



SHIRE OF  
WICKEPIN

Annual Report

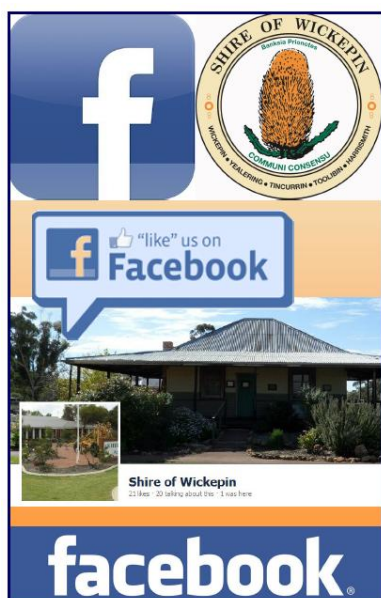
2011/2012





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Office hours: 8.30am – 4.30pm  
Monday to Friday



## **Council Overview**

The Shire of Wickepin is a local government consisting of eight elected councillors. The council members elect the President and Deputy President every two years.

The current members of the Shire of Wickepin are:

			<i>Elected</i>	<i>Retires October</i>
Cr Steven Martin	9888 6062	President	2001	2013
Cr Julie Russell	9888 1097	Deputy President	2005	2015
Cr Kevin Coxon	9888 7066		1999	2013
Cr Ross Easton	9883 2002		2005	2013
Cr Dave Astbury	9888 1274		1997	2013
Cr Gerri Hinkley	9883 2062		2007	2015
Cr Fran Allan	9888 7071		2008	2015
Cr Allan Lansdell	9888 1449		2011	2015

## **Council Meetings**

Full council meetings are held on the third Wednesday of the month commencing at 3.30pm. By resolution no meeting is held in January.

Residents are reminded that 15 minutes public question time is held at the beginning of each meeting where questions may be asked with or without notice or an issue considered relevant to the operation of council. In some cases prior notification of a proposed question is considered prudent, particularly if the matter requires some research. Residents are also permitted to attend the whole council meeting if desired, however are not permitted to speak (unless directed by the President) or take part in debate on any agenda item.

## **Elections**

Elections are normally every two years. Voting at council elections is not compulsory; however participation by residents in elections is vital to the effectiveness of local government. Residents not included on the State Electoral Roll should contact the Australian Electoral Commission.

If you are a non resident owner or occupier of rateable property in your local government area and are on the State Electoral Roll you are eligible to enrol to vote and should make an enrolment application to the local government.

## **Council Staff**

**Chief Executive Officer  
Manager Works & Services  
Executive Support Officer  
Finance Officer  
Administration Officer  
EHO/Building Surveyor  
Community Development Officer**

Mark Hook  
Peter Vlahov  
Leah Pearson  
Bronwyn Dew  
Lou Leeson  
Allan Ramsay  
Natalie Manton

[ceo@wickepin.wa.gov.au](mailto:ceo@wickepin.wa.gov.au)  
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[finance@wickepin.wa.gov.au](mailto:finance@wickepin.wa.gov.au)  
[admin@wickepin.wa.gov.au](mailto:admin@wickepin.wa.gov.au)  
[eho@wickepin.wa.gov.au](mailto:eho@wickepin.wa.gov.au)  
[cdo@wickepin.wa.gov.au](mailto:cdo@wickepin.wa.gov.au)

**Works Foreman  
Leading Hand Construction  
Mechanic  
Grader Drivers  
Plant Operators  
Refuse & Recycling  
Head Gardener  
Gardener  
Recycling Depot  
Swimming Pool Manager  
Cleaners**

Peter Bransby  
Bob Read  
Phil Watson  
Bob Read, Colin Plumb  
Trevor Tapping, Ian Roberts, Justin Smith  
Peter Marsh  
Mike Fradsham  
James Matthews  
Janet Thorley  
Damien Morrison  
Janet Thorley, Kathy Desmond, Rose Matthews

### **Auditor**

Byfields Certified Practising Accountants  
14 Resolution Drive  
Ascot 6104

### **Town Planner**

Landvision  
Land Planning & Mapping Consultants  
Suite 5, 16 Nicholson Road  
Subiaco 6008

### **Bank**

ANZ  
Bintamilling Arcade  
Narrogin 6312

### **Services**

**Council Depot  
Wickepin Swimming Pool  
Wickepin Caravan Park  
Wickepin Community Centre**

9888 1252  
9888 1015  
9888 1089  
9888 1125





## President's Report

It gives me great pleasure to present my President's report on the Wickepin Shire Council's activities for the 2011/12 financial year.

The 2011/12 year was highlighted by a considerable investment in maintaining and improving community assets throughout the Shire of Wickepin. State and Federal grant funds and Council's own rate income allowed the Wickepin Shire to invest into the infrastructure and services required for a sustainable community.

### 2010-11 Major Achievements

#### Plant Purchase

Purchase Portable Traffic Lights	\$ 33,000
Trade 8 wheeler tipping truck (changeover)	\$106,000

#### Buildings

Community Agricultural Centre Upgrade	\$ 45,376
Yealering Hall and Lakeside Amenities Upgrade	\$ 16,200
Wickepin Fuel Facility	\$ 80,404
Carport at Cottage Homes	\$ 6,000
Administration Centre Refurbishment	\$ 80,525

#### Roads, Plant and Infrastructure

Once again Council made a deliberate decision to focus on the ongoing maintenance and upgrade of the road network during the 2011/12 financial year. Council is very conscious of the need to maintain the shire's road network to a high standard and the Manager of Works, Mr Peter Vlahov, as well as the works staff should be commended on their achievements once again this year.

Council undertook the following road and footpath program in 2011/12;

#### 2011/2012 Road Program Highlights

Road Name	Section	Works	Total
	From - To	Description	
		<b>REGIONAL ROAD GROUP 2011/12</b>	
Wickepin Corrigin Road	15.8 to 17.2	Reconstruct and primer seal	132,946
Wickepin Pingelly Road	6.7 to 8.7	Reconstruct and primer seal	156,515
<b>Total RRG</b>			<b>289,461</b>
Brooks Road	0.00 to 2.00	Gravel sheeting and widening	33,086
Sparks Road	0.00 to 3.00	Gravel sheeting and widening	46,150
Sprigg Road	0.00 to 2.00	Gravel sheeting and widening	16,998
Tincurrin South Road	2.85 to 4.85	reseal	46,962
Harrismith South Road		Town intersection and s bend upgrade	39,866
Wickepin Street	0.00 to 0.10	Upgrade surface and kerbing	32,275
Kirk Rock Road	6.00 to 8.00	Gravel sheeting, widening, reduction of veg & signs	39,084
Plover Street	new section	Final seal and kerbing	15,734
<b>Total Roads To Recovery</b>			<b>270,155</b>
Kirk Rock Floodway	17.8	Upgrade floodway	14,415
Helm Road	5.0 to 8.0	Gravel sheeting, widening	18,423
Halliday Road	0.00 to 1.00	Gravel sheeting, widening, reduction of veg & signs	5,000

Drainage and Headwalls	Various	Cleaning and upgrading culverts& drainage structures	3,200
Wogolin South Road	11.9 to 13.9	Gravel sheeting, widening, reduction of veg & signs	45,761
Wedin North Road	3.0 to 6.0	Gravel sheeting, widening, reduction of veg & signs	20,723
Old cemetery Road	new work	Construct, seal and kerbing	5,119
Watts Road	0.00 to 3.00	Gravel sheeting, widening, reduction of veg & signs	4,616
Wickepin/Harrismith Road		Shoulder upgrade	22,669
Harrismith Main Street		Main st upgrade	3,628
<b>Total Council</b>			<b>103,006</b>
Car Parks		Community centre, fire and ambulance area	20,000
Tree Lopping	various	contract lopping	70,000
Annual Maintenance Program	Various	Maintenance Grading	370,458
<b>Total GPRF</b>			<b>460,458</b>
<b>STATE BLACKSPOT 2011/12</b>			
Fence Road (Stage one)	9.42 to 12.19	Widen formation and seal (carried forward to 2012/13)	4,210
Wickepin/Harrismith Road			93,808
<b>Total Blackspot</b>			<b>71,500</b>
Lomos South Road		Grain Freight	2,428
Wickepin/Harrismith Road		Grain Freight	565,191
Tincurrin North WH Intersection		Grain Freight	42,704
Fence Road		Grain Freight	179,409
<b>Total Grain Freight</b>			<b>789,732</b>
<b>TOTAL PROGRAM WORKS</b>			<b>1,984,312</b>

In other developments the Wickepin Shire resolved not to take any further part in the Regional Transition Group with neighbouring councils including the Shires of Cuballing and Narrogin as well as the Town of Narrogin. I wish those councils well in their future deliberations regarding amalgamation.

On behalf of Wickepin Shire community I would like to thank CEO Mark Hook, for his work as CEO at the Shire of Wickepin during his employment over the past 9 Months. Mark and his family have settled in well to the Wickepin community and he is providing great leadership at the Council.

I would also like to thank the Councillors and their families as well as the shire staff for their efforts in the past year. Your support is crucial to the smooth running of the Wickepin Shire.

**Thank You.**

**Cr Steven Martin**  
**Shire President J.P**

## **Chief Executive Officer's Report**

I have much pleasure in presenting my first Chief Executive Officers Report to the Shire of Wickepin and the Community for the year ending June 2012.

### **Staff**

The Shire administration staff has been relatively stable for the past year with only minor changes, mostly in the Executive Support Officer role. Leah Pearson took on the role of Executive Support Officer following the departure of Gillian Spargo for the birth of her first child Charlie.

I would like to thank all the staff for their warm welcome to Wickepin and for all their hard work and dedication during the past year.

Thank you to Natalie Manton for a great job holding the fort while Allan Leeson moved to the Shire of Moora to take up the position of Chief Executive Officer and awaiting my arrival from the Shire of Coorow. Natalie has done an outstanding job and I extend my sincere thank you for taking on the position of Acting Chief Executive Officer.

To Tom and Helen Sands a big thank you to for your contribution and effort in fulfilling the role of Swimming Pool Manager for the Shire of Wickepin. The role of a Swimming Pool Manager is one that comes with responsibility and the manner in which you have carried out this role over the last 10 years has been exemplary. The swimming pool functioned in a very cohesive, efficient and effective manner under your control.

Welcome to Damien Morrison our new Swimming Pool Manager and his family who will be settling in to Wickepin.

An increasingly large road construction and maintenance program was accomplished during the year by a very capable Works staff, led by Peter Vlahov. Thank you to all the outside staff for their dedication and high work levels to the Shire of Wickepin.

### **2011 - 2012 Budget Highlights**

#### ***Plant and Equipment***

Changeover eight wheeler truck	\$102,000
Portable traffic lights –road construction	\$ 33,000
Standpipe controller – card system	\$ 10,000

#### ***Royalties for Regions***

Wickepin Fuel Facility, Balance cfwd to 2012/13	\$80,404
Water Tanks – Wickepin Community Centre, Balance cfwd to 2012/13	\$40,000
Shire Office refurbishment	\$80,525
Community Agriculture Centre (old Bank), Balance cfwd to 2012/13	\$ 45,376
Yealering Cemetery – niche wall/gazebo, Balance cfwd to 2012/13	\$
Yealering hall/lakeside amenities, Balance cfwd to 2012/13	\$16,200

#### ***Buildings – General***

Wickepin Community Centre –water heaters/ovens	\$ 8,000
Yealering hall – New trestles	\$ 5,000
Cottage Homes – Carport	\$ 6,000

## **General Operations**

The 2011/12 financial year has been a busy one with the Shire of Wickepin managing the 2010/11 Royalties for Regions Program as well as the 2011/12 program which has been used to improve facilities in the Shire of Wickepin.

### **24 Hour Fuel Facility**

The fuel facility will be located opposite Ewen Rural Supplies. Site plans have been developed and the fuel tank is on site and the project should be completed around the end of March 2014.

The Wickepin Fuel Facility will provide 24 hour access for ULP and Diesel fuels by using a credit or debit card with a PIN. Great Southern Fuels of Narrogin have been chosen as the preferred supplier to run the 24 hour facility.

### **Community Ag Centre Refurbishment**

Work has been completed on addressing the rising damp in the building. A new kitchen and blinds have been installed and a refurbishment of the bathroom, new floor coverings and paint have been undertaken. The building also requires major roof and ceiling repairs and these will be undertaken in the 2012/13 financial Year.

### **Yealering Cemetery**

The revised niche wall and landscaping design has received broad support from relatives of family members. The construction of the new niche wall, shade structure, pathways and seating has commenced and should be completed shortly. The Yealering Community and Natalie Manton have completed a wonderful project that will see benefits for the Wickepin Community for years to come.

### **Yealering Hall and Lake Toilets Refurbishment**

The hall, foyer, kitchen, toilets and backstage areas and the carpet has been replaced in the foyer and general maintenance issues have been addressed. Lake toilets have received an upgrade with paint, new toilets, hand basin and splash backs and the grey water has been plumbed into the septic tank system.

### **Water Tanks**

The reticulation system at the Wickepin Sports Ground has been installed in between Football and Cricket season and seems to be working well. The newly installed water tanks to capture water from the Community Centre roof have been installed and should save on the water bill. An improved system of pumping water to the oval from the dam and a more efficient watering system has been installed during 2012, and this should also help the new reticulation. A new Chlorinator has also been installed at the Oval to reduce the chloroforms present in the water.

### **Facebook**

The Shire of Wickepin is now on Facebook, as of 2 January 2013. It will be a great way to keep the community updated with news and happenings around the Shire. Community members who have 'liked' the page are able to keep up-to-date with what the Shire of Wickepin is doing, from our comments and pictures, and are able to write questions/comments on our page. So far it has proved to be successful and is constantly growing.

### **National Competition Policy**

The Clause 7 Statement on the application of National Competition Policy to local government requires certain information to be provided in the Annual Report.

### **Competitive Neutrality**

Council has reviewed all areas of operations to determine the existence or otherwise of significant business activities.

A significant business activity is defined as an activity with an income in excess of \$200,000 pa, which is not a regulatory service (community service obligation) and which is not already contracted out.

Accordingly, it has been determined that Council has no significant business activity for the purposes of competitive neutrality as it relates to the National Competition Policy Clause 7 Statement.



## **Disability Service Plan Statement**

The Disability Services Amendment Act 1999 requires local governments to report annually on their Disability Service Plan achievements. The achievements for the year ended 30 June 2012 are listed below and grouped into the outcome areas addressed in the Shire of Wickepin Disability Service Plan.

**Outcome1:** People with disabilities have the same opportunities as other people to access the services of, and any events organised by the Shire of Wickepin.

Council is responsive to the needs of the community to ensure equality is maintained with respect to access to council services and events.

**Outcome 2:** People with disabilities have the same opportunities as other people to access the buildings and other facilities by the Shire of Wickepin.

Any new public council buildings meet required minimum standards with respect to access. Council will be working with local businesses with a view to encouraging improved access as necessary.

**Outcome 3:** People with disabilities receive information from a public authority in a format that will enable them to access the information, as readily as other people are able to access it.

Information about the functions, facilities and services provided by the Shire is prepared using clear and concise language. If necessary, this information can be made in alternative formats i.e. large print, verbal etc. on request. During the year no such requests were received.

**Outcome 4:** People with disabilities receive the same level and quality of services from the staff of the Shire of Wickepin as other people receive from the staff of the Shire.

All the shire staff are aware of the need to treat all people and customers equally.

**Outcome 5:** People with disabilities have the same opportunities as other people to make complaints to the Shire of Wickepin.

Council and staff treat any complaints received equally and without bias. No official complaints were received during the year.

**Outcome 6:** People with disabilities have the same opportunities as other people to participate in any public consultation by the Shire of Wickepin.

Venues which are utilised for community participation in Council process are selected with the objective of ensuring access for all members of the community.

## **State Records Act 2000**

The State Records Act 2000 requires that the Shire maintains and disposes of all records in the prescribed manner. Minimum compliance requirements. The record keeping plan is to provide evidence to adduce that:

1. The efficiency and effectiveness of the organisations record keeping system is evaluated not less than once every 5 years;
2. The organisation conducts a record keeping training program;
3. The efficiency and effectiveness of the record keeping training program is reviewed from time to time;
4. The organisations induction program addresses employee roles and responsibilities in regard to their compliance with the organisations record keeping plan.

The Shire of Wickepin complied with items 1 to 4.

## Disclosure of Annual Salaries

Local governments are required to include in their annual report the number of employees of the local government entitled to an annual salary of \$100,000 or more, and the number of employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000.

For the year 2011/2012 the Shire of Wickepin had one employee with a salary exceeding \$100,000 in the \$110,000 to \$120,000 band.

## Plan for the Future of the District

The broad scope of the Plan for the Future is to identify significant capital items and activities that may be included in future budgets. Council approved the Plan for the Future on the 18 June 2009.

The Forward Capital Works Plan is also used in conjunction with the Strategic Plan to plan for future expenditure of council and grant funds.

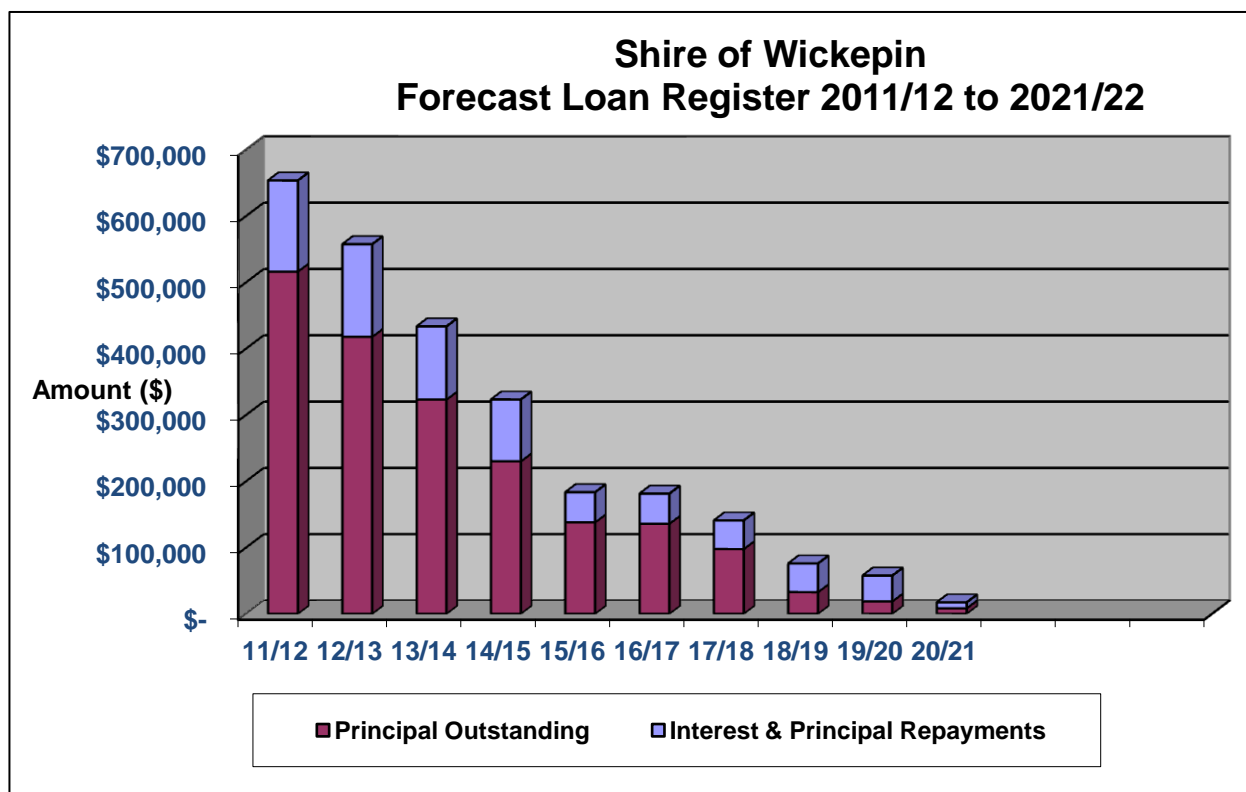
A copy of the plan is available at the Shire office or for public viewing by visiting [www.wickepin.wa.gov.au](http://www.wickepin.wa.gov.au)

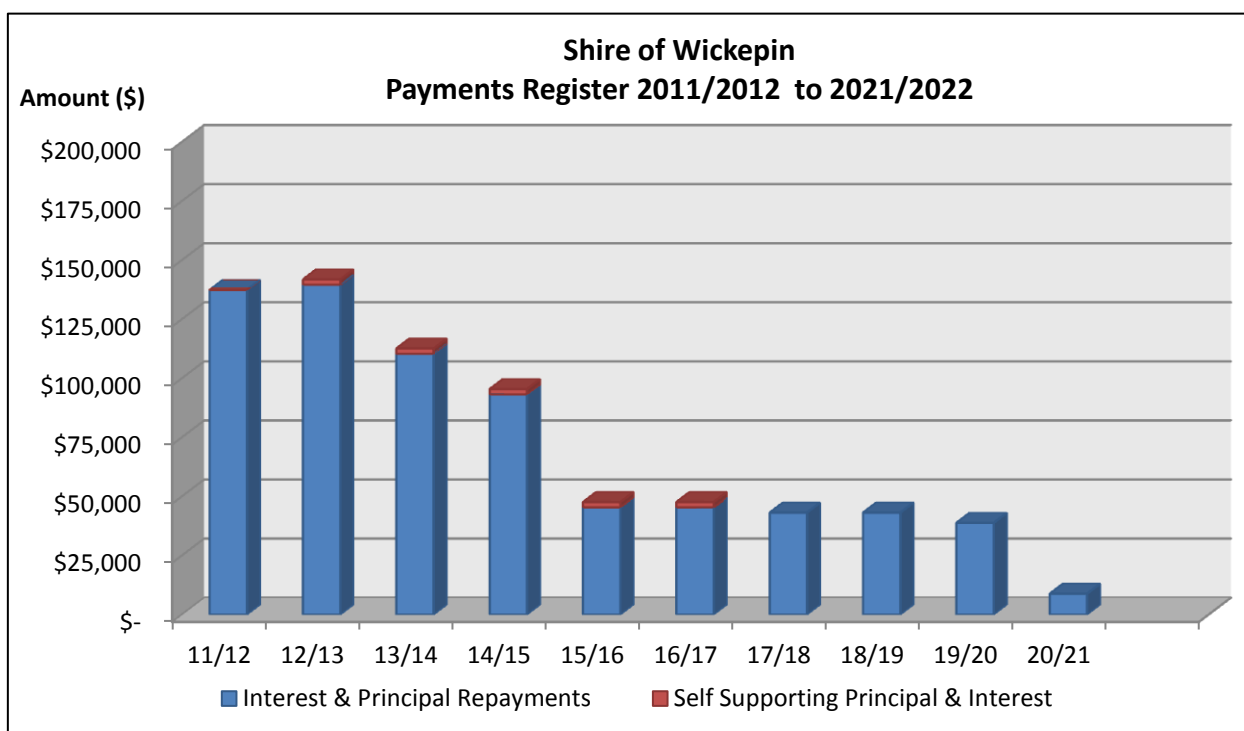
## Loans

Council has undertaken a no Loan Policy other than for Self Supporting Loans to support the Wickepin Community Groups.

Council has undertaken the following Self Supporting Loans during the 2011/2012 Financial Period.

1. LOAN 101 Wickepin Districts Sportsman Club \$10,000 – Golf Club Tractor – Five Year Term at 3.8% Annual Compounding.





### Public Interest Disclosure Act

The Shire of Wickepin is committed to the aims and objectives of the *Public Interest Disclosure Act 2003*. It recognises the value and importance of contributions of staff to enhance administrative and management practices and strongly supports disclosures being made by staff regarding corrupt or other improper conduct. The Shire of Wickepin takes all reasonable steps to provide protection to staff who make such disclosures from any detrimental action in reprisal for the making of a disclosure. The Shire of Wickepin does not tolerate any of its officers, employees or contractors engaging in acts of victimisation or reprisal against those who make public interest disclosures. These acts should be reported immediately to the Public Interest Disclosure Officer or the Chief Executive Officer.

The Shire of Wickepin is required under the Public Interest Disclosure Act to report on the extent to which the Chief Executive Officer has complied with the obligations of the Act. The Chief Executive Office Mr Mark John Hook, has been appointed as Council's Public Interest Disclosure Officer.

No Public Interest Disclosures were received by the Shire of Wickepin during 2011/2012.

### Thank You

I would like to take this opportunity to thank all shire staff for their continued efforts in the 2010/11 financial year as well as Council for their warm welcome and support, in particular Shire President Cr Steven Martin and Deputy Shire President Cr Julie Russell.

**Mark J Hook**  
**Chief Executive Officer**

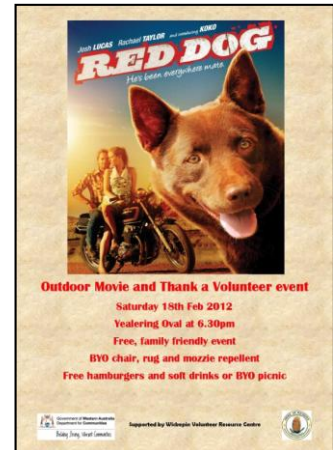
## **Community Development Officer's Report 2011-2012**

The following report highlights the range of community projects undertaken by the Community Development Officer at the Shire of Wickepin in the 2011-2012 year.

### **Arts and Cultural**

The showing of the movie Red Dog on the outdoor screen at Yealering oval in February 2012 was combined with the Thank a Volunteer event for the first time. Libby Heffernan, Co-ordinator of the Volunteer Resource Centre, and her team of helpers did a fantastic job of organising and cooking free hamburgers and cool drink for volunteers. The event was very successful with over 100 people attending.

During the year information was sent out to community members on a range of community arts and cultural events in the local and surrounding area including; arts workshops, festivals, musical performances, Poet's Cafe in Narrogin, theatre productions and the Wickepin Community Resource Centre Masquerade Ball.



**Figure 1 Outdoor Movie poster 2012**



### **Community and Economic Development**

The Yealering Cemetery Upgrade was a major project undertaken by the Community Development Officer during 2012. The cemetery upgrade formed one of the six 2010/2011 Royalties for Regions – Country Local Government Funding Local Projects. The project was also supported with funding from the Norm and Ellen King Trust Fund

The cemetery redevelopment design was completed by local Yealering resident Sara Hills, with assistance from architect Judith McDougall and includes a new entry gazebo, niche wall, rock walls, paths and landscaping. Construction of the gazebo and niche wall commenced in July 2012 and is expected to be completed by the end of October along with the paving, kerbing, rock pillars and walls.

Valuable assistance and advice was provided by Sara Hills, Karen Jespersen and Mike Fradsham to develop a waterwise landscaping and reticulation plan.

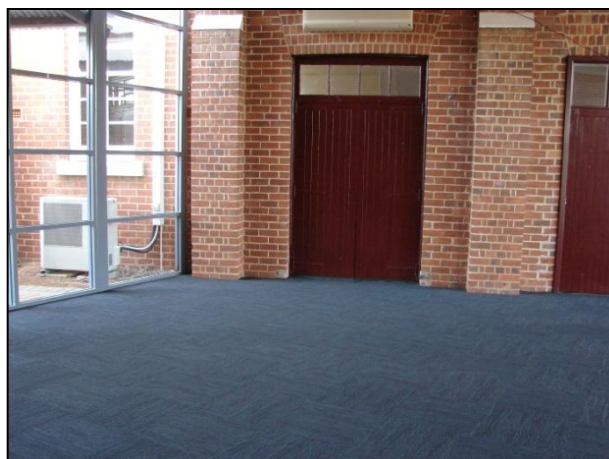
The Shire of Wickepin intends to relocate the plaques and cremated remains from the existing niche wall to the new wall when it is complete. The new niche wall will accommodate the new standard size containers which are larger than previously used.



**Figure 2 New gazebo and niche wall at Yealering cemetery**

The upgrade of the Yealering Hall and Lake Amenities upgrade was another major project for the 2011-2012 year. New carpet was installed in the Yealering Hall and the inside and outside of the building was painted as well as the kitchen and toilets. General repairs were made to the doors, skylight, fridge shelves and the old cupboards and sink were removed from the back stage area.

The appearance of the front of the building was greatly improved with the levelling of the garden bed and installation of new landscaping and reticulation. The assistance of Karen Jespersen, Sara Hills and Kym Smith in developing a plan for the landscaping was greatly appreciated. Thanks must also be extended to Craig Jespersen, Brian and Lois Shipley, Denise Corke, Sara Hills, Tracey Hodgson, Kym Smith and John Sutton who volunteered their time to rejuvenate the front garden.



**Figure 3** Yealering Hall

The upgrade to the ablution block at the Yealering Lake included: internal and external painting, new toilets and plumbing.

### **Living Lakes Project**

During 2012 the Shire of Wickepin worked with the Department of Regional Development and Lands, Department of Water, Facey Group and local landholders on the Living Lakes Feasibility Study and Environmental Report. The report prepared by JDA Consultant Hydrologists in consultation with Land Assessment Pty Ltd and Woodgis Environmental Consultants on behalf of the Department of Regional Development and Lands provides a comprehensive assessment of the lake and surrounding areas and provides engineering options to improve the lake. Improving the environmental, economic and social/recreational aspects of Lake Yealering has been the subject of discussions by the Shire of Wickepin and the Yealering community for many years. While there has been a general consensus on the need for improvements, there has been very little background information and scientific investigation of options and likely consequences of any interventions or actions. The Living Lakes project has provided this much needed background information and the Yealering community is keen to explore further the opportunities for the enhancement of the lake presented in the Environmental Report and Feasibility Study report.

The Shire of Wickepin and Yealering community acknowledge that environmental restoration of Lake Yealering may not be realistic and are keen to see that any engineering intervention does not damage the lake environment. The environmental assessment and analysis conducted as part of the Living Lakes project provides important baseline data and modelling to facilitate a greater understanding of the consequences of any action and this is welcomed by the community.

A public consultation meeting was held at the Yealering Hall in March 2012 to explain the draft feasibility study and environmental report. The final report was received in June 2012 and feedback on the report was provided by the Shire of Wickepin. The feasibility study is currently being reviewed by the Minister for Regional Development and Lands and an outcome is expected soon.



## Townscape Projects

Townscape projects undertaken during the 2011-2012 year included:

- Shade sails over the playground at the Facey Homestead
- BBQ and seats were installed in the park at the Facey Homestead
- Seats and bike rack at Wickepin Swimming Pool
- Entry statements at Yealering and Tincurrin
- Bins installed in the main street of Wickepin
- Retaining wall, lawn and reticulation at Lake Yealering picnic area
- Seat Harrismith cemetery
- Outdoor tables and chairs for accommodation units at Wickepin, Yealering and Harrismith Caravan Parks
- Field gun installed and flag pole moved to war memorial
- WW1 Honour Board refurbished.



Figure 4 Lake Yealering picnic area



Figure 5 Facey Homestead playground and park



Figure 6 Yealering Entry Statement



Figure 7 Field Gun at Wickepin War Memorial





Figure 8 WW1 Honour Board refurbished



Figure 9 Tincurrin Entry Sign

## Sport and Recreation

### Wickepin Synthetic Bowling Greens

Another major project for 2011-2012 was the installation of two new synthetic bowling greens at the Wickepin Sports Club. Funding for the project was provided by the Royalties for Regions - Country Local Government Fund, Department of Sport and Recreation – CSRFF and Wickepin Sports Club self supporting loan.

The Shire of Wickepin worked with the Wickepin Sports Club and Bowling Club to plan the project and develop a long term financial plan to ensure the future sustainability of the sporting clubs. The work of the contractors and Bowling Club volunteers ensured that the project was successfully completed within the expected timeframe and budget.

The new synthetic bowling greens were ready for use for the 2012 bowling season following the official opening on Sunday 14 October 2012.

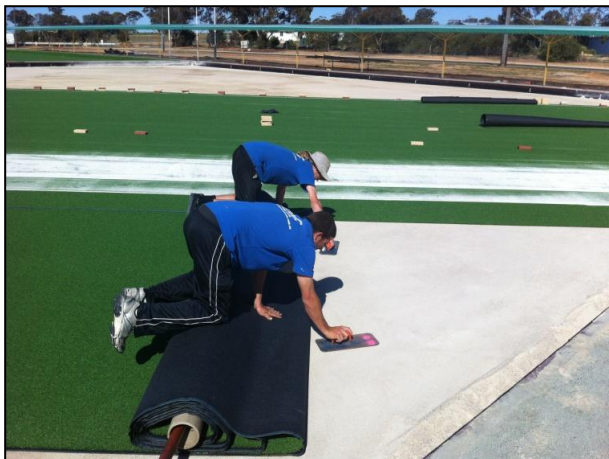


Figure 10 Wickepin synthetic bowling green



Government of **Western Australia**  
Department of **Sport and Recreation**

### Kidsport

The Shire of Wickepin assisted the Department of Sport and Recreation and local sporting groups to implement the Kidsport program. The Kidsport program involves the distribution of vouchers by local governments to children to assist them to play organised sport. To date the Shire of Wickepin has processed vouchers to the value of \$2526 for 33 local children to play 6 different sports.

## Healthy Communities Project

The Shire of Wickepin joined with the Town of Narrogin and Shire of Cuballing to participate in the Healthy Communities Project. The Narrogin Healthy Lifestyles Project is funded by the Federal Department of Health and Ageing Healthy Communities Initiative. The aim of the project is to reduce obesity by increasing awareness of the benefits of healthy lifestyle behaviors and by enhancing knowledge and skills to develop healthier eating habits and patterns of physical activity; particularly in community members who are at risk of developing lifestyle diseases such as cardiovascular disease and diabetes.

## Yealering Bike Skills Track

The Shire of Wickepin worked with the Yealering Progress Association and Bike Track Committee during 2011-2012 to plan and install a bike skills track on the site of an old unused tennis court in the Yealering Recreation Precinct. After much planning and community consultation a design for the track was finalised and funding secured for the construction of the track.

The Yealering Bike Track Committee, lead by Karen Jespersen, are to be congratulated for their numerous fund raising efforts that resulted in a \$3,500 contribution to the project. The Yealering bike track project also received funding from Lotterywest and the Yealering Progress Association.

## Community Safety and Crime Prevention

The Shire of Wickepin worked closely with local Police on several community safety and crime prevention projects during 2011 and 2012.

The lighting audit and upgrade was finalised and the lighting at the Wickepin Community Centre and Wickepin hall was improved. Two new CCTV cameras were installed in Wickepin and these have already proved useful in capturing images of vandalism and hooning on camera.

## Respect Your Place

The Respect Your Place project involved a poster and essay competition in which all of the students from the three primary schools in the shire participated. Certificates were awarded for the winning entries in three age categories, with the overall poster competition winner having their design printed on a t-shirt. The t-shirts were given to all primary school students to wear and help spread the anti-vandalism and anti-graffiti message. The winning essay writers were interviewed on local radio stations.

Students of the three primary schools in the shire and community members were rewarded for their enthusiastic participation in the project with a performance by the WA Police Pipe Band to celebrate the completion of the project.



Figure 11 WA Police Pipe Band



## R U 2 Close Project

Funding of \$7,500 was obtained from Curtin University Public Health Advocacy Institute of WA to support the R U 2 Close initiative. This project encourages drivers to adhere to appropriate following distances behind vehicles and provides free car stickers and large magnetic signs. The stickers and signs have been very popular with members of the public.



Figure 12 Sample R U 2 Close sticker

## Dedicated Deputy Project

The Community Crime Prevention Fund provided funding of \$2,966 for the Dedicated Deputy project which commenced in 2012 and will continue into 2013. The Dedicated Deputy project is an initiative of the local Wickiepin Police and is supported by the Shire of Wickiepin. The early intervention project aims to inform school students of the consequences of getting involved in criminal activity and demonstrate to the students that everyone can play a part in positively increasing community safety and reducing crime.

All participating students have undertake a pledge to show their commitment to making positive choices, fostering strong community ownership and not engaging in anti-social and criminal acts.

Students from the three primary schools in the Shire of Wickiepin participated in the Dedicated Deputy anti-crime poster competition during terms three and four of 2012. The winning poster design was selected and placed onto a T-shirt and hat worn by all participating students.

## Heritage

Funding from Lotterywest Conservation of Cultural Heritage funding was used to fund the restoration of the Old Road Board building in Wickiepin during 2012. The building was constructed in 1912 and urgent work was necessary to repair damage to the lower walls caused by rising damp. Problems with the drainage were addressed and the building will be allowed to settle before lime washing the internal and exterior walls in 2013.



Figure 13 Old Road Board Building Restoration



**Natalie Manton**  
*Community Development Officer*

**SHIRE OF WICKEPIN**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

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**SHIRE OF WICKEPIN**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**LOCAL GOVERNMENT ACT 1995**  
**LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Shire of Wickepin being the annual financial report and other information for the financial year ended 30th June 2012 are in my opinion properly drawn up to present fairly the financial position of the Shire of Wickepin at 30th June 2012 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed on the 13th day of February 2013



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Mark Hook  
Chief Executive Officer

**SHIRE OF WICKEPIN**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

	NOTE	2012 \$	2012 Budget \$	2011 \$
<b>Revenue</b>				
Rates	22	1,154,267	1,156,474	1,088,828
Operating Grants, Subsidies and Contributions	28	1,599,018	969,291	1,262,592
Fees and Charges	27	1,567,415	263,875	517,916
Service Charges	24	0	0	0
Interest Earnings	2(a)	50,321	23,000	38,283
Other Revenue		<u>0</u>	<u>0</u>	<u>0</u>
		4,371,021	2,412,640	2,907,619
<b>Expenses</b>				
Employee Costs		(927,947)	(831,672)	(843,817)
Materials and Contracts		(1,517,709)	(827,240)	(951,132)
Utility Charges		(120,393)	(157,250)	(146,369)
Depreciation on Non-Current Assets	2(a)	(1,078,562)	(899,578)	(1,069,078)
Interest Expenses	2(a)	(30,486)	(31,415)	(36,935)
Insurance Expenses		(132,716)	(138,535)	(126,606)
Other Expenditure		<u>0</u>	<u>0</u>	<u>0</u>
		<u>(3,807,813)</u>	<u>(2,885,690)</u>	<u>(3,173,937)</u>
		563,208	(473,050)	(266,318)
Non-Operating Grants, Subsidies and Contributions	28	1,050,829	909,869	870,187
Profit on Asset Disposals	20	21,439	5,000	20,307
Loss on Asset Disposal	20	<u>(9,196)</u>	<u>(45,000)</u>	<u>(309,002)</u>
<b>Net Result</b>		<b>1,626,280</b>	<b>396,819</b>	<b>315,174</b>
<b>Other Comprehensive Income</b>				
<b>Total Other Comprehensive Income</b>		<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Total Comprehensive Income</b>		<u><u><b>1,626,280</b></u></u>	<u><u><b>396,819</b></u></u>	<u><u><b>315,174</b></u></u>

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



**SHIRE OF WICKEPIN**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

	NOTE	2012 \$	2012 Budget \$	2011 \$
<b>Revenue</b>				
Governance		41,937	12,522	48,546
General Purpose Funding		2,666,492	2,039,015	2,249,701
Law, Order, Public Safety		72,804	55,345	55,694
Health		904	50	440
Education and Welfare		0	0	0
Housing		62,996	79,540	75,307
Community Amenities		151,129	60,955	87,624
Recreation and Culture		59,618	12,703	58,681
Transport		91,581	94,000	92,327
Economic Services		46,655	28,010	50,044
Other Property and Services		1,175,951	30,500	189,255
	2(a)	<u>4,370,067</u>	<u>2,412,640</u>	<u>2,907,619</u>
<b>Expenses</b>				
Governance		(322,178)	(282,355)	(296,856)
General Purpose Funding		(50,022)	(46,476)	(47,094)
Law, Order, Public Safety		(103,592)	(115,898)	(86,164)
Health		(44,737)	(45,358)	(38,805)
Education and Welfare		(8,306)	(5,628)	(5,071)
Housing		(126,941)	(109,192)	(382,708)
Community Amenities		(272,740)	(223,907)	(233,299)
Recreation and Culture		(562,146)	(537,105)	(553,190)
Transport		(1,257,339)	(1,304,682)	(1,351,725)
Economic Services		(173,963)	(160,397)	(160,643)
Other Property and Services		(854,409)	(23,277)	(258,990)
	2(a)	<u>(3,776,373)</u>	<u>(2,854,275)</u>	<u>(3,414,545)</u>
<b>Finance Costs</b>				
Housing		(15,122)	(15,424)	(17,209)
Community Amenities		(8,486)	(8,708)	(11,135)
Recreation and Culture		(5,779)	(6,000)	(6,803)
Transport		(1,099)	(1,283)	(1,788)
	2(a)	<u>(30,486)</u>	<u>(31,415)</u>	<u>(36,935)</u>
<b>Non-Operating Grants, Subsidies and Contributions</b>				
General Purpose Funding		348,868	396,869	0
Recreation and Culture		0	0	426,869
Transport		701,961	513,000	443,318
		<u>1,050,829</u>	<u>909,869</u>	<u>870,187</u>
<b>Profit/(Loss) on Disposal of Assets</b>				
Community Amenities		19,420	0	0
Transport		(7,177)	(40,000)	(11,152)
		<u>12,243</u>	<u>(40,000)</u>	<u>(11,152)</u>
<b>Net Result</b>		<u><b>1,626,280</b></u>	<u><b>396,819</b></u>	<u><b>315,174</b></u>
<b>Other Comprehensive Income</b>				
<b>Total Other Comprehensive Income</b>		<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Total Comprehensive Income</b>		<u><u><b>1,626,280</b></u></u>	<u><u><b>396,819</b></u></u>	<u><u><b>315,174</b></u></u>

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

**SHIRE OF WICKEPIN**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE 2012**

	NOTE	2012 \$	2011 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3	2,302,026	1,230,984
Trade and Other Receivables	4	222,219	62,584
Inventories	5	3,585	9,828
<b>TOTAL CURRENT ASSETS</b>		<u>2,527,830</u>	<u>1,303,396</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	6	7,142,050	6,995,395
Infrastructure	7	23,693,141	23,473,613
<b>TOTAL NON-CURRENT ASSETS</b>		<u>30,835,191</u>	<u>30,469,008</u>
<b>TOTAL ASSETS</b>		<u>33,363,021</u>	<u>31,772,404</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	8	158,862	69,390
Long Term Borrowings	9	121,293	112,604
Provisions	10	80,287	117,258
<b>TOTAL CURRENT LIABILITIES</b>		<u>360,442</u>	<u>299,252</u>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	9	322,332	433,625
Provisions	10	86,086	71,646
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>408,418</u>	<u>505,271</u>
<b>TOTAL LIABILITIES</b>		<u>768,860</u>	<u>804,523</u>
<b>NET ASSETS</b>		<u>32,594,161</u>	<u>30,967,881</u>
<b>EQUITY</b>			
Retained Surplus		18,449,828	16,729,398
Reserves - Cash Backed	11	450,556	544,706
Reserves - Asset Revaluation	12	13,693,777	13,693,777
<b>TOTAL EQUITY</b>		<u>32,594,161</u>	<u>30,967,881</u>

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

**SHIRE OF WICKEPIN  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2012**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	ASSET REVALUATION RESERVE \$	TOTAL EQUITY \$
Balance as at 1 July 2010		16,286,215	672,715	13,693,777	30,652,707
Changes in Accounting Policy		0	0	0	0
Correction of Errors		0	0	0	0
		<hr/>	<hr/>	<hr/>	<hr/>
Restated Balance		16,286,215	672,715	13,693,777	30,652,707
Net Result		315,174	0	0	315,174
Total Other Comprehensive Income		0	0	0	0
Reserve Transfers		128,009	(128,009)	0	0
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance as at 30 June 2011</b>		<b>16,729,398</b>	<b>544,706</b>	<b>13,693,777</b>	<b>30,967,881</b>
Net Result		1,626,280	0	0	1,626,280
Total Other Comprehensive Income		0	0	0	0
Reserve Transfers		94,150	(94,150)	0	0
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance as at 30 June 2012</b>		<b><u>18,449,828</u></b>	<b><u>450,556</u></b>	<b><u>13,693,777</u></b>	<b><u>32,594,161</u></b>

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

**SHIRE OF WICKEPIN  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE 2012**

	<b>NOTE</b>	<b>2012 \$</b>	<b>2012 Budget \$</b>	<b>2011 \$</b>
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		1,169,959	1,155,624	1,072,726
Operating Grants, Subsidies and Contributions		1,599,018	969,291	1,262,592
Fees and Charges		1,577,550	259,603	567,066
Service Charges		0	0	0
Interest Earnings		50,321	23,000	38,283
Goods and Services Tax		74,713	100,000	322,472
Other Revenue		0	0	0
		<u>4,471,561</u>	<u>2,507,518</u>	<u>3,263,139</u>
<b>Payments</b>				
Employee Costs		(957,515)	(818,672)	(827,057)
Materials and Contracts		(1,434,678)	(1,213,397)	(1,185,992)
Utility Charges		(120,151)	(157,250)	(147,875)
Insurance Expenses		(132,716)	(138,535)	(126,606)
Interest expenses		(31,092)	(31,415)	(37,533)
Goods and Services Tax		(66,309)	(100,000)	(250,996)
Other Expenditure		0	0	0
		<u>(2,742,461)</u>	<u>(2,459,269)</u>	<u>(2,576,059)</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	13(b)	<u>1,729,100</u>	<u>48,249</u>	<u>687,080</u>
<b>Cash Flows from Investing Activities</b>				
Payments for Development of Land Held for Resale		0	0	(116,873)
Payments for Purchase of Property, Plant & Equipment		(743,777)	(678,833)	(634,053)
Payments for Construction of Infrastructure		(932,461)	(1,128,338)	(1,061,644)
Advances to Community Groups		(10,000)	0	0
Payments for Purchase of Investments		0	0	0
Non-Operating Grants, Subsidies and Contributions		887,051	909,869	870,187
Proceeds from Sale of Plant & Equipment		243,732	143,000	231,220
Proceeds from Advances		0	0	0
Proceeds from Sale of Investments		0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Cash Provided By (Used In) Investing Activities</b>		<u>(555,455)</u>	<u>(754,302)</u>	<u>(711,163)</u>
<b>Cash Flows from Financing Activities</b>				
Repayment of Debentures		(112,603)	(112,281)	(106,163)
Repayment of Finance Leases		0	0	0
Proceeds from Self Supporting Loans		0	0	0
Proceeds from New Debentures		10,000	0	0
		<u>10,000</u>	<u>0</u>	<u>0</u>
<b>Net Cash Provided By (Used In) Financing Activities</b>		<u>(102,603)</u>	<u>(112,281)</u>	<u>(106,163)</u>
<b>Net Increase (Decrease) in Cash Held</b>		1,071,042	(818,334)	(130,246)
Cash at Beginning of Year		1,230,984	1,230,984	1,361,230
<b>Cash and Cash Equivalents at the End of the Year</b>	13(a)	<u><u>2,302,026</u></u>	<u><u>412,650</u></u>	<u><u>1,230,984</u></u>

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

**SHIRE OF WICKEPIN  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2012**

	NOTE	2012 Actual \$	2012 Budget \$	2011 Actual \$
<b>Revenue</b>				
Governance		41,937	12,522	48,546
General Purpose Funding		1,896,079	1,314,660	1,192,919
Law, Order, Public Safety		72,804	55,345	55,694
Health		904	50	440
Education and Welfare		0	0	0
Housing		62,996	79,540	75,307
Community Amenities		135,564	25,705	55,578
Recreation and Culture		59,618	12,703	485,550
Transport		795,561	612,000	555,952
Economic Services		46,655	28,010	50,044
Other Property and Services		1,175,951	30,500	189,255
		<u>4,288,069</u>	<u>2,171,035</u>	<u>2,709,285</u>
<b>Expenses</b>				
Governance		(322,178)	(282,355)	(296,856)
General Purpose Funding		(50,022)	(46,476)	(47,094)
Law, Order, Public Safety		(103,592)	(115,898)	(86,164)
Health		(44,737)	(45,358)	(38,805)
Education and Welfare		(8,306)	(5,628)	(5,071)
Housing		(142,063)	(124,616)	(399,917)
Community Amenities		(273,432)	(232,615)	(244,434)
Recreation and Culture		(567,925)	(543,105)	(559,993)
Transport		(1,302,255)	(1,350,965)	(1,384,972)
Economic Services		(147,135)	(160,397)	(160,643)
Other Property and Services		(854,409)	(23,277)	(258,990)
		<u>(3,816,054)</u>	<u>(2,930,690)</u>	<u>(3,482,939)</u>
<b>Net Result Excluding Rates</b>		472,015	(759,655)	(773,654)
<b>Adjustments for Cash Budget Requirements:</b>				
<b>Non-Cash Expenditure and Revenue</b>				
(Profit)/Loss on Asset Disposals	20	(12,243)	40,000	288,695
Movement in Employee Benefit Provisions (Non-Current)		14,440	0	24,721
Depreciation and Amortisation on Assets	2(a)	1,078,562	899,578	1,069,078
<b>Capital Expenditure and Revenue</b>				
Purchase Land Held for Resale		0	0	(116,873)
Purchase Land and Buildings		(330,753)	(286,869)	(148,477)
Purchase Infrastructure Assets - Roads		(911,522)	(968,338)	(1,022,136)
Purchase Infrastructure Assets - Footpaths		0	0	(39,508)
Purchase Infrastructure Assets - Other		(20,937)	(160,000)	
Purchase Plant and Equipment		(379,462)	(381,465)	(447,874)
Purchase Furniture and Equipment		(33,563)	(10,500)	(37,702)
Purchase of Investments		0	0	0
Proceeds from Disposal of Investments		0	0	0
Proceeds from Disposal of Assets	20	243,732	143,000	231,220
Repayment of Debentures	21(a)	(112,603)	(112,281)	(106,163)
Proceeds from New Debentures	21	10,000	0	0
Advances to Community Groups		(10,000)	0	0
Transfers to Reserves (Restricted Assets)	11	(1,258,759)	0	(28,042)
Transfers from Reserves (Restricted Assets)	11	130,822	146,000	156,052
ADD Estimated Surplus/(Deficit) July 1 B/Fwd	22(b)	572,042	308,000	433,877
LESS Estimated Surplus/(Deficit) June 30 C/Fwd	22(b)	606,038	13,944	572,042
<b>Amount Required to be Raised from Rates</b>	22(a)	<u>(1,154,267)</u>	<u>(1,156,474)</u>	<u>(1,088,828)</u>

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

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies which have been adopted in the preparation of this financial report are:

**(a) Basis of Preparation**

The financial report is a general purpose financial statement which has been prepared in accordance with Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

Except for cash flow and rate setting information, the report has also been prepared on the accrual basis : based on historical costs, modified, where applicable, by the measurement at fair value of the selected non-current assets, financial assets and liabilities.

**Critical Accounting Estimates**

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

**(b) The Local Government Reporting Entity**

All Funds through which the Council 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, but a separate statement of those monies appears at Note 19 to these financial statements.

**(c) Goods and Services Tax**

Revenues, expenses and assets capitalised are stated net of any GST recoverable.

Receivables and payables in the statement of financial position are stated inclusive of applicable GST. 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.



**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(d) Cash and Cash Equivalents**

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

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

**(e) Trade and Other Receivables**

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

**(f) Inventories**

***General***

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

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

***Land Held for Resale***

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until Finance costs and holding charges incurred after development is completed are expensed.

Revenue arising from the sale of property is recognised in the statement of comprehensive income as at the time of signing an unconditional contract of sale.

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

**(g) Fixed Assets**

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

***Initial Recognition***

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of comprehensive income in the period in which they are incurred.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Fixed Assets (Continued)**

***Revaluation***

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

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

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Those assets carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

***Land under Roads***

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

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or after 1 June 2008. This accords with the treatment available in Australian Accounting Standard AASB1051 - Land and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local government recognising such land as an asset.

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

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

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

***Depreciation of Non-Current Assets***

All non-current assets having a limited useful life (excluding freehold land) are separately and systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Fixed Assets (Continued)**

***Depreciation of Non-Current Assets (Continued)***

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Buildings	50 years
Furniture and Equipment (Electronic)	5 years
Furniture and Equipment (Other)	20 years
Plant and Equipment (Heavy)	14.3 years
Plant and Equipment (Other)	6.7 years
Sealed roads and streets	
clearing and earthworks	not depreciated
construction/road base	50 years
original surfacing and	
major re-surfacing	
- bituminous seals	25 years
Gravel roads	
clearing and earthworks	not depreciated
construction/road base	50 years
gravel sheet	12 years
Formed roads (unsealed)	
clearing and earthworks	not depreciated
construction/road base	50 years
Footpaths - slab	40 years
Sewerage Piping	100 years
Water Supply piping and drainage systems	75 years

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. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

***Capitalisation Threshold***

Expenditure on items of equipment under \$1,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

**(h) Financial Instruments**

***Initial Recognition and Measurement***

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) Financial Instruments (Continued)**

***Classification and Subsequent Measurement***

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or at cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- (d) less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

***(i) Financial assets at fair value through profit and loss***

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

***(ii) Loans and receivables***

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

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

***(iii) Held-to-maturity investments***

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) Financial Instruments (Continued)**

***Classification and Subsequent Measurement (Continued)***

***(iv) Available-for-sale financial assets***

Available-for-sale financial assets, are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable.

They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to the asset previously recognised in other comprehensive income, is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as non-current.

***(v) Financial liabilities***

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

***Impairment***

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

***Derecognition***

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Council no longer has any significant continued involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expire. 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.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Impairment**

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

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

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 (eg AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

**(j) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

**(k) Employee Benefits**

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for the benefits. In determining the liability, consideration is given to the employee wage increases and the probability the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity matching the expected timing of cash flows.

**(l) 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.

**(m) Provisions**

Provisions are recognised when:

- a) the Council has a present legal or constructive obligation as a result of past events;
- b) for which it is probable that an outflow of economic benefits will result; and
- c) 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.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(n) Leases**

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

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

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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

**(o) Joint Venture**

The Council's interest in a joint venture has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the appropriate line items of the financial statement. Information about the joint venture is set out in Note 16.

The Council's interest in joint venture entities are recorded using the equity method of accounting in the financial report.

When the Council contributes assets to the joint venture or if the Council purchases assets from the joint venture, only the portion of gain or loss not attributable to the Council's share of the joint venture shall be recognised. The Council recognises the full amount of any loss when the contribution results in a reduction in the net realisable value of current assets or an impairment loss.

**(p) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(q) Superannuation**

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

**(r) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where the Council 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 even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.

**(s) Rounding Off Figures**

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

**(t) Comparative Figures**

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

**(u) 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.



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**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) New Accounting Standards and Interpretations for Application in Future Periods**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the annual reporting period ending 30 June 2012.

Council's assessment of these new and amended standards and interpretations is set out below:

<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(i) AASB 9 – Financial Instruments	December 2009	01 January 2013	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.
(ii) AASB 1053 - Application of Tiers of Australian Accounting Standards	June 2010	01 July 2013	Nil - Due to its nature and statutory requirements the Council will be deemed a Tier 1 entity and will continue to prepare general purpose financial statements.
(iii) AASB 2009– 11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12)	December 2009	01 January 2013	Nil – The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(iv) AASB 2010 - 2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050, & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052]	June 2010	01 July 2013	Nil - None of these amendments will have any effect on the financial report as the standard does not apply in the case of general purpose financial statements.
(v) AASB 2010 – 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	December 2010	01 January 2013	Nil – The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).
(vi) AASB 2010 - 8 Amendments to Australian Accounting Standards - Deferred Tax: Recovery of Underlying Assets [AASB 112]	December 2010	01 January 2012	Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.

**SHIRE OF WICKEPIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(vii) AASB 2010 - 10 Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters [AASB 2009 - 11 & 2010 - 7]	December 2010	01 January 2013	Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2011 - 2 Amendments to Australian Accounting Standards - Arising from the Trans-Tasman Consequence Project - Reduced Disclosure Requirements. [AASB 101 & 1054]	May 2011	01 July 2013	
AASB 2011 - 3 Amendments to Australian Accounting Standards - Orderly Adoption of Changes to ABS GFS manual and related Amendments. [AASB 1049]	May 2011	01 July 2012	
AASB 2011 - 6 Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirements [AASB 127,128 & 131]	July 2011	01 July 2013	

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(viii) AASB 10 - Consolidated Financial Statements, AASB 11 - Joint Arrangements, AASB 12 - Disclosure of Interests in Other Entities, AASB 127 -Separate Financial Statements, AASB 128 - Investments in Associates and Joint Ventures, AASB 2011 - 7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	August 2011	01 January 2013	Nil - None of these, except for AASB 128 , are expected to have significant application to the operations of the Council. With respect to AASB 128, where the Council has an interest in a Joint Venture, the requirements of AASB 128 supercede those of the current Joint Venture Standard AASB 131. The new standard more clearly defines the accounting treatment and disclosure in relation to it. Due to the nature of the Joint Venture, it is not expected to have a significant impact on the Council.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(ix) AASB 13 - Fair Value Measurement, AASB 2011 - 8 Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	September 2011	01 January 2013	AASB 13 defines fair value, establishes a framework for measuring fair value and requires disclosures about fair value measurements. AASB 13 requires inputs to all fair value measurements to be categorised in accordance with fair value hierarchy. AASB 13 also requires enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value. AASB 13 will have particular relevance to the process of the Council adopting fair value methodology in relation to its fixed assets as mandated from 1 July 2012. Apart from the changes in value in relation to assets to be revalued (which are mandated by legislation and not changes to the standard) it is not expected to significantly impact the Council as the framework embodied in AASB 13 does not differ significantly from that which is present in existing standards. The amendments to the legislation requires the phasing in of fair value in relation to fixed assets over the three years from 1 July 2012. It is not possible to estimate the likely amount of any revaluations.
(x) AASB 2011 - 9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]	September 2011	01 July 2013	The main change embodied in this standard is the requirement to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently. It effects presentation only and is not expected to significantly impact the Council.



**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

	<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(xi)	AASB 119 - Employee Benefits, AASB 2011 - 10 Amendments to Australian Accounting Standards arising from AASB 119 [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Interpretation 14]	September 2011	01 January 2013	The changes in relation to defined benefit plans contained in this standard are not expected to significantly impact the Council nor are the changes to AASBs in relation to termination benefits.
(xii)	AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	September 2011	01 July 2013	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
	AASB 2011 – 12 Amendments to Australian Accounting Standards arising from Interpretation 20 [AASB 1]	November 2011	01 January 2013	
	AASB 2011 – 13 Amendments to Australian Accounting Standards – Improvements to AASB 1049	December 2011	01 July 2012	

Notes:

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

**SHIRE OF WICKEPIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2012**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(w) Adoption of New and Revised Accounting Standards**

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

These new and revised standards were:

- AASB 124
- AASB 1054
- AASB 2009 - 12
- AASB 2009 - 14
- AASB 2010 - 4
- AASB 2010 - 5
- AASB 2010 - 6
- AASB 2010 - 9
- AASB 2011 - 1

The standards adopted had a minimal effect on the accounting and reporting practices of the Council as they were either largely editorial in nature, were revisions to help ensure consistency with presentation, recognition and measurement criteria of IFRSs or related to topics not relevant to operations.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

<b>2. REVENUE AND EXPENSES</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Net Result</b>		
The Net Result includes:		
(i) Charging as an Expense:		
<b>Auditors Remuneration</b>		
- Audit	12,350	10,430
- Other Services	1,150	1,960
<b>Depreciation</b>		
Buildings	125,215	121,836
Furniture and Equipment	25,125	23,625
Plant and Equipment	215,294	221,013
Roads	672,829	663,508
Footpaths	8,708	7,954
Main Street Development	12,235	12,235
Ovals and Parks	3,809	3,560
Drainage	15,347	15,347
	<u>1,078,562</u>	<u>1,069,078</u>
<b>Interest Expenses (Finance Costs)</b>		
Debentures ( <i>refer Note 21(a)</i> )	30,486	36,935
	<u>30,486</u>	<u>36,935</u>
(ii) Crediting as Revenue:	<b>2012</b>	<b>2012</b>
	<b>\$</b>	<b>Budget</b>
		<b>\$</b>
<b>Interest Earnings</b>		
Investments		
- Reserve Funds	29,974	0
- Other Funds	16,453	20,000
Other Interest Revenue ( <i>refer note 26</i> )	3,894	3,000
	<u>50,321</u>	<u>23,000</u>
		<u>38,283</u>

**SHIRE OF WICKEPIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2012**

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

**(b) Statement of Objective**

The Shire of Wickepin is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

**GOVERNANCE**

Administration and operation of facilities and services to members of Council. Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.

**GENERAL PURPOSE FUNDING**

Rates, general purpose government grants and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

Supervision of various bylaws, fire prevention, emergency services and animal control.

**HEALTH**

Food control, immunisation services, mosquito control and operation of medical centre.

**EDUCATION AND WELFARE**

Support for childcare, development of aged accommodation and rural counseling support.

**HOUSING**

Provision and maintenance of staff and other housing.

**COMMUNITY AMENITIES**

Rubbish collection services, operation of tip, noise control, support for waste recycling, litter control, administration of the town planning scheme, strategic planning, maintenance of cemetery, public conveniences and town drainage maintenance.

**RECREATION AND CULTURE**

Maintenance of halls, swimming pools, recreation centres and various reserves, operation of library, maintenance of cultural heritage assets.

**TRANSPORT**

Construction and maintenance of streets, roads, footpaths, drainage works, parking facilities, cleaning, lighting of streets, depot maintenance and airstrip maintenance.

**ECONOMIC SERVICES**

Noxious weed control, tourism and area promotion, community development and coordination building control and services, medical locum and other economic services.

**OTHER PROPERTY AND SERVICES**

Private works operations, public works overheads, plant operation costs, gross salaries and wages.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

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

<b>(c) Conditions Over Grants/Contributions</b>		<b>Opening Balance (*) 1-Jul-10 \$</b>	<b>Received (+) 2010/11 \$</b>	<b>Expended (#) 2010/11 \$</b>	<b>Closing Balance (*) 30-Jun-11 \$</b>	<b>Received (+) 2011/12 \$</b>	<b>Expended (#) 2011/12 \$</b>	<b>Closing Balance 30-Jun-12 \$</b>
<b>Grant/Contribution</b>	<b>Function/ Activity</b>							
Grants Commission Revenue Prepaid	Gen Purpose	290,421	302,810	(290,421)	<b>302,810</b>	627,970	(302,810)	<b>627,970</b>
Royalties for Regions Wogolin Road	Transport	50,000	0	(50,000)	<b>0</b>	0	0	<b>0</b>
Royalties for Regions Telecentre Floor	Economic Ser	25,000	0	(25,000)	<b>0</b>	0	0	<b>0</b>
Roads to Recovery	Transport	0	267,226	(267,226)	<b>0</b>	0	0	<b>0</b>
MRWA Regional Road Funding	Transport	0	176,092	(176,092)	<b>0</b>	0	0	<b>0</b>
LotteryWest Summer Festival	Economic Ser	0	15,025	(15,025)	<b>0</b>	0	0	<b>0</b>
Royalties for Regions Wick Comm Cen	Rec & Culture	0	0	0	<b>0</b>	32,319	0	<b>32,319</b>
Royalties for Regions Comm Ag Centr	Comm Amen	0	0	0	<b>0</b>	29,625	0	<b>29,625</b>
Royalties for Regions Yea Cemetery	Comm Amen	0	0	0	<b>0</b>	46,670	0	<b>46,670</b>
Royalties for Regions Yea Hall & Lake	Rec & Culture	0	0	0	<b>0</b>	61,465	0	<b>61,465</b>
Royalties for Regions Wick Bowl Green	Rec & Culture	0	0	0	<b>0</b>	300,000	0	<b>300,000</b>
Royalties for Regions Wick Town Hall	Rec & Culture	0	0	0	<b>0</b>	48,868	0	<b>48,868</b>
MRWA Fence Road	Transport	0	0	0	<b>0</b>	23,906	0	<b>23,906</b>
MRWA Tincurrin North Intersection	Transport	0	0	0	<b>0</b>	7,296	0	<b>7,296</b>
MRWA Fence Road	Transport	0	0	0	<b>0</b>	41,000	0	<b>41,000</b>
Office of Crime Prevention Ded Deputy	Law, Order	0	0	0	<b>0</b>	2,966	0	<b>2,966</b>
<b>Total</b>		<b>365,421</b>	<b>761,153</b>	<b>(823,764)</b>	<b>302,810</b>	<b>1,222,085</b>	<b>(302,810)</b>	<b>1,222,085</b>

**Notes:**

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

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

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

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

	2012 \$	2011 \$
<b>3. CASH AND CASH EQUIVALENTS</b>		
Unrestricted	629,385	383,468
Restricted	1,672,641	847,516
	<u>2,302,026</u>	<u>1,230,984</u>
The following restrictions have been imposed by regulations or other externally imposed requirements:		
Leave Reserve	4,757	4,512
Plant Reserve	12,882	102,541
Building Reserve	29,497	61,510
Fire Fighter Reserve	18,243	17,303
Cottage Homes Reserve	4,372	4,147
Special Events Reserve	6,948	6,590
Computer Reserve	21,167	20,076
Young Singles Accommodation Reserve	35,289	33,471
Saleyards Reserve	19,813	12,437
Sewerage Reserve	83,903	79,579
Refuse Reserve	33,662	31,880
English Land Reserve	57,361	54,326
Townscape Reserve	1,347	1,276
Staff Housing Reserve	4,701	4,453
Aged Persons Accommodation Reserve	116,614	110,605
Unspent Grants	1,222,085	302,810
Unspent Loans	0	0
	<u>1,672,641</u>	<u>847,516</u>
<b>4. TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
Rates Outstanding	15,881	31,574
Sundry Debtors	171,948	18,305
GST Receivable	23,443	10,811
Tax Credit Receivable	947	1,894
Loans Clubs	10,000	0
	<u>222,219</u>	<u>62,584</u>
<b>5. INVENTORIES</b>		
<b>Current</b>		
Fuel and Materials	3,585	9,828
	<u>3,585</u>	<u>9,828</u>



**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>		
Land and Buildings - Cost	6,916,065	6,607,813
Less Accumulated Depreciation	<u>(1,409,564)</u>	<u>(1,284,349)</u>
	5,506,501	5,323,464
 Furniture and Equipment - Cost	 438,416	 404,853
Less Accumulated Depreciation	<u>(314,090)</u>	<u>(288,966)</u>
	124,326	115,887
 Plant and Equipment - Cost	 3,283,572	 3,220,260
Less Accumulated Depreciation	<u>(1,772,349)</u>	<u>(1,664,216)</u>
	1,511,223	1,556,044
	<u><u>7,142,050</u></u>	<u><u>6,995,395</u></u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

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

**Movements in Carrying Amounts**

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

	<b>Land &amp; Buildings \$</b>	<b>Furniture &amp; Equipment \$</b>	<b>Plant &amp; Equipment \$</b>	<b>Total \$</b>
Balance as at the beginning of the year	5,323,464	115,887	1,556,044	6,995,395
Additions	330,752	33,563	379,462	743,777
(Disposals)	(22,500)		(208,989)	(231,489)
Revaluation - Increments	0	0	0	0
- (Decrements)	0	0	0	0
Impairment - (Losses)	0	0	0	0
- Reversals	0	0	0	0
Depreciation (Expense)	(125,215)	(25,124)	(215,294)	(365,633)
				0
<b>Carrying amount at the end of year</b>	<b><u>5,506,501</u></b>	<b><u>124,326</u></b>	<b><u>1,511,223</u></b>	<b><u>7,142,050</u></b>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>7. INFRASTRUCTURE</b>		
Roads - Management Valuation 2003	30,402,330	30,402,330
Roads - Cost Since 2003	5,445,144	4,423,008
Roads - Cost	911,521	1,022,136
Less Accumulated Depreciation	<u>(14,498,537)</u>	<u>(13,825,707)</u>
	22,260,458	22,021,767
 Main Street Development	 611,761	 611,761
Less Accumulated Depreciation	<u>(110,116)</u>	<u>(97,881)</u>
	501,645	513,880
 Footpaths - management valuation 2004		
Footpaths - Cost	441,409	441,409
Less Accumulated Depreciation	<u>(79,850)</u>	<u>(71,142)</u>
	361,559	370,267
 Drainage - management valuation 2004	 739,204	 739,204
Drainage - Cost	28,170	28,170
Less Accumulated Depreciation	<u>(383,100)</u>	<u>(367,752)</u>
	384,274	399,622
 Parks & Ovals - Cost	 206,297	 185,360
Less Accumulated Depreciation	<u>(21,092)</u>	<u>(17,283)</u>
	185,205	168,077
	<u><u>23,693,141</u></u>	<u><u>23,473,613</u></u>

Council have adopted a policy of re-valuing with sufficient regularity to ensure the carrying amount of each road asset is fairly stated at reporting date.

This policy also accords with AASB 116.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**7. INFRASTRUCTURE (Continued)**

**Movements in Carrying Amounts**

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

	<b>Roads</b>	<b>Main Street</b>	<b>Footpaths</b>	<b>Drainage</b>	<b>Parks</b>	<b>Total</b>
	<b>\$</b>	<b>Development</b>	<b>\$</b>	<b>\$</b>	<b>and</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>Ovals</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at the beginning of the year	22,021,767	513,880	370,267	399,622	168,077	23,473,613
Additions	911,521	0	0	0	20,937	932,458
(Disposals)	0	0	0	0	0	0
Revaluation - Increments	0	0	0	0	0	0
- (Decrements)	0	0	0	0	0	0
Impairment - (Losses)	0	0	0	0	0	0
- Reversals	0	0	0	0	0	0
Depreciation (Expense)	(672,830)	(12,235)	(8,708)	(15,348)	(3,809)	(712,930)
<b>Carrying amount at the end of year</b>	<b><u>22,260,458</u></b>	<b><u>501,645</u></b>	<b><u>361,559</u></b>	<b><u>384,274</u></b>	<b><u>185,205</u></b>	<b><u>23,693,141</u></b>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

	2012 \$	2011 \$
<b>8. TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Sundry Creditors	112,951	37,864
Accrued Interest on Debentures	1,903	2,509
PAYG Payable	15,783	21,959
GST Payable	26,815	5,781
FBT Payable	1,410	1,277
	<u>158,862</u>	<u>69,390</u>
<b>9. LONG-TERM BORROWINGS</b>		
<b>Current</b>		
Secured by Floating Charge		
Debentures	<u>121,293</u>	<u>112,604</u>
	<u>121,293</u>	<u>112,604</u>
<b>Non-Current</b>		
Secured by Floating Charge		
Debentures	<u>322,332</u>	<u>433,625</u>
	<u>322,332</u>	<u>433,625</u>
Additional detail on borrowings is provided in Note 21.		
<b>10. PROVISIONS</b>		
<b>Current</b>		
Provision for Annual Leave	66,388	83,194
Provision for Long Service Leave	13,899	34,064
	<u>80,287</u>	<u>117,258</u>
<b>Non-Current</b>		
Provision for Long Service Leave	86,086	71,646
	<u>86,086</u>	<u>71,646</u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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	2012 \$	2012 Budget \$	2011 \$
<b>11. RESERVES - CASH BACKED</b>			
<b>(a) Leave Reserve</b>			
Opening Balance	4,512	4,512	4,318
Amount Set Aside / Transfer to Reserve	245	0	194
Amount Used / Transfer from Reserve	0	0	0
	<u>4,757</u>	<u>4,512</u>	<u>4,512</u>
<b>(b) Plant Reserve</b>			
Opening Balance	102,541	102,541	98,118
Amount Set Aside / Transfer to Reserve	5,731	0	4,423
Amount Used / Transfer from Reserve	(95,390)	(102,000)	0
	<u>12,882</u>	<u>541</u>	<u>102,541</u>
<b>(c) Building Reserve</b>			
Opening Balance	61,510	61,510	58,858
Amount Set Aside / Transfer to Reserve	3,419	0	2,652
Amount Used / Transfer from Reserve	(35,432)	(40,000)	0
	<u>29,497</u>	<u>21,510</u>	<u>61,510</u>
<b>(d) Fire Fighter Reserve</b>			
Opening Balance	17,303	17,303	16,555
Amount Set Aside / Transfer to Reserve	940	0	748
Amount Used / Transfer from Reserve	0	0	0
	<u>18,243</u>	<u>17,303</u>	<u>17,303</u>
<b>(e) Cottage Homes Reserve</b>			
Opening Balance	4,147	4,147	3,969
Amount Set Aside / Transfer to Reserve	225	0	178
Amount Used / Transfer from Reserve	0	(1,500)	0
	<u>4,372</u>	<u>2,647</u>	<u>4,147</u>
<b>(f) Special Events Reserve</b>			
Opening Balance	6,590	6,590	6,306
Amount Set Aside / Transfer to Reserve	358	0	284
Amount Used / Transfer from Reserve	0	0	0
	<u>6,948</u>	<u>6,590</u>	<u>6,590</u>
<b>(g) Computer Reserve</b>			
Opening Balance	20,077	20,077	19,208
Amount Set Aside / Transfer to Reserve	1,090	0	868
Amount Used / Transfer from Reserve	0	0	0
	<u>21,167</u>	<u>20,077</u>	<u>20,076</u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

	2012 \$	2012 Budget \$	2011 \$
<b>11. RESERVES - CASH BACKED</b>			
<b>(h) Young Singles Accommodation Reserve</b>			
Opening Balance	33,471	33,471	37,902
Amount Set Aside / Transfer to Reserve	1,818	0	1,621
Amount Used / Transfer from Reserve	0	0	(6,052)
	<u>35,289</u>	<u>33,471</u>	<u>33,471</u>
<b>(l) Saleyards Reserve</b>			
Opening Balance	12,437	12,437	11,900
Amount Set Aside / Transfer to Reserve	7,376	0	537
Amount Used / Transfer from Reserve	0	0	0
	<u>19,813</u>	<u>12,437</u>	<u>12,437</u>
<b>(j) Sewerage Reserve</b>			
Opening Balance	79,579	79,579	76,137
Amount Set Aside / Transfer to Reserve	4,324	0	3,442
Amount Used / Transfer from Reserve	0	0	0
	<u>83,903</u>	<u>79,579</u>	<u>79,579</u>
<b>(k) Refuse Site Reserve</b>			
Opening Balance	31,880	31,880	30,500
Amount Set Aside / Transfer to Reserve	1,782	0	1,380
Amount Used / Transfer from Reserve	0	0	0
	<u>33,662</u>	<u>31,880</u>	<u>31,880</u>
<b>(l) English land development reserve</b>			
Opening Balance	54,325	54,325	197,628
Amount Set Aside / Transfer to Reserve	3,036	0	6,698
Amount Used / Transfer from Reserve	0	0	(150,000)
	<u>57,361</u>	<u>54,325</u>	<u>54,326</u>
<b>(m) Townscape</b>			
Opening Balance	1,276	1,276	1,222
Amount Set Aside / Transfer to Reserve	71	0	54
Amount Used / Transfer from Reserve	0	0	0
	<u>1,347</u>	<u>1,276</u>	<u>1,276</u>
<b>(n) Staff Housing Reserve</b>			
Opening Balance	4,453	4,453	4,262
Amount Set Aside / Transfer to Reserve	248	0	191
Amount Used / Transfer from Reserve	0	0	0
	<u>4,701</u>	<u>4,453</u>	<u>4,453</u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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	2012 \$	2012 Budget \$	2011 \$
<b>11. RESERVES - CASH BACKED</b>			
<b>(o) Aged Persons Accom Reserve</b>			
Opening Balance	110,605	110,605	105,833
Amount Set Aside / Transfer to Reserve	6,009	0	4,772
Amount Used / Transfer from Reserve	0	(2,500)	0
	<u>116,614</u>	<u>108,105</u>	<u>110,605</u>
<b>TOTAL CASH BACKED RESERVES</b>	<u>450,556</u>	<u>398,706</u>	<u>544,706</u>

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

In accordance with council resolutions in relation to each reserve account, the purpose for which the funds are set aside are as follows:

**Leave Reserve**

- to be used to fund annual and long service leave requirements

**Plant Reserve**

- to be used for the purchase of road plant, machinery and equipment

**Building Reserve**

- to be used for the construction of new buildings, predominantly staff housing

**Fire Fighter Reserve**

- to be used to fund the provision of bushfire equipment for brigades

**Cottage Homes Reserve**

- to be used for the future maintenance and construction of new Cottage Home Units

**Special Events Reserve**

- to be used to fund special events and celebrations

**Computer Reserve**

- purchase, upgrade or replacement of hardware as necessary

**Young Singles Accommodation Reserve**

- additional income over expenditure held for future repairs or improvements

**Saleyards Reserve**

- additional income over expenditure held for future repairs or improvements

**Sewerage Reserve**

- additional income over expenditure held for future repairs or improvements

**Refuse Site Reserve**

- additional income over expenditure held for the future creation or maintenance of the refuse site.

**English Land Reserve**

- income received from the sale of the English House held for future development of the English land.

**Townscape Reserve**

- to be used to fund townscape improvements

**Staff Housing Reserve**

- to be used to fund the construction or upgrade of new housing for staff.

**Seasonal Accommodation Reserve**

- to be used to fund the construction of seasonal accommodation.

**Aged Persons Accom Reserve**

- to be used to fund the construction or upgrade of aged person accommodation



**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**12. RESERVES - ASSET REVALUATION**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Asset revaluation reserves have arisen on revaluation of the following classes of non-current assets:		
<b>Roads</b>		
Opening Balance	13,693,777	13,693,777
Revaluation Increment	0	0
Revaluation Decrement	0	0
	<u>13,693,777</u>	<u>13,693,777</u>
<b>TOTAL ASSET REVALUATION RESERVES</b>	<u>13,693,777</u>	<u>13,693,777</u>

**13. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

For the purposes of the statement of cash flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows:

	<b>2012</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>Budget</b>	<b>\$</b>
		<b>\$</b>	
Cash and Cash Equivalents	<u>2,302,026</u>	<u>412,650</u>	<u>1,230,984</u>

**(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result**

Net Result	1,626,280	396,819	315,174
Depreciation	1,078,562	899,578	1,069,078
(Profit)/Loss on Sale of Asset	(12,243)	40,000	288,695
(Increase)/Decrease in Receivables	(137,951)	(5,122)	33,048
(Increase)/Decrease in Inventories	6,244	(172)	2,000
Increase/(Decrease) in Payables	77,790	(385,985)	(168,937)
Increase/(Decrease) in Employee Provisions	(22,531)	13,000	18,209
Grants/Contributions for the Development of Assets	(887,051)	(909,869)	(870,187)
Net Cash from Operating Activities	<u>1,729,100</u>	<u>48,249</u>	<u>687,080</u>

**(c) Undrawn Borrowing Facilities**  
**Credit Standby Arrangements**

Bank Overdraft limit	0	0
Bank Overdraft at Balance Date	0	0
Credit Card limit	10,000	10,000
Credit Card Balance at Balance Date	0	0
<b>Total Amount of Credit Unused</b>	<u>10,000</u>	<u>10,000</u>

**Loan Facilities**

Loan Facilities - Current	121,293	112,604
Loan Facilities - Non-Current	322,332	433,625
<b>Total Facilities in Use at Balance Date</b>	<u>443,625</u>	<u>546,229</u>

<b>Unused Loan Facilities at Balance Date</b>	<u>0</u>	<u>0</u>
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**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**14. CONTINGENT LIABILITIES**

The Shire of Wickepin did not have any contingent liabilities at the 30 June 2012.

**15. CAPITAL AND LEASING COMMITMENTS**

**(a) Finance Lease Commitments**

The Shire of Wickepin did not have any Finance Lease commitments at 30 June 2012.

**(b) Operating Lease Commitments**

The Shire of Wickepin did not have any Operating Lease Commitments at 30 June 2012.

<b>(c) Capital Expenditure Commitments</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Contracted for:		
- capital expenditure projects	445,720	0
- plant & equipment purchases	0	0
Payable:		
- not later than one year	445,720	0

The capital expenditure project outstanding at the end of the current reporting period represents the construction of new synthetic bowling greens in the Wickepin Townsite

**16. JOINT VENTURE**

The Shire of Wickepin, together with the Shires of Pingelly and Cuballing purchased a digital outdoor movie screen and projector. The Shire of Wickpin and Cuballing purchased a speed display trailer.

These assets is included in Property, Plant & Equipment as follows:

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>Non-Current Assets</b>		
Plant & Equipment	26,696	26,696
Less: Accumulated Depreciation	(6,003)	(3,297)
	<u>20,693</u>	<u>23,399</u>

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

Governance	260,923	160,564
General Purpose Funding	9,688	26,176
Law, Order, Public Safety	66,084	55,180
Health	0	399,622
Education and Welfare	0	0
Housing	1,367,086	1,386,499
Community Amenities	828,613	455,128
Recreation and Culture	3,112,718	3,134,809
Transport	24,803,829	24,450,334
Economic Services	603,989	589,806
Other Property and Services	405,681	137,231
Unallocated	1,904,410	977,055
	<u>33,363,021</u>	<u>31,772,404</u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

	2012	2011	2010
<b>18. FINANCIAL RATIOS</b>			
Current Ratio	2.40	1.55	1.19
Untied Cash to Unpaid Trade Creditors Ratio	4.01	5.73	0.96
Debt Ratio	0.02	0.03	0.04
Debt Service Ratio	0.03	0.05	0.04
Gross Debt to Revenue Ratio	0.08	0.14	0.24
Gross Debt to Economically Realisable Assets Ratio	0.05	0.07	0.12
Rate Coverage Ratio	0.21	0.29	0.34
Outstanding Rates Ratio	0.01	0.03	0.01

The above ratios are calculated as follows:

Current Ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Untied Cash to Unpaid Trade Creditors Ratio	$\frac{\text{untied cash}}{\text{unpaid trade creditors}}$
Debt Ratio	$\frac{\text{total liabilities}}{\text{total assets}}$
Debt Service Ratio	$\frac{\text{debt service cost}}{\text{available operating revenue}}$
Gross Debt to Revenue Ratio	$\frac{\text{gross debt}}{\text{total revenue}}$
Gross Debt to Economically Realisable Assets Ratio	$\frac{\text{gross debt}}{\text{economically realisable assets}}$
Rate Coverage Ratio	$\frac{\text{net rate revenue}}{\text{operating revenue}}$
Outstanding Rates Ratio	$\frac{\text{rates outstanding}}{\text{rates collectable}}$

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**19. TRUST FUNDS**

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

	<b>Balance 1-Jul-11</b>	<b>Amounts Received</b>	<b>Amounts Paid</b>	<b>Balance 30-Jun-12</b>
	<b>\$</b>	<b>\$</b>	<b>(\$)</b>	<b>\$</b>
Housing Bonds	3,688	3,640	(3,268)	4,060
Special Plates	0	0	0	0
BCITF	0	1,254	(1,254)	0
Key Deposits	1,550	1,000	(200)	2,350
Tidy Towns	392	0	0	392
Miscellaneous Trust	4,700	0	0	4,700
Nomination Deposits	0	320	(320)	0
Cat/Dog Trap Hire	50	100	(150)	0
	<u>10,380</u>			<u>11,502</u>

**20. DISPOSALS OF ASSETS - 2011/12 FINANCIAL YEAR**

The following assets were disposed of during the year.

	<b>Net Book Value</b>		<b>Sale Price</b>		<b>Profit (Loss)</b>	
	<b>Actual \$</b>	<b>Budget \$</b>	<b>Actual \$</b>	<b>Budget \$</b>	<b>Actual \$</b>	<b>Budget \$</b>
<b>Land &amp; Buildings</b>						
33 Plover Street	22,500	0	41,920	0	19,420	0
<b>Plant &amp; Equipment</b>						
Dolphin Pool Cleaner	0	0	0	0	0	0
Holden Caprice	41,444	40,000	42,273	40,000	829	0
Holden Caprice	42,037	0	42,273	0	236	0
Nissan Navara	19,046	28,000	20,000	25,000	954	(3,000)
Mitsubishi 8 Wheel Truck	106,462	100,000	97,266	58,000	(9,196)	(42,000)
Utility	0	15,000	0	20,000	0	5,000
	<u>231,489</u>	<u>183,000</u>	<u>243,732</u>	<u>143,000</u>	<u>12,243</u>	<u>(40,000)</u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**21. INFORMATION ON BORROWINGS**

(a) Repayments - Debentures

Particulars	Principal 1-Jul-11 \$	New Loans \$	Principal Repayments		Principal 30-Jun-12		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<b>Housing</b>								
90 - Residence Moss Parade	68,399		15,283	15,283	53,116	53,116	4,515	4,784
97 - Wogolin Road Cottage	9,266		2,162	2,146	7,104	7,120	491	507
100 - CEO Residence	177,808		15,461	15,454	162,347	162,354	10,116	10,133
<b>Community Amenities</b>								
87 - Purchase English Land	73,197		28,095	28,095	45,102	45,102	3,579	3,638
98 - English Land Subdivision	92,664		21,622	21,461	71,042	71,203	4,907	5,070
<b>Recreation and Culture</b>								
99 - Wickepin Community Centre Ext	100,030		17,906	17,768	82,124	82,262	5,779	6,000
101- WDS Club Tractor *		10,000	0	0	10,000	0	0	0
<b>Transport</b>								
94 - Upgrade Wogolin Road	24,865		12,074	12,074	12,791	12,791	1,099	1,283
	546,229	10,000	112,603	112,281	443,626	433,948	30,486	31,415

(\*) Self supporting loan financed by payments from third parties.  
All other loan repayments were financed by general purpose revenue.

(b) New Debentures - 2011/12

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges \$	Interest Rate %	Amount Used		Balance Unspent \$
	Actual \$	Budget \$						Actual \$	Budget \$	
WDS Club Tractor SS loan	10,000	0	WTC	P&I	5	11,168	3.8	10,000	0	0

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

(c) Unspent Debentures

The Shire of Wickepin had no unspent debentures at 30 June 2012.

(d) Overdraft

The Shire of Wickepin does not have an overdraft facility.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**22. RATING INFORMATION - 2011/12 FINANCIAL YEAR**

(a) Rates

<b>RATE TYPE</b>	<b>Rate in \$</b>	<b>Number of Properties</b>	<b>Rateable Value \$</b>	<b>Rate Revenue \$</b>	<b>Interim Rates \$</b>	<b>Back Rates \$</b>	<b>Total Revenue \$</b>	<b>Budget Rate Revenue \$</b>	<b>Budget Interim Rate \$</b>	<b>Budget Back Rate \$</b>	<b>Budget Total Revenue \$</b>
<b>Differential General Rate</b>											
GRV Rural	6.9380	194	1,462,379	101,460	0	0	101,460	101,460	0	0	101,460
UV Rural	0.9032	257	121,585,917	1,098,164	1,337	(496)	1,099,005	1,098,164	500	(500)	1,098,164
<b>Sub-Totals</b>		451	123,048,296	1,199,624	1,337	(496)	1,200,465	1,199,624	500	(500)	1,199,624
<b>Minimum Rates</b>	<b>Minimum \$</b>										
GRV Rural	300	60	63,385	18,000	0	0	18,000	18,000	0	0	18,000
UV Rural	300	13	317,017	3,900	0	0	3,900	3,900	0	0	3,900
<b>Sub-Totals</b>		73	380,402	21,900	0	0	21,900	21,900	0	0	21,900
Ex-Gratia Rates							1,222,365				1,221,524
Specified Area Rate (refer note 23)							5,225				4,700
							34,985				35,250
							1,262,575				1,261,474
Discounts (refer note 25)							(108,308)				(105,000)
<b>Totals</b>							1,154,267				1,156,474

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**22. RATING INFORMATION - 2011/12 FINANCIAL YEAR**

(b) Information on Surplus/(Deficit) Brought Forward	<b>2012</b> <b>(1 July 2011</b> <b>Brought</b> <b>Forward)</b> <b>\$</b>	<b>2011</b> <b>(30 June 2011</b> <b>Carried</b> <b>Forward)</b> <b>\$</b>
<b>Surplus/(Deficit) 1 July 2011 Brought Forward</b>	<u><u>572,042</u></u>	<u><u>572,042</u></u>
<b><u>Comprises:</u></b>		
Cash - Unrestricted	383,468	383,468
Cash - Restricted	847,516	847,516
Rates - Current	31,574	31,574
Sundry Debtors	18,305	18,305
GST Receivable	10,811	10,811
Tax Credit Receivable	1,894	1,894
Inventories		
- Fuel and Materials	9,828	9,828
<b>Less:</b>		
Reserves - Restricted Cash		
Leave Reserve	(4,512)	(4,512)
Plant Reserve	(102,541)	(102,541)
Building Reserve	(61,510)	(61,510)
Fire Fighter Reserve	(17,303)	(17,303)
Cottage Homes Reserve	(4,147)	(4,147)
Special Events Reserve	(6,590)	(6,590)
Computer Reserve	(20,076)	(20,076)
Young Singles Accommodation Reserve	(33,471)	(33,471)
Saleyards Reserve	(12,437)	(12,437)
Sewerage Reserve	(79,579)	(79,579)
Refuse Reserve	(31,880)	(31,880)
English Land Reserve	(54,326)	(54,326)
Townscape Reserve	(1,276)	(1,276)
Staff Housing Reserve	(4,453)	(4,453)
Aged Persons Accommodation Reserve	(110,605)	(110,605)
Unspent Grants		
Sundry Creditors	(37,864)	(37,864)
Accrued Interest on Debentures	(2,509)	(2,509)
PAYG Payable	(21,959)	(21,959)
GST Payable	(5,781)	(5,781)
FBT Payable	(1,277)	(1,277)
Current Employee Benefits Provision	(117,258)	(117,258)
<b>Surplus/(Deficit)</b>	<u><u>572,042</u></u>	<u><u>572,042</u></u>

**Difference:**

There was no difference between the Surplus/(Deficit) 1 July 2011 Brought Forward position used in the 2012 audited financial report and the Surplus/(Deficit) Carried Forward position as disclosed in the 2011 audited financial report.



**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**23. SPECIFIED AREA RATE - 2011/12 FINANCIAL YEAR**

	Rate in \$	Basis of Rate	Rateable Value \$	Rate Revenue \$	Budget Rate Revenue \$	Applied to Costs \$	Budget Applied to Costs \$
<b>Community Amenities</b>							
- Rate	0.0231	GRV	1,525,764	34,985	35,250	34,985	35,250
				34,985	35,250	34,985	35,250

The specified area rate is for the maintenance and future upgrades of the Wickepin Sewerage Scheme.

The proceeds of the rate are applied in full to the costs of the loan and no transfer to or from reserve accounts has occurred.

**24. SERVICE CHARGES - 2011/12 FINANCIAL YEAR**

The Shire of Wickepin did not impose any service charges in the 2011/2012 year.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**25. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS**  
**- 2011/12 FINANCIAL YEAR**

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount	10.00%	108,308	105,000
			108,308	105,000

A discount on rates is granted to all who pay their rates in full within 35 days of the date of service appearing on the rate notice.

**26. INTEREST CHARGES AND INSTALMENTS - 2011/12 FINANCIAL YEAR**

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11.00%		3,894	3,000
Interest on Instalments Plan	5.50%		0	0
Charges on Instalment Plan		0	0	0
			3,894	3,000

Ratepayers had the option of paying rates in four equal instalments, due on 29th September 2011, 29th November 2011, 30th January 2012 and 30th March 2012. Interest applied for the final three instalments.

<b>27. FEES &amp; CHARGES</b>	<b>2012 \$</b>	<b>2011 \$</b>
Governance	41,938	48,546
General Purpose Funding	3,830	6,113
Law, Order, Public Safety	46,828	30,784
Health	904	440
Education and Welfare	0	0
Housing	62,996	75,307
Community Amenities	116,144	55,579
Recreation and Culture	56,617	58,681
Transport	15,553	18,194
Economic Services	46,655	35,019
Other Property and Services	1,175,950	189,253
	<u>1,567,415</u>	<u>517,916</u>

There were no changes during the year to the amount of the fees or charges detailed in the original budget.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**28. GRANT REVENUE**

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

	<b>2012</b>	<b>2011</b>
<b>By Nature and Type:</b>	<b>\$</b>	<b>\$</b>
Operating Grants, Subsidies and Contributions	1,599,018	1,262,592
Non-Operating Grants, Subsidies and Contributions	1,050,829	870,187
	<u>2,649,847</u>	<u>2,132,779</u>
<b>By Program:</b>		
Governance	0	0
General Purpose Funding	1,841,928	1,148,523
Law, Order, Public Safety	25,976	24,910
Health	0	0
Education and Welfare	0	0
Housing	0	0
Community Amenities	0	0
Recreation and Culture	3,000	426,869
Transport	778,943	517,452
Economic Services	0	15,025
Other Property and Services	0	0
	<u>2,649,847</u>	<u>2,132,779</u>

**29. ELECTED MEMBERS REMUNERATION**

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

	<b>2012</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>Budget</b>	<b>\$</b>
		<b>\$</b>	
Meeting Fees	9,000	7,500	7,710
President's Allowance	1,500	1,500	1,500
Travelling Expenses	3,793	4,500	3,475
Telecommunications Allowance	0	3,800	3,679
	<u>14,293</u>	<u>17,300</u>	<u>16,364</u>

**30. EMPLOYEE NUMBERS**

The number of full-time equivalent employees at balance date

<b>2012</b>	<b>2011</b>
<u>19</u>	<u>18</u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**31. MAJOR LAND TRANSACTIONS**

**Land Adjacent to the Wickepin Townsite (purchased in 1998/99)**

(a) Details

Council purchased a portion of Williams location 1626 being lot 1 on diagram 50740, 2.0589 hectares and portion of lot 2 on diagram 57530, 99.5969 hectares. It is intended to subdivide the land for future sale to interested parties, for a range of uses, as an encouragement to retain and attract population to the town.

The cost of acquisition in 1998/99, which includes a residence was \$306,188. A loan of \$321,500 was raised for the acquisition and a town planning scheme amendment has been prepared for the land.

A further loan of \$200,000 was raised to undertake further works relating to the subdivision with Council contributing a further \$97,390 from the reserve fund.

	2012 \$	2012 Budget \$	2011 \$
(b) Current year transactions			
<b>Operating Revenue</b>			
- Profit on sale	0	0	0
<b>Capital Revenue</b>			
- Sale Proceeds	0	0	0
<b>Capital Expenditure</b>			
- Purchase of Land	0	0	0
- Development Costs	0	0	0
	0	0	0
	0	0	0

The above capital expenditure is included in land held for resale (refer to this financial report).

There are no liabilities in relation to this land transaction as at 30 June 2012.

(c) Expected Future Cash Flows

	2013 \$	2014 \$	2015 \$	2016 \$	2017 \$	Total \$
<b>Cash Outflows</b>						
- Development Costs						0
- Loan Repayments	(58,263)	(42,397)	(26,531)	0	0	(127,191)
	(58,263)	(42,397)	(26,531)	0	0	(127,191)
<b>Cash Inflows</b>						
- Loan Proceeds						0
- Sale Proceeds	0	0	0	0	0	0
	0	0	0	0	0	0
<b>Net Cash Flows</b>	(58,263)	(42,397)	(26,531)	0	0	(127,191)

**32. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

Council did not participate in any trading undertakings or major trading undertakings during the 2011/12 financial year.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2012**

**33. FINANCIAL RISK MANAGEMENT**

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

Council 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 Council held the following financial instruments at balance date:

	<b>Carrying Value</b>		<b>Fair Value</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>				
Cash and cash equivalents	2,302,026	1,230,984	2,302,026	1,230,984
Receivables	222,219	62,584	222,219	62,584
	<u>2,524,245</u>	<u>1,293,568</u>	<u>2,524,245</u>	<u>1,293,568</u>
<b>Financial Liabilities</b>				
Payables	158,862	69,390	158,862	69,390
Borrowings	443,625	546,229	443,625	546,229
	<u>602,487</u>	<u>615,619</u>	<u>602,487</u>	<u>615,619</u>

Fair value is determined as follows:

- Cash and Cash Equivalents, Receivables, Payables – estimated to the carrying value which approximates net market value.
- Borrowings – estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**33. FINANCIAL RISK MANAGEMENT (Continued)**

**(a) Cash and Cash Equivalents**

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). Council has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with investments is price risk – the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk – the risk that movements in interest rates could affect returns.

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

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from independent advisers (where applicable) before placing any cash and investments.

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Impact of a 10% (*) movement in interest rates on cash and investments:		
- Equity	230,203	123,098
- Statement of Comprehensive Income	230,203	123,098

**Notes:**

(\*) Sensitivity percentages based on management's expectation of future possible market movements.

Recent market volatility has seen large market movements for certain types of investments.

Impact of a 1% (\*) movement in interest rates on cash and investments:

- Equity	23,020	12,310
- Statement of Comprehensive Income	23,020	12,310

**SHIRE OF WICKEPIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2012**

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

**(b) Receivables**

Council's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. Council 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 Council to recover these debts as a secured charge over the land – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

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

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

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

The profile of the Council's credit risk at balance date was:

	<b>2012</b>	<b>2011</b>
Percentage of Rates and Annual Charges		
- Current	57.77%	61.60%
- Overdue	42.23%	38.40%
Percentage of Other Receivables		
- Current	97.16%	32.10%
- Overdue	2.84%	67.90%

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**33. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Payables**  
**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. Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required.

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

	<b>Due within 1 year \$</b>	<b>Due between 1 &amp; 5 years \$</b>	<b>Due after 5 years \$</b>	<b>Total contractual cash flows \$</b>	<b>Carrying values \$</b>
<b><u>2012</u></b>					
Payables	158,862	0	0	158,862	158,862
Borrowings	13,356	301,591	229,381	544,328	443,625
	<u>172,218</u>	<u>301,591</u>	<u>229,381</u>	<u>703,190</u>	<u>602,487</u>
<b><u>2011</u></b>					
Payables	69,390	0	0	69,390	69,390
Borrowings	0	421,886	229,381	651,267	546,228
	<u>69,390</u>	<u>421,886</u>	<u>229,381</u>	<u>720,657</u>	<u>615,618</u>



**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**33. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Payables**  
**Borrowings (Continued)**

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

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

	<1 year \$	>1<2 years \$	>2<3 years \$	>3<4 years \$	>4<5 years \$	>5 years \$	Total \$	Weighted Average Effective Interest Rate %
<b><u>Year Ended 30 June 2012</u></b>								
Payables								
Borrowings								
<b>Fixed Rate</b>								
Debentures	12,791	45,102	131,261	82,124	10,000	162,347	443,625	5.97%
Weighted Average Effective Interest Rate	5.86%	5.49%	6.34%	6.13%	3.80%	5.87%		
<b><u>Year Ended 30 June 2011</u></b>								
Payables								
Borrowings								
<b>Fixed Rate</b>								
Debentures	0	24,865	73,197	170,328	100,030	177,808	546,228	6.01%
Weighted Average Effective Interest Rate	0.00%	5.86%	5.49%	6.33%	6.13%	5.87%		