62,540	-	-	-	62,540	62,540	-	62,540
Infrastructure - roads	107,822,769	-	-	-	107,822,769	108,208,567	-	108,208,567
Infrastructure - parks & ovals	7,693,992	231,920	-	231,920	7,925,912	7,693,992	-	7,693,992
Infrastructure - bridges	-	-	-	-	0	2,744,000	-	2,744,000
Infrastructure - footpaths	385,798	-	-	-	385,798	-	-	-
Infrastructure - bridges	2,744,000	-	-	-	2,744,000	-	-	-
Infrastructure - other	-	3,400,754	-	3,400,754	3,400,754	-	-	-
	142,774,819	12,686,733	(47,807)	12,638,926	155,413,745	147,154,150	(4,379,331)	142,774,819

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**14. TRADE AND OTHER PAYABLES**

**Current**

Sundry creditors	
Prepaid rates	
Accrued salaries and wages	
Bonds and deposits held	
Accrued interest on long term borrowings	
Income received in advance	

2021	2020
\$	\$
1,289,826	654,646
151,839	106,820
120,343	84,950
590,840	523,366
22,298	24,835
68,748	26,290
<b>2,243,894</b>	<b>1,420,907</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other payables**

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

15. CONTRACT LIABILITIES

**Current**  
 Contract liabilities

2021	2020
\$	\$
721,357	1,950,161
<b>721,357</b>	<b>1,950,161</b>

**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.

**Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity**

Grant liabilities represent the the Shire's performance obligations to construct recognisable non-financial assets to identified specifications which are yet to be satisfied.

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

## SHIRE OF GINGIN NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

### 16. LEASE LIABILITIES

	2021 \$	2020 \$
Current	24,023	2,330
Non-current	85,369	348
	109,392	2,678

#### (b) Movements in Carrying Amounts

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	30 June 2021		30 June 2021		30 June 2021		30 June 2021		30 June 2021		30 June 2021		30 June 2021		30 June 2020		30 June 2020		
					Actual Lease Principal 1 July 2020	Actual New Leases	Actual Lease Principal	Actual Repayments	Budget Lease Principal 1 July 2020	Budget Repayments	Budget Lease Principal	Budget Repayments	Actual Lease Principal 1 July 2020	Actual Repayments	Budget Lease Principal	Budget Repayments	Actual Lease Principal	Actual Repayments	Budget Lease Principal	Budget Repayments	Actual Lease Principal	Actual Repayments	Budget Lease Principal
<b>Transport</b>																							
Street sweeper	2	T-Quip	3.10%	36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Other property and services</b>																							
Lancelin administration office	1	Lewis Hughes	2.10%	12	-	20,855	(6,862)	13,994	(228)	-	(7,092)	(7,092)	-	6,940	(6,940)	-	(79)	-	-	-	-	-	
Postal franking machine	3	Advance Office Solutions	3.10%	60	2,678	-	(2,290)	388	(50)	2,678	2,190	(488)	-	4,900	(2,222)	2,678	(119)	-	-	-	-	-	
Photocopier - Ineo 958	4	OPC Group	1.10%	36	-	22,702	(4,982)	17,720	(148)	-	-	-	-	-	-	-	-	-	-	-	-	-	
IT Server	5	Dell Financial Services	1.30%	60	-	87,179	(9,889)	77,290	(620)	-	-	-	-	-	-	-	-	-	-	-	-	-	
					2,678	130,736	(24,023)	109,392	(1,046)	2,678	(7,560)	(4,902)	-	35,599	(32,921)	2,678	(441)	-	-	-	-	-	-



# SHIRE OF GINGIN NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

## 17. INFORMATION ON BORROWINGS

	2021		2020		Repayments - Borrowings																
	Number	Institution	Interest Rate		30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	30 June 2021	
Particulars	Loan Number	Institution	Interest Rate		Actual Principal	Actual New Loans	Actual repayments	Actual Interest	Actual Principal	Budget repayments	Budget Interest	Budget Principal	Budget New Loans	Budget repayments	Budget Interest	Budget Principal	Actual Principal	Actual Interest	Actual Principal	Actual Interest	
					1 July 2020	1 July 2020	1 July 2020	1 July 2020	1 July 2020	1 July 2020	1 July 2020	1 July 2020	1 July 2020	1 July 2020	1 July 2020	1 July 2020	1 July 2020	1 July 2020	1 July 2020	1 July 2020	
<b>Health</b>																					
Gingin Medical Centre	L100	WATC*	6.51%		131,258	-	(29,686)	(7,254)	101,572	(29,686)	(6,070)	101,572	-	(29,686)	(6,070)	101,572	159,075	(9,154)	131,258	(9,154)	131,258
<b>Community amenities</b>																					
Tip Rationalisation	L111	WATC*	6.49%		435,111	-	(18,822)	(27,460)	416,289	(18,822)	(27,938)	416,289	-	(18,822)	(27,938)	416,289	452,768	(28,691)	435,111	(28,691)	435,111
Seabird Sea Wall	L127	WATC*	2.51%		145,020	-	(20,809)	(3,285)	124,211	(20,809)	(3,510)	124,211	-	(20,809)	(3,510)	124,211	165,317	(3,806)	145,020	(3,806)	145,020
<b>Recreation and culture</b>																					
Guilderton Country Club	L114	WATC*	7.14%		370,175	-	(35,734)	(25,513)	334,441	(35,734)	(25,804)	334,441	-	(35,734)	(25,804)	334,441	403,488	(27,953)	370,175	(27,953)	370,175
Cunliffe Street Redevelopment	L119	WATC*	7.19%		-	250,000	-	-	250,000	-	-	250,000	-	-	-	250,000	-	-	-	-	-
Regional Hardcourt Facility	L120	WATC*	6.68%		264,331	-	(22,260)	(17,243)	242,071	(22,260)	(17,292)	242,071	-	(22,260)	(17,292)	242,071	285,175	(18,662)	264,331	(18,662)	264,331
Regional Hardcourt Facility	L124A	WATC*	4.13%		254,467	-	(21,026)	(10,231)	233,441	(21,026)	(10,295)	233,441	-	(21,026)	(10,295)	233,441	274,651	(11,075)	254,467	(11,075)	254,467
Swimming Pool Tiling	L126	WATC*	3.10%		95,471	-	(14,714)	(2,658)	80,757	(14,714)	(2,846)	80,757	-	(14,714)	(2,846)	80,757	109,739	(3,113)	95,471	(3,113)	95,471
Gingin Outdoor Activity Space	L132	WATC*	1.43%		-	177,000	-	(90)	177,000	-	-	177,000	-	-	-	177,000	-	-	-	-	-
<b>Economic services</b>																					
Lancelin Caravan Park Assets	L128	WATC*	2.52%		103,130	-	(40,479)	(1,963)	62,651	(40,479)	(2,345)	62,651	-	(40,479)	(2,345)	62,651	142,607	(2,977)	103,130	(2,977)	103,130
Guilderton Caravan Park Waste Water					-	-	-	-	-	-	-	100,000	-	-	-	100,000	-	-	-	-	-
<b>Other property and services</b>																					
Lot 44 Weid Street Gingin	L123	WATC*	6.96%		169,628	-	(16,485)	(11,286)	153,143	(16,485)	(11,524)	153,143	-	(16,485)	(11,524)	153,143	185,023	(12,392)	169,628	(12,392)	169,628
Altus Financials Suite Software Upgrade	L131	WATC*	1.94%		1,968,591	157,743	(220,015)	(107,092)	2,083,319	(220,015)	(109,624)	2,275,576	527,000	(220,015)	(109,624)	2,275,576	2,177,843	(117,823)	1,968,591	(117,823)	1,968,591
<b>Self Supporting Loans</b>																					
<b>Recreation and culture</b>																					
Ledge Point Country Club Cool Room	L130	WATC*	2.16%		21,435	-	(2,182)	(446)	19,253	(2,182)	(451)	19,253	-	(2,182)	(451)	19,253	23,571	(493)	21,435	(493)	21,435
					21,435	-	(2,182)	(446)	19,253	(2,182)	(451)	19,253	-	(2,182)	(451)	19,253	23,571	(493)	21,435	(493)	21,435
					1,990,026	334,743	(222,197)	(107,538)	2,102,572	(222,197)	(110,075)	2,294,829	527,000	(222,197)	(110,075)	2,294,829	2,201,414	(118,316)	1,990,026	(118,316)	1,990,026

\* 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.

**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**17. INFORMATION ON BORROWINGS (Continued)**

**(c) New Borrowings - 2020/21**

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate %	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2021 Actual	2021 Budget	2021 Actual	2021 Budget		
LA Cunliffe Car Park	WATC*	Debenture	10		-	250,000	-	250,000	-	-
Altus Financials Software Upgrade	WATC*	Debenture	10	1.94%	157,743	-	157,743	-	-	-
GG Outdoor Activity Space	WATC*	Debenture	10	1.43%	177,000	177,000	177,000	177,000	-	-
GU Caravan Park Waste Water	WATC*	Debenture	10		-	100,000	-	100,000	-	-
* WA Treasury Corporation					334,743	527,000	334,743	527,000	-	-

**(d) Undrawn Borrowing Facilities**

**Credit Standby Arrangements**

	2021	2020
	\$	\$
Bank overdraft limit	500,000	500,000
Bank overdraft at balance date	-	-
Credit card limit	24,000	29,000
Credit card balance at balance date	(6,201)	(3,959)
<b>Total amount of credit unused</b>	<b>517,799</b>	<b>525,041</b>

**Loan facilities**

	2021	2020
Loan facilities - current	259,387	222,197
Loan facilities - non-current	1,843,185	1,767,829
Lease liabilities - current	24,023	2,330
Lease liabilities - non-current	85,369	348
<b>Total facilities in use at balance date</b>	<b>2,211,964</b>	<b>1,992,704</b>

**Unused loan facilities at balance date**

NIL NIL

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Borrowing costs**

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

**Risk**

Information regarding exposure to risk can be found at Note 28.

## 18. EMPLOYEE RELATED PROVISIONS

### (a) Employee Related Provisions

	Provision for Annual Leave & Other Entitlements	Provision for Long Service Leave	Total
	\$	\$	\$
<b>Opening balance at 1 July 2020</b>			
Current	524,292	457,254	981,546
Non-current	18,200	121,537	139,737
	542,492	578,791	1,121,283
<b>Additional provision</b>	54,731	(105,452)	(50,721)
<b>Balance at 30 June 2021</b>	597,223	473,339	1,070,562
<b>Comprises</b>			
Current	597,223	407,116	1,004,339
Non-current	-	66,223	66,223
	597,223	473,339	1,070,562

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

	2021	2020
	\$	\$
Less than 12 months after the reporting date	522,099	670,552
More than 12 months from reporting date	518,208	400,894
Expected reimbursements from other WA local governments	30,255	49,837
	1,070,562	1,121,283

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

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

#### Short-term employee benefits

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

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

#### Other long-term employee benefits

Long-term employee benefits 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.

## 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:

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Cash and cash equivalents	9,438,399	6,347,933	9,474,792
<b>Reconciliation of Net Cash Provided By Operating Activities</b>			
Net result	6,165,754	10,081,429	556,651
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(2,586)	-	(1,153)
Depreciation on non-current assets	6,291,548	4,922,878	6,050,112
(Profit)/loss on sale of asset	(440)	-	73,963
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables	(883,091)	-	(112,445)
(Increase)/decrease in other assets	757	-	(1,369)
(Increase)/decrease in inventories	(3,785)	-	6,909
Increase/(decrease) in trade and other payables	822,988	-	110,361
Increase/(decrease) in employee related provisions	(50,721)	-	133,004
Increase/(decrease) in contract liability	(1,228,804)	-	842,062
Non-operating grants, subsidies and contributions	(8,352,488)	(12,774,739)	(3,876,600)
Net cash from operating activities	2,759,132	2,229,568	3,781,495



SHIRE OF GINGIN  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2021

20. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2021	2020
	\$	\$
Governance	245,514	-
General purpose funding	971,132	1,564,869
Law, order, public safety	4,174,263	1,958,970
Health	904,578	2,620,027
Education and welfare	3,307,100	738,300
Housing	1,634	-
Community amenities	2,473,186	1,591,542
Recreation and culture	7,946,288	29,364,393
Transport	133,033,087	127,315,421
Economic services	34,917,135	1,980,057
Other property and services	20,607,149	16,662,243
Unallocated	6,092,622	12,310,464
	<u>214,673,688</u>	<u>196,106,286</u>

## 21. CONTINGENT LIABILITIES

Contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

There are no contingent liabilities at 30 June 2021.

SHIRE OF GINGIN  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2021

**22. COMMITMENTS**

**(a) Capital Expenditure Commitments**

Contracted for:

- capital expenditure projects

	2021	2020
	\$	\$
	668,487	4,758,818
	668,487	4,758,818
	668,487	4,758,818

Payable:

- not later than one year

The capital commitments relate to the following projects:

Gingin Outdoor Activity Space \$32,003

Lancelin Skate Park \$92,474

Guilderton Foreshore Ablutions \$46,022

Gingin Hotspot Coastal Monitoring Project \$21,675

Cowalla Road Reconstruction & Final Seal \$76,313

Gingin ICC Building \$400,000

23. ELECTED MEMBERS REMUNERATION

	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Cr Fewster - Shire President</b>			
President's annual allowance	14,000	14,000	16,000
Meeting attendance fees	13,125	13,125	12,886
ICT expenses	1,770	1,803	2,020
Travel and accommodation expenses	-	1,667	803
	28,895	30,595	31,709
<b>Cr Rule - Deputy President</b>			
Deputy President's annual allowance	3,500	3,500	4,000
Meeting attendance fees	7,000	7,000	8,000
ICT expenses	1,770	1,803	2,020
Travel and accommodation expenses	-	1,667	-
	12,270	13,970	14,020
<b>Cr Johnson - Councillor</b>			
Meeting attendance fees	7,000	7,000	8,000
ICT expenses	1,770	1,803	2,020
Travel and accommodation expenses	2,856	1,667	2,741
	11,626	10,470	12,761
<b>Cr Vis - Councillor</b>			
Meeting attendance fees	7,000	7,000	5,896
ICT expenses	1,770	1,803	1,410
Travel and accommodation expenses	-	1,667	-
	8,770	10,470	7,306
<b>Cr Peczka - Councillor</b>			
Meeting attendance fees	7,000	7,000	8,000
ICT expenses	1,770	1,803	2,020
Travel and accommodation expenses	2,592	1,667	2,661
	11,362	10,470	12,681
<b>Cr Court - Councillor</b>			
Meeting attendance fees	7,000	7,000	8,000
ICT expenses	1,770	1,803	2,020
Travel and accommodation expenses	2,267	1,667	1,758
	11,037	10,470	11,778
<b>Cr Lobb - Councillor</b>			
Meeting attendance fees	7,000	7,000	8,000
ICT expenses	1,770	1,803	2,020
Travel and accommodation expenses	2,675	1,667	4,777
	11,445	10,470	14,797
<b>Cr Morton - Councillor</b>			
Meeting attendance fees	7,000	7,000	8,000
ICT expenses	1,770	1,803	2,020
Travel and accommodation expenses	-	1,667	-
	8,770	10,470	10,020
<b>Cr Balcombe - Councillor</b>			
Meeting attendance fees	7,000	7,000	5,896
ICT expenses	1,770	1,802	1,410
Travel and accommodation expenses	-	1,664	-
	8,770	10,466	7,306



**23. ELECTED MEMBERS REMUNERATION**

	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Cr Elgin - Former Deputy President</b>			
Meeting attendance fees	-	-	2,416
ICT expenses	-	-	610
	-	-	3,026
<b>Cr Collard - Former Shire President</b>			
Meeting attendance fees	-	-	4,531
ICT expenses	-	-	610
	-	-	5,141
	112,945	117,851	130,545
Fees, expenses and allowances to be paid or reimbursed reimbursed to elected council members.			
President's allowance	14,000	14,000	16,000
Deputy President's allowance	3,500	3,500	4,000
Meeting attendance fees	69,125	69,125	79,625
ICT expenses	15,930	16,226	18,180
Travel and accommodation expenses	10,390	15,000	12,740
	112,945	117,851	130,545
Conferences and Training	3,675	26,100	26,527
	116,620	143,951	157,072

## 24. RELATED PARTY TRANSACTIONS (Continued)

### Key Management Personnel (KMP) Compensation Disclosure

	2021 Actual	2020 Actual
The total of remuneration paid to KMP of the Shire during the year are as follows:	\$	\$
Short-term employee benefits	602,438	650,084
Post-employment benefits	69,388	70,014
Other long-term benefits	15,632	14,930
Termination benefits	37,523	34,196
	724,981	769,224

#### *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 (Note: may or may not be applicable in any given year).

### Transactions with related parties

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

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

	2021 Actual	2020 Actual
The following transactions occurred with related parties:	\$	\$
Sale of goods and services	12,390	26,391
Purchase of goods and services	14,596	16,629

### 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.

## 25. JOINT ARRANGEMENTS

### (b) Share of joint operations

The Shire has two separate joint agreements with the Department of Communities for the provision of housing at 2 Atkinson Way Lancelin.

For accounting purposes these joint arrangements constitutes joint operations. The assets are land and 11 x 2 bedroom units. The ownership of the assets is determined by agreements which includes the percentage of each parties equitable interest. The assets are included in the Land and Buildings as follows;

#### Non-Current Assets

Land and Buildings

Land Lot 84 Atkinson Way Lancelin

Atkinson Way Lancelin (5 x 2 bedroom units) Units 1-5 @ 36.10%

Atkinson Way Lancelin (6 x 2 bedroom units) Units 6-11 @ 39.37%

Less: accumulated depreciation

Total assets

	2021	2020
	\$	\$
	20,000	201,909
	342,950	315,491
	433,070	427,023
	-	(42,394)
	<u>796,022</u>	<u>902,029</u>
	<u>796,022</u>	<u>902,029</u>

The Shire manages the property and tenancy under the joint operation. All associated revenue and expenses are recognised in the financial statements of the Shire.

#### Statement of Comprehensive income

Other revenue

Other expenditure

Net result for the period

	81,181	79,481
	(52,917)	(56,321)
	<u>28,264</u>	<u>23,160</u>
	91,974	-
	<u>91,974</u>	<u>-</u>
	120,238	23,160

#### Other comprehensive income

*Items that will not be reclassified subsequently to profit or loss*

Changes in asset revaluation surplus

**Total other comprehensive income for the period**

**Total comprehensive income for the period**





**SHIRE OF GINGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

**26. RATING INFORMATION (Continued)**

**(b) Waivers or Concessions**

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount %	Discount \$	2021 Actual \$	2021 Budget \$	2020 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.	137,028	130,000	139,357
				137,028	130,000	139,357
				137,028	130,000	139,357

Total discounts/concessions (Note 26(a))

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.

26. RATING INFORMATION (Continued)

(c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
<b>Option One</b>				
Single full payment	16/09/2020	0.00	0.00%	8.00%
<b>Option Two</b>				
First instalment	16/09/2020	0.00	5.50%	8.00%
Second instalment	16/11/2020	0.00	5.50%	8.00%
<b>Option Three</b>				
First instalment	16/09/2020	0.00	5.50%	8.00%
Second instalment	16/11/2020	0.00	5.50%	8.00%
Third instalment	18/01/2021	0.00	5.50%	8.00%
Fourth instalment	18/03/2021	0.00	5.50%	8.00%

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Interest on unpaid rates	96,236	110,000	155,334
Interest on instalment plan	26,052	29,000	28,676
Charges on instalment plan	-	-	19,630
Deferred pensioner rates interest	1,040	2,000	2,368
	123,328	141,000	206,008

SHIRE OF GINGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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27. RATE SETTING STATEMENT INFORMATION

	2020/21 (30 June 2021 Carried Forward)	2020/21 Budget (30 June 2021 Carried Forward)	2019/20 (30 June 2020 Carried Forward)
Note	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals	11(a) (73,706)	-	(9,796)
Less: Fair value adjustments to financial assets at fair value through profit and loss	(2,586)	-	(1,153)
Movement in pensioner deferred rates (non-current)	(1,521)	-	(12,792)
Movement in employee benefit provisions (non-current)	(73,514)	-	41,177
Add: Loss on disposal of assets	11(a) 73,266	-	83,759
Add: Depreciation on non-current assets	11(b) 6,291,548	4,922,878	6,050,112
<b>Non cash amounts excluded from operating activities</b>	6,213,487	4,922,878	6,151,307
<b>(b) Surplus/(deficit) after imposition of general rates</b>			
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
<b>Adjustments to net current assets</b>			
Less: Reserves - cash backed	4 (6,452,425)	(4,844,341)	(5,553,210)
Less: Cash - restricted	-	540,777	-
Less: Financial assets at amortised cost - self supporting loans	5(a) (7,977)	340	(13,164)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	17(a) 259,386	281,551	222,197
- Current portion of contract liability held in reserve	-	(1,619,425)	-
- Current portion of lease liabilities	16 24,023	-	2,330
<b>Total adjustments to net current assets</b>	(6,176,993)	(5,641,098)	(5,341,847)
<b>Net current assets used in the Rate Setting Statement</b>			
Total current assets	12,374,527	8,394,971	11,531,510
Less: Total current liabilities	(4,253,000)	(2,753,873)	(4,577,141)
Less: Total adjustments to net current assets	(6,176,993)	(5,641,098)	(5,341,848)
<b>Net current assets used in the Rate Setting Statement</b>	1,944,534	-	1,612,521

## 28. 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

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

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

### (a) Interest rate risk

#### Cash and cash equivalents

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Shire to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents 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 \$
<b>2021</b>					
Cash and cash equivalents	0.25%	9,438,399	-	9,435,499	2,900
<b>2020</b>					
Cash and cash equivalents	1.16%	9,474,792	-	9,471,992	2,800

#### Sensitivity analysis

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\*

	2021	2020
	\$	\$
	94,355	94,720

\* 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).



## 28. 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 encourage 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 2020 or 1 July 2021 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 2021 for rates receivable was determined as follows:

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
<b>30 June 2021</b>					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	339,330	228,619	218,777	333,491	1,120,217
Loss allowance	-	-	-	-	-
<b>30 June 2020</b>					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	459,155	392,266	207,020	442,189	1,500,630

The loss allowance as at 30 June 2021 and 30 June 2020 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
<b>30 June 2021</b>					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	33.51%	
Gross carrying amount	1,541,498	118,826	34,652	32,690	1,727,666
Loss allowance	-	-	-	10,954	10,954
<b>30 June 2020</b>					
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	-	-	-	4,167	4,167

## 28. 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
	\$	\$	\$	\$	\$
<b>2021</b>					
Payables	2,243,894	-	-	2,243,894	2,243,894
Borrowings	363,502	1,309,383	1,218,136	2,891,021	2,102,572
Lease liabilities	33,190	78,899	-	112,089	109,392
	<u>2,640,586</u>	<u>1,388,282</u>	<u>1,218,136</u>	<u>5,247,004</u>	<u>4,455,858</u>
<b>2020</b>					
Payables	1,420,907	-	-	1,420,907	1,420,907
Borrowings	332,272	1,184,463	1,006,418	2,523,153	1,990,026
Lease liabilities	2,330	348	-	2,678	2,678
	<u>1,755,509</u>	<u>1,184,811</u>	<u>1,006,418</u>	<u>3,946,738</u>	<u>3,413,611</u>

## 29. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There has been no material events after the reporting period which would affect the financial report for the Shire of Gingin for the year ended 30 June 2021 or which would require additional disclosures.

### 30. CORRECTION OF ERROR

The Shire has a joint venture agreement with the Department of Communities for the provision of aged housing. For accounting purposes this joint arrangement constitutes a joint operation. The assets are land and 11 x 2 bedroom units at 2 Atkinson Way, Lancelin.

The ownership of the assets is determined by an equity agreement which includes the percentage of each parties equitable interest.

Paragraph 17A of the Local Government (Financial Management) Regulation 1996 was amended to require all physical non-current assets to be valued on a fair value basis with full implementation by 30 June 2017. At the time of applying the fair value of joint venture housing the full fair value of the assets was incorrectly recognised by the Shire, rather than only recognising its own portion of the asset. The Shire of Gingin has retrospectively applied the correction and an adjustment to reflect the Shire's equitable value of the asset has been amended accordingly.

Statement of Financial Position (Extract)	30 June 2020 \$	Increase/ (Decrease) \$	30 June 2020 (Restated) \$	01 July 2019 \$	Increase/ (Decrease) \$	01 July 2019 (Restated) \$
Property, plant and equipment	42,194,112	(1,479,509)	40,714,603	43,071,744	(1,502,586)	41,569,158
	<u>42,194,112</u>	<u>(1,479,509)</u>	<u>40,714,603</u>	<u>43,071,744</u>	<u>(1,502,586)</u>	<u>41,569,158</u>
Revaluation Surplus	144,323,972	(1,549,153)	142,774,819	144,323,972	(1,549,153)	142,774,819
Retained earnings	41,223,558	69,644	41,293,202	41,951,231	46,567	41,997,798
Total equity	<u>185,547,530</u>	<u>(1,479,509)</u>	<u>184,068,021</u>	<u>186,275,203</u>	<u>(1,502,586)</u>	<u>184,772,617</u>

Statement of Comprehensive Income (Extract)	2020 \$	Increase/ (Decrease) \$	2020 (Restated) \$
<i>By Nature or Type</i>			
Depreciation	6,073,189	(23,077)	6,050,112
<i>By program</i>			
<b>Expenses</b>			
Education and welfare	266,525	(23,077)	243,448
Net result for the period	533,574	23,077	556,651
<b>Total comprehensive income for the period</b>	<u>533,574</u>	<u>23,077</u>	<u>556,651</u>



**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**31. 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 2020	Amounts Received	Amounts Paid	30 June 2021
	\$	\$	\$	\$
Bonds, Tenders etc	6,067	-	(6,067)	-
Community Groups	1,569	-	(1,569)	-
D Wedge Trust	6,405	-	(6,405)	-
Landscaping Bonds	13,112	-	(13,112)	-
Other Bonds/Trusts	4,546	338	(4,884)	-
Public Open Space	46,218	26,050	(60,942)	11,326
Councillor Nomination Deposits	-	-	-	-
	<b>77,917</b>	<b>26,388</b>	<b>(92,979)</b>	<b>11,326</b>

# SHIRE OF GINGIN

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

### 32. OTHER SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

#### c) Rounding off figures

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

#### d) Comparative figures

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

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

#### e) Budget comparative figures

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

#### f) Superannuation

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

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

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

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

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

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

#### h) Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair

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

#### Level 1

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

#### Level 2

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

#### Level 3

Measurements based on unobservable inputs for the asset or liability.

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

#### Valuation techniques

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

#### Market approach

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

#### Income approach

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

#### Cost approach

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

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

#### i) Impairment of assets

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

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

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

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

**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**33. ACTIVITIES/PROGRAMS**

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

<b>PROGRAM NAME AND OBJECTIVES</b>	<b>ACTIVITIES</b>
<p><b>GOVERNANCE</b></p> <p>To provide a decision making process for the efficient allocation of scarce resources</p>	<p>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.</p>
<p><b>GENERAL PURPOSE FUNDING</b></p> <p>To collect revenue to allow for the provision of services</p>	<p>Rates, general purpose government grants and interest revenue.</p>
<p><b>LAW, ORDER, PUBLIC SAFETY</b></p> <p>To provide services to help ensure a safer and environmentally conscious community</p>	<p>Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.</p>
<p><b>HEALTH</b></p> <p>To provide an operational framework for environmental and community health</p>	<p>Inspection of food outlets and their control, noise control and waste disposal compliance.</p>
<p><b>EDUCATION AND WELFARE</b></p> <p>To provide services to disadvantaged persons, the elderly, children and youth</p>	<p>Maintenance of playgroup centre, aged care housing and Wangaree Community Centre. Provision and maintenance of youth services.</p>
<p><b>HOUSING</b></p> <p>To provide and maintain staff and other housing</p>	<p>Provision and maintenance of staff and other housing.</p>
<p><b>COMMUNITY AMENITIES</b></p> <p>To provide services required by the community</p>	<p>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.</p>
<p><b>RECREATION AND CULTURE</b></p> <p>To establish and effectively manage infrastructure and resource which will help the social well being of the community</p>	<p>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.</p>
<p><b>TRANSPORT</b></p> <p>To provide safe, effective and efficient transport services to the community</p>	<p>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.</p>
<p><b>ECONOMIC SERVICES</b></p> <p>To help promote the shire and its economic wellbeing</p>	<p>Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes.</p>
<p><b>OTHER PROPERTY AND SERVICES</b></p> <p>To monitor and control Shire's overheads operating accounts</p>	<p>Private works operation, plant repair and operation costs and engineering operation costs, administration costs allocated and other unclassified works and services.</p>

### 34. FINANCIAL RATIOS

	2021 Actual	2020 Actual	2019 Actual
Current ratio	1.66	0.97	1.91
Asset consumption ratio	0.93	0.93	0.96
Asset renewal funding ratio	*N/A	1.10	1.09
Asset sustainability ratio	0.15	0.81	0.30
Debt service cover ratio	12.78	8.64	5.67
Operating surplus ratio	(0.17)	(0.27)	(0.33)
Own source revenue coverage ratio	0.68	0.65	0.62

\* The Shire of Gingin has not reported the Asset Renewal Funding Ratio due to having an outdated Asset Management Plan and Long Term Financial Plan. The reporting of this ratio would be based on inaccurate data.

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	$\frac{\text{own source operating revenue}}{\text{operating expense}}$





## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2021 Shire of Gingin

To the Councillors of the Shire of Gingin

## Report on the audit of the annual financial report

### Opinion

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

- the Statement of Financial Position at 30 June 2021, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information
- the Statement by the Chief Executive Officer.

In my opinion the financial report of the Shire of Gingin:

- is based on proper accounts and records
- fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2021 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

### Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities section below. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Emphasis of Matter – Restatement of comparative figures

I draw attention to Note 30 to the financial statements which states that the amounts reported in the previously issued 30 June 2020 Annual Financial Report have been restated and disclosed as comparatives in this Annual Financial Report. My opinion is not modified in respect of this matter.

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

The Chief Executive Officer (CEO) of the Shire is responsible for the preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards. The CEO is also responsible for managing internal control (as required by the CEO) to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern 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

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

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

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

## Report on other legal and regulatory requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) In my opinion, the following material matter indicates a significant adverse trend in the financial position of the Shire:
  - a) The Operating Surplus Ratio is below the Department of Local Government, Sport and Cultural Industries standard for the past 3 years. The financial ratios are reported at Note 34 of the annual financial report.
- (ii) The following material matter indicating non-compliance with Part 6 of the Act, the Regulations or applicable financial controls of any other relevant written law were identified during the course of my audit:
  - a) The Shire has not reported the Asset Renewal Funding Ratio for 2021 in the annual financial report as required by section 50(1)(c) of the Local Government (Financial Management) Regulations 1996, as management has not updated the asset management plan and long term financial plan.
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.
- (v) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the financial report were supported by verifiable information and reasonable assumptions.

### **Other matter**

The financial ratios for 2019 and 2020 in Note 34 of the financial report were audited by another auditor when performing their audit of the Shire for the years ending 30 June 2019 and 30 June 2020. The auditor expressed an unmodified opinion on the financial report for those years.

### **Other information**

The other information is the information in the entity's annual report for the year ended 30 June 2021, but not the financial report and my auditor's report. The CEO is responsible for the preparation and the Council for overseeing the other information.

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

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

This auditor's report relates to the financial report of the Shire of Gingin for the year ended 30 June 2021 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.

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Delegate of the Auditor General for Western Australia  
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29 June 2022



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