



A Fortunate Place

ANNUAL REPORT

2020 - 2021

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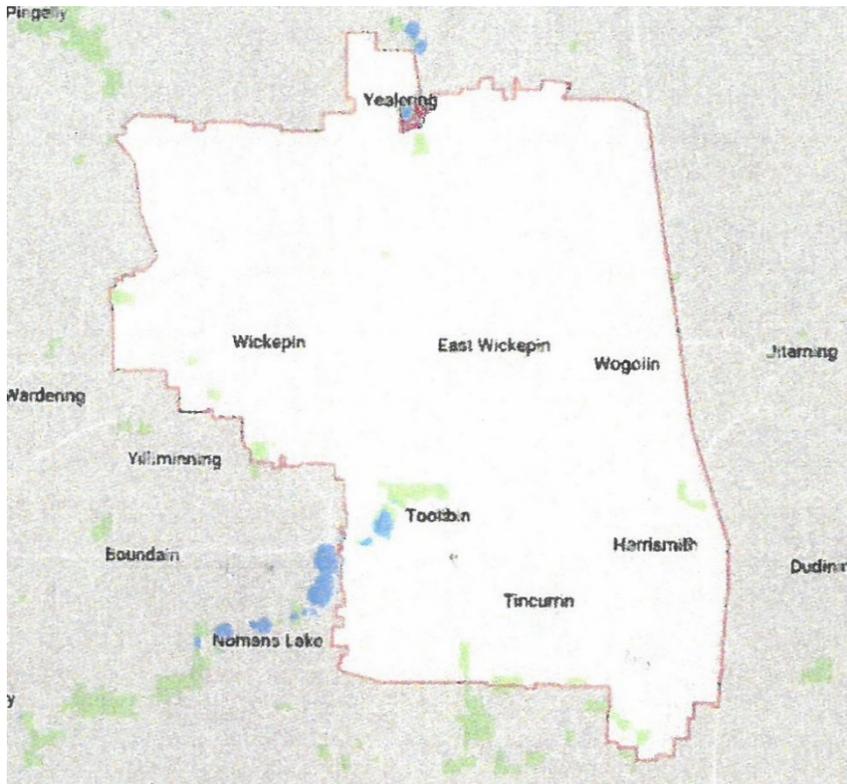


Authority and Legislation

The Shire of Wickepin is a statutory organisation responsible to the Minister for Local Government. It operates under the provisions of the *Local Government Act 1995 (as amended)*.

Shire of Wickepin Location & Information

Shire office and chambers	77 Wogolin Road, WICKEPIN
Postal address	PO Box 19, Wickepin 6370
Telephone	9888 1005
Facsimile	9888 1074
Email	admin@wickepin.wa.gov.au
Website	www.wickepin.wa.gov.au
Office hours	8.30am – 4.30pm Monday to Friday



The Shire of Wickepin covers an area of 1,989 sq km and is made up of the townsites and localities of Wickepin, Yealering, Harrismith, Tincurrin and Toolibin.

STRATEGIC COMMUNITY PLAN 2018 – 2028

The Shire's Strategic Community Plan 2018 – 2028 outlines the community's priorities and visions for the future of the Shire of Wickepin as a whole, and sets out the key short term and medium term strategies required to implement and achieve these aspirations.

The Strategic Community Plan will help shape the services that the Shire will deliver over the next ten years to support the community. The Strategic Community Plan was developed using feedback received by the community, staff and councilors of the Shire of Wickepin. It has a key place in the Shire's delivery and management of services and infrastructure, and it is important to our community because it:

- Provides short term and medium term strategies with a long term vision in mind
- Includes core drivers to use as a decision making criteria in the future – developed by council
- Identifies our strengths, the risks and opportunities for council
- Identifies who the plan is for (community – electors, ratepayers, permanent residents and temporary visitors) and who the Shire needs to work with to achieve its goals
- Provides points of measurement which can be linked to council and staff key performance indicators



A complete copy of the Shire's Strategic Community Plan 2018 – 2028 can be found via www.wickepin.wa.gov.au.

COUNCIL MEMBERS



Cr Julie Russell
President
Elected - 2005
Retiring - 2023



Cr Wes Astbury
Deputy President
Elected - 2013
Retiring - 2021



Cr Steven Martin
Elected - 2001
Retiring - 2021



Cr Nathan Astbury
Elected - 2017
Retiring - 2021



Cr Sarah Hyde
Elected - 2017
Retiring - 2021



Cr Fran Allan
Elected - 2008
Retiring - 2023



Cr Allan Lansdell
Elected - 2011
Retiring - 2023



Cr John Mearns
Elected - 2019
Retiring - 2023

Council Meetings

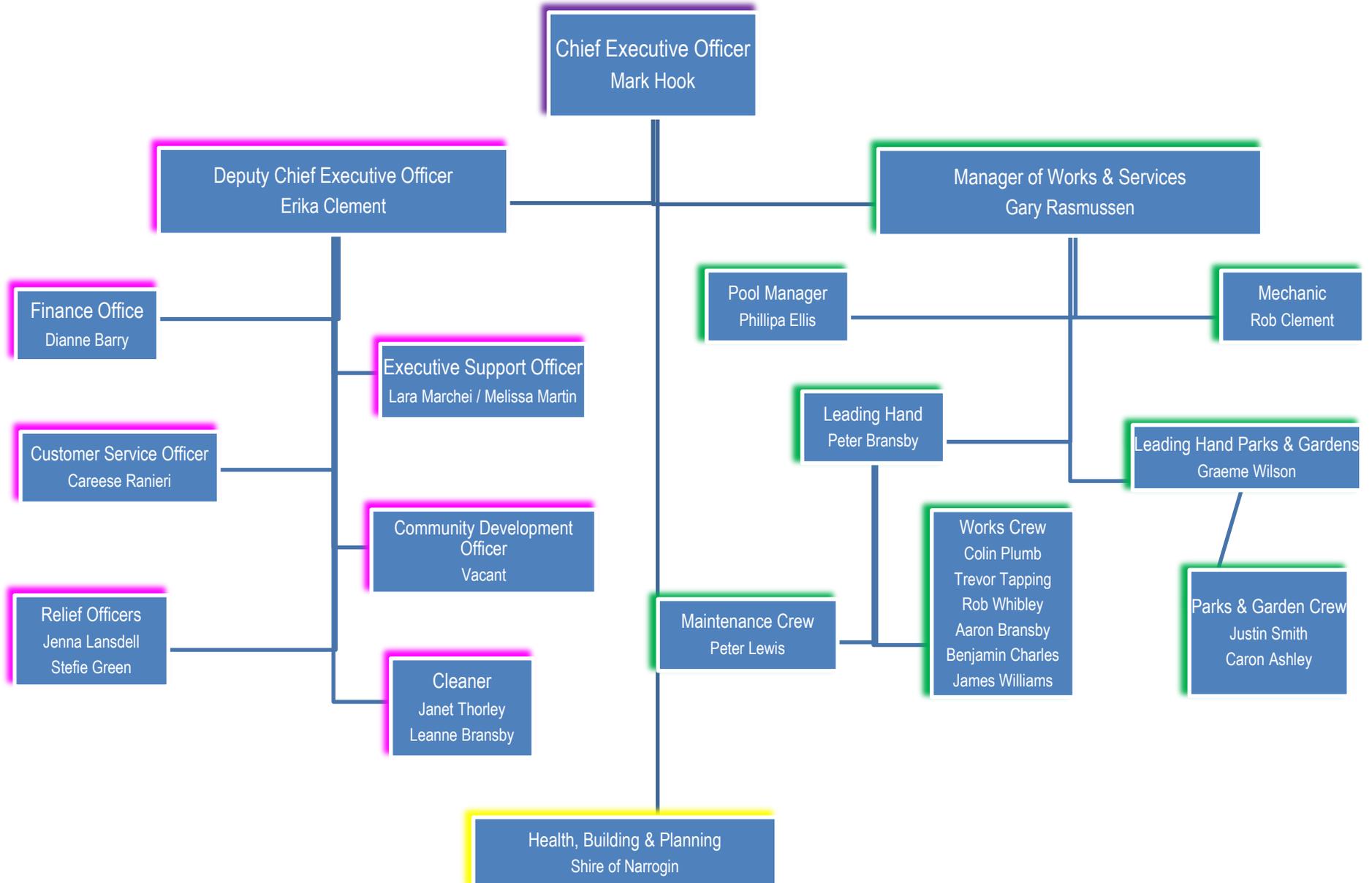
Full council meetings are held on the third Wednesday of the month commencing at 3.30pm. By resolution no meeting is held in January. Public question time for 15 minutes is held at the beginning of each meeting where questions may be asked with or without notice or an issue considered relevant to the 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.

Non-resident owners or occupiers of rateable property in the Shire of Wickepin that are on the State Electoral Roll are eligible to enrol to vote by completing an enrolment application to the Shire of Wickepin.

ORGANISATIONAL STRUCTURE & STAFF



SHIRE STATISTICS & INFORMATION

Distance from Perth (km)	210
Area (sq km)	1,989
Length sealed roads (km)	157
Length unsealed roads (km)	717
Population	715
Councillors	8
Electors	551
Dwellings	421
Employees	28
Rates Levied (2018/19)	\$1,480,802
Revenue	\$2,815,390

Wickepin

Wickepin contains rich agricultural lands that were opened for settlement in 1893. The locality began as a watering point known as Yarling and was used by early sandalwood cutters. The Shire is still a wealthy farming area with excellent wool and lamb production.

Cropping is done on a large scale with wheat, oats, barley, lupins and canola grown.

Wickepin is well known for being the home of Albert Facey. The town offers excellent facilities for travellers. Great walks, a BBQ area and children's playgrounds.



Yealering



The townsite of Yealering is nestled next to a picturesque lake and is thought to be the only country town in Western Australia with a lake within the town boundary. It is home to a wide variety of bird life.

Take a walk around the town and call into the Yealering Hotel which was featured in the 'Waltz through the Hills' miniseries. The land surrounding the lake was first released in the 1870's and Yugoslav migrants began a market garden at the present townsite before it was officially recognised as a town in 1907. The BBQ facilities at the lake make Yealering as an ideal place for a day out kayaking, windsurfing and enjoying nature walks.

Harrismith

Harrismith is recognised internationally for the wide variety of wildflowers that grow in the area. A well-defined walk trail surrounds the town and showcases the magnificent display of orchids, verticordias, grevilleas and banksias.

Visitors will also enjoy a beautiful restored display of historical machinery and memorabilia assembled by the local community, including information on the Rabbit Proof Fence. The fence was built to protect Western Australian crops and pasture lands from the destructive scourge of the rabbit. It represents a unique response to the overwhelming environmental problem. Doris Pilkington's book, *Follow the Rabbit-Proof Fence* (1996), has been adapted to film. This follows the story of young girls trekking along 2414km of the fence.



COUNCIL FACILITIES

Public Library

The library is open Monday to Friday 9am – 4.30pm and is located in the Wickepin Community Resource Centre, Wogolin Rd Wickepin.

Community Centre

The Wickepin Community Centre is located on Campbell St Wickepin. This facility accommodates a variety of sports including football, netball, hockey, cricket and various indoor sports. The grassed oval is equipped with lighting. The centre also provides a venue for meetings and functions including weddings, discos and a variety of social gatherings. Bookings are to be made at the Shire administration office.

Wickepin and Yealering Town Halls

Wickepin Town Hall is situated on Johnston St, Wickepin and Yealering Town Hall is situated on Sewell St, Yealering. These halls can host various events and gatherings and bookings are made through the Shire administration office.

Aquatic Centre

The Wickepin Aquatic Centre is located on Wogolin Rd, Wickepin and was refurbished in 2015. The pool is open 1pm – 6pm every day from 1 November to 31 March each year, with the exception of being closed every second Tuesday, unless the temperature is above 35 degrees. The pool is equipped with bbq facilities for everyone to use.

Yarling Court Units

4 x 2 bedroom units on Wogolin Rd, Wickepin are available for single rental.

Cottage Homes

3 x 1 bedroom units and 2 x 2 bedroom units on Wogolin Rd, Wickepin are available for aged rental

Caravan Parks

The Shire of Wickepin has caravan parks situated in Wickepin, Yealering and Harrismith. Further details of available accommodation can be found via the Shire's website or contacting the Shire administration office.



COUNCIL SERVICES

Private Works

The Shire's range of modern plant and equipment, operated by Shire of Wickepin staff is available for private works hire. Current hire rates for graders, loaders, trucks, backhoe and other plant are available on the Shire's website.

Rubbish Collection

Collections are carried out every Monday by contractor. Kerbside recycling collections are carried out every 2nd Monday.

Dog and Cat Registration

Registrations become due on 1 November each year.

Unsterilised dog	1 year \$50.00	3 years \$120.00	Lifetime \$250
Sterilised dog or cat	\$20.00	\$42.50	\$100

Dog used for tending stock: 25% of ordinary fee

Dog or cat belonging to pensioner: 50% of ordinary fee

Impounding Dogs

Dog owners have an obligation to keep their dogs under control at all times. Dogs wandering at large present a nuisance and a danger to the public. The Shire carries out dog patrols and responds to complaints. The Dog Act 1976 provides penalties for owners whose dogs are impounded.

Impounding Cats

All domestic cats over six months of age must be sterilised, microchipped and registered with the Shire. Your cat is required to wear a collar and registration tag to ensure they can be easily identified and returned to you if they become lost. Any cats that are unidentified and remain unclaimed will only be held in the Shire pound for 3 days.

Department of Transport Licensing Services

The Shire administration office are able to process driver, vehicle and boat licence renewals as well as all other licensing services including computerised theory and hazard perception testing. Licensing hours are 8.30am to 4pm.

Health Building & Planning

The Shire of Wickepin's Health, Building and Planning services are contracted through the Shire of Narrogin. They can be contacted on 9890 0900.

Mosquito Control

To assist in controlling mosquitos the following preventative measures should be taken:

- Ensure that all vents to plumbing installations are fitted with a mosquito proof cowl.
- Remove all rubbish which may hold water from around the yard, eg old drums, tyres and disused containers.
- Ensure that all water tanks have properly fitted lids and treat water with paraffin oil or kerosene in sufficient quantity to provide a film of oil across the surface.

Council staff fog the Wickepin townsite on regular occasions when conditions are suitable and adult mosquitos are active.

PRESIDENT'S REPORT

It gives me great pleasure to present my President's report on the Wickepin Shire Council's activities for the 2020/21 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 Shire of Wickepin to invest in the infrastructure required for a sustainable community.

The Shire of Wickepin had a rural rate increase of 0% and a town rate increase of 0% for 2020/21, however some properties did receive a rate rise due to an increase in valuation of the individual properties by the Valuer General, based on the sales history for the area for the previous 12 months. Rates levied within the Shire allows Council to keep pace with the general CPI expenses, whilst also allowing for necessary improvements and additions, along with sustaining a high level of services and infrastructure for our communities.

Financial Assistance Grants

The Shire of Wickepin acknowledges the importance of Federal Grants Income through the Financial Assistance Grants program to assist in the continued delivery of Council's services and infrastructure. The Shire of Wickepin wishes to acknowledge that Council received \$1,617,723 in 2020/2021 under the Financial Assistance Grants Scheme.

2020/2021 Major Achievements

1. 4 x new aged housing units commencement
2. 1 x executive residence commencement
3. Fencing 7 Rintel St & 5 Smith St
4. Pool expansion joints & balance tank
5. Wickepin sports oval LED lights
6. Water harvesting near Wickepin caravan park
7. Wickepin Town Hall re roof main section

Roads, Plant and Infrastructure

Council has continued its significant contribution to the ongoing maintenance and upgrade of the Shire road network during the 2020/21 financial year and undertook a \$1,744,104 road program this year.

Council undertook the following road and footpath program in 2020/21:

Road Name	Works	Total
Wickepin Pingelly Rd	Culvert replacement, cement stabilisation, two coat sea.	369,933
Bin Rd	Reconstruction, cement stabilise, sand prime & asphalt	486,371
84 Gate Rd	Gravel sheeting, drainage culverts	62,976
Toolibin North Rd	Gravel sheeting two sections	84,115
Tincurrin North Rd	Gravel sheeting two sections	97,967
Wickepin North Rd	Seconded coat seal & cement stabilisation	119,875
Malyalling Rd	Gravel re-sheeting	20,536

The Federal Government's Roads to Recovery Program continued in 2020/21. The objective of the Roads to Recovery program is to contribute to the Infrastructure Investment Programme through supporting maintenance of the nation's Local Road Infrastructure Asset, which facilitates greater transportation access for all road users and improved safety, economic and social outcomes.

Funding is 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; where each jurisdiction determines the expenditure of the funds to suit their own requirements.

Council is very conscious of the need to maintain the shire's road network to a high standard. Manager of Works & Services, Mr Gary Rasmussen, along with the outside works staff team, are to be highly commended for their continued good work and full programme achievements once again this year.

Administration Staff

On behalf of the Shire of Wickepin community I would like to thank CEO Mr Mark Hook, DCEO Mrs Erika Clement, and the current administration staff team for their continued outstanding efforts over the past year.

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

I sincerely thank Deputy Shire President Cr Wes Astbury for his support and all fellow councillors for their contributions and personal support over the 2020/21 financial year.

Thank you

Cr Julie Russell

Shire President JP

CHIEF EXECUTIVE OFFICER'S REPORT

It is with much pleasure that I present my Chief Executive Officer's report to the Shire of Wickepin and the Wickepin Community for the year ending 30 June 2021.

Staff

There have been a number of staff movements this year within the Shire of Wickepin. Our Community Development Officer position is still currently vacant so search for a new CDO is ongoing.

Council's outside works force has been stable this year with only two changes, we welcome Dave Wilson and James Williams to the works crew.

Council had an extensive large construction program and this was accomplished by our very capable outside workforce. Thank you to all the Shire of Wickepin staff for your dedication and high level of work for the Shire of Wickepin.

Thank you to Gary Rasmussen Manager of Works and Services for the running of Council's road programs and the outside staff, at an exceptional high level.

Thank you to Erika Clement Deputy CEO who continues to manage the financial side of the Shire of Wickepin in an exceptional way and manages all the office staff.

Loans

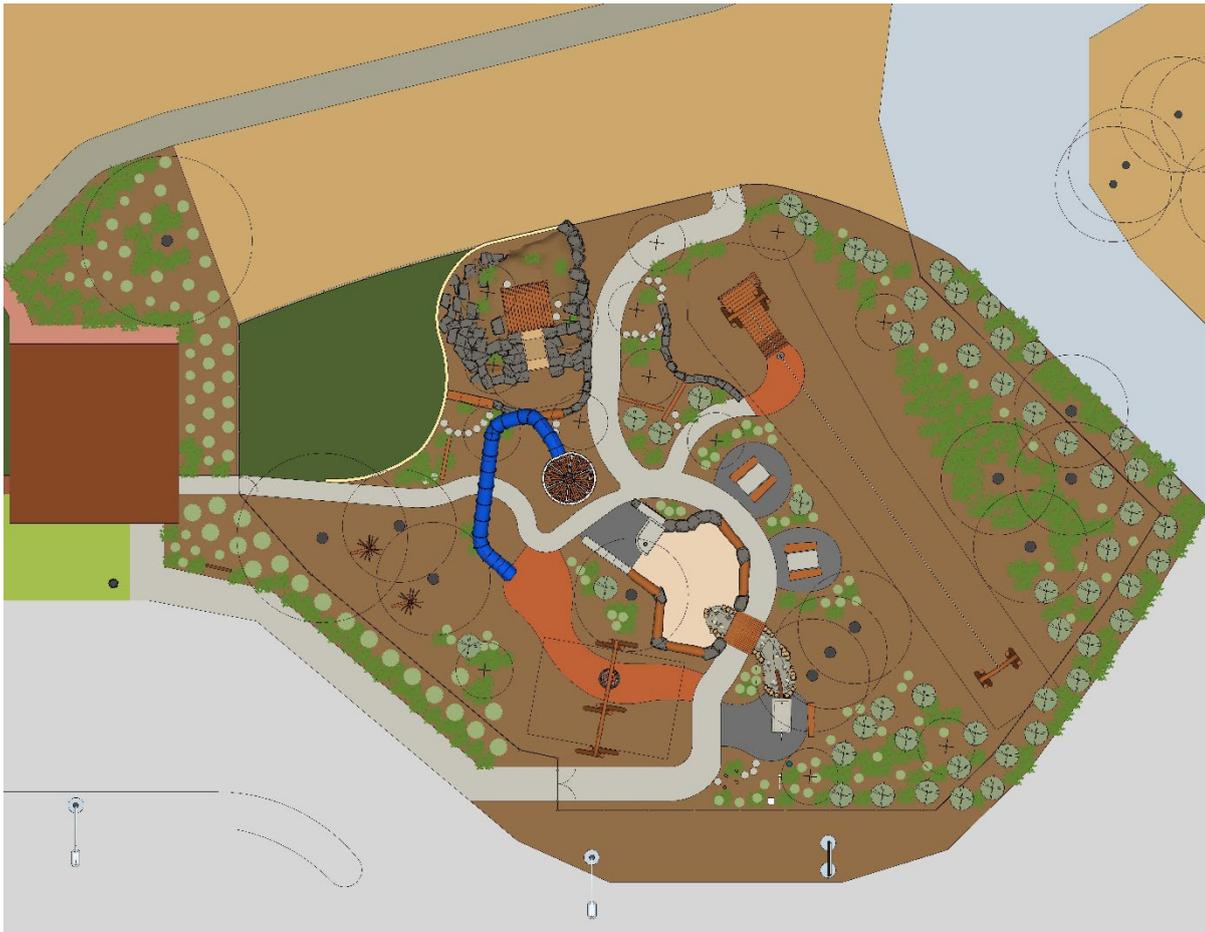
Council raised one loan this year for the construction of a new Staff Residence on 14 Smith Street.



PROJECTS UNDERTAKEN 2020/2021

This financial year has seen a number of substantial project undertaken by the Shire of Wickepin and these are.

WOGOLIN RECREATION PLAYGROUND AREA – STAGE 1 AND 2A



This project will be completed by the end of October 2021 and was funded by the Department of Infrastructure, Transport, Regional Development and Communications through the Local Roads and Community Infrastructure Program. The tender was awarded to Natureplay at a cost of \$676,979.



JOHNSTON PARK INDEPENDENT LIVING UNITS

The Johnston Park Independent Living units has been part of the Wheatbelt South Aged Housing Alliance, partly funded by the State Government through the Department of Primary Industries and Regional Development. The tender for the Construction of the Johnston Park Independent Living Units was awarded to KBuilt construction of Albany at a tendered price of \$ 1,329,966. Building on the units has been slow and it has been an up, and down struggle but the units should be completed by Dec 2021.



WICKEPIN SWIMMING POOL

The Wickepin Swimming Pool received an upgrade to the filtration system and the joints were recaled at a cost of \$99,651.40

Finance

At the end of the financial year for 2018/19 the situation in relation to council's reserve funds are as follows:

2020/2021

		2021	2021	2021	2021	2021	2021	2021	2021	2020	2020	2020	2020
		Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual
4. RESERVES - CASH BACKED		Opening	Transfer to	Transfer (from)	Closing	Opening	Transfer to	Transfer (from)	Closing	Opening	Transfer to	Transfer (from)	Closing
		Balance			Balance	Balance			Balance	Balance			Balance
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a)	Reserves cash backed - Leave Reserve	98,751	352		99,103	98,751	746		99,497	97,494	1,257		98,751
(b)	Plant Replacement Reserve	337,504	161,001		498,505	337,504	43,551		381,055	333,214	4,290		337,504
(c)	Building Reserve	494,856	4,264		499,120	494,856	3,741		498,597	488,548	6,308		494,856
(d)	Fire Fighting Reserve	22,891	80		22,971	22,538	170		22,708	22,606	285		22,891
(e)	Cottage Homes Reserve	53,808	7,773		61,581	54,160	5,409		59,569	38,307	15,501		53,808
(f)	Special Events Reserve	14,828	53		14,881	14,828	112		14,940	14,639	189		14,828
(g)	Computer Reserve	31,325	10,112		41,437	31,325	10,237		41,562	25,990	5,335		31,325
(h)	Young Singles Accommodation Reserve	90,394	5,322		95,716	90,394	5,683		96,077	84,307	6,087		90,394
(i)	Saleyards Reserve	39,544	5,141		44,685	39,544	5,299		44,843	34,104	5,440		39,544
(j)	Sewerage Reserve	266,154	30,949		297,103	226,154	32,012		258,166	222,447	43,707		266,154
(k)	Refuse Reserve	123,518	440		123,958	123,518	2,053		125,571	121,945	1,573		123,518
(l)	Land Development Reserve	118,236	421		118,657	118,236	1,520		119,756	116,731	1,505		118,236
(m)	Aged Persons Accommodation Reserve	271,589	968		272,557	271,589	75	(51,321)	220,343	268,131	3,458		271,589
(n)	Swimming Pool Reserve	201,095	717		201,812	201,095	45,563		246,658	173,853	27,242		201,095
(o)	Albert Facey Homestead Reserve	9,911	35		9,946	9,911	894		10,805	9,785	126		9,911
(p)	Fuel Facility	74,488	59,505		133,993	74,488	934		75,422	50,536	23,952		74,488
(q)	Caravan Park & Accommodation Reserve	0	88,380		88,380				0	0			0
(r)	WANDRA events & Emergency Repairs Reserve	0	200,000		200,000				0	0			0
		2,248,892	575,513	0	2,824,405	2,208,891	157,999	(51,321)	2,315,569	2,102,637	146,255	0	2,248,892
All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.													

Financial Ratios

As part of our annual reporting process we are required to report on a series of financial ratios which helps to give an indication of the Council Financial Position for the year 2019/2020.

Ratio	Description	Result	Prescribed Standard
Current Ratio	Indicates the Shires ability to meet short term debt obligations	4.21	Standard is met if ratio is greater than 1
Asset Sustainability Ratio	Indicates that the shire is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out	0.56	Standard is met if ratio is 0.9 or higher
Debt Service Cover Ratio	Indicates the Shire ability to repay its debt including lease payments	49.36	Basic standard is met if ratio is greater than or equal to 2. Advanced standard is met if the ratio is greater than 5
Operating Surplus Ratio	Indicates the Shires ability to cover its operational; costs and have revenues available for Capital funding or other purpose.	(1.54)	Basic standard is met between 0.01 and 0.15. Advanced standard met if ratio is greater than 0.15
Own Source Revenue Coverage Ratio	Indicates the Shire ability to cover its costs through its own revenue efforts	0.25	Basic standard is met between 0.4 and 1.6. Intermediate standard met if ratio is between 0.6 and 0.9. Advanced standard met if ratio is greater than 0.9
Asset Consumption Ratio	Measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost.	0.88	Standard is met if ratio is 0.5 or greater. The standard is improving if the ratio is between 0.6 and 0.75
Asset Renewal Funding Ratio	Measures the ability of the Shire to fund its projected asset renewal/replacements in the future.	0	Standard is met if the ratio is between 0.75 and 0.95. Standard is improving if the ratio is between 0.95 and 1.05

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 2019 are listed below and grouped into the outcome areas addressed in the Shire of Wickepin Disability Service Plan.

Outcome 1: 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 hybrid hard copy and electronic 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 has been revised, submitted to and approved by the State Records Office in December 2016.

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. New employees who commence with the Shire of Wickepin complete basic records registration in house training as part of their induction;

2. Staff information sessions were held as required.

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 continues with the fruit fly baiting program by supplying free fruit fly baits. Any ratepayer or elector can receive their free fruit fly bait each year by going to Ewen Rural Supplies and ask for your free fruit fly bait.

Mosquito Spraying

Council continues its annual mosquito spraying program to control the level of mosquitos around the towns of Wickepin, Yealering, Harrismith and Tincurrin. If you have a major mosquito issue please advise the administration office.

Chemical Containers

Council continues to be involved in the DrumMuster program. The DrumMuster collections are notified through the Watershed News and Facebook 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.



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 16 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 Office Mr Mark John Hook has been appointed as council's Public Interest Disclosure Officer.

No Public Interest Disclosures were received by the Shire of Wickepin during 2018/19.

Facebook & Instagram

The Shire of Wickepin is on Facebook and Instagram. We have found this a great way to keep the community updated with news and happenings around the shire. Community members who have 'liked' or 'follow' the shire 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 platforms. So far it has proved to be successful and is constantly growing. So please like us on Facebook and follow us on Instagram so we can keep you up to date with the happenings around the shire.



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 2018/19 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 2018/19 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 refuse site is only open from 4.00pm Friday to 4.00pm Monday, Yealering, Harrismith and Tincurrin tip sites are open 24 hours 7 days a week. Please separate recyclable materials from your general household waste.

Asbestos, liquid salvage and bulk waste are accepted by prior arrangement. Steel, timber, tyres, batteries and waste oil is 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. 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 yellow 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

Recycling is provided in the townsites of Harrismith and Tincurrin by dropping off your recyclables at the transfer station in each Townsite and at the Wickepin Refuse Site.

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 council's Strategic Plans reflect the community aspirations, visions and priorities of the district.

The key priorities (based upon survey results and number of discussions in which these arose) that the community identified during the process included:

HIGH PRIORITY

- Maintenance and improvement of road infrastructure.
- Maintenance and continual improvement of parks and gardens, creating a reason to visit and stop in the shire.
- Growing the economic impact of Lake Yealering.
- Lifestyle and amenity development.
- Supporting the agricultural industry, agricultural innovation and business diversification.

MEDIUM PRIORITY

- Tourism product development.
- Opportunity to work closely with community organisations to achieve mutual goals.
- Improved partnerships to address youth attraction and retention, drug and alcohol education and awareness.

These priorities have all been reflected in the goals and strategies of our plan.

As part of the IPR framework, council has adopted the following plans,

- Long Term Financial Plan
- Asset Management Plan
- Workforce Plan
- Corporate Business Plan 2015 – 2020
- Strategic Community Plan 2018 – 2028

Copies of these plans are available from the Shire of Wickepin website 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 \$130,000 or more, and the number of employees with an annual salary entitlement that falls within each band of \$10,000 over \$130,000.

For the year 2020/2021, the Shire of Wickepin had one employee with a salary exceeding \$130,000 threshold per Local Government Admin Reg 19(b).

For the year 2020/2021 under the Local Government Admin Reg 19(e) the remuneration of the Chief Executive Officer was \$132,000.00.

For the year 2020/2021 under the Local Government Admin Reg 19(f) and Local Government Admin Reg 19(h) Councillors attended the following meetings and fall into the following age categories.

Councillors	Gender	Council Meetings Attended	Committee Meetings Attended
Cr Julie Russell	Female	11	18
Cr Wes Astbury	Male	11	3
Cr Steven Martin	Male	6	0
Cr Fran Allan	Female	10	16
Cr Allan Lansdell	Male	9	14
Cr Nathan Astbury	Male	8	1
Cr Sarah Hyde	Female	9	5
Cr John Mearns	Male	11	6

Age Range (yrs)	Councillors
18-24	0
25-34	0
35-44	2
45-54	1
55-64	2
64 & over	3

Thank You

I would like to take this opportunity to thank all of the Shire of Wickepin staff for their continued efforts over the whole of the 2020/2021 financial year. Thank you to council for their support over the year, in particular Shire President Cr Julie Russell and Deputy Shire President Cr Wes Astbury.

Mark J Hook

Chief Executive Officer

WHAT'S BEEN HAPPENING....

LAKE YEALERING FORESHORE REDEVELOPMENT

The redevelopment of the Lake Yealering foreshore was officially opened on Saturday 12 September 2020 by Hon Stephen Dawson MLC.

Lake Yealering is highly valued for the recreational, environmental and economic opportunities that it provides. Lake Yealering is one of two lakes, selected as part of the Liberal-National Government's Royalties for Regions 'Living Lakes' which aims to enhance the existing lake system to create permanent and accessible water bodies in the Wheatbelt. It is intended the enhancements will aid in providing greater recreational amenity to the community, improve the environment for flora and fauna and attract people to the area.

The Lake Yealering Foreshore redevelopment compliments the Living Lakes Project. An important flow on effect from the project is to generate tourism and support the local economies of Yealering and the wider region.



Wheatbelt NRM CEO Karl O'Callaghan, Local Elder Gary Bennell, Hon Darren West MLC, Shire of Wickepin President Julie Russell and Hon Stephen Dawson MLC.

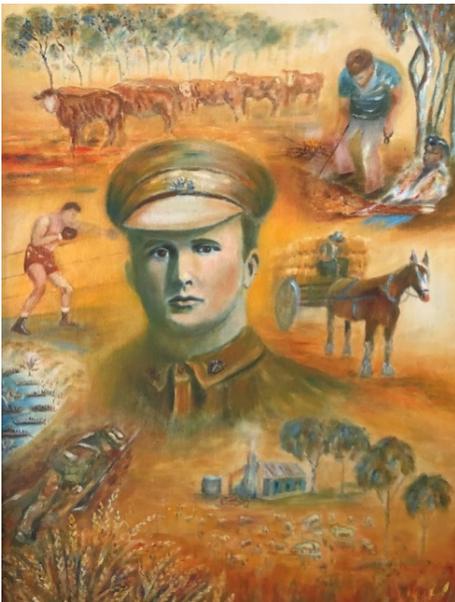


PURPLE BENCH PROJECT

In August 2020 the existing bench in the council garden was painted purple to represent the Women's Council for Domestic and Family Violence Services (WA), to honour all victims killed as a result of domestic and family violence. This initiative is supported by local government and members of parliament.



DONATIONS



Council accepted two donations on a permanent basis.

The first of the two donations was a painting-*"Life & Times of Albert Facey"* and was donated by Darren and Danielle Farquhar and painted by Audrey June Pitman.

The second donation was a set of two hand pieces donated by Marty Mahar in belief that they reflect *"the memory of the sheep and wool men that made Wickepin Proud"*.



YEALERING PHONE BOOTH

In June 2020 Council granted The Lake Yealering Progress Association funds to purchase a piece of the Yealering History – The Red Telephone Booth.

ALBERT FACEY HOMESTEAD – 20 YEAR ANNIVERSARY OF RE-LOCATION

A sub-committee was formed consisting of council’s Community Development Officer Michelle Hetherington, and volunteers Linley Rose and Libby Heffernan – to organise an informal celebration to acknowledge the 20 year anniversary of the relocation of the Albert Facey homestead to the Wickepin town centre, which was held on Saturday 17 October, 2020.

The day included:

- Picnic on the lawn area adjacent to the homestead
- Rope making, history (scavenger) hunt, games, activities
- Historical Displays - Railway Building, Town Hall, Toolseum
- Art exhibit (Shire collection) - Town Hall



ALBERT FACEY HOMESTEAD
CELEBRATING 20 YEARS
 of the RELOCATION to the WICKEPIN TOWN CENTRE



ACTIVITIES • ART & HISTORICAL DISPLAYS • TOOLSEUM



AUSTRALIA DAY BREAKFAST

Australia Day Breakfast was a great success with a large crowd at the Harrismith Golf Club enjoying the breakfast cooked by Shire Councillors and staff.

The 2020 Community Award winners were:

Citizen of the Year:

KELLY STERE & TIM COWCHER

Young Citizen of the Year: **CEJAY HILL**

Facey Group Progressive Agriculture: **RICK & MAREE DOUGALL – ARKUNA WA**



WICKEPIN TOWNTEAM

The community of Wicky was invited to come together and reconnect with friends and neighbours for a sausage sizzle sundowner at the Wickepin Hotel Pop Up Bar on 19 February 2021. Town Team Movement, in partnership with Shire of Wickepin and the Wickepin CRC were seeking ideas of how we can all get involved to put the spark back into Wickepin. The Wickepin Junior Cricket Club ran a sausage sizzle fundraiser, the hotel had an outdoor 'tinny bar', and there were kids activities and a DJ to provide some tunes.



The Shire of Wickepin and Town Team Movement are working closely together with the aim of establishing a new Wickepin Town Team. A town team is a positive and proactive 'activation' organisation that includes businesses, landowners and residents working collaboratively with all stakeholders and government agencies to improve the Wickepin town centre.

The Wickepin Town Team could help activate the town centre area with new events, public art, small business support and street beautification. The first Town Team meeting was held on the 3 March and a range of new local ideas were brainstormed including a street party, public space beautification project and wildflower trail.

It's not too late to get involved. If you are interested and passionate about creating an even better Wickepin, come along!!



LOCAL GOVERNMENT BOWLS DAY

On Thursday 18 March 2021 the Shire of Wickepin hosted a Local Government Bowls Day. This was once an annual event aiming to encourage surrounding Shires to enjoy a day together outside of the workplace environment, and councils were keen for it to resume.

There were 14 teams competing on the day which consisted of 6 shires and a number of sponsors.

- Shire of Wickepin
- Shire of Kulin
- Shire of Corrigin
- Shire of Dumbleyung
- Shire of Cuballing
- Shire of Narrogin
- Hitachi
- Conplant
- Westrac
- Twinkarri Tree Pruning – Ashley Borgas
- BKS Electrical – Blake Stott
- AC & EJ Fulford & Co – Mark Fulford

Congratulations to the following winners:

1. Shire of Corrigin
2. Shire of Dumbleyung
3. Shire of Narrogin



The Shire of Wickepin would like to thank all the competitors and sponsors, the Wickepin Bowling Club Ladies Committee and all others who contributed to the successful day.



CLEAN UP AUSTRALIA DAY

The Shire of Wickepin together with the Wickepin Primary School participated in Clean-up Australia Day on Friday 26 March 2021. This was a great opportunity for the children to become aware of the issues being caused to our environment due to littering.

Council's outside staff displayed signage around the designated areas where the students were collecting litter.

Each student received a Certificate of Participation at the conclusion of the morning, a juice box to quench their thirst and the gratitude of knowing they had done their little bit to help the environment.



LIGHTS, PROJECTOR, A FORTUNATE LIFE – ACTION

On a very warm Saturday evening, 20 March 2021, the Wickepin Town Hall was transformed in to a live theatre complete with actors, projector and movie screen and a sold out crowd, all ready to be immersed in a performance of Albert Facey's A Fortunate Life.

The AB Facey's A Fortunate Life journey commenced many months ago with representatives from Theatre 180 visiting Wickepin to meet with the Shire, Albert Facey Homestead Committee and Facey family. They returned shortly after to record the sights and sounds of the unique Wickepin flavour and Wheatbelt authenticity that was prevalent throughout the production.

This is an exciting development for theatre which incorporates a full cinema sized screen behind the 3 actors who remain on stage for the full 1 ¾ hour performance. The screen played an integral part in showing different locations or situations in a video or photo format which added a whole new dimension to the show. It could indicate the route the family took from Victoria to Fremantle and then in an instant became the window of a moving train complete with trees rushing by. The most famous and well known part of the story which takes place at Cave Rock situated in the Pingelly Shire gave the story authenticity and transported the audience to that time with ease. The three performers took on over 80 roles with a switch of a hat or just a change in stance and voice within seconds to take the audience through the life and incredible times of Albert Facey.

A question and answer session after the show gave an insight into the background of creating the show that has been seen at cinemas throughout the metropolitan area and also in halls in regional areas. The audience came from Kulin, Narrogin, Perth and beyond and included the Chairman of the Theatre 180 board who chose to come to the Wickepin performance especially.

A sundowner was hosted by the Shire and Albert Facey Homestead Committee on the Friday night on the verandah of the homestead for the cast and crew, which gave those in attendance a chance to share their stories of their own links and involvement with our 'Facey country'. The cast and crew stated many times how much they had been looking forward to this performance, as a kind of homecoming not only for Albert but for them also, such is their connection to the story.

Thank you to Theatre 180 and Cinemastage, Shire of Wickepin and Albert Facey Homestead Committee for ensuring this amazing theatrical experience came to Wickepin. A special thank you to Linley Rose and Libby Heffernan who volunteered many hours to assist with the organising of the event. Your tireless dedication to continually promoting and showcasing our community is to be commended.



ANZAC DAY SERVICE

Our community were fortunate to be able to proceed with our ANZAC Day service even though some very last minute changes were required due to the COVID lockdown. Thank you to Emma Graf who made herself available to play the Last Post at such short notice, to Sergeant Phil Huggins for The Ode of Remembrance, and to all the community members who helped in the organising of and attended the service.



ASTROTOURISM

Regional WA is well known as one of the best places in the world to view the night sky. The low levels of light pollution makes it ideal for astrophotography and stargazing.



WICKEPIN NIGHT SKY
wonders

Explore the Universe in WA's newest Astrotourism Town! Wickepin has world-class night skies for visitors from near and far. See an amazing green laser pointer tour of the summer constellations and look through telescopes to see the wonders of the cosmos. Discover why Wickepin is the place to be for visitors seeking stargazing experiences

FRIDAY 5 MARCH 2021

7pm - 7:30pm | *Astrotourism Presentation and Telescope Tips 101*
7:45pm - 9:30pm | *Stargazing on the Oval*

Wickepin Community Centre, Campbell Street

BYO chairs, rugs, picnics, drinks, torches, warm clothes, fly net, insect repellent

Bookings: Free community event. Please RSVP to the Shire of Wickepin on 9888 1005 or admin@wickepin.wa.gov.au. This event will go ahead rain, hail or shine.

Wickepin is on the Astrotourism WA map!
www.astrotourismwa.com.au

This event was made possible with funding from the Shire of Wickepin. It is part of the Astrotourism WA project that's promoting Wickepin and Yealering as destinations for stargazing and astrophotography.

Carol Redford from Astrotourism WA has worked tirelessly on establishing a stargazing trail across the Wheatbelt and Mid West over the past two years and Wickepin and nearby Lake Yealering are the latest additions.

Ms Redford presented the concept The Wickepin Shire Council and they immediately saw the potential to attract more visitors to the region.

Astrotourism has the potential to attract visitors and create jobs in our region. A night time activity such as stargazing lends itself to making sure visitors stay overnight and we see the opportunity for ventures such as farm stays and organised astrophotography field trips. Being an Astrotourism Town contributes to the Shire Strategic Community Plan's aim to develop and improve foreshore amenities at Lake Yealering. It's a natural asset which can be promoted as a stargazing and astrophotography destination for visitors.

A free family-friendly and fun community stargazing evening with telescope viewing was held on Friday 5 March 2021 @ 7pm at the Wickepin Community Centre.



ASTROTOURISM
TOWN
WESTERN AUSTRALIA

WICKEPIN WINTER WEEKEND 25, 26 & 27 JUNE 2021

After having to put their boots in storage last year due to COVID, the annual Wickepin Winter Weekend was back last weekend! Dancing and caravanning enthusiasts came in their droves from all over WA to enjoy some great toe tapping country music, old time dancing and some good old fashion fun.

Once again David & Therese Higgins and Alan & Kayleen Lansdell did a fantastic job of organising and ensuring everyone was accommodated, comfortable and warm!

All proceeds from the weekend were then generously donated to the Wickepin St John Ambulance to go towards the purchase of defibrillators. This is very much appreciated by the Wickepin Community.



WAR MEMORIAL

Saluting Their Service– Grant Application

The Shire of Wickepin was granted \$10,000.00 from the Saluting Their Service Commemorative Program and \$24,000.00 from Darren West to upgrade the WW1 & WW2 Honour Boards - compiled by Stefie Green.

In total the Shire has \$40,000.00 to complete the project.

Tarnishing metal plaques were also replaced on the War Memorial posts.



COMMUNITY GRANTS

Each year the Shire of Wickepin makes a budget provision of a maximum of 2.5% of the previous year's levied rates to distribute to community and sporting organisations. The objective of the funding is to establish or improve playing areas or buildings necessary for the conduct of sport or for community use, support or major sporting and community events, support for sporting or coaching clinics, to assist community groups in establishing a service, activity seen as a need for the betterment of and improvement to the enjoyment of life within the community, and increasing visitors to the region.

Wickepin History Group	Purchase frames for the display of historical photos in the Toolseum	\$810.00
Wickepin District Sports Club	Purchase of an ice machine	\$1,894.00
WDSC – Wickepin Bowling Club	Purchase of a water cooler	\$3,384.00
Wickepin Playgroup	Replace the Christmas decorations for the Wickepin Christmas tree	\$500.00

SHIRE OF WICKEPIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

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COMMUNITY VISION

A collaborative Council, dedicated to maintaining and developing our community assets for the benefit of our residents whilst supporting a strong community, vibrant economy, successful businesses and sound environment.

Principal place of business:
77 Wogolin Road, Wickepin, WA, 6370

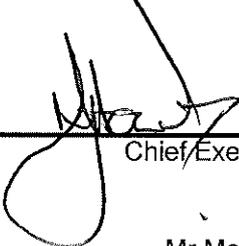
**SHIRE OF WICKEPIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Wickepin for the financial year ended 30 June 2021 is based on proper accounts and records to present fairly the financial position of the Shire of Wickepin at 30 June 2021 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 28TH day of FEBRUARY 2022



Chief Executive Officer
Mr Mark J Hook

Name of Chief Executive Officer



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

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
Rates	22(a)	1,363,292	1,370,075	1,362,081
Operating grants, subsidies and contributions	2(a)	3,126,939	2,218,966	1,825,837
Fees and charges	2(a)	751,249	419,641	522,444
Interest earnings	2(a)	17,312	35,500	48,333
Other revenue	2(a)	2,048	0	864
		<u>5,260,840</u>	<u>4,044,182</u>	<u>3,759,559</u>
Expenses				
Employee costs		(1,217,401)	(1,194,488)	(1,145,700)
Materials and contracts		(2,274,309)	(2,695,506)	(1,019,350)
Utility charges		(196,785)	(185,750)	(215,997)
Depreciation on non-current assets	9(b)	(4,729,345)	(4,317,355)	(4,707,209)
Interest expenses	2(b)	(2,621)	(8,636)	(1,762)
Insurance expenses		(148,523)	(192,200)	(193,194)
Other expenditure		(24,267)	(11,000)	0
		<u>(8,593,251)</u>	<u>(8,604,935)</u>	<u>(7,283,212)</u>
		<u>(3,332,411)</u>	<u>(4,560,753)</u>	<u>(3,523,653)</u>
Non-operating grants, subsidies and contributions	2(a)	1,530,020	2,235,640	656,234
Profit on asset disposals	9(a)	22,523	14,503	2,823
(Loss) on asset disposals	9(a)	(4,848)	(23,126)	(31,979)
Fair value adjustments to financial assets at fair value through profit or loss		1,939	0	0
		<u>1,549,634</u>	<u>2,227,017</u>	<u>627,078</u>
Net result for the period		(1,782,777)	(2,333,736)	(2,896,575)
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(1,782,777)	(2,333,736)	(2,896,575)

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 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
	2(a)			
Governance		3,633	105	24,243
General purpose funding		2,992,551	2,148,820	3,062,154
Law, order, public safety		115,957	87,111	102,447
Health		740	100	0
Education and welfare		4,041	4,050	755
Housing		1,380,109	1,382,808	84,318
Community amenities		219,459	172,970	184,815
Recreation and culture		22,333	16,073	22,969
Transport		138,852	138,500	135,823
Economic services		82,459	53,145	87,373
Other property and services		300,707	40,500	54,662
		5,260,841	4,044,182	3,759,559
Expenses				
	2(b)			
Governance		(401,967)	(474,680)	(425,704)
General purpose funding		(79,258)	(85,555)	(77,389)
Law, order, public safety		(207,334)	(219,127)	(214,376)
Health		(18,228)	(28,109)	(25,121)
Education and welfare		(12,214)	(25,427)	(11,273)
Housing		(1,432,743)	(1,454,842)	(131,062)
Community amenities		(350,721)	(371,839)	(343,650)
Recreation and culture		(1,003,227)	(1,062,810)	(1,061,811)
Transport		(4,721,945)	(4,476,783)	(4,613,622)
Economic services		(235,072)	(322,008)	(222,573)
Other property and services		(127,922)	(75,120)	(154,869)
		(8,590,631)	(8,596,300)	(7,281,450)
Finance Costs				
	2(b)			
General purpose funding		21	0	0
Housing		(2,167)	(7,378)	0
Community amenities		0	(1,258)	(792)
Recreation and culture		(475)	0	0
Transport		0	0	(970)
		(2,621)	(8,636)	(1,762)
		(3,332,411)	(4,560,754)	(3,523,653)
Non-operating grants, subsidies and contributions	2(a)	1,530,020	2,235,640	656,234
Profit on disposal of assets	9(a)	22,523	14,503	2,823
(Loss) on disposal of assets	9(a)	(4,848)	(23,126)	(31,979)
Fair value adjustments to financial assets at fair value through profit or loss		1,939	0	0
		1,549,634	2,227,017	627,078
Net result for the period		(1,782,777)	(2,333,737)	(2,896,575)
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(1,782,777)	(2,333,737)	(2,896,575)

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



SHIRE OF WICKEPIN
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	NOTE	2021	2020
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	5,530,693	4,735,086
Trade and other receivables	6	160,069	162,616
Other financial assets	5(a)	6,847	6,582
TOTAL CURRENT ASSETS		5,697,609	4,904,284
NON-CURRENT ASSETS			
Other financial assets	5(b)	62,480	67,388
Property, plant and equipment	7	17,274,115	16,883,446
Infrastructure	8	95,545,772	97,855,053
TOTAL NON-CURRENT ASSETS		112,882,367	114,805,887
TOTAL ASSETS		118,579,976	119,710,171
CURRENT LIABILITIES			
Trade and other payables	11	281,137	460,435
Other liabilities	12	853,441	428,777
Borrowings	13(a)	46,139	6,582
Employee related provisions	14	227,654	204,292
TOTAL CURRENT LIABILITIES		1,408,371	1,100,086
NON-CURRENT LIABILITIES			
Borrowings	13(a)	356,324	13,972
Employee related provisions	14	14,154	12,209
TOTAL NON-CURRENT LIABILITIES		370,478	26,181
TOTAL LIABILITIES		1,778,849	1,126,267
NET ASSETS		116,801,127	118,583,904
EQUITY			
Retained surplus		4,266,145	6,624,435
Reserves - cash backed	4	2,824,406	2,248,893
Revaluation surplus	10	109,710,576	109,710,576
TOTAL EQUITY		116,801,127	118,583,904

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



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

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2019		9,667,264	2,102,638	109,710,576	121,480,479
Restated balance at the beginning of the financial year		9,667,264	2,102,638	109,710,576	121,480,479
Comprehensive income					
Net result for the period		(2,896,575)	0	0	(2,896,575)
Total comprehensive income		(2,896,575)	0	0	(2,896,575)
Transfers to reserves	4	(146,255)	146,255	0	0
Balance as at 30 June 2020		6,624,435	2,248,893	109,710,576	118,583,904
Balance at 1 July 2020		6,624,435	2,248,893	109,710,576	118,583,904
Comprehensive income					
Net result for the period		(1,782,777)	0	0	(1,782,777)
Total comprehensive income		(1,782,777)	0	0	(1,782,777)
Transfers to reserves	4	(575,513)	575,513	0	0
Balance as at 30 June 2021		4,266,145	2,824,406	109,710,576	116,801,127

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

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

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		1,371,054	1,370,075	1,366,741
Operating grants, subsidies and contributions		3,524,025	1,790,189	2,267,980
Fees and charges		751,249	419,641	522,444
Interest received		17,312	35,500	48,333
Goods and services tax received		22,417	0	(78,736)
Other revenue		2,048	0	864
		5,688,105	3,615,405	4,127,626
Payments				
Employee costs		(1,296,865)	(1,194,488)	(1,052,838)
Materials and contracts		(2,348,893)	(2,695,506)	(850,181)
Utility charges		(196,785)	(185,750)	(215,997)
Interest expenses		(2,621)	(8,636)	(1,762)
Insurance paid		(148,523)	(192,201)	(193,194)
Other expenditure		(24,267)	(11,000)	0
		(4,017,954)	(4,287,581)	(2,313,972)
Net cash provided by (used in) operating activities	15	1,670,151	(672,176)	1,813,654
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	7(a)	(1,297,754)	(2,830,626)	(652,555)
Payments for construction of infrastructure	8(a)	(1,684,817)	(1,346,805)	(969,002)
Non-operating grants, subsidies and contributions	2(a)	1,530,020	2,235,640	656,234
Proceeds from financial assets at amortised cost - self supporting loans		6,582	6,582	6,326
Proceeds from financial assets at amortised cost		0	0	(865)
Proceeds from sale of property, plant & equipment	9(a)	189,514	207,000	208,296
Net cash provided by (used in) investment activities		(1,256,455)	(1,728,209)	(751,566)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	13(b)	(26,091)	(32,474)	(31,014)
Proceeds from new borrowings	13(b)	408,000	440,000	0
Net cash provided by (used in) financing activities		381,909	407,526	(31,014)
Net increase (decrease) in cash held		795,607	(1,992,859)	1,031,074
Cash at beginning of year		4,735,086	4,608,508	3,704,011
Cash and cash equivalents at the end of the year	15	5,530,693	2,615,649	4,735,085

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

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

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	23 (b)	1,654,409	1,663,980	1,372,360
		1,654,409	1,663,980	1,372,360
Revenue from operating activities (excluding rates)				
Governance		3,633	8,208	27,066
General purpose funding		1,648,388	778,745	1,711,760
Law, order, public safety		115,957	87,111	102,447
Health		740	100	0
Education and welfare		4,041	4,050	755
Housing		1,380,109	1,382,808	84,318
Community amenities		219,459	172,970	184,815
Recreation and culture		22,333	16,073	22,969
Transport		161,375	144,900	135,823
Economic services		82,459	53,145	87,373
Other property and services		300,707	40,500	54,662
		3,939,201	2,688,610	2,411,988
Expenditure from operating activities				
Governance		(402,760)	(474,680)	(425,704)
General purpose funding		(79,237)	(85,555)	(77,389)
Law, order, public safety		(207,334)	(219,127)	(214,376)
Health		(18,228)	(28,109)	(25,121)
Education and welfare		(12,214)	(25,427)	(11,273)
Housing		(1,434,910)	(1,462,220)	(131,854)
Community amenities		(350,721)	(371,839)	(343,650)
Recreation and culture		(1,003,702)	(1,064,068)	(1,061,781)
Transport		(4,726,000)	(4,499,909)	(4,645,601)
Economic services		(235,072)	(322,008)	(222,573)
Other property and services		(127,922)	(75,120)	(154,869)
		(8,598,100)	(8,628,062)	(7,314,191)
Non-cash amounts excluded from operating activities	23(a)	4,711,676	4,326,724	4,717,138
Amount attributable to operating activities		1,707,186	51,252	1,187,295
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	1,530,020	2,235,640	656,234
Proceeds from disposal of assets	9(a)	189,514	207,000	208,296
Proceeds from financial assets at amortised cost - self supporting loans		6,582	6,582	6,326
Purchase of property, plant and equipment	7(a)	(1,297,754)	(2,830,626)	(652,555)
Purchase and construction of infrastructure	8(a)	(1,684,817)	(1,346,805)	(969,002)
		(1,256,455)	(1,728,209)	(750,701)
Amount attributable to investing activities		(1,256,455)	(1,728,209)	(750,701)
FINANCING ACTIVITIES				
Repayment of borrowings	13(b)	(26,091)	(32,474)	(31,014)
Proceeds from borrowings	13(c)	408,000	440,000	0
Transfers to reserves (restricted assets)	4	(575,513)	(157,999)	(146,255)
Transfers from reserves (restricted assets)	4	0	51,321	0
Amount attributable to financing activities		(193,604)	300,848	(177,269)
Surplus/(deficit) before imposition of general rates		257,127	(1,376,108)	259,325
Total amount raised from general rates	22(a)	1,346,102	1,370,074	1,350,394
Surplus/(deficit) after imposition of general rates	23(b)	1,603,229	(6,034)	1,609,719

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

SHIRE OF WICKEPIN
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FOR THE YEAR ENDED 30 JUNE 2021

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

1. BASIS OF PREPARATION

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

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

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 25 to these financial statements.

INITIAL APPLICATION OF ACCOUNTING STANDARDS

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

These were:

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

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

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

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

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

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

CRITICAL ACCOUNTING ESTIMATES

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

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

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- Employee expenses/Provisions
- Other financial assets
- Property, Plant and Equipment
- Infrastructure
- Borrowing liabilities

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

2. REVENUE AND EXPENSES

(a) Grant revenue

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

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Operating grants, subsidies and contributions			
Governance			5,000
General purpose funding	2,904,366	739,195	1,643,355
Law, order, public safety	63,478	35,363	51,014
Education and welfare		3,750	
Housing		1,313,158	
Community amenities	31,595		
Recreation and culture			2,000
Transport	127,500	127,500	124,468
	3,126,939	2,218,966	1,825,837
Non-operating grants, subsidies and contributions			
Housing	470,071	1,300,205	0
Transport	831,961	571,569	656,234
Economic services	227,988	363,866	0
	1,530,020	2,235,640	656,234
Total grants, subsidies and contributions	4,656,959	4,454,606	2,482,071
Fees and charges			
Governance	4,088	105	19,243
General purpose funding	5,185	4,050	8,533
Law, order, public safety	52,478	51,748	51,433
Health	740	100	
Education and welfare	4,041	300	755
Housing	80,109	69,650	84,318
Community amenities	187,755	172,970	184,815
Recreation and culture	22,333	16,073	19,958
Transport	11,352	11,000	11,356
Economic services	82,459	88,645	87,373
Other property and services	300,709	5,000	54,663
	751,249	419,641	522,444

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

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

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

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

Fees and Charges

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

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)	2021 Actual \$	2021 Budget \$	2020 Actual \$
Contracts with customers and transfers for recognisable non-financial assets			
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:			
Operating grants, subsidies and contributions	3,126,939	2,218,966	1,825,837
Fees and charges	751,249	419,641	522,444
Other revenue	2,048	0	864
Non-operating grants, subsidies and contributions	1,530,020	2,235,640	656,234
	5,410,256	4,874,247	3,005,379
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:			
Revenue from contracts with customers included as a contract liability at the start of the period	428,777		
Revenue from contracts with customers recognised during the year	3,451,459	2,638,607	2,349,145
Revenue from transfers intended for acquiring or constructing recognisable non financial assets during the year	1,530,020	2,235,640	656,234
	5,410,256	4,874,247	3,005,379
Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:			
Trade and other receivables from contracts with customers	29,288		1,710
Contract liabilities from contracts with customers	(853,441)		(428,777)

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

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

Consideration from contracts with customers is included in the transaction price.

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

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

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

	2021 Actual \$	2021 Budget \$	2020 Actual \$
General rates	1,346,102	1,352,894	1,350,347
	<u>1,346,102</u>	<u>1,352,894</u>	<u>1,350,347</u>
Other revenue			
Other	2,048		864
	<u>2,048</u>	<u>0</u>	<u>864</u>
Interest earnings			
Financial assets at amortised cost - self supporting loans	475	1,258	970
Interest on reserve funds	8,015	17,000	27,117
Rates instalment and penalty interest (refer Note 22(b))	4,300	3,500	5,435
Other interest earnings	4,522	14,243	14,811
	<u>17,312</u>	<u>36,001</u>	<u>48,333</u>

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

Interest earnings (continued)

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

(b) Expenses

Auditors remuneration

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Audit Services	17,000	22,000	16,800
R2R Certification	1,200		
	<u>18,200</u>	<u>22,000</u>	<u>16,800</u>

Interest expenses (finance costs)

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Borrowings	2,621	8,636	1,762
	<u>2,621</u>	<u>8,636</u>	<u>1,762</u>
Sundry expenses	24,267	11,000	0
	<u>24,267</u>	<u>11,000</u>	<u>0</u>

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

2. REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates- General rates	General Rates	Over time	Payment dates adopted by Council during the year.	None	Adopted by Council Annually	When taxable event occurs	Not Applicable	When Rates Notice is issued
Service Charges	Charge for a specific service	Over time	Payment dates adopted by Council during the year.	None	Adopted by Council Annually	When taxable event occurs	Not Applicable	When Rates Notice is issued
Grant Contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not met	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations as inputs shared.
Grants, subsidies or contributions for the construction of non-financial assets	Construction of acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not met	Set by mutual agreement with the funding body	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations as inputs shared.
Grants, subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No Obligation	Not Applicable	Not applicable	Cash Received	On receipt of funds	Not applicable	When assets are controlled
Fees and charges	Various	Single point in time	Full payment prior to issue	None	Set by State legislation	Based on timing of issue of the associated rights	No refunds	On payment of the license registration or approval or inspection event or provision of service
Fees and charges - waste management collections	Kerbside collection service	Single point in time	Payment on a annual basis in advance	None	Adopted annually by Council	Apportioned equally across the collection period	Not Applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Fees and charges - memberships	Pool membership	Over time	Payment in advance in full	None	Adopted annually by Council	Apportioned equally across the access period	Returns limited to repayment of transaction	Output method over 6 months matched access right
Fees and charges - fines	Fines issued for breaches of local laws	Single point in time	Payment in full within the defined time	None	Adopted annually by Council through local laws	When the taxable event occurs	Not Applicable	When fine notice is issued
Other revenue-commissions	Commissions on licensing	Single point in time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not Applicable	When assets are controlled
Other revenue - reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not Applicable	when claim is agreed

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

3. CASH AND CASH EQUIVALENTS

	NOTE	2021 \$	2020 \$
Cash at bank and on hand		5,530,693	4,735,086
Total cash and cash equivalents		5,530,693	4,735,086
Restrictions			
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents		3,879,027	2,859,139
		3,879,027	2,859,139
The restricted assets are a result of the following specific purposes to which the assets may be used:			
Reserves - cash backed	4	2,824,406	2,248,891
Contract liabilities from contracts with customers	12	853,441	428,777
Unspent grants, subsidies and contributions		201,180	181,471
Total restricted assets		3,879,027	2,859,139

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Restricted assets

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

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

4. RESERVES - CASH BACKED

	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance	2021 Budget Opening Balance	2021 Budget Transfer to	2021 Budget Transfer (from)	2021 Budget Closing Balance	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Reserves cash backed - Leave Reserve	98,751	352	0	99,103	98,751	746	0	99,497	97,494	1,257	0	98,751
(b) Plant Replacement Reserve	337,504	161,001	0	498,507	337,504	43,551	0	381,055	333,214	4,290	0	337,504
(c) Building Reserve	494,856	4,264	0	499,120	494,856	3,741	0	498,597	488,548	6,308	0	494,856
(d) Fire Fighting Reserve	22,538	80	0	22,618	22,538	170	0	22,708	22,253	285	0	22,538
(e) Cottage Homes Reserve	54,160	7,773	0	61,933	54,160	5,409	0	59,569	38,659	15,501	0	54,160
(f) Special Events Reserve	14,828	53	0	14,881	14,828	112	0	14,940	14,639	189	0	14,828
(g) Computer Reserve	31,325	10,112	0	41,437	31,325	10,237	0	41,562	25,990	5,335	0	31,325
(h) Young Singles Accommodation Reserve	90,394	5,322	0	95,716	90,394	5,683	0	96,077	84,307	6,087	0	90,394
(i) Saleyards Reserve	39,544	5,141	0	44,685	39,544	5,299	0	44,843	34,104	5,440	0	39,544
(j) Sewerage Reserve	266,154	30,949	0	297,103	266,154	32,012	0	298,166	222,447	43,707	0	266,154
(k) Refuse Reserve	123,518	440	0	123,958	123,518	934	0	124,452	121,945	1,573	0	123,518
(l) Land Development Reserve	118,236	421	0	118,657	118,236	894	0	119,130	116,731	1,505	0	118,236
(m) Aged Persons Accommodation Reserve	271,589	968	0	272,557	271,589	2,053	(51,321)	222,321	268,131	3,458	0	271,589
(n) Swimming Pool Reserve	201,095	717	0	201,812	201,095	1,520	0	202,615	173,853	27,242	0	201,095
(o) Albert Facey Homestead Reserve	9,911	35	0	9,946	9,911	75	0	9,986	9,785	126	0	9,911
(p) Fuel Facility	74,488	59,505	0	133,993	74,488	45,563	0	120,051	50,536	23,952	0	74,488
(q) Caravan Park & Accommodation Reserve	0	88,380	0	88,380	0	0	0	0	0	0	0	0
(r) WANDRA events & Emergency Repairs Reserve	0	200,000	0	200,000	0	0	0	0	0	0	0	0
	2,248,891	575,513	0	2,824,406	2,248,891	157,999	(51,321)	2,355,569	2,102,636	146,255	0	2,248,891

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

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Reserves cash backed - Leave Reserve	Ongoing	To be used to fund annual and long service leave requirements
(b) Plant Replacement Reserve	Ongoing	To be used for the purchase of road plant, machinery and equipment
(c) Building Reserve	Ongoing	To be used for the construction of new buildings, predominantly staff housing
(d) Fire Fighting Reserve	Ongoing	To be used to fund the provision of bush fire equipment for brigades
(e) Cottage Homes Reserve	Ongoing	To be used for the future maintenance and construction of new Cottage Homes Units
(f) Special Events Reserve	Ongoing	To be used to fund special events and celebrations
(g) Computer Reserve	Ongoing	To be used for the purchase, upgrade or replacement of hardware as necessary
(h) Young Singles Accommodation Reserve	Ongoing	Additional income over expenditure held for future repairs or improvements
(i) Saleyards Reserve	Ongoing	Additional income over expenditure held for future repairs or improvements
(j) Sewerage Reserve	Ongoing	Additional income over expenditure held for future repairs or improvements
(k) Refuse Reserve	Ongoing	Additional income over expenditure for the future creation or maintenance of the refuse site
(l) Land Development Reserve	Ongoing	Income received from the sale of the English house, held for the future development of the English Land
(m) Aged Persons Accommodation Reserve	Ongoing	To be used for the construction and future maintenance requirements for the Aged Person accommodation units
(n) Swimming Pool Reserve	Ongoing	To be used to fund major repairs or improvements at the Wickepin Swimming Pool
(o) Albert Facey Homestead Reserve	Ongoing	To be used for the refurbishment and future maintenance of Albert Facey Homestead
(p) Fuel Facility	Ongoing	To be used for future maintenance and upgrade of Wickepin Fuel Facility
(q) Caravan Park & Accommodation Reserve	Ongoing	To be used for the upgrade of caravan parks and accommodation units in the Wickepin Shire
(r) WANDRA events & Emergency Repairs Reserve	Ongoing	To be used in the event of emergency road repairs

5. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Self supporting loans

(b) Non-current assets

Financial assets at amortised cost

Financial assets at fair value through profit and loss

Financial assets at amortised cost

Self supporting loans

Financial assets at fair value through profit and loss

Units in Local Government House Trust

	2021	2020
	\$	\$
	6,847	6,582
	6,847	6,582
	6,847	6,582
	6,847	6,582
	7,125	13,972
	55,355	53,416
	62,480	67,388
	7,125	13,972
	7,125	13,972
	55,355	53,416
	55,355	53,416

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 13(b) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 24.

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable
 Trade and other receivables
 GST receivable

	2021	2020
	\$	\$
	42,979	50,685
	29,288	1,710
	87,802	110,221
	160,069	162,616

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

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

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 24.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

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

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

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

7. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings - non- specialised	Buildings - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	1,279,000	2,062,984	10,959,722	14,301,706	101,998	2,779,455	17,183,159
Additions	0	12,727	73,390	86,117	0	566,438	652,555
(Disposals)	0	0	0	0	0	(237,452)	(237,452)
Depreciation (expense)	0	(19,191)	(253,047)	(272,238)	(20,256)	(422,322)	(714,816)
Balance at 30 June 2020	1,279,000	2,056,520	10,780,065	14,115,585	81,742	2,686,119	16,883,446
Comprises:							
Gross balance amount at 30 June 2020	1,279,000	2,180,067	11,463,945	14,923,012	134,329	3,939,632	18,996,973
Accumulated depreciation at 30 June 2020	0	(123,547)	(683,880)	(807,427)	(52,587)	(1,253,513)	(2,113,527)
Balance at 30 June 2020	1,279,000	2,056,520	10,780,065	14,115,585	81,742	2,686,119	16,883,446
Additions	0	139,742	733,645	873,387	0	424,367	1,297,754
(Disposals)	0	0	0	0	0	(171,839)	(171,839)
Depreciation (expense)		(43,804)	(229,970)	(273,774)	(20,256)	(441,216)	(735,246)
Balance at 30 June 2021	1,279,000	2,152,458	11,283,740	14,715,198	61,486	2,497,431	17,274,115
Comprises:							
Gross balance amount at 30 June 2021	1,279,000	2,322,784	12,194,615	15,796,399	134,329	4,111,710	20,042,438
Accumulated depreciation at 30 June 2021	0	(170,326)	(910,875)	(1,081,201)	(72,843)	(1,614,279)	(2,768,323)
Balance at 30 June 2021	1,279,000	2,152,458	11,283,740	14,715,198	61,486	2,497,431	17,274,115

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	Level 2	Market Approach using recent observable market data similar properties	Independent	June 2017	Price per hectare
Buildings - non-specialised	Level 2	Market Approach using recent observable data similar properties	Independent	June 2017	Improvements to buildings using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Buildings - specialised	Level 3	Improvements to buildings valued using the cost approach using depreciated replacement costs	Independent	June 2017	Improvements to buildings using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.

(ii) Cost

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

SHIRE OF WICKEPIN
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8. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Footpaths/Drainage	Infrastructure(Ovals, Parks & Gardens)	Sewerage	Bridges	Total Infrastructure
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	92,383,537	911,491	4,944,362	773,135	1,865,920	100,878,445
Additions	925,006	18,996	25,000			969,002
Depreciation (expense)	(3,666,372)	(17,632)	(262,500)	(7,810)	(38,080)	(3,992,394)
Balance at 30 June 2020	89,642,171	912,855	4,706,862	765,325	1,827,840	97,855,053
Comprises:						
Gross balance at 30 June 2020	96,974,912	947,916	5,230,776	780,912	1,904,000	105,838,516
Accumulated depreciation at 30 June 2020	(7,332,741)	(35,061)	(523,914)	(15,587)	(76,160)	(7,983,463)
Balance at 30 June 2020	89,642,171	912,855	4,706,862	765,325	1,827,840	97,855,053
Additions	1,241,777	14,054	428,986			1,684,817
Depreciation (expense)	(3,666,370)	(18,005)	(263,834)	(7,809)	(38,080)	(3,994,098)
Balance at 30 June 2021	87,217,578	908,904	4,872,014	757,516	1,789,760	95,545,772
Comprises:						
Gross balance at 30 June 2021	98,216,689	961,969	5,659,762	780,912	1,904,000	107,523,332
Accumulated depreciation at 30 June 2021	(10,999,111)	(53,065)	(787,748)	(23,396)	(114,240)	(11,977,560)
Balance at 30 June 2021	87,217,578	908,904	4,872,014	757,516	1,789,760	95,545,772

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

8. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	Level 3	Cost approach using depreciated replacement cost	Independent	June 2018	Construction costs and current condition and remaining useful life assessments (Level 3). Based on Valuation report from Talis
Footpaths/Drainage	Level 3	Cost approach using depreciated replacement cost	Independent	June 2018	Construction costs and current condition and remaining useful life assessments (Level 3). Based on Valuation report from Talis
Infrastructure(Ovals, Parks & Gardens)	Level 3	Cost approach using depreciated replacement cost	Independent	June 2018	Construction costs and current condition and remaining useful life assessments (Level 3). Based on Valuation report from Talis
Sewerage	Level 3	Cost approach using depreciated replacement cost	Independent	June 2018	Construction costs and current condition and remaining useful life assessments (Level 3). Based on Valuation report from Griffin
Bridges	Level 3	Cost approach using depreciated replacement cost	Independent	June 2018	Construction costs and current condition and remaining useful life assessments (Level 3). Based on Valuation report from Griffin

9. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

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

Revaluation

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

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Revaluation (Continued)

At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

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

Land under roads from 1 July 2019

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

Vested improvements from 1 July 2019

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

SHIRE OF WICKEPIN
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9. FIXED ASSETS

(a) Disposals of Assets

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss	2021 Budget Net Book Value	2021 Budget Sale Proceeds	2021 Budget Profit	2021 Budget Loss	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and equipment	171,839	189,514	22,523	(4,848)	215,623	207,000	14,503	(23,126)	237,452	208,296	2,823	(31,979)
	171,839	189,514	22,523	(4,848)	215,623	207,000	14,503	(23,126)	237,452	208,296	2,823	(31,979)

The following assets were disposed of during the year.

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2020 Actual Loss
	\$	\$	\$	\$
Plant and Equipment				
Governance				
POAJ CEO Vehicle 1	35,448	34,995	0	(453)
POAK CEO Vehicle 2	40,150	39,810	0	(340)
Transport				
P1955B HINO 300 SERIES AUTO CREW	29,872	41,818	11,946	0
P468 Holden Colorado 4x4 Single Cab	18,015	21,358	3,343	0
P632 COLORADO 4X4 SINGLE CAB UTE	18,686	14,631	0	(4,055)
TOYOTA HILUX 4X4 2.8L DIESEL DUAL CAI	29,668	36,902	7,234	0
	171,839	189,514	22,523	(4,848)

SHIRE OF WICKEPIN
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9. FIXED ASSETS

(b) Depreciation

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Buildings - non-specialised	43,805		19,191
Buildings - specialised	229,970	250,355	253,047
Furniture and equipment	20,256	15,000	20,256
Plant and equipment	441,216	350,000	422,322
Infrastructure - roads	3,666,370	3,392,000	3,666,372
Footpaths/Drainage	18,005	17,000	17,632
Infrastructure(Ovals, Parks & Gardens)	263,834	251,700	262,500
Sewerage	7,809	7,000	7,810
Bridges	38,080	34,300	38,080
	4,729,345	4,317,355	4,707,210

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

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

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

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

Depreciation rates

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

Asset Class	Useful life
Buildings	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets formation	not depreciated
pavement	50 years
Seal	
- bituminous seals	20 years
Gravel roads formation	not depreciated
pavement	50 years
gravel sheet	20 years
Formed Roads formation	not depreciated
-pavement	50 years
Footpaths	50 years
Bridges	50 years
Water supply piping and drainage systems	100 years
Infrastructure - Parks & Ovals	30 to 50 years

Depreciation on revaluation

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

10. REVALUATION SURPLUS

	2021 Opening Balance	2021 Closing Balance	2020 Opening Balance	2020 Closing Balance
	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	938,591	938,591	938,591	938,591
Revaluation surplus - Buildings - non-specialised	765,898	765,898	765,898	765,898
Revaluation surplus - Buildings - specialised	12,601,349	12,601,349	12,601,349	12,601,349
Revaluation surplus - Land and buildings leased	45,766	45,766	45,766	45,766
Revaluation surplus - Furniture and equipment	591,386	591,386	591,386	591,386
Revaluation surplus - Infrastructure - roads	90,802,972	90,802,972	90,802,972	90,802,972
Revaluation surplus - Footpaths/Drainage	435,213	435,213	435,213	435,213
Revaluation surplus - Infrastructure(Ovals, Parks & Gardens)	471,686	471,686	471,686	471,686
Revaluation surplus - Sewerage	1,153,715	1,153,715	1,153,715	1,153,715
Revaluation surplus - Bridges	1,904,000	1,904,000	1,904,000	1,904,000
	109,710,576	109,710,576	109,710,576	109,710,576

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Prepaid rates
 Accrued salaries and wages
 ATO liabilities
 Bonds and deposits held
 Accrued Expenses

	2021	2020
	\$	\$
	1,522	126,582
	20,872	20,816
	388	15,285
	25,881	115,755
	201,180	181,471
	31,294	527
	281,137	460,436

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition

Prepaid rates

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

12. OTHER LIABILITIES

Current

Contract liabilities

	2021	2020
	\$	\$
	853,441	428,777
	<u>853,441</u>	<u>428,777</u>

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

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

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

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

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

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

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13. INFORMATION ON BORROWINGS

(a) Borrowings

	2021	2020
	\$	\$
Current	46,139	6,582
Non-current	356,324	13,972
	<u>402,463</u>	<u>20,554</u>

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	Actual	30 June 2021	30 June 2021	30 June 2021	30 June 2021	Budget	30 June 2021	30 June 2021	30 June 2021	30 June 2021	Actual	30 June 2020	30 June 2020	30 June 2020
				Principal	Actual	Actual	Actual	Principal	Budget	Budget	Budget	Budget	Principal	Actual	Actual	Actual	Principal
				1 July 2020	New Loans	Principal repayments	Interest repayments	Principal outstanding	1 July 2020	New Loans	Principal repayments	Interest repayments	Principal outstanding	1 July 2019	Principal repayments	Principal repayments	Principal outstanding
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing																	
Staff Housing	102	WATC	0.91%	0	408,000	(19,509)	(2,146)	388,491	0	440,000	(25,892)	(7,378)	414,108	0	0	0	0
Ceo Residence	100	WATC	5.87%	0	0	0	0	0	0	0	0	0	0	24,688	(24,688)	(792)	0
				<u>0</u>	<u>408,000</u>	<u>(19,509)</u>	<u>(2,146)</u>	<u>388,491</u>	<u>0</u>	<u>440,000</u>	<u>(25,892)</u>	<u>(7,378)</u>	<u>414,108</u>	<u>24,688</u>	<u>(24,688)</u>	<u>(792)</u>	<u>0</u>
Self Supporting Loans																	
Recreation and culture																	
WDSC Bowling Greens	102	WATC	4.00%	20,554	0	(6,582)	(475)	13,972	20,554	0	(6,582)	(1,258)	13,972	26,880	(6,326)	(970)	20,554
				<u>20,554</u>	<u>0</u>	<u>(6,582)</u>	<u>(475)</u>	<u>13,972</u>	<u>20,554</u>	<u>0</u>	<u>(6,582)</u>	<u>(1,258)</u>	<u>13,972</u>	<u>26,880</u>	<u>(6,326)</u>	<u>(970)</u>	<u>20,554</u>
				<u>20,554</u>	<u>408,000</u>	<u>(26,091)</u>	<u>(2,621)</u>	<u>402,463</u>	<u>20,554</u>	<u>440,000</u>	<u>(32,474)</u>	<u>(8,636)</u>	<u>428,080</u>	<u>51,568</u>	<u>(31,014)</u>	<u>(1,762)</u>	<u>20,554</u>

* WA Treasury Corporation

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

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13. INFORMATION ON BORROWINGS (Continued)

(c) New Borrowings - 2020/21

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2021 Actual	2021 Budget	2021 Actual	2021 Budget		
Staff Housing	WATC		10	0.09%	\$ 480,000	\$ 440,000	\$(408,000)	\$(440,000)	\$ 1,908	\$ 0
* WA Treasury Corporation					480,000	440,000	(408,000)	(440,000)	1,908	0

(d) Undrawn Borrowing Facilities

	2021	2020
Credit Standby Arrangements	\$	\$
Bank overdraft limit		
Bank overdraft at balance date		
Credit card limit	5,000	5,000
Credit card balance at balance date	0	0
Total amount of credit unused	5,000	5,000
Loan facilities		
Loan facilities - current	46,139	6,582
Loan facilities - non-current	356,324	13,972
Total facilities in use at balance date	402,463	20,554
Unused loan facilities at balance date	NIL	NIL

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Borrowing costs

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

Risk

Information regarding exposure to risk can be found at Note 24.

14. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

Opening balance at 1 July 2020

Current provisions
Non-current provisions

Additional provision

Balance at 30 June 2021

Comprises

Current
Non-current

Amounts are expected to be settled on the following basis:

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

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2020			
Current provisions	100,348	103,944	204,292
Non-current provisions	0	12,209	12,209
	100,348	116,153	216,501
Additional provision	31,376	(6,069)	25,307
Balance at 30 June 2021	131,724	110,084	241,808
Comprises			
Current	131,724	95,930	227,654
Non-current	0	14,154	14,154
	131,724	110,084	241,808

	2021	2020
	\$	\$
Less than 12 months after the reporting date	222,683	199,854
More than 12 months from reporting date	23,581	21,103
Expected reimbursements from other WA local governments	(4,456)	(4,456)
	241,808	216,501

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

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

Other long-term employee benefits (Continued)

rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

Provisions

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

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

15. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Cash and cash equivalents	5,530,693	2,615,649	4,735,086
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	(1,782,777)	(2,333,736)	(2,896,575)
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(1,939)	0	0
Depreciation on non-current assets	4,729,345	4,317,355	4,707,210
(Profit)/loss on sale of asset	(17,675)	8,623	29,156
Changes in assets and liabilities:			
(Increase)/decrease in receivables	2,545		(67,844)
Increase/(decrease) in payables	(179,299)		270,954
Increase/(decrease) in employee provisions	25,307		(1,790)
Increase/(decrease) in other liabilities	424,664	(428,777)	428,777
Non-operating grants, subsidies and contributions	(1,530,020)	(2,235,640)	(656,234)
Net cash from operating activities	1,670,151	(672,175)	1,813,654

16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2021	2020
	\$	\$
Governance	738,905	747,054
General purpose funding	95,467	42,592
Law, order, public safety	426,824	571,096
Education and welfare	111,400	85,000
Housing	2,122,922	2,120,122
Community amenities	3,175,671	3,130,430
Recreation and culture	12,935,424	13,104,362
Transport	92,550,594	94,725,243
Economic services	1,165,432	1,098,092
Other property and services	647,887	1,196,014
Unallocated	4,609,450	2,890,166
	118,579,976	119,710,171

17. CONTINGENT LIABILITIES

The Shire has no contingent liabilities (2020:Nil).

18. CAPITAL COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

	2021	2020
	\$	\$
- capital expenditure projects	853,441	428,777
- plant & equipment purchases	44,993	0
	898,434	428,777

Payable:

- not later than one year	898,434	428,777
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Capital Expenditure projects outstanding an the end of the current reporting year are
 are Independent Living Units on Jonston St, Woglin Rd Playground and the War memorial.

19. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Elected member Cr J Russell			
President's annual allowance	4,500	4,500	4,500
Meeting attendance fees	2,000	1,562	1,800
Annual allowance for ICT expenses	526	563	526
	7,026	6,625	6,826
Elected member Cr W Astbury			
Deputy President's annual allowance	1,000	1,000	1,000
Meeting attendance fees	1,250	1,562	1,200
Annual allowance for ICT expenses	526	563	526
Travel and accommodation expenses	1,241	1,125	1,241
	4,017	4,250	3,967
Elected member Cr S Martin			
Meeting attendance fees	600	1,562	1,200
Annual allowance for ICT expenses	263	563	526
Travel and accommodation expenses	263	1,125	582
	1,126	3,250	2,308
Elected member Cr A Lansdell			
Meeting attendance fees	1,600	1,562	1,550
Annual allowance for ICT expenses	526	563	526
	2,126	2,125	2,076
Elected member Cr F Allan			
Meeting attendance fees	1,800	1,562	1,900
Annual allowance for ICT expenses	526	563	526
Travel and accommodation expenses	1,278	1,125	1,256
	3,604	3,250	3,682
Elected member Cr S Hyde			
Meeting attendance fees	1,150	1,562	1,500
Annual allowance for ICT expenses	526	563	526
Travel and accommodation expenses	255	0	0
	1,931	2,125	2,026
Elected member Cr N Astbury			
Meeting attendance fees	850	1,562	1,200
Annual allowance for ICT expenses	526	563	526
Travel and accommodation expenses		1,125	573
	1,376	3,250	2,299
Elected member Cr J Mearns			
Meeting attendance fees	1,400	1,562	850
Annual allowance for ICT expenses	526	563	526
Travel and accommodation expenses	0	0	410
	1,926	2,125	1,786
Elected member Cr G Hinkley			
Meeting attendance fees	0	0	300
Child care expenses	0	0	450
Annual allowance for ICT expenses	0	0	175
Travel and accommodation expenses	0	0	363
	0	0	1,288
	23,132	27,000	26,258

19. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
President's allowance	4,500	4,500	4,500
Deputy President's allowance	1,000	1,000	1,000
Meeting attendance fees	10,650	12,496	11,500
Child care expenses	0	0	450
Annual allowance for ICT expenses	3,945	4,504	4,383
Travel and accommodation expenses	3,037	4,500	4,425
	23,132	27,000	26,258

20. RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP) Compensation Disclosure

	2021 Actual	2020 Actual
The total of remuneration paid to KMP of the Shire during the year are as follows:	\$	\$
Short-term employee benefits	360,898	346,223
Post-employment benefits	48,655	47,422
Other long-term benefits	49,534	41,833
	459,087	435,478

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

20. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

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

The following transactions occurred with related parties:	2021 Actual	2020 Actual
	\$	\$
Sale of goods and services - Recreation memberships	360	10,769
Purchase of goods and services - Transport Services, Community Grants, Sponsorship	17,566	16,424
Amounts outstanding from related parties:		
Loans to associated entities	13,972	20,534
Amounts payable to related parties:		
Trade and other payables	0	9,763

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Shire.

iii. Entities subject to significant influence by the Shire

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

21. INVESTMENT IN ASSOCIATE AND JOINT ARRANGEMENTS

Share of joint operations

The Shire of Wickepin jointly owns an Outdoor Movie Screen and Projector with the Shires of Cuballing and Pingelly. The Movie Screen and Projector are stored at the Wickepin Community Centre.

Inventory	0	1,200
Total assets	0	1,200

The Shire of Wickepin has joint venture agreements with the Housing Authority for the provision of housing at 10 Wogolin Road - Yarlring Court (4 Units) and 17 Collins St- Duplex. The ownership of the assets are determined by the equity agreement which includes the percentage of each parties equitable interest. In terms of the agreement the Shire contributed the land and the Department contributed funds to construct. The Shire manages the property and tenancy. All rental income and expenses are recorded in the respective line items of the financial statements

Land & Buildings	83,763	85,546
Less: Accumulated Depreciation	(1,782)	(1,782)
	81,981	83,764

Statement of Comprehensive income

Other revenue	31,498	25,464
Other expenditure	(24,383)	(20,118)
Net result for the period	7,115	5,346

Total comprehensive income for the period

	7,115	5,346
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SHIRE OF WICKEPIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

22. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	2020/21 Actual Rateable Value \$	2020/21 Actual Rate Revenue \$	2020/21 Actual Interim Rates \$	2020/21 Actual Back Rates \$	2020/21 Actual Total Revenue \$	2020/21 Budget Rate Revenue \$	2020/21 Budget Interim Rate \$	2020/21 Budget Back Rate \$	2020/21 Budget Total Revenue \$	2019/20 Actual Total Revenue \$
Differential general rate / general rate												
Gross rental valuations												
GRV	0.07302	194	1,819,216	127,895	364	0	128,259	127,891	0	0	127,891	127,894
Unimproved valuations												
UV	0.008885	276	148,803,150	1,322,116	675	0	1,322,791	1,322,300	0	0	1,322,300	1,319,745
Sub-Total		470	150,622,366	1,450,011	1,039	0	1,451,050	1,450,191	0	0	1,450,191	1,447,639
Minimum payment \$												
Gross rental valuations												
GRV	400	63	91,032	25,200	0	0	25,200	25,200	0	0	25,200	25,200
Unimproved valuations												
UV	400	14	324,968	5,600	0	0	5,600	6,000	0	0	6,000	6,000
Sub-Total		77	416,000	30,800	0	0	30,800	31,200	0	0	31,200	31,200
		547	151,038,366	1,480,811	1,039	0	1,481,850	1,481,391	0	0	1,481,391	1,478,839
Discounts/concessions (Note 22(b))							(135,748)				(128,497)	(128,492)
Total amount raised from general rate							1,346,102				1,352,894	1,350,347
Ex-gratia rates							17,190				17,180	11,734
Totals							1,363,292				1,370,074	1,362,081

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

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

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

22. RATING INFORMATION (Continued)

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

Rates Discounts

Rate or Fee Discount Granted	Discount	Discount	2021 Actual	2021 Budget	2020 Actual	Circumstances in which Discount is Granted
	%	\$	\$	\$	\$	
General Rate Discount	10.00%		135,719	128,450	128,445	
			135,719	128,450	128,445	

Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount	Discount	2021 Actual	2021 Budget	2020 Actual
		%	\$	\$	\$	\$
General Rates & Charges Waiver				29	25	47
				29	25	47
Total discounts/concessions (Note 22(a))				135,748	128,475	128,492

Rate or Fee and Charge to which the Waiver or Concession is Granted	Circumstances in which the Waiver or Concession is Granted and to whom it was available	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
General Rates & Charges Waiver	Rates Balance less than \$5.00	Write off Small Balances for administration efficiency	Write off Small Balances for administration efficiency

22. RATING INFORMATION (Continued)

(b) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single full payment	25/09/2020		0.00%	8.00%
Option Two				
First instalment				
Second instalment				
Option Three				
First instalment	25/09/2020		5.50%	8.00%
Second instalment	25/11/2020		5.50%	8.00%
Third instalment	25/01/2021		5.50%	8.00%
Fourth instalment	25/03/2021		5.50%	8.00%
		2021 Actual \$	2021 Budget \$	2020 Actual \$
Interest on unpaid rates		4,300	3,500	5,435
		4,300	3,500	5,435

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

23. RATE SETTING STATEMENT INFORMATION

		2020/21 Budget	2020/21	2019/20
	2020/21 (30 June 2021 Carried Forward)	(30 June 2021 Carried Forward)	(1 July 2020 Brought Forward)	(30 June 2020 Carried Forward)
Note	\$	\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals	9(a)	(22,523)	(14,503)	(2,823)
Less: Fair value adjustments to financial assets at fair value through profit and loss		(1,939)	0	0
Movement in employee benefit provisions (non-current)		1,945	746	(19,227)
Add: Loss on disposal of assets	9(a)	4,848	23,126	31,979
Add: Depreciation on non-current assets	9(b)	4,729,345	4,317,355	4,707,209
Non cash amounts excluded from operating activities		4,711,676	4,326,724	4,717,138
(b) Surplus/(deficit) after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserves - cash backed	4	(2,824,406)	(2,355,569)	(2,248,891)
Less: Financial assets at amortised cost - self supporting loans	5(a)	(6,847)	(6,582)	(6,582)
Less: Current assets not expected to be received at end of year - User defined		0	0	53,416
Add: Current liabilities not expected to be cleared at end of year - Current portion of borrowings	13(a)	46,139	46,139	6,582
- Employee benefit provisions		99,103	99,497	99,102
Total adjustments to net current assets		(2,686,011)	(2,216,515)	(2,149,789)
Net current assets used in the Rate Setting Statement				
Total current assets		5,697,614	2,824,119	4,904,284
Less: Total current liabilities		(1,408,371)	(613,638)	(1,100,086)
Less: Total adjustments to net current assets		(2,686,011)	(2,216,515)	(2,149,789)
Net current assets used in the Rate Setting Statement		1,603,232	(6,034)	1,608,723

24. FINANCIAL RISK MANAGEMENT

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

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

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
2021					
Cash and cash equivalents	0.05%	5,530,693	0	1,893,790	3,636,903
2020					
Cash and cash equivalents	0.20%	4,735,086	0	1,079,198	3,655,888

Sensitivity

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

	2021 \$	2020 \$
Impact of a 1% movement in interest rates on profit and loss and equity*	18,919	10,792

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 13(b).

24. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

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

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2020 or 1 July 2021 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2021 for rates receivable was determined as follows:

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2021					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	14,691	12,075	5,472	10,741	42,979
Loss allowance					0
29 June 2020					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	426	30,145	8,647	11,468	50,686
Loss allowance					0

The loss allowance as at 30 June 2021 and 30 June 2020 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2021					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	26,740	2,548	0	0	29,288
Loss allowance					0
29 June 2020					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	953	668	89	0	1,710
Loss allowance					0

24. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 13(d).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<u>2021</u>					
Payables	286,271	0	0	286,271	281,137
Borrowings	46,139	209,175	147,149	402,463	402,463
Contract liabilities	853,441	0	0	853,441	853,441
	1,185,851	209,175	147,149	1,542,175	1,537,041
<u>2020</u>					
Payables	344,950	0	0	344,950	460,436
Borrowings	6,582	13,972	0	20,554	20,554
	351,532	13,972	0	365,504	480,990

25. TRUST FUNDS

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

	1 July 2020	Amounts Received	Amounts Paid	30 June 2021
	\$	\$	\$	\$
WDSC Replacement Greens	119,339	15,415	0	134,754
Yealering Replacement Greens	55,708	8,099	0	63,807
Miscellaneous	6,374	1,224	(5,269)	2,329
	<u>181,421</u>	<u>24,738</u>	<u>(5,269)</u>	<u>200,890</u>

SHIRE OF WICKEPIN
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26. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

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

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

27. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
<p>GOVERNANCE</p> <p>To provide a decision making process for the efficient allocation of scarce resources.</p>	<p>Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific Council services.</p>
<p>GENERAL PURPOSE FUNDING</p> <p>To collect revenue to allow for the provision of services.</p>	<p>Rates, general purpose government grants, and interest revenue.</p>
<p>LAW, ORDER, PUBLIC SAFETY</p> <p>To provide services to help ensure a safer and environmentally conscious community.</p>	<p>Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services</p>
<p>HEALTH</p> <p>To provide an operational framework for environmental and community health.</p>	<p>Inspection of food outlets and their control, immunisation services, mosquito control and the operation of the medical centre</p>
<p>EDUCATION AND WELFARE</p> <p>To provide services to disadvantaged persons, the elderly, children and youth</p>	<p>Support for childcare, development of services for the aged and rural counselling support.</p>
<p>HOUSING</p> <p>To provide and maintain staff and other housing</p>	<p>Provision and maintenance of staff and other housing.</p>
<p>COMMUNITY AMENITIES</p> <p>To provide services required by the community</p>	<p>Rubbish collection, operation of the tip, noise control, support for waste recycling, litter control. Administration of town planning scheme, strategic planning, maintenance of cemetery, public</p>
<p>RECREATION AND CULTURE</p> <p>To establish and effectively manage infrastructure and resources which will help the social and wellbeing of the community.</p>	<p>Maintenance of halls, swimming facilities, recreation centres and various reserves, operation of the library, maintenance of cultural heritage assets.</p>
<p>TRANSPORT</p> <p>To provide safe, effective and efficient transport services to the community.</p>	<p>Construction and maintenance of streets, roads, footpaths, drainage works, parking facilities cleaning and lighting of streets, depot maintenance and airstrip maintenance.</p>
<p>ECONOMIC SERVICES</p> <p>To help promote the Shire and its economic wellbeing.</p>	<p>Tourism and area promotion, including the maintenance and operation of caravan parks. Provision of rural services including weed control, vermin control and standpipes. Building control and community development activities.</p>
<p>OTHER PROPERTY AND SERVICES</p> <p>To monitor and control Council's overhead operating accounts.</p>	<p>Private works operations, plant repair and operation costs and engineering operation costs.</p>

28. FINANCIAL RATIOS

	2021 Actual	2020 Actual	2019 Actual
Current ratio	3.99	2.04	5.05
Asset consumption ratio	0.88	0.92	0.96
Asset renewal funding ratio	n/a	n/a	n/a
Asset sustainability ratio	0.56	0.30	0.23
Debt service cover ratio	49.43	35.28	28.30
Operating surplus ratio	(1.54)	(1.84)	(1.91)
Own source revenue coverage ratio	0.25	0.27	0.26

The above ratios are calculated as follows:

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



Auditor General

INDEPENDENT AUDITOR'S REPORT 2021 Shire of Wickkepin

To the Councillors of the Shire of Wickkepin

Report on the audit of the annual financial report

Opinion

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

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

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

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

Basis for opinion

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

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

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

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

using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

Auditor's responsibility for the audit of the financial report

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

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

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

Report on other legal and regulatory requirements

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

- (i) In my opinion, the following material matters indicates a significant adverse trend in the financial position of the Shire:
 - a) The Operating Surplus Ratio as reported in Note 28 of the annual financial report has been below the Department of Local Government, Sport and Cultural Industries standard for the past 3 years;
 - b) The Own Source Revenue Ratio as reported in Note 28 of the annual financial report has been below the Department of Local Government, Sport and Cultural Industries standard for the past 3 years;
 - c) The Asset Sustainability Ratio as reported in Note 28 of the annual financial report has been below the Department of Local Government, Sport and Cultural Industries standard for the past 3 years.
- (ii) The following material matters indicating non-compliance with Part 6 of the Act, the Regulations or applicable financial controls of any other relevant written law were identified during the course of my audit:
 - a) The Shire has not reported the Asset Renewal Funding Ratio for 2019, 2020 and 2021 in the annual financial report as required by Regulation 50(1)(c) of the Local Government (Financial Management) Regulations 1996 as planned capital renewals and required capital expenditure were not estimated in a long-term financial plan and asset management plan respectively;
 - b) The Local Government (Financial Management) regulations 1996 paragraph 5(2)(c) requires the CEO to undertake a review of the appropriateness and effectiveness of the financial management systems and procedures no less than once every three financial years. The last review took place in October 2016;

- c) The Local Government (Audit) Regulations 1996 paragraph 17 requires the CEO to undertake a review of the appropriateness and effectiveness of a local government's system and procedures in relation to risk management, internal control and legislative compliance no less than once every three financial years. The last review took place in 2016;
 - d) For all 26 of the daily banking reconciliations we sampled, there was no evidence that these reconciliations were independently reviewed by management. In addition, bank reconciliations for the caravan park and swimming pool were not consistently prepared or reviewed.
- (iii) All required information and explanations were obtained by me.
 - (iv) All audit procedures were satisfactorily completed.
 - (v) In my opinion, the Asset Consumption Ratio included in the financial report was supported by verifiable information and reasonable assumptions.

Other information

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

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Wickepin for the year ended 30 June 2021 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.



Jordan Langford-Smith
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
9 March 2022