# APPENDICES

## ORDINARY COUNCIL MEETING

## TUESDAY 26 NOVEMBER 2019

**APPENDIX 9.1.1A**

*Property Location*

*Gate Location*

**APPENDIX 9.2.1**

Preston Beach Progress Association Inc
14 Panorama Drive
PRESTON BEACH WA 6215

14 August 2019

Mike Walmsley
Shire President
Shire of Waroona
Hesse Street
WAROONA WA 6215

Dear Mike

Thank you for attending our recent meeting of the Preston Beach Progress Association. We very much appreciate the time you took to answer questions and engage with our members.

As a result of discussions at that meeting we have taken an online survey of our members, using Survey Monkey, to establish their priorities in respect of the completion of a number of wish list items for the new Community Centre facility, leased and managed by the Associaiton.

We would like to request that you take our wish list to Council to request any surplus funds from the building budget of the Community Centre be allocated to the provision of one or more of these items. As we understand from financial reports supplied up until March this year, there was likely to be appoximately $35,000 - $40,000 in surplus from the $750,000 in funding for the Preston Beach project.

We asked our members to identify their preferences for the following questions by rating the item 1 – 5 stars. Approximately 30% of households responded. The percentage shown represents the five star response for each question;

| | | |
|---|---|---|
| 1 | How much do you support the installation of an integrated Audio Visual system including PA, blue tooth capability, large screen Smart TV in the main hall and integrated speakers indoor and outdoor? | 64.29% |
| 2 | How much do you support the Community Mural Project, bringing an art project to Preston Beach to enhance the street frontage of the old fire shed and tie the old building to the new? | 35.71% |
| 3 | How much do you support the installation of solar panels to reduce our carbon footprint and power usage? | 50% |
| 4 | How much do you support the installation of a rainwater tank at the Community Centre? | 42.86% |

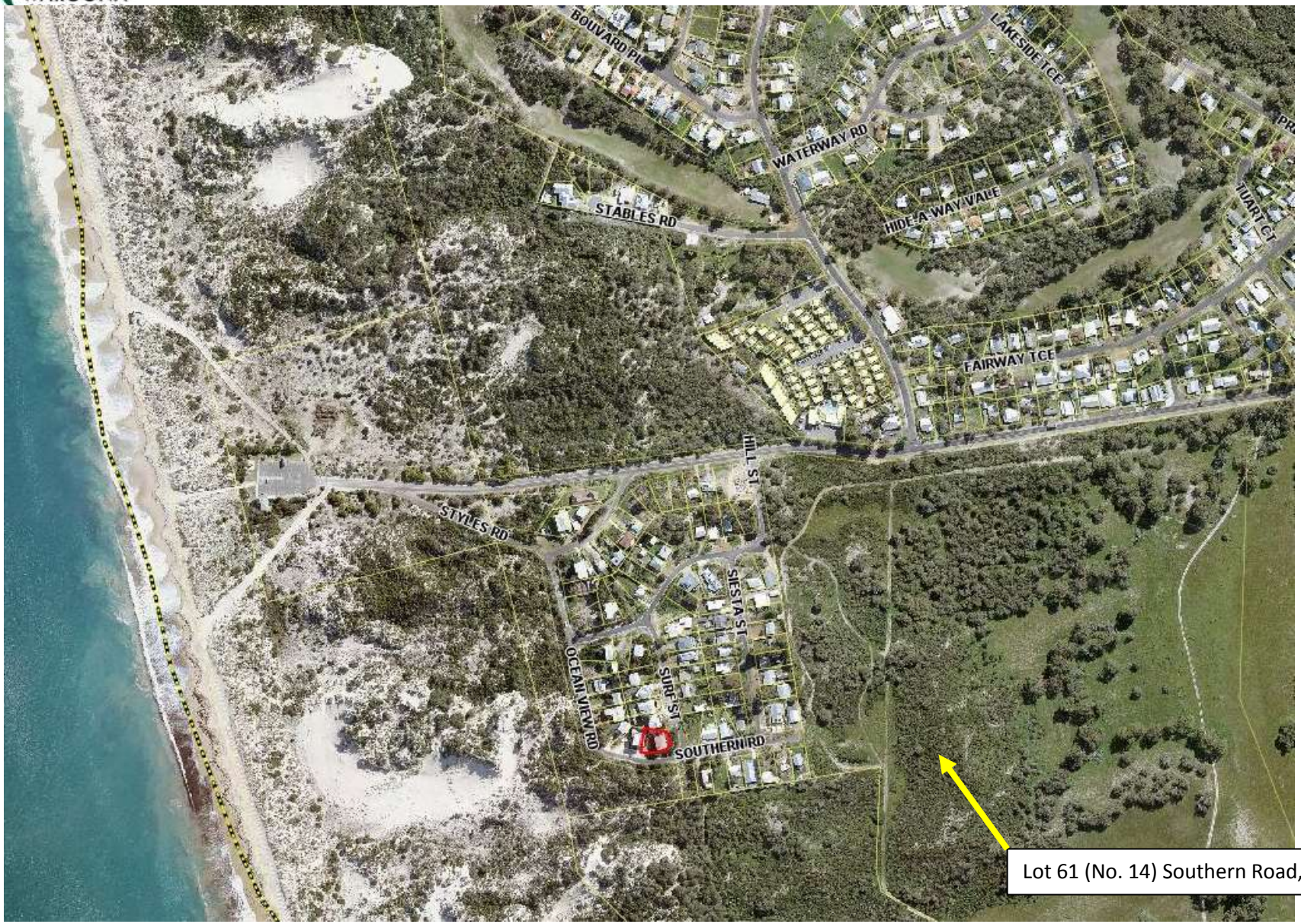
It is clear to us that our members believe an audio visual system is the highest priorty. We have previously submitted quotes to Leonard Long for a commerical grade, high quality integrated AV system in the hope this could have been installed during the build. Unfortunately, this did not occur and we are now seeking further prices for a less expensive version that will fulfil our requirements. The initial prices given were $40,000 and $53,000

The PBPA has some funds available and would be willing to ask our members to approve a contribution of up to $10,000 toward this installation should the Council agree to assist with this and other items by approving any budget surplus funds to be spent on the remaining items to complete the Preston Beach Community Centre.

Kind regards
Judy Carroll

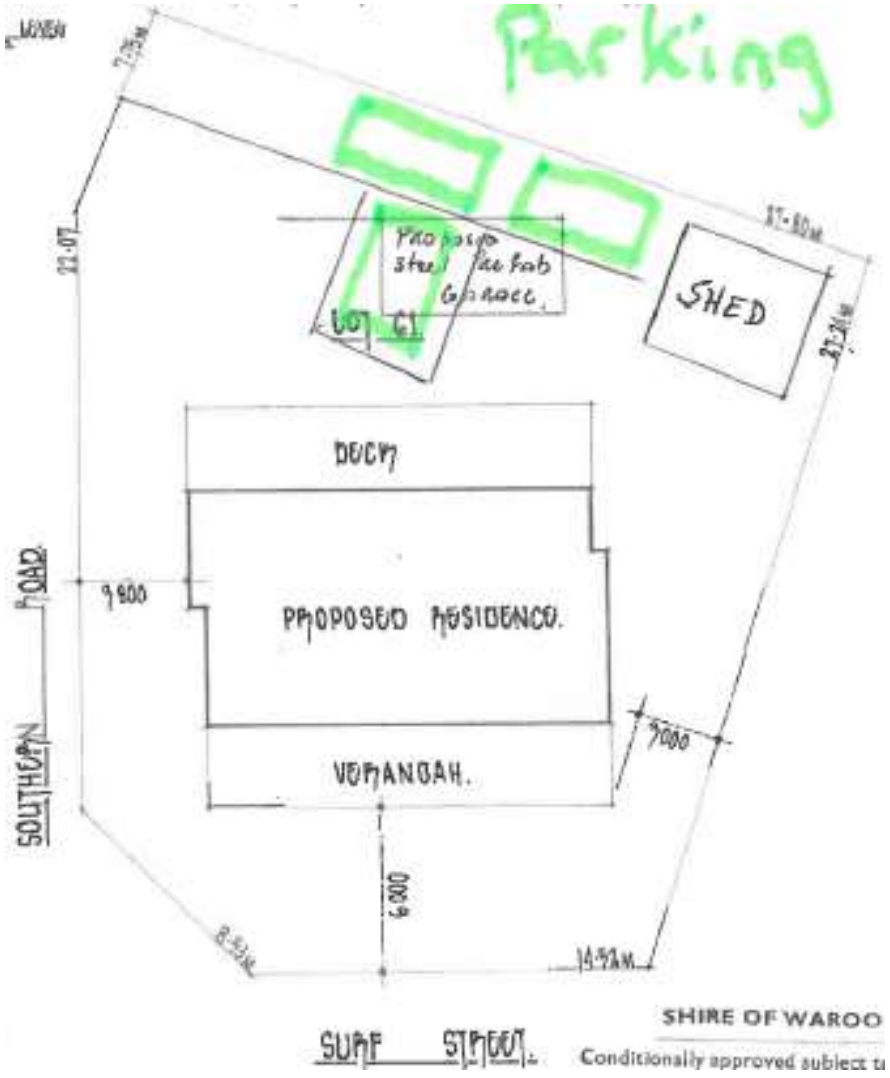
President
Preston Beach Progress Assoc. Inc.

**APPENDIX 9.2.2A – Locality Plan**
**TP2119 – Holiday House**



**APPENDIX 9.2.2B – Site Plan**
**TP2119 – Holiday House**

**APPENDIX 9.2.2C – Parking Plan**
**TP2119 – Holiday House**



# HOLIDAY HOME - PROPERTY MANAGEMENT PLAN

**PROPERTY ADDRESS: 14 Southern Road, Preston Beach**

**PROPERTY MANAGER DETAILS:**

Name: Josh Alach

Address: 14B Goneril Way, COOLBELLUP WA 6163

Telephone Number: 0402133495

Email: josh@piksoul.com

**The nominated Property Manager will:**

- *Have day-to-day management of the holiday home;*
- *Specifically respond to complaints pertaining to guest behaviour made before 1am, within a two hour timeframe;*
- *In relation to any other complaints, respond within a reasonable timeframe but within 24 hours.*

**DETAILS OF RESERVATIONS ARRANGEMENTS (please tick all applicable):**

Internet (please specify) € www.prestonbeachshack.com.au

€

Property Manager €

Other (please specify) € _____

**DUTIES OF PROPERTY MANAGER**

- *Supply, readily visible in the kitchen or living area of the home, the Code of Conduct, the Property Management Plan and the Fire and Emergency Plan (including the Fire Evacuation Route);*
- *Liaise with tenants for the occupancy and vacation of the premises;*
- *Ensure the correct maximum number of people are staying overnight in accordance with planning approval conditions;*
- *Ensure the premises are registered with the Shire of Waroona as a Holiday Home provider;*
- *Ensure guests are aware of the Code of Conduct;*
- *Ensure guests are aware of the Fire and Emergency Plan;*
- *Maintain a register of all people who utilise the premises, available for inspection by the Shire of Waroona upon request;*
- *Ensure the premises are clean and maintained to a high standard;*
- *Ensure bed linen is clean and replaced upon tenant vacation; and*
- *Ensure rubbish and recycling bins are put out and collected as required.*

_____

# HOLIDAY HOME - CODE OF CONDUCT

**PROPERTY ADDRESS: 14 Southern Road, Preston Beach**

The following Code of Conduct governs tenant behaviour and use of the property. The tenant agrees to follow the guidelines below, for themselves and any visitors they allow at the property:

**TENANTS:** A responsible adult (over 18 years of age) shall be on site at all times when children are present. No unauthorised people are permitted to stay overnight.

**MAXIMUM NUMBER OF PEOPLE IN THE HOUSE**: The number of persons in the house at any time should not exceed 25. The maximum number of guests that are permitted to stay overnight is 10.

**NOISE AND NUISANCE:** The tenants agree not to cause or permit nuisance at the property. This includes excessive noise, disruptive or anti-social behaviour. Loud music or other disturbances should generally cease after 9pm Sunday through Thursday and 10pm Friday and Saturday.

**VEHICLE PARKING:** The tenants agree to use the parking spaces provided and not to park on lawn or garden areas on the property, or on the street verge or street itself outside the property. The guests agree not to park any additional vehicles on the property in excess of the parking spaces provided.

**SHIRE REGULATIONS:** The tenants agree to all Shire regulations, including noise and fire limitations.

**PREMISE CONDITION AND CLEANLINESS:** The tenants agree to leave the premise in a clean and tidy condition upon vacating, with all fittings and chattels in their original condition and position at the beginning of stay. Tenants are to advise the property manager of any damage or disrepair within 24 hours of this occurring. Any damage repairs or excessive cleaning that is attributable to the tenants stay will be paid for by the tenants.

**FIRES:** The tenants agree not to allow any candles, open fires or similar burn unsupervised within the premise. No open fires are permitted outside at any time. Barbeque facilities may be provided and used in a safe manner.

**RUBBISH DISPOSAL:** The guests agree to contain all their rubbish in the bins provided. Tenants are responsible for the putting out and collection of the bins where their stay coincides with collection days.

*Your collection day is: Wednesday*

**KEYS:** At the end of the agreed tenancy, tenants agree to lock the premise, close all windows and return the keys to the property manager or to the designated key drop box. Any lost or damaged keys will be replaced at the tenant's expense.

**TERMINATION OF ACCOMMODATION:** If tenants are found to have contravened any of the above Code of Conduct responsibilities a verbal warning will be issued. If the contravention is not rectified immediately the accommodation booking may be terminated with 2 hours' notice at the property manager's discretion. No refunds will be made.

**USE OF PUBLIC AREAS:** Guests should be aware of their community responsibilities under general principles of respect and consideration to others. Use of the beach and other public areas is encouraged and guests are encouraged to act with respect towards their environment at all times.

# HOLIDAY HOME – NUISANCE ISSUES

**PROPERTY ADDRESS: 14 Southern Road, Preston Beach**

**NUISANCE DETAILS**

Noise complaints
Noise is a consideration in residential areas especially at night time when people are attempting to sleep. As per the code of conduct, all guests are expected to minimise excessive noise and to generally abide by residential considerations. Loud music or other disturbances should cease after 9pm Sunday through Thursday and 10pm Friday and Saturday. Complaints that are received by the manager will result in a verbal warning to be issued to any guests. Follow up action that is required after issued verbal warnings may involve the accommodation booking being terminated with 2 hours' notice at the property manager's discretion without refund.

The responsibility for noise management is shared between the owner and all guests. The Code of Conduct reminds all guests of their responsibilities under general principles of respect and consideration to others. Guests will be encouraged to provide advanced notice to the property manager or the owner if they believe that there may be reasons that noise levels are likely to cause some potential for nuisance. The provision of advanced notice with regard to noise issues allows for some levels of communication and arrangement to be undertaken with neighbouring properties to address noise management.

Consumption of alcohol and parties
Alcohol should only be consumed by responsible adults (over 18 years of age) and related activities shall remain on site at all times. Responsible consumption is recommended as is responsible behaviour during consumption. Parties that bring in extended numbers of individuals are not permitted and guests should be aware that the maximum number of people permitted in the house at any time is 25 persons. No unauthorised people are permitted to stay overnight.

Disruptive or anti-social behaviour will not be tolerated and will cause a verbal warning to be issued to the registered guest by the property manager and may involve the police. Follow up action after verbal warnings are issued may involve the accommodation booking being terminated with 2 hours' notice at the Property Manager's discretion. No refunds will be made.

Parking complaints
There is a sufficient amount of parking on site for 3 cars. Guests are encouraged to regularly use these areas provided in preference to parking on the street. Due to the location of the holiday home, there are a limited number of neighbours that will be affected by on-street parking however guests should always be considerate of access routes of neighbours in choosing additional temporary car parking.

The property manager upon receiving a car parking complaint will provide direction and advice to the guest about the best solution to manage car numbers for special situations where the onsite car parking is insufficient. Guests are encouraged to provide notice to the property manager or the owner if they believe that there may be a reason that parking levels may be likely to cause some potential for nuisance.

Litter and items left behind
Littering of the environment will not be tolerated and will cause a verbal warning to be issued by the property manager. Follow up action after verbal warnings may involve notification to the shire's ranger as well as the potential for the accommodation booking to be terminated with 2 hours' notice at the property manager's discretion. No refunds will be made.

Responsible behaviour for clean-up will be encouraged for all guests under general principles of respect and consideration. The property manager and the owner maintain responsibility for all refuse left on-site and for the clean-up of any refuse left off-site by guests of the holiday home. Any offsite refuse that can be attributed to the use of the holiday home will be cleaned up within 48 of the departure of guests by the property manager or owner.

Use of the beach and other community areas
The responsibility for appropriate use of public areas is specified in the Code of Conduct. The Code of Conduct reminds all guests of their own responsibilities under general principles of respect and consideration to others. Guests are encouraged to act with respect towards their environment.

# HOLIDAY HOME - FIRE AND EMERGENCY PLAN

**PROPERTY ADDRESS: 14 Southern Road, Preston Beach**

## EMERGENCY PROCEDURE

In the event of a major fire or emergency, evacuation should be undertaken to the nearest emergency evacuation point.

The recommended evacuation point is indicated on the map (on the following page) located directly across from the Footprints Café.

An alternate evacuation point is the Preston Beach Carpark.

For small internal fires, a fire extinguisher is available in the house (see house plan) and the house has scheme water available from the garden hose.
The Preston Beach fire shed is located at the end of Preston Drive and houses an urban tanker and a 4WD light tanker.

Guests are encouraged to be vigilant during the hot summer months and if they see anything suspicious please report immediately by phoning:
DFES..... 000
Police..... 131 444

## EMERGENCY CONTACT DETAILS

***FOR ALL EMERGENCIES DIAL 000***

| | |
|---|---|
| Property Manager: | 0402133495 |
| Waroona Police: | 9733 7400 |
| Shire of Waroona: | 9733 7800 |
| Murray District Hospital: | 9531 7222 |
| Harvey Hospital: | 9782 2222 |

## EMERGENCY INFORMATION

In the event of a fire or emergency, evacuation information may be broadcast or available from the following sources:

ABC Radio: 630AM

DFES: www.dfes.wa.gov.au/
132 500 for SES emergency assistance
13 DFES (13 33 37) for emergency information

Shire of Waroona: www.waroona.wa.gov.au

9733 7800

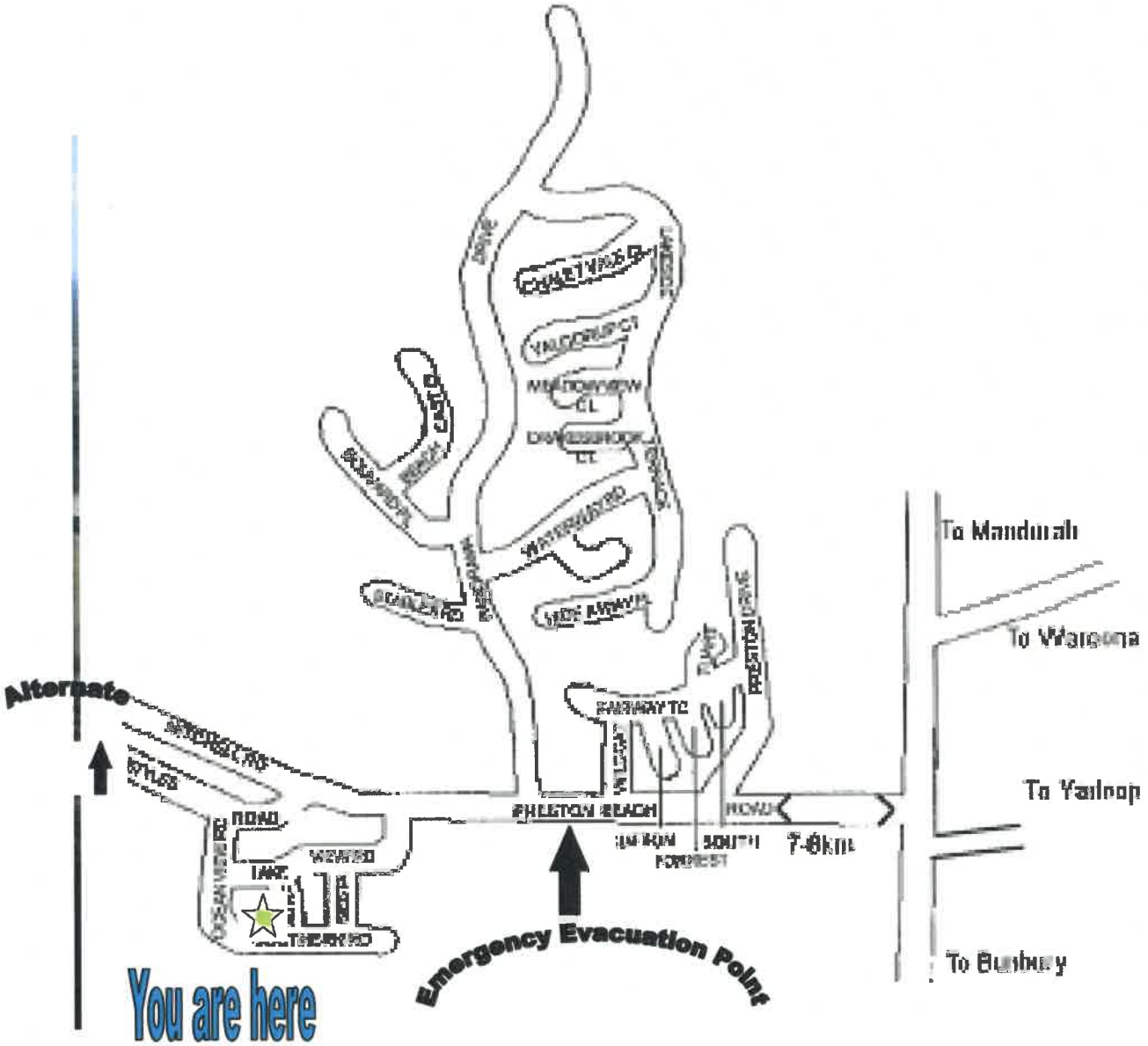
To report Shark Sightings call Water Police on 9442 8600

The coastline in the Preston Beach area IS NOT patrolled by Surf Life Saving WA

# HOLIDAY HOME - FIRE EVACUTION ROUTE

*Map of the locality clearly showing the nearest Emergency Evacuation Point for the property and the primary route for evacuating the area – note that this route leads to a* ***main arterial road****.*

## PRESTON BEACH TOWNSHIP

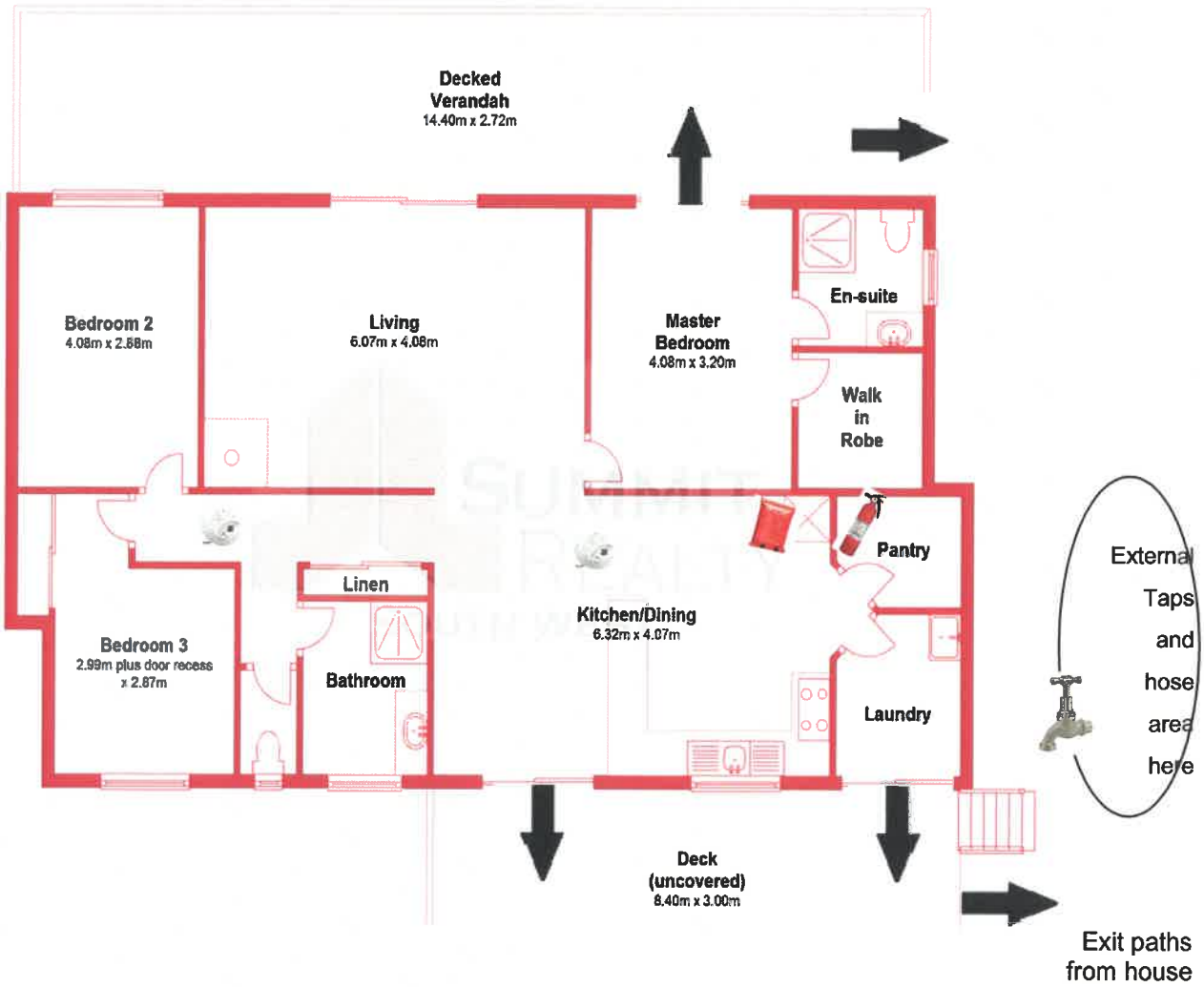


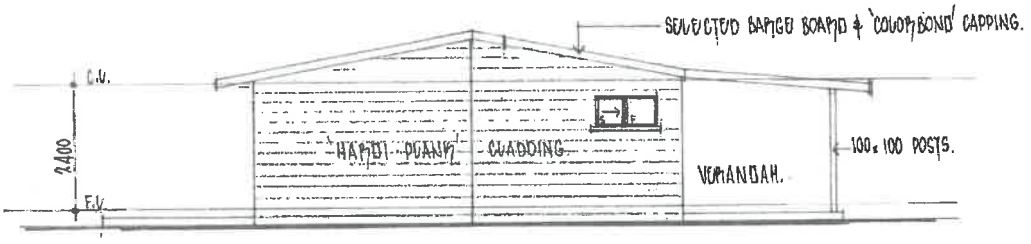
# HOLIDAY HOME – FLOOR PLAN OF PREMISES

*Floor plan of the dwelling showing the following:*

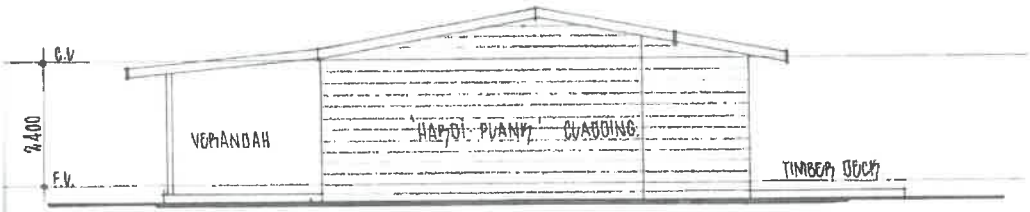
- *Hardwired smoke alarms*
- *Fire blanket (in kitchen)*
- *Fire extinguishers*
- *External taps/garden hose locations*

## Ground Floor

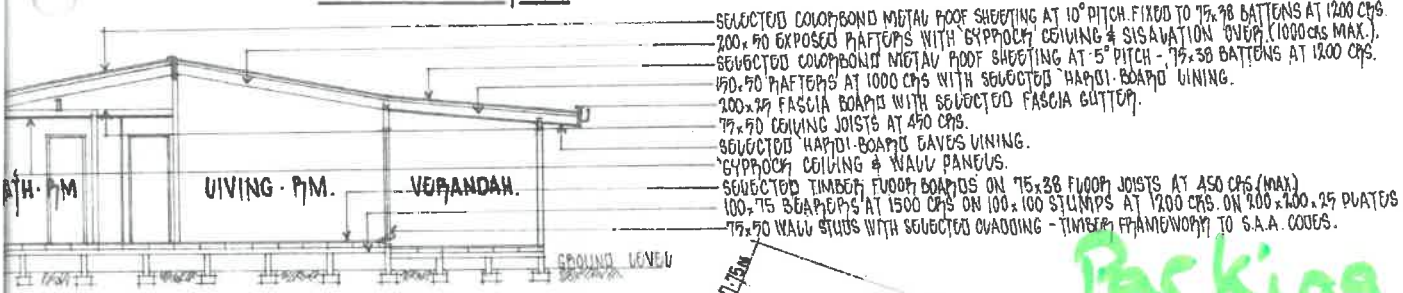





## SIDE ELEVATION



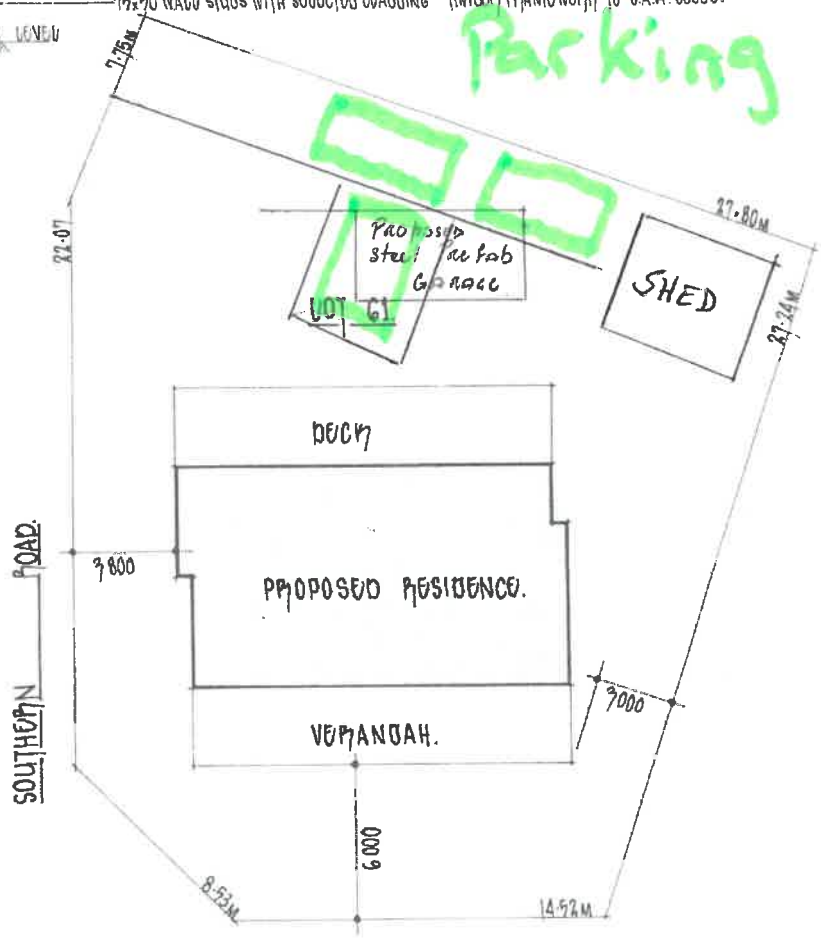

## SIDE ELEVATION.




## SECTION A-A.

## NOTES:

1. CONTRACTORS TO CHECK ALL DIMENSIONS ON SITE BEFORE WORK IS COMMENCED.
2. SEPTIC SYSTEM TO BE INSTALLED TO LOCAL AUTHORITY & PUBLIC HEALTH REQUIREMENTS.
3. ALL TIMBER FRAMING TO COMPLY WITH RELEVENT TIMBER CODES.
4. STORMWATER DISPOSAL TO LOCAL AUTHORITY REQUIREMENTS.




SURF STREET.

## SITE PLAN. SCALE: 1:200.

| | |
|---|---|
| PROPOSED RESIDENCE. | DRAWN J.E. |
| FOR: Mr. G. SHEPHERD<br>ON: LOT 61 CNR SOUTHERN RD & SURF ST. PRESTON BEACH. | SCALE 1:100 & 1:200 |
| | DATE MAY '92. |

SHIRE OF WAROONA

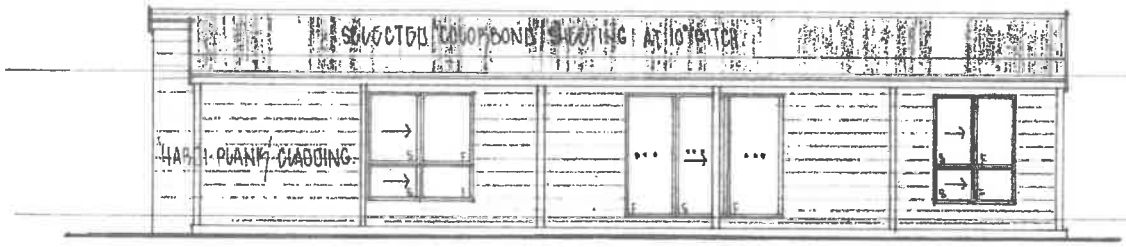
Conditionally approved subject to by-La

and Building Lic. No. 64/92

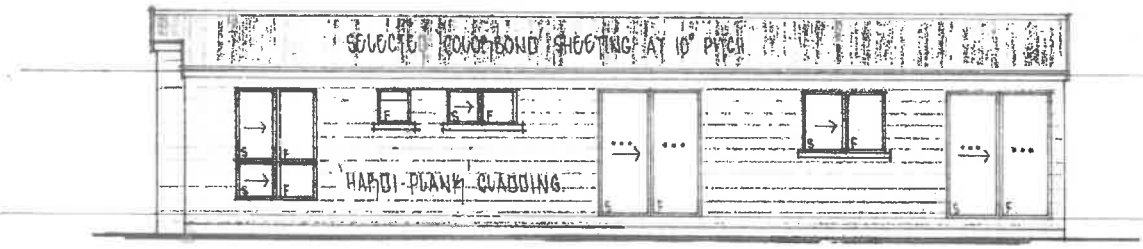
22/5/92

DATE

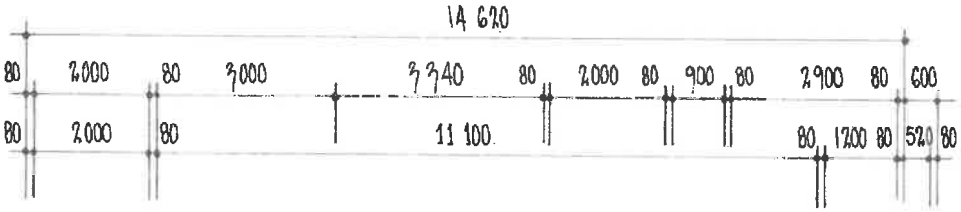
BUILDING SURVEYO

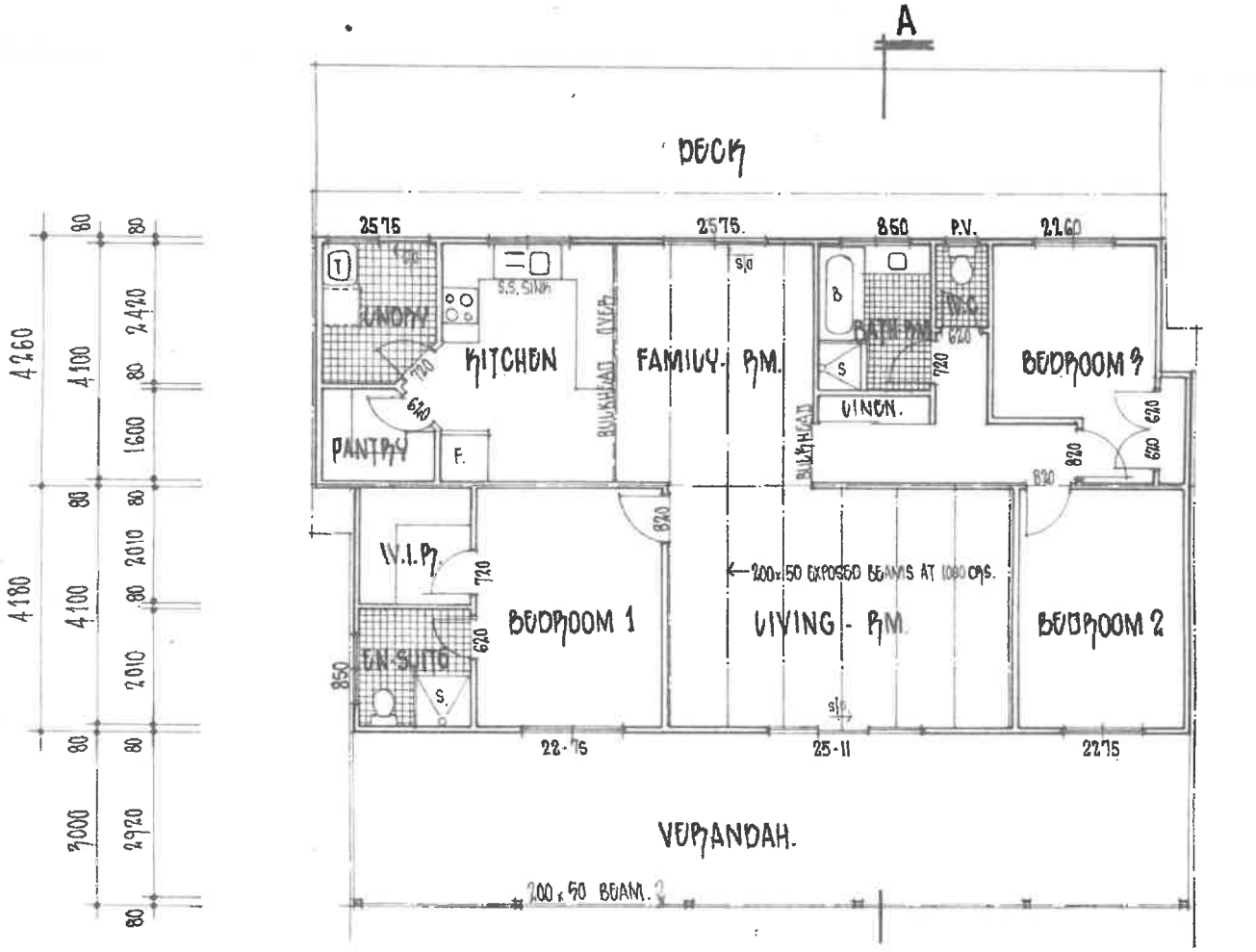



FRONT ELEVATION.




REAR ELEVATION.



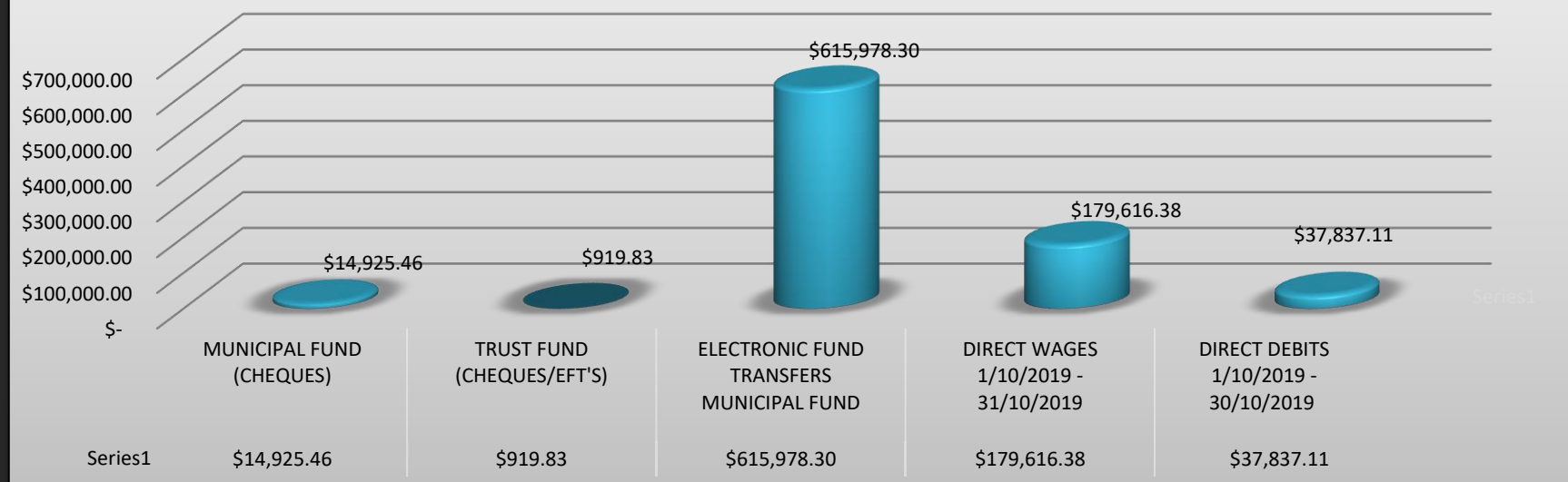



# SUMMARY OF PAYMENTS FOR THE PERIOD 1/10/2019 TO 30/10/2019

**APPENDIX 9.4.1**

| ACCOUNT | CHEQUE NO'S | TOTAL |
|---|---|---|
| MUNICIPAL FUND (CHEQUES) | 9293 - 9314 | $ 14,925.46 |
| TRUST FUND (CHEQUES/EFT'S) | CHQ: 11232 - 11236 EFT30888 | $ 919.83 |
| ELECTRONIC FUND TRANSFERS MUNICIPAL FUND | 30889 - 31053 | $ 615,978.30 |
| DIRECT WAGES 1/10/2019 - 31/10/2019 | N/A | $ 179,616.38 |
| DIRECT DEBITS 1/10/2019 - 30/10/2019 | N/A | $ 37,837.11 |

**GRAND TOTAL: $ 849,277.08**



## List of Accounts Due & Submitted to Committee November 2019
## Municipal Funds Cheques October 2019

| Chq/EFT | Date | Name | Description | Amount |
|---|---|---|---|---|
| 9293 | 04/10/2019 | OPTUS BILLING SERVICES | Mobile Phone Charges - 25/08/19 to 24/09/19 | -1091.21 |
| 9294 | 04/10/2019 | PETTY CASH - please pay cash | Recoup - Drivers Licence - Annette Mason, Nikki Cogan, Linley Young | -423.80 |
| 9295 | 04/10/2019 | SYNERGY | Electricity Charges to 18/09/19 | -1849.81 |
| 9296 | 04/10/2019 | SHIRE OF WAROONA | Food Business Registration Renewal 19/20 - Rec Centre | -210.00 |
| 9297 | 11/10/2019 | JOHN BRUCE GARWOOD | 2019/20 Rates Incentive Prize Winner - John Garwood (A1823) | -850.00 |
| 9298 | 11/10/2019 | OPTUS BILLING SERVICES | Mobile Phone Charges | -237.10 |
| 9299 | 11/10/2019 | ALISON ELIZABETH COOPER | Rates refund for assessment A1261 91A HILL STREET WAROONA 6215 | -753.38 |
| 9300 | 11/10/2019 | SHIRE OF WAROONA - SUNDRY DEBTORS | Payroll deductions | -610.00 |
| 9301 | 18/10/2019 | BRENDON MATHEW DELLIT | Crossover Subsidy - 33A Logue Street, Waroona | -250.00 |
| 9302 | 18/10/2019 | SKIPWORTH WINES | Dozen Mixed Wines | -144.00 |
| 9303 | 18/10/2019 | DAVID HENRY HUMBY | Payment of Consignment Stock - Visitor Centre | -540.00 |
| 9304 | 18/10/2019 | OPTUS BILLING SERVICES | Internet Charges - September 2019 | -200.00 |
| 9305 | 18/10/2019 | EILEEN MACPHERSON | Payment of Consignment Stock - Visitor Centre | -405.00 |
| 9306 | 18/10/2019 | BILL VANDERSTEEN | Payment of Consignment Stock - Visitor Centre | -56.10 |
| 9307 | 18/10/2019 | PETTY CASH - please pay cash | Recoup - Milk, Coffee | -92.50 |
| 9308 | 18/10/2019 | SYNERGY | Electricity Charges to 9/10/19 | -3288.95 |
| 9309 | 18/10/2019 | SHIRE OF WAROONA | Hall Hire Subsidy - Lions Club Bike Trek | -111.00 |
| 9310 | 18/10/2019 | TELSTRA CORPORATION LIMITED | Telephone Charges | -179.58 |
| 9311 | 18/10/2019 | CHRISTINE HYDE | Payment of Consignment Stock - Visitor Centre | -437.85 |
| 9312 | 18/10/2019 | ELIZABETH RAINE DERRICK | Rates refund for assessment A1550 10 MITCHELL AVENUE WAROONA WA 6215 | -614.50 |
| 9313 | 24/10/2019 | OPTUS BILLING SERVICES | Telephone Charges - September 2019 | -1970.68 |
| 9314 | 24/10/2019 | SHIRE OF WAROONA - SUNDRY DEBTORS | Payroll deductions | -610.00 |
| | | | **TOTAL MUNICIPAL FUNDS CHEQUES** | **-$ 14,925.46** |

## Trust Fund Cheques/EFTs

| Chq/EFT | Date | Name | Description | Amount |
|---|---|---|---|---|
| 11232 | 02/10/2019 | SHIRE OF WAROONA | BSL COMMISSION COLLECTED - SEPTEMBER 2019 | -30.00 |
| 11233 | 04/10/2019 | SHIRE OF WAROONA | BCITF COMMISSION COLLECTED - SEPTEMBER 2019 | -16.50 |
| 11234 | 07/10/2019 | SHIRE OF WAROONA | PURCHASE SHIRE NUMBER PLATES - 26WR | -200.00 |
| 11235 | 08/10/2019 | SHIRE OF WAROONA | PURCHASE SHIRE NUMBER PLATES - 365WR | -200.00 |
| 11236 | 18/10/2019 | SHIRE OF WAROONA | REFUND HALL DEPOSIT - RECEIPT TO BOOKING 559 | -130.00 |
| EFT30888 | 02/10/2019 | BUILDING COMMISSION | SHIRE OF WAROONA - BSL COLLECTIONS - SEPTEMBER 2019 | -343.33 |
| | | | **TOTAL TRUST CHEQUES** | **-$ 919.83** |

## Direct Debit Payments

| DD No | Date | Name | Description | Amount |
|---|---|---|---|---|
| DD18383.1 | 09/10/2019 | WA SUPER | Payroll deductions | -15106.91 |
| DD18383.2 | 09/10/2019 | QSUPER | Payroll deductions | -864.43 |
| DD18383.3 | 09/10/2019 | ARAIC SUPERANNUATION FUND | Superannuation contributions | -81.37 |
| DD18383.4 | 09/10/2019 | AUSTRALIAN SUPER | Superannuation contributions | -306.40 |
| DD18383.5 | 09/10/2019 | ULTIMATE SUPERANNUATION & PENSION SERVICES | Superannuation contributions | -58.14 |
| DD18383.6 | 09/10/2019 | COLONIAL FIRST STATE FIRSTCHOICE WHOLESALE PERSONAL SUPER | Superannuation contributions | -44.85 |
| DD18383.7 | 09/10/2019 | TELSTRA SUPER | Superannuation contributions | -934.02 |
| DD18383.8 | 09/10/2019 | HESTA SUPERANNUATION FUND | Superannuation contributions | -541.89 |
| DD18383.9 | 09/10/2019 | MIML - MACQUARIE SUPER ACCUMULATOR | Superannuation contributions | -59.85 |
| DD18398.1 | 29/10/2019 | TELAIR PTY LTD | Monthly fax charges - 01.10.2019 to 31.10.2019 | -19.80 |
| DD18420.1 | 23/10/2019 | WA SUPER | Payroll deductions | -14313.57 |
| DD18420.2 | 23/10/2019 | QSUPER | Payroll deductions | -864.43 |
| DD18420.3 | 23/10/2019 | ARAIC SUPERANNUATION FUND | Superannuation contributions | -109.12 |
| DD18420.4 | 23/10/2019 | BT SUPER FOR LIFE | Superannuation contributions | -72.85 |
| DD18420.5 | 23/10/2019 | AUSTRALIAN SUPER | Superannuation contributions | -458.55 |
| DD18420.6 | 23/10/2019 | ULTIMATE SUPERANNUATION & PENSION SERVICES | Superannuation contributions | -50.16 |
| DD18420.7 | 23/10/2019 | COLONIAL FIRST STATE FIRSTCHOICE WHOLESALE PERSONAL SUPER | Superannuation contributions | -75.06 |
| DD18420.8 | 23/10/2019 | TELSTRA SUPER | Superannuation contributions | -934.02 |
| DD18420.9 | 23/10/2019 | MIML - MACQUARIE SUPER ACCUMULATOR | Superannuation contributions | -185.26 |
| DD18424.1 | 28/10/2019 | CALTEX STAR CARD | Lake Clifton BFB fuel expenses | -53.93 |
| DD18426.1 | 31/10/2019 | IINET TECHNOLOGIES | Monthly internet charges - 22 OCT 10 TO 22 NOV 19 | -109.95 |
| DD18383.10 | 09/10/2019 | SUNSUPER | Superannuation contributions | -429.65 |
| DD18383.11 | 09/10/2019 | CBUS SUPERANNUATION | Superannuation contributions | -198.05 |
| DD18383.12 | 09/10/2019 | REST SUPER - RETAIL EMPLOYEES SUPERANNUATION FUND | Superannuation contributions | -223.83 |
| DD18383.13 | 09/10/2019 | AUSTRALIAN ETHICAL RETAIL SUPERANNUATION FUND | Superannuation contributions | -177.08 |
| DD18420.10 | 23/10/2019 | HESTA SUPERANNUATION FUND | Superannuation contributions | -533.27 |
| DD18420.11 | 23/10/2019 | SUNSUPER | Superannuation contributions | -429.65 |
| DD18420.12 | 23/10/2019 | CBUS SUPERANNUATION | Superannuation contributions | -198.05 |
| DD18420.13 | 23/10/2019 | REST SUPER - RETAIL EMPLOYEES SUPERANNUATION FUND | Superannuation contributions | -225.89 |
| DD18420.14 | 23/10/2019 | AUSTRALIAN ETHICAL RETAIL SUPERANNUATION FUND | Superannuation contributions | -177.08 |
| | | | **TOTAL DIRECT DEBIT PAYMENTS** | **-$ 37,837.11** |

## Municipal Electronic Funds Transfers

| Chq/EFT | Date | Name | Description | Amount |
|---|---|---|---|---|
| EFT30889 | 02/10/2019 | CODESIGN STUDIO (EVENTBRITE) | Placemaking Training | -825.00 |
| EFT30890 | 04/10/2019 | KLEEN WEST DISTRIBUTORS | Jumbo Toilet Rolls | -400.07 |
| EFT30891 | 04/10/2019 | PETES TREEWORX | Remove Tree | -3157.00 |
| EFT30892 | 04/10/2019 | HOUSING AUTHORITY | Rates refund for assessment A1053 8 FITZPATRICK STREET WAROONA WA 6215 | -3067.31 |
| EFT30893 | 04/10/2019 | FRONT LINE SIGNS | Plaque for Preston Beach Community Centre | -198.00 |
| EFT30894 | 04/10/2019 | ESTUARY BOBCATS | Wet Hire Excavator | -2898.50 |
| EFT30895 | 04/10/2019 | LES MILLS ASIA PACIFIC | Licence Fees - 1/10/19 to 31/10/19 | -407.47 |
| EFT30896 | 04/10/2019 | KONECRANES PTY LTD | Annual Mandatory Service of Vehicle Mounted Crane | -1182.50 |
| EFT30897 | 04/10/2019 | KELLY ANN ERIKSSON | Reimburse 2 Dog Registrations due to being Sterilised | -300.00 |
| EFT30898 | 04/10/2019 | FLOOR CARE PLUS | Strip & Seal Vinyl Floors in Gallery | -340.00 |
| EFT30899 | 04/10/2019 | SURVEYING SOUTH | Johnson Road - Survey Pickup and Design | -4059.00 |
| EFT30900 | 04/10/2019 | PATONS PAINTING SERVICE | Paint Exterior of Administration Building | -4084.30 |
| EFT30901 | 04/10/2019 | BRACKSON CONSTRUCTION PTY LTD | Roof Repairs - Rec Centre | -3000.00 |
| EFT30902 | 04/10/2019 | SARAH PARK | Reimburse Uniforms - Sarah Park | -157.37 |
| EFT30903 | 04/10/2019 | SEA 2 SCARP AIR CONDITIONING & REFRIGERATION SERVICES | Remove Refrigerant to Fridges | -700.00 |
| EFT30904 | 04/10/2019 | ALL IN POOLS | Install Kiddies Pool Barrier | -12100.00 |
| EFT30905 | 04/10/2019 | DAVID RODONI | Reimburse Pre-Employment Medical - David Rodoni | -143.00 |
| EFT30906 | 04/10/2019 | CARMEL HOLDINGS PTY LTD T/A ALLSTAMPS | Name Badges and business cards | -141.80 |
| EFT30907 | 04/10/2019 | CURTIS ELECTRICAL CONTRACTING PTY LTD | Electrical Tagging - Rec Centre | -1715.25 |
| EFT30908 | 04/10/2019 | INKSPOT PRINTING | Business Cards - Alliance Against Depression | -95.00 |
| EFT30909 | 04/10/2019 | LOGIWEST EXPRESS | Freight - Westrac | -35.39 |
| EFT30910 | 04/10/2019 | WOODBURY PLUMBING | Install New RPZD Backflow Device - Memorial Hall | -5079.55 |
| EFT30911 | 04/10/2019 | WA LOCAL GOVERNMENT ASSOCIATION | Training Course - Financial Fundamentals - SFO | -1045.00 |
| EFT30913 | 04/10/2019 | WAROONA RURAL SERVICES | Glysophate | -782.09 |
| EFT30914 | 04/10/2019 | WAROONA HOME TIMBER & HARDWARE | Blue Paint and Brushes - Small Blue Tree Project | -200.25 |
| EFT30915 | 04/10/2019 | BCITF | BCITF COLLECTIONS - SEPTEMBER 2019 | -131.50 |
| EFT30916 | 07/10/2019 | WAROONA BOWLING CLUB | PART PAYMENT OF ALCOA SUSTAINABILITY GRANT - WAROONA BOWLING CLUB | -6000.00 |
| EFT30917 | 11/10/2019 | MERRIN MCWILLIAMS | Reimburse Uniforms - Merrin McWilliams | -119.92 |
| EFT30918 | 11/10/2019 | DRAKESBROOK DESPATCH | Advertising - Sea to ART 2019 | -100.00 |
| EFT30919 | 11/10/2019 | LENIP PTY LTD T/A ASPHALT IN A BAG | Asphalt in a Bag | -1718.75 |
| EFT30920 | 11/10/2019 | DATA 3 | Windows Enterprise and Microsoft Windows Server License & Software | -22553.98 |
| EFT30921 | 11/10/2019 | MURRY BRACKNELL | Reimburse Mobile Phone Charges - Murry Bracknell | -300.00 |
| EFT30922 | 11/10/2019 | ESTUARY BOBCATS | Seal Men's Shed Entrance - Show Grounds | -7590.00 |
| EFT30923 | 11/10/2019 | T-QUIP | Belts | -158.05 |
| EFT30924 | 11/10/2019 | CITY & REGIONAL FUELS | 2000L Diesel | -7278.74 |
| EFT30925 | 11/10/2019 | IMPACT ENGINEERING | Replace Swimming Pool Roof Structure Bolts | -33024.20 |
| EFT30926 | 11/10/2019 | SMYL COMMUNITY SERVICES | Trainee Gardener - Shanelle Farmer - 9/09/19 to 22/09/19 | -748.00 |
| EFT30927 | 11/10/2019 | WH LOCATION SERVICES T/A ABAXA PTY LTD | Technician to Locate Power - Johnston Road | -2048.75 |

| | | | | |
|---|---|---|---|---|
| EFT30928 | 11/10/2019 | THE DISTRIBUTORS PERTH | Kiosk Items | -742.25 |
| EFT30929 | 11/10/2019 | AUTO-I VEHICLE INTEGRATIONS | Phone Case - CEO | -70.00 |
| EFT30930 | 11/10/2019 | TOLL TRANSPORT PTY LTD | Freight - Asphalt in a Bag | -555.89 |
| EFT30931 | 11/10/2019 | ZINNIA FLORAL DESIGNS | Sympathy Floral arrangement - Kirsty Ferraro | -80.00 |
| EFT30932 | 11/10/2019 | JIM KIDD SPORTS | Table Tennis Tables, Nets, Racquet Packs, Ping Pong Balls | -1002.10 |
| EFT30933 | 11/10/2019 | AUSTRALIAN SERVICES UNION | Payroll deductions | -127.50 |
| EFT30934 | 11/10/2019 | CURTIS ELECTRICAL CONTRACTING PTY LTD | Electrical Tagging - Admin Building | -4306.44 |
| EFT30935 | 11/10/2019 | CANNON HYGIENE AUSTRALIA PTY LTD | Install Sharps Containers | -258.23 |
| EFT30936 | 11/10/2019 | DE ROSAS HIGHWAY MOTORS | Filter Kit | -320.30 |
| EFT30937 | 11/10/2019 | DORMAKABA AUSTRALIA PTY LTD | Dorma Door Service Contract | -528.00 |
| EFT30938 | 11/10/2019 | DRAKESBROOK HOTEL MOTEL | Catering - Council & Exec Staff Sundowner | -350.00 |
| EFT30939 | 11/10/2019 | FITZGERALD STRATEGIES | Travel Claim - Meeting with CEO | -312.12 |
| EFT30940 | 11/10/2019 | DEPT OF FIRE & EMERGENCY SERVICES | 2019/20 ESL Part 6A | -4969.18 |
| EFT30941 | 11/10/2019 | FOREST EDGE RECREATION CAMP | Refund due to Overpayment of Debtor Invoice No 13514 | -576.00 |
| EFT30942 | 11/10/2019 | JASON SIGNMAKERS | Streetblade | -114.95 |
| EFT30943 | 11/10/2019 | MANDURAH MAZDA | Excess - Vehicle Repair due to Water in Fuel Tank & Service | -1127.06 |
| EFT30944 | 11/10/2019 | McLEODS | Matter No 43344 - Review WorkSafe Incident | -5169.67 |
| EFT30945 | 11/10/2019 | OFFICEWORKS | 2 x Hutch's - ESO | -973.58 |
| EFT30946 | 11/10/2019 | PRESTON BEACH GENERAL STORE | Fuel - Preston Beach Volunteer Rangers | -598.75 |
| EFT30947 | 11/10/2019 | PISCONERI, A. M. | Rubbish Tip Contract - 19/08/19 to 1/09/19 | -3182.57 |
| EFT30948 | 11/10/2019 | ROTARY CLUB OF PINJARRA | Hire Art Boards - Sea to ART | -1200.00 |
| EFT30949 | 11/10/2019 | RAECO | Shelving for bay Ends | -368.98 |
| EFT30950 | 11/10/2019 | THE WEST AUSTRALIAN (HARVEY REPORTER) | Sea to Scarp - September | -1236.75 |
| EFT30951 | 11/10/2019 | CHILD SUPPORT AGENCY | Payroll deductions | -427.53 |
| EFT30952 | 11/10/2019 | SHIRE OF WAROONA STAFF LOTTO SYNDICATE | Payroll deductions | -124.00 |
| EFT30953 | 11/10/2019 | SHIRE OF MURRAY | IT Services - September 2019 | -3273.92 |
| EFT30954 | 11/10/2019 | WOODBURY PLUMBING | Investigate Blocked Drain - Seniors Citizen Building | -316.25 |
| EFT30955 | 11/10/2019 | WAROONA AMATEUR BASKETBALL ASSOC - JUNIOR COMMITTEE | Waitstaff - Sea to Art Opening | -200.00 |
| EFT30956 | 11/10/2019 | WESTRAC EQUIPMENT PTY LTD | Air Filter Outer | -148.08 |
| EFT30957 | 11/10/2019 | WA LOCAL GOVERNMENT ASSOCIATION | Local Government People and Culture Seminar - SFO | -300.00 |
| EFT30958 | 11/10/2019 | WAROONA RURAL SERVICES | Pipe Log Bollards with One Domed End | -938.60 |
| EFT30959 | 11/10/2019 | WURTH AUSTRALIA PTY LTD | Nuts and Bolts | -105.44 |
| EFT30960 | 11/10/2019 | PUMA WAROONA ROADHOUSE | Monthly fuel account | -227.28 |
| EFT30961 | 11/10/2019 | WAROONA HOME TIMBER & HARDWARE | Gas Bottle | -137.19 |
| EFT30962 | 11/10/2019 | WML CONSULTANTS PTY LTD | Transfer Station Concept Plan | -1532.30 |
| EFT30963 | 11/10/2019 | CAROL ANN HULL | Rates refund for assessment A440 59 CORONATION ROAD WAROONA 6215 | -6707.09 |
| EFT30964 | 11/10/2019 | DRAKESBROOK WINES PTY LTD | Mixed Wines Sea to ART Exhibition | -317.68 |
| EFT30965 | 11/10/2019 | WAROONA IGA | Groceries - RUOK Day | -1554.66 |
| EFT30966 | 18/10/2019 | DEPARTMENT OF BIODIVERSITY, CONSERVATION AND | Stock WA Naturally Publications | -148.56 |
| EFT30967 | 18/10/2019 | LUNA GARDINER | Payment of Consignment Stock - Visitor Centre | -81.71 |
| EFT30968 | 18/10/2019 | AUSTRALASIAN PERFORMING RIGHT ASSOCIATION LTD | Licence Fees - 1/10/19 to 31/12/19 | -536.22 |
| EFT30969 | 18/10/2019 | CASTLEDEX | Stationery order | -76.49 |
| EFT30970 | 18/10/2019 | SOUTH WEST ENVIRONMENTAL INSECT CONTROL | Full Spray Internal & External - Waroona Visitor Centre | -495.00 |
| EFT30971 | 18/10/2019 | CARMEN TYRER | Payment of Consignment Stock - Visitor Centre | -124.50 |
| EFT30972 | 18/10/2019 | CIVILCON (WA) PTY LTD | Retaining Wall - Hesse Street | -5947.76 |
| EFT30973 | 18/10/2019 | WOODLANDS DISTRIBUTORS & AGENCIES PTY LTD | Galvanised Brake Dispensers Powder Coated | -491.70 |
| EFT30974 | 18/10/2019 | PATONS PAINTING SERVICE | Paint Exterior of Administration Building | -4084.30 |

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|---|---|---|---|---|---|
| EFT30975 | 18/10/2019 | GEOFF BLACK | Payment of Consignment Stock - Visitor Centre | | -45.00 |
| EFT30976 | 18/10/2019 | SAVAGE ST | Payment of Consignment Stock - Visitor Centre | | -540.00 |
| EFT30977 | 18/10/2019 | EVERLYN STURGES | Payment of Consignment Stock - Visitor Centre | | -112.50 |
| EFT30978 | 18/10/2019 | PETER FOEKEN | Payment of Consignment Stock - Visitor Centre | | -45.00 |
| EFT30979 | 18/10/2019 | BRACKSON CONSTRUCTION PTY LTD | Safety Fencing Required during Construction Works | | -966.00 |
| EFT30980 | 18/10/2019 | CONCEPT MEDIA (HAVE A GO NEWS) | October Edition - Sea to ART, Peel OS | | -431.64 |
| EFT30981 | 18/10/2019 | COUGAR SAND SUPPLIES (BM & RV WATERS) | Top Dressing Sand | | -1028.76 |
| EFT30982 | 18/10/2019 | JALMER IRON | Payment of Consignment Stock - Visitor Centre | | -125.00 |
| EFT30983 | 18/10/2019 | SCOPE BUSINESS IMAGING | Photocopier Charges - Depot | | -344.80 |
| EFT30984 | 18/10/2019 | TOLL TRANSPORT PTY LTD | Freight - JH Computers | | -75.41 |
| EFT30985 | 18/10/2019 | ALL IN POOLS | Replace Pool Liner - Rec Centre | | -44805.00 |
| EFT30986 | 18/10/2019 | MAXIMA TRAINING GROUP (AUST) LIMITED | Trainee Level 6 - Tremayne Indich | | -963.58 |
| EFT30987 | 18/10/2019 | MARKETING FOCUS | Payment of Part of Base Professional Fee to Confirm Booking for 60 minute Keynote Address | | -2200.00 |
| EFT30988 | 18/10/2019 | ALL PUMPS AND WATERBORING | Seal Kits for Pump | | -513.70 |
| EFT30989 | 18/10/2019 | BELL FIRE EQUIPMENT | Fire Extinguisher Service - Vehicles | | -1368.40 |
| EFT30990 | 18/10/2019 | CURTIS ELECTRICAL CONTRACTING PTY LTD | Replace Historical Society Lights with LED | | -1436.18 |
| EFT30991 | 18/10/2019 | HARVEY WATER | Pipe for Beach Bollards | | -973.50 |
| EFT30992 | 18/10/2019 | LANDGATE | Valuation Fees - R2019/3 | | -83.76 |
| EFT30993 | 18/10/2019 | MUNICIPAL WORKCARE SCHEME | Workers Comp Insurance 19/20 - Instalment 2 | | -36578.85 |
| EFT30994 | 18/10/2019 | MANDURAH MAZDA | 30,000Km Service | | -312.99 |
| EFT30995 | 18/10/2019 | LGIS LIABILITY | Property Insurance 19/20 - Instalment 2 | | -47128.73 |
| EFT30996 | 18/10/2019 | MJB INDUSTRIES | 375 Single Headwalls | | -7233.60 |
| EFT30997 | 18/10/2019 | PISCONERI, A. M. | Rubbish Tip Contract - 3/10/2019 to 15/10/2019 | | -3182.57 |
| EFT30998 | 18/10/2019 | SYNERGY - STREETLIGHT ACCOUNT | Street Lighting to 24/09/19 | | -7980.14 |
| EFT30999 | 18/10/2019 | WAROONA RURAL SERVICES | Galv Steel Posts | | -185.60 |
| EFT31000 | 18/10/2019 | WAROONA LICENCED POST OFFICE | Postage Charges - September 2019 | | -459.60 |
| EFT31001 | 18/10/2019 | IAN DIFFEN CITY DISCOUNT TYRES WAROONA (WAROONA TYRE | Tyres - Cat Grader | | -4606.80 |
| EFT31002 | 18/10/2019 | WAROONA HOME TIMBER & HARDWARE | Milwaukee M18 - Rattle Gun | | -1665.95 |
| EFT31003 | 18/10/2019 | WAROONA WOOD SUPPLIES | Wet Hire Excavator for Removal of Bollards located Swimming Area - Preston Beach. | | -1386.00 |
| EFT31004 | 18/10/2019 | BARBARA DAWN BENNETT | Payment of Consignment Stock - Visitor Centre | | -35.00 |
| EFT31005 | 18/10/2019 | AUSTRALIAN TAXATION OFFICE | Payroll deductions | | -91627.00 |
| EFT31006 | 21/10/2019 | WA TREASURY CORPORATION | Loan No. 121 Interest payment - Memorial Hall Capital Upgrade | | -15927.57 |
| EFT31007 | 21/10/2019 | NATIONAL AUSTRALIA BANK | Google G-Suite monthly payment | $78.54 | -1902.36 |
| | | | Groundspeaking Membership | $48.48 | |
| | | | CodeTwo Annual Fee | $640.17 | |
| | | | 360 Enterprise Guru Squad | $189.41 | |
| | | | Digicert GEO Trust | $493.00 | |
| | | | Purchase AS4000 Document | $726.79 | |
| | | | Provision of refreshments | $40.00 | |
| | | | Purchase of fuel | $35.38 | |
| | | | Reimbursement of vehicle hire | - $408.54 | |
| | | | Card Fees and interest | $59.13 | |
| EFT31008 | 24/10/2019 | PETES TREEWORX | Street Tree Pruning - Show Grounds | | -3011.25 |
| EFT31009 | 24/10/2019 | COATES CIVIL CONSULTING | Engineering Services - Peppermint Grove Road Upgrade | | -17028.00 |
| EFT31010 | 24/10/2019 | SPYKER BUSINESS SOLUTIONS | CCTV Maintenance - Quarter 2 | | -1595.21 |
| EFT31011 | 24/10/2019 | DANIEL COOLS | Reimburse Halloween Supplies - Daniel Cools | | -126.15 |
| EFT31012 | 24/10/2019 | BIG W (WOOLWORTHS LIMITED) | Purchase Books | | -686.00 |

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|---|---|---|---|---|
| EFT31013 | 24/10/2019 | ASHLEIGH NUTTALL | Reimburse Gift Cards - Council Gifts for Staff | -400.00 |
| EFT31014 | 24/10/2019 | D & E DIESEL SERVICES | Install Quick Hitch System - 962H Loader | -35662.00 |
| EFT31015 | 24/10/2019 | XTREME BOUNCE PARTY HIRE | Bouncy Castle Hire for Children's Activity Week | -325.00 |
| EFT31016 | 24/10/2019 | EQUIPPED EARTHWORKS | Wet Hire Excavator - Removal of Stumps - Johnston Road | -6765.00 |
| EFT31017 | 24/10/2019 | BRACKSON CONSTRUCTION PTY LTD | Restumping of Landcare Building | -7180.80 |
| EFT31018 | 24/10/2019 | INGS ENGINEERING WA | Mower Blades | -990.00 |
| EFT31019 | 24/10/2019 | CUTOUT PLASTICS | Plastic Protective Coating Drakesbrook Weir Signage | -132.00 |
| EFT31020 | 24/10/2019 | CONTRAFLOW | Traffic Controllers - Johnston Road | -5960.16 |
| EFT31021 | 24/10/2019 | NAPA AUTO PARTS | Gun Grease Trigger Action | -334.40 |
| EFT31022 | 24/10/2019 | KAREN GILBERT ORGANIC AND KIDS AUSTRALIA | Sea to ART Flowers | -150.00 |
| EFT31023 | 24/10/2019 | TOLL TRANSPORT PTY LTD | Freight - Jason Signmakers | -58.41 |
| EFT31024 | 24/10/2019 | MDC LEGAL | HR Advice | -1001.00 |
| EFT31025 | 24/10/2019 | MAXIMA TRAINING GROUP (AUST) LIMITED | Trainee Gardner - Tremayne Indich - 5/10/19 to 11/10/19 | -929.73 |
| EFT31026 | 24/10/2019 | AUSTRALIAN SERVICES UNION | Payroll deductions | -127.50 |
| EFT31027 | 24/10/2019 | BELL FIRE EQUIPMENT | Service Automatic Fire Systems - Community Centre | -77.91 |
| EFT31028 | 24/10/2019 | CLEANAWAY | Residential 240L Bin Collection | -24198.18 |
| EFT31029 | 24/10/2019 | COATES HIRE OPERATIONS PTY LTD | Delivery to Site | -423.91 |
| EFT31030 | 24/10/2019 | DRAKESBROOK HOTEL MOTEL | Interagency Meeting | -271.00 |
| EFT31031 | 24/10/2019 | FITZGERALD STRATEGIES | Travel Reimbursement for Meeting with CEO | -312.12 |
| EFT31032 | 24/10/2019 | J.R. & A.HERSEY PTY LTD | White Sand Bag | -407.00 |
| EFT31033 | 24/10/2019 | HARVEY COURIER | Freight - Front Line Signs | -11.54 |
| EFT31034 | 24/10/2019 | HARVEY WATER | Water Consumption - 29/08/19 to 27/09/19 | -39.25 |
| EFT31035 | 24/10/2019 | IMPRINT PLASTICS | Clear Acrylic Plaques | -102.30 |
| EFT31036 | 24/10/2019 | JASON SIGNMAKERS | Sign - No Vehicles Past This Point Sign | -426.14 |
| EFT31037 | 24/10/2019 | LOCAL GOVERNMENT PROFESSIONALS AUSTRALIA WA | Annual State Conference - DCEO Registration | -1490.00 |
| EFT31038 | 24/10/2019 | MCCALL BROS. ENGINEERING | Flashing | -66.00 |
| EFT31039 | 24/10/2019 | McLEODS | Matter No 44764 - Authority to Apply Road Contributions | -6362.52 |
| EFT31040 | 24/10/2019 | OCCUPATIONAL RISK MANAGEMENT | Provision of OSH Services | -920.00 |
| EFT31041 | 24/10/2019 | PLANT INVESTMENTS PTY LTD | Install Fences - Lake Clifton Community Centre | -7750.00 |
| EFT31042 | 24/10/2019 | CHILD SUPPORT AGENCY | Payroll deductions | -427.53 |
| EFT31043 | 24/10/2019 | SHIRE OF WAROONA STAFF LOTTO SYNDICATE | Payroll deductions | -120.00 |
| EFT31044 | 24/10/2019 | STAR TRACK EXPRESS | Freight - T-Quip | -36.43 |
| EFT31045 | 24/10/2019 | SHIRE OF MURRAY | Environmental Health Services - September 2019 | -6410.51 |
| EFT31046 | 24/10/2019 | SOUTHERN LOCK & SECUIRTY | Alarm Monitoring - Community Resource Centre | -140.43 |
| EFT31047 | 24/10/2019 | WAROONA COMMUNITY CENTRE INC -TELECENTRE | Reimburse Repairs to Shade Sale | -451.00 |
| EFT31048 | 24/10/2019 | WOODBURY PLUMBING | Repair Toilets - Senior Citizen Centre | -578.60 |
| EFT31049 | 24/10/2019 | WAROONA RURAL SERVICES | Droppers | -1306.51 |
| EFT31050 | 24/10/2019 | WA HORTICULTURAL DEVELOPMENTS PTY LTD | Garden Maintenance - September 2019 | -5820.83 |
| EFT31051 | 24/10/2019 | WAROONA PLAYGROUP INC | Bar Services - Sea to Art Opening Night | -300.00 |
| EFT31052 | 24/10/2019 | WAROONA HOME TIMBER & HARDWARE | Measuring Wheel | -450.67 |
| EFT31053 | 24/10/2019 | WAROONA WOOD SUPPLIES | Wet Hire Excavator with Mulching Head for Firebreak Improvements - Preston Beach Townsite. | -13992.00 |

**TOTAL MUNICIPAL ELECTRONIC FUNDS TRANSFER -$ 615,978.30**

## Electronic Fund Transfer - Direct Salaries & Wages

| Date | Name | Description | Amount |
|---|---|---|---|
| 09/10/2019 | National Australia Bank | Net Pays PE:9/10/2018 | -$ 88,579.60 |
| 23/10/2019 | National Australia Bank | Net Pays PE:23/10/2018 | -$ 91,036.78 |

| | | |
|---|---|---|
| **TOTAL DIRECT WAGES TRANSFER** | **-$** | **179,616.38** |

| | | |
|---|---|---|
| **Total Municipal Fund Cheques** | **-$** | **14,925.46** |
| **Total Trust Fund Cheques** | **-$** | **919.83** |
| **Total Direct Debit Payments** | **-$** | **37,837.11** |
| **Total Electronic Funds** | **-$** | **615,978.30** |
| **Total Direct Wages** | **-$** | **179,616.38** |
| **GRAND TOTAL ALL ACCOUNTS PAYABLE** | **-$** | **849,277.08** |

**SHIRE OF WAROONA**
Monthly financial report
FOR THE PERIOD ENDED 31 OCTOBER 2019

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

# Statement of financial activity

*by program*

FOR THE PERIOD ENDED 31 OCTOBER 2019

| | Note | Original Budget | YTD Budget | YTD Actual (b) | Var. $ (b)-(a) | Var. % (b)-(a)/(b) | Var. |
|---|---|---|---|---|---|---|---|
| **Operating Revenues** | | $ | $ | $ | $ | % | |
| Governance | | 174,752 | 23,780 | **42,173** | 18,393 | 44% | |
| General Purpose Funding | | 776,630 | 175,714 | **187,132** | 11,418 | 6% | |
| Law, Order and Public Safety | | 688,913 | 28,803 | **33,129** | 4,326 | 13% | |
| Health | | 37,610 | 7,740 | **18,052** | 10,312 | 57% | |
| Education and Welfare | | 117,610 | 26,160 | **37,782** | 11,622 | 31% | |
| Housing | | 18,200 | 6,068 | **2,943** | (3,125) | (106%) | |
| Community Amenities | | 1,103,858 | 834,897 | **825,421** | (9,476) | (1%) | |
| Recreation and Culture | | 374,047 | 53,711 | **83,150** | 29,439 | 35% | |
| Transport | | 1,662,755 | 364,318 | **631,595** | 267,277 | 42% | ▲ |
| Economic Services | | 99,580 | 26,610 | **21,713** | (4,897) | (23%) | |
| Other Property and Services | | 24,300 | 6,182 | **3,478** | (2,704) | (78%) | |
| **Total (Excluding Rates)** | | **5,078,255** | **1,553,983** | **1,886,568** | | | |
| **Operating Expense** | | | | | | | |
| Governance | | (1,693,060) | (615,504) | **(594,444)** | 21,060 | 4% | |
| General Purpose Funding | | (128,390) | (45,497) | **(43,844)** | 1,653 | 4% | |
| Law, Order and Public Safety | | (578,507) | (188,424) | **(167,963)** | 20,461 | 12% | |
| Health | | (250,883) | (75,308) | **(68,282)** | 7,026 | 10% | |
| Education and Welfare | | (371,761) | (93,263) | **(89,962)** | 3,301 | 4% | |
| Housing | | (13,710) | (5,550) | **(3,744)** | 1,806 | 48% | |
| Community Amenities | | (1,783,501) | (606,571) | **(528,291)** | 78,280 | 15% | ▼ |
| Recreation and Culture | | (2,871,803) | (1,285,103) | **(911,478)** | 373,625 | 41% | ▼ |
| Transport | | (2,664,221) | (1,064,152) | **(743,122)** | 321,030 | 43% | ▼ |
| Economic Services | | (566,899) | (206,626) | **(188,751)** | 17,875 | 9% | |
| Other Property and Services | | (65,403) | (88,273) | **(107,109)** | (18,836) | (18%) | |
| **Total** | | **(10,988,138)** | **(4,274,271)** | **(3,446,990)** | | | |
| **Funding Balance Adjustment** | | | | | | | |
| Add back Depreciation | | 3,461,850 | 1,153,964 | **854,395** | (299,569) | (35%) | ▼ |
| Adjust (Profit)/Loss on Asset Disposal | 10 | 33,986 | 2,100 | **5,264** | 3,164 | 60% | |
| Unspent Grants July B/fwd | | 48,926 | 81,256 | **48,681** | (32,575) | 66.92% | |
| Unspent Grants June C/fwd | | 0 | 0 | | | | |
| Adjust Provisions and Accruals | | (17,928) | 0 | **0** | 0 | | |
| **Net Operating (Ex. Rates)** | | **(2,383,049)** | **(1,482,968)** | **(652,082)** | **(296,405)** | | |
| **Capital Revenues** | | | | | | | |
| Proceeds from Disposal of Assets | 10 | 243,800 | 20,317 | **27,545** | 7,229 | 26.24% | |
| Proceeds from New Debentures | | 0 | 0 | **0** | 0 | | |
| Self-Supporting Loan Principal | | 0 | 0 | **0** | 0 | | |
| Low Interest Loan Repayments | | 8,500 | | **0** | | | |
| Interfund Transfer/Adj | | 0 | 0 | **(648)** | | | |
| Transfer from Reserves | 9 | 142,000 | 0 | **0** | 0 | | |
| **Total** | | **394,300** | **20,317** | **26,898** | **7,229** | | |
| **Capital Expenses** | | | | | | | |
| Land and Buildings | 10 | (905,800) | (60,550) | **(148,413)** | (87,863) | (59.20%) | ▲ |
| Plant and Equipment | 10 | (614,200) | (169,200) | **(168,060)** | 1,140 | 0.68% | |
| Furniture and Equipment | 10 | (56,250) | (9,250) | **0** | 9,250 | 100.00% | |
| Infrastructure Assets - Roads | 10 | (1,848,132) | 0 | **(144,013)** | (144,013) | (100.00%) | ▲ |
| Infrastructure Assets - Other | 10 | (372,640) | (4,432) | **(18,430)** | (13,998) | (75.95%) | |
| Repayment of Debentures | | (61,483) | (22,092) | **(13,345)** | 8,747 | 65.54% | |
| Transfer to Reserves | 9 | (223,325) | 0 | **0** | 0 | | |
| **Total** | | **(4,081,830)** | **(265,524)** | **(492,261)** | **(226,737)** | | |
| **Net Capital** | | **(3,687,530)** | **(245,207)** | **(465,364)** | **(219,509)** | | |
| **Total Net Operating + Capital** | | **(6,070,579)** | **(1,728,175)** | **(1,117,446)** | **(515,914)** | | |
| Rate Revenue | | 5,017,802 | 5,017,802 | **5,016,439** | (1,363) | (0.03%) | |
| Opening Funding Surplus(Deficit) | | 1,052,777 | 1,057,699 | **1,057,699** | 0 | 0.00% | |
| **Closing Funding Surplus(Deficit)** | 3 | **0** | **4,347,326** | **4,956,692** | **(517,277)** | | |

# Statement of financial activity

*by nature or type*

FOR THE PERIOD ENDED 31 OCTOBER 2019

| | Note | Original Budget | YTD Budget | YTD Actual |
|---|---|---|---|---|
| **Operating Revenues** | | $ | $ | $ |
| Grants, Subsidies and Contributions | 8 | 984,206 | 274238 | **536,077** |
| Profit on Asset Disposal | 10 | 2,424 | 2170 | **0** |
| Fees and Charges | | 1,502,605 | 860,095 | **870,880** |
| Service Charges | | 0 | 0 | **0** |
| Interest Earnings | | 97,670 | 2,254 | **1,587** |
| Other Revenue | | 103,870 | 40,625 | **66,114** |
| **Total (Excluding Rates)** | | **2,690,775** | **1,179,382** | **1,474,658** |
| **Operating Expense** | | | | |
| Employee Costs | | (3,648,445) | (1,377,125) | **(1,282,276)** |
| Materials and Contracts | | (3,095,453) | (1,128,142) | **(931,245)** |
| Utilities Charges | | (421,630) | (167,304) | **(95,390)** |
| Depreciation (Non-Current Assets) | | (3,461,850) | (1,153,964) | **(854,395)** |
| Interest Expenses | | (14,135) | (4,775) | **(951)** |
| Insurance Expenses | | (225,747) | (225,750) | **(199,105)** |
| Loss on Asset Disposal | 10 | (36,410) | (4,270) | **(5,264)** |
| Other Expenditure | | (373,223) | (38,521) | **(33,173)** |
| Reallocation Code | | 288,752 | (174,420) | **(45,191)** |
| **Total** | | **(10,988,141)** | **(4,274,271)** | **(3,446,990)** |
| **Funding Balance Adjustment** | | | | |
| Add Back Depreciation | | 3,461,850 | 1,153,964 | **854,395** |
| Adjust (Profit)/Loss on Asset Disposal | 10 | 33,986 | **2,100** | **5,264** |
| Unspent Grants July B/fwd | | 48,926 | 81,256 | **48,681** |
| Unspent Grants June C/fwd | | 0 | 0 | **0** |
| Adjust Provisions and Accruals | | (17,928) | 0 | **0** |
| **Net Operating (Ex. Rates)** | | **(4,770,532)** | **(1,857,569)** | **(1,063,993)** |
| **Capital Revenues** | | | | |
| Grants, Subsidies and Contributions | 8 | 2,387,480 | 373,601 | **411,910** |
| Proceeds from Disposal of Assets | 10 | 243,800 | 20,317 | **27,545** |
| Proceeds from Advances | | 0 | 0 | **0** |
| Self-Supporting Loan Principal | | 8,500 | 0 | 0 |
| Interfund Transfer Adj | | 0 | 0 | **(648)** |
| Transfer from Reserves | 9 | 142,000 | 0 | **0** |
| **Total** | | **2,781,780** | **393,918** | **438,808** |
| **Capital Expenses** | | | | |
| Land and Buildings | 10 | (905,800) | (60,550) | **(148,413)** |
| Plant and Equipment | 10 | (614,200) | (169,200) | **(168,060)** |
| Furniture and Equipment | 10 | (56,250) | (9,250) | **0** |
| Infrastructure Assets - Roads | 10 | (1,848,132) | 0 | **(144,013)** |
| Infrastructure Assets - Other | 10 | (372,640) | (4,432) | **(18,430)** |
| Repayment of Debentures | | (61,483) | **(22,092)** | **(13,345)** |
| Payment of Low Interest Loan | | 0 | **0** | **0** |
| Transfer to Reserves | 9 | (223,325) | 0 | **0** |
| **Total** | | **(4,081,830)** | **(265,524)** | **(492,261)** |
| **Net Capital** | | **(1,300,050)** | **128,394** | **(53,454)** |
| **Total Net Operating + Capital** | | **(6,070,582)** | **(1,729,175)** | **(1,117,446)** |
| Rate Revenue | | 5,017,802 | 5,017,802 | **5,016,439** |
| Opening Funding Surplus(Deficit) | | 1,052,777 | 1,057,699 | **1,057,699** |
| **Closing Funding Surplus(Deficit)** | 3 | **0** | **4,346,326** | **4,956,692** |

# Statement of financial position

FOR THE PERIOD ENDED 31 OCTOBER 2019

| | | | |
|---|---|---|---|
| **Current Assets** | | | |
| Cash At Bank | | | 3,555,099 |
| Reserves | | | 2,397,936 |
| Trust Fund Bank | | | 2,488,929.78 |
| Sundry Debts - Rates | | | 1,833,174 |
| Sundry Debts - Sanitation | | | 77,010 |
| Sundry Debts - Other | | | 23,850 |
| Stock On Hand | | | 0 |
| Prepayments | | | 0 |
| Gst Expenditure Control | | | 46,869 |
| Emergency Services Levy | | | (168,305) |
| Total Current Assets | | | 10,254,562 |
| **Current Liabilities** | | | |
| Creditors | | | 404,746 |
| Accrued Expense | | | 0 |
| Long Service Leave Accrual | | | 553,071 |
| Provision For Annual Leave | | | 423,534 |
| Trust Fund | | | 2,488,281.89 |
| Gst Income Control | | | 6,259 |
| WITHHOLDING TAX HELD | | | 0 |
| Total Current Liabilities | | | 3,875,892 |
| | **Net Current Assets** | | **6,378,670** |
| **Non Current Assets** | | | |
| Buildings | | | 17,593,170 |
| Land | | | 17,926,000 |
| Plant & Equipment | | | 2,514,250 |
| Furniture & Equipment | | | 161,414 |
| Sporting Club Loans | | | 13,500 |
| Self Supporting Loan | | | 0 |
| Tools | | | 0 |
| Infrastructure - Roads | | | 74,741,514 |
| Infrastructure - Other | | | 16,405,181 |
| Total Non Current Assets | | | 129,355,029 |
| **Non Current Liabilities** | | | |
| Borrowings | | | 352,086 |
| Provision Long Service Leave | | | 63,387.43 |
| Total Non Current Liabilities | | | 415,474 |
| | **Net Assets** | | **135,318,225** |
| **Equity** | | | |
| Emergency Assistance Reserve | | | 103,761 |
| Sporting Organisations | | | 62,164 |
| Long Service Leave Reserve | | | 253,765 |
| Asset Revaluation | | | 118,929,864 |
| Waste Management Reserve | | | 800,661 |
| Recreation Centre Bdg Mtce Res | | | 100,509 |
| Admin Centre Extension Reserve | | | 0 |
| Hamel Hall Amenities Reserve | | | 0 |
| Plant Replacement Reserve | | | 503,877 |
| Depot Redevelopment Reserve | | | 78,599 |
| Building Asset Mtce Reserve | | | 85,296 |
| Strategic Planning Reserve | | | 19,547 |
| Town Centre Redevelopment Reserve | | | 0 |
| Industrial Land Development Res | | | 214,039 |
| Drakesbrook Weir Redevelopment Res | | | 0 |
| Preston Volunteer Rangers Res | | | 39,641 |
| Information Technology Reserve | | | 88,300 |
| Footpath Construction Reserve | | | 31,198 |
| Asset Management Reserve | | | 0 |
| History Book Reprint Reserve | | | 7,555 |
| Coronation Bridge Road Reserve | | | 0 |
| Fire Recovery Assistance Reserve | | | 0 |
| Risk & Insurance Reserve | | | 9,025 |
| Surplus/Defecit Ytd | | | 3,456,017 |
| | 1 | 0.00 | (10,534,409) |
| | 4 | 0.00 | 0 |
| Movement from/to reserves | | | 0 |
| Accummulated Surplus | | | 10,534,409 |
| | **Total Equity** | | **135,318,225** |

# SHIRE OF WAROONA
# NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
# FOR THE PERIOD ENDED 31 OCTOBER 2019

**Note 1: Significant Accounting Policies**

**(a) Basis of Accounting**

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

**Critical Accounting Estimates**

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

All Funds through which the Council controls resources to carry on its functions have been included in this statement. 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 statement, but a separate statement of those monies appears at Note 12.

**(c) Rounding Off Figures**

All figures shown in this statement are rounded to the nearest dollar.

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

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

**(e) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not

**(f) Cash and Cash Equivalents**

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

**(g) Trade and Other Receivables**

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

**(h) Inventories**

***General***

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

***Land Held for Resale***

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed. Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point. Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

**(i) Fixed Assets**

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

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

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets

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

| | |
|---|---|
| Buildings | 40 to 60 years |
| Furniture and Equipment | 3 to 20 years |
| Plant and Equipment | 5 to 20 years |
| Seats and Benches | 15 to 25 years |
| Water Supply Piping | 20 to 40 years |
| | |
| Sealed roads and streets | |
| Formation | not depreciated |
| Construction | 45 to 55 years |
| Bituminous Seals | 15 to 25 years |
| Asphalt Seals | 25 to 30 years |
| | |
| Unsealed Roads | |
| Formed | 10 to 15 years |
| Gravel | 12 to 15 years |

**(k) Trade and Other Payables**

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

**(l) Employee Benefits**

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

*(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)*

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Shire has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Shire expects to pay and includes related on-costs.

*(ii) Annual Leave and Long Service Leave (Long-term Benefits)*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the Shire does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

**(m) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

***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.

**(n) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

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

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non current based on Council's intentions to release for sale.

**(p) Nature or Type Classifications**

**Rates**

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on instalments, interest on arrears and service charges.

**Operating Grants, Subsidies and Contributions**

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

**Non-Operating Grants, Subsidies and Contributions**

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

**Profit on Asset Disposal**

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

**Fees and Charges**

Revenues (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. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

**Service Charges**

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**Interest Earnings**

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**Other Revenue / Income**

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

**Employee Costs**

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

**Materials and Contracts**

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

**Utilities (Gas, Electricity, Water, etc.)**

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

**Insurance**

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

**Loss on asset disposal**

Loss on the disposal of fixed assets.

**Depreciation on non-current assets**

Depreciation expense raised on all classes of assets.

**Interest expenses**

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

**Other expenditure**

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

**(r) Program Classifications (Function/Activity)**

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

**GOVERNANCE**

**Objective:**

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

**Activities:**

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

**GENERAL PURPOSE FUNDING**

**Objective:**

To collect revenue to allow for the provision of services.

**Activities:**

Rates, general purpose government grants and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

**Objective:**

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

**Activities:**

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

**HEALTH**

**Objective:**

To provide an operational framework for environmental and community health.

**Activities:**

Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.

**EDUCATION AND WELFARE**

**Objective:**

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

**Activities:**

Maintenance of playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.

**HOUSING**

**Objective:**

To provide and maintain elderly residents housing.

**Activities:**

Provision and maintenance of elderly residents housing.

**COMMUNITY AMENITIES**

**Objective:**

To provide services required by the community.

**Activities:**

Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.

**RECREATION AND CULTURE**

**Objective:**

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

**Activities:**

Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.

**TRANSPORT**

**Objective:**

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

**Activities:**

Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

**ECONOMIC SERVICES**

**Objective:**

To help promote the shire and its economic wellbeing.

**Activities:**

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

**OTHER PROPERTY AND SERVICES**

**Objective:**

To monitor and control City/Town/Shire overheads operating accounts.

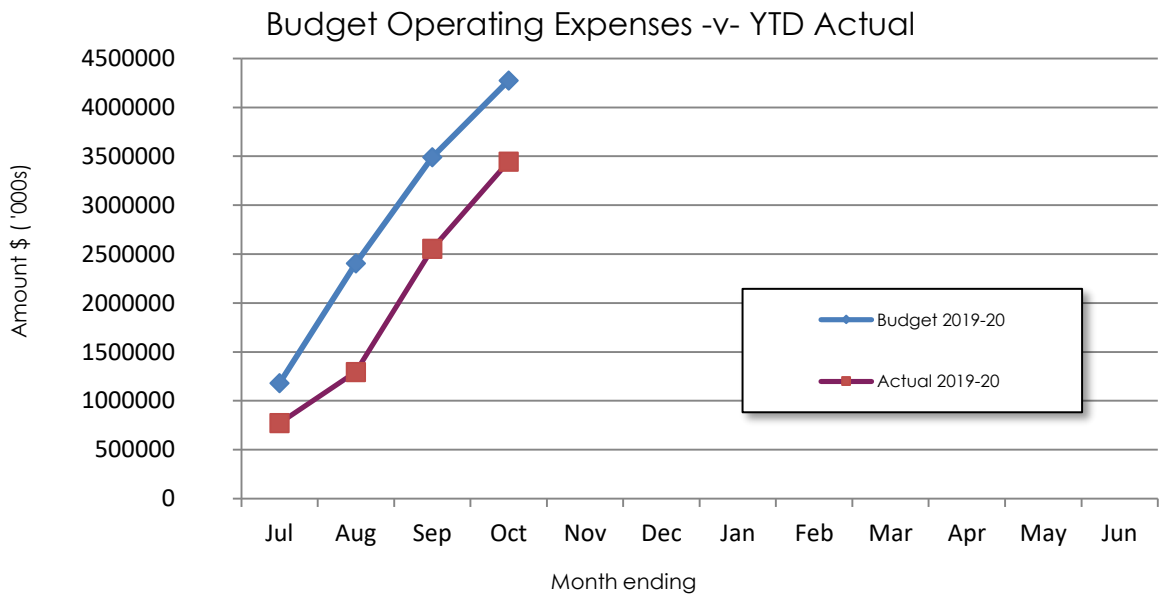
**Activities:**

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

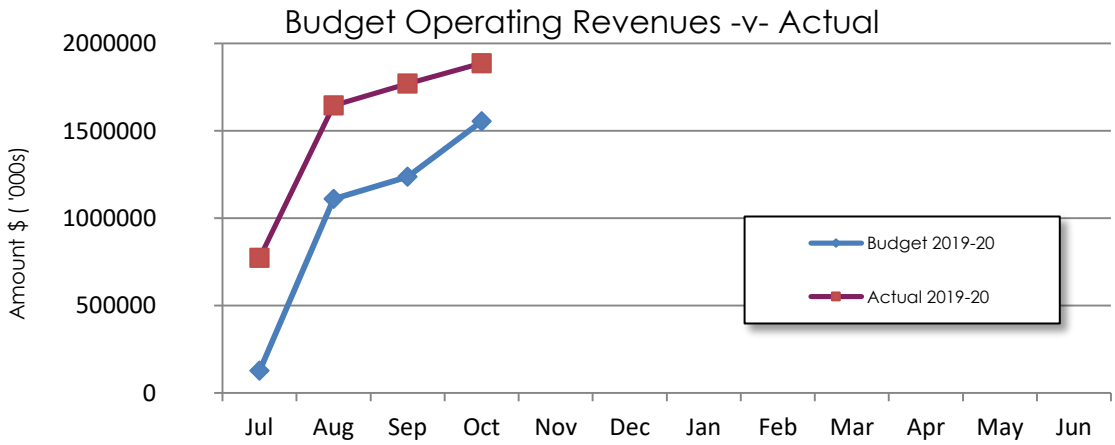
# Notes to the statement of financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

**Note 2 - Graphical Representation - Source Statement of Financial Activity**




**Comments/Notes - Operating Expenses**

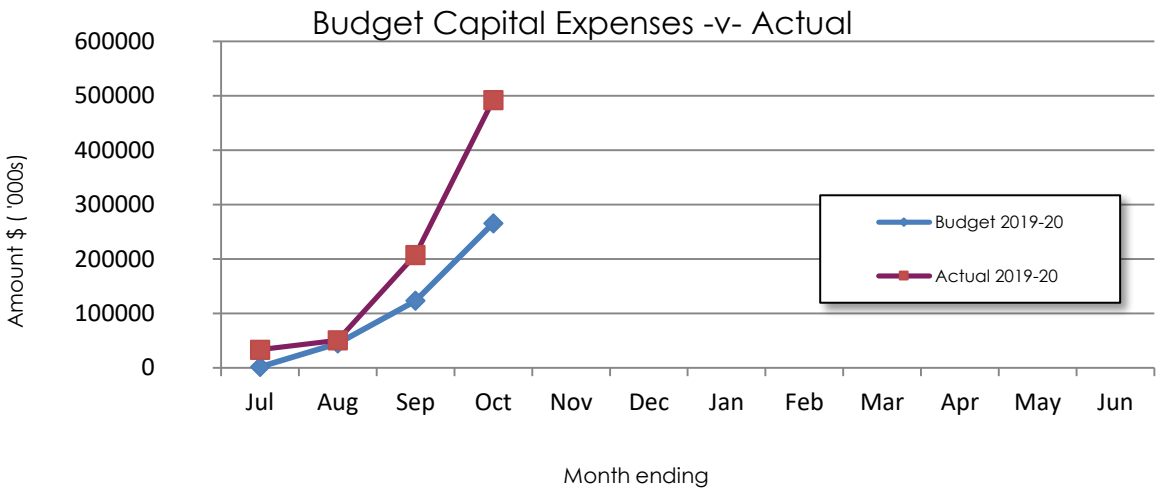



**Comments/Notes - Operating Revenues**

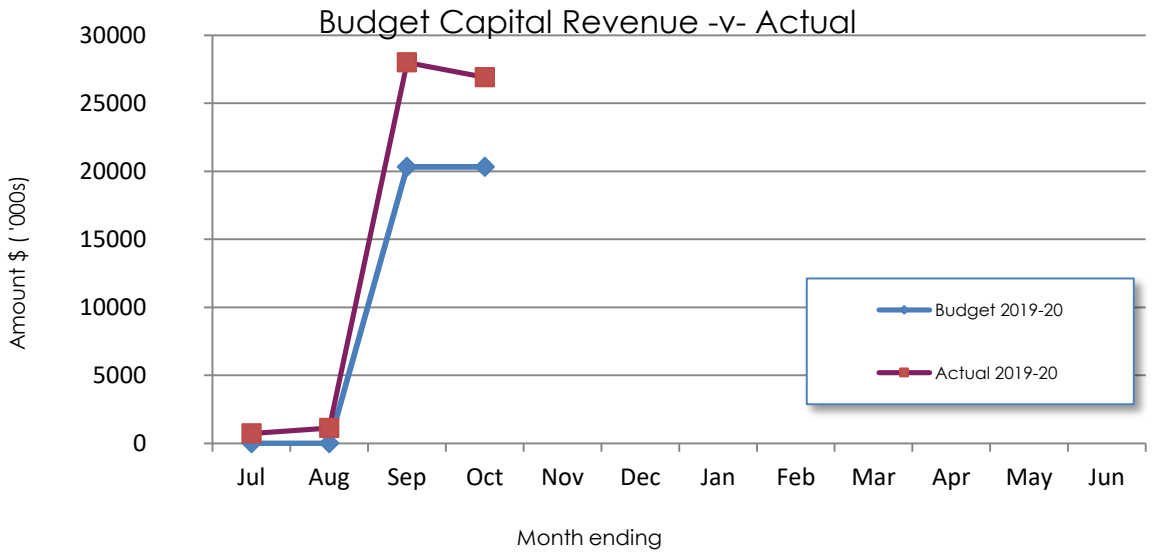
# Notes to the statement of financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

**Note 2 - Graphical Representation - Source Statement of Financial Activity**




**Comments/Notes - Capital Expenses**



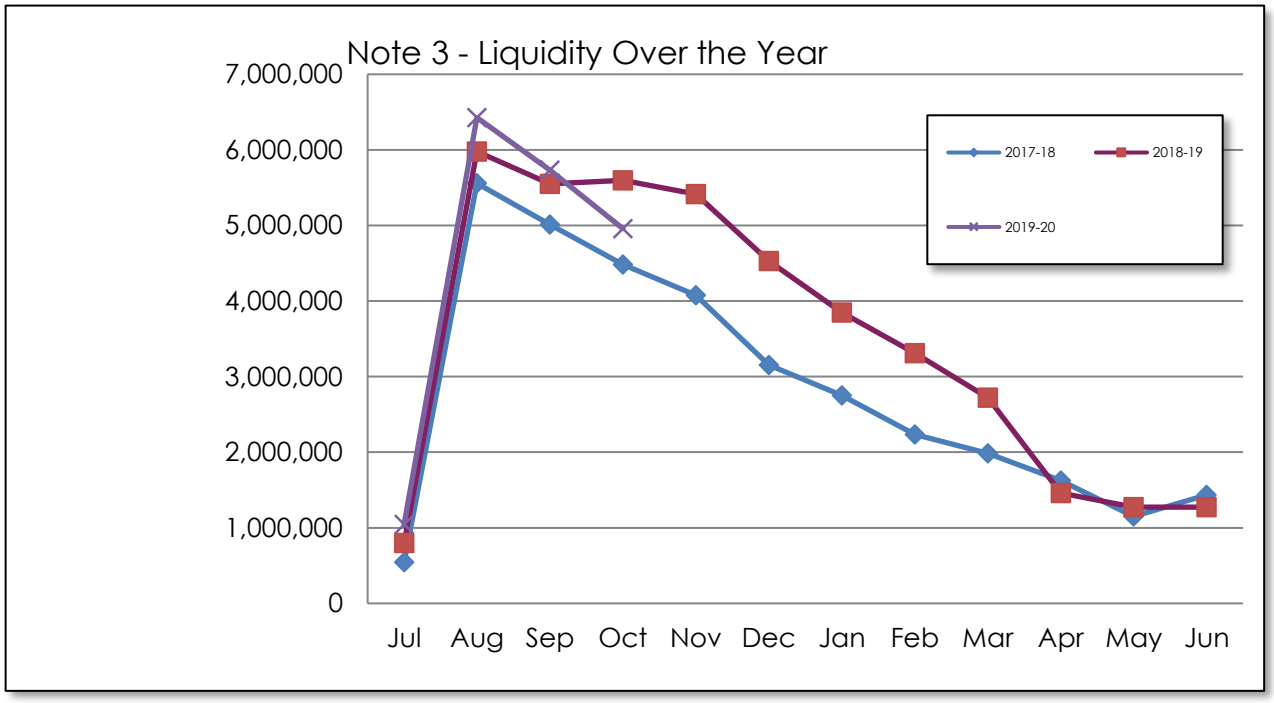

**Comments/Notes - Capital Revenues**

# Notes to the statement of financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

Note 3: NET CURRENT FUNDING POSITION

| | Note | Positive=Surplus (Negative=Deficit) 2019-20 This Period | Last Period | Same Period Last Year |
|---|---|---|---|---|
| | | $ | $ | $ |
| Current Assets | | | | |
| Cash Unrestricted | | **3,555,099** | 3,620,904 | 4,086,226 |
| Cash Restricted | | **2,397,936** | 2,397,936 | 2,317,381 |
| Receivables | | **1,812,598** | 2,479,265 | 1,726,137 |
| Inventories | | **0** | 0 | 0 |
| | | **7,765,632** | 8,498,105 | 8,129,744 |
| Less: Current Liabilities | | **(411,005)** | (365,820) | (214,483) |
| Payables | | **(411,005)** | (365,820) | (214,483) |
| Less: Cash Restricted | | **(2,397,936)** | (2,397,936) | (2,317,381) |
| | | **(2,397,936)** | (2,397,936) | (2,317,381) |
| Net Current Funding Position | | **4,956,692** | 5,734,349 | 5,597,880 |




Comments - Net Current Funding Position

# Notes to the statement of financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

**Note 4: CASH AND INVESTMENTS**

| | | Interest Rate | Unrestricted $ | Restricted $ | Trust $ | Investments $ | Total Amount $ | Institution | Maturity Date |
|---|---|---|---|---|---|---|---|---|---|
| (a) | **Cash Deposits** | | | | | | | | |
| | Municipal Account | | 2,252,808 | | | | 2,252,808 | NAB | |
| | Cash Management | | 1,135 | | | | 1,135 | NAB | |
| | Trust Account | | | | 993,676 | | 1,126,384 | NAB | |
| (b) | **Term Deposits** | | | | | | | | |
| | Sporting Reserve | 1.68% | | 62,834 | | | 62,834 | NAB | 29/01/2020 |
| | Building Asset Maintenance Reserve | 1.68% | | 86,215 | | | 86,215 | NAB | 29/01/2020 |
| | Recreation Centre Building Maintenance Reserve | 1.68% | | 101,592 | | | 101,592 | NAB | 29/01/2020 |
| | Preston Beach Volunteer Rangers Reserve | 1.68% | | 40,069 | | | 40,069 | NAB | 29/01/2020 |
| | Emergency Assistance Reserve | 1.68% | | 104,879 | | | 104,879 | NAB | 29/01/2020 |
| | Works Depot Redevelopment | 1.68% | | 79,446 | | | 79,446 | NAB | 29/01/2020 |
| | Council Building Construction Reserve | 1.68% | | 216,349 | | | 216,349 | NAB | 29/01/2020 |
| | Information Technology Reserve | 1.68% | | 89,251 | | | 89,251 | NAB | 29/01/2020 |
| | Footpath Construction Reserve | 1.68% | | 31,534 | | | 31,534 | NAB | 29/01/2020 |
| | Plant Reserve | 1.68% | | 509,311 | | | 509,311 | NAB | 29/01/2020 |
| | Staff Leave Reserve | 1.68% | | 256,499 | | | 256,499 | NAB | 29/01/2020 |
| | Strategic Planning Reserve | 1.68% | | 19,758 | | | 19,758 | NAB | 29/01/2020 |
| | Waste Management Reserve | 1.68% | | 809,286 | | | 809,286 | NAB | 29/01/2020 |
| | History Book Reprint Reserve | 1.68% | | 7,636 | | | 7,636 | NAB | 29/01/2020 |
| | Risk & Insurance Reserve | 1.68% | | 9,122 | | | 9,122 | NAB | 29/01/2020 |
| (c) | **Investments** | | | | | | | | |
| | No current investments | | | | | | | | |
| | Muni Cash Deposit #1 | 1.68% | | | | 1,000,000 | 1,000,000 | NAB | 19/12/2019 |
| | Muni Cash Deposit #2 | 0.98% | | | | 300,000 | 300,000 | NAB | 20/11/2019 |
| | Alcoa Waroona Sustainability - Term Deposit | 1.68% | | | | 1,500,000 | 1,500,000 | NAB | 19/12/2019 |
| | **Total** | | 2,253,943 | 2,423,780 | 993,676 | 2,800,000 | 8,604,107 | | |

# Notes to the statement of financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

**Note 5a: MAJOR VARIANCES**

**Comments/Reason for Variance**

Council policy in relation to materiality states that for highlighting variances (budget to actual) the factor shall be 10% with a minimum of $25,000.

**5.1 OPERATING REVENUE**

The following programmes were identified as having a material variance in accordance with Council Policy:

TRANSPORT
Income is higher than budgeted due to receiving grant income earlier than budgeted

**5.2 OPERATING EXPENSES**

The following programmes were identified as having a material variance in accordance with Council Policy:

COMMUNITY AMENITIES
Expenditure is lower than budgeted due to profile setting. This will be assessed further into the financial year

RECREATION & CULTURE
Expenditure is lower than budgeted for in Depreciation and Parks and Gardens maintenance. This will likely be a profile issue and will be reviewed

TRANSPORT
Expenditure is lower than budgeted for in Depreciation and Road maintenance. This will likely be a profile issue and will be reviewed.

**5.3 CAPITAL**

**5.4 SUMMARY**

See Notes 10 and 11 for details of asset acquisition including progress expenditure.

# Notes to the statement of financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

**Note 6: BUDGET AMENDMENTS**

**Amendments to original budget since budget adoption. Surplus/(Deficit)**

| GL Account Code | Description | Council Resolution | Classification | No Change -(Non Muni Adjust) | Increase in Available Cash | Decrease in Available Cash | Amended Budget Running Balance |
|---|---|---|---|---|---|---|---|
| | | | | $ | $ | $ | $ |
| | Difference between Budget Surplus and Actual Surplus | | | | 1,052,777 | 1,057,699 | **4,922** |
| 105440.660 | Decrease expenditure for Council building assets | OCM19/10/124 | Capital Expenses | | 30,000 | | **30,000** |
| SUB 714 | Decrease expenditure for intranet upgrade | OCM19/10/124 | Operating Expenses | | 10,000 | | **40,000** |
| 100920.711 | Increase strategic planning expenditure account | OCM19/10/124 | Operating Expenses | | | (40,000) | **0** |
| | | | | | | | **0** |
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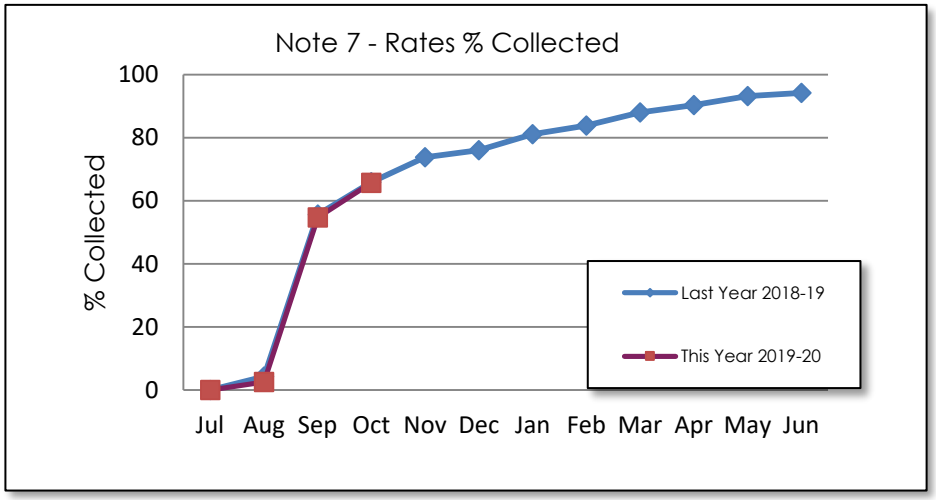
| | | | | | | | **0** |
| | Balance Carried Forward | | | | | | **0** |

# Notes to the statement of financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

**Note 7: RECEIVABLES**

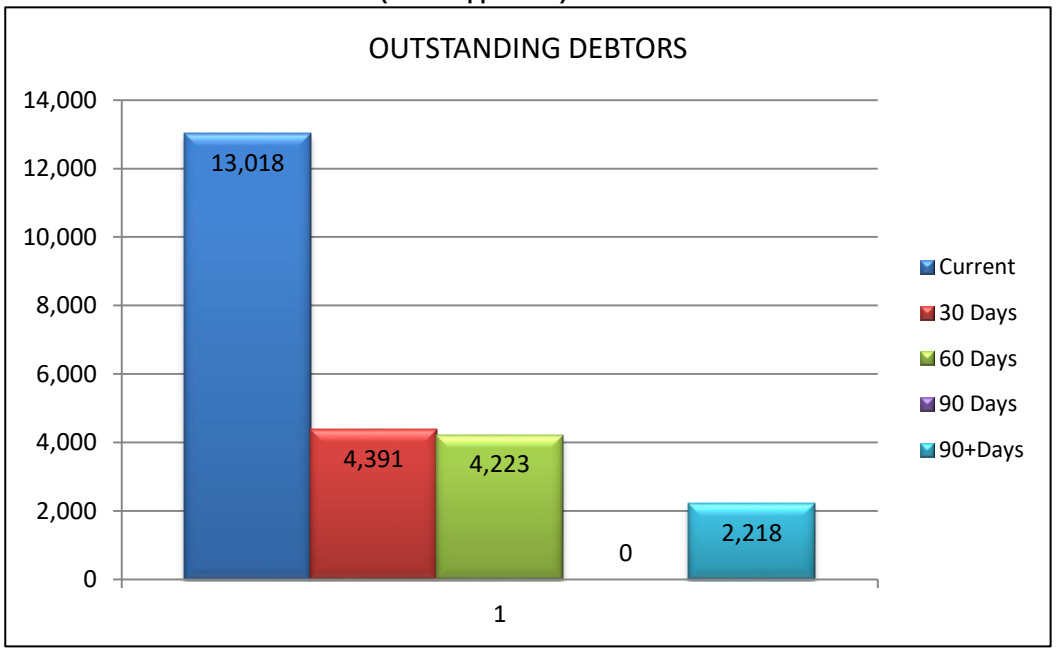
| Receivables - Rates & Rubbish | Current 2019-20 | Previous 2018-19 |
|---|---|---|
| | $ | $ |
| Opening Arrears Previous Years | 193,456 | 148,634 |
| Rates & Rubbish Levied this year | 5,933,740 | 5,750,922 |
| Less Collections to date | (4,021,040) | (5,557,465) |
| Equals Current Outstanding | **1,912,700** | **193,456** |
| **Net Rates Collectable** | **1,912,700** | **193,456** |
| % Collected | 65.63% | 94.20% |




**Comments/Notes - Receivables Rates and Rubbish**

| Receivables - General | Current | 30 Days | 60 Days | 90 Days | 90+Days |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| | 13,018 | 4,391 | 4,223 | 0 | 2,218 |
| **Total Outstanding** | | | | | **23,850** |

**Amounts shown above include GST (where applicable)**




**Comments/Notes - Receivables General**

# Notes to the statement of financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

**Note 8: GRANTS AND CONTRIBUTIONS**

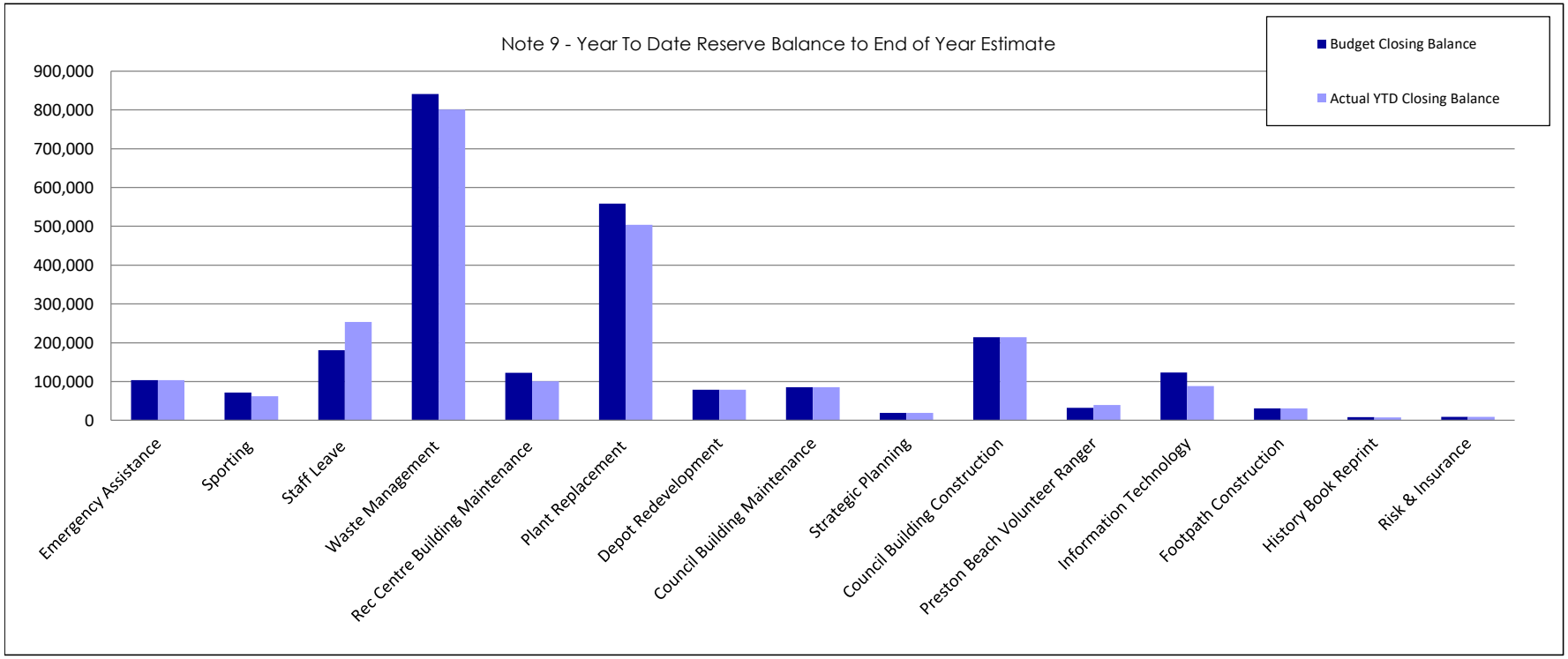
| Program/Details | | Provider | 2019-20 Budget | Recoup Status | |
|---|---|---|---|---|---|
| | | | | Received | Not Received |
| | | | $ | $ | $ |
| **GENERAL PURPOSE FUNDING** | | | | | |
| 3265 | FEDERAL LOCAL ROAD FUNDS | Federal Govt | 182,000 | $45,809 | $ 136,191 |
| 0041 | EX GRATIA RATES | Bunbury Dampier Pipeline | 2,590 | $0 | $ 2,590 |
| 0091 | FEDERAL GOVT GRANTS | Federal Govt | 442,000 | $107,591 | $ 334,409 |
| 0101 | PENSIONER DEFERRED SUBSIDY | Federal Govt | 0 | $0 | $ - |
| **GOVERNANCE** | | | | | |
| 0113 | ALCOA OPERATING CONTRIBUTION | Alcoa | 104,142 | $0 | $ 104,142 |
| **LAW, ORDER, PUBLIC SAFETY** | | | | | |
| 0933 | CONT TO VOLUNTEER RANGERS | Kingpoint Holdings | 11,350 | $0 | $ 11,350 |
| 0765 | DFES GRANT | Build Waroona West BFB | 576,000 | $0 | $ 576,000 |
| 3203 | ESL - TOTAL ALLOCATION | DFES | 47,619 | $17,062 | $ 30,557 |
| **EDUCATION AND WELFARE** | | | | | |
| 5213 | SUMMER EVENTS PROGRAM | Alcoa & Dept of Communities | 5,500 | $1,500 | $ 4,000 |
| 1463 | YOUTH WEEK PROGRAM | Alcoa & Dept Local Govt | 10,000 | $1,000 | $ 9,000 |
| 5223 | MENTAL HEALTH GRANT | WAPHA | 100,000 | $35,000 | $ 65,000 |
| 1683 | SENIOR CITZ CONTRIBUTION | Alcoa - Sustainability Fund | 0 | $0 | $ - |
| **COMMUNITY AMENITIES** | | | | | |
| 7503 | GRANTS & CONTRIBUTIONS | Landcare | 0 | $0 | $ - |
| 2113 | Protection of the Environment | Various Contributions | 30,000 | $0 | $ 30,000 |
| **RECREATION AND CULTURE** | | | | | |
| 2733 | KIDSPORT PROGRAM | Dept Sport Rec | 0 | $0 | $ - |
| 2455 | PRESTON COMMUNITY CENTRE | Various Contributions | 38,000 | $38,000 | $ - |
| **TRANSPORT** | | | | | |
| 3255 | RDS TO RECOVERY GRANT | Federal | 252,529 | $0 | $ 252,529 |
| 3225 | BLACKSPOT FUNDING | Federal | 629,500 | $251,800 | $ 377,700 |
| 3275 | GOVT GRANTS-REGION RD GRP | MRWA | 580,000 | $232,000 | $ 348,000 |
| 3285 | GOVT GRANTS - DIRECT | Federal | 96,101 | $96,101 | $ - |
| 3355 | CONTRIBUTIONS & DONATIONS | State Govt & Local Residents | 21,415 | $640 | $ 20,775 |
| 3295 | SPECIAL GRANT INCOME | State Govt | 0 | $0 | $ - |
| **ECONOMIC SERVICES** | | | | | |
| 3595 | Visitor Centre Grant Funds | Various funding bodies | 22,000 | $0 | $ 22,000 |
| **TOTALS** | | | **3,150,746** | **826,503** | **2,324,243** |

# Notes to the statement of financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

**Note 9: Cash Backed Reserve**

| Name | Opening Balance | Budget Interest Earned | Actual Interest Earned | Budget Transfers In (+) | Actual Transfers In (+) | Budget Transfers Out (-) | Actual Transfers Out (-) | Budget Closing Balance | Actual YTD Closing Balance |
|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | | $ | $ |
| **Emergency Assistance** | 103,761 | | | | | | | 103,761 | 103,761 |
| **Sporting** | 62,164 | | | 9,175 | | | | 71,339 | 62,164 |
| **Staff Leave** | 253,765 | | | | | (73,000) | | 180,765 | 253,765 |
| **Waste Management** | 800,661 | | | 90,000 | | (50,000) | | 840,661 | 800,661 |
| **Rec Centre Building Maintenance** | 100,509 | | | 22,000 | | | | 122,509 | 100,509 |
| **Plant Replacement** | 503,877 | | | 55,000 | | | | 558,877 | 503,877 |
| **Depot Redevelopment** | 78,599 | | | | | | | 78,599 | 78,599 |
| **Council Building Maintenance** | 85,296 | | | | | | | 85,296 | 85,296 |
| **Strategic Planning** | 19,547 | | | | | | | 19,547 | 19,547 |
| **Council Building Construction** | 214,039 | | | | | | | 214,039 | 214,039 |
| **Preston Beach Volunteer Ranger** | 39,641 | | | 11,350 | | (19,000) | | 31,991 | 39,641 |
| **Information Technology** | 88,300 | | | 35,000 | | | | 123,300 | 88,300 |
| **Footpath Construction** | 31,198 | | | | | | | 31,198 | 31,198 |
| **History Book Reprint** | 7,555 | | | 800 | | | | 8,355 | 7,555 |
| **Risk & Insurance** | 9,025 | | | | | | | 9,025 | 9,025 |
| | **2,397,936** | **0** | **0** | **223,325** | **0** | **(142,000)** | **0** | **2,479,261** | **2,397,936** |



# Notes to the statement financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

**Note 10: CAPITAL DISPOSALS AND ACQUISITIONS**

| Profit(Loss) of Asset Disposal | | | | Disposals | Current Budget Replacement | | | |
|---|---|---|---|---|---|---|---|---|
| Account | WDV | Proceeds | (Loss) | | Budget | Actual | Variance | |
| | $ | $ | $ | | $ | $ | $ | |
| 0595 | | | 0 | CEO's Vehicle | 50,000 | | (50,000) | ▼ |
| 0595 | | | 0 | DEPUTY CEO's Vehicle | 42,000 | | (42,000) | |
| 0595 | | | 0 | MCS Vehicle | 28,500 | | (28,500) | ▼ |
| 3575 | | | 0 | MWS Vehicle | 31,500 | | (31,500) | ▼ |
| 2285 | | | 0 | DSD's Vehicle | 37,000 | | (37,000) | ▼ |
| 4165 | | | 0 | MDS's Vehicle | 28,200 | | (28,200) | ▼ |
| 0815 | | | 0 | Ranger Vehicle | 49,000 | | (49,000) | ▼ |
| 3575 | 32,809 | 27,545 | (5,264) | DTS's Vehicle | 37,500 | 37,459 | (41) | ▼ |
| 3575 | | | 0 | Holden Colorado | 35,000 | | (35,000) | ▼ |
| 3575 | | | 0 | Ford Tray Back Ute | 31,500 | | (31,500) | ▼ |
| 3575 | | | 0 | Howard Slasher | 30,000 | | (30,000) | ▼ |
| 3575 | | | | New Holland Mower | 31,000 | | (31,000) | ▼ |
| 3575 | | | | Gianni Ferrari | 47,000 | | (47,000) | ▼ |
| 3575 | | | | Peruzzo Mower catcher | 25,000 | | (25,000) | ▼ |
| 1515 | | | | Cat Loader | 72,000 | | (72,000) | ▼ |
| 3575 | | | | Super Spreader | 10,000 | | (10,000) | ▼ |
| 0815 | | | | Volunteer Ranger | 19,000 | | (19,000) | ▼ |
| 3575 | | | | General Plant | 10,000 | | (10,000) | ▼ |
| **0** | **32,809** | **27,545** | **(5,264)** | **Totals** | **614,200** | **37,459** | **(576,741)** | |

**Comments - Capital Disposal**

| Contributions Information | | | | Summary Acquisitions | Current Budget | | | |
|---|---|---|---|---|---|---|---|---|
| Grants | Reserves | Borrowing | Total | | Budget | Actual | Variance | |
| $ | $ | $ | $ | | $ | $ | $ | |
| | | | | **Property, Plant & Equipment** | | | | |
| | | | | Land and Buildings | 905,800 | 148,413 | (757,387) | ▼ |
| | | | | Plant & Equipment | 614,200 | 168,060 | (446,140) | ▼ |
| | | | | Furniture & Equipment | 56,250 | 0 | (56,250) | ▼ |
| | | | | **Infrastructure** | | | | |
| | | | | Roadworks | 1,848,132 | 144,013 | (1,704,119) | ▼ |
| | | | | Other Infrastructure | 372,640 | 18,430 | (354,210) | ▼ |
| **0** | **0** | **0** | **0** | **Totals** | **3,797,022** | **478,916** | **(3,318,106)** | |

**Comments - Capital Acquisitions**

| Contributions | | | | Land & Buildings | Current Budget This Year | | | |
|---|---|---|---|---|---|---|---|---|
| Grants | Reserves | Borrowing | Total | | Budget | Actual | Variance | |
| $ | $ | $ | $ | | $ | $ | $ | |
| | | | | **GOVERNANCE** | | | 0 | |
| | | | | Admin Building Various Upgrades | 50,000 | 8,015 | (41,985) | ▼ |
| | | | | **LAW & ORDER** | | | | |
| | | | | Constuct Waroona West BFB Shed | 596,000 | 32,891 | (563,109) | ▼ |
| | | | | **RECREATION & CULTURE** | | | | |
| | | | | Centennial Park Ablutions | 9,500 | 0 | (9,500) | ▼ |
| | | | | Various Repairs at the Rec Centre | 147,000 | 100,979 | (46,021) | ▼ |
| | | | | **ECONOMIC SERVICES** | | | | |
| | | | | Landcare Building Refurbish & Restumping | 14,300 | 6,528 | (7,772) | ▼ |
| | | | | Waroona Visitor Centre - Building Refurbish | 89,000 | 0 | (89,000) | ▼ |
| **0** | **0** | **0** | **0** | **Totals** | **905,800** | **148,413** | **(757,387)** | |

# Notes to the statement financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

**Note 10: CAPITAL DISPOSALS AND ACQUISITIONS**

| Contributions | | | | Plant & Equipment | Current Budget | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | This Year | | | |
| Grants | Reserves | Borrowing | Total | | Budget | Actual | (Under)Over | |
| $ | $ | $ | $ | | $ | $ | $ | |
| | | | | **GOVERNANCE** | | | | |
| | | | | Changeover CEO/DCEO/MFS Vehicles | 120,500 | 0 | (120,500) | ▼ |
| | | | | **LAW ORDER PUBLIC SAFETY** | | | | |
| | | | | Changeover Ranger Vehicle | 68,000 | 0 | (68,000) | ▼ |
| | | | | **COMMUNITY AMENITIES** | | | | |
| | | | | Changeover DDS Vehicle | 37,000 | 0 | (37,000) | ▼ |
| | | | | Repairs to Compactor, Loader & Other | 72,000 | 32,420 | (39,580) | ▼ |
| | | | | **TRANSPORT** | | | | |
| | | | | Plant Replacement Program | 219,500 | 98,181 | (121,319) | ▼ |
| | | | | Vehicle Replacement | 69,000 | 37,459 | (31,541) | ▼ |
| | | | | **ECONOMIC SERVICES** | | | | |
| | | | | Changeover DCS & EMPBS Vehicles | 28,200 | 0 | (28,200) | ▼ |
| **0** | **0** | **0** | **0** | **Totals** | **614,200** | **168,060** | **(446,140)** | |

| Contributions | | | | Furniture & Equipment | Current Budget | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | This Year | | | |
| Grants | Reserves | Borrowing | Total | | Budget | Actual | (Under)Over | |
| $ | $ | $ | $ | | $ | $ | $ | |
| | | | | **GOVERNANCE** | | | | |
| | | | | 1st Phase CMS Replacement | 45,000 | 0 | (45,000) | ▼ |
| | | | | **RECREATION & CULTURE** | | | | |
| | | | | Basketball Scoreboard | 8,250 | 0 | (8,250) | ▼ |
| | | | | **ECONOMIC SERVICES** | | | | |
| | | | | Alarm Installation | 3,000 | 0 | (3,000) | ▼ |
| **0** | **0** | **0** | **0** | **Totals** | **56,250** | **0** | **(56,250)** | |

| Contributions | | | | Infrastructure - Roads | Current Budget | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | This Year | | | |
| Grants | Reserves | Borrowing | Total | | Budget | Actual | (Under)Over | |
| $ | $ | $ | $ | | $ | $ | $ | |
| | | | | **Roads Construction** | 1,848,132 | 144,013 | 1,704,119 | ▼ |
| **0** | **0** | **0** | **0** | **Totals** | **1,848,132** | **144,013** | **1,704,119** | |

| Contributions | | | | Other Infrastructure | Current Budget | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | This Year | | | |
| Grants | Reserves | Borrowing | Total | | Budget | Actual | (Under)Over | |
| $ | $ | $ | $ | | $ | $ | $ | |
| | | | | **COMMUNITY AMENITIES** | | | | |
| | | | | Townsite Drainage | 10,000 | 0 | (10,000) | ▼ |
| | | | | Refuse Site Capital Upgrade | 13,500 | 904 | (12,596) | ▼ |
| | | | | Transfer station construction | 62,500 | 1,319 | (61,182) | ▼ |
| | | | | **RECREATION AND CULTURE** | | | | |
| | | | | Playground Equipment Upgrade | 103,000 | 16,208 | (86,792) | ▼ |
| | | | | Refurbish Sporting Ovals Retic Systems | 81,000 | 0 | (81,000) | |
| | | | | Youth Precint Design & Concept | 13,300 | 0 | (13,300) | |
| | | | | **TRANSPORT** | | | | |
| | | | | Footpaths & Gravel Paths | 46,500 | 0 | (46,500) | ▼ |
| | | | | **ECONOMIC SERVICES** | | | | |
| | | | | Car park seal | 35,000 | 0 | (35,000) | ▼ |
| | | | | Info Bay sign refurbishment | 7,840 | 0 | (7,840) | ▼ |
| **0** | **0** | **0** | **0** | **Totals** | **372,640** | **18,430** | **(354,210)** | |

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2019
**Note 11. Significant Capital Projects**

| Project/Purchase | COA | Total Project Cost | Income | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Federal Govt Grants | State Govt Grants | Royalties for Regions | Contributions / Sale Proceeds | Loan Funds | Council Reserves | Alcoa Sustainability | Carried Forward Funding | General Revenue |
| | | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| Total Road Construction Program | 3184/3204 | 1,848,132 | [1] 882,029 | [#] 676,101 | | 21,415 | | | | | 268,587 |
| Admin Office - Kitchen Refubishment | 0544 | 35,000 | | | | | | | | | 35,000 |
| Corporate Management Systems Upgrade - Stage 1 | 0554 | 45,000 | | | | | | | | | 45,000 |
| Recreation Centre - Hoecker roof repairs | 7104 | 50,000 | | | | | | | | | 50,000 |
| Mental Health Program | 5352 | 100,000 | | [#] 100,000 | | | | | | | 0 |
| Visitor Centre - Building Refurbishment | 3904 | 80,000 | | | | | | | 22,000 | | 58,000 |
| Visitor Centre - Seal Carpark | 3284 | 35,000 | | | | | | | | | 35,000 |
| Construct Waroona West Fire Station | 0774 | 596,000 | | [#] 506,000 | | | | | 70,000 | | 20,000 |
| Youth Precinct Design & Concept Plan | 3614 | 13,300 | | | | | | | [#] 13,000 | | 300 |
| Centennial Park - Playground Upgrade | 3634 | 77,000 | | | | [6] 31,000 | | | 40,000 | | 6,000 |
| Sporting Ovals - Reticulation upgrade | 3724 | 40,000 | | | | | | | | | 40,000 |
| Hill Street/Rec Centre - Second Coat Seal - Road & Carpark | 3724 | 41,000 | | | | | | | | | 41,000 |
| CAT Loader Upgrade | 1524 | 72,000 | | | | | | 50,000 | | | 22,000 |
| Buller Rd Refuse Site - Construct Transfer Station | 1544 | 62,500 | | | | | | | | | 62,500 |
| Replace Gianni Ferrari Mower (P0105) | 3554 | 47,000 | | | | 7,000 | | | | | 40,000 |
| Purchase Howard Slasher | 3554 | 30,000 | | | | | | | | | 30,000 |
| Replace New Holland Ride on Front Deck Mower | 3554 | 31,000 | | | | 4,000 | | | | | 27,000 |
| Replace Volunteer Ranger Vehicle | 0924 | 19,000 | | | | | | 19,000 | | | 0 |
| Environmental Expenses | 2062 | 55,000 | | 30,000 | | | | | | | 25,000 |
| Recreation Centre - Replace Pool Lining | 7104 | 71,500 | | | | | | | | | 71,500 |
| | | | | | | | | | | | 0 |
| | | **3,348,432** | **882,029** | **1,312,101** | **0** | **63,415** | **0** | **69,000** | **145,000** | **0** | **876,887** |

| | | |
|---|---|---|
| 1. Roads to Recovery | $ | 252,529 |
| 2. Blackspot | $ | 629,500 |
| Regional Road Group | $ | 580,000 |
| Direct Grant | $ | 96,101 |
| Special | $ | 21,415 |
| 3. Mental Health Program | $ | 100,000 |
| 4. DFES Contribution to Waroona West Bushfire Brigade Shed | $ | 506,000 |
| 5. Youth Precinct Design Grant Funding - Alcoa | $ | 13,300 |
| 6. Other Contributions - Lions Club & YAC | $ | 31,000 |

# Notes to the financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

**Note 12: TRUST FUND**

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

| Description | Opening Balance 1-Jul-19 | Amount Received | Amount Paid | Closing Balance 31-Oct-19 |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| BCITF LEVY | - | 2,563 | 2,563 | **0** |
| BUILDERS REGISTRATION BOARD | 242 | 4,240 | 1,931 | **2,550** |
| HALL DEPOSITS | 4,560 | 870 | 260 | **5,170** |
| LANDCARE EOY BALANCE | 75,515 | | 75,515 | **0** |
| NOMINATION DEPOSITS | - | 400 | | **400** |
| RETENTIONS | 5,938 | | | **5,938** |
| ROADWORK/FOOTPATH BONDS | 7,925 | | | **7,925** |
| SUBDIVISION BONDS | 64,910 | | | **64,910** |
| SUNDRY ITEMS | 255,760 | 7,835 | 0 | **263,595** |
| VEHICLE LICENSE PLATES | - | 1,200 | 1,200 | **0** |
| EXTRACTIVE INDUSTRIES | 174,042 | 16,896 | | **190,938** |
| PUBLIC OPEN SPACE | 50,022 | | | **50,022** |
| ALCOA WAROONA SUSTAINABILITY | 1,952,864 | 0 | 56,000 | **1,896,864** |
| | **2,591,776** | **34,004** | **137,468** | **2,488,312** |

# Notes to the statement of financial activity

FOR THE PERIOD ENDED 31 OCTOBER 2019

**13 INFORMATION ON BORROWINGS**

**(a) Debenture Repayments**

| | | Principal 1-Jul-17 | New Loans | Principal Repayments | | Principal Outstanding | | Interest Repayments | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Actual $ | Budget $ | Actual $ | Budget $ | Actual $ | Budget $ |
| **Recreation & Culture** | | | | | | | | | |
| Basketball Stadium | 117 | 81,888 | | | 14,328 | **81,888** | 67,560 | | 5,078 |
| Rec Centre Upgrade | 120 | 109,651 | | | 20,265 | **109,651** | 89,386 | | 4,091 |
| Memorial Hall Upgrade | 121 | 173,892 | | **13,345** | 26,889 | **160,547** | 147,003 | **2,582** | 4,966 |
| | | 365,431 | | **13,345** | 61,482 | **352,086** | 303,949 | **2,582** | 14,135 |

*(SS) Self Supporting Loan*

*All debenture repayments are to be financed by General Purpose Revenue*

**(b) New Debentures**

*There are no new debentures budgeted for in 2015/16*

# APPENDIX 9.4.4

# DRAFT

# 2018/19 ANNUAL REPORT

# WILL BE PROVIDED

# UNDER SEPARATE

# COVER

# SHIRE OF WAROONA

## FINANCIAL REPORT

## FOR THE YEAR ENDED 30TH JUNE 2019

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**COMMUNITY VISION**

We care for our Coast, our Country and for our Community
We build on our foundations to be socially, environmentally and financially sound & sustainable

Principal place of business:
Shire of Waroona
52 Hesse Street
Waroona, Western Australia 6215

**SHIRE OF WAROONA**
**FINANCIAL REPORT**
**FOR THE YEAR ENDED 30TH JUNE 2019**

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

## STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Waroona for the financial year ended 30 June 2019 is based on proper accounts and records to present fairly the financial position of the Shire of Waroona at 30 June 2019 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 6th day of November 2019

Chief Executive Officer

Mr Dean L Unsworth
Name of Chief Executive Officer

SHIRE OF WAROONA
STATEMENT OF COMPREHENSIVE INCOME
*BY NATURE OR TYPE*
FOR THE YEAR ENDED 30TH JUNE 2019

| | NOTE | 2019 Actual | 2019 Budget | 2018 Actual |
|---|---|---|---|---|
| | | $ | $ | $ |
| **Revenue** | | | | |
| Rates | 20(a) | 4,888,697 | 4,873,802 | 4,688,602 |
| Operating grants, subsidies and contributions | 2(a) | 1,638,205 | 1,041,802 | 1,492,570 |
| Fees and charges | 2(a) | 1,433,532 | 1,557,349 | 1,481,077 |
| Interest earnings | 2(a) | 102,267 | 90,810 | 94,116 |
| Other revenue | | 96,759 | 97,100 | 98,305 |
| | | 8,159,460 | 7,660,863 | 7,854,670 |
| **Expenses** | | | | |
| Employee costs | | (3,385,161) | (3,344,509) | (3,653,096) |
| Materials and contracts | | (2,740,417) | (3,260,495) | (2,990,056) |
| Utility charges | | (412,529) | (386,385) | (399,090) |
| Depreciation on non-current assets | 10(b) | (3,376,312) | (3,490,299) | (3,480,388) |
| Interest expenses | 2(b) | (16,317) | (16,571) | (13,719) |
| Insurance expenses | | (198,448) | (214,240) | (189,634) |
| Other expenditure | | (308,271) | (242,924) | (231,321) |
| | | (10,437,455) | (10,955,423) | (10,957,304) |
| | | (2,277,995) | (3,294,560) | (3,102,634) |
| Non-operating grants, subsidies and contributions | 2(a) | 2,026,290 | 2,382,008 | 1,809,331 |
| Profit on asset disposals | 10(a) | 14,388 | 4,165 | 7,177 |
| (Loss) on asset disposals | 10(a) | (34,863) | (24,496) | (20,015) |
| (Loss) on revaluation of Infrastructure - Footpaths | 9(a) | 0 | 0 | (280,246) |
| Reversal of prior year loss on revaluation of Infrastructure - Other | 9(a) | 0 | 0 | 104,494 |
| Reversal of prior year loss on revaluation of Infrastructure - Drainage | 9(a) | 0 | 0 | 1,973,235 |
| | | 2,005,815 | 2,361,677 | 3,593,976 |
| **Net result for the period** | | **(272,179)** | **(932,883)** | **491,342** |
| **Other comprehensive income** | | | | |
| *Items that will not be reclassified subsequently to profit or loss* | | | | |
| Changes in asset revaluation surplus | 11 | 0 | 0 | (1,375,246) |
| **Total other comprehensive income for the period** | | **0** | **0** | **(1,375,246)** |
| **Total comprehensive income for the period** | | **(272,179)** | **(932,883)** | **(883,903)** |

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

## SHIRE OF WAROONA
## STATEMENT OF COMPREHENSIVE INCOME
## *BY PROGRAM*
## FOR THE YEAR ENDED 30TH JUNE 2019

| | NOTE | 2019 Actual | 2019 Budget | 2018 Actual |
|---|---|---|---|---|
| | | $ | $ | $ |
| **Revenue** | 2(a) | | | |
| Governance | | 178,069 | 161,516 | 158,619 |
| General purpose funding | | 5,954,559 | 5,442,164 | 5,726,442 |
| Law, order, public safety | | 106,193 | 80,843 | 109,809 |
| Health | | 45,981 | 37,700 | 33,011 |
| Education and welfare | | 175,350 | 125,410 | 150,989 |
| Housing | | 19,116 | 17,680 | 17,081 |
| Community amenities | | 1,124,911 | 1,230,883 | 1,121,899 |
| Recreation and culture | | 283,878 | 360,537 | 319,139 |
| Transport | | 159,763 | 73,550 | 96,535 |
| Economic services | | 69,539 | 76,975 | 65,155 |
| Other property and services | | 42,102 | 53,605 | 55,991 |
| | | 8,159,461 | 7,660,863 | 7,854,670 |
| **Expenses** | 2(b) | | | |
| Governance | | (1,351,246) | (1,451,291) | (1,392,469) |
| General purpose funding | | (166,035) | (151,663) | (134,919) |
| Law, order, public safety | | (616,619) | (618,652) | (872,597) |
| Health | | (224,594) | (235,215) | (257,543) |
| Education and welfare | | (382,515) | (385,187) | (312,721) |
| Housing | | (15,687) | (12,086) | (8,515) |
| Community amenities | | (1,634,744) | (1,579,541) | (1,565,642) |
| Recreation and culture | | (2,870,795) | (2,730,687) | (2,797,744) |
| Transport | | (2,599,680) | (3,180,446) | (3,052,234) |
| Economic services | | (423,070) | (516,610) | (495,103) |
| Other property and services | | (135,898) | (77,474) | (54,097) |
| | | (10,420,883) | (10,938,852) | (10,943,584) |
| **Finance Costs** | 2(b) | | | |
| Recreation and culture | | (16,571) | (16,571) | (13,719) |
| | | (16,571) | (16,571) | (13,719) |
| | | (2,277,993) | (3,294,560) | (3,102,633) |
| Non-operating grants, subsidies and contributions | 2(a) | 2,026,290 | 2,382,008 | 1,809,331 |
| Profit on disposal of assets | 10(a) | 14,388 | 4,165 | 7,178 |
| (Loss) on disposal of assets | 10(a) | (34,863) | (24,496) | (20,015) |
| (Loss) on revaluation of Infrastructure - Footpaths | 9(a) | 0 | 0 | (280,246) |
| Reversal of prior year loss on revaluation of Infrastructure - Other | 9(a) | 0 | 0 | 104,494 |
| Reversal of prior year loss on revaluation of Infrastructure - Drainage | 9(a) | 0 | 0 | 1,973,235 |
| | | 2,005,815 | 2,361,677 | 3,593,977 |
| **Net result for the period** | | **(272,179)** | **(932,883)** | **491,344** |
| **Other comprehensive income** | | | | |
| *Items that will not be reclassified subsequently to profit or loss* | | | | |
| Changes in asset revaluation surplus | 11 | 0 | 0 | (1,375,246) |
| **Total other comprehensive income for the period** | | **0** | **0** | **(1,375,246)** |
| **Total comprehensive income for the period** | | **(272,179)** | **(932,883)** | **(883,903)** |

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

SHIRE OF WAROONA
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2019

| | NOTE | 2019 | 2018 |
|---|---|---|---|
| | | $ | $ |
| **CURRENT ASSETS** | | | |
| Cash and cash equivalents | 3 | 3,819,577 | 3,922,610 |
| Trade receivables | 5 | 609,609 | 201,103 |
| Inventories | 6 | 11,360 | 10,146 |
| **TOTAL CURRENT ASSETS** | | 4,440,546 | 4,133,859 |
| **NON-CURRENT ASSETS** | | | |
| Trade receivables | 5 | 5,000 | 13,500 |
| Financial assets at fair value through profit and loss | 7(b) | 52,551 | 0 |
| Property, plant and equipment | 8 | 38,190,926 | 38,104,130 |
| Infrastructure | 9 | 91,558,891 | 91,845,038 |
| **TOTAL NON-CURRENT ASSETS** | | 129,807,368 | 129,962,668 |
| **TOTAL ASSETS** | | 134,247,914 | 134,096,527 |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | 12 | 927,728 | 513,961 |
| Borrowings | 13(a) | 61,483 | 59,033 |
| Employee related provisions | 14 | 976,605 | 966,748 |
| **TOTAL CURRENT LIABILITIES** | | 1,965,816 | 1,539,742 |
| **NON-CURRENT LIABILITIES** | | | |
| Borrowings | 13(a) | 303,949 | 365,431 |
| Employee related provisions | 14 | 63,387 | 56,966 |
| **TOTAL NON-CURRENT LIABILITIES** | | 367,336 | 422,397 |
| **TOTAL LIABILITIES** | | 2,333,152 | 1,962,139 |
| **NET ASSETS** | | 131,914,761 | 132,134,387 |
| **EQUITY** | | | |
| Retained surplus | | 10,586,960 | 10,887,143 |
| Reserves - cash backed | 4 | 2,397,936 | 2,317,381 |
| Revaluation surplus | 11 | 118,929,864 | 118,929,864 |
| **TOTAL EQUITY** | | 131,914,761 | 132,134,387 |

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

SHIRE OF WAROONA
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2019

| | NOTE | RETAINED SURPLUS | RESERVES CASH BACKED | REVALUATION SURPLUS | TOTAL EQUITY |
|---|---|---|---|---|---|
| | | $ | $ | $ | $ |
| **Balance as at 1 July 2017** | | **10,204,850** | **2,508,330** | **120,305,110** | **133,018,290** |
| Comprehensive income | | | | | |
| Net result for the period | | 491,343 | 0 | 0 | 491,343 |
| Other comprehensive income | 11 | 0 | 0 | (1,375,246) | (1,375,246) |
| Total comprehensive income | | 491,343 | 0 | (1,375,246) | (883,903) |
| Transfers from/(to) reserves | | 190,949 | (190,949) | 0 | 0 |
| **Balance as at 30 June 2018** | | **10,887,143** | **2,317,381** | **118,929,864** | **132,134,387** |
| Comprehensive income | | | | | |
| Net result for the period | | (272,179) | 0 | 0 | (272,179) |
| Other comprehensive income | 11 | 0 | 0 | 0 | 0 |
| Total comprehensive income | | (272,179) | 0 | 0 | (272,179) |
| Transfers from/(to) reserves | | (80,555) | 80,555 | 0 | 0 |
| **Balance as at 30 June 2019** | | **10,534,409** | **2,397,936** | **118,929,864** | **131,862,208** |

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

SHIRE OF WAROONA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2019

| | NOTE | 2019 Actual | 2019 Budget | 2018 Actual |
|---|---|---|---|---|
| | | $ | $ | $ |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | |
| **Receipts** | | | | |
| Rates | | 4,755,003 | 4,909,042 | 4,649,903 |
| Operating grants, subsidies and contributions | | 1,363,393 | 966,802 | 1,665,102 |
| Fees and charges | | 1,433,532 | 1,557,349 | 1,481,077 |
| Interest received | | 102,267 | 90,810 | 94,116 |
| Other revenue | | 96,759 | 97,100 | 98,307 |
| | | 7,750,954 | 7,621,103 | 7,988,505 |
| **Payments** | | | | |
| Employee costs | | (3,375,868) | (3,275,461) | (3,498,801) |
| Materials and contracts | | (2,318,707) | (3,322,359) | (2,830,869) |
| Utility charges | | (412,529) | (386,385) | (399,090) |
| Interest expenses | | (18,489) | (6,714) | (3,670) |
| Insurance paid | | (198,448) | (214,240) | (189,634) |
| Other expenditure | | (308,271) | (242,924) | (231,321) |
| | | (6,632,312) | (7,448,083) | (7,153,385) |
| **Net cash provided by (used in) operating activities** | 15 | 1,118,642 | 173,020 | 835,120 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | |
| Payments for purchase of property, plant & equipment | 8(a) | (1,581,891) | (2,121,800) | (843,916) |
| Payments for construction of infrastructure | 9(a) | (1,941,003) | (1,959,316) | (1,648,643) |
| Non-operating grants, subsidies and contributions | 2(a) | 2,026,290 | 2,382,008 | 1,809,331 |
| Disposal of assets from register | | 88,640 | | |
| Advances to community groups | | 0 | 0 | 0 |
| Proceeds from self supporting loans | | 0 | 0 | 0 |
| Proceeds from sale of property, plant & equipmen | 10(a) | 236,818 | 239,500 | 204,864 |
| Proceeds from sale of infrastructure | | 0 | 0 | 0 |
| **Net cash provided by (used in) investment activities** | | (1,171,146) | (1,459,608) | (478,364) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | |
| Repayment of borrowings | | (59,033) | (59,032) | (40,573) |
| Proceeds from low interest loans | | 8,500 | 8,500 | 0 |
| Proceeds from new borrowings | | 0 | 0 | 200,000 |
| **Net cash provided by (used in) financing activities** | | (50,533) | (50,532) | 159,427 |
| **Net increase (decrease) in cash held** | | (103,037) | (1,337,120) | 516,183 |
| Cash at beginning of year | | 3,922,610 | 3,922,610 | 3,406,427 |
| **Cash and cash equivalents at the end of the year** | 15 | 3,819,577 | 2,585,490 | 3,922,610 |

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

## SHIRE OF WAROONA
## RATE SETTING STATEMENT
## FOR THE YEAR ENDED 30TH JUNE 2019

| | NOTE | 2019 Actual | 2019 Budget | 2018 Actual |
|---|---|---|---|---|
| | | $ | $ | $ |
| **OPERATING ACTIVITIES** | | | | |
| **Net current assets at start of financial year - surplus/(deficit)** | 21 (b) | 1,038,372 | 1,035,778 | 814,087 |
| | | 1,038,372 | 1,035,778 | 814,087 |
| **Revenue from operating activities (excluding rates)** | | | | |
| Governance | | 178,069 | 161,516 | 160,428 |
| General purpose funding | | 1,065,862 | 568,362 | 1,037,840 |
| Law, order, public safety | | 106,193 | 80,843 | 109,809 |
| Health | | 45,981 | 37,700 | 33,011 |
| Education and welfare | | 175,350 | 125,410 | 150,989 |
| Housing | | 19,116 | 17,680 | 17,081 |
| Community amenities | | 1,130,483 | 1,230,883 | 1,121,899 |
| Recreation and culture | | 283,878 | 360,537 | 319,139 |
| Transport | | 168,579 | 77,715 | 101,904 |
| Economic services | | 69,539 | 76,975 | 65,155 |
| Other property and services | | 42,102 | 53,605 | 55,991 |
| | | 3,285,152 | 2,791,226 | 3,173,246 |
| **Expenditure from operating activities** | | | | |
| Governance | | (1,357,339) | (1,458,036) | (1,399,169) |
| General purpose funding | | (166,035) | (151,663) | (134,919) |
| Law, order, public safety | | (623,979) | (619,083) | (872,597) |
| Health | | (224,594) | (235,215) | (257,543) |
| Education and welfare | | (382,515) | (385,187) | (312,721) |
| Housing | | (15,687) | (12,086) | (8,515) |
| Community amenities | | (1,634,744) | (1,582,942) | (1,566,981) |
| Recreation and culture | | (2,887,366) | (2,747,258) | (2,811,463) |
| Transport | | (2,617,281) | (3,190,867) | (3,059,392) |
| Economic services | | (426,879) | (520,108) | (499,921) |
| Other property and services | | (135,898) | (77,474) | (54,097) |
| | | (10,472,317) | (10,979,919) | (10,977,318) |
| Non-cash amounts excluded from operating activities | 21(a) | 3,501,706 | 3,536,485 | 3,635,658 |
| **Amount attributable to operating activities** | | (2,647,088) | (3,616,430) | (3,354,327) |
| **INVESTING ACTIVITIES** | | | | |
| Non-operating grants, subsidies and contributions | | 2,026,290 | 2,382,008 | 1,809,331 |
| Proceeds from disposal of assets | 10(a) | 236,818 | 239,500 | 204,864 |
| Purchase of property, plant and equipment | 8(a) | (1,581,891) | (2,121,800) | (843,916) |
| Purchase and construction of infrastructure | 9(a) | (1,941,003) | (1,959,316) | (1,648,643) |
| **Amount attributable to investing activities** | | (1,259,786) | (1,459,608) | (478,364) |
| **FINANCING ACTIVITIES** | | | | |
| Repayment of borrowings | 13(b) | (59,033) | (59,032) | (40,573) |
| Proceeds from borrowings | 13(c) | | 0 | 200,000 |
| Proceeds from low interest loans | | 8,500 | 8,500 | 8,500 |
| Unspent grants 1 July B/Fwd | | 255,645 | 0 | 79,229 |
| Unspent grants 30 June C/Fwd | | (48,681) | 255,645 | (255,645) |
| Transfers to reserves (restricted assets) | 4 | (406,530) | (287,240) | (392,583) |
| Transfers from reserves (restricted assets) | 4 | 325,975 | 284,363 | 583,533 |
| **Amount attributable to financing activities** | | 75,877 | 202,236 | 182,462 |
| **Surplus/(deficit) before imposition of general rates** | | (3,830,996) | (4,873,802) | (3,650,230) |
| **Total amount raised from general rates** | 20 | 4,888,697 | 4,873,802 | 4,688,601 |
| **Surplus/(deficit) after imposition of general rates** | 21(b) | **1,057,699** | **0** | **1,038,372** |

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

## 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 (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of *AASB 1051 Land Under Roads paragraph 15* and *AASB 116 Property, Plant and Equipment paragraph 7.*

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

**CRITICAL ACCOUNTING ESTIMATES**

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

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

**THE LOCAL GOVERNMENT REPORTING ENTITY**

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 23 to these financial statements.

## 2. REVENUE AND EXPENSES

### (a) Revenue

**Grant Revenue**

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

| | 2019 Actual | 2019 Budget | 2018 Actual |
|---|---|---|---|
| | $ | $ | $ |
| **Operating grants, subsidies and contributions** | | | |
| Governance | 144,774 | 126,186 | 122,957 |
| General purpose funding | 908,460 | 424,332 | 876,019 |
| Law, order, public safety | 63,053 | 42,773 | 71,261 |
| Health | 1,240 | 2,800 | 2,498 |
| Education and welfare | 174,940 | 125,000 | 150,579 |
| Housing | 601 | 0 | 579 |
| Community amenities | 210,923 | 231,786 | 196,885 |
| Recreation and culture | 9,270 | 69,625 | 29,790 |
| Transport | 85,883 | 100 | 21,848 |
| Economic services | 0 | 400 | 0 |
| Other property and services | 39,063 | 18,800 | 20,154 |
| | 1,638,205 | 1,041,802 | 1,492,570 |
| **Non-operating grants, subsidies and contributions** | | | |
| General purpose funding | 403,048 | 171,509 | 399,282 |
| Law, order, public safety | 10,320 | 500,000 | 0 |
| Community amenities | 0 | 0 | 54,500 |
| Recreation and culture | 382,090 | 454,565 | 225,000 |
| Transport | 1,230,833 | 1,210,134 | 1,130,549 |
| Economic services | 0 | 45,800 | 0 |
| | 2,026,290 | 2,382,008 | 1,809,331 |
| **Total grants, subsidies and contributions** | 3,664,495 | 3,423,810 | 3,301,901 |

**SIGNIFICANT ACCOUNTING POLICIES**

**Grants, donations and other contributions**

Grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 19. That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

**Grants, donations and other contributions cont.**

## 2. REVENUE AND EXPENSES (Continued)

| (a) Revenue (Continued) | 2019 Actual | 2019 Budget | 2018 Actual |
|---|---|---|---|
| | $ | $ | $ |
| **Significant revenue** | | | |
| Increase on revaluation of Infrastructure Assets | 0 | 0 | 1,797,483 |
| **Fees and Charges** | | | |
| Governance | 29,295 | 31,330 | 31,662 |
| General purpose funding | 39,047 | 36,420 | 50,968 |
| Law, order, public safety | 43,140 | 38,070 | 38,548 |
| Health | 44,741 | 34,900 | 30,513 |
| Education and welfare | 410 | 410 | 410 |
| Housing | 18,515 | 17,680 | 16,502 |
| Community amenities | 910,988 | 996,097 | 922,014 |
| Recreation and culture | 274,608 | 290,912 | 289,349 |
| Transport | 210 | 150 | 150 |
| Economic services | 69,539 | 76,575 | 65,155 |
| Other property and services | 3,039 | 34,805 | 35,806 |
| | 1,433,532 | 1,557,349 | 1,481,077 |

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

| | | | |
|---|---|---|---|
| **Interest earnings** | | | |
| Reserve accounts interest | 60,294 | 57,550 | 62,623 |
| Other interest earnings | 41,972 | 32,600 | 31,493 |
| | 102,267 | 90,150 | 94,116 |
| Other interest revenue (refer note 19(b)) | 53,593 | 39,120 | 50,168 |

## 2. REVENUE AND EXPENSES (Continued)

### (b) Expenses

| | 2019 Actual | 2019 Budget | 2018 Actual |
|---|---|---|---|
| | $ | $ | $ |
| **Significant expense** | | | |
| **Auditors remuneration** | | | |
| - Audit of the Annual Financial Report | 6,990 | 12,000 | 7,910 |
| - Interim Audit | 2,600 | 4,000 | 2,500 |
| - Other services | 21,920 | 7,000 | 1,880 |
| | 31,510 | 23,000 | 12,290 |
| **Interest expenses (finance costs)** | | | |
| Borrowings (refer Note 13(b)) | 16,317 | 16,571 | 13,719 |
| | 16,317 | 16,571 | 13,719 |
| **Rental charges** | | | |
| - Operating leases | 62,558 | 64,150 | 78,582 |
| | 62,558 | 64,150 | 78,582 |

## 3. CASH AND CASH EQUIVALENTS

| | NOTE | 2019 $ | 2018 $ |
|---|---|---|---|
| Cash at bank and on hand | | 1,372,960 | 1,349,584 |
| Restricted Cash | | 48,681 | 255,645 |
| Restricted - Reserves | | 2,397,936 | 2,317,381 |
| | | 3,819,577 | 3,922,610 |
| **Comprises:** | | | |
| - Unrestricted cash and cash equivalents | | 1,372,960 | 1,349,584 |
| - Restricted cash and cash equivalents | | 2,446,617 | 2,573,026 |
| | | 3,819,577 | 3,922,610 |
| The following restrictions have been imposed by regulations or other externally imposed requirements: | | | |
| **Reserve accounts** | | | |
| Emergency Assistance Reserve | 4 | 103,761 | 101,130 |
| Sports Reserve | 4 | 62,165 | 51,232 |
| Staff Leave Reserve | 4 | 253,765 | 179,105 |
| Waste Management Reserve | 4 | 800,660 | 682,894 |
| Rec Centre Building Reserve | 4 | 100,509 | 110,956 |
| Hamel Hall Reserve | 4 | 0 | 30,358 |
| Plant Replacement Reserve | 4 | 503,877 | 593,438 |
| Depot Redevelopment Reserve | 4 | 78,599 | 76,606 |
| Council Building Maintenance Reserve | 4 | 85,297 | 52,776 |
| Strategic Planning Reserve | 4 | 19,547 | 19,051 |
| Council Building Construction Reserve | 4 | 214,038 | 177,084 |
| Preston Beach Volunteer Reserve | 4 | 39,641 | 46,570 |
| Information Technology Reserve | 4 | 88,300 | 32,537 |
| Footpath construction Reserve | 4 | 31,198 | 30,407 |
| Asset Management Reserve | 4 | 0 | 117,645 |
| History Book Reprint Reserve | 4 | 7,555 | 6,796 |
| Risk & Insurance Reserve | 4 | 9,025 | 8,796 |
| | | 2,397,936 | 2,317,381 |
| **Other restricted cash and cash equivalents** | | | |
| Unspent grants/contributions | 19 | 48,681 | 255,645 |
| Unspent loans | 13(c) | 0 | 0 |
| **Total restricted cash and cash equivalents** | | 2,446,617 | 2,573,026 |

### 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.

**Cash and cash equivalents (Continued)**

## 4. RESERVES - CASH BACKED

| | | 2019 Actual Opening Balance | 2019 Actual Transfer to | 2019 Actual Transfer (from) | 2019 Actual Transfer (internal) | 2019 Actual Closing Balance | 2019 Budget Opening Balance | 2019 Budget Transfer to | 2019 Budget Transfer (from) | 2019 Budget Transfer (internal) | 2019 Budget Closing Balance | 2018 Actual Opening Balance | 2018 Actual Transfer to | 2018 Actual Transfer (from) | 2018 Actual Closing Balance |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| (a) | Emergency Assistance Reserve | 101,130 | 2,631 | | | 103,761 | 101,130 | 0 | | | 101,130 | 38,925 | 72,205 | (10,000) | 101,130 |
| (b) | Sports Reserve | 51,232 | 10,933 | | | 62,165 | 51,232 | 10,025 | | | 61,257 | 39,984 | 11,248 | | 51,232 |
| (c) | Staff Leave Reserve | 179,105 | 74,660 | | | 253,765 | 179,105 | 70,000 | | | 249,105 | 151,967 | 33,794 | (6,656) | 179,105 |
| (d) | Waste Management Reserve | 682,894 | 117,766 | | | 800,660 | 682,894 | 100,000 | | | 782,894 | 549,185 | 133,709 | | 682,894 |
| (e) | Rec Centre Building Reserve | 110,956 | 52,887 | (63,334) | | 100,509 | 110,956 | 0 | (20,000) | | 90,956 | 95,570 | 22,386 | (7,000) | 110,956 |
| (f) | Hamel Hall Reserve | 30,357 | 696 | | (31,054) | (1) | 30,358 | 0 | | (30,358) | 0 | 29,618 | 739 | | 30,357 |
| (g) | Plant Replacement Reserve | 593,438 | 65,439 | (155,000) | | 503,877 | 593,438 | 50,000 | (155,000) | | 488,438 | 564,350 | 79,088 | (50,000) | 593,438 |
| (h) | Depot Redevelopment Reserve | 76,606 | 1,993 | | | 78,599 | 76,606 | 0 | | | 76,606 | 74,740 | 1,866 | | 76,606 |
| (i) | Council Building Maintenance Reserve | 52,776 | 1,467 | | 31,054 | 85,297 | 52,776 | | | 30,358 | 52,776 | 51,490 | 1,285 | | 52,776 |
| (j) | Strategic Planning Reserve | 19,051 | 496 | | | 19,547 | 19,051 | 0 | | | 19,051 | 18,586 | 465 | | 19,051 |
| (k) | Council Building Construction Reserve | 177,084 | 4,974 | (88,363) | 120,343 | 214,038 | 177,084 | | (88,363) | 117,645 | 88,721 | 228,853 | 5,713 | (57,482) | 177,084 |
| (l) | Preston Beach Volunteer Reserve | 46,570 | 12,349 | (19,278) | | 39,641 | 46,570 | 11,315 | (21,000) | | 36,885 | 36,960 | 12,005 | (2,395) | 46,570 |
| (m) | Information Technology Reserve | 32,537 | 55,763 | | | 88,300 | 32,537 | 45,000 | | | 77,537 | 19,125 | 13,412 | | 32,537 |
| (n) | Footpath construction Reserve | 30,407 | 791 | | | 31,198 | 30,407 | 0 | | | 30,407 | 29,666 | 741 | | 30,407 |
| (o) | Asset Management Reserve | 117,645 | 2,698 | | (120,343) | 0 | 117,645 | 0 | | (117,645) | 0 | 114,780 | 2,865 | | 117,645 |
| (p) | History Book Reprint Reserve | 6,796 | 759 | | | 7,555 | 6,796 | 900 | | | 7,696 | 5,952 | 844 | | 6,796 |
| (q) | Risk & Insurance Reserve | 8,795 | 229 | | | 9,024 | 8,796 | 0 | | | 8,796 | 8,579 | 216 | | 8,795 |
| (r) | Fire Recovery Assitance Grant Reserve | 0 | 0 | | | 0 | | | | | 0 | 450,000 | 0 | (450,000) | 0 |
| | | 2,317,381 | 406,530 | (325,975) | 0 | 2,397,934 | 2,317,381 | 287,240 | (284,363) | 0 | 2,172,255 | 2,508,331 | 392,583 | (583,533) | 2,317,381 |

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

In accordance with Council resolutions 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) | Emergency Assistance Reserve | on going | To provide funds to assist in emergency situations e.g.: major fire |
| (b) | Sports Reserve | on going | To provide funds for sporting facilities and equipment as determined by Council together with low interest loans applications |
| (c) | Staff Leave Reserve | on going | To be used to fund annual and long service leave requirements |
| (d) | Waste Management Reserve | on going | To be used to maintain operations at Buller Road Refuse Site |
| (e) | Rec Centre Building Reserve | on going | To be used for future building asset maintenance items at the Recreation Centre, particularly plant |
| (f) | Hamel Hall Reserve | Closed | To provide funds for the upgrading of the Hamel Hall Amenities and surrounds. |
| (g) | Plant Replacement Reserve | on going | To be used for the purchase and replacement of major plant |
| (h) | Depot Redevelopment Reserve | on going | To provide funds for the provision of vehicle storage bays at Works Depot |
| (i) | Council Building Maintenance Reserve | on going | To provide funds for future building maintenance |
| (j) | Strategic Planning Reserve | on going | To provide funds for the future requirements of Council's Strategic Planning |
| (k) | Council Building Construction Reserve | on going | To provide funds for future capital construction works in accordance with Council's Long Term Financial & Community Strategic Plans |
| (l) | Preston Beach Volunteer Reserve | on going | To provide funds to assist in the operations of the volunteer ranger functions including replacement of equipment |
| (m) | Information Technology Reserve | on going | To be used to ensure that the network computer system is maintained including external site connections |
| (n) | Footpath construction Reserve | on going | To provide funds for future extension of dual use path network |
| (o) | Asset Management Reserve | Closed | To provide funds to renew existing Council assets in accordance with the adopted Asset Management Plan |
| (p) | History Book Reprint Reserve | on going | To be used to fund the update reprint of the 'Drakesbrook days and Waroona years' historical book |
| (q) | Risk & Insurance Reserve | on going | To be used for expenses associated with risk assessments and insurance adjustments or unforeseen expenses |
| (r) | Fire Recovery Assitance Grant Reserve | Closed | To be used in accordance with the grant agreement 'Asssitance for the fire affected farming and rural communities of Shire of Harvey and Waroona |

## 5. TRADE RECEIVABLES

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| **Current** | | |
| Rates receivable | 284,339 | 150,645 |
| Sundry receivables | 316,770 | 41,958 |
| Loans - Low Interest | 8,500 | 8,500 |
| | 609,609 | 201,103 |
| **Non-current** | | |
| Loans - Low Interest | 5,000 | 13,500 |
| | 5,000 | 13,500 |

### 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 22.

**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.

## 6. INVENTORIES

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| **Current** | | |
| Fuel & Materials | 8,558 | 9,056 |
| Kiosk Stock | 2,802 | 1,090 |
| | 11,360 | 10,146 |
| The following movements in inventories occurred during the year: | | |
| **Carrying amount at 1 July** | 10,146 | 8,181 |
| Inventories expensed during the year | (104,517) | (108,693) |
| Additions to inventory | 105,731 | 110,658 |
| **Carrying amount at 30 June** | 11,360 | 10,146 |

### SIGNIFICANT ACCOUNTING POLICIES

**General**

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

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

## 7. OTHER FINANCIAL ASSETS

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| **(a) Current assets** | | |
| | 0 | 0 |
| **(b) Non-current assets** | | |
| Financial assets at fair value through profit and loss | 52,551 | 0 |
| | 52,551 | 0 |
| **Financial assets at fair value through profit and loss** | | |
| *- Unlisted equity investments* | | |
| - Units in Local Government House Trust | 52,551 | |
| | 52,551 | 0 |

### 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 22.

### SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Previous accounting policy: available for sale financial assets**

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

**Previous accounting policy: Loans and receivables**

Non-derivative financial assets with fixed or determinable payments that were not quoted in an active market and are solely payments of principal and interest were classified as loans and receivables and are subsequently measured at amortised cost, using the effective interest rate method.

Refer to Note 24 for explanations regarding the change in accounting policy and reclassification of available for sale financial assets to financial assets at fair value through profit and loss.

## 8. PROPERTY, PLANT AND EQUIPMENT

### (a) Movements in Carrying Amounts

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

| | Land - freehold land | Buildings | Total land and buildings | Furniture and equipment | Plant and equipment | Total property, plant and equipment |
|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ |
| **Balance at 1 July 2017** | 17,926,000 | 17,998,750 | 35,924,750 | 214,462 | 2,266,702 | 38,405,914 |
| Additions | 0 | 341,456 | 341,456 | 31,423 | 471,038 | 843,917 |
| (Disposals) | 0 | 0 | 0 | (1,875) | (245,198) | (247,073) |
| Depreciation (expense) | | (745,155) | (745,155) | (30,090) | (123,382) | (898,627) |
| Transfers | | | 0 | | | 0 |
| **Carrying amount at 30 June 2018** | 17,926,000 | 17,595,050 | 35,521,050 | 213,920 | 2,369,159 | 38,104,129 |
| **Comprises:** | | | | | | |
| Gross carrying amount at 30 June 2018 | 17,926,000 | 18,340,206 | 36,266,206 | 277,928 | 2,649,195 | 39,193,329 |
| Accumulated depreciation at 30 June 2018 | 0 | (745,155) | (745,155) | (64,009) | (280,035) | (1,089,199) |
| Accumulated impairment loss at 30 June 2018 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Carrying amount at 30 June 2018** | 17,926,000 | 17,595,051 | 35,521,050 | 213,920 | 2,369,159 | 38,104,129 |
| Additions | | 878,650 | 878,650 | 44,773 | 658,468 | 1,581,891 |
| (Disposals) | 0 | (91,950) | (91,950) | (87,098) | (364,715) | (543,763) |
| Depreciation (expense) | | (742,313) | (742,313) | (1,414) | (207,604) | (951,331) |
| Transfers | | | 0 | | | 0 |
| **Carrying amount at 30 June 2019** | 17,926,000 | 17,639,437 | 35,565,437 | 170,181 | 2,455,308 | 38,190,926 |
| **Comprises:** | | | | | | |
| Gross carrying amount at 30 June 2019 | 17,926,000 | 19,126,905 | 37,052,905 | 235,604 | 2,942,948 | 40,231,457 |
| Accumulated depreciation at 30 June 2019 | 0 | (1,487,468) | (1,487,468) | (65,423) | (487,640) | (2,040,531) |
| Accumulated impairment loss at 30 June 2019 | 0 | 0 | 0 | 0 | 0 | 0 |
| Carrying amount at 30 June 2019 | 17,926,000 | 17,639,437 | 35,565,437 | 170,181 | 2,455,308 | 38,190,926 |

## 8. PROPERTY, PLANT AND EQUIPMENT (Continued)

### (b) Fair Value Measurements

| Asset Class | Fair Value Hierarchy | Valuation Technique | Basis of Valuation | Date of Last Valuation | Inputs Used |
|---|---|---|---|---|---|
| **Land and buildings** | | | | | |
| Land - freehold land | 2/3 | Valuations were made on the basis of observable open markets of similar assets, adjusted for condition and comparability at their highest and best use | Independent registered valuer | 01 June 2017 | Market Value |
| Buildings | 2/3 | Valuations were made on the basis of observable open markets of similar assets, adjusted for condition and comparability at their highest and best use/ Cost Approach using depreciated replacement cost | Independent registered valuer | 01 June 2017 | Market Value / Depreciated Replacement cost |
| Furniture and equipment | 3 | Valuation were made on the basis of open market values on similar assets adjusted for condition and comparability | Management valuation | 01 June 2016 | Depreciated Replacement Cost |
| Plant and equipment | | | | | |
| Independent Valuation 2016 | 2 | Valuation were made on the basis of open market values on similar assets adjusted for condition and comparability | | June 2016 | Market Value |
| Management Valuation 2016 | 3 | Valuation were made on the basis of open market values on similar assets adjusted for condition and comparability | Management Valuation | June 2016 | Depreciated Replacement Costs |

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

## 9. INFRASTRUCTURE

### (a) Movements in Carrying Amounts

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

| | Infrastructure - Roads | Infrastructure - Other | Infrastructure - Bridges | Infrastructure - Parks & Ovals | Infrastructure - Drainage | Infrastructure - Footpaths | Total Infrastructure |
|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ |
| **Balance at 1 July 2017** | 83,784,541 | 977,489 | 754,162 | 2,177,139 | 3,120,626 | 1,512,590 | 92,326,547 |
| Additions | 1,523,635 | 21,458 | | 9,147 | 55,281 | 39,121 | 1,648,642 |
| (Disposals) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation increments / (decrements) transferred to revaluation surplus | (8,449,201) | 319,158 | 1,537,982 | 662,057 | 4,554,758 | | (1,375,246) |
| Revaluation (loss) / reversals transferred to profit or loss | | 104,494 | | | 1,973,235 | (280,246) | 1,797,483 |
| Impairment (losses) / reversals | | | | | | | 0 |
| Depreciation (expense) | (2,037,163) | (78,222) | (66,074) | (213,186) | (83,487) | (74,256) | (2,552,388) |
| Transfers | | | | | | | 0 |
| **Carrying amount at 30 June 2018** | 74,821,811 | 1,344,377 | 2,226,070 | 2,635,158 | 9,620,413 | 1,197,209 | 91,845,038 |
| **Comprises:** | | | | | | | |
| Gross carrying amount at 30 June 2018 | 74,821,811 | 1,344,377 | 2,226,070 | 2,635,158 | 9,620,413 | 1,197,209 | 91,845,038 |
| Accumulated depreciation at 30 June 2018 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Accumulated impairment loss at 30 June 2018 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Carrying amount at 30 June 2018** | 74,821,811 | 1,344,377 | 2,226,070 | 2,635,158 | 9,620,413 | 1,197,209 | 91,845,038 |
| Additions | 1,724,610 | 71,171 | 0 | 101,079 | 12,743 | 31,400 | 1,941,003 |
| (Disposals) | 0 | (5,800) | 0 | (5,600) | 0 | (3,075) | (14,475) |
| Depreciation (expense) | (1,546,601) | (74,691) | (81,040) | (227,826) | (245,045) | (37,472) | (2,212,675) |
| Transfers | | | | 6,550 | | (6,550) | 0 |
| **Carrying amount at 30 June 2019** | 74,999,821 | 1,335,057 | 2,145,030 | 2,509,361 | 9,388,111 | 1,181,512 | 91,558,891 |
| **Comprises:** | | | | | | | |
| Gross carrying amount at 30 June 2019 | 76,546,422 | 1,409,748 | 2,226,070 | 2,737,187 | 9,633,156 | 1,218,984 | 93,771,567 |
| Accumulated depreciation at 30 June 2019 | (1,546,601) | (74,691) | (81,040) | (227,826) | (245,045) | (37,472) | (2,212,675) |
| Accumulated impairment loss at 30 June 2019 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Carrying amount at 30 June 2019** | 74,999,821 | 1,335,057 | 2,145,030 | 2,509,361 | 9,388,111 | 1,181,512 | 91,558,891 |

## 9. INFRASTRUCTURE (Continued)

### (b) Fair Value Measurements

| Asset Class | Fair Value Hierarchy | Valuation Technique | Basis of Valuation | Date of Last Valuation | Inputs Used |
|---|---|---|---|---|---|
| Infrastructure - Roads | 3 | Depreciated Replacement costs | Independent Registered Valuer | 01 June 2018 | Construction costs and current condition levels, residual values and remaining useful life assessments |
| Infrastructure - Other | 3 | Depreciated Replacement costs | Independent Registered Valuer | 01 June 2018 | Construction costs and current condition levels, residual values and remaining useful life assessments |
| Infrastructure - Bridges | 3 | Depreciated Replacement costs | Independent Registered Valuer | 01 June 2018 | Construction costs and current condition levels, residual values and remaining useful life assessments |
| Infrastructure - Parks & Ovals | 3 | Depreciated Replacement costs | Independent Registered Valuer | 01 June 2018 | Construction costs and current condition levels, residual values and remaining useful life assessments |
| Infrastructure - Drainage | 3 | Depreciated Replacement costs | Independent Registered Valuer | 01 June 2018 | Construction costs and current condition levels, residual values and remaining useful life assessments |
| Infrastructure - Footpaths | 3 | Depreciated Replacement costs | Independent Registered Valuer | 01 June 2018 | Construction costs and current condition levels, residual values and remaining useful life assessments |

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

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

## 9. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE)

### 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**

All assets are initially recognised at cost where the fair value of the asset at date of acquisition is equal to or above $5,000. All assets are subsequently revalued in accordance with the mandatory measurement framework.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the 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 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 fixed assets is determined at least every three years and no more than five years in accordance with the regulatory framework. 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 property, plant and equipment to be shown at fair value.

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

### AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

**Land under control**

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

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

**Land under roads**

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

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

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

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

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

## 10. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE) (Continued)

### (a) Disposals of Assets

| | 2019 Actual Net Book Value | 2019 Actual Sale Proceeds | 2019 Actual Profit | 2019 Actual Loss | 2019 Budget Net Book Value | 2019 Budget Sale Proceeds | 2019 Budget Profit | 2019 Budget Loss | 2018 Actual Net Book Value | 2018 Actual Sale Proceeds | 2018 Actual Profit | 2018 Actual Loss |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| Plant and equipment | 257,294 | 236,818 | | (20,476) | 259,832 | 239,500 | 4,165 | (24,496) | 217,701 | 204,864 | 7,177 | (20,015) |
| | 257,294 | 236,818 | 0 | (20,476) | 259,832 | 239,500 | 4,165 | (24,496) | 217,701 | 204,864 | 7,177 | (20,015) |

The following assets were disposed of during the year.

| Plant and Equipment | 2019 Actual Net Book Value | 2019 Actual Sale Proceeds | 2019 Actual Profit | 2019 Actual Loss |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| **Governance** | | | | |
| CEO Vehicle | 35,657 | 32,727 | 0 | (2,929) |
| DCEO Vehicle | 30,590 | 27,727 | 0 | (2,863) |
| MFS Vehicle | 18,482 | 18,182 | 0 | (300) |
| **Law, order, public safety** | | | | |
| Ranger Vehicle | 14,633 | 7,273 | 0 | (7,360) |
| **Community amenities** | | | | |
| DDS Vehicle | 26,247 | 31,818 | 5,572 | 0 |
| **Transport** | | | | |
| DTS Vehicle | 31,723 | 25,909 | 0 | (5,814) |
| MWS Vehicle | 26,972 | 24,545 | 0 | (2,427) |
| Works Vehicle | 17,051 | 13,636 | 0 | (3,415) |
| Tip Truck | 25,946 | 20,000 | 0 | (5,946) |
| Multi Roller | 6,184 | 15,000 | 8,816 | 0 |
| **Economic services** | | | | |
| MDS Vehicle | 23,809 | 20,000 | 0 | (3,809) |
| | 257,294 | 236,818 | 14,388 | (34,863) |

### (b) Depreciation

| | 2019 Actual | 2019 Budget | 2018 Actual |
|---|---|---|---|
| | $ | $ | $ |
| Buildings | 827,775 | 748,838 | 745,155 |
| Furniture and equipment | 41,541 | 34,293 | 30,090 |
| Plant and equipment | 275,596 | 179,661 | 123,382 |
| Infrastructure - Roads | 1,546,601 | 2,016,740 | 2,037,163 |
| Infrastructure - Other | 93,416 | 84,172 | 107,595 |
| Infrastructure - Bridges | 81,040 | 65,145 | 66,074 |
| Infrastructure - Parks & Ovals | 227,826 | 203,000 | 213,186 |
| Infrastructure - Drainage | 245,045 | 83,450 | 83,487 |
| Infrastructure - Footpaths | 37,472 | 75,000 | 74,256 |
| | 3,376,312 | 3,490,299 | 3,480,388 |

### 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 | 25-60 | Years |
| Furniture & Equipment | 3-20 | Years |
| Plant and equipment | 5-10 | Years |
| Seats & Benches | 15-25 | Years |
| Water Supply Piping | 20-40 | Years |
| Infrastructure Other | 20-70 | Years |
| **Sealed Roads and Streets** | | |
| Construction | 45-55 | Years |
| Bituminous Seals | 15-25 | Years |
| Asphalt Seals | 25-30 | Years |
| **Unformed Roads** | | |
| Formed | 10-15 | Years |
| Gravel | 12-15 | Years |

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

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

(b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

## 11. REVALUATION SURPLUS

| | 2019 Opening Balance | 2019 Revaluation Increment | 2019 Revaluation (Decrement) | Total Movement on Revaluation | 2019 Closing Balance | 2018 Opening Balance | 2018 Revaluation Increment | 2018 Revaluation (Decrement) | Total Movement on Revaluation | 2018 Closing Balance |
|---|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| Land & Building | 28,656,391 | 0 | 0 | 0 | 28,656,391 | 28,656,391 | 0 | 0 | 0 | 28,656,391 |
| Furniture & Equipment | 37,322 | 0 | 0 | 0 | 37,322 | 37,322 | 0 | 0 | 0 | 37,322 |
| Plant & Equipment | 655,570 | 0 | 0 | 0 | 655,570 | 655,570 | 0 | 0 | 0 | 655,570 |
| Infrastructure - Roads | 80,054,881 | 0 | 0 | 0 | 80,054,881 | 88,504,082 | 0 | (8,449,201) | (8,449,201) | 80,054,881 |
| Infrastructure - Other | 2,598,830 | 0 | 0 | 0 | 2,598,830 | 2,279,672 | 319,158 | 0 | 319,158 | 2,598,830 |
| Infrastructure - Bridges | 1,540,482 | 0 | 0 | 0 | 1,540,482 | 2,500 | 1,537,982 | 0 | 1,537,982 | 1,540,482 |
| Infrastructure - Parks & Ovals | 831,629 | 0 | 0 | 0 | 831,629 | 169,572 | 662,057 | 0 | 662,057 | 831,629 |
| Infrastructure - Drainage | 4,554,758 | 0 | 0 | 0 | 4,554,758 | 0 | 4,554,758 | 0 | 4,554,758 | 4,554,758 |
| Infrastructure - Footpaths | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 118,929,864 | 0 | 0 | 0 | 118,929,864 | 120,305,110 | 7,073,955 | (8,449,201) | (1,375,246) | 118,929,864 |

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

## 12. TRADE AND OTHER PAYABLES

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| **Current** | | |
| Sundry creditors | 151,460 | 408,308 |
| Accrued salaries & wages | 81,596 | 83,768 |
| Accrued interest on debentures | 1,631 | 1,885 |
| Accrued expenses | 13,269 | 20,000 |
| Bonds & Deposits Held | 588,890 | 0 |
| Rates Paid in Advance | 90,882 | 0 |
| | 927,728 | 513,961 |

### 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

**Trade and other payables (Continued)**

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.

## 13. INFORMATION ON BORROWINGS

### (a) Borrowings

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| Current | 61,483 | 59,033 |
| Non-current | 303,949 | 365,431 |
| | 365,432 | 424,464 |

### (b) Repayments - Borrowings

| Particulars | Loan Number | Institution | Interest Rate | Actual Principal 1 July 2018 | 30 June 2019 Actual Principal repayments | 30 June 2019 Actual Interest repayments | 30 June 2019 Actual Principal outstanding | Budget Principal 1 July 2018 | 30 June 2019 Budget Principal repayments | 30 June 2019 Budget Interest repayments | 30 June 2019 Budget Principal outstanding | Actual Principal 1 July 2017 | 30 June 2018 Actual New Loans | 30 June 2018 Actual Principal repayments | 30 June 2018 Actual Interest repayments | 30 June 2018 Actual Principal outstanding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| **Recreation and culture** | | | | | | | | | | | | | | | | |
| Loan - Aquatic Centre | 105 | NAB | 6.90% | 0 | 0 | 0 | 0 | 0 | | | 0 | 9,207 | | 9,207 | 213 | 0 |
| Loan - Basketball Stadium | 117 | WATC | 6.58% | 95,319 | 13,430 | 5,880 | 81,889 | 95,319 | 13,430 | 5,962 | 81,889 | 107,912 | | 12,593 | 6,715 | 95,319 |
| Loan - Rec Centre Upgrade | 120 | WATC | 3.91% | 129,146 | 19,496 | 4,846 | 109,650 | 129,146 | 19,495 | 4,861 | 109,651 | 147,918 | | 18,771 | 5,587 | 129,146 |
| Loan - Memorial Hall Upgrade | 121 | WATC | 2.97% | 200,000 | 26,108 | 5,590 | 173,892 | 200,000 | 26,107 | 5,748 | 173,893 | 0 | 200,000 | | 1,204 | 200,000 |
| | | | | 424,465 | 59,033 | 16,317 | 365,431 | 424,465 | 59,032 | 16,571 | 365,433 | 265,037 | 200,000 | 40,572 | 13,719 | 424,465 |

### (c) Undrawn Borrowing Facilities

| | 2019 | 2018 |
|---|---|---|
| **Credit Standby Arrangements** | $ | $ |
| Bank overdraft limit | 500,000 | 500,000 |
| Bank overdraft at balance date | 0 | 0 |
| Credit card limit | 20,000 | 20,000 |
| Credit card balance at balance date | 0 | 0 |
| **Total amount of credit unused** | 520,000 | 520,000 |

### 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 21

## 14. EMPLOYEE RELATED PROVISIONS

| Employee Related Provisions | Provision for Annual Leave | Provision for Long Service Leave | Total |
|---|---|---|---|
| | $ | $ | $ |
| **Opening balance at 1 July 2018** | | | |
| Current provisions | 405,434 | 561,314 | 966,748 |
| Non-current provisions | 0 | 56,966 | 56,966 |
| | 405,434 | 618,280 | 1,023,714 |
| Additional provision | 24,919 | 34,883 | 59,802 |
| Amounts used | (6,819) | (36,705) | (43,524) |
| **Balance at 30 June 2019** | 423,534 | 616,458 | 1,039,992 |
| **Comprises** | | | |
| Current | 423,534 | 553,071 | 976,605 |
| Non-current | 0 | 63,387 | 63,387 |
| | 423,534 | 616,458 | 1,039,992 |

### SIGNIFICANT ACCOUNTING POLICIES

**Employee benefits**

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

**Other long-term employee benefits (Continued)**

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

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

**Provisions**

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

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

## 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:

| | 2019 Actual | 2019 Budget | 2018 Actual |
|---|---|---|---|
| | $ | $ | $ |
| Cash and cash equivalents | 3,819,577 | 2,585,490 | 3,922,610 |
| **Reconciliation of Net Cash Provided By Operating Activities to Net Result** | | | |
| Net result | (272,179) | (932,883) | 491,342 |
| Non-cash flows in Net result: | | | |
| Depreciation | 3,376,312 | 3,490,299 | 3,480,388 |
| (Profit)/loss on sale of asset | 20,476 | 20,331 | 12,838 |
| Reversal of loss on revaluation of fixed assets | 0 | 0 | (1,797,483) |
| Changes in assets and liabilities: | | | |
| (Increase)/decrease in receivables | (400,006) | (39,760) | 133,833 |
| (Increase)/decrease in other receivables | (8,500) | | |
| (Increase)/decrease in inventories | (1,214) | 2,656 | (1,965) |
| Increase/(decrease) in payables | 413,767 | (54,663) | 183,064 |
| Increase/(decrease) in provisions | 16,278 | 69,048 | 142,432 |
| Grants contributions for the development of assets | (2,026,290) | (2,382,008) | (1,809,331) |
| Net cash from operating activities | 1,118,642 | 173,020 | 835,120 |

## 16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| Governance | 2,938,093 | 2,960,804 |
| General purpose funding | 4,103,916 | 4,073,080 |
| Law, order, public safety | 1,989,979 | 1,392,929 |
| Health | 1,781,480 | 1,834,757 |
| Education and welfare | 349,578 | 359,666 |
| Housing | 180,000 | 180,391 |
| Community amenities | 10,939,936 | 11,087,224 |
| Recreation and culture | 29,289,091 | 31,309,651 |
| Transport | 79,766,263 | 77,924,545 |
| Economic services | 985,931 | 1,013,952 |
| Other property and services | 1,066,647 | 1,102,529 |
| Unallocated | 857,000 | 857,000 |
| | 134,247,914 | 134,096,527 |

## 17. LEASING COMMITMENTS

### (a) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts.

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| Payable: | | |
| - not later than one year | 62,558 | 78,582 |
| - later than one year but not later than five years | 54,307 | 54,699 |
| - later than five years | 0 | 0 |
| | 116,865 | 133,281 |

### SIGNIFICANT ACCOUNTING POLICIES

**Leases**

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

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

**Leases (Continued)**

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term.

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

## 18. RELATED PARTY TRANSACTIONS

### Elected Members Remuneration

| The following fees, expenses and allowances were paid to council members and/or the President. | 2019 Actual $ | 2019 Budget $ | 2018 Actual $ |
|---|---|---|---|
| Meeting Fees | 73,600 | 73,600 | 73,600 |
| President's allowance | 9,700 | 9,700 | 9,700 |
| Deputy President's allowance | 2,300 | 2,300 | 2,300 |
| Travelling expenses | 385 | 3,000 | 1,278 |
| Telecommunications allowance | 6,800 | 6,800 | 6,800 |
| IT Allowance | 4,000 | 4,000 | 4,000 |
| | 96,785 | 99,400 | 97,678 |

### Key Management Personnel (KMP) Compensation Disclosure

| The total of remuneration paid to KMP of the Shire during the year are as follows: | 2019 Actual $ | 2018 Actual $ |
|---|---|---|
| Short-term employee benefits | 1,161,801 | 1,037,628 |
| Post-employment benefits | 130,886 | 123,133 |
| Other long-term benefits | 8,010 | 39,230 |
| | 1,300,697 | 1,199,991 |

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

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

*Other long-term benefits*
These amounts represent long service benefits accruing during the year.

*Termination benefits*
These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

## 18. 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.

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: | 2019 Actual $ | 2018 Actual $ |
|---|---|---|
| Purchase of goods and services | 18,829 | 19,861 |

### Related Parties

### The Shire's main related parties are as follows:

*i. Key management personnel*

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

*ii. Other Related Parties*

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

*iii. Entities subject to significant influence by the Shire*

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

## 19. CONDITIONS OVER GRANTS/CONTRIBUTIONS

| Grant/Contribution | Opening Balance [1] 1/07/17 | Received [2] 2017/18 | Expended [3] 2017/18 | Closing Balance [1] 30/06/18 | Received [2] 2018/19 | Expended [3] 2018/19 | Closing Balance 30/06/19 |
|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ |
| **Law, order, public safety** | | | | | | | |
| Dept Fire & Emergency Services ESL Payments | 0 | 10,153 | 0 | 10,153 | 43,045 | (40,610) | 12,587 |
| AWARE Grant - Office of Emergency Management | 0 | 4,000 | 0 | 4,000 | 0 | (4,000) | 0 |
| AWARE Grant - SOW Reserve Transfer | 0 | 10,000 | 0 | 10,000 | 0 | (10,000) | 0 |
| WA State Govt - Fire Recovery Grant | 0 | 450,000 | (420,545) | 29,455 | 0 | (29,455) | 0 |
| **Education and welfare** | | | | | | | |
| Alcoa Youth Activities | 5,000 | 5,000 | (5,000) | 5,000 | 10,000 | (10,000) | 5,000 |
| DLGC Community Development Scholarship | 6,297 | 0 | (6,297) | 0 | | | 0 |
| Waroona Karate Club Grant | 1,720 | 0 | (1,720) | 0 | | | 0 |
| WA Primary Health Association Grant | 10,000 | 90,000 | (99,747) | 253 | 100,000 | (99,511) | 742 |
| Summer Events | 0 | 10,500 | (5,000) | 5,500 | 5,500 | (5,500) | 5,500 |
| Mental Health Commission Suicide Prevention Grant | 0 | 5,618 | 0 | 5,618 | 0 | (5,618) | 0 |
| Alcoa Community Spaces Grant | 0 | 7,500 | 0 | 7,500 | 7,500 | (1,700) | 13,300 |
| WAPHA Community Consulation Grant | 0 | 7,000 | (2,000) | 5,000 | 0 | (5,000) | 0 |
| Australian Alcohol Drug Foundation Local Drug Action Team Grant | 0 | 10,000 | 0 | 10,000 | 0 | (10,000) | 0 |
| NAIDOC Week Grant | 0 | 2,000 | 0 | 2,000 | 2,000 | (2,000) | 2,000 |
| LDAT Grant - Alcohol and Drug foundation | 0 | 0 | 0 | 0 | 22,000 | (12,449) | 9,551 |
| **Community amenities** | | | | | | | |
| Landowner Support for Fire Recovery Grant | 3,136 | 54,500 | (57,570) | 66 | 27,500 | (27,566) | 0 |
| Coastwest funding - Dune Management 201820 | 0 | 13,356 | (13,356) | 0 | | | 0 |
| **Recreation and culture** | | | | | | | |
| DLGC Youth Development Scholarship | 3,076 | (2,846) | 0 | 230 | | (230) | 0 |
| Preston Beach Community Centre (PDC, R4R & SOW) | 50,000 | 157,482 | (46,611) | 160,871 | 413,176 | (574,047) | 0 |
| Total | 79,229 | 834,262 | (657,846) | 255,645 | 630,720 | (837,685) | 48,681 |

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

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

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

## 20. RATING INFORMATION

### (a) Rates

| RATE TYPE<br>Differential general rate / general rate | Rate in $ | Number of Properties | 2018/19 Actual Rateable Value $ | 2018/19 Actual Rate Revenue $ | 2018/19 Actual Interim Rates $ | 2018/19 Actual Back Rates $ | 2018/19 Actual Total Revenue $ | 2018/19 Budget Rate Revenue $ | 2018/19 Budget Interim Rate $ | 2018/19 Budget Back Rate $ | 2018/19 Budget Total Revenue $ | 2017/18 Actual Total Revenue $ |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross rental valuations** | | | | | | | | | | | | |
| Waroona GRV | 10.0863 | 1,423 | 22,958,762 | 2,315,690 | 4,745 | 0 | 2,320,434 | 2,315,667 | 0 | 0 | 2,315,667 | 2,195,410 |
| **Unimproved valuations** | | | | | | | | | | | | |
| Waroona UV | 0.758 | 567 | 229,221,000 | 1,737,495 | 10,128 | | 1,747,623 | 1,737,495 | 0 | 0 | 1,737,495 | 1,671,011 |
| **Sub-Total** | | 1,990 | 252,179,762 | 4,053,185 | 14,873 | 0 | 4,068,057 | 4,053,162 | 0 | 0 | 4,053,162 | 3,866,421 |
| Minimum payment | Minimum $ | | | | | | | | | | | |
| **Gross rental valuations** | | | | | | | | | | | | |
| Waroona GRV | 1,115 | 645 | 4,382,246 | 719,175 | | | 719,175 | 719,175 | 0 | 0 | 719,175 | 724,200 |
| **Unimproved valuations** | | | | | | | | | | | | |
| Waroona UV | 1,115 | 91 | 7,610,658 | 101,465 | | | 101,465 | 101,465 | 0 | 0 | 101,465 | 97,980 |
| **Sub-Total** | | 736 | 11,992,904 | 820,640 | 0 | 0 | 820,640 | 820,640 | 0 | 0 | 820,640 | 822,180 |
| | | 2,726 | 264,172,666 | 4,873,825 | 14,873 | 0 | 4,888,697 | 4,873,802 | 0 | 0 | 4,873,802 | 4,688,601 |
| Discounts/concessions (refer Note 20(b)) | | | | | | | 0 | | | | 0 | 0 |
| Total amount raised from general rate | | | | | | | 4,888,697 | | | | 4,873,802 | 4,688,601 |
| Totals | | | | | | | 4,888,697 | | | | 4,873,802 | 4,688,601 |

**SIGNIFICANT ACCOUNTING POLICIES**

**Rates**

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

## 20. 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 | 26 Sep 2018 | 0.00 | 5.50% | 11.00% |
| **Option Two** | | | | |
| First instalment | 26 Sep 2018 | 0.00 | 5.50% | 11.00% |
| Second instalment | 29 Jan 2019 | 10.00 | 5.50% | 11.00% |
| **Option Three** | | | | |
| First instalment | 26 Sep 2018 | 0.00 | 5.50% | 11.00% |
| Second instalment | 26 Nov 2018 | 10.00 | 5.50% | 11.00% |
| Third instalment | 29 Jan 2019 | 10.00 | 5.50% | 11.00% |
| Fourth instalment | 29 Mar 2019 | 10.00 | 5.50% | 11.00% |

| | 2019 Actual | 2019 Budget | 2018 Actual |
|---|---|---|---|
| | $ | $ | $ |
| Interest on unpaid rates | 37,589 | 23,220 | 34,728 |
| Interest on instalment plan | 16,004 | 15,900 | 15,441 |
| Charges on instalment plan | 19,100 | 19,980 | 20,670 |
| | 72,692 | 59,100 | 70,838 |

## 21. RATE SETTING STATEMENT INFORMATION

| | Note | 2018/19 (30 June 2019 Carried Forward) | 2018/19 Budget (30 June 2019 Carried Forward) | 2018/19 (1 July 2018 Brought Forward) |
|---|---|---|---|---|
| | | $ | $ | $ |
| **(a) Non-cash amounts excluded from operating activities** | | | | |
| The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with *Financial Management Regulation 32.* | | | | |
| **Adjustments to operating activities** | | | | |
| Less: Profit on asset disposals | 10(a) | (14,388) | (4,165) | (7,177) |
| Movement in employee benefit provisions (non-current) | | 16,278 | 25,855 | 142,432 |
| Add: Loss on disposal of assets | 10(a) | 34,863 | 24,496 | 20,015 |
| Add: Disposal of assets as per regulation changes | | 88,640 | 0 | 0 |
| Add: Depreciation on assets | 10(b) | 3,376,312 | 3,490,299 | 3,480,388 |
| **Non cash amounts excluded from operating activities** | | 3,501,706 | 3,536,485 | 3,635,658 |
| **(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 *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates. | | | | |
| **Adjustments to net current assets** | | | | |
| Less: Reserves - restricted cash | 3 | (2,397,937) | (2,320,258) | (2,317,381) |
| Less: Restricted Cash | | (48,681) | 0 | (255,645) |
| **Total adjustments to net current assets** | | (2,446,618) | (2,320,258) | (2,573,026) |
| **Net current assets used in the Rate Setting Statement** | | | | |
| Total current assets | | 3,752,271 | 2,835,833 | 4,125,360 |
| Less: Total current liabilities | | (247,956) | (515,575) | (513,962) |
| Less: Total adjustments to net current assets | | (2,446,618) | (2,320,258) | (2,573,026) |
| **Net current assets used in the Rate Setting Statement** | | 1,057,699 | 0 | 1,038,372 |

## 22. 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 |
|---|---|---|---|---|---|
| | % | $ | $ | $ | $ |
| **2019** | | | | | |
| Cash and cash equivalents | 2.008% | 3,819,577 | 2,397,936 | 1,421,641 | |
| **2018** | | | | | |
| Cash and cash equivalents | 1.868% | 3,922,610 | 2,317,380 | 1,605,230 | |

#### Sensitivity

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

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| Impact of a 1% movement in interest rates on profit and loss and equity* | 38,196 | 39,226 |

* 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).

## 22. FINANCIAL RISK MANAGEMENT (Continued)

### (b) Credit risk

***Trade Receivables***

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

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2018 or 1 July 2019 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. There are no material receivables that have been subject to a re-negotiation of repayment terms.

Upon adoption of AASB9 there has been no material change in the calculation of the loss allowances at 1 July 2018 and therefore no retrospective adjustments have been applied

| | Current | More than 1 year past due | More than 2 years past due | More than 3 years past due | Total |
|---|---|---|---|---|---|
| **30 June 2019** | | | | | |
| Rates receivable | | | | | |
| Expected credit loss | 0.00% | 0.00% | 0.00% | 0.00% | |
| Gross carrying amount | 4,648 | 112,186 | 49,178 | 15,808 | 181,820 |
| Loss allowance | 0 | 0 | 0 | 0 | 0 |

The loss allowance as at 30 June 2019 and 1 July 2018 (on adoption of AASB 9) was determined as follows for sundry receivables.

| | Current | More than 30 days past due | More than 60 days past due | More than 90 days past due | Total |
|---|---|---|---|---|---|
| **30 June 2019** | | | | | |
| Sundry Receivables | | | | | |
| Expected credit loss | 0.01% | 0.01% | 0.01% | 0.01% | |
| Gross carrying amount | 311,166 | 2,301 | 0 | 3,477 | 316,945 |
| Loss allowance | 31 | 0 | 0 | 0 | 32 |

The loss allowance is not material

## 22. 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(c).

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 |
|---|---|---|---|---|---|
| **2019** | $ | $ | $ | $ | $ |
| Payables | 247,956 | 0 | 0 | 247,956 | 927,728 |
| Borrowings | 61,483 | 272,789 | 31,159 | 365,431 | 365,432 |
| | 309,439 | 272,789 | 31,159 | 613,387 | 1,293,160 |
| **2018** | | | | | |
| Payables | 513,961 | 0 | 0 | 513,961 | 513,961 |
| Borrowings | 59,033 | 261,794 | 103,638 | 424,465 | 424,464 |
| | 572,994 | 261,794 | 103,638 | 938,426 | 938,425 |

## 23. 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 2018 | Amounts Received | Amounts Paid | Amounts Transferred to Muni | 30 June 2019 |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| BCITF Levy | 0 | 10,740 | (10,740) | | 0 |
| Builders Registration Board | 0 | 21,281 | (21,040) | (242) | 0 |
| Hall Deposits | 4,555 | 2,080 | (2,075) | (4,560) | 0 |
| Landcare EOY Balance | 69,786 | 75,515 | (69,786) | (75,515) | 0 |
| Nomination Deposits | 0 | 0 | 0 | | 0 |
| Retentions | 5,938 | 0 | 0 | (5,938) | 0 |
| Roadworks/Footpath Bonds | 7,925 | 0 | 0 | (7,925) | 0 |
| Subdivision Bonds | 64,910 | 0 | 0 | (64,910) | 0 |
| Sundry Items | 244,478 | 21,581 | (10,299) | (255,760) | 0 |
| Vehicle Licensing Plates | 0 | 1,200 | (1,200) | 0 | 0 |
| Extractive Industries | 148,632 | 25,410 | 0 | (174,042) | 0 |
| Public Open Space | 50,022 | 0 | 0 | 0 | 50,022 |
| Alcoa Waroona Sustainability | 1,762,847 | 260,282 | (70,265) | 0 | 1,952,864 |
| | 2,359,092 | 418,088 | (185,404) | (588,890) | 2,002,886 |

## 24. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

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

Whilst many reflected consequential changes associated with the amendment of existing standards, the only new standard with material application is AASB 9 *Financial Instruments*.

### AASB 9 Financial instruments

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual reporting periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Shire applied AASB 9 prospectively, with an initial application date of 1 July 2018. The adoption of AASB 9 has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with AASB 9.7.2.15, the Shire has not restated the comparative information which continues to be reported under AASB 139. Differences arising from adoption have been recognised directly in accumulated surplus/(deficit).

### (a) Classification and measurement

Under AASB 9, financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (fair value through OCI) or fair value through profit or loss (fair value through P/L). The classification is based on two criteria: the Shire's business model for managing the assets; and whether the assets' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Shire's business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on financial assets are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

## 25. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE YEARS

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

This note explains management's assessment of the new and amended pronouncements that are relevant to the Shire, the impact of the adoption of AASB 15 *Revenue from Contracts with Customers* , AASB 16 *Leases* and AASB 1058 *Income for Not-for-Profit Entities* . These standards are applicable to future reporting periods and have not yet been adopted.

### (a) Revenue from Contracts with Customers

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

| | Note | AASB 118 carrying amount 30 June 2019 | Reclassification | AASB 15 carrying amount 01 July 2019 |
|---|---|---|---|---|
| | | $ | $ | $ |
| **Contract liabilities - current** | | | | |
| Unspent grants, contributions and reimbursements | 19 | 0 | 48,681 | 48,681 |
| Adjustment to retained surplus from adoption of AASB 15 | 25(d) | | (48,681) | |

### (b) Leases

The Shire adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the Shire has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB16 recognised on 1 July 2019. In applying the AASB 16 under the specific transition provisions chosen, the Shire will not restate comparatives for prior reporting periods.

On adoption of AASB 16, the Shire will recognise lease liabilties in relation to leases which had previously been classified as an 'operating lease' applying AASB 117. These lease liabilities will be measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate on 1 July 2019. The weighted average lessee's incremental borrowing rates applied to the lease liabilities on 1 July 2019 is 3.50%.

| | Note | 2019 |
|---|---|---|
| | | $ |
| Operating lease commitments disclosed as at 30 June 2019 | | 116,865 |
| Lease liability recognised as at 1 July 2019 | | |
| Discounted using the Shire's incremental borrowing rate of 3.50% | 25(d) | 112,766 |

On adoption of AASB 16, the Shire will recognise a right-of-use asset in relation to a lease which had previously been classified as an 'operating lease' applying AASB 117. This right-of-use asset is to be measured as if AASB 16 had been applied since its commencement date by the carrying amount but discounted using the lessee's incremental borrowing rate as on 1 July 2019.

On adoption of AASB 16 Leases (issued February 2016), for leases which had previously been classified as an 'operating lease' when applying AASB 117, the Shire is not required to make any adjustments on transition for leases for which the underlying asset is of low value. 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).

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

## 25. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE YEARS (Continued)

### (c) Income For Not-For-Profit Entities

The Shire will adopt AASB 1058 for Not-for-Profit Entities (issued December 2016) on 1 July 2019 which will result in no changes in accounting policies as the Shire already recognises prepaid rates as a financial liability.

### (d) Impact of changes to Retained Surplus

The impact on the Shire of the changes as at 1 July 2019 is as follows:

| | Note | Adjustments | 2019 |
|---|---|---|---|
| | | | $ |
| Retained surplus - 30 June 2019 | | | 10,534,409 |
| Adjustment to retained surplus from adoption of AASB 15 | 25(a) | (48,681) | |
| Adjustment to retained surplus from adoption of AASB 16 | 25(b) | 112,766 | |
| Retained surplus - 01 July 2019 | | | 10,598,494 |

## 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 regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the ends of the reporting period.

## 27. ACTIVITIES/PROGRAMS

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

| PROGRAM NAME AND OBJECTIVES | ACTIVITIES |
|---|---|
| **GOVERNANCE**<br>To provide a decision making process for the efficient allocation of scarce resources. | Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services. |
| **GENERAL PURPOSE FUNDING**<br>To collect revenue to allow for the provision of services. | Rates, general purpose government grants and interest revenue. |
| **LAW, ORDER, PUBLIC SAFETY**<br>To provide services to help ensure a safer and environmentally conscious community. | Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services. |
| **HEALTH**<br>To provide an operational framework for environmental and community health. | Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance. |
| **EDUCATION AND WELFARE**<br>To provide services to disadvantaged persons, the elderly, children and youth | Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centres. Provision and maintenance of home and community care programs and youth services |
| **HOUSING**<br>To provide and maintain elderly residents housing. | Provision and maintenance of elderly residents housing. |
| **COMMUNITY AMENITIES**<br>To provide services required by the community. | Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences. |
| **RECREATION AND CULTURE**<br>To establish and effectively manage infrastructure and resource which will help the social well being of the community. | Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities. |
| **TRANSPORT**<br>To provide safe, effective and efficient transport services to the community | Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc. |
| **ECONOMIC SERVICES**<br>To help promote the shire and its economic wellbeing. | Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control. |
| **OTHER PROPERTY AND SERVICES**<br>To monitor and control the Shire's overhead operating accounts. | Private works operation, plant repair and operation costs and engineering operation costs. |

## 28. FINANCIAL RATIOS

| | 2019 Actual | 2018 Actual | 2017 Actual |
|---|---|---|---|
| Current ratio | 1.1650 | 1.1470 | 1.1072 |
| Asset consumption ratio | 0.6850 | 0.8140 | 0.6972 |
| Asset renewal funding ratio | 1.2830 | 0.9020 | 0.9650 |
| Asset sustainability ratio | 0.7630 | 0.5320 | 0.5015 |
| Debt service cover ratio | 14.5210 | 6.9740 | 21.9759 |
| Operating surplus ratio | (0.3570) | (0.4970) | (0.3524) |
| Own source revenue coverage ratio | 0.6150 | 0.5710 | 0.5642 |

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

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

AMD

CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

Independent Member of
BKR
INTERNATIONAL

**INDEPENDENT AUDITOR'S REPORT**

**To the Electors of the Shire of Waroona**

**Report on the Audit of the Financial Report**

***Opinion***

We have audited the annual financial report of the Shire of Waroona which comprises the Statement of Financial Position as at 30 June 2019, 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, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In our opinion the annual financial report of the Shire of Waroona:

(i) is based on proper accounts and records; and

(ii) fairly represents, in all material respects, the results of the operations of the Shire of Waroona for the year ended 30 June 2019 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

***Basis for Opinion***

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Shire of Waroona in accordance with the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence We have obtained is sufficient and appropriate to provide a basis for our opinion.

***Emphasis of Matter – Basis of Accounting***

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling Shire of Waroona's financial reporting responsibilities under the Act. Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. Our opinion is not modified in respect of this matter.

***Responsibilities of the Chief Executive Officer and Council for the Financial Report***

The Chief Executive Officer (CEO) of the Shire of Waroona is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing the Shire of Waroona'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 of Waroona.

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

***Auditor's Responsibility for the Audit of the Financial Report***

The objectives of our 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 our 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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire of Waroona's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Shire of Waroona's ability to continue as a going concern. If we conclude that a material uncertainty exists, we am required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report, as we cannot predict future events or conditions that may have an impact.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council and the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

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

(i) In our opinion, the following matters indicate significant adverse trends in the financial position or the financial management practices of the Shire of Waroona:
   a. Asset sustainability ratio as reported in Note 27 of the financial report is below the Department of Local Government, Sport and Cultural Industries (DLGSCI) standard of 0.8 for the last three years 2017: 0.5015, 2018: 0.5320 and 2019: 0.7630; and
   b. Operating surplus ratio as reported in Note 27 of the financial report is below the below the Department of Local Government, Sport and Cultural Industries (DLGSCI) standard of zero for the last three years 2017: -0.3524, 2018: -0.4968 and 2019: - 0.3570.

(ii) There were no instances of non-compliance with Part 6 of the *Local Government Act 1995*, the *Local Government (Financial Management) Regulations 1996* or applicable financial controls of any other written law identified during the course of our audit.
(iii) All required information and explanations were obtained by me.
(iv) All audit procedures were satisfactorily completed.
(v) In our opinion, the asset consumption ratio and the asset renewal ratio included in the annual financial report were supported by verifiable information and reasonable assumptions, with exception of the asset renewal ratio only including one year of data.

**Matters Relating to the Electronic Publication of the Audited Financial Report**
This auditor's report relates to the annual financial report of Shire of Waroona for the year ended 30 June 2018 included on the Shire of Waroona's website. Shire of Waroona's management is responsible for the integrity of the Shire of Waroona website. This audit does not provide assurance on the integrity of the Shire of Waroona'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.

**AMD Chartered Accountants**

**TIM PARTRIDGE**
**Director**

28-30 Wellington Street, Bunbury, Western Australia Dated this 12th day of November 2019

# POLICY WKS019 – PRIVATE WORKS

**Related Management Practice**
No

**Relevant Delegation**
No

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**POLICY INTENTION:**

To confirm support for private works requests from residents, organisations or others located in the Shire of Waroona, as well as other local government authorities.

**POLICY:**

Where private works are undertaken full cost recovery, inclusive of labour, material, plants and on costs, plus 30% will be applied to limit direct impact on local contractors.

Council approval is required before proceeding with any private works with a project value of $100,000 or more.

Appropriate procedures are to be maintained for quotes and other matters relating to private works.

| **Policy Administration** | |
|---|---|
| Division: | Works & Engineering |
| Contact Officer Position: | Director Technical Services |
| Parent Legislation: | Local Government Act 1995 |
| Other Relevant Documents: | Local Government (Financial Management) Regulations 1996 |
| Date Adopted: | 26 November 2019 |
| Reviews/Amendments: | |

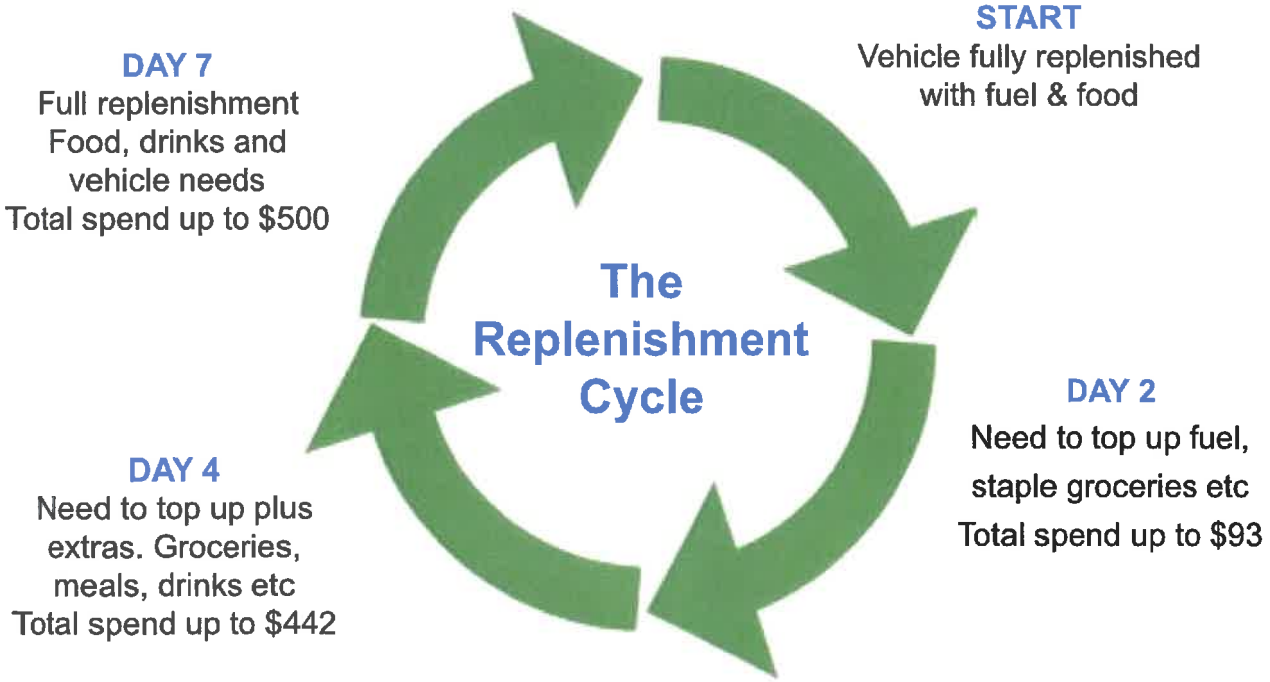
APPENDIX 9.5.2

# The Self-Contained RV Tourist

## Who are they and how will they benefit your local community?

Over the past decade the Self-Contained RV Tourist market has continued to expand, and has now emerged as one of the most important and sustainable sectors of the tourism industry. It is increasingly important to effectively understand this market and its needs, and provide facilities and services that will attract this emerging tourism segment to your region.

The growth of the RV industry will increase rapidly over the next few years as the Baby Boomer generation commences retirement travel, with this segment identified as a major growth market with a preference for drive holidays[1]. There will soon be in excess of 100,000 recreational vehicles on the road at any given time and RV tourists are set to dominate tourism activity in regional Australia.



## In the Past

During the 1970's and 1980's only the most seasoned caravanners took up the challenge and set off to explore the rugged Australian terrain.

Of course in those days a caravan (or campervan) was just a place to eat and sleep and shelter from the elements. Luxuries like electricity, water, showers, toilets and laundry facilities were only available at caravan parks, and every town had at least one.

So these travellers moved from caravan park to caravan park and occasionally, when forced to, stopped where there were no facilities available, roughing it for a night with a gas light and a shovel.

The market has come a long way since then! The new emerging market is the Self-Contained RV Tourist market.

## Enter the 21st Century, and the Self-Contained RV Tourist

The self-contained RV, whether towed or self-propelled, has its own toilet, shower, water tanks, fridge, solar panels and/or generator, allowing RV tourists to 'disappear out bush' for up to a week. Mobile phones, GPS's, air-conditioning and computers are the other items frequently found on board these vehicles.

When they visit your region, the only extra services they require are a dump point, a water tap, somewhere to dispose of their rubbish, and of course, somewhere to stop and shop!

In addition, the Self-Contained RV Tourists of the 21st century are conscious of their environmental footprint, leaving only tyre tracks behind.

An increasing number of RV tourists are joining programmes, such as CMCA's Leave No Trace® scheme, to show their commitment to the environment.

# *The questions you need to ask and the answers you need to know!*

### 1. Who are these Self-Contained RV Tourists?

The majority of Self-Contained RV Tourists are aged between 55 and 75 years, although an increasing number of younger travellers are embracing the lifestyle[2]. These travellers are often retired with a pension, or are either partly or fully self-funded, and usually possess more disposable income than other tourist segments. They come from all walks of life and travel in all types of vehicles, but they have one thing in common – they enjoy the freedom to stop and enjoy the beauty of the surrounding countryside, travelling where the wind takes them!

These Self-Contained RV Tourists are more likely to travel interstate - following the warm weather and revelling in the freedom their vehicles provide. They enjoy the solitude of the bush and spend an average of 163 days a year travelling Australia, covering an average of 14,000 kilometres[3].

If your town chooses to accommodate RV tourists, you will find word of mouth can be a priceless communication tool. RVers know where they are made to feel welcome, because travellers talk to fellow travellers. They need to spend their money on the daily essentials and return to spend their money at friendly towns and attractions, in order to support those communities that support them.

There are usually two people in a vehicle (a couple), but single person vehicles are not uncommon[2], although with the camaraderie amongst this group, you're never really alone! RV tourists are a very social group and congregate at those locations they have identified as being desirable. This is where they make new friends, catch up with old friends, pass on information, assist each other with advice, and enjoy happy hour!

They like nature and animals, with around 30% travelling with pets, and for these travellers a road trip is more than just a holiday, it's a lifestyle[2].

### 2. What are their habits?

**Dwell Time** – RV tourists usually stay in one spot for an average of three nights, depending on the attractiveness of the natural environment and the tourist facilities available[3]. This is their dwell time, and they will stay longer if the atmosphere is friendly and the infrastructure is supportive. If there are appealing attractions in the surrounding region, they may even make this location their base and revisit it frequently.

In addition, there is an increasing trend towards RVers travelling the same distance but taking longer to reach their destination, meaning more dwell time is spent along the way[3].

**The Replenishment Cycle** – Most are likely to shop for staple items such as milk, bread and newspapers on the second or fourth day, when they are stopped at a location.

On average they undertake a major shopping trip once a week, and this means that when they stop 'out bush' it is usually for between two to seven days. This shop doesn't include other expenditures frequently required by RV tourists, such as pharmaceutical products, vehicle repairs and maintenance and accommodation costs.

While self-contained travellers are equipped with the facilities necessary to stay at bush camps or reasonably priced rest areas or showgrounds, caravan parks that provide basic sites with the needs of the self-contained traveller in mind are frequently utilised.

## 3. What attracts them?

Self-Contained RV Tourists will always spend time at locations which offer interesting natural and/or man-made attractions. Social and nature-based activities are most popular with this segment[4], including:

- Markets
- National parks
- Heritage sites
- Museums
- Bushwalking
- Tours
- Fishing
- Wildlife parks
- Wineries
- Bird watching
- Art/cultural festivals
- Art galleries
- Aboriginal art/culture displays

These tourists are interested in Australia and its amazing and diverse environment, along with the natural and social history of the areas they visit. They want to know, understand and experience everything Australia has to offer!

RV tourists don't fully plan their routes, they keep their travels flexible, allowing them to stay longer at a destination that offers lots of attractions. Therefore it is important for towns to regularly promote their local activities to RV tourists.

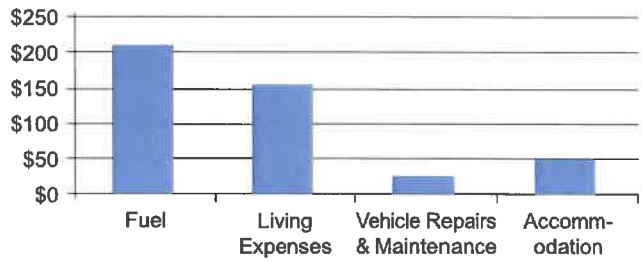
## 4. What Economic Benefits do they create?

Self-Contained RV Tourists are consistent spenders, who purchase a range of household products and services.

These tourists spend at places with at least one good-sized supermarket, a reasonable range of other shops and services, and facilities for vehicle parts and servicing.

- RV tourists spend an average of $500 per week when on the road[3].
- When visiting towns, on average their major purchases include $235 on motoring needs including fuel and vehicle maintenance, $160 on living expenses such as groceries and medical expenses, and $51 on accommodation costs (calculated per week)[3].
- 97% make purchases when stopping in a town[5].
- If they are staying and touring within a region, they are more likely to make purchases on the second, fourth and seventh nights, with the likelihood of purchases increasing if they stay for more than one week[5].
- Their estimated spend per vehicle per year, based on an average of 163 days travel, is approximately $10,700 - $11,500 or $66 to $74 per day[3].
- International and domestic RV tourists spend more money and stay more nights in regional Australia compared to visitors from other tourism segments[4].

**Average weekly spend on major items while travelling**




## 5. What are their Wants & Needs?

- A dump point (with toilets if possible) and a tap to refill fresh water tanks.
- RV tourists are more likely to stay longer when they are made to feel welcome and appreciated, so a friendly, hospitable town atmosphere is a must-have.
- Good tourism information that clearly shows all attractions and facilities. Ideally, tourist facilities should be easily accessible and open seven days a week.
- Short-term parking within close proximity of the general shopping area.
- Somewhere to park and stay longer term that is both safe and quiet and slightly away from the main population.

## How to capitalise on the RV Tourist market

In 2008, the total spend by RV and camping tourists across Australia was $8 billion, with domestic tourists spending $5.27 billion and international tourists spending $2.75 billion[4].

To assist towns in capitalising on these tourist dollars, CMCA has introduced the RV Friendly Town™ scheme. Towns that participate in this programme provide a number of basic necessities for Self-Contained RV Tourists, such as short and longer term rest areas (with access to a dump point), 24 hour medical services, a pharamacy and potable water. Towns that do not meet the full criterion may be designated as an RV Friendly Location™.

Participation in this scheme will attract more RV tourists, and CMCA will assist in the promotion of your town to its 55,000 plus Members.

The RV Friendly Town™ scheme has proven to be very successful, especially in regional and rural areas, where the dollars spent by these Self-Contained RV Tourists can make a huge difference to the local economy. Research has shown that international and domestic RV tourists are more likely to visit regional Australia (and spend more nights there) than other visitor segments[4].

CMCA also administers a subsidy scheme for Dump-Ezy dump point units, whereby we provide, at no charge, a dump point to selected councils. Find out if your town qualifies.

With approximately 330,000 campervans, caravans and motorhomes registered across Australia, and with an estimated 80,000 units on the road at any given time, now is the time for your town to capitalise on this expanding market[6].

Once these RV tourists arrive in your town, it is imperative that every effort be made to supply them with information regarding the attractions they can visit in your area.

Why not have someone visit your rest areas on a daily basis and supply each visitor with an information pack?

It's also important to ensure that your Visitor Information Centre has up to date brochures.

Promote – promote – promote.

### Fast Facts - Think about This!

- The industry has been growing at an annual rate of around 15% over the past seven years[6].
- The RV and camping industry has remained one of the most stable markets since 2000, with little change in international and domestic visitor numbers and nights[4].
- The senior travel segment has been domestic travel's best performing age group by far[8], and this age group is strongly represented in the RV tourist market. By 2021 there are expected to be 9 million Australians over the age of 50[7], and tourism forecasts predict that senior travellers will increase their contribution to the RV industry in the future as the baby boomer generation begins retiring[9].

There are many ways that rural and regional Australia can entice this market to their region. It's just a matter of recognising the economic value of RV tourists.

*So set the wheels in motion - Welcome this market and the businesses in your area will benefit and grow.*

Want to find out more about how your town, shire or region can tap into this exciting Self-Contained RV Tourist market?

Want to find out how your town can become an RV Friendly Town™?

**Contact:**

**National Headquarters**

**Campervan & Motorhome Club of Australia Ltd**

ABN: 16 095 568 157

**Phone: 02 4978 8788**

**Email: memberbenefits@cmca.net.au**

*All data included in this document is drawn from the following sources:

1. Centre for Regional Tourism Research, 2002. Drive Tourism: Up the Wall & Around the Bend
2. Balfour Consulting, 2008, CMCA Member Survey
3. CMCA Member Survey, 2009, Spend Profiles & Travel Habits, Whyalla Rally
4. Tourism Research Australia, 2008 & 2007, Caravan and Camping Snapshot
9. Tourism Research Australia, 2008, Through the looking glass- the future of domestic tourism in Australia
5. Balfour Consulting, 2003, The Social & Economic Impact of Rest Areas
8. Tourism Forecasting Committee, 2009, Issue 1
6. CCIA, 2008, Caravan & Camping Industry Profile
7. Australian Bureau of Statistics, 2006, Catalogue no. 3222.0

**APPENDIX 9.5.3**

**POLICY FIN009 – PURCHASING & PROCUREMENT**

**Related Management Practice**
No

**Relevant Delegation**
No

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**POLICY INTENTION:**

The objectives of this Policy are to ensure that all Shire purchasing activities:

- Demonstrate that best value for money is attained;
- Demonstrate support to purchasing local at every opportunity within the guidelines of this Policy;
- Are compliant with relevant legislations, including the Act and Regulations;
- Are recorded in compliance with the *State Records Act 2000* and associated records management practices and procedures;
- Mitigate probity risk, by establishing consistent and demonstrated processes that promotes openness, transparency, fairness and equity to all potential suppliers;
- Ensure that the sustainable benefits, such as environmental, social and local economic factors are considered in the overall value for money assessment;
- Are conducted in a consistent and efficient manner; and,
- That ethical decision making is demonstrated*.*

**POLICY:**

The Shire is committed to delivering best practice in the purchasing of goods, services and works that align with the principles of transparency, probity and good governance and that comply with the *Local Government Act 1995* (the "Act") and Part 4 of the *Local Government (Functions and General) Regulations 1996*, (the "Regulations").

Procurement processes and practice's to be complied with are defined within this Policy.

## 1. ETHICS & INTEGRITY

### 1.1 CODE OF CONDUCT

All purchasing officers and employees undertaking purchasing activities must have regard for the Shire of Waroona Code of Conduct requirements and shall observe the highest standards of ethics and integrity at all times. All officers and employees must act in an honest and professional manner at all times which supports the community standing of the Shire.

### 1.2 PURCHASING PRINCIPLES

The following principles, standards and behaviours must be observed and enforced through all stages of the purchasing process to ensure the fair and equitable treatment of all parties:

- Full accountability shall be taken for all purchasing decisions and the efficient, effective and proper expenditure of public monies based on achieving value for money;
- All purchasing practices shall comply with relevant legislation, regulations, and requirements consistent with the Shire of Waroona policies and the Code of Conduct;
- Purchasing is to be undertaken on a competitive basis where all potential suppliers are treated impartially, honestly and consistently;
- All processes, evaluations and decisions shall be transparent, free from bias and fully documented in accordance with applicable policies and procedures, audit requirements and relevant legislation;

- Any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed; and
- Any information provided by a supplier shall be treated as commercial-in-confidence and should not be released unless authorised by the supplier or relevant legislation.

## 2. VALUE FOR MONEY

### 2.1 OVERVIEW

Value for money is determined when the consideration of price, risk and qualitative factors that are assessed to determine the most advantageous outcome to be achieved. As such, purchasing decisions must be made with greater consideration than obtaining the lowest price, but also to incorporate qualitative and risk factors into the decision making process.

### 2.2 APPLICATION

An assessment of the best value for money outcome for any purchasing process should consider:

- All relevant total costs of ownership and benefits including transaction costs associated with acquisition, delivery, distribution, as well as other costs such as but not limited to holding costs, consumables, deployment, maintenance and disposal;
- The technical merits of the goods or services being offered in terms of compliance with specifications, contractual terms and conditions and any relevant methods of assuring quality, including but not limited to an assessment of levels and currency of compliances, value adds offered, warranties, guarantees, repair and replacement policies, ease of inspection, ease of after sales service, ease of communications etc.
- Financial viability and capacity to supply without risk of default (competency of the prospective suppliers in terms of managerial and technical capabilities and compliance history);
- A strong element of competition in the allocation of orders or the awarding of contracts. This is achieved by obtaining a sufficient number of competitive quotations wherever practicable;
- The safety requirements associated with both the product design and specification offered by suppliers and the evaluation of risk when considering purchasing goods and services from suppliers;
- Purchasing of goods and services from suppliers that demonstrate sustainable benefits and good corporate social responsibility; and
- Providing opportunities for businesses within the Shire's boundaries to be given the opportunity to quote for providing goods and services wherever possible.

## 3. PURCHASING REQUIREMENTS

### 3.1 LEGISLATIVE / REGULATORY REQUIREMENTS

The requirements that must be complied with, including purchasing thresholds and processes, are prescribed within the Act, Regulations, this Policy and associated purchasing procedures in effect.

### 3.2 PURCHASING GENERALLY

Purchasing that is $150,000 or below in total value (excluding GST) must be in accordance with the purchasing requirements under the relevant threshold as defined under section 3.5 of this Purchasing Policy.

Purchasing that exceeds $150,000 in total value (excluding GST) must be put to public Tender unless it is determined that a regulatory Tender exemption in the Act or Regulations is provided, or as stated in this Policy.

### 3.3 PURCHASING VALUE DEFINITION

Determining purchasing value is to be based on the following considerations:

1. Exclusive of Goods and Services Tax (GST);

2. The actual or expected value of a contract over the full contract period, including all options to extend; or the extent to which it could be reasonably expected that the Shire will continue to purchase a particular category of goods, services or works and what total value is or could be reasonably expected to be purchased. A best practice suggestion is that if a purchasing threshold is reached within three years for a particular category of goods, services or works, then the purchasing requirement under the relevant threshold (including the tender threshold) must apply.

3. Must incorporate any variation to the scope of the purchase and be limited to a 10% tolerance of the original purchasing value.

### 3.4 PURCHASING FROM EXISTING CONTRACTS

Where the Shire has an existing contract in place, it must ensure that goods and services required are purchased under these contracts to the extent that the scope of the contract allows. When planning the purchase, the Shire must consult its Record Management System in the first instance before seeking to obtain quotes and tenders on its own accord.

### 3.5 PURCHASING THRESHOLDS

The table below prescribes the purchasing process that approved purchasing officers must follow, based on the purchase value:

| Purchase Value Threshold | Purchasing Requirement |
|---|---|
| Up to $7,500 | Purchase directly from a supplier and at least one (1) oral or written quotation must be obtained from a suitable supplier, either from:<br>• an existing panel of pre-qualified suppliers administered and maintained by the Shire; or<br>• a pre-qualified supplier on the WALGA Preferred Supply Program or State Government Common Use Arrangement (CUA); or<br>• from the open market.<br><br><u>A quotation from a local (Shire) supplier must be obtained where possible.</u> |
| $7,501 to $24,999 | Obtain at least two oral or written quotations from suppliers following a brief outlining the specified requirement, either from:<br>• an existing panel of pre-qualified suppliers administered by the Shire; or<br>• a pre-qualified supplier on the WALGA Preferred Supply Program or State Government CUA; or<br>• from the open market.<br>•<br><u>A quotation from a local (Shire) supplier must be obtained where possible.</u> |
| $25,000 to $59,999 | Obtain at least two written quotations from suppliers following a brief outlining the specified requirement, either from:<br>• an existing panel of pre-qualified suppliers administered by the Shire; or<br>• a pre-qualified supplier on the WALGA Preferred Supply Program or State Government CUA; or<br>• from the open market.<br><br><u>A quotation from a local (Shire) supplier must be obtained where possible.</u> |

| Purchase Value Threshold | Purchasing Requirement |
|---|---|
| $60,000 to $149,999 | Obtain at least three written quotations from suppliers by formal invitation under a Request for Quotation, containing price and detailed specification of goods and services required. The procurement decision is to be based on pre-determined evaluation criteria that assesses all value for money considerations in accordance with the definition stated within this Policy.<br>Quotations within this threshold may be obtained from:<br>• an existing panel of pre-qualified suppliers administered by the Shire; or<br>• a pre-qualified supplier on the WALGA Preferred Supply Program or State Government CUA; or<br>• from the open market.<br>Requests for quotation from a pre-qualified panel of suppliers (whether administered by the Shire through the WALGA preferred supply program or State Government (CUA) are not required to be invited using a Request for Quotation form, however at least three written quotes are still required to be obtained.<br><br><u>A quotation from a local (Shire) supplier must be obtained where possible.</u> |
| Over $150,000 | Where the purchasing requirement is not suitable to be met through a panel of pre-qualified suppliers, or any other tender-exempt arrangement as listed in this Policy, conduct a public Request for Tender process in accordance with Part 4 of the Local Government (Functions and General) Regulations 1996, this policy and the Shire's tender procedures. The procurement decision is to be based on pre-determined evaluation criteria (as determined by the Chief Executive Officer under Delegated Authority or by Council where a Delegation does not apply) that assesses all value for money considerations in accordance with the definition stated within this Policy. |

### 3.6 DETERMINATION OF APPROVED PURCHASING OFFICERS / PROCESSES AND PROCEDURES

The Chief Executive Officer is responsible for determining the employees permitted to procure goods and services under this Policy and for determining associated expenditure approval levels and the associated processes and procedures.

### 3.7 TENDERING EXEMPTIONS

An exemption to publicly invite tenders may apply in the following instances:

- The purchase is obtained from a pre-qualified supplier under the WALGA Preferred Supply Program or State Government Common Use Arrangement (CUA);
- The purchase is from a Regional Local Government or another Local Government;
- The purchase is acquired from a person registered on the WA Aboriginal Business Directory, as published by the Small Business Development Corporation, where the consideration under contract is worth $250,000 or less and represents value for money;
- The purchase is acquired from an Australian Disability Enterprise and represents value for money;
- The purchase is from a pre-qualified supplier under a Panel established; in accordance with the Act and Regulations; and,
- Any of the other exclusions under Regulation 11 of the Regulations apply.

### 3.8 INVITING TENDERS UNDER THE TENDER THRESHOLD ($150,000 OR LESS)

Where considered appropriate and beneficial, the Chief Executive Officer may consider publicly advertising Tenders in lieu of undertaking a Request for Quotation for purchases under the tender threshold. This decision should be made after considering the benefits of this approach in

comparison with the costs, risks, timeliness and compliance requirements and also whether the purchasing requirement can be met through the WALGA Preferred Supply Program or State Government CUA.

If a decision is made to undertake a public Tender for contracts expected to be $150,000 or less in value, the Shire's tendering procedures must be followed in full.

### 3.9 SOLE SOURCE OF SUPPLY

Where the purchasing requirement is over the value of $7,500 and of a unique nature that can only be supplied from one supplier, the purchase is permitted without undertaking a tender or quotation process. This is only permitted in circumstances where the Shire is satisfied and can evidence that there is only one source of supply for those goods, services or works. The Shire must use its best endeavours to determine if the sole source of supply is genuine by exploring if there are any alternative sources of supply. Once determined, the justification must be endorsed by the relevant Director, prior to a contract being entered into.

From time to time, expression of interest may be publicly invited to effectively determine that one sole source of supply still genuinely exists.

### 3.10 ANTI-AVOIDANCE

The Shire shall not enter into two or more contracts or create multiple purchase order transactions of a similar nature for the purpose of "splitting" the value of the purchase or contract to take the value of the consideration of the purchase below a particular purchasing threshold, particularly in relation to Tenders and to avoid the need to call a public Tender.

### 3.11 EMERGENCY PURCHASES

An emergency purchase is defined as an unanticipated and unbudgeted purchase which is required in response to an emergency situation as provided for in the Act.

In such instances, quotes and tenders are not required to be obtained prior to the purchase being undertaken and purchases in these circumstances are to be facilitated by the Chief Executive Officer or the appointed Local Recovery Coordinator.

An emergency purchase does not relate to purchases not planned for due to time constraints. Every effort must be made to anticipate purchases in advance and to allow sufficient time to obtain quotes and tenders, whichever may apply.

## 4. RECORDS MANAGEMENT

Records of all purchasing activity must be retained in compliance with the *State Records Act 2000* (WA), the Shire of Waroona Records Management Policy and associated procedures and procurement practices.

For each procurement activity, such documents may include:

- The procurement initiation document such as a procurement business case which justifies the need for a contract to be created (where applicable);
- Procurement Planning and approval documentation which describes how the procurement is to be undertaken to create and manage the contract;
- Request for Quotation/Tender documentation;
- Copy of public advertisement inviting tenders, or the notice of private invitation (whichever is applicable);
- Copies of quotes/tenders received;
- Evaluation documentation, including individual evaluators note and clarifications sought;
- Negotiation documents such as negotiation plans and negotiation logs;

- Approval of award documentation;
- All correspondence to respondents notifying of the outcome to award a contract;
- Contract Management Plans which describes how the contract will be managed; and
- Copies of contract(s) with supplier(s) formed from the procurement process.

## 5. SUSTAINABLE PROCUREMENT AND CORPORATE SOCIAL RESPONSIBILITY

The Shire is committed to providing a preference to suppliers that demonstrate sustainable business practices and high levels of corporate social responsibility (CSR). Where appropriate practicable purchasing officer shall endeavour to provide an advantage to suppliers demonstrating that they minimise environmental and negative social impacts and embrace CSR. CSR considerations must be balanced against value for money outcomes in accordance with the Shire's sustainability objectives.

## 6. BUY LOCAL POLICY (EXCLUDING TENDERS)

As much as practicable, the Shire must:

- Where appropriate, consider buying practices, procedures and specifications that do not unfairly disadvantage local businesses;
- Consider indirect benefits that have flow on benefits for local suppliers (i.e. servicing and support);
- Ensure that procurement planning addresses local business capability and local content;
- Explore the capability of local businesses to meet requirements and ensure that Requests for Quotation and Tenders are designed to accommodate the capabilities of local businesses;
- Avoid bias in the design and specifications for Requests for Quotation and Tenders – all Requests must be structured to encourage local businesses to bid; and
- Provide adequate and consistent information to potential suppliers.

To this extent and for the purposes of supporting buying local, as a demonstrated benefit or contribution to the local economy, suppliers based within the boundaries of the Shire of Waroona, for at least six (6) months prior to a Request for Quotation being sought are afforded the following a buy local price preference, for the purposes of assessment –

- **10% for purchases up to $100,000 (ex GST).**
- **A flat $10,000 for all purchases between $100,000 and $150,000 (ex GST).**

A regional price preference in accordance with Policy FIN010 is afforded for procurement by way of Tender.

## 7. PURCHASING FROM DISABILITY ENTERPRISES

Pursuant to Part 4 of the *Local Government (Functions and General) Regulations 1996*, the Shire is not required to publicly invite tenders if the goods or services are to be supplied from an Australian Disability Enterprise, as registered on www.ade.org.au. This is contingent on the demonstration of value for money.

Where possible and practicable, Australian Disability Enterprises are to be invited to quote for supplying goods and services under the tender threshold. A qualitative weighting for assessment purposes, as outlined in section 8 is to be afforded for the purposes of quotes and tenders to provide advantages to Australian Disability Enterprises.

## 8. PURCHASING FROM ABORIGINAL BUSINESSES

Pursuant to Part 4 of the *Local Government (Functions and General) Regulations 1996*, the Shire is not required to publicly invite tenders if the goods or services are to be supplied from a person registered on the Aboriginal Business Directory published by the Small Business Development Corporation on www.abdwa.com.au, where the expected consideration under contract is worth $250,000 or less. This is contingent on the demonstration of value for money.

Where possible and practicable, Aboriginal businesses are to be invited to quote for supplying goods and services under the tender threshold. A qualitative weighting for assessment purposes, as outlined in section 8 is to be afforded for the purposes of quotes and tenders to provide advantages to Aboriginal owned businesses, or businesses that demonstrate a high level of aboriginal employment.

## 9. PRE-QUALIFIED SUPPLIERS

To further support effective procurement in accordance with this Policy, Council or the Chief Executive Officer may under Delegated Authority approve the creation of a Panel of Pre-qualified Suppliers (Panel) under Regulation 24AC of the *Local Government (Functions and General) Regulations 1996*.

The following factors are to apply if a Panel is to be created:

- A determination is to be made that a range of similar goods and services are required to be purchased on a continuing and regular basis;
- There are numerous potential suppliers in the local and regional procurement-related market sector(s) that satisfy the test of 'value for money';
- The purchasing activity under the intended Panel is assessed as being of a low to medium risk;
- The Panel will streamline and will improve procurement processes; and
- A capability and capacity exists to establish, manage the risks and achieve the benefits expected of the proposed Panel.

### 9.1 ESTABLISHING A PANEL

Should it be determined that a Panel would be beneficial to be created, it must be created in accordance with Part 4, Division 3 the *Local Government (Functions and General) Regulations 1996*.

- Panels may be established for one supply requirement, or a number of similar supply requirements under defined categories within the Panel.
- Panels may be established for a minimum of two (2) years and for a maximum length of time formally determined.
- Evaluation criteria must be determined and communicated in the application process by which applications will be assessed and accepted.
- Where a Panel is to be established at least three (3) suppliers to each category will endeavoured to be appointed, on the basis that best value for money is demonstrated. Where less than three (3) suppliers are appointed to each category within the Panel, a category is not to be established.
- In each invitation to apply to become a pre-qualified supplier (through a procurement process advertised through a state-wide notice), a clear statement is to be provided to indicate the expected number of suppliers to put on the panel.
- Should a Panel member leave the Panel, they may be replaced by the next ranked Panel member determined in the value for money assessment should the supplier agree to do so, with this intention to be disclosed in the detailed information set out under Regulation 24AD(5)(d) and (e) when establishing the Panel.

### 9.2 DISTRIBUTING WORK AMONGST PANEL MEMBERS

To satisfy Regulation 24AD(5) of the Regulations, when establishing a Panel of pre-qualified suppliers, the detailed information associated with each invitation to apply to join the Panel must either prescribe whether it is intended to:

- Obtain quotations from each pre-qualified supplier on the Panel with respect to all purchases, in accordance with Clause 11.3; or

- Purchase goods and services exclusively from any pre-qualified supplier appointed to that Panel, and under what circumstances; or,
- Develop a ranking system for selection to the Panel, with work awarded in accordance with Clause 11.2(b).

In considering the distribution of work among Panel members, the detailed information must also prescribe whether:

(a) Each Panel member will have the opportunity to bid for each item of work under the Panel, with pre-determined evaluation criteria forming part of the invitation to quote to assess the suitability of the supplier for particular items of work. Contracts under the pre-qualified panel will be awarded on the basis of value for money in every instance; or

(b) Work will be awarded on a ranked basis, which is to be stipulated in the detailed information set out under Regulation 24AD(5)(f) when establishing the Panel.

An invitation is to be sent to the highest ranked Panel member, who is to give written notice as to whether to accept the offer for the work to be undertaken. Should the offer be declined, an invitation to the next ranked Panel member is to be made and so forth until a Panel member accepts a Contract. Should the list of Panel members invited be exhausted with no Panel member accepting the offer to provide goods/services under the Panel, an invitation to suppliers that are not pre-qualified under the Panel, in accordance with the Purchasing Thresholds stated in section 5.5 of this Policy.

When a ranking system is established, the Panel must not operate for a period exceeding 12 months.

In every instance, a contract must not be formed with a pre-qualified supplier for an item of work beyond 12 months, which includes options to extend the contract.

### 9.3 PURCHASING FROM THE PANEL

The invitation to apply to be considered to join a panel of pre-qualified suppliers must state whether quotations are either to be invited to every member (within each category, if applicable) of the Panel for each purchasing requirement, whether a ranking system is to be established, or otherwise.

Each quotation process, including the invitation to quote, communications with panel members, quotations received, evaluation of quotes and notification of award communications must all be made through eQuotes, or any other electronic quotation facility.

### 9.4 RECORDKEEPING

Records of all communications with Panel members, with respect to the quotation process and all subsequent purchases made through the Panel, must be kept.

For the creation of a Panel, this includes:

- The Procurement initiation document such as a procurement business case which justifies the need for a Panel to be created;
- Procurement Planning and approval documentation which describes how the procurement is to be undertaken to create and manage the Panel;
- Request for Applications documentation;
- Copy of public advertisement inviting applications;
- Copies of applications received;
- Evaluation documentation, including clarifications sought;
- Negotiation documents such as negotiation plans and negotiation logs;
- Approval of award documentation;

- All correspondence to applicants notifying of the establishment and composition of the Panel such as award letters;
- Contract Management Plans which describes how the contract will be managed; and
- Copies of framework agreements entered into with pre-qualified suppliers.

Itemised records of all requests for quotation, including quotations received from pre-qualified suppliers and contracts awarded to Panel members must be kept A unique reference number shall be applied to all records relating to each quotation process, which is to also be quoted on each purchase order issued under any subsequent contract.

Information with regards to the Panel offerings, including details of suppliers appointed to the Panel, must be kept up to date, consistent and made available for access by all officers and employees.

| **Policy Administration** | |
|---|---|
| Division: | Finance |
| Contact Officer Position: | Deputy Chief Executive Officer / Director Corporate Services |
| Parent Legislation: | Local Government Act 1995 |
| Other Relevant Documents: | Local Government (Functions and General) Regulations 1996<br>State Records Act 2000 |
| Date Adopted: | 18 December 2018 |
| Reviews/Amendments: | 26 November 2019 |

**APPENDIX 9.5.4**

# POLICY FINXXX – REGIONAL PRICE PREFERENCE

**Related Management Practice**
No

**Relevant Delegation**
No

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**POLICY INTENTION:**

To promote the growth development and retention of local and regional businesses employing local people to assist in generating economic benefits by maximising the use of competitive local and regional content in the supply of goods and services or for construction (building services) sourced by way of Tender on behalf of the Shire of Waroona.

**POLICY:**

1.1 That a price preference will apply to tenders invited for procurement over $75,000 by the Shire of Waroona, as detailed in clause 1.2, unless Council resolves that this policy not apply to a particular tender invited.

1.2 The following levels of preference for the purposes of assessment will be applied under this policy:

Shire of Waroona Businesses

(a) 10% where the contract is for goods and services up to a maximum price assessment reduction of $100,000 and a flat $10,000 between $100,001 - $150,000; and

(b) 5% where the contract is for construction (building services) up to a maximum price assessment reduction of $50,000.

Peel Region Businesses

(a) 5% where the contract is for goods and services up to a maximum price assessment reduction of $50,000 and 2.5% between $50,001 - $150,000; and

(b) 2.5% where the contract is for construction (building services) up to a maximum price assessment reduction of $50,000.

The levels of preference outlined in clause 2.2, will only apply to businesses that are located within the Shire of Waroona or the Peel Region for at least six (6) months prior to the closing date of tender invited.

The level of preference outlined is to be applied as either a local (Shire of Waroona Business or Peel Region Business), not both.

The Peel Region Businesses preference can only be applied if it does not affect the overall evaluation outcomes for a business from the Shire of Waroona, on the condition that the Shire of Waroona Business has submitted an equally competitive bid in terms of evaluated quality i.e.: overall qualitative scores are in the same range/s.

Only the cost of those goods and services clearly identified in a the tender submission as being supplied locally or from the Peel Region regionally (regardless of their origin) will be included in the calculation that forms a part of the assessment of a tender. Travel or accommodate costs are excluded.

It should be noted that price is only one factor to be considered when the Shire assesses tender submissions. Value for money principles will be used to achieve the best possible outcome for every dollar spent. This is achieved by assessing all costs and benefits rather than simply selecting the lowest purchase price.

The Peel Region includes the Shire's of Murray, Boddington, Serpentine Jarrahdale and City of Mandurah.

| **Policy Administration** | |
|---|---|
| Division: | Finance |
| Contact Officer Position: | Deputy Chief Executive Officer / Director Corporate Services |
| Parent Legislation: | Local Government Act 1995 |
| Other Relevant Documents: | Local Government (Functions and General) Regulations 1996<br>State Records Act 2000 |
| Date Adopted: | 26 November 2019 |
| Reviews/Amendments: | |

GOVERNMENT OF WESTERN AUSTRALIA

PEEL Development Commission

45 Mandurah Terrace
PO Box 543
Mandurah WA 6210
P (08) 9535 4140
F (08) 9535 2119
E peel@peel.wa.gov.au
www.peel.wa.gov.au

Mr Dean Unsworth
Chief Executive Officer
Shire of Waroona
PO Box 20
WAROONA WA 6215

Dear Dean

**PEEL DEVELOPMENT COMMISSION BOARD NOMINATIONS**

The Peel Development Commission is seeking nominations for one Local Government representative vacancy on its Board due to one member's term expiring on 31/12/19. In accordance with the *Regional Development Commission's Act 1993*, nominees for the vacancy must be members of the Council of a Local Government in the region and are to be nominated by Local Governments in the region.

All Local Governments in the Peel region are invited to nominate up to two Councillors, who are willing and able to be candidates, for appointment. The Commission is seeking nominees that have experience in economic development and investment attraction.

Nominations are to be submitted either by post or e-mail to the Executive officer at eo@peel.wa.gov.au at this office, no later than 4.30pm on Monday, 2 December 2019.

Nomination/application form is attached. Please complete a separate nomination form for each nominee.

Any further information can be obtained by contacting Kylie Wilson at the Commission on 9535 4140.

We look forward to receiving your nominations.

Yours sincerely

Andrew Ward
**CHIEF EXECUTIVE OFFICER**

22 October 2019

enc. Nomination Form

# LOCAL GOVERNMENT VACANCY INFORMATION
# PEEL DEVELOPMENT COMMISSION

| | |
|---|---|
| **Contact at Peel Development Commission** | Kylie Wilson<br>Executive Officer<br>Peel Development Commission<br>45 Mandurah Terrace<br>Mandurah<br>Telephone 9535 4140<br>Email eo@peel.wa.gov.au |
| **Name of Minister for the Peel Development Commission** | Hon Alannah MacTiernan MLC<br>Minister for Regional Development; Agriculture and Food; Ports; Minister assisting the Minister for State Development, Jobs and Trade |
| **Description of Position** | The Peel Development Commission requires one Elected Member/LGA representative experienced in economic development and investment attraction. Other qualities should include decision making abilities, business acumen, an ability to work cooperatively within a team environment and interests relevant to the Peel community. |
| **Length of term** | Maximum of three years |
| **Current representative and reason for vacancy** | 1 x LGA vacancy has arisen as a result of a LGA representative's board term expiring as at 31 December 2019. |
| **Commencement date** | To be advised |
| **Meeting schedule** | Approximately 5 meetings per year |
| **Location of meetings** | Various locations within the Peel region |
| **Day/time of meeting** | 2020 Board meeting dates to be advised |
| **Duration of meeting** | 4-7 hours |
| **Meeting fee** | $622 per day<br>$403 per half day |
| **Travelling allowances** | As per public sector standards |
| **Objectives of Peel Development Commission** | The objectives of the Commission are to:<br>• Maximise job creation and economic diversification within the region;<br>• Develop and broaden the economic base of the region;<br>• Identify infrastructure services to promote economic and social development within the region;<br>• Provide information and advice to promote business development within the region;<br>• Seek to ensure that the general standard of government services and access to those services in the region is comparable to that which applies in the metropolitan area; and<br>• Generally take steps to encourage, promote, facilitate and monitor the economic development in the region. |

GOVERNMENT OF WESTERN AUSTRALIA

PEEL Development Commission

# NOMINATION FORM

## LOCAL GOVERNMENT REPRESENTATIVE
## PEEL DEVELOPMENT COMMISSION
**Nominations close Monday, 2 December 2019**

| | | |
|---|---|---|
| **Nominee Title (eg Mayor/President/Cr)** | | |
| **Last Name** | | |
| **Given Names** | | |
| **Date of Birth** | | |
| **Council** | | |
| **Home address** | | |
| **Email address** | | |
| **Contact Details** | **Home:** | |
| | **Work:** | |
| | **Council:** | |
| | **Mobile:** | |
| **Occupation** | | |
| **Qualifications** | | |
| **Resume** | Please attach a copy of your Resume/CV | |

**I hereby submit my nomination, made in accordance with my Council's policy on representation, for the position of Local Government representative on the Peel Development Commission. Should my nomination be successful I will make every endeavour to commit the time and effort necessary to undertake this position. I will adhere to the eligibility criteria which specifies that should I no longer be a serving Elected Member, I will resign from the Development Commission as the Local Government representative.**

Nominee:_____ Date: _____

*(Signature)*

**APPENDIX 9.5.7A**

playmaster Pty. Ltd.

Safe, Innovative, Exciting Playground Equipment

Shire of Waroona
Centennial Park
PM5- 385

WA Owned
Made in WA

WALGA
Preferred Supplier

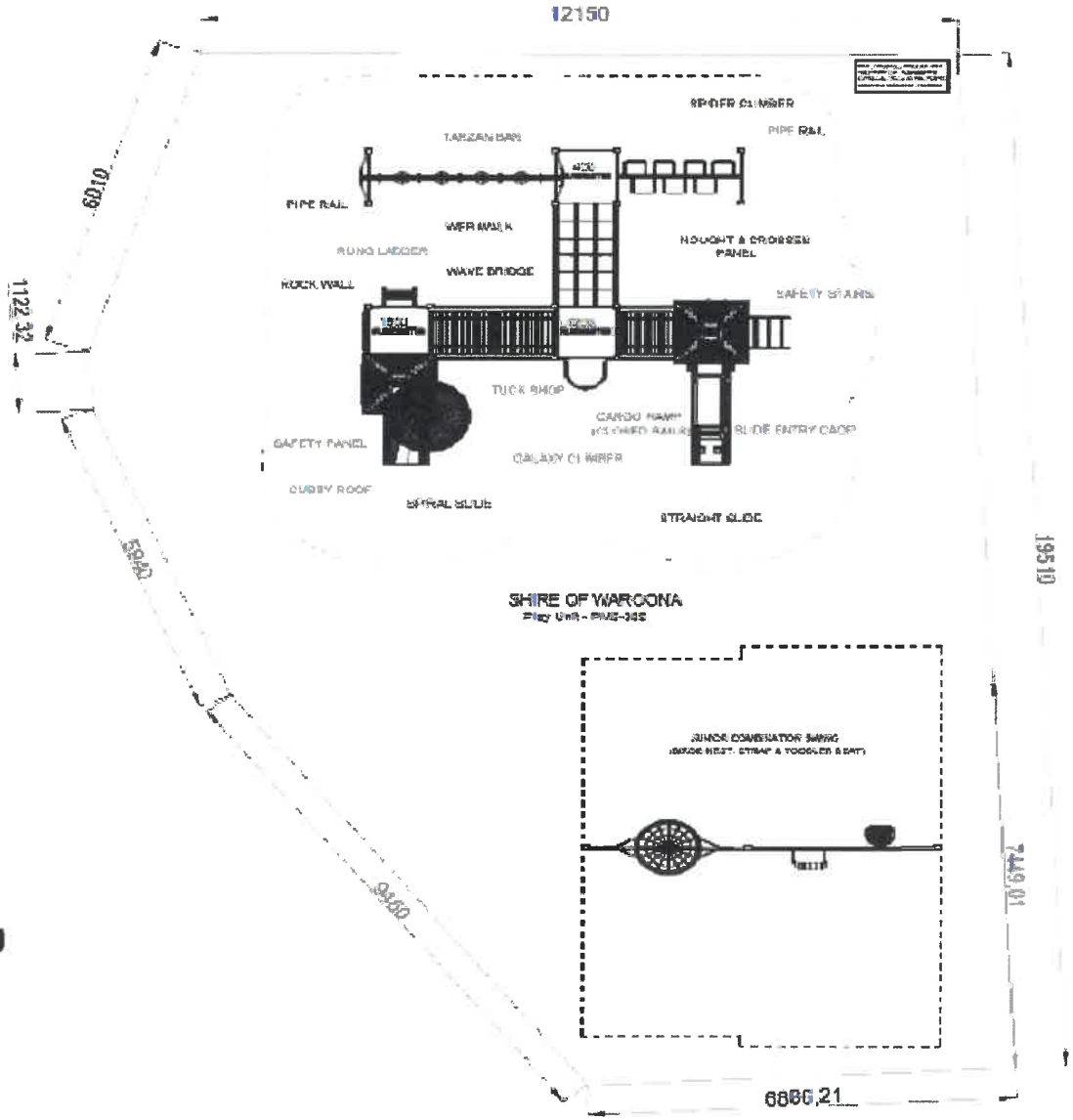
playmaster Pty. Ltd.

Safe, Innovative, Exciting Playground Equipment

Shire of Waroona
Centennial Park
PM5- 385

WALGA
Preferred Supplier

WESTERN AUSTRALIAN OWNED




playmaster Pty. Ltd.

*Safe, Innovative, Exciting Playground Equipment*

WALGA Preferred Supplier

WA Owned Made in WA

| OFFICE USE ONLY:<br>Application Number<br>_____ |
|---|

Alcoa Waroona
Sustainability Fund

# 2019 GRANT APPLICATION FORM
## closing date Friday 31 May 2019 at 4.00pm

| **APPLICANT DETAILS** (Please be concise but include or attach any information you consider relevant) | | |
|---|---|---|
| Organisation / Group Name | | |
| Shire of Waroona | | |
| Contact Person | | |
| Rikki Pulfer | | |
| Postal Address | | |
| PO Box 20, WAROONA WA 6215 | | |
| Phone | Fax | Mobile |
| 9733 7817 | | |
| Email | Website | ABN |
| depot@waroona.wa.gov.au | www.waroona.wa.gov.au | 22 902 474 201 |
| **Is your Organisation / Group registered for GST?** | | |
| GST | Yes ✓ | No ☐ |
| **Is your Organisation / Group Incorporated?** | | |
| | Yes ☐ (Please provide documentary evidence)<br>No ✓ sorry, you are ineligible to apply | |

| **Organisation Description, please tick which ones apply** | |
|---|---|
| Area in which your Organisation operates<br>*(eg.Hamel, Preston Bch etc)*<br>All areas of Waroona Shire (Waroona, Hamel Lake Clifton and Preston Beach)<br>☐ Community Organisation Group<br>☐ Sporting/Recreation Group | ☐ Special Interest Group<br>✓ Government Agency (Local)<br>☐ Other (Please specify)<br>.....<br>.....<br>..... |

| **Project Name** |
|---|
| Shire of Waroona Playground Upgrades |
| **Project Description** – outline your project and its objectives (ie; what you hope to achieve) |
| The Shire of Waroona proposes an upgrade of several playgrounds within the Waroona town site. The main upgrade area will be Centennial Park which is a fenced area that both locals and tourist stop to enjoy. The aim is to replace current playground equipment and expand the current fenced area to allow for the installation of new multi age equipment which will suit ages 0-12 years. The Shire will also install a new swing set which will be within the fenced area and will be suited to toddlers, children and families. This will create a safe location for children to play and families to enjoy.<br><br>Given that the current equipment is still in good condition the Shire will reuse the equipment by installing it at another playground location (proposed location being Hawksley Park) along with reusing the current swing set and installing at a third location (proposed location being information bay near Visitor's Centre).<br><br>This project will refresh several playground areas for families both locals and those travelling through Waroona to enjoy. |

| **Project start date** | **Project end date** | **Total value of project** **$ 77,000.00**<br><br>**GRANT amount requested** **$ 40,000.00**<br>**(Inclusive of GST)** |
|---|---|---|
| 1/07/2019 | 31/06/2020 | |

| **Project purpose** – identified community benefit in the short and long term (ie; How is it valuable to the community? Does it build community capacity?) |
|---|
| This project creates long term value to the community by upgrading a main playground facility and improving other playground areas that have either very little or poorly maintained equipment. It creates an improved area for the community to use both local residents and tourists. |

**Which priority focus areas will benefit from your project?**

| | |
|---|---|
| ☐ Aged care | ☐ Environment |
| ☐ Arts and Culture | ☐ Health |
| ☐ Child Care | ☐ Indigenous |
| ☐ Community Development | ✓ Sporting/Recreation |
| ☐ Agriculture and/or economy | ☐ Unemployment |
| ☐ Disability | ✓ Youth |
| ☐ Education/Training | ☐ Other_____ |

| | |
|---|---|
| Does your project meet the principles of co-location? If so, please describe the co-location benefits of your project.<br><br>This project meets the principles of co-location as it will allow all community organisations, community members and visitors to utilise the upgraded Centennial Park any day of the week, with minimal restrictions. The upgrade park could be used for family gatherings, birthdays, commemorative services, recreation and social activities. This project is a great example of a community space that is accessible by the entire community, and not exclusively used by one or two user groups. | Yes ✓ |
| Does your project affect other groups? If so, please describe how.<br><br>The project is supported by the Waroona Lions club and has been joint funded with an unconfirmed amount of $30,000. The local lions club had in the past proposed to fund an upgrade to centennial park which unfortunately wasn't possible due to the cost of the project. So together with the lions club the Shire aim to secure funding to upgrade the playgrounds within the Waroona town site. | Yes ✓ |
| Does your project include other existing or potential funding partners? If so, please list them.<br><br>• Waroona Lions Club<br>• Shire of Waroona<br>• Waroona Youth Advisory Council | Yes ✓ |

**ORGANISATION DETAILS**

**How long has your Organisation / Group been operating?**

The shire of Waroona has been operating since 1961 prior to this it was operating as the Drakesbrook Road Board.

**What are your Organisation / Group's main activities?**

The Shire of Waroona is a Local Government organisation committed to community services and welfare through the provision of:

- Governance
- Roads and Maintenance
- Recreation & Culture, including facilities
- Health, Building and Planning services (public health, laws, policies and control)
- Community Amenities
- Law, Order & Community Safety

**How does this project match your Organisation / Group's goals and aims and forward planning?**

This project aligns with the Shire of Waroona Strategic Community Plan 2018/19 - 2027/28, particularly the following strategies:

THEME 1 – LOCAL ECONOMY *"Managing our future growth"*

1.01 Encourage community and business initiatives to refresh the appearances of CBD areas in the urban areas of the shire.

1.02 Council to continue town centre upgrade initiatives. Plan and provide appropriate facilities in the CBD areas of Waroona and Preston Beach.

1.03 Pursue tourism initiatives to entice people to visit the area.

1.04 Add to tourism attractions.

THEME 2 – SOCIETY/COMMUNITY WELLBEING *"Maintain strong sense of community and effective community wellbeing"*

4.01 Pursue a social environment that is accessible and inclusive for all ages and abilities.

4.03 Provide support services and facilities to assist various community groups.

4.04 Plan for future uses of facilities by different groups in various parts of the shire.

4.05 Attempt to provide a variety of quality, safe, attractive, user friendly facilities for recreation, health and social purposes, where financially possible.

4.06 Develop and maintain active and passive facilities.

THEME 5 – ASSETS, RESOURCES, FINANCIAL MANAGEMENT AND SUSTAINABILITY *"Responsible stewardship of assets, effective resources supervision, and pursuit of best practice financial management and sustainability".*

5.06 Provide additions/extension to existing buildings, and/or infrastructure, as finances allow and after community consultations.

**How many local people will benefit from your project (include those who will directly and indirectly benefit eg Club members and wider community?**

The Shire of Waroona has an estimated total population of 4,000 who would benefit from the project. The benefit would mainly to be residents within the Waroona town site however the main area of Centennial Park is often used by families as a location to enjoy whilst catching up with friends and family.

| **PROJECT BUDGET** – How will you spend the funds?<br>Please refer to the grant guidelines for assistance and a list of things the Alcoa Waroona Sustainability Fund Advisory Committee will consider for support. | |
|---|---|
| **Items** | **Total Cost including GST** |
| Purchase new playground equipment | $ 37,620.00 |
| Relocation of current Equipment | $ 8,140.00 |
| Box out, install limestone retaining wall and new fencing for Centennial Park | $19,525.00 |
| Box out and install limestone retaining wall for repurposed equipment | $ 5,060.00 |
| Relocation of reticulation | $ 1,500.00 |
| Relocation of wiring for lights at Centennial Park | $ 1,000.00 |
| Purchase replacement parts | $ 4,155.00 |
| **Grand Total** | **$ 77,000** |

| **OTHER FUNDING (include in-kind support here)** | |
|---|---|
| | **Value $** |
| Unconfirmed Contribution from Waroona Lions | $30,000 |
| Waroona Youth Advisory Council | $1,000 |
| Council in kind support | $ 6,000 |
| | |
| **Total** | **$37,000.00** |

**CHECKLIST**

- ✓ I have read the Alcoa Waroona Sustainability Fund grant guidelines before completing this application.
- ✓ I understand that the project must be completed and the grant acquitted in accordance with details provided at the time the grant is awarded.
- ✓ I have completed all required sections of the application form.

Please include:

- ☐ Copy of Certificate of Incorporation
- ☐ Copy of Organisation Constitution
- ✓ Quotations / Estimates
- ☐ Copy of building plans (if applicable)

If the above is not available the applicant may need to provide further information on the project if requested by the AWSF Committee

**Support materials**

Please note materials sent in support of your application unfortunately cannot be returned. Please endeavour to send copies, not originals.

**Submitting your application**

Signed and completed applications must be submitted by the due date. Please refer to the 2019 grant guidelines for further information.

Applications will be accepted via:

| | |
|---|---|
| Email: | warshire@waroona.wa.gov.au (please note a scanned signed copy is required) |
| Post: | PO Box 20, Waroona, WA, 6215 (applications must be received by the closing date) |
| In person: | Shire of Waroona, 52 Hesse Street, Waroona |

**DECLARATION**

(The person with delegated authority must sign this declaration. (ie President, Chairperson, Secretary, CEO.)

I have read the Alcoa Waroona Sustainability Fund grant guidelines.

I certify that all information provided is current and correct. Furthermore, I give permission to the Advisory Committee to contact any relevant persons or organisations in the processing of this application.

**Signed:** _____

**Name:** IAN CURLEY

**Position:** CEO **Date :** 20/5/2019