



# SHIRE OF WICKEPIN

Annual Report  
**2013/2014**





## Contents

<b>Council Overview .....</b>	<b>3</b>
Council Meetings.....	3
Elections.....	3
<b>Council Staff .....</b>	<b>4</b>
<b>President's Report .....</b>	<b>5</b>
2013-2014 Major Achievements .....	5
2013-2014 Budget Highlights.....	5
Roads, Plant and Infrastructure .....	6
2013/2014 Road Program Highlights.....	6
Council .....	8
Staff.....	8
<b>Chief Executive Officer's Report .....</b>	<b>9</b>
Staff.....	9
2013/2014 Budget Highlights .....	9
Upgrade of Lake Yealering Bowling Club .....	9
New Wickepin Fire Truck .....	9
Community Agricultural Centre Upgrade .....	10
Finance .....	11
National Competition Policy .....	13
Competitive Neutrality .....	13
Disability Service Plan Statement .....	13
State Records Act 2000 .....	14
Fruit fly Baits .....	14
Mosquito Spraying .....	14
Chemical Containers.....	15
Loans .....	15
Economic Regulation Authority .....	17
Approval of Outstanding Financial Hardship Policies .....	17
Public Interest Disclosure Act .....	17
Facebook .....	17
Register of Complaints .....	17
Freedom of Information.....	17
Waste Disposal .....	18
Integrated Planning .....	19
Disclosure of Annual Salaries .....	20
Thank You.....	20
<b>Community Development Officer's Report – Natalie Manton .....</b>	<b>21</b>
Arts and Cultural .....	21
Community and Economic Development .....	22
Tourism, Marketing and Promotion .....	23
Sport and Recreation .....	24
Heritage.....	25
<b>Community Development Officer's Report – Lee Parker .....</b>	<b>26</b>
<b>Byfields Management Report for the Year Ended 30 June 2014.....</b>	<b>27</b>



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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	2017
Cr Julie Russell	9888 1097	Deputy President	2005	2015
Cr Grayden Lang	9888 4001		2013	2017
Cr Ross Easton	9883 2002		2005	2017
Cr Wes Astbury	9883 1021		2013	2017
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 1.30pm. 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 Manager**  
**Administration Officer**  
**EHO/Building Surveyor**  
**Community Development Officer**

Mark Hook  
Peter Vlahov  
Leah Pearson  
Natalie Manton  
Amanda Bullock  
Allan Ramsay  
Lee Parker

[ceo@wickepin.wa.gov.au](mailto:ceo@wickepin.wa.gov.au)  
[works@wickepin.wa.gov.au](mailto:works@wickepin.wa.gov.au)  
[eso@wickepin.wa.gov.au](mailto:eso@wickepin.wa.gov.au)  
[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**

Peter Bransby

**Leading Hand Construction**

Bob Read

**Mechanic**

Cameron Charles

**Grader Drivers**

Bob Read, Colin Plumb

**Plant Operators**

Trevor Tapping, Ian Roberts,



Justin Smith, Tyson Anderson

**Refuse & Recycling**

Peter Marsh

**Gardener**

Graeme Wilson

**Gardener**

James Matthews

**Swimming Pool Manager**

Damien Morrison

**Cleaners**

Janet Thorley, Kelly Cochrane,



Maureen Preedy

**Auditor**

Butler Settineri  
Unit 16, First Floor  
Spectrum Offices  
100 Railway Road  
SUBIACO WA 6008



**Town Planner**

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



**Bank**

ANZ  
Bintamilling Arcade  
Narrogin 6312



**Services**

**Council Depot**

9888 1252

**Wickepin Swimming Pool**

9888 1015

**Wickepin Caravan Park**

9888 1089

**Wickepin Community Centre**

9888 1125

**Yealering Caravan Park**

9888 7014

**Harrismith Caravan Park**

9883 1010



## President's Report

It gives me great pleasure to present my President's report on the Wickepin Shire Council's activities for the 2013/2014 financial year.

Council has made a significant 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 in the infrastructure required for a sustainable community.

The Shire of Wickepin had a rate increase of 3% for 2013/2014, which is necessary to keep pace with the general CPI and to allow for further improvements along with an increase level of services and infrastructure.

### 2013-2014 Major Achievements

1. Administration Centre Garden Upgrade
2. Commencement of the construction of waste transfer stations
3. Lake Yealering Bowling Club – Ditch wall and embankment replacement
4. Lake Yealering Swimming Hole – infill
5. New Coaches Bunkers Wickepin Football Oval
6. Harrismith Caravan Park Accommodation units – new carpet and air conditioners
7. Card system – 86 gate standpipe

### 2013-2014 Budget Highlights

<b>Governance</b>	
New Shredder	2,477
Computers Upgrades	6,014
New Garden Beds – Administration Centre	16,442
<b>Law, Order, Public Safety</b>	
2.4 Rural Tanker Truck Wickepin	328,822
<b>Community Amenities</b>	
Regional Waste Stations	372,529
Wickepin Cemetery Upgrade	3,445
Community Agricultural Centre - Upgrade	33,900
Wickepin Public toilets - Paint	1,000
Wickepin Community Resource Centre - Upgrade	8,586
Wickepin Oval New Coaches Bunkers	3,496
Harrismith Caravan Park Carpets Air Cond	5,937
86 Gate Standpipe Card System	8,222
<b>Yealering Townsite Redevelopment</b>	
Yealering Bowling Club - New Ditch Walls landscaping etc.	40,673
Fill in Swimming Hole – Lake Yealering	23,583
Golden Memorial Park – Park Upgrade	4,900



New Garden Administration Centre

## Roads, Plant and Infrastructure

Council has continued its significant contribution to the ongoing maintenance and upgrade of the Shire road network during the 2013/2014 financial year and undertook a \$1,678,535 road program. Council's dedicated staff were able to complete the whole budgeted road task with the exception of Gravel sheeting, widening, reduction of vegetation & signs on Watts Road. This has been carried forward into the 2014/2015 financial year road program. Council undertook the following road and footpath program in 2013/2014

### 2013/2014 Road Program Highlights

<b>Regional Road Group</b>	
Wickepin Corrigin FCWP 13/14	163,214
Wickepin Pingelly FCWP 13/14	176,897
<b>Roads to Recovery</b>	
Pauley Road	44,201
Wogolin South Road	39,005
Rose Road	44,061
Toolibin South Road	44,390
<b>General Purpose Road Projects</b>	
Drainage and headwalls	6,287
Toolibin North Road	5,981
<b>Blackspot Roads</b>	
Wickepin/Pingelly Road	144,047
Wickepin Harrismith Road	192,445
<b>Grain Freight Projects</b>	
Lomos South Road	348,296
Depot Improvements	4,497
Footpath Construction	40,907
<b>Plant</b>	
Komatsu Grader	305,000
New Pig Trailer	97,860
Nissan Navara Crew Utility 4x4	37,125
Nissan Navara Crew Utility 4x4	23,666
Holden Statesman	43,734



New Komatsu GD 5555 Grader

The end of the 2013/2014 financial year sees the finalisation of the current Roads to Recovery program. The objective of the Roads to Recovery program was to contribute to the Infrastructure Investment Programme through supporting maintenance of the nation's local road infrastructure asset, facilitating greater access for Australians with improved safety, economic and social outcomes. The Roads to Recovery Program is run through the Australian Government Department of Infrastructure and Regional Development.

The Shire of Wickepin has been advised that there will be a continuation of the Roads to Recovery Program. From 2014-15 to 2018-19 the Government will provide \$2.1 billion (\$350 million in 2014-15) under the Roads to Recovery programme, to be distributed to Australia's local councils, state and territory Governments responsible for local roads in the unincorporated areas (where there are no councils) and the Indian Ocean Territories.

Roads to Recovery allocations for the councils in each jurisdiction (except the ACT as it is a unitary jurisdiction) have been determined on the basis of the recommendations of the Local Government Grants Commissions in each state and the Northern Territory for the roads component of the Financial Assistance Grants. This is the same methodology as was used for this purpose in previous Roads to Recovery programmes.

The Shire of Wickepin allocation under the Roads to Recovery Program 2014/2018 is: \$1,415,572.

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.



New Asphalt Footpath Wickepin

### **Council**

Council operates under a bi-annual election system with election being held every two years with the last election being held on the 19<sup>th</sup> October 2013.

This Election saw the retirement of two of our long standing Councillors Cr Dave Astbury and Cr Kevin Coxon. I would like to thank Dave and Kevin for their efforts on behalf of all the ratepayers and electors of the Shire of Wickepin and wish them well for the future.

The retirement of these two Councillors saw two new faces come to the Council and I would like to welcome Cr Grayden Lang and Cr Wes Astbury to Council. I am sure you will enjoy your time on Council.

### **Staff**

On behalf of Wickepin Shire community I would like to thank CEO Mark Hook and his team for an outstanding effort over the past year.

I would also like to thank Natalie Manton for her efforts over the years as the Shire of Wickepin Community Development Officer and wish her well in her new role as Finance Manager for the Shire of Wickepin.

I welcome our new Community Development Officer Lee Parker to the team and look forward to working with Lee over the years to come.

Council continues with its efforts towards the best outcomes for all our communities, and continues to endeavour to secure additional services, as well as ensuring the road network and infrastructure programs benefit all the communities in the Shire of Wickepin.

I would also like to thank the Deputy Shire President Cr Julie Russell for her support and all the councillors for their contribution and personal support over the 2013/2014 period.

### **Thank You**

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

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

It is with much pleasure that I present my Chief Executive Officers Report to the Shire of Wickepin and the Community for the year ending 30<sup>th</sup> June 2014.

### **Staff**

The Shire administration staff has seen some changes this year with Kerry Fisher, Finance Manager, moving to a position as Finance Officer with the shire of Boddington. Mrs Natalie Manton was appointed as the Finance Manager which left the position of Community Development Officer vacant which has been aptly filled by Ms Lee Parker.

I would like to thank all the staff for their hard work and dedication during the 2013/2014 financial year.

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.

### **2013/2014 Budget Highlights**

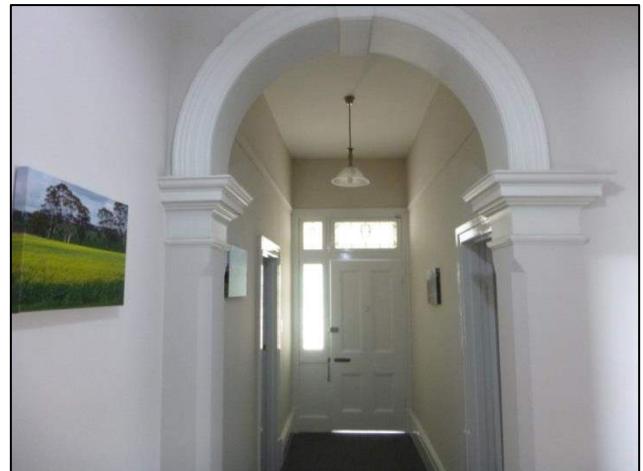
#### **Upgrade of Lake Yealering Bowling Club**



#### **New Wickepin Fire Truck**



### **Community Agricultural Centre Upgrade**



**Finance**

At the end of the financial year 2013/2014 saw the situation in relation to reserve funds as follows:

**11. RESERVES - CASH BACKED****(a) Leave Reserve**

Opening Balance	59,992
Amount Set Aside / Transfer to Reserve	1,384
Amount Used / Transfer from	
Reserve	0
	<hr/>
	61,376

**(b) Plant Reserve**

Opening Balance	77,293
Amount Set Aside / Transfer to Reserve	16,105
Amount Used / Transfer from	
Reserve	0
	<hr/>
	93,398

**(c) Building Reserve**

Opening Balance	85,955
Amount Set Aside / Transfer to Reserve	1,982
Amount Used / Transfer from	
Reserve	0
	<hr/>
	87,937

**(d) Fire Fighter Reserve**

Opening Balance	19,142
Amount Set Aside / Transfer to Reserve	442
Amount Used / Transfer from	
Reserve	0
	<hr/>
	19,584

**(e) Cottage Homes Reserve**

Opening Balance	4,589
Amount Set Aside / Transfer to Reserve	105
Amount Used / Transfer from	
Reserve	0
	<hr/>
	4,694

**(f) Special Events Reserve**

Opening Balance	7,290
Amount Set Aside / Transfer to Reserve	168
Amount Used / Transfer from	
Reserve	0
	<hr/>
	7,458

**(g) Computer Reserve**

Opening Balance	22,212
Amount Set Aside / Transfer to Reserve	15,513
Amount Used / Transfer from	
Reserve	0
	<hr/>
	37,725

<b>(h) Young Singles Accommodation Reserve</b>	
Opening Balance	37,031
Amount Set Aside / Transfer to Reserve	854
Amount Used / Transfer from	
Reserve	0
	<u>37,885</u>
<b>(i) Saleyards Reserve</b>	
Opening Balance	13,988
Amount Set Aside / Transfer to Reserve	2,362
Amount Used / Transfer from	
Reserve	(10,245)
	<u>6,105</u>
<b>(j) Sewerage Reserve</b>	
Opening Balance	83,819
Amount Set Aside / Transfer to Reserve	9,183
Amount Used / Transfer from	
Reserve	0
	<u>93,002</u>
<b>(k) Refuse Reserve</b>	
Opening Balance	35,325
Amount Set Aside / Transfer to Reserve	815
Amount Used / Transfer from	
Reserve	0
	<u>36,140</u>
<b>(l) English Land Reserve</b>	
Opening Balance	98,306
Amount Set Aside / Transfer to Reserve	5,268
Amount Used / Transfer from	
Reserve	0
	<u>103,574</u>
<b>(m) Townscape Reserve</b>	
Opening Balance	1,413
Amount Set Aside / Transfer to Reserve	33
Amount Used / Transfer from	
Reserve	0
	<u>1,446</u>
<b>(n) Staff Housing Reserve</b>	
Opening Balance	104,933
Amount Set Aside / Transfer to Reserve	2,420
Amount Used / Transfer from	
Reserve	0
	<u>107,353</u>
<b>(o) Aged Persons Accommodation Reserve</b>	
Opening Balance	122,361
Amount Set Aside / Transfer to Reserve	2,822
Amount Used / Transfer from	
Reserve	0
	<u>125,183</u>

<b>(p) Swimming Pool Reserve</b>	
Opening Balance	24,000
Amount Set Aside / Transfer to Reserve	50,554
Amount Used / Transfer from Reserve	
	0
	<u>74,554</u>
<b>TOTAL RESERVES</b>	<b><u>897,414</u></b>
Total Opening Balance	797,649
Total Amount Set Aside / Transfer to Reserve	110,010
Total Amount Used / Transfer from Reserve	(10,245)
<b>TOTAL RESERVES</b>	<b><u>897,414</u></b>

Council's cash reserves balance remains healthy as of the 30<sup>th</sup> June 2014.

#### **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.

**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 Shire of Wickepin uses a hard copy records management system. All records created and received in the course of business are captured and stored according to the Shire's Record Keeping Plan. As required under the State Records Act 2000 the Shire of Wickepin Record Keeping Plan May 2009 is due for revision by April 2015.

All records are disposed of in accordance with the General Disposal Authority for Local Government Records. The Disposal Authority defines the minimum periods of time that different classes of records must be kept (retention periods) and provides guidelines for destruction of records after they have met the retention requirements of the schedule. The Administration Officer annually recommends disposal of records in accordance with the State Records Act guidelines.

Standard 2 Principle 6 requires Council to ensure that employees comply with the Record Keeping Plan. The following activities have been undertaken to ensure staff awareness and compliance:

1. Induction program was undertaken for one staff member in January 2014
2. Two staff members attended external training for two days in February 2014 obtaining certificates in Records Management Basics, Keyword Classification and Records Disposal.
3. Staff information sessions were held as required

Based on the records management performance indicators the efficiency and effectiveness of the records management training program is reviewed and staff information sessions held.

The staff induction program ensures employees are made aware of their roles and responsibilities in regards to their compliance with the Shire's Record Keeping Plan.

### **Fruit fly Baits**

Council has continued with its program of supplying fruit fly baits and any ratepayer or elector can receive a free fruit fly bait each year. To receive your free fruit fly bait please go to Ewen Rural Supplies and ask for your free fruit fly bait.

### **Mosquito Spraying**

Council also continues its annual mosquito spraying program to control the level of mosquitos around the towns of Wickepin, Yealerling, Harrismith and Tincurrin.

### Chemical Containers

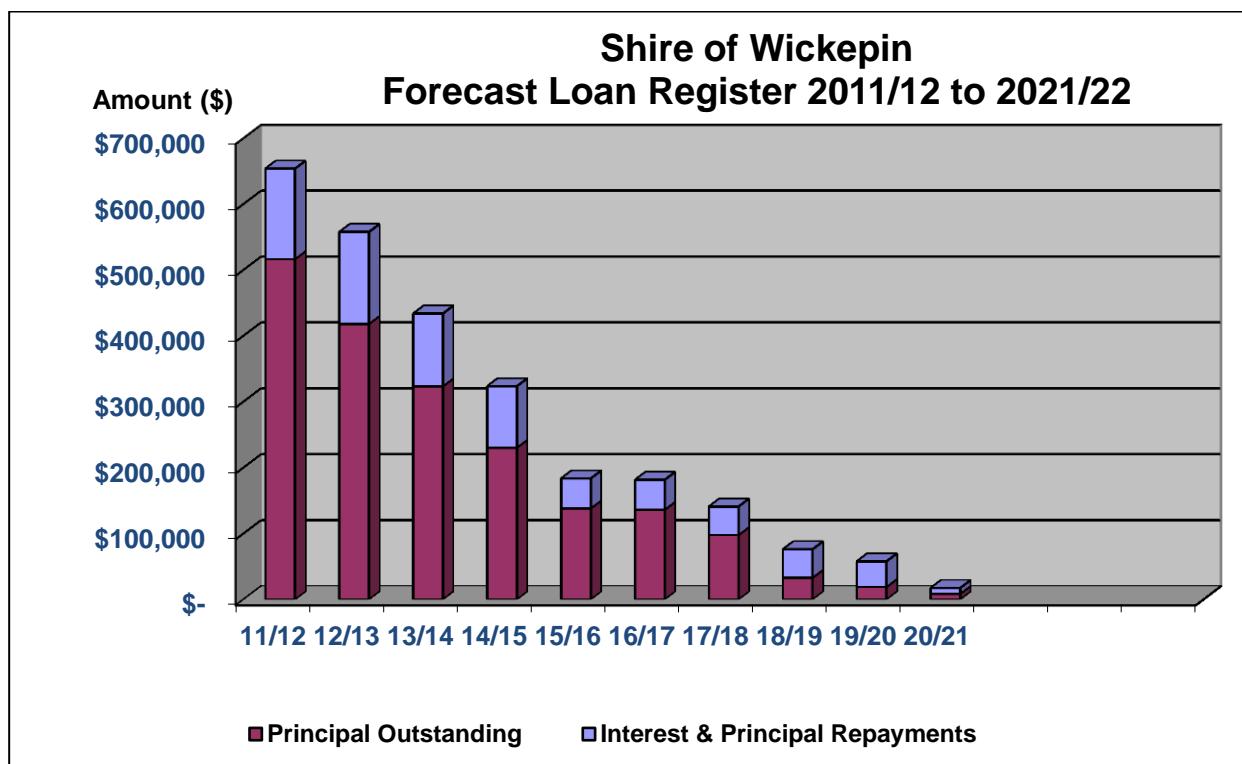
Council continues to be involved in the DrumMuster program. The DrumMuster collections are notified through the Watershed News and collections are generally between the hours of 8.00am & 4.30pm by appointment only.

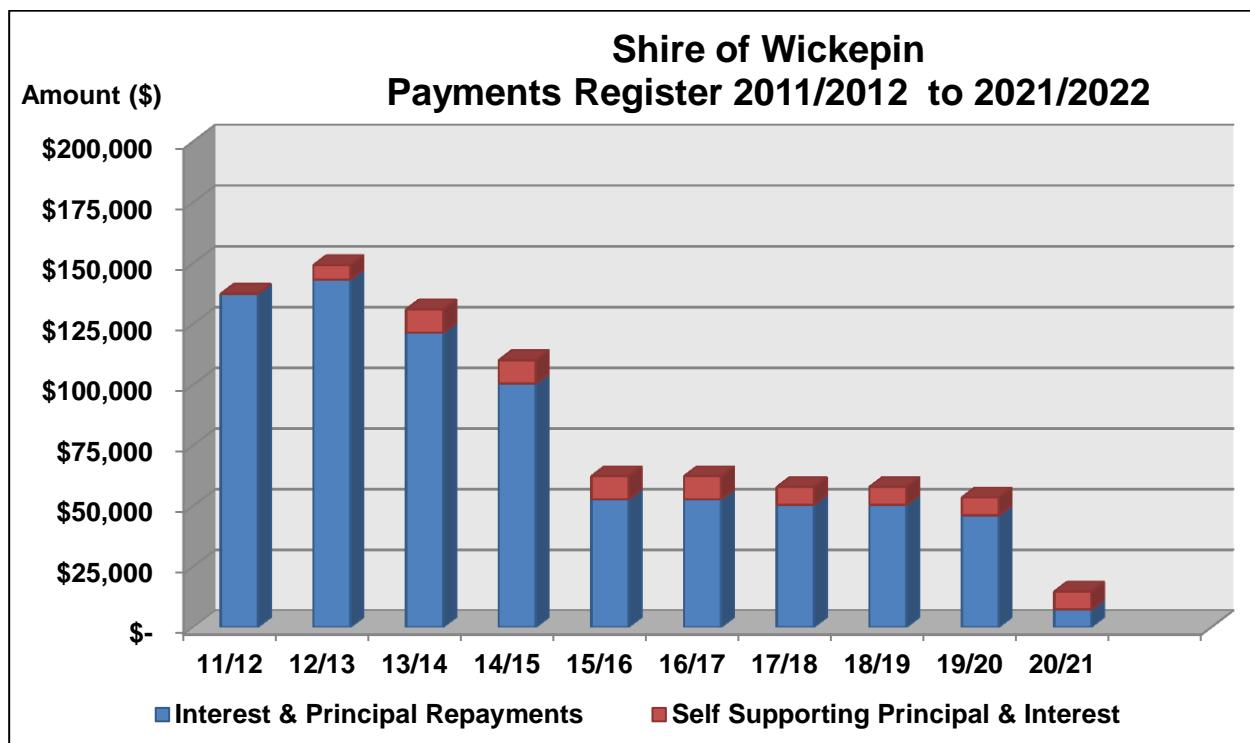


Bookings are essential so please contact the shire office for appointment advising of number of drums for disposal. Please note - If you have more than 50 drums, please make a morning booking.

### Loans

Council generally has a no Loan Policy other than for Self Supporting Loans to support Wickepin Community Groups. No Loans were raised in 2013/2014.





## Economic Regulation Authority



### Approval of Outstanding Financial Hardship Policies

The Water Services Code of Conduct (Customer Service Standards) 2013 (Code), which commenced on 18 November 2013, requires certain water licensees to have a financial hardship policy (Policy) approved by the Economic Regulation Authority (Authority).

The Authority approved the Shire of Wickepin Hardship Policy on the 16<sup>th</sup> May 2014.

### 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 Officer 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 2013/2014.

### Facebook

The Shire of Wickepin is on Facebook. It is 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.



### Register of Complaints

The Local Government Act 1995 Section 5.121 requires the complaints officer of the local government to maintain a register of complaints which records all complaints that result in an action under the Local Government Act 1995 Section 5.110 (6)(b) or (c). For the purposes of Section 5.53(2) (hb) of the Local Government Act 1995 it is advised that the Shire of Wickepin received Zero (0) complaints during the 2013/2014 financial year.

### Freedom of Information

In accordance with Section 96 and 97 of the Freedom of Information Act 1992, the Shire is required to publish an information statement which details the process for applying for information under the Act, as well as information that the Shire provides outside the Act.

This document is available from the Shire's Administration Office or the website.

During 2013/2014 the Shire received zero (0) Freedom of Information applications, and 0 (0) referrals for third party consultation. The Act requires that all applications are responded to within 45 days.

## Waste Disposal

Council engages the services of Great Southern Waste Disposal to collect the kerbside waste every Monday morning. The Wickepin, Yealering, Harrismith and Tincurri tip sites are open 24 hours 7 days a week. Recycling is provided in the Townsites of Harrismith and Tincurri by dropping off your recyclables at the recycling yards in each Townsite.



Patrons are encouraged to separate the recyclable material from general household waste.

Asbestos, liquid salvage and bulk waste are accepted by prior arrangement. Steel, timber, tyres, batteries and waste oil s also accepted please drop off in the signed areas. Green waste must also be separated and dropped off in the signed areas.

Great Southern Waste collects fortnightly recycling in the town of Yealering and Wickepin. Households are provided with a 240 litre recycling bin at each household. The recycling program is working well with great community support. Recycling Bins are collected every 2nd Monday and people can only place the following items into the bins:

- Glass: Clean Bottles and Jars (lids removed)
- Plastic: Empty bottles and containers with 1,2 or 3 printed on the bottom (lids removed)
- Paper: Clean, untied newspapers, papers, Magazines, Telephone books, envelopes
- Cardboard: Clean, flattened boxes and cartons
- Aluminium & Steel: Cans, tins, clean foil, aerosol cans
- Liquid Paperboard: Milk, juice & laundry detergent cartons

All recycling must be placed loose in your recycling bin. Please do not place any plastic bags in your bin.

Non-Recyclable Materials: Do NOT place the following in your recycling bin:

- Green Waste Lawn Clippings Plastic Bags
- Food Scraps Liquids Nappies / Sanitary Items
- Polystyrene Glossy Magazines Appliances
- Toys Clothing Tools



## **Integrated Planning**

In accordance with the Local Government (Administration) Regulations 1996 the Shire has adopted the new Integrated Planning and Reporting (IPR) framework. Integrated planning ensures that Councils Strategic Plans reflect the community aspirations, visions and priorities of the district.

The Shire consulted with the community to produce the Strategic Community Plan. The themes formed from the community engagement process include:

**(1) To Develop and Maintain Quality Services and Infrastructure:**

A sustainable and extensive transport system that allows for efficient travel within the local government and to other rural and metropolitan areas

**(2) To Ensure the Protection and Improvement of the Environment**

A protected and enhanced environment that is aesthetically beautiful and provides benefits for generations to come

**(3) To Promote the Development of a Viable and Diversified Local Economy:**

A strong, diversified economic and industrial base that provides new and varied employment opportunities for all age groups

**(4) To Provide and Encourage the use of a Variety of Recreational, Educational and Cultural Facilities:**

A healthy, strong and connected community that is actively engaged and involved

**(5) To Provide Efficient, Effective and Accountable Governance.**

Availability of council services, personal development opportunities and adequate resident and staff accommodation to attract and retain quality resources.

**(6) To Promote the Shire as a Focal Point in the Development of the Greater Region**

A council actively involved in promoting regional facilities and activities to its community and neighbouring regions.

Council's Corporate Business Plan is still being developed but will align with its Strategic Community Plan and will contain Council's affordable priorities, actions and responsibilities over the next four years to progress the community's priorities.

As part of the IPR framework, Council has also developed a number of informing strategies including:

- Long Term Financial Plan,
- Asset Management Plan
- Workforce Plan

Copies of these plans along with the Strategic Community Plan 2012/2022 are available from our website [www.wickepin.wa.gov.au](http://www.wickepin.wa.gov.au)

### **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 2013/2014 the Shire of Wickepin had one employee with a salary exceeding \$100,000 in the \$110,000 to \$120,000 band.

### **Thank You**

I would like to take this opportunity to thank all the staff for their continued efforts in the 2013/2014 financial year as well as Council for their 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 – Natalie Manton

The following report highlights the range of community projects undertaken by the Community Development Officer at the Shire of Wickepin during the 2013-14 year.



### Arts and Cultural

The annual movie night was held at the Wickepin Oval in February 2013 following the inaugural Wickepin Triathlon. The crowd of approximately 80 people enjoyed a beautiful evening watching the movie Despicable Me 2 and hamburgers prepared by the Wickepin Volunteer Resource Centre made possible with funding from a Thank a Volunteer grant.

### **Embrace Our Roots Sculpture Project**

An application was submitted to CANWA for funding to conduct a sculpture project in 2014. The project commenced in August 2014 and involved a series of sculpture workshops and the creation of a permanent artwork which has been installed in the Shire of Wickepin Administration Centre gardens.



### **Dryandra Country Art, Food & Wine**

The Shire of Wickepin hosted a very successful Market Day on Saturday 10 May 2014 from 10am – 4pm in the main street near the Albert Facey Homestead with 16 stalls registered for the event. The Community Resource Centre,

Wickepin Nursery and Newsagency also supported the event with new displays and products especially for the day.



Over 100 people visited the Market Day from the local Wickepin area and others travelled from far and wide such as Kulin, Lake Grace, Bunbury, Perth, Narrogin and many more. The feedback from the stall holders and visitors to Wickepin was very positive and there was even support for future monthly or seasonal market days.

The Mother's Day Long Table Lunch on Sunday at the Wickepin Town Hall was also a great success with 43 people attending. Local people as well as visitors from Wagin, Harrismith, Yealering, Perth and Narrogin enjoyed a fantastic 3 course meal prepared by local caterer Christine Hill of Christine Hill Food in the supper room at the hall, with the help of the Wickepin Golf Club ladies. The table was beautifully decorated with fresh flowers by Judy Lock. The feedback from guests at the Mother's Day Lunch was very positive and there was general support to repeat it again next year.

Well done to the shire staff for helping to make sure the town looked its best for the event and assisted in promoting the event. A special thank you goes to Leah Pearson for her fantastic design work on the event flyers and for promoting the events on the new shire website and Facebook page.



## Community and Economic Development

### Cemetery Upgrade

Following the completion of the Yealering cemetery upgrade work commenced on an upgrade to the Wickepin cemetery and niche wall. Feedback and comments were received during 2013 and plans were finalised during 2014 prior to a period of consultation with family and community members. The upgrade of the Wickepin cemetery is due to commence in mid-2015 and will include improvements to the niche wall, driveway and car park. The cemetery upgrade will also provide an opportunity to update the burial records and cemetery processes.

### Building and Townsite Upgrades

Royalties for Regions – Country Local Government Funding was used in 2013 -2014 to finalise upgrades to Golden Memorial Park, replace the bowling green end walls and ditches as well as fill in the swimming hole at the Yealering Lake.



Funding was also used to upgrade the Wickepin Hall and commence planning for the upgrade of the Wickepin Community Centre car park.

### Wickepin Community Resource Centre

Discussions were held during 2013 and 2014 regarding the ongoing problems with the Wickepin Community Resource Centre building. The Shire of Wickepin and the Wickepin Community Resource Centre jointly funded a report into the available options to refurbish or replace the CRC building with Site Architecture. Further investigation of the ongoing accommodation requirements for the Community Resource Centre was conducted during 2014 with the report to be finalised in 2015.

### Walk Trails

The Shire of Wickepin was successful in receiving funding from Lotterywest to develop a Walk Trails Master Plan. The funding enabled the Shire of Wickepin to engage consultants from TPG to develop a trails master plan with suggestions of possible improvements or extensions to the existing trails in the towns of Wickepin, Yealering and Harrismith. The plan will help to guide the design and placement of interpretive signage, other directional and information signage as well as seating. The plan was also used to apply for funding from



Lotterywest to start work on upgrading the Wickepin heritage walk trail.

### Living Lakes Project

During 2012 the Shire of Wickepin continued to work 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. Phase 2 of the project which involves the engineering design and concept planning was completed in late 2014 followed by a period of community consultation.

### Townscape Projects

Townscape projects undertaken during the 2013-2014 year included:

- Funding application for Wickepin War Memorial to acknowledge service men and women who were killed in action during WW1 and WW2.
- Tincurrin entry statement
- Sponsorship of Harrismith Photography Comp.
- Upgrade of Shire Administration Centre gardens.



## Hall Report

The Shire of Wickepin commenced a review of the buildings that it owns and manages as part of the new asset management planning requirements. For the first time, the Shire of Wickepin used an online survey to find out more about the current and future usage of the Wickepin, Yealering, Harrismith and Tincurrin halls as well as understand the community expectations, service levels and future funding requirements.

This information will be used to plan for future maintenance, upgrades or renewals.

## Tourism, Marketing and Promotion

### Wander to Wickepin

The Shire of Wickepin worked with the Wander to Wickepin committee and Community Resource Centre to promote the Wander to Wickepin event which was designed to provide a boost to the local economy by encouraging caravan and camping enthusiasts to stay in the town of Wickepin and explore the Wheatbelt region. During the period



between 21 September to 8 October 2013, the Shire of Wickepin offered reduced camping site fees to provide travellers with an inexpensive base to stay and enjoy the relaxed rural setting, visit local sites of interest and catch up with fellow travellers before moving on to areas further south or east.

Visitor numbers to Wickepin were not as high as expected although a few extra campers enjoyed their stay at the Harrismith Caravan Park. A large group of campers stayed at the Yealering Caravan Park on their annual church retreat during the Wander to Wickepin event. A musical performance by Les Helfgott was enjoyed by many locals.

### New Website

A new website for the Shire of Wickepin was developed during 2013 and went live in December 2013. The content and images on the website was refreshed and updated to provide more and better information for local residents and visitors to the shire.

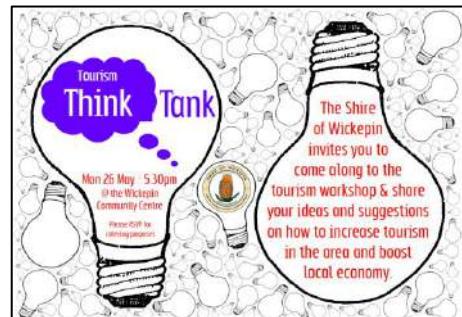


### Tourism Think Tank

A Tourism Think Tank workshop was held in May 2014 at the Wickepin Community Centre. Approximately 40 local people attended and shared some great ideas and suggestions. The workshop facilitator, Gen Whisson was able to share her knowledge and experience of ways to boost tourism as well as tease out new ideas from local community members.

Key opportunities identified at the workshops included:

- Promote Agri-tourism,
- A Fortunate Experience – building on the Albert Facey story A Fortunate Life,
- Promote the walk trails in the shire,
- Enhance the ram field days.



The Shire of Wickepin will continue to work with the community to focus our efforts on attracting more visitors to the towns in the shire and boost the profitability of local businesses.

## Sport and Recreation

### Kidsport

The Shire of Wickepin continued to support 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. During 2014 the Shire of Wickepin processed vouchers to the value of \$3005 for 33 local children to play six different sports with netball, hockey and football being most popular.

### Healthy Communities Project

The Shire of Wickepin continued to support the Narrogin Healthy Lifestyles Project which was funded by the Federal Department of Health and Ageing Healthy Communities Initiative until June 2014. The aim of the project was 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.



**Narrogin Healthy Lifestyles Project**

During 2014 programs were held in Wickepin and received good support from the local community. A walking day was also held along with healthy cooking classes. The Healthy Lifestyles Program Co-coordinator organised a mixed netball competition, group fitness class (CORE) and Healthy Eating and Lifestyles Program (HEAL).



### Triathlon

The Shire of Wickepin supported a triathlon in Wickepin on Saturday 22nd February 2014 at Wickepin Swimming Pool commencing at 3pm. The event was well attended with many individual and group competitors. Following the triathlon the competitors and spectators stayed on to watch the local cricket match and watch the outdoor movie Despicable Me 2 at the Wickepin oval.

The triathlon event and Thank a Volunteer hamburger night involved a significant number of volunteers which was organised by the Wickepin Volunteer Resource Centre.

## **Heritage**

### **Old Railway Station Building**

Funding was received in 2014 to refurbish the Old Railway Station building. The Old Railway Station is the last of the buildings in the Wickepin Heritage Precinct to be refurbished. Ongoing negotiations were held with Brookfield Rail to arrange for the Shire of Wickepin to lease the Old Railway Station and surrounding reserve. It is anticipated that the former goods yard will be able to be used to showcase machinery to enhance the heritage walk trail.



**Old Railway Station**



**Natalie Manton**  
**Community Development Officer**

## **Community Development Officer's Report – Lee Parker**

Lee Parker commenced employment with the Shire in August 2014.

She will be completing projects started by the outgoing Community Development Officer, Natalie Manton. These include the Wickepin War Memorial, the refurbishment of the Old Railway Station Building, the Wickepin Cemetery Upgrade and the Sculpture workshops.

Lee is also currently involved in upgrading the Shire tourism brochure, maps and profile.

Lee comes to us with a strong background in community work and involvement. She brings a global perspective and resourcefulness to the already energetic and able Shire of Wickepin office.



Photos from the Sculpture Workshops that took place in August, September and October

**Lee Parker**  
**Community Development Officer**

## Byfields Management Report for the Year Ended 30 June 2014



Perth Office

30 Keymer Street, Belmont WA 6104  
PO Box 1202 Cloverdale WA 6985  
T (08) 6274 6400  
F (08) 9475 0596

4 December 2014

The President  
Shire of Wickepin  
PO Box 19  
WICKEPIN WA 6370

DATE RECEIVED:	9 DEC 2014
FILE NO.:	1200
TO:	

Dear Sir

### **Management Report for the Year Ended 30 June 2014**

We have completed the audit of your Shire's financial report for the year ended 30 June 2014. We enclose two copies of the audited financial report for your attention. Once accepted by the Council, please return a signed copy for our records.

We direct your attention to the fact that the responsibility for the preparation of the financial statements and adequate disclosure is that of the Council. This includes the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies and the safeguarding of monies of the Shire.

The purpose of our audit of the financial report is to express an opinion on that report and this report on management issues includes only matters that come to our attention during the conduct of our work and therefore should not be regarded as a comprehensive statement of management issues that may exist.

We noted no significant matters that should be raised or brought to the attention of Council.

We enclose our account in relation to the preparation of these documents. It would be appreciated if payment of this account is returned with the documents as attached.

We thank you for the kind assistance provided during the audit. If you wish to discuss any of the above items or require any further information, please contact us immediately.

Yours sincerely

A handwritten signature in black ink, appearing to read "SKO".

LEANNE OLIVER  
Director

Byfields Pty Ltd ACN 150 608 398

DIRECTORS: Andrew Northcott B.Com CPA • Craig Lane B.Com CPA • Dale Woodruff B.Bus CPA • Jon Bush B.Com CPA  
Leanne Oliver B.Com CPA • Neil Hooper B.Com CPA • Simon Northey B.Bus CPA • Glenn Waldock B.Bus CPA • Roger Thomson B.Bus CA  
ASSOCIATES: Ian Jones B.Com CPA • Lea Williams B.Com CA • Brant Jansen B.Bus CPA • Ryan Naughton B.Com CPA • Tony Umbrello B.Bus CA  
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[www.byfields.com.au](http://www.byfields.com.au)

*Statutory Compliance*

During the course of our audit we did not become aware of any matters which did not comply with the Local Government (Financial Management) Regulations1996 (as amended) or the Local Government Act 1995.

**Auditor's Opinion**

In our opinion, the financial report of Shire of Wickepin is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended) including:

- i) giving a true and fair view of the Shire's financial position as at 30 June 2014 and of their performance for the year ended on that date; and
- ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations1996 (as amended).



LEANNE OLIVER RCA  
Director

BYFIELDS  
BELMONT WA

Date: 4/12/2014



Perth Office

30 Keymer Street, Belmont WA 6104  
PO Box 1202 Cloverdale WA 6985  
T (08) 6274 6400  
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## INDEPENDENT AUDIT REPORT TO THE SHIRE OF WICKEPIN

### Report on the Financial Report

We have audited the accompanying financial report of the Shire of Wickepin which comprises the statement of financial position as at 30 June 2014 and the statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity, statement of cash flows and rate setting statement for the year ended on that date, and a summary of significant accounting policies and other explanatory notes.

### Council's Responsibility for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Byfields Pty Ltd ACN 150 608 398

DIRECTORS: Andrew Northcott B.Com CPA • Craig Lane B.Com CPA • Dale Woodruff B.Bus CPA • Jon Bush B.Com CPA  
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(Please detach this page, sign and return to our office. The Management Letter above is for you to retain for your reference.)

We certify that the management letter was tabled at the meeting of Shire of Wickepin held on 17th DECEMBER 2014 and was considered by all Council Members.

Signature:   
**Steve Martin**  
(President)

Name: STEVEN MARTIN

17/12 / 2014

Signature:   
**Mark Hook**  
(CEO)

Name: MARK J HOOK

17/12 / 2014

**SHIRE OF WICKEPIN**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**TABLE OF CONTENTS**

Statement by Chief Executive Officer	2
Statement of Comprehensive Income by Nature or Type	3
Statement of Comprehensive Income by Program	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Rate Setting Statement	7
Notes to and Forming Part of the Financial Report	9
Independent Audit Report	59
Supplementary Ratio Information	61
Principal place of business: 77 Wogolin Road WICKEPIN WA 6370	

**SHIRE OF WICKEPIN  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2014**

**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 30 June 2014 are in my opinion properly drawn up to present fairly the financial position of the Shire of Wickepin at 30th June 2014 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 as authorisation of issue on the

8th day of December

2014



Mark Hook  
Chief Executive Officer

**SHIRE OF WICKEPIN**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

	NOTE	2014 \$	2014 Budget \$	2013 \$
<b>Revenue</b>				
Rates	22	1,248,418	1,252,846	1,212,959
Operating Grants, Subsidies and Contributions	28	937,721	897,062	1,400,703
Fees and Charges	27	317,412	319,911	482,926
Service Charges	24	0	0	0
Interest Earnings	2(a)	44,002	54,865	57,222
Other Revenue		0	0	0
		<u>2,547,553</u>	<u>2,524,684</u>	<u>3,153,810</u>
<b>Expenses</b>				
Employee Costs		(733,202)	(917,503)	(729,683)
Materials and Contracts		(952,364)	(1,089,992)	(902,733)
Utility Charges		(166,497)	(156,010)	(223,348)
Depreciation on Non-Current Assets	2(a)	(1,856,237)	(1,053,090)	(1,108,742)
Interest Expenses	2(a)	(21,855)	(19,757)	(25,042)
Insurance Expenses		(173,685)	(170,052)	(155,625)
Other Expenditure		0	0	0
		<u>(3,903,840)</u>	<u>(3,406,404)</u>	<u>(3,145,173)</u>
		<u>(1,356,287)</u>	<u>(881,720)</u>	<u>8,637</u>
Non-Operating Grants, Subsidies and Contributions				
Loss on Revaluation of Fixed Assets	28	1,337,428	2,422,879	2,628,286
Profit on Asset Disposals	2(a)	0	0	0
Loss on Asset Disposals	20	14,243	25,000	137,639
	20	<u>(50,754)</u>	<u>(15,010)</u>	<u>(41,327)</u>
<b>NET RESULT</b>		<b>(55,370)</b>	<b>1,551,149</b>	<b>2,733,235</b>
<b>Other Comprehensive Income</b>				
Changes on Revaluation of Non-Current Assets	12	11,528,784	0	233,764
<b>Total Other Comprehensive Income</b>		<b>11,528,784</b>	<b>0</b>	<b>233,764</b>
<b>Total Comprehensive Income</b>		<b><u>11,473,414</u></b>	<b><u>1,551,149</u></b>	<b><u>2,966,999</u></b>

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 2014**

	NOTE	2014 \$	2014 Budget \$	2013 \$
<b>Revenue</b>				
Governance		5,934	17,650	245,928
General Purpose Funding		1,957,044	1,984,893	2,285,265
Law, Order, Public Safety		70,307	60,020	64,319
Health		226	900	804
Education and Welfare		609	0	0
Housing		70,308	65,005	65,226
Community Amenities		164,672	165,839	111,307
Recreation and Culture		36,687	30,011	20,829
Transport		160,218	98,366	103,116
Economic Services		47,796	63,500	141,327
Other Property and Services		33,752	38,500	115,689
	2(a)	2,547,553	2,524,684	3,153,810
<b>Expenses</b>				
Governance		(381,158)	(350,003)	(323,301)
General Purpose Funding		(59,925)	(63,872)	(58,504)
Law, Order, Public Safety		(92,519)	(103,828)	(107,836)
Health		(41,165)	(46,202)	(36,959)
Education and Welfare		(6,262)	(8,839)	(7,137)
Housing		(154,846)	(122,935)	(109,134)
Community Amenities		(312,710)	(303,089)	(278,926)
Recreation & Culture		(1,118,559)	(578,501)	(542,805)
Transport		(1,346,858)	(1,487,128)	(1,397,738)
Economic Services		(227,858)	(278,772)	(237,719)
Other Property and Services		(140,125)	(43,478)	(20,072)
	2(a)	(3,881,985)	(3,386,647)	(3,120,131)
<b>Financial Costs</b>				
Governance		0	0	0
General Purpose Funding		0	0	0
Law, Order, Public Safety		0	0	0
Health		0	0	0
Education and Welfare		0	0	0
Housing		(13,171)	(10,736)	(12,897)
Community Amenities		(1,831)	(2,797)	(5,684)
Recreation & Culture		(6,853)	(6,224)	(6,091)
Transport		0	0	(370)
Economic Services		0	0	0
Other Property and Services		0	0	0
	2(a)	(21,855)	(19,757)	(25,042)
<b>Non-Operating Grants, Subsidies and Contributions</b>				
Governance		0	0	0
General Purpose Funding		0	0	0
Law, Order, Public Safety		328,822	668,540	0
Health		0	0	0
Education and Welfare		0	0	0
Housing		0	0	0
Community Amenities		60,000	596,016	512,890
Recreation & Culture		244,658	248,000	134,847
Transport		703,948	676,455	1,963,048
Economic Services		0	233,868	17,501
Other Property and Services		0	0	0
		1,337,428	2,422,879	2,628,286
<b>Profit/(Loss) on Disposal of Assets</b>				
Governance		(2,827)	(9,010)	444
General Purpose Funding		0	0	0
Law, Order, Public Safety		(27,501)	0	0
Health		0	0	0

Education and Welfare	0	0	0
Housing	0	0	74,808
Community Amenities	539	0	15,109
Recreation & Culture	0	0	0
Transport	(6,722)	19,000	5,951
Economic Services	0	0	0
Other Property and Services	0	0	0
	<u>(36,511)</u>	<u>9,990</u>	<u>96,312</u>
<b>Net Result</b>	<b>(55,370)</b>	<b>1,551,149</b>	<b>2,733,235</b>
<b>Other Comprehensive Income</b>			
Changes on revaluation of non-current assets	12	11,528,784	0
<b>Total Other Comprehensive Income</b>		<b>11,528,784</b>	<b>0</b>
<b>Total Comprehensive Income</b>		<b><u>11,473,414</u></b>	<b><u>1,551,149</u></b>
			<b><u>2,966,999</u></b>

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

**SHIRE OF WICKEPIN**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE 2014**

	NOTE	2014 \$	2013 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3	1,757,323	2,710,466
Trade and Other Receivables	4	106,345	70,760
Inventories	5	0	460
<b>TOTAL CURRENT ASSETS</b>		<u>1,863,667</u>	<u>2,781,686</u>
<b>NON-CURRENT ASSETS</b>			
Other Receivables	4	54,047	61,234
Inventories	5	0	0
Property, Plant and Equipment	6	19,669,063	7,617,933
Infrastructure	7	26,034,290	25,909,121
<b>TOTAL NON-CURRENT ASSETS</b>		<u>45,757,400</u>	<u>33,588,288</u>
<b>TOTAL ASSETS</b>		<u><u>47,621,067</u></u>	<u><u>36,369,974</u></u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	8	107,839	259,607
Current Portion of Long Term Borrowings	9	93,789	104,188
Provisions	10	126,122	77,529
<b>TOTAL CURRENT LIABILITIES</b>		<u>327,750</u>	<u>441,324</u>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	9	186,846	278,144
Provisions	10	71,897	89,346
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>258,743</u>	<u>367,490</u>
<b>TOTAL LIABILITIES</b>		<u><u>586,493</u></u>	<u><u>808,814</u></u>
		<u><u>47,034,574</u></u>	<u><u>35,561,160</u></u>
<b>EQUITY</b>			
Retained Surplus		20,680,835	20,835,970
Reserves - Cash Backed	11	897,414	797,649
Revaluation Surplus	12	25,456,325	13,927,541
<b>TOTAL EQUITY</b>		<u>47,034,574</u>	<u>35,561,160</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 2014**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2012</b>		<b>18,449,828</b>	<b>450,556</b>	<b>13,693,777</b>	<b>32,594,161</b>
Comprehensive Income					
Net Result		2,733,235	0	0	2,733,235
Changes on Revaluation of Non-Current Assets	12	0	0	233,764	233,764
Total Comprehensive Income		2,733,235	0	233,764	2,966,999
Transfers from/(to) Reserves					
(347,093)		(347,093)		0	0
<b>Balance as at 30 June 2013</b>		<b>20,835,970</b>	<b>797,649</b>	<b>13,927,541</b>	<b>35,561,160</b>
Comprehensive Income					
Net Result		(55,370)	0	0	(55,370)
Changes on Revaluation of Non-Current Assets	12	0	0	11,528,784	11,528,784
Total Comprehensive Income		(55,370)	0	11,528,784	11,473,414
Transfers from/(to) Reserves					
(99,765)		99,765		0	0
<b>Balance as at 30 June 2014</b>		<b>20,680,835</b>	<b>897,414</b>	<b>25,456,325</b>	<b>47,034,574</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 2014**

	NOTE	2014 \$	2014 Budget \$	2013 \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		1,242,008	1,249,846	1,205,064
Operating Grants, Subsidies and Contributions		937,721	897,062	1,400,703
Fees and Charges		312,437	311,267	486,080
Service Charges		0	0	0
Interest Earnings		44,002	54,865	57,222
Goods and Services Tax		149,625	120,000	284,389
Other Revenue		0	0	0
		<u>2,685,793</u>	<u>2,633,040</u>	<u>3,433,458</u>
<b>Payments</b>				
Employee Costs		(664,671)	(922,503)	(738,911)
Materials and Contracts		(1,146,470)	(1,237,756)	(764,281)
Utility Charges		(160,554)	(160,010)	(221,802)
Interest Expenses		(22,387)	(19,177)	(24,642)
Insurance Expenses		(173,685)	(170,052)	(155,625)
Goods and Services Tax		(169,864)	(120,000)	(321,855)
Other Expenditure		0	0	0
		<u>(2,337,631)</u>	<u>(2,629,498)</u>	<u>(2,227,116)</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	13(b)	<u>348,162</u>	<u>3,542</u>	<u>1,206,342</u>
<b>Cash Flows from Investing Activities</b>				
Payments for Development of Land Held for Resale		0	(438,868)	0
Payments for Purchase of Property, Plant & Equipment		(1,358,673)	(1,654,588)	(822,517)
Payments for Construction of Infrastructure		(1,363,400)	(1,277,710)	(2,968,550)
Advances to Community Groups		0	0	(60,000)
Non-Operating Grants, Subsidies and Contributions		1,337,428	2,422,879	2,792,064
Proceeds from Sale of Fixed Assets		181,811	236,364	320,540
Proceeds from Advances		0	0	0
<b>Net Cash Provided by (Used in) Investment Activities</b>		<u>(1,202,834)</u>	<u>(711,923)</u>	<u>(738,463)</u>
<b>Cash Flows from Financing Activities</b>				
Repayment of Debentures		(101,697)	(104,188)	(121,293)
Proceeds from Self Supporting Loans		3,226	6,912	1,854
Proceeds from New Debentures		0	0	60,000
<b>Net Cash Provided By (Used In) Financing Activities</b>		<u>(98,471)</u>	<u>(97,276)</u>	<u>(59,439)</u>
<b>Net Increase (Decrease) in Cash Held</b>		<b>(953,143)</b>	<b>(805,657)</b>	<b>408,440</b>
Cash at Beginning of Year		2,710,466	2,710,467	2,302,026
<b>Cash and Cash Equivalents at the End of the Year</b>	13(a)	<u>1,757,323</u>	<u>1,904,810</u>	<u>2,710,466</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 2014**

	NOTE	2014 Actual \$	2014 Budget \$	2013 Actual \$
<b>Revenue</b>				
Governance		5,934	17,650	246,372
General Purpose Funding		753,317	775,157	1,113,364
Law, Order, Public Safety		399,129	728,560	64,319
Health		226	900	804
Education and Welfare		609	0	0
Housing		70,308	65,005	140,034
Community Amenities		230,322	761,855	639,306
Recreation and Culture		281,345	278,011	155,676
Transport		872,759	799,821	2,113,442
Economic Services		47,796	297,368	158,828
Other Property and Services		33,752	38,500	115,689
		<hr/>	<hr/>	<hr/>
		2,695,497	3,762,827	4,747,834
<b>Expenses</b>				
Governance		(383,985)	(359,013)	(323,301)
General Purpose Funding		(59,925)	(63,872)	(58,504)
Law, Order, Public Safety		(120,020)	(103,828)	(107,836)
Health		(41,165)	(46,202)	(36,959)
Education and Welfare		(6,262)	(8,839)	(7,137)
Housing		(168,017)	(133,671)	(122,031)
Community Amenities		(319,652)	(305,886)	(284,610)
Recreation and Culture		(1,125,412)	(584,725)	(548,896)
Transport		(1,362,173)	(1,493,128)	(1,439,435)
Economic Services		(227,858)	(278,772)	(237,719)
Other Property and Services		(140,125)	(43,478)	(20,072)
		<hr/>	<hr/>	<hr/>
		(3,954,594)	(3,421,414)	(3,186,500)
<b>Net Result Excluding Rates</b>		(1,259,097)	341,413	1,561,334
<b>Adjustments for Cash Budget Requirements:</b>				
Initial Recognition of Assets Due to Change to Regulations				
(Profit)/Loss on Asset Disposals	20	36,511	(9,990)	(96,312)
Movement in Employee Benefit Provisions (Non-current)		(17,449)	0	3,260
Depreciation and Amortisation on Assets	2(a)	1,856,237	1,053,090	1,108,742
<b>Capital Expenditure and Revenue</b>				
Purchase Land Held for Resale		0	(438,868)	0
Purchase Land and Buildings	6(a)	(498,222)	(396,068)	(358,234)
Purchase Furniture and Equipment	6(a)	(8,491)	(11,300)	(20,685)
Purchase Plant and Equipment	6(a)	(851,960)	(1,247,220)	(443,597)
Purchase Roads	7(a)	(1,286,492)	(1,236,600)	(2,295,548)
Purchase Footpaths	7(a)	(41,324)	(41,110)	(56,899)
Purchase Drainage	7(a)	0		0
Purchase Parks & Ovals	7(a)	(35,584)	(855,497)	(616,103)
Advances to Community Groups		0	0	(60,000)
Proceeds from Disposal of Fixed Assets	20	181,811	236,364	320,540
Repayment of Debentures	21(a)	(101,697)	(104,188)	(121,293)
Proceeds from New Debentures	21(a)	0	0	60,000
Proceeds from Self Supporting Loans		3,226	6,912	1,854
Transfers to Reserves (Restricted Assets)	11	(484,894)	(156,762)	(1,048,000)
Transfers from Reserves (Restricted Assets)	11	700,352	718,609	1,232,885
<b>ADD</b> Estimated Surplus/(Deficit) July 1 B/Fwd	22(b)	949,882	949,882	606,036
<b>LESS</b> Estimated Surplus/(Deficit) June 30 C/Fwd	22(b)	346,536	18,403	949,882
<b>Total Amount Raised from General Rate</b>	22(a)	<hr/> <u>(1,203,727)</u>	<hr/> <u>(1,209,736)</u>	<hr/> <u>(1,171,902)</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 2014**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Preparation**

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

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

**Critical Accounting Estimates**

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

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

**The Local Government Reporting Entity**

All Funds through which the 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. A separate statement of those monies appears at Note 19. to these financial statements.

**(b) Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of GST receivable or payable.

The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

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

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(c) Cash and Cash Equivalents**

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

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

**(d) Trade and Other Receivables**

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

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

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

**(e) 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 Sale***

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

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

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

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(f) Fixed Assets**

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

***Mandatory Requirement to Revalue Non-Current Assets***

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The amendments allow for a phasing in of fair value in relation to fixed assets over three years as follows:

- (a) for the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and
- (b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government -
  - (i) that are plant and equipment; and
  - (ii) that are -
    - (I) land and buildings; or-
    - (II) Infrastructure;
- and
- (c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.

Thereafter, in accordance with the regulations, each asset class must be revalued at least every 3 years.

In 2013, Council commenced the process of adopting Fair Value in accordance with the Regulations.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

***Land Under Control***

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

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

Whilst they were initially recorded at cost, fair value at the date of acquisition was deemed cost as per AASB 116.

Consequently, these assets were initially recognised at cost but revalued along with other items of Land and Buildings at 1 July 2013.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(f) Fixed Assets (Continued)**

***Initial Recognition and Measurement between Mandatory Revaluation Dates***

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

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

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

***Revaluation***

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

***Transitional Arrangements***

During the time it takes to transition the carrying value of non-current assets from the cost approach to the fair value approach, the Council may still be utilising both methods across differing asset classes.

Those assets carried at cost will be carried in accordance with the policy detailed in the ***Initial Recognition*** section as detailed above.

Those assets carried at fair value will be carried in accordance with the ***Revaluation*** Methodology section as detailed above.

***Early Adoption of AASB 13 - Fair Value Measurement***

Whilst the new accounting standard in relation to Fair Value, AASB 13 – Fair Value Measurement only become applicable for the year ended 30 June 2014 (in relation to Council), given the legislative need to commence using Fair Value methodology in the previous reporting period (year ended 30 June 2013) the Council chose to early adopt AASB 13

As a consequence, the principles embodied in AASB 13 - Fair Value Measurement have been applied to the previous reporting period (year ended 30 June 2013).

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(f) Fixed Assets (Continued)**

***Land Under Roads***

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

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

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

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

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

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(f) Fixed Assets (Continued)**

***Depreciation***

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

- Restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount; or
- Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Major depreciation periods used for each class of depreciable asset 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 in the period in which they arise.

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

***Capitalisation Threshold***

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

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(g) Fair Value of Assets and Liabilities**

When performing a revaluation, the Council uses a mix of both independent and management valuations using the following as a guide:

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

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

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

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

***Fair Value Hierarchy***

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

***Valuation techniques***

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

***Market approach***

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

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(g) Fair Value of Assets and Liabilities (Continued)**

**Income approach**

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

**Cost approach**

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

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

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 3 years.

**(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 (i.e. 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.

***Classification and Subsequent Measurement***

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

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 and any reduction for impairment; and
- (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.

The effective interest 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.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

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

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

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

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss. 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. Gains or losses are recognised in profit or loss.

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

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

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in non-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.

***(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 payments.

They are subsequently measured at fair value with changes in such fair value (i.e. 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 that 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 available-for-sale financial assets are classified as non-current.

***(v) Financial liabilities***

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

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

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

***Impairment***

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which will have an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

***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 continual involvement in the risks and benefits associated with the asset.

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

**(i) Impairment of Assets**

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 (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

For non-cash generating 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, are recognised as a current liability and are normally paid within 30 days of recognition.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(k) Employee Benefits**

**Short-Term Employee Benefits**

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

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

**Other Long-Term Employee Benefits**

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations or service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**(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 until such time as the asset is substantially ready for its intended use or sale.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(m) Provisions**

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

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

**(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) Investment in Associates**

An associate is an entity over which the Council has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Council's share of net assets of the associate. In addition, the Council's share of the profit or loss of the associate is included in the Council's profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Council's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Council and the associate are eliminated to the extent of the Council's interest in the associate.

When the Council's share of losses in an associate equals or exceeds its interest in the associate, the Council discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Council will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(p) Interests in Joint Arrangements**

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

Separate joint venture entities providing joint venturers with an interest in net assets are classified as a joint venture and accounted for using the equity method. Refer to note 1(o) for a description of the equity method of accounting.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 16.

**(q) 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 operations for the current reporting period.

**(r) 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.

**(s) 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 sale where it is held as non-current based on the Council's intentions to release for sale.

**(t) Rounding Off Figures**

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

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(u) Comparative Figures**

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

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

**(v) 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.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

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

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

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

Title	Issued / Compiled	Applicable <sup>(1)</sup>	Impact
(i) AASB 9 – Financial Instruments	December 2013	1 January 2017	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 2010 -7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	December 2013	1 January 2017	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).

[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]

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

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

Title	Issued / Compiled	Applicable <sup>(1)</sup>	Impact
(iii) AASB 2011 - 7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards [Not-For-Profit entities]	December 2012	1 January 2014	Consequential changes to various standards arising from the issuance of AASB 10, 11, 12, 127 and 128.  It is not expected to have a significant impact on Council.
[AASB 1, 3, 5, 7, 9, 2009-11, 101, 107, 112 118, 121, 124, 131, 132, 133, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]			
(iv) AASB 2012-3: Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities  [AASB 132]	June 2012	1 January 2014	This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.  This Standard is not expected to significantly impact the Council's financial statements.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

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

Title	Issued / Compiled	Applicable <sup>(1)</sup>	Impact
(v) AASB 2013 - 3: Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets	June 2013	1 January 2014	This standard makes amendments to AASB 136 and includes requirements to disclose additional information when present value techniques are used to measure the recoverable amount of impaired assets.
			It is not expected to have a significant impact on Council.
(vi) AASB 2013-8: Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities [AASB 10, 12 & 1049]	October 2013	1 January 2014	This standard adds Appendix E to AASB 10 to provide implementation guidance for Not-for-Profit entities regarding control criteria from the perspective of not-for-profit entities.
			It is not expected to have a significant impact on Council.
(vii) AASB 2013-9: Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments	December 2013	Refer Title column	Part A of this standard makes various editorial corrections to Australian Accounting Standards.
			Part B of this standard deletes references to AASB 1031 in various Australian Accounting Standards in advance of the withdrawal of AASB 1031.
			Part C of this standard makes consequential amendments to AASB 9 and numerous other standards and amends the permissions around certain applications relating to financial liabilities reissued at fair value.
			As the bulk of changes related either to editorial or reference changes it is not expected to have a significant impact on Council.
Notes:			
(1) 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 2014**

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

**(x) 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 were compiled, became mandatory and which were applicable to its operations.

These new and revised standards were:

AASB 10	AASB 128	AASB 2012 - 2
AASB 11	AASB 2011 - 7	AASB 2012 - 3
AASB 12	AASB 2011 - 9	AASB 2012 - 5
AASB 119	AASB 2011 - 10	AASB 2012 - 10
AASB 127		

Most of the standards adopted had a minimal effect on the accounting and reporting practices of the Council as they did not have a significant impact on the accounting or reporting practices or were either not applicable, 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 2014**

2. REVENUE AND EXPENSES	2014	2013
	\$	\$
<b>(a) Net Result</b>		
The Net Result includes:		
(i) Charging as an Expense:		
<b>Auditors Remuneration</b>		
- Audit of the annual financial report	13,585	13,325
- Other Services	0	950
<b>Depreciation</b>		
Non-Specialised Buildings	133,981	129,979
Specialised Buildings	687,628	0
Furniture and Equipment	25,975	19,195
Plant and Equipment	208,683	206,997
Roads	749,266	707,591
Footpaths	10,390	8,842
Drainage	15,348	15,347
Parks & Ovals	12,731	8,556
Main Street Development	12,235	12,235
	<u>1,856,237</u>	<u>1,108,742</u>
<b>Interest Expenses (Finance Costs)</b>		
Debentures (refer Note 21.(a))	21,855	25,042
	<u>21,855</u>	<u>25,042</u>
(ii) Crediting as Revenue:		
	2014	2014
	Actual	Budget
	\$	\$
<b>Interest Earnings</b>		
- Self Supporting Loans		
- Reserve Funds	18,286	34,360
- Other Funds	20,746	16,453
Other Interest Revenue (refer note 26)	4,970	4,052
	<u>44,002</u>	<u>54,865</u>
	2013	
	Actual	
	\$	

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(b) Statement of Objective**

In order to discharge its responsibilities to the community, the Shire has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Shire's Community Vision, and for each of its broad activities/programs.

**COMMUNITY VISION**

**A Fortunate Place**

**Wickepin offers a safe, pleasant, healthy lifestyle, with a community that has strong sporting and social networks.**

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

**GOVERNANCE**

**Objective:**

To provide a decision making process for the efficient allocation of scarce resources.

**Activities:**

Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

**GENERAL PURPOSE FUNDING**

**Objective:**

To collect revenue to allow for the provision of services.

**Activities:**

Rates, general purpose government grants and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

**Objective:**

To provide services to help ensure a safer and environmentally conscious community.

**Activities:**

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

**HEALTH**

**Objective:**

To provide an operational framework for environmental and community health.

**Activities:**

Inspection of food outlets and their control, immunisation services, mosquito control and operation of medical centre.

**EDUCATION AND WELFARE**

**Objective:**

To provide services to disadvantaged persons, the elderly, children and youth

**Activities:**

Support for childcare, development of services for the aged and rural counselling support.

**HOUSING**

**Objective:**

To provide and maintain staff and other housing.

**Activities:**

Provision and maintenance of staff and other housing.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(b) Statement of Objective (Continued)**

**COMMUNITY AMENITIES**

**Objective:**

To provide services required by the community.

**Activities:**

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**

**Objective:**

To establish and effectively manage infrastructure and resource which will help the social well being of the community.

**Activities:**

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

**TRANSPORT**

**Objective:**

To provide safe, effective and efficient transport services to the community

**Activities:**

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

**ECONOMIC SERVICES**

**Objective:**

To help promote the shire and its economic wellbeing.

**Activities:**

Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control. Community Development activities.

**OTHER PROPERTY AND SERVICES**

**Objective:**

To monitor and control council's overheads operating accounts.

**Activities:**

Private works operation, plant repair and operation costs and engineering operation costs.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(c) Conditions Over Grants/Contributions**

<b>Grant/Contribution</b>	<b>Function/ Activity</b>	<b>Opening Balance 1/07/12</b>	<b>Received (<sup>(2)</sup>) 2012/13</b>	<b>Expended<sup>(3)</sup> 2012/13</b>	<b>Closing Balance 30/06/13</b>	<b>Received<sup>(2)</sup> 2013/14</b>	<b>Expended<sup>(3)</sup> 2013/14</b>	<b>Closing Balance 30/06/14</b>
Grants Commission Revenue Prepaid	Gen Purpose	627,970	0	(627,970)	0	0	0	0
Royalties for Regions Wick Comm Cen	Rec & Culture	32,319	0	(32,319)	0	0	0	0
Royalties for Regions Comm Ag Cent	Comm Amen	29,625	0	(29,625)	0	0	0	0
Royalties for Regions Yea Cemetery	Comm Amen	46,670	0	(46,670)	0	0	0	0
Royalties for Regions Yea Hall & Lake	Rec & Culture	61,465	0	(61,465)	0	0	0	0
Royalties for Regions Wick Bowl Green	Rec & Culture	300,000	0	(300,000)	0	0	0	0
Royalties for Regions Wick Town Hall	Rec & Culture	48,868	0	(48,868)	0	0	0	0
MRWA Fence Road	Transport	23,906	0	(23,906)	0	0	0	0
MRWA Tincurin North Intersection	Transport	7,296	0	(7,296)	0	0	0	0
MRWA Fence Road	Transport	41,000	0	(41,000)	0	0	0	0
Office of Crime Prevention Ded Deputy	Law.Order	2,966	0	(2,966)	0	0	0	0
CLGF Regional Waste Transfer Station	Comm Amen	0	206,758	206,758	0	0	(95,916)	110,842
Grain Freight Projects	Transport	0	483,349	483,349	0	0	(467,349)	16,000
Wickepin Cemetery	Comm Amen	0	0	0	60,000	0	(3,445)	56,555
Wickepin Comm Centre Carpark	Rec & Culture	0	0	0	174,658	0	0	174,658
Community Arts	Rec & Culture	0	0	0	9,350	0	0	9,350
FESA	Law.Order	0	0	0	6,635	0	0	6,635
Yealering Townsite Redevelopment	Rec & Culture	0	0	0	20,000	(19,156)	0	844
<b>Total</b>		<b>1,222,085</b>	<b>690,107</b>	<b>(1,222,085)</b>	<b>690,107</b>	<b>270,643</b>	<b>(585,866)</b>	<b>374,884</b>

**Notes:**

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

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

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

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

	Note	2014 \$	2013 \$
<b>3. CASH AND CASH EQUIVALENTS</b>			
Unrestricted		485,025	1,222,710
Restricted		1,272,298	1,487,756
		<u>1,757,323</u>	<u>2,710,466</u>

The following restrictions have been imposed by regulations or other externally imposed requirements:

Leave Reserve	11	61,376	59,992
Plant Reserve	11	93,398	77,293
Building Reserve	11	87,937	85,955
Fire Fighter Reserve	11	19,584	19,142
Cottage Homes Reserve	11	4,694	4,589
Special Events Reserve	11	7,458	7,290
Computer Reserve	11	37,725	22,212
Young Singles Accommodation Reserve	11	37,885	37,031
Saleyards Reserve	11	6,105	13,988
Sewerage Reserve	11	93,002	83,819
Refuse Reserve	11	36,140	35,325
English Land Reserve	11	103,574	98,306
Townscape Reserve	11	1,446	1,413
Staff Housing Reserve	11	107,353	104,933
Aged Persons Accommodation Reserve	11	125,183	122,361
Swimming Pool Reserve	11	74,554	24,000
Unspent Grants	2(c)	374,884	690,107
		<u>1,272,298</u>	<u>1,487,756</u>

**4. TRADE AND OTHER RECEIVABLES**

<b>Current</b>			
Rates Outstanding		30,470	24,060
Sundry Debtors		7,856	2,881
GST Receivable		0	33,602
Loans - Clubs/Institutions		10,873	6,912
Tax Credit Receivable		57,146	3,305
		<u>106,345</u>	<u>70,760</u>
<b>Non-Current</b>			
Loans - Clubs/Institutions		54,047	61,234
		<u>54,047</u>	<u>61,234</u>

**5. INVENTORIES**

<b>Current</b>			
Fuel and Materials		0	460
		<u>0</u>	<u>460</u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

	2014 \$	2013 \$
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>		
Land and Buildings		
Freehold Land at:		
- Independent Valuation 2014	840,000	0
- Cost	0	340,409
	<u>840,000</u>	<u>340,409</u>
Non-Specialised Buildings at:		
- Independent Valuation 2014	2,640,500	0
- Cost	19,748	1,979,154
Less: Accumulated Depreciation	<u>(133,981)</u>	<u>(461,566)</u>
	<u>2,526,267</u>	<u>1,517,588</u>
Specialised Buildings at:		
- Independent Valuation 2014	14,177,204	0
- Cost	482,130	4,899,867
Less: Accumulated Depreciation	<u>(687,628)</u>	<u>(1,063,550)</u>
	<u>13,971,706</u>	<u>3,836,317</u>
Total Buildings	<u><u>16,497,973</u></u>	<u><u>5,353,905</u></u>
Total Land and Buildings	<u><u>17,337,973</u></u>	<u><u>5,694,314</u></u>
Furniture and Equipment at:		
- Management Valuation 2013	155,066	155,066
- Additions after Valuation - Cost	8,491	0
Less Accumulated Depreciation	<u>(25,975)</u>	<u>0</u>
	<u>137,582</u>	<u>155,066</u>
Plant and Equipment at:		
- Management Valuation 2013	1,768,553	1,768,553
- Additions after Valuation - Cost	625,258	0
Less Accumulated Depreciation	<u>(200,303)</u>	<u>0</u>
	<u>2,193,508</u>	<u>1,768,553</u>
	<u><u>19,669,063</u></u>	<u><u>7,617,933</u></u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**Land and Buildings:**

The Shire's land and buildings were revalued at 1 July 2013 by independent valuers. In relation to land and non specialised buildings, valuations were made on the basis of observable open market values of similar assets, adjusted for condition and comparability, at their highest and best use (Level 2 inputs hierarchy)

With regard to specialised buildings, these were valued having regard for their current replacement cost utilising both observable and unobservable inputs being construction costs based on recent contract prices, current condition (Level 2 inputs), residential values and remaining useful life assessments (Level 3 inputs)

Given the significance of the Level 3 inputs into the overall fair value measurement, these specialised building assets are deemed to have been valued using Level 3 inputs. These level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement. The revaluation of these assets resulted in an overall increase of \$11,528,784 in the net value of the Shire's land and buildings. All of this increase was credited to the revaluation surplus in the Shire's equity and was recognised as Changes on Revaluation of non current Assets in the Statement of Comprehensive Income.

**Furniture and Equipment & Plant & Equipment**

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(a) Movements in Carrying Amounts**

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

	<b>Balance at the Beginning of the Year</b> <b>\$</b>	<b>Additions</b> <b>\$</b>	<b>(Disposals)</b> <b>\$</b>	<b>Revaluation Increments/ (Decrements)</b> <b>\$</b>	<b>Impairment (Losses)/ Reversals</b> <b>\$</b>	<b>Depreciation (Expense)</b> <b>\$</b>	<b>Carrying Amount at the End of Year</b> <b>\$</b>
Freehold Land	(Level 2)	340,409	0	0	499,591	0	0
Land Vested In and Under the Control of Council	(Level 3)	0	0	0	0	0	0
<b>Total Land</b>		<b>340,409</b>		<b>499,591</b>		<b>0</b>	<b>840,000</b>
Non-Specialised Buildings	(Level 2)	1,517,588	19,748	0	1,102,912	0	(133,981)
Specialised Buildings	(Level 3)	3,836,317	478,474	0	9,926,281	438,262	(687,628)
<b>Total Buildings</b>		<b>5,353,905</b>	<b>498,222</b>		<b>11,029,193</b>	<b>438,262</b>	<b>(821,609)</b>
<b>Total Land and Buildings</b>		<b>5,694,314</b>	<b>498,222</b>		<b>11,528,784</b>	<b>438,262</b>	<b>(821,609)</b>
Furniture and Equipment	(Level 3)	155,066	8,491	0	0	0	(25,975)
Plant and Equipment	(Level 2)	1,768,553	851,960	(218,322)	0	0	(208,683)
<b>Total Property, Plant and Equipment</b>		<b>7,617,933</b>	<b>1,358,673</b>	<b>(218,322)</b>	<b>11,528,784</b>	<b>438,262</b>	<b>(1,056,267)</b>
							<b>19,669,063</b>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

	2014 \$	2013 \$
<b>7. INFRASTRUCTURE</b>		
Roads		
- Cost	40,341,037	39,054,545
Less Accumulated Depreciation	<u>(15,955,394)</u>	<u>(15,206,128)</u>
	24,385,643	23,848,417
Footpaths		
- Cost	539,633	498,309
Less Accumulated Depreciation	<u>(99,083)</u>	<u>(88,693)</u>
	440,550	409,616
Drainage		
- Cost	767,374	767,374
Less Accumulated Depreciation	<u>(413,794)</u>	<u>(398,447)</u>
	353,580	368,927
Parks & Ovals		
- Cost	421,844	822,400
Less Accumulated Depreciation	<u>(44,502)</u>	<u>(29,649)</u>
	377,342	792,751
Main Street Development		
- Cost	611,761	611,761
Less Accumulated Depreciation	<u>(134,586)</u>	<u>(122,351)</u>
	477,175	489,410
	<u><u>26,034,290</u></u>	<u><u>25,909,121</u></u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**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.

	Balance as at the Beginning of the Year \$	Additions \$	(Disposals) \$	Revaluation Increments/ (Decrements) \$	Impairment (Losses)/ Reversals \$	Depreciation (Expense) \$	Carrying Amount at the End of Year \$
Roads	(Level 3) 23,848,417	1,286,492	0	0	0	(749,266)	24,385,643
Footpaths	(Level 3) 409,616	41,324	0	0	0	(10,390)	440,550
Drainage	(Level 3) 368,927	0	0	0	0	(15,348)	353,579
Parks & Ovals	(Level 3) 792,751	35,584	0	0	(438,262)	(12,731)	377,342
Main Street Development	(Level 3) 489,410	0	0	0	0	(12,235)	477,175
<b>Total</b>	<b><u>25,909,121</u></b>	<b><u>1,363,400</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>(438,262)</u></b>	<b><u>(799,970)</u></b>	<b><u>26,034,289</u></b>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

	2014	2013
	\$	\$

#### **8. TRADE AND OTHER PAYABLES**

<b>Current</b>		
Sundry Creditors	54,383	238,587
Accrued Interest on Debentures	1,771	2,303
ATO Liabilities	51,685	18,717
	<u>107,839</u>	<u>259,607</u>

#### **9. LONG-TERM BORROWINGS**

<b>Current</b>		
Secured by Floating Charge Debentures	93,789	104,188
	<u>93,789</u>	<u>104,188</u>
<b>Non-Current</b>		
Secured by Floating Charge Debentures	186,846	278,144
	<u>186,846</u>	<u>278,144</u>

Additional detail on borrowings is provided in Note 21.

#### **10. PROVISIONS**

Analysis of Total Provisions

Current		
Non-Current	71,897	89,346
	<u>71,897</u>	<u>89,346</u>
	<u>198,019</u>	<u>166,875</u>

	Provision for Annual Leave \$	Provision for Long Service Leave \$	
			<b>Total</b>
Opening balance at 1 July 2013	63,515	103,360	166,875
Additional provision	75,835	21,364	97,199
Amounts used	(58,088)	(11,239)	(69,327)
Used amount reversed	0	(182)	(182)
Increase in the discounted amount arising because of time and the effect of any change in the discounted rate	2,307	1,147	3,454
Balance at 30 June 2014	<u>83,569</u>	<u>114,450</u>	<u>198,019</u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

	2014 \$	2014 Budget \$	2013 \$
<b>11. RESERVES - CASH BACKED</b>			
<b>(a) Leave Reserve</b>			
Opening Balance	59,992	59,992	4,757
Amount Set Aside / Transfer to Reserve	1,384	2,400	55,235
Amount Used / Transfer from Reserve	0	0	0
	<u>61,376</u>	<u>62,392</u>	<u>59,992</u>
<b>(b) Plant Reserve</b>			
Opening Balance	77,293	77,293	12,882
Amount Set Aside / Transfer to Reserve	16,105	5,601	64,411
Amount Used / Transfer from Reserve	0	(28,500)	0
	<u>93,398</u>	<u>54,394</u>	<u>77,293</u>
<b>(c) Building Reserve</b>			
Opening Balance	85,955	85,955	29,497
Amount Set Aside / Transfer to Reserve	1,982	3,400	56,458
Amount Used / Transfer from Reserve	0	0	0
	<u>87,937</u>	<u>89,355</u>	<u>85,955</u>
<b>(d) Fire Fighter Reserve</b>			
Opening Balance	19,142	19,142	18,243
Amount Set Aside / Transfer to Reserve	442	750	899
Amount Used / Transfer from Reserve	0	0	0
	<u>19,584</u>	<u>19,892</u>	<u>19,142</u>
<b>(e) Cottage Homes Reserve</b>			
Opening Balance	4,589	4,589	4,372
Amount Set Aside / Transfer to Reserve	105	183	217
Amount Used / Transfer from Reserve	0	0	0
	<u>4,694</u>	<u>4,772</u>	<u>4,589</u>
<b>(f) Special Events Reserve</b>			
Opening Balance	7,290	7,290	6,948
Amount Set Aside / Transfer to Reserve	168	292	342
Amount Used / Transfer from Reserve	0	0	0
	<u>7,458</u>	<u>7,582</u>	<u>7,290</u>
<b>(g) Computer Reserve</b>			
Opening Balance	22,212	22,212	21,167
Amount Set Aside / Transfer to Reserve	15,513	15,888	1,045
Amount Used / Transfer from Reserve	0	0	0
	<u>37,725</u>	<u>38,100</u>	<u>22,212</u>
<b>(h) Young Singles Accommodation Reserve</b>			
Opening Balance	37,031	37,031	35,289
Amount Set Aside / Transfer to Reserve	854	1,481	1,742
Amount Used / Transfer from Reserve	0	0	0
	<u>37,885</u>	<u>38,512</u>	<u>37,031</u>
<b>(i) Saleyards Reserve</b>			
Opening Balance	13,988	13,988	19,813
Amount Set Aside / Transfer to Reserve	2,362	2,712	975
Amount Used / Transfer from Reserve	(10,245)	0	(6,800)
	<u>6,105</u>	<u>16,700</u>	<u>13,988</u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

<b>(j) Sewerage Reserve</b>			
Opening Balance	83,819	83,819	83,903
Amount Set Aside / Transfer to Reserve	9,183	10,603	3,916
Amount Used / Transfer from Reserve	0	0	(4,000)
	<u>93,002</u>	<u>94,422</u>	<u>83,819</u>
<b>(k) Refuse Reserve</b>			
Opening Balance	35,325	35,325	33,662
Amount Set Aside / Transfer to Reserve	815	1,413	1,663
Amount Used / Transfer from Reserve	0	0	0
	<u>36,140</u>	<u>36,738</u>	<u>35,325</u>
<b>(l) English Land Reserve</b>			
Opening Balance	98,306	98,306	57,361
Amount Set Aside / Transfer to Reserve	5,268	48,932	40,945
Amount Used / Transfer from Reserve	0	0	0
	<u>103,574</u>	<u>147,238</u>	<u>98,306</u>
<b>(m) Townscape Reserve</b>			
Opening Balance	1,413	1,413	1,347
Amount Set Aside / Transfer to Reserve	33	56	66
Amount Used / Transfer from Reserve	0	0	0
	<u>1,446</u>	<u>1,469</u>	<u>1,413</u>
<b>(n) Staff Housing Reserve</b>			
Opening Balance	104,933	104,933	4,701
Amount Set Aside / Transfer to Reserve	2,420	4,197	100,232
Amount Used / Transfer from Reserve	0	0	0
	<u>107,353</u>	<u>109,130</u>	<u>104,933</u>
<b>(o) Aged Persons Accommodation Reserve</b>			
Opening Balance	122,361	122,361	116,614
Amount Set Aside / Transfer to Reserve	2,822	4,894	5,747
Amount Used / Transfer from Reserve	0	0	0
	<u>125,183</u>	<u>127,255</u>	<u>122,361</u>
<b>(p) Swimming Pool Reserve</b>			
Opening Balance	24,000	24,000	0
Amount Set Aside / Transfer to Reserve	50,554	53,960	24,000
Amount Used / Transfer from Reserve	0	0	0
	<u>74,554</u>	<u>77,960</u>	<u>24,000</u>
<b>TOTAL RESERVES</b>	<u>897,414</u>	<u>925,911</u>	<u>797,649</u>
Total Opening Balance	797,649	797,649	450,556
Total Amount Set Aside / Transfer to Reserve	110,010	156,762	357,893
Total Amount Used / Transfer from Reserve	(10,245)	(28,500)	(10,800)
<b>TOTAL RESERVES</b>	<u>897,414</u>	<u>925,911</u>	<u>797,649</u>

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

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**11. RESERVES - CASH BACKED (continued)**

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

- (a) Leave Reserve
  - to be used to fund annual and long service leave requirements
- (b) Plant Reserve
  - to be used for the purchase of road plant, machinery and equipment
- (c) Building Reserve
  - to be used for the construction of new buildings, predominantly staff housing
- (d) Fire Fighter Reserve
  - to be used to fund the provision of bushfire equipment for brigades
- (e) Cottage Homes Reserve
  - to be used for the future maintenance and construction of new Cottage Home Units
- (f) Special Events Reserve
  - to be used to fund special events and celebrations
- (g) Computer Reserve
  - purchase, upgrade or replacement of hardware as necessary
- (h) Young Singles Accommodation Reserve
  - additional income over expenditure held for future repairs or improvements
- (i) Saleyards Reserve
  - additional income over expenditure held for future repairs or improvements
- (j) Sewerage Reserve
  - additional income over expenditure held for future repairs or improvements
- (k) Refuse Reserve
  - additional income over expenditure held for the future creation or maintenance of the refuse site.
- (l) English Land Reserve
  - income received from the sale of the English House held for future development of the English land.
- (m) Townscape Reserve
  - to be used to fund townscape improvements
- (n) Staff Housing Reserve
  - to be used to fund the construction or upgrade of new housing for staff.
- (o) Aged Persons Accommodation Reserve
  - to be used to fund the construction or upgrade of aged person accommodation
- (p) Swimming Pool Reserve
  - to be used to fund major repairs or improvements at the Wickepin Swimming Pool

All Reserves are not expected to be used within a set period as further transfers to the reserve accounts are expected as funds are utilised.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

<b>12. REVALUATION SURPLUS</b>	<b>2014</b>	<b>2013</b>
	\$	\$
Revaluation surpluses have arisen on revaluation of the following classes of non-current assets:		
<b>(a) Land &amp; Buildings</b>		
Opening Balance	0	0
Revaluation Increment	11,528,784	0
Revaluation Decrement	0	0
	<u>11,528,784</u>	<u>0</u>
<b>(b) Plant &amp; Equipment</b>		
Opening Balance	233,764	0
Revaluation Increment	0	233,764
Revaluation Decrement	0	0
	<u>233,764</u>	<u>233,764</u>
<b>(c) 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>(c) Other Infrastructure</b>		
Opening Balance	0	0
Revaluation Increment	0	0
Revaluation Decrement	0	0
	<u>0</u>	<u>0</u>
<b>TOTAL ASSET REVALUATION SURPLUS</b>	<u>25,456,325</u>	<u>13,927,541</u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**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:

	2014 \$	2014 Budget \$	2013 \$
Cash and Cash Equivalents	<u>1,757,323</u>	<u>1,904,810</u>	<u>2,710,466</u>

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

Net Result	(55,370)	1,551,149	2,733,235
Depreciation	1,856,237	1,053,090	1,108,742
(Profit)/Loss on Sale of Asset	36,511	(9,990)	(96,312)
(Increase)/Decrease in Receivables	(31,624)	(11,644)	160,886
(Increase)/Decrease in Inventories	460	460	3,125
Increase/(Decrease) in Payables	(151,768)	(151,644)	88,225
Increase/(Decrease) in Employee Provisions	31,144	(5,000)	502
Grants Contributions for the Development of Assets	<u>(1,337,428)</u>	<u>(2,422,879)</u>	<u>(2,792,061)</u>
Net Cash from Operating Activities	<u>348,162</u>	<u>3,542</u>	<u>1,206,342</u>

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

	2014 \$	2013 \$
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	244	2,767
<b>Total Amount of Credit Unused</b>	<u>10,244</u>	<u>12,767</u>

**Loan Facilities**

Loan Facilities - Current	93,789	104,188
Loan Facilities - Non-Current	186,846	278,144
<b>Total Facilities in Use at Balance Date</b>	<u>280,635</u>	<u>382,332</u>
<b>Unused Loan Facilities at Balance Date</b>	<u>NIL</u>	<u>NIL</u>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**14. CONTINGENT LIABILITIES**

The Shire of Wickepin did not have any contingent liabilities at the 30 June 2014.

	2014	2013
<b>15. CAPITAL AND LEASING COMMITMENTS</b>	\$	\$

**(a) Operating Lease Commitments**

The Shire of Wickepin did not have any Operating Lease Commitments at 30 June 2014.

The Shire did not have any future operating lease commitments at the reporting date.

**(b) Capital Expenditure Commitments**

The Shire did not have any future capital expenditure commitments at the reporting date.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**16. JOINT VENTURE ARRANGEMENTS**

The Shire is not involved in any joint venture arrangements.

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

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

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Non-Current Assets</b>		
Plant & Equipment	29,959	29,959
Less: Accumulated Depreciation	(3,781)	0
	<b><u>26,178</u></b>	<b><u>29,959</u></b>

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

	<b>2014</b>	<b>2013</b>
	\$	\$
Governance	555,775	297,346
General Purpose Funding	24,326	24,060
Law, Order, Public Safety	475,875	377,784
Health	353,579	1,433
Education and Welfare	0	0
Housing	2,117,173	1,446,333
Community Amenities	1,517,484	2,039,156
Recreation and Culture	12,430,648	3,805,300
Transport	27,195,167	26,336,229
Economic Services	1,133,048	633,163
Other Property and Services	550,979	3,606
Unallocated	<u>1,267,013</u>	<u>1,405,564</u>
	<b><u>47,621,067</u></b>	<b><u>36,369,974</u></b>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

	2014	2013	2012
<b>18. FINANCIAL RATIOS</b>			
Current Ratio	2.22	3.39	2.40
Asset Sustainability Ratio	1.47	2.49	1.55
Debt Service Cover Ratio	3.93	12.82	11.77
Operating Surplus Ratio	(0.86)	0.06	0.21
Own Source Revenue Coverage Ratio	0.41	0.59	0.73

The above ratios are calculated as follows:

Current Ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset Sustainability Ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{Depreciation expenses}}$
Debt Service Cover Ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating Surplus Ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own Source Revenue Coverage Ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

**Notes:**

Information relating to the **Asset Consumption Ratio** and the **Asset Renewal Funding Ratio** can be found at Supplementary Ratio Information on Page 61 of this document.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

#### 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:

	Balance 1 July 2013 \$	Amounts Received \$	Amounts Paid (\$)	Balance 30 June 2014 \$
Housing Bonds	4,820	3,500	(3,620)	4,700
BCITF	0	377	(272)	105
Key Deposits	2,200	100	(1,900)	400
Tidy Towns	392	0	0	392
Miscellaneous Trust	8,127	28,226	(15,243)	21,110
Nomination Deposits	0	900	(900)	0
WDSC Bowling Green Replacement	7,500	15,000	0	22,500
Cat/Dog Trap Hire	0	100	(100)	0
	23,039			49,207

#### 20. DISPOSALS OF ASSETS - 2013/14 FINANCIAL YEAR

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<b>Plant and Equipment</b>						
<b>Governance</b>						
Holden Caprice CEO	37,470	43,192	34,643	36,182	(2,827)	(7,010)
Holden Caprice CEO	0	46,182	0	44,182	0	(2,000)
<b>Law, Order, Public Safety</b>						
Wickepin Fire Truck	27,501		0		(27,501)	0
<b>Community Amenities</b>						
Nissan Navara Facey Group	27,538		22,427		(5,111)	0
Recycling Table	0		4,000		4,000	0
Can Crusher	0		1,650		1,650	0
Plover Street	0	23,000	0	42,000	0	19,000
<b>Transport</b>						
Nissan Navara MWS	34,406	30,000	19,091	24,000	(15,315)	(6,000)
Cat 12H Grader	91,407	84,000	100,000	90,000	8,593	6,000
	218,322	226,374	181,811	236,364	(36,511)	9,990

Profit	14,243	25,000
Loss	(50,754)	(15,010)
	(36,511)	9,990

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**21. INFORMATION ON BORROWINGS**

(a) Repayments - Debentures

Particulars	Principal 1 July 2013 \$	New Loans \$	Principal Repayments		Principal 30 June 2014		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<b>Housing</b>								
90 - Residence Moss Parade	36,681		17,674	17,674	19,007	19,007	2,393	2,393
97 - Wogolin Road Cottage	4,819		2,285	2,416	2,534	2,403	255	237
100- CEO Residence	145,954		17,355	17,382	128,599	128,572	10,523	8,106
<b>Community Amenities</b>								
87 - Land Subdivision	15,443		15,443	15,443	0	0	424	424
98 - English Land Subdivision	48,186		22,843	24,157	25,343	24,029	1,407	2,373
<b>Recreation and Culture</b>								
63,103		19,185	20,204	43,918	42,899	4,153	3,563	
8,146		1,924	1,924	6,222	6,222	316	310	
60,000		4,988	4,988	55,012	55,012	2,384	2,351	
	<b>382,332</b>	<b>0</b>	<b>101,697</b>	<b>104,188</b>	<b>280,635</b>	<b>278,144</b>	<b>21,855</b>	<b>19,757</b>

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

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**24. INFORMATION ON BORROWINGS (Continued)**

(b) New Debentures - 2013/14

The Shire did not take up any new debentures during the year ended 30 June 2014.

(c) Unspent Debentures

The Shire did not have any unspent debentures as at 30 June 2014.

(d) Overdraft

Council has not utilised and overdraft facility during the financial year ended 30 June 2014.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

22. RATING INFORMATION - 2013/14 FINANCIAL YEAR

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**22. RATING INFORMATION - 2013/14 FINANCIAL YEAR (Continued)**

**(b) Information on Surplus/(Deficit) Brought Forward**

	2014 (30 June 2014 Carried Forward)	2014 (1 July 2013 Brought Forward)	2013 (30 June 2013 Carried Forward)
	\$	\$	\$
<b>Surplus/(Deficit)</b>	<b>346,536</b>	<b>949,882</b>	<b>949,882</b>
<b>Comprises:</b>			
Cash and Cash Equivalents			
Unrestricted	485,025	1,222,710	1,222,710
Restricted	1,272,298	1,487,756	1,487,756
Receivables			
Rates Outstanding	30,470	24,060	24,060
Sundry Debtors	7,856	2,881	2,881
GST Receivable	0	33,602	33,602
Loans - Clubs/Institutions	10,873	6,912	6,912
Tax Credit Receivable	57,146	3,305	3,305
Inventories			
Fuel and Materials	0	460	460
<b>Less:</b>			
Trade and other Payables			
Sundry Creditors	(54,383)	(238,587)	(238,587)
Accrued Interest on Debentures	(1,771)	(2,303)	(2,303)
ATO Liabilities	(51,685)	(18,717)	(18,717)
Current Portion of Long Term Borrowings			
Secured by Floating Charge Debentures	(93,789)	(104,188)	(104,188)
Provisions			
Provision for Annual Leave	(83,568)	(63,515)	(63,515)
Provision for Long Service Leave	(42,554)	(14,014)	(14,014)
<b>Net Current Assets</b>	<b>1,535,918</b>	<b>2,340,362</b>	<b>2,340,362</b>
Less:			
Reserves - Restricted Cash	(1,272,298)	(1,487,756)	(1,487,756)
Loans - Clubs/Institutions	(10,873)	(6,912)	(6,912)
Add:			
Secured by Floating Charge Debentures	93,789	104,188	104,188
<b>Surplus/(Deficit)</b>	<b>346,536</b>	<b>949,882</b>	<b>949,882</b>

**Difference**

There was no difference between the Surplus/(Deficit) 1 July 2013 Brought Forward position used in the 2014 audited financial report and the Surplus/(Deficit) Carried Forward position as disclosed in the 2013 audited financial report.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**23. SPECIFIED AREA RATE - 2013/14 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>				44,691	43,110	44,691	43,110
- Rate				44,691	43,110	44,691	43,110

The specified area rate is for the maintenance and future upgrades of the Wickepin Sewerage Scheme. It contributes to the loan raised to pay for the construction.

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 - 2013/14 FINANCIAL YEAR**

The Shire did not impose any service charges.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**25. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS**  
**- 2013/14 FINANCIAL YEAR**

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount	10.00%	112,694	112,333
			112,694	112,333

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 - 2013/14 FINANCIAL YEAR**

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11.00%		3,655	2,552
Interest on Instalments Plan	5.50%		1,315	1,500
Charges on Instalment Plan		5		
Pensioner Deferred Rate Interest	0		0	0
			4,970	4,052

Ratepayers had the option of paying rates in four equal instalments, due on 20th September 2013, 21st November 2013, 20th January 2014 and 21st March 2014. Interest applied for the final three instalments.

27. FEES & CHARGES	2014	2013
	\$	\$
Governance	5,935	12,607
General Purpose Funding	9,644	6,982
Law, Order, Public Safety	38,553	34,601
Health	226	804
Education and Welfare	610	0
Housing	70,308	65,226
Community Amenities	75,770	70,250
Recreation and Culture	18,336	17,828
Transport	16,483	17,610
Economic Services	47,795	141,328
Other Property and Services	33,752	115,690
	<b><u>317,412</u></b>	<b><u>482,926</u></b>

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 2014**

**28. GRANT REVENUE**

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

	<b>2014</b>	<b>2013</b>
<b>By Nature or Type:</b>	\$	\$
Operating Grants, Subsidies and Contributions	937,721	1,400,703
Non-Operating Grants, Subsidies and Contributions	1,337,428	2,628,286
	<b><u>2,275,149</u></b>	<b><u>4,028,989</u></b>
<b>By Program:</b>		
Governance		0
General Purpose Funding	699,670	1,282,923
Law, Order, Public Safety	360,577	29,718
Community Amenities	104,210	512,890
Recreation and Culture	263,008	137,847
Transport	847,684	2,048,110
Economic Services	0	17,501
	<b><u>2,275,149</u></b>	<b><u>4,028,989</u></b>

**29. EMPLOYEE NUMBERS**

The number of full-time equivalent employees at balance date	<b><u>19</u></b>	<b><u>18</u></b>
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<b>30. ELECTED MEMBERS REMUNERATION</b>	2014	2014	2013
	\$	Budget \$	\$
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees	9,816	12,500	7,930
President's Allowance	1,500	1,500	1,500
Deputy President's Allowance			
Travelling Expenses	5,325	5,000	4,097
Telecommunications Allowance	3,898	2,500	3,154
	<b><u>20,539</u></b>	<b><u>21,500</u></b>	<b><u>16,681</u></b>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**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.

	2014 \$	2014 Budget \$	2013 \$
<b>(b) Current year transactions</b>			
<b>Operating Revenue</b>			
- Profit on sale	0	19,000	15,109
<b>Capital Revenue</b>			
- Sale Proceeds	0	42,000	38,109
<b>Capital Expenditure</b>			
- Purchase of Land	0	0	0
- Development Costs	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>

The above capital expenditure is included in land held for resale.

(c) Expected Future Cash Flows

	2015 \$	2016 \$	2017 \$	2018 \$	Total \$
<b>Cash Outflows</b>					
- Development Costs					0
- Loan Repayments	(26,531)				(26,531)
	<u>(26,531)</u>	0	0	0	<u>(26,531)</u>
<b>Cash Inflows</b>					
- Loan Proceeds	0				0
- Sale Proceeds	0				0
	<u>0</u>	0	0	0	<u>0</u>
<b>Net Cash Flows</b>	<u>(26,531)</u>	0	0	0	<u>(26,531)</u>

The net cash flows to 30 June 2014 in relation to this subdivision is an outflow (or cost) of \$26,531.

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

Council did not participate in any trading undertakings or major trading undertakings during the 2013/14 financial year.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

### 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:*

	Carrying Value		Fair Value	
	2014 \$	2013 \$	2014 \$	2013 \$
<b>Financial Assets</b>				
Cash and cash equivalents	1,757,323	2,710,466	1,757,323	2,710,466
Receivables	160,392	131,994	160,392	131,994
User Defined 1	0	0	0	0
User Defined 2	0	0	0	0
	<u>1,917,714</u>	<u>2,842,460</u>	<u>1,917,715</u>	<u>2,842,460</u>
<b>Financial Liabilities</b>				
Payables	107,839	259,607	107,839	259,607
Borrowings	280,635	382,332	280,635	382,332
User Defined 1				
User Defined 2				
	<u>388,474</u>	<u>641,939</u>	<u>388,474</u>	<u>641,939</u>

Fair value is determined as follows:

- Cash and Cash Equivalents, Receivables, Payables - estimated to the carrying value which approximates net market value.
- Borrowings, Held to Maturity Investments, estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.
- Financial Assets at Fair Value through profit and loss, Available for Sale Financial Assets - based on quoted market prices at the reporting date or independent valuation.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

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

**(a) Cash and Cash Equivalents**

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

**Available-for-sale financial assets**

**Held-to-maturity investments**

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 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 investing in registered commercial banks. Council also seeks advice from independent advisers (where applicable) before placing any cash and investments.

	<b>2014</b>	<b>2013</b>
	\$	\$
Impact of a 1% <sup>(1)</sup> movement in interest rates on cash		
- Equity	17,573	27,105
- Statement of Comprehensive Income	17,573 <sup>(2)</sup>	27,105 <sup>(1)</sup>

*Notes:*

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

<sup>(2)</sup> Maximum impact.

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**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:

	2014	2013
Percentage of Rates and Annual Charges		
- Current	48%	39%
- Overdue	52%	61%
Percentage of Other Receivables		
- Current	90%	93%
- Overdue	10%	7%

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**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>2014</u></b>					
Payables	107,839	0	0	107,839	107,839
Borrowings	108,218	160,084	47,703	316,005	280,635
	<b><u>216,057</u></b>	<b><u>160,084</u></b>	<b><u>47,703</u></b>	<b><u>423,844</u></b>	<b><u>388,474</u></b>
<b><u>2013</u></b>					
Payables	259,607	0	0	259,607	259,607
Borrowings	123,944	231,774	87,585	443,303	382,332
	<b><u>383,551</u></b>	<b><u>231,774</u></b>	<b><u>87,585</u></b>	<b><u>702,910</u></b>	<b><u>641,939</u></b>

**SHIRE OF WICKEPIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**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:

<b>Year Ended 30 June 2014</b>						<b>Total</b>	<b>\$</b>	<b>Interest Rate %</b>
	<b>&lt;1 year \$</b>	<b>&gt;1&lt;2 years \$</b>	<b>&gt;2&lt;3 years \$</b>	<b>&gt;3&lt;4 years \$</b>	<b>&gt;4&lt;5 years \$</b>			
<b>Borrowings</b>								
<b>Fixed Rate</b>								
Debentures	46,884	43,918	6,222	0	0	183,611	280,635	5.58%
Weighted Average								
Effective Interest Rate	6.34%	6.13%	3.80%	0.00%	0.00%	5.31%		
<b>Year Ended 30 June 2013</b>								
<b>Borrowings</b>								
<b>Fixed Rate</b>								
Debentures	15,443	89,685	63,104	8,146	0	205,954	382,332	5.60%
Weighted Average								
Effective Interest Rate	5.49%	6.35%	6.13%	3.80%	0.00%	5.32%		

**SHIRE OF WICKEPIN**  
**SUPPLEMENTARY RATIO INFORMATION**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**RATIO INFORMATION**

The following information relates to those ratios which only require attestation they have been checked and are supported by verifiable information. It does not form part of the audited financial report

	2014	2013	2012
Asset Consumption Ratio	4.9	4.9	N/A
Asset Renewal Funding Ratio	1.4	1.4	N/A

The above ratios are calculated as follows:

Asset Consumption Ratio	$\frac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$
Asset Renewal Funding Ratio	$\frac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

**N/A - In keeping with amendments to Local Government (Financial Management) Regulations 50, comparatives for the two preceding years (being 2012 and 2011) have not been reported as financial information is not available.**