



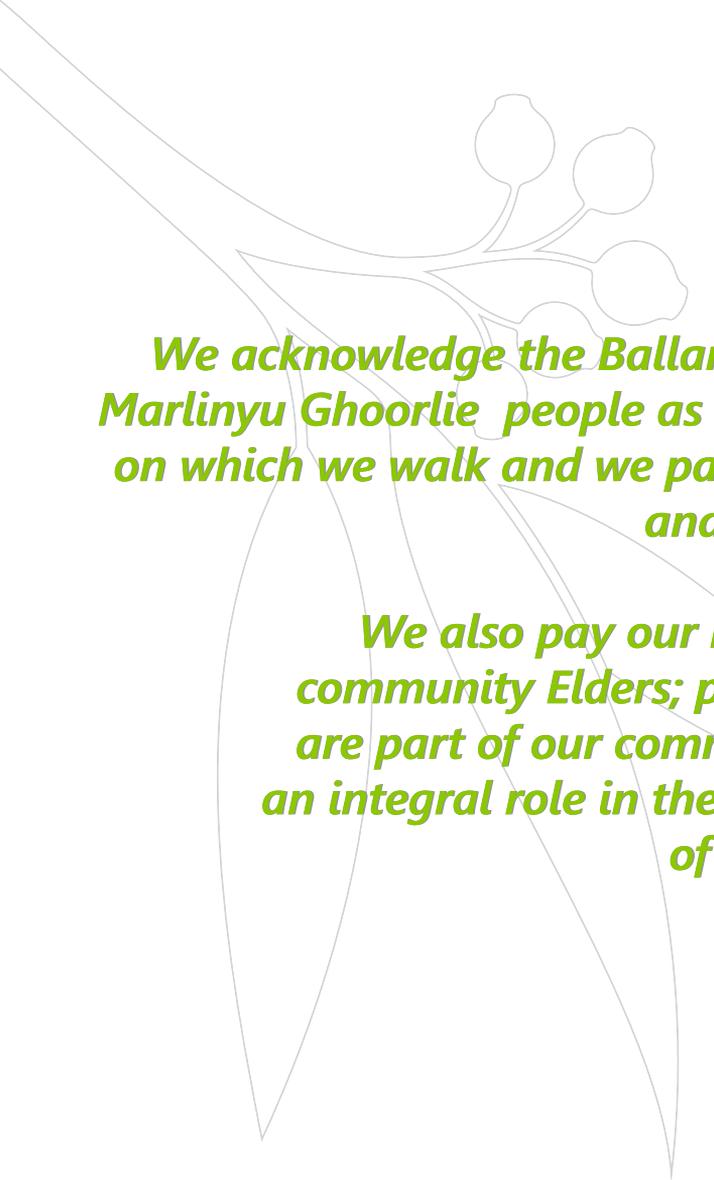
Shire of  
**Wongan-Ballidu**



# Annual Report

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# 2020 - 2021



***We acknowledge the Ballardong Noongar, Yued Noongar and Marlinyu Ghoorlie people as the traditional custodians of the land on which we walk and we pay our respects to Elders past, present and emerging.***

***We also pay our respects to all Aboriginal community Elders; past, present and future who are part of our community and continue to play an integral role in the culture, diversity and history of our Shire.***





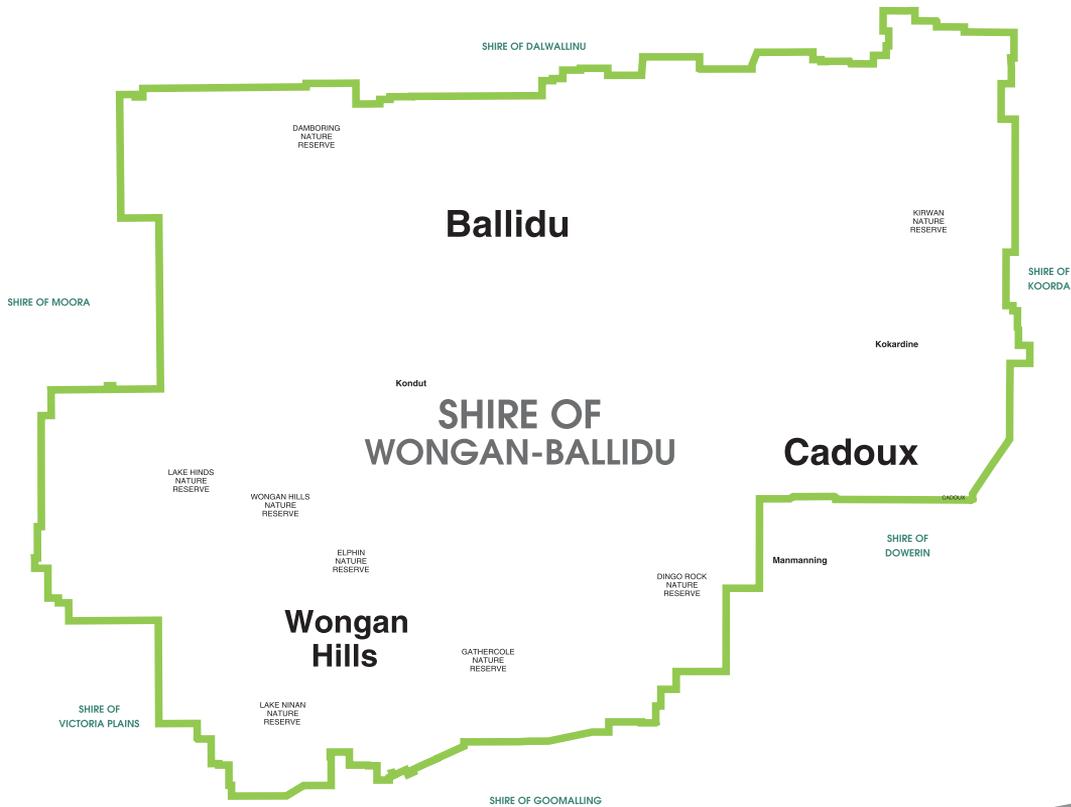
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# Our Shire

Located 180km north-east of Perth, the Shire consists of the towns and locales of Ballidu, Burakin, Cadoux, Kondut, Lake Hinds, Lake Ninan, Mocardy and Wongan Hills and is bordered by the Shires of Dalwallinu to the north, Moora to the north-west, Victoria Plains to the south-west, Goomalling to the south, Dowerin to the south-east and Koorda to the east.

The Shire of Wongan-Ballidu falls within the traditional lands of the Ballardong and Yued Noongar and Marlinyu Ghoorlie people. The area's granite outcrops, fauna, flora and water systems are deeply woven within indigenous culture and continue to be a source of deep spiritual connection for the Traditional Custodians.



# Our Shire



Estimated Population 1288

Estimated Aboriginal and Torres Strait Islanders 104

Number of Businesses 221      Aged Pensioners 139

Working Population 57.8%      Number of Jobs 1194

Total Land Area (ha) 336 508.8

Protected Land (ha) 6098

Based on Australian Bureau of Statistics 2020 data

## SHIRE STATISTICS

- Distance from Perth 184km
- Area (Sq Km) 3,368
- Length of Sealed Roads 342.8km
- Length of Unsealed Roads 980.6km
- Population (est) 1,288
- Number of Electors 949
- Number of Dwellings 877
- Total Rates Levied 2020/21 \$2,967,765
- Total Revenue 2020/21 \$6,444,658
- Number of Employees 43



## LOCAL INDUSTRIES

- Mixed Farming
- Sheet Metal Works
- Stock Feed Mill
- Agricultural Machinery Manufacturing
- Heavy Transport
- Co-operative Bulk Handling



## SUBURBS AND LOCALITIES

- Ballidu
- East Ballidu
- West Ballidu
- Burakin
- Cadoux
- Kondut
- Lake Hinds
- Lake Ninan
- Mocardy
- Wongan Hills



## SHIRE ATTRACTIONS

- Excellent Sport & Recreation Facilities/Activities
- Christmas Rock Bushwalk
- Pioneer Museum
- Wildflower & Heritage Trails
- Lake Ninan
- Dingo Rock
- Gathercole Reserve
- Mt O'Brien Scenic Lookout
- Picnic Areas
- Mt Matilda Walk Trail
- Rare Flora Garden
- Wongan Hills Arboretum
- Mallee Walk Trail
- Historic Rail Precinct Water Tower & Mural
- Ballidu Art Gallery
- Ballidu Heritage Centre
- Ballidu Walk Trail
- Wongan Arts and Crafts Society
- Community Parks (Ballidu, Wongan Hills, Cadoux)
- Cadoux Earthquake Memorial Site



## SIGNIFICANT ANNUAL EVENTS

- Biennial Art Exhibition - Wongan Hills
- Art Exhibitions - Ballidu
- Bike it to Ballidu
- Astrotourism/Stargazing Event
- Wongan Town Party (Harvest Festival)
- Australia Day Breakfast Celebrations and Citizenship Ceremonies - Wongan Hills & Ballidu
- Reynoldson Reserve Festival



# Shire President's Report



**I am pleased to present the Shire of Wongan-Ballidu Annual Report for the financial year 2020/2021 which I share with my predecessor Cr Jon Hasson. I would like to express both my admiration of Jon for the work he achieved in his position as Shire President during this financial year as well as my respect for him. It is my privilege to present this shared report.**

I am happy to report a successful year for the Shire. I congratulate the staff on achieving an unqualified Audit Report from our Auditors. This is a major achievement and should be recognised.

Our year again was affected by the COVID-19 pandemic. I would like to thank the CEO and staff for the exceptional way in which they continued to deliver community services to our Shire. The staff have worked according to regulations and kept calm while delivering updated COVID-19 information to all. Council have supported the staff in adapting to new work practices and to delivering all services required by our community. Council will continue to support changing needs through the COVID years ahead.

The pandemic has been hard on us all and I must express my admiration to our Doctor, Dr Ajit Chaurasia and his staff at our medical centre. To maintain an excellent medical centre and exceptional service delivery within our Shire, the Wongan Hills Medical Centre continues to be financially subsidised by the Shire of Wongan-Ballidu. Council places a high value on the well-being and health care of our community and will continue to support the future provision of quality medical services.

The Wongan Hills Sport, Recreation and Community Complex was officially opened on the 16th October 2020 by past President Jon Hasson, the Honourable Darren West MLC and Chair of the Colocation Steering Committee Don Sadler. I would like to thank the numerous financial contributors, architects, builders, volunteers and supporters of this project. The Wongan Hills Tennis Club successfully relocated and closed their season on the new courts. I would like to thank the colocation committee members: Don Sadler, Jeff Brennan, Megan Pawsey, Matthew Sewell and Stuart Taylor for their continued support. Thank you to the Shire staff contribution to the works needed to complete another stage of the project.

Talking Tennis, Council happily contributed \$20,000 to the Cadoux Sports Council, which was used to upgrade and improve the Cadoux Tennis Courts. The funding was made possible through the Shire Community Development Fund. I thank the Cadoux Sports Council and Cadoux Tennis Club for their efforts in delivering the project which will benefit the community into the future.

The Shire undertook its biggest engagement process to date, a Strategic Community Plan covering the next ten-year period. "Pathways to 2031" commenced in February 2021. In consulting with both community members and stakeholders, future priorities have been determined. The plan outlines long-term community needs in terms of vision, values, aspirations and services with reference to the Shire's local government plans, information and resourcing capabilities. The plan was adopted by Council and by working to the "Pathways to 2031" plan it will continue to support the Shire.

Ballidu Heritage Centre received funding for infrastructure improvements to support the centre's preservation and presentation of local heritage and history displays. Shire staff worked on drainage improvements and carried out necessary repairs to the ageing building. The CWA building in Ballidu, a Shire asset, was sold through tender to a member of the community and we wish them well in their future endeavours.

# Shire President's Report

Our fire season has been harsh and I would like to thank the local volunteer bush fire brigades for their tireless efforts once again. Much appreciation and thank you to our Shire Chief Fire Officer Ross Lane. With federal legislation creating more work for our volunteers, I praise you all for your continued hard work. Thank you also to our local Volunteer Fire & Rescue Service and St John Ambulance members the vital services you continue to provide.

Congratulations to all Community Award winners and School Scholarship recipients including Citizen of the Year Karen Box and Young Citizen of the Year Elyssa Giedraitis. Thank you, Ballidu Progress Group, Wongan Hills Apex, Rotary and CWA, for hosting a fabulous Australia Day Breakfast in Wongan Hills and Ballidu. Congratulations to all new Australian Citizens who made their pledge within the Shire of Wongan- Ballidu.

I also offer my congratulations to the Wongan Hills Tidy Towns Group who deserve our praise on winning the Environmental Sustainability Award at the Keep Australia Beautiful Tidy Towns 2020 State Awards. We are very proud the Shire's Mocardy Dam Project and the Shire supported and financed Community Gardens Project took the win in the sustainability category. To all our volunteer community groups within the Shire, thank you for doing what you do, it makes this Shire a great place to live.

In closing, I give my appreciation to Deputy President Cr Brad West who has been a pillar of strength, and to fellow Councillors for your support throughout this year. To CEO Stuart Taylor and his team, without your support, collaboration and enthusiasm this Shire wouldn't be the best it is.

Sincerely  
Mandy Stephenson  
**President**

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*The Colocation Steering Committee: (L-R) Jeff Brennan, Matt Sewell, Megan Pawsey, Stuart Taylor and Don Sadler*



# Chief Executive Officer's Report



**This financial year is in stark contrast to the previous period, and while still under the cloud of COVID and its impacts, our position during this period has been less challenging than 2019/2020.**

We were able to return to some semblance of normality in terms of service delivery, and capital works programs, however, the ongoing pandemic continued to throw challenges our way, particularly as we looked to complete our capital works program. The economic stimulus packages released by both Commonwealth and State governments has resulted in a few Shire projects remaining incomplete at the end of the financial year. Moving into 2021/2022 there will be a significant focus on delivering current year as well as the 2020/2021 backlog of works.

## Sports Colocation Project Stage 1

Final completion and handover of the Sports Colocation facility to the community occurred at the beginning of this reporting period. Shire President Cr Jon Hasson officially opened the Colocation project in October following considerable delays in the works due to COVID.

## Medical Student Immersion Program

The Community of Wongan Hills hosted a number of second year medical Students from Curtin University and First year medical students from the University of Notre Dame for 4 nights and three days to introduce medical students to regional medical services and understanding of Rural GP medical practice opportunities.

## Wongan Hills Medical Services

The Shire supported the Wongan Hills Medical Practice and Dr Ajit Chaurasia to undertake a GP Trainee position in Wongan Hills. Dr Alvin Lei took up the position and will spend a year under the tutelage and guidance of Dr Ajit in becoming qualified as a GP. The Shire provided accommodation and purchased equipment to support the position of a second Doctor within the Shire.

## Strategic Community Plan

In February 2021, the Shire commenced its extensive engagement with our community for the revision and development of the Strategic Community Plan, "Pathways to 2031".

There was a great response from our community with 61 online survey responses, 38 people attending a community workshop in Wongan Hills, 9 attending a workshop in Ballidu, 31 attending a community Summit and sundowner on a Saturday in Wongan hills, 400 engagements from 8 Facebook posts, together with workshops with Councillors and the entire Shire workforce.

The community input from all of these has helped create a document that will shape the Shire of Wongan Ballidu over the next 10 years

Our sincere thanks to all who participated in the development of "Pathways to 2031".

# Chief Executive Officer's Report

## Corporate Logo

Following the success of "Pathways to 2031", Council also looked at our corporate logo and branding and approached community with new and fresh ideas of how we should be seen in the future.

Again Council received considerable input from the community in numbers far greater than what was recorded during the process to determine our future direction.

The outcome can now be seen on all our publications, social media and website, again our sincere thanks to all those who participated in the development of the fresh new design.

## Other Projects

### Roadworks

This year, the Shire was successful in securing an additional \$8.63m of road funding towards upgrading the Dowerin Kalannie Road. The program and funding will be spread over the next 5 year period with some preliminary works carried out this year and the balance to be undertaken over the next 4 financial years.

### Sporting and Lesiure Facilities

The Shire received funding to assist in the relocation of the Wongan Hills Golf Club and for further upgrades to the Sports Pavilion change rooms and oval façade. Tenders were called with an expected budget anticipated to be around \$800,000 based on the costs of the colocation project. Unfortunately, the high demand placed on the construction industry by COVID and the economic stimulus packages released by both Commonwealth and State governments, meant only one Tender was received. This tender was approximately \$1.4m which far exceeds our budget and capacity in relation to the scope of this project.

### Alternative Energy

Alternative options are being explored in how we can deliver the project within budget and time constraints. Council has held several discussions with Powerledger, Western Power and other companies regarding Solar and hydrogen alternative power solutions within the Shire of Wongan-Ballidu. The Shire will continue to pursue all options following the promising outcome of last year's solar power offset program. The Shire supported this program in collaboration with Powerledger and the Shires of Dalwallinu and Moora.

The Shire will continue to engage with those who seek to improve our power supply and reduce costs to local business and residents.

### Wongan Hills Airport

Following a meeting with St John Ambulance, the Shire applied for funding through the Commonwealth Regional Airports scheme to undertake improvement works at the airport. This includes improvements to the aircraft and helicopter landing areas, extensions to the undercover parking area, extensions to the roofed ambulance parking area and additional sealed aircraft parking areas. The \$300,000 grant was successful, and the works will be undertaken in the 2021/2022 financial year.

# Chief Executive Officer's Report

## Telecommunications

The Shire, through ICMI and in collaboration with Field Solutions Group, submitted an application for the installation of three fixed mobile data towers and mobile phone infrastructure in Ballidu, Cadoux and Wongan Hills townsites.

This was part of a larger project, involving the Shires of Moora and Dalwallinu that will eventually see a total of 11 towers (including the three in this Shire) being constructed and operational in the 2021/2022 financial year. The Shire of Wongan-Ballidu's contribution is \$20,000 for a return \$5.3m investment in new infrastructure for Wongan-Ballidu. The overall project investment for all three Shires is approximately \$22m.

The Shire is working with FSG to determine if we can trial a 5G tower at a location within the townsite of Wongan Hills as part of the project.

## Conclusion

The above outlines only some of the Shire's achievements this year, I commend to the following pages of this report that provides more information what has been achieved by your Shire over the 2020/2021 Financial year.

2020/2021 has certainly brought into focus, organisationally, the importance of our staff and the contribution they make, and how / when / where they make them. We are looking at taking these 2020/21 learnings in order to build a stronger organisation into the future.

I would like to take this opportunity to sincerely thank every member of staff for their efforts and contribution to our success throughout this year. For the most part we have delivered what we have been asked in addition to incorporating other projects and initiatives along the way and you are all to be congratulated on your achievements and professionalism, A job very well done.

Finally, I thank the Shire President and all Elected Members for their support over the past twelve months. On most accounts, it has been a successful year and I look forward to their continued leadership and support.

Stuart Taylor  
Chief Executive Officer



# Elected Members



## Shire President

Councillor Mandy Stephenson (Term ends 2021)  
Occupation: Business Owner  
Mobile: 0439 662 515  
eMail: [crmstephenson@wongan.wa.gov.au](mailto:crmstephenson@wongan.wa.gov.au)



## Deputy Shire President

Councillor Brad West (Term ends 2023)  
Occupation: Farmer  
Mobile: 0429 721 042  
eMail: [crbwest@wongan.wa.gov.au](mailto:crbwest@wongan.wa.gov.au)



Councillor Stuart Boekeman (Term ends 2021)  
Occupation: Dealer Principal  
Mobile: 0427 777 105  
eMail: [crsboekeman@wongan.wa.gov.au](mailto:crsboekeman@wongan.wa.gov.au)



Councillor Sue Falconer (Term ends 2023)  
Occupation: Business Owner  
Mobile: 0427 711 502  
eMail: [crsfalconer@wongan.wa.gov.au](mailto:crsfalconer@wongan.wa.gov.au)



Councillor Andrew Tunstill (Term ends 2021)  
Occupation: Farmer  
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Councillor Eion Ganzer (Term ends 2021)  
Occupation: Business Owner  
Mobile: 0428 415 089



# Executive Team



Stuart Taylor  
**Chief Executive Officer**  
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Melissa Marcon  
**Manager Regulatory Services**  
Mobile: 0427 711 363  
eMail: [mrs@wongan.wa.gov.au](mailto:mrs@wongan.wa.gov.au)

# Executive Management Structure

## CHIEF EXECUTIVE OFFICER

Corporate Management  
Civic Ceremonies & Protocol  
Economic Development  
Elected Member Support  
Governance  
Human Resources  
Major Projects  
Marketing, Communications & PR  
New Building Construction  
Policy Development & Review  
Stakeholder Engagement  
Strategic Planning & Management



## DEPUTY CHIEF EXECUTIVE OFFICER

Annual Budget  
Annual Reporting  
Asset Management - Finance and Admin  
Customer Service  
Creditors  
Debtors  
Financial Audits  
Financial Compliance  
Financial Information and Advice  
Financial Reports  
Fire Control  
Freedom of Information  
Information Technology  
Insurance and Risk Management  
Payroll  
PIBS  
Rates  
Ranger Services  
Records Management  
Statutory Compliance  
Stock Control



## MANAGER WORKS & SERVICES

Aerodomes  
Asset Management - Infrastructure  
Dams & Water Supply  
Fleet Management  
Footpaths  
Heritage Trails  
Information Bays  
Mechanical Services  
Noxious Weeds  
Parks & Gardens  
Regional Road Group  
Road Construction  
Road Maintenance  
Standpipes  
Sports Grounds



## MANAGER COMMUNITY SERVICES

Aged Care  
Arts and Culture  
Childcare  
Community Development  
Community Resource Centre  
Cultural Development  
Economic Development  
Grant Advice & Assistance  
Media  
Social Policy & Procedure  
Tourism



## MANAGER REGULATORY SERVICES

Asset Management - Buildings  
Building Maintenance  
Building Registrations/Licences  
Cemeteries  
Council Reserves  
Disability Services  
Health Services  
Heritage  
Occupational Health & Safety  
Property Management (Council Buildings)  
Statutory Compliance - Other  
Swimming Pools  
Town Planning  
Waste Management



# Local Economic Sustainability



## Economic Development

The Shire of Wongan-Ballidu hosted several information sessions and workshops throughout the year to encourage economic development. Such courses deliver insightful knowledge for professionals to diversify their skillset, particularly in the area of technological expertise. The online component of business continually grows in being an essential element to most, if not all, businesses.

By offering these courses to our local community, our goal is to foster a vibrant and diverse local economy, assisting local businesses with the means to adapt to emerging market needs brought on by technology.

## A Strong Tourism Industry

The Shire contributed almost \$30,000 to tourism activities within the Shire for the 2020-2021 year by supporting the Wongan Hills Visitors Centre and Tourism Group with direct funding, secretarial services and provision of a building and utilities. An additional \$7,500 was provided to the group to support the Reynoldson Reserve Festival – a popular showcase event in Wongan Hills that is an annual highlight.

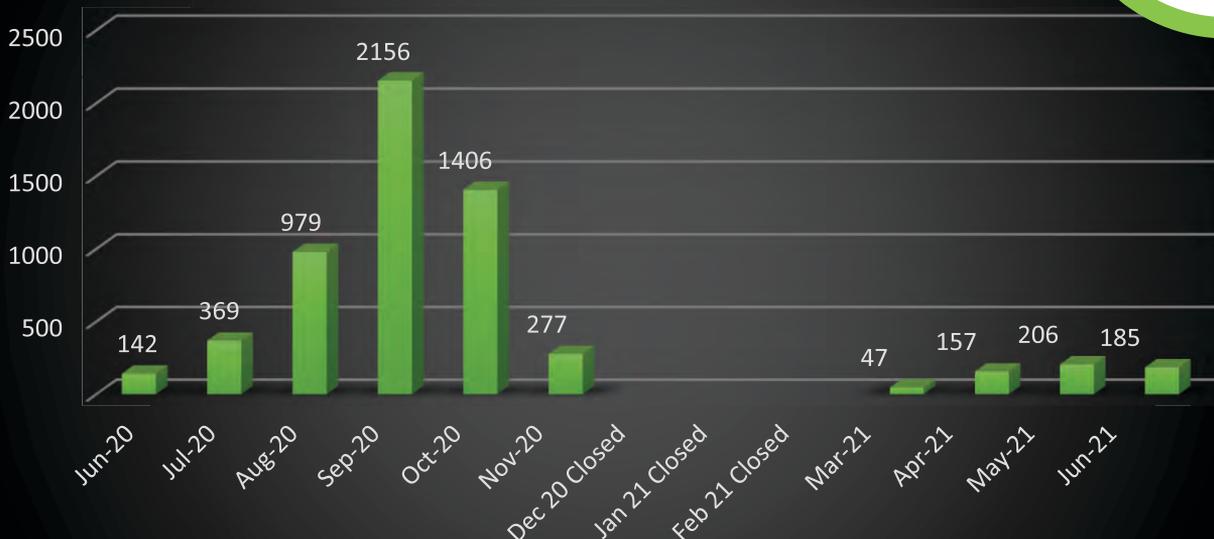
The Shire is actively involved with Australia's Golden Outback, contributing to the annual Discover Golden Horizons and the Wheatbelt, Wildflower Way and Wildflower Country tourism campaigns. The Shire also continues to develop on dark skies tourism in our partnership with Astrotourism WA and Wongan Hills Progress Association for a range of stargazing activities and events.



Shire of Wongan-Ballidu

Total Visitors 20/21  
5924

## Visitor Centre Traffic 2020 - 2021



# Local Economic Sustainability

## Building Approval Statistics

Summary 2020/2021			
Permit Issued For	Number	Value of Work	Fees Received
Modification of residence	1	\$849,000	\$3,879.93
Solar panels	2	\$103,357	\$683.13
Shed/carport/shelter	3	\$109,574	\$1,025.20
Water tanks	0		
Patio	0		
Swimming Pool	2	\$43,500	\$1,401.95
Transportable Accommodation	1	\$256,651	\$949.25
Re-roofing	0		
Factory extension	1	\$1,047,185	\$2,597.10
<b>TOTAL</b>	<b>12</b>	<b>\$2,453,267</b>	<b>\$11,089.86</b>
Total 2020/2021	12	\$2,453,267	\$11,089.86
Total 2019/2020	17	\$607,559	\$1,996.40
Total 2018/2019	19	\$1,415,813	\$3,570.27
Total 2017/2018	31	\$1,608,721	\$7028.81
Total 2016/2017	19	\$1,765,972	\$11,462.23
Total 2015/2016	33	\$4,890,703	\$6,529.42
Total 2014/2015	34	\$3,897,796	\$6,451.25
Total 2013/2014	18	\$1,834,402	\$4,039.26
Total 2012/2013	13	\$588,084	\$2,382.65
Total 2011/2012	17	\$4,756,310	\$10,301.00
Total 2010/2011	26	\$1,981,003	\$5,708.00
Total 2009/2010	41	\$2,835,194	\$8,374.00

# Environmental Health & Sustainability



## Environmental Health

In the 2020-2021 year health issues were attended to by a contracted Public Health Officer who conducted food premise inspections and assisted with COVID-19 requirements and general enquiries.

## EHO Report on Food Premise Inspections

	Located within the Shire of Wongan Ballidu	Number Inspected 2020/2021 year
Registered Food Businesses	15	14
Itinerant Food Vendor	3	0
Public Buildings with kitchen facilities	15	8
<b>Total</b>	<b>33</b>	<b>22</b>

## Waste Management

Work was carried out relocating 5000 m<sup>3</sup> of sand at Wongan Hills Refuse site. This has increased the capacity of the tip area. Although the Shire operates landfill facilities at Ballidu and Cadoux, asbestos and septic waste can only be received at the Wongan Hills facility.

The Wongan Hills Waste Management Facility is manned by a contractor with fees applying to patrons without tip passes. Opening hours are Thursday to Sunday 8.30am to 4.30pm. The Waste Facility is closed Christmas Day, Boxing Day, New Year's Day, Good Friday and ANZAC day.

DrumMuster is located at the Wongan Hills Waste Facility. Access to this service can now be done weekly on a Friday from 9 am to 4 pm. Bookings are no longer required which means people can now drop off weekly.

BUILDING SERVICES EXPENDITURE 2020/2021	
Waste Collection	\$251,416

The Shire offer Ballidu and Wongan Hills residents a verge collection service in March and November each year. General household waste and green waste is collected through this service.

## Revegetation Projects

Part of the Waddington-Wongan Hills Road widening project included providing a revegetation site, where native flora will be planted to replenish what was removed during construction.

# Community Support & Development



The Shire's effort in building foundations for community and business to flourish into the future continues, in pursuit of our shared vision with the community towards developing a vibrant future for all.

As the world adjusts to the initial shock of the COVID-19 we have focused on building momentum through a wide range of community events and activities that work to develop and maintain community relationships.

Local community groups and sporting clubs continue to provide numerous options for local community members, supported by the Shire through the use and maintenance of facilities utilising the Regulatory Services portfolio. Support is provided through access to funds from the Council's Community Development Fund and other State and Federal Government funds.

We proudly extend our gratitude to the extraordinary volunteers throughout the Shire, who continue to give willingly for the benefit of others.

The Community Services portfolio provides services to assist in empowering the community's capacity to meet its own needs. We work in partnership with the local community in the following areas:

- Sport and Recreation
- Community Events
- Community Groups
- Economic Development
- Tourism
- Youth
- Community Resource Centre

The Shire works cooperatively with local sporting clubs to offer a wide range of sports to the community. Sporting clubs have first priority for the use of the Shire's major ovals and sporting infrastructure, and are supported to secure funds for the upgrading of their facilities.

The Shire contributes an annual financial contribution to the Wongan Hills, Cadoux and Ballidu Sports Councils, additionally subsidising utility costs such as water and electricity to provide further support.

This year saw the completion of the long-awaited Sports and Community Colocation Project. This Project would not have been possible without the support and hard work of the following people and groups:

## **Sport and Recreation Groups**

- The Community and Volunteers of the Shire of Wongan-Ballidu and surrounding areas
- The support and collaboration of all sporting and community groups within our Shire
- The 'Colocation Steering Committee': Don Sadler, Jeff Brennan, Megan Pawsey, Matt Sewell and Stuart Taylor.

# Community Support & Development

## Financial Assistance or Funding:

- Shire of Wongan-Ballidu
- Lotterywest
- Dept. Local Government, Sport & Cultural Industries: Community Sport & Recreation Facilities Fund (CSRFF)
- Wongan Hills Community Association
- Wongan Hills Sport and Recreation Council
- Tennis Australia
- Kondut Greater Sports Council
- Wongan Hills Tennis Club
- Wongan Ballidu Community Fitness Club

## Community Events

Great attendance continued throughout community events this year. Nearly 1000 people attended and were involved in the Shire's major community events, which included:

- Ballidu and Wongan Hills Australia Day Breakfast
- ANZAC Day Ceremony
- Citizenship Ceremonies
- Christmas Lights Competition

The Shire supported the community to deliver further local events which were provided by organisations other than the Shire. Events such as the Reynoldson Reserve Festival, Seniors Christmas Function, Masters Football Carnival, and the Harvest Festival all showcased the vibrancy and connectedness of our towns' community.



# Community Support & Development

## Library Services

The library continues to provide a cultural and social connection for community members. Items loaned from the period July 2020 to June 2021 totalled 1728 books, audio books and DVD's.

The Library provides additional services to its community through State Library supported programs including free eResources, Family History and Storylines, and Better Beginnings - a family literacy program that connects families with books through free reading packs.

## Community Groups

The Shire financially supported numerous local community groups in their operations and continue to assist community groups grow and develop.

These groups provide valuable service to our community and are integral in achieving our collective vision of building a thriving future for Wongan-Ballidu.



# Community Support and Development

## Works and Services

### Supporting the Community

The Works and Services team take every opportunity they can to be involved in community projects. The annual Bike-it Breakfast, hosted by the CRC, required the construction crew to carry out traffic management along Fenton Place and Wongan Hills, assisting families and children to cross the road safely for the morning. Traffic control signage was also provided for the Bike it to Ballidu event and the Reynoldson Reserve Festival.

The Shire continued to work alongside Wongan Hills District High School this year with multiple projects including the annual national tree day where the Parks and Gardens team assisted pre-primary students to plant trees at the rear of the recycling compound along Ganzer Street.

WHDHS also presented an idea to develop an interactive game on the paving at the front of the Community Resource Centre and following a successful trial period, the works and services team offered to install a more permanent section of paving for this game. The new area was paved on Fenton Place to allow school children and community members to play Noughts & Crosses. The area was dug out and paved by the Parks and Gardens team to form a Noughts & Crosses board. The local Mens Shed kindly provided the wooden carved pieces for the game.

The local school children were also treated to an equipment display to help explain what it is we do at the Shire. A grader, multi-tyred roller, backhoe, Mack truck and patching truck were all placed on display for them to explore.



Paving Fenton Place



# Community Support & Development

2020 – 2021 COMMUNITY EVENTS & GROUPS SUBSIDIES	
Australia Day Function - Ballidu	\$200
Bike it to Ballidu	\$10,000
Christmas Lights Competition	\$500
Wongan Hills Progress Association	\$5,000
Wongan Masters Football Carnival	\$1,000
Wongan Seniors Christmas Function	\$1,700
Miscellaneous - To be used at discretion of Council and CEO	\$1,600
Ballidu Contemporary Art Society	\$4,500
Ballidu Contemporary Art Society (BCAS redirect to Ballidu)	\$1,000
Ballidu Sports Council (as per lease)	\$8,962
Ballidu Tidy Towns	\$500
Cadoux Sports Council (as per lease)	\$8,962
Elizabeth Telfer Centre maintenance (as per lease)	\$3,159
Wongan Hills Cricket Club	\$750
Wongan Hills Museum - Gardening maintenance (as per lease)	\$2,900
WH Sports Council (as per lease)	\$8,962
WH Tourism Group	\$10,000
Reynoldson Reserve Festival (WH Tourism Group)	\$7,500
Wongan Hills Tourism Group - Notional Grant	\$5,000
WHDHS Scholarship	\$350
Wongan Hills Arts Society	\$3,000
Wongan-Ballidu BushCare	\$300
Wongan Hills Tidy Towns	\$500
Cadoux Christmas Tree	\$200
Tourism & Area Promotion	\$12,895
<b>Total</b>	<b>\$ 99,440</b>



# Community Support & Development

In addition, the Shire supported several local community groups through the annual Community Development Fund (CDF).

Each year, CDF projects contribute towards enhancing our community and its assets.

2020 – 2021 COMMUNITY DEVELOPMENT FUND		
Wongan Ballidu and District Menshed Inc	<i>Let There Be Light Project:</i> LED upgrade of work room lighting to improve safety and energy efficiency at the Menshed.	\$2,200.00
Wongan Cubbyhouse Inc	<i>Renewable Energy - Solar PV System Project:</i> Installation of a solar photovoltaic (PV) system to increase the environmental sustainability of Cubbyhouse Childcare Centre.	\$3,066.00
Wongan Hills Anglican Church	<i>Church Driveway Bitumen Project:</i> Bitumen sealing of the St Peter's Church driveway to replace loose gravel that would overflow on to the footpath below.	\$4,250.00
TOTAL		\$9516.00

## Youth

In the 2020-2021 year, the Shire of Wongan-Ballidu allocated funds in the Annual Budget to build on previous youth development efforts and hold several youth activities.

The annual Youth Only Pool Party in December 2020 was again hugely successful, together with collaboration from the Wongan Hills Swimming Club and Wongan Hills District High School to provide extracurricular social activities for students.

**Photograph: Pool Manager Doug Macaulay, delivering speech to the kids at the Youth Only Pool Party 2020**



# Community Support & Development

## Community Resource Centre

There are over 100 Community Resource Centres across Western Australia, all in rural, regional or remote areas.

The Network is supported by the Department of Primary Industries and Regional Development (DPIRD) with funding from the State government's Royalties for Regions program. The Wongan Hills Community Resource Centre operates as a business unit of the Shire of Wongan-Ballidu, being one of only eight CRCs across all of WA that operate this way.

The CRC offers a range of State and Federal Government related activities, such as being an Access Point for Centrelink and other Government services, and offering free 'Hot Office' hires for government employees and agencies. The State Government does assist in other ways, such as allocating extra funding to each CRC to deliver an annual Traineeship.

The CRC also houses the Shire library and Department of Transport Licencing agency services and self publishes the Wonga-Balli Boomer. The Shire financially supports these services, as it did when these services were based out of other venues.

DPIRD's funding to the Wongan Hills CRC is roughly \$100,000 per annum, and to receive this we must conduct around 35 Community and Economic Development activities and events in the community each year. Event Highlights in the 2020-2021 year include:

- After School Hangouts
- AusChem 2020
- Community Bike-it Breakfast
- Check Your Kit Tuesday – St John's
- Cooking with Jo
- Cupcake Competition – Reynoldson Reserve Festival
- Father's Day Craft Session
- Breathing Apparatus and Gas Training Course
- LibraryCraft – Minecraft
- Mental Health Week
- Pupil Free Fun Day
- Thank a Volunteer Day
- Truck Driving Course
- Youth Only Pool Party
- Safety and Community Induction Course
- Citizen of the Year Awards Night
- Forklift Training

### Community Bike-it Breakfast

Encouraging more recreational cycle and scooter use in our region



# Infrastructure & Services



## Works and Services

During the year under review, council committed in excess of \$2.5 million towards the development and maintenance of its road infrastructure.

Project	Expenditure
Roads – Construction (excluding footpaths)	\$2,128,370
Roads – Maintenance	\$1,099,942
Street Lighting Maintenance	\$45,252
Street Sweeping and Cleaning	\$82,867
Footpath Construction/Maintenance	\$82,018
Street Tree Maintenance	\$32,810

Council is highly reliant on funds being made available from bodies such as the Federal Government, WA Local Government Grants Commission and Main Roads WA.

Below is a breakdown of funds received for the financial year 2020/2021.

WA Local Government Grants Commission	\$825,734
MRWA (Direct Grant)	\$197,660
MRWA (Project Specific)	\$597,633
Federal Government (Roads to Recovery)	\$507,933
Street Lighting Subsidy	\$4,600
Regional Bike Network	\$31,500

## Roads

11.6 km of road widening was carried out on our bitumen road network. An 8m seal widening was carried out on Hospital Road, Manmanning Road and Waddington-Wongan Hills Road while a 7m seal widening was carried out on both Ballidu-Bindi Bindi Road and Kondut West Road. All widening work included an upgrade to existing drainage and the installation of new drainage where necessary.

Cement Stabilisation was carried out on two floodways on both Ballidu East Road and Meadows Road. Maintenance seal work was carried out on Manmanning Road.

Various intersections in both Ballidu and the Wongan Hills industrial area received an upgrade to allow for better access. The southern entrance to Ballidu was widened out and asphalted to withstand the increased traffic volumes at CBH.

The intersection of Ballidu-Bindi Bindi Road and Northam-Pithara Road received a significant upgrade to improve safety on approach. The intersections were widened for 300m, while lines, rumble strips and kerbing for overall improvement.

Significant upgrades were carried out to Carter Street and Jensen Street in the Wongan Hills industrial area to help with the influx of both light and heavy traffic in the area.

Cadoux North Road, Latham Road, Rabbit Proof Fence Road and White Well Road were re-sheeted.

# Infrastructure & Services

## Footpaths

### Footpath Repairs

Footpath repairs were carried out on a 30m section along the Northam-Pithara Road next to Elders and at the railway crossing on the Calingiri-Wongan Hills Road.



**Footpath repairs Northam-Pithara Road**



**New 2.5m Shared Bike and Pedestrian Footpath**

A 15m section of footpath at two locations on Patterson Street were removed for repair.

### New Footpath Construction

In accordance with our 10-Year Footpath Plan, the Shire secured further funding from the Department of Transport's WA Regional Bike Network – allowing the construction of new paths throughout the Wongan Hills townsite, continuing to improve safety and encourage more recreational cycle and scooter use in our region.

New bike and pedestrian shared footpaths were installed on Wilding Street, between Wandoo Crescent and Johnston Street, as well as Patterson Street, between Nugent Street and Reynoldson Street.

### Miscellaneous Works

#### Football & Hockey Oval Floodlights

Extra floodlights were installed around the football field and hockey oval. This involved new footings being poured and trenching for the cables as well as a crane to install the light poles.

#### Removal of Water Tanks for Wongan Hills District Hospital

Three water tanks were removed for Wongan Hills District Hospital, two at the hospital site and one more on Ackland Street.

#### Pear Tree Walk Repairs – Cemetery

Pear Tree Walk had become washed out after recent rain and was in need of repair. Gravel was imported and the walkway repaired. A top dressing of some pea gravel is still to be applied, to match it with the rest of the laneway.

#### Paving Repairs

Paving repairs were carried out at the Wongan Hills Community Park. Some pavers that were missing were replaced and a header course that had dropped was pulled up and relaid.

# Infrastructure & Services



## Footing Excavations – WHDHS

The Shire was approached by the Wongan Hills District High School (WHDHS) to excavate the footings for their new outdoor classroom. Work was carried out by the team utilising the backhoe.

## Plant Replacement



New Works Supervisor Ute



PTK38 New Construction Crew Cab



New Data Signs x-2

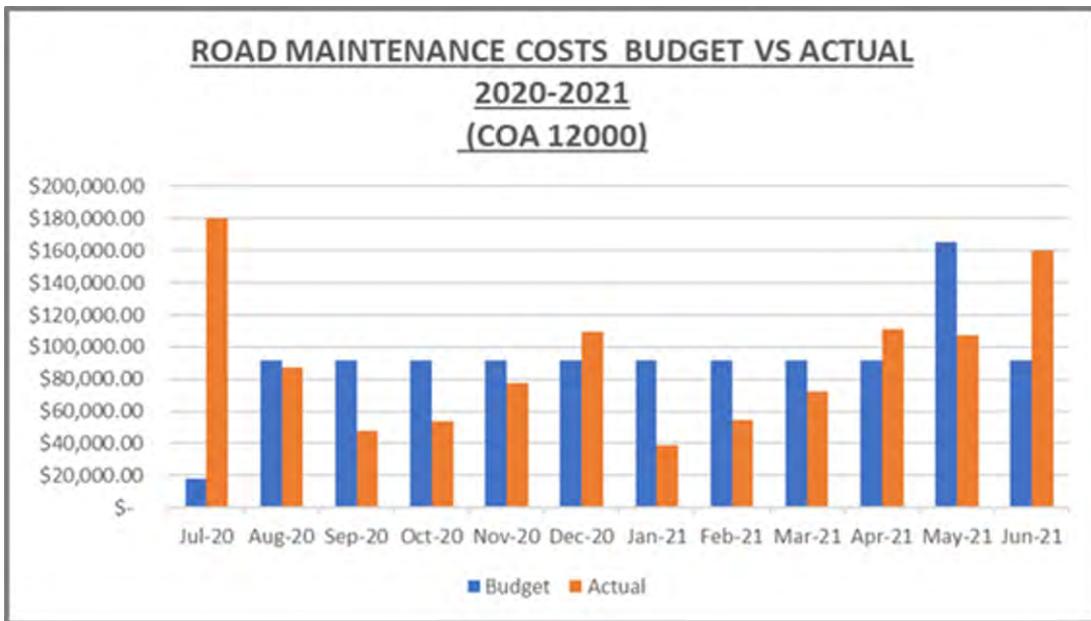


New Town Maintenance Ute & Equipment

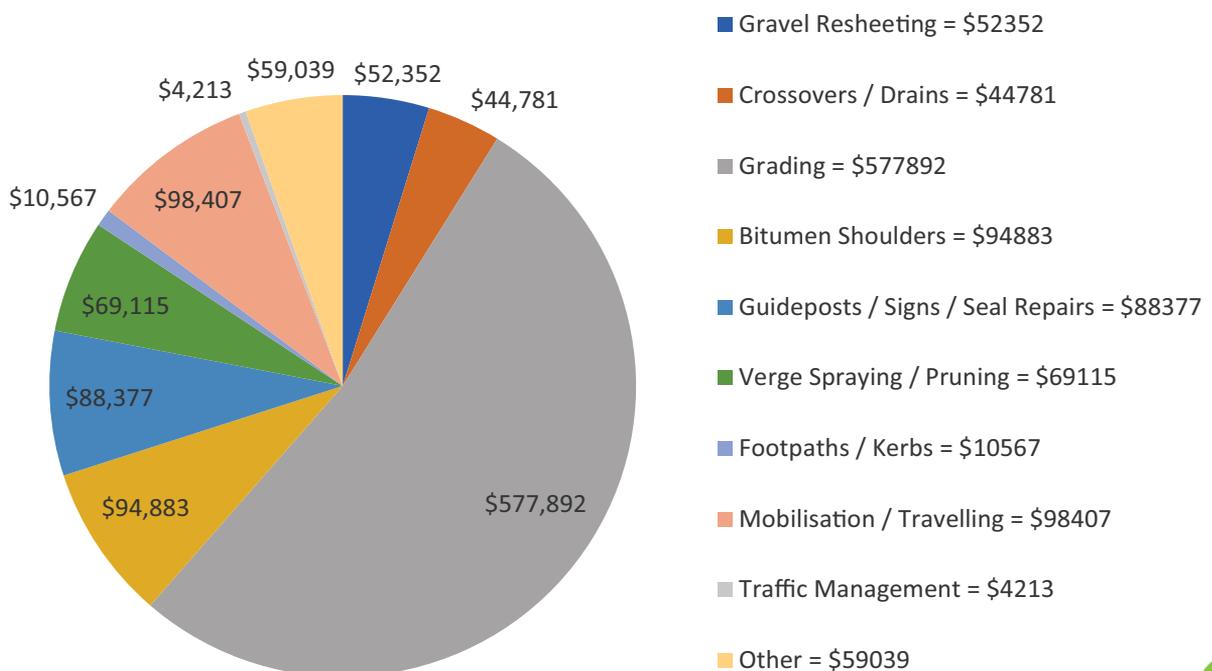


New Deputy CEO Car

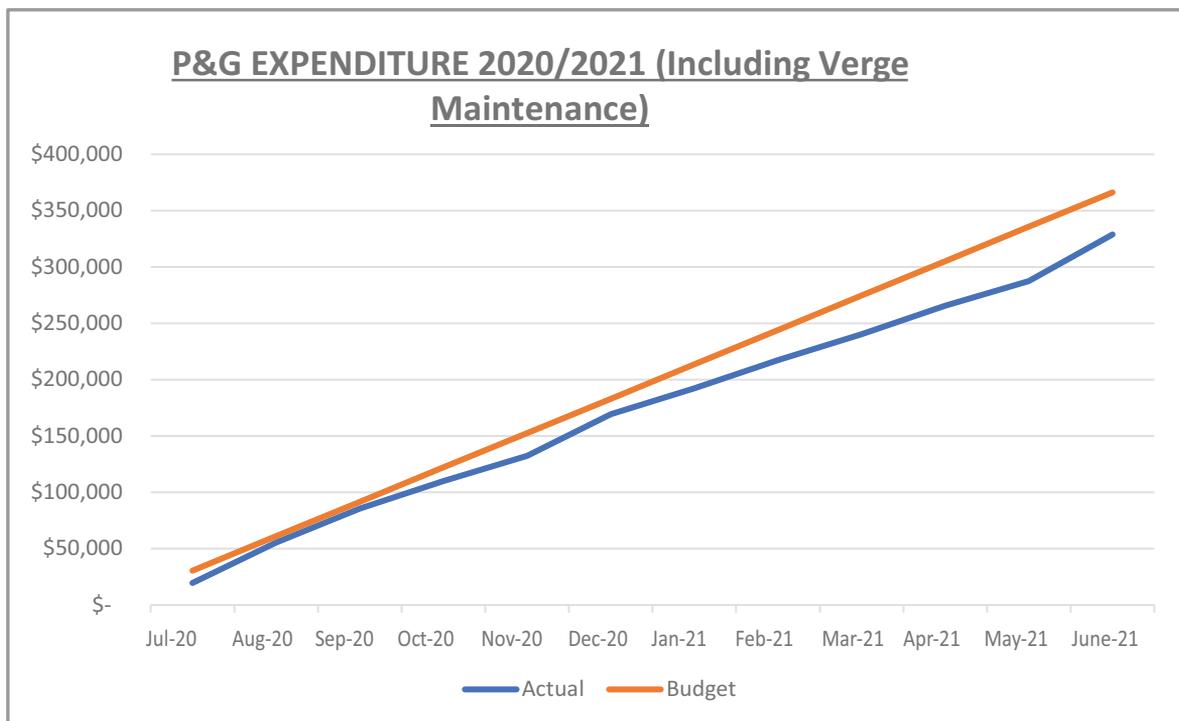
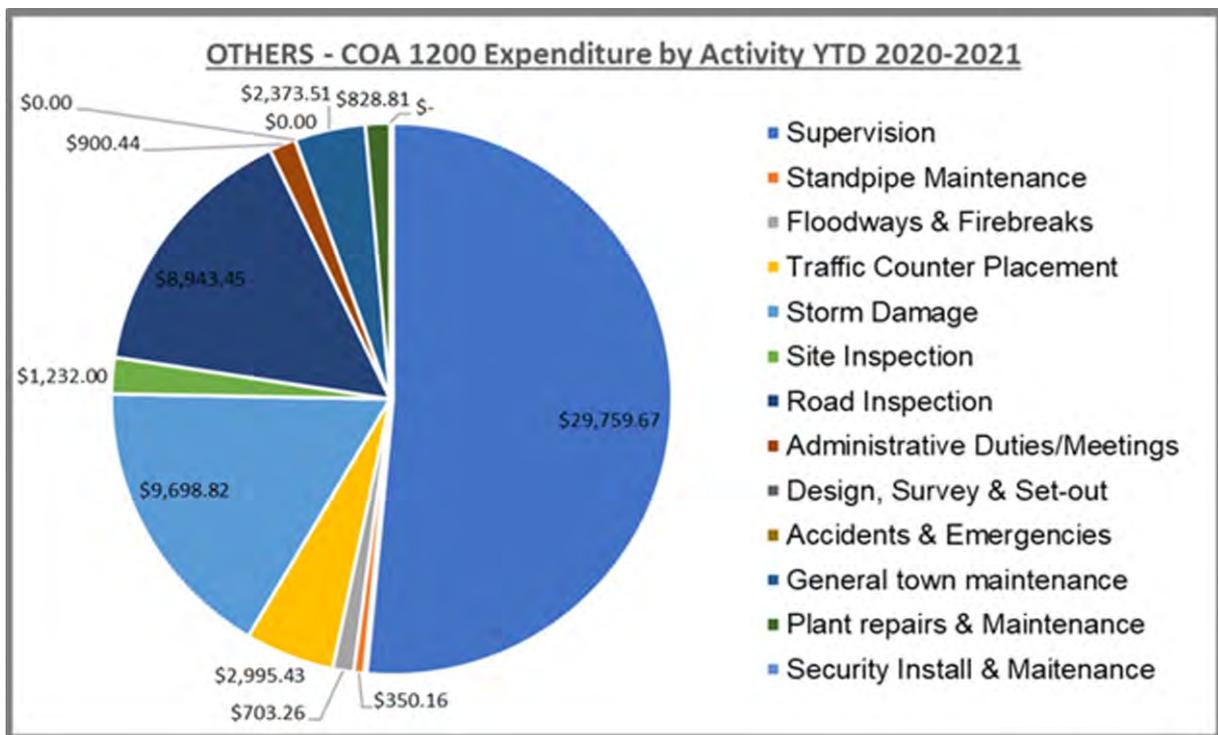
# Infrastructure & Services



## COA 12000 Expenditure by Activity YTD 2020-2021



# Infrastructure & Services



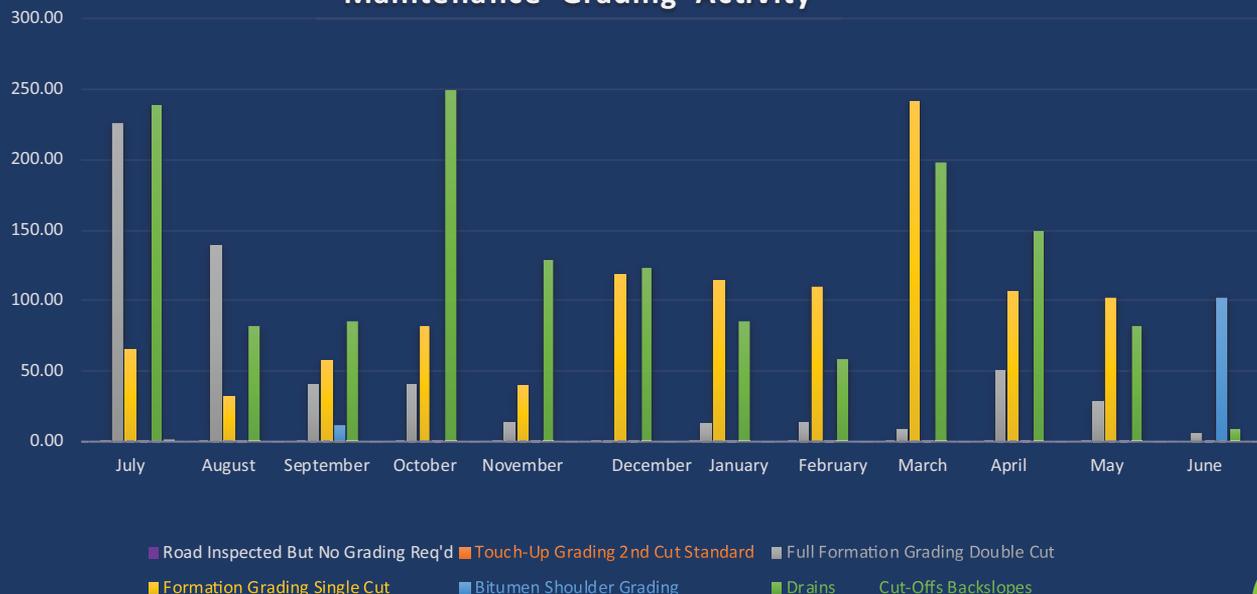
# Infrastructure & Services

## Maintenance Grading Data

**Maintenance Grading Kilometer Breakdown**

Total	Road Inspected But No Grading Req'd	Touch-Up Grading 2nd Cut Standard	Full Formation Grading Double Cut	Formation Grading Single Cut	Bitumen Shoulder Grading	Drains Cut-Offs Backslopes	Grader Hours	Manhours
July	0.00	0.00	225.65	64.80	0.00	238.45	418.80	532.80
August	0.00	0.00	138.95	31.68	0.00	81.70	230.80	289.50
September	0.00	0.00	40.69	57.87	11.42	85.59	144.90	175.50
October	0.00	0.00	40.11	81.83	0.00	249.18	268.80	327.01
November	0.00	0.00	13.50	39.80	0.00	129.05	155.80	163.00
December	0.00	0.00	0.00	118.93	0.00	122.84	200.80	256.50
January	0.00	0.00	12.90	114.50	0.00	85.00	144.90	164.50
February	0.00	0.00	13.90	109.90	0.00	58.30	121.30	145.50
March	0.00	0.00	8.50	241.12	0.00	198.32	245.55	303.70
April	0.00	0.00	50.80	106.81	0.00	148.69	240.15	270.00
May	0.00	0.00	28.70	101.91	0.00	82.20	166.90	227.00
June	0.00	0.00	6.60	0.00	101.77	8.00	15.90	19.50

**Maintenance Grading Activity**



# Infrastructure & Services

## Building Maintenance

Maintenance and repairs are continuously being carried out on all Shire buildings and infrastructure by both Shire employees and contractors in an effort to keep infrastructure in the best condition possible.

Should a member of the community become aware of any building maintenance issues or damage to Shire property please report them to the Shire as soon as possible.

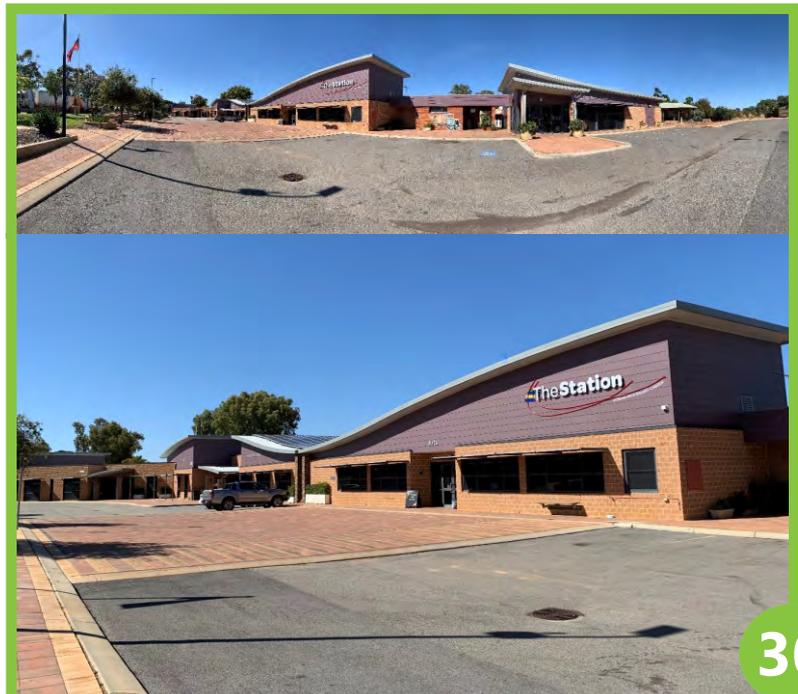
## Capital Projects

The following capital projects were completed during the year:

- Wongan Hills Civic Centre – installation of roof access points
- Wongan Hills Civic Centre – erection of 6 bay shed with concrete floor and power for use by Apex and Rotary
- Community Resource Centre – repaint exterior of building
- Medical Centre – Allied Health side replace carpet in rooms 6, 7 and 8 with heavy duty homogeneous sheet flooring
- Radio/TV Retransmission site – compound extension and concrete pad for new satellite dish
- Wongan Hills Swimming Pool – repaint interior and exterior of entire complex
- Wongan Hills Swimming Pool – replacement roof and guttering over kiosk
- Wongan Hills Airport – replace pull out hanger doors with sliding door
- 151 Ninan Street Wongan Hills – installation of security doors and windows screens
- 27A & 27B Quinlan Street – replacement of vinyl and carpet
- 11 Wandoo Crescent – replacement of eastern side fence (in conjunction with GEHA)



**Before and after photographs:  
Community Resource Centre  
Exterior Painting**



# Infrastructure & Services



Newly installed 6 Bay Shed at Civic Centre



Swimming Pool

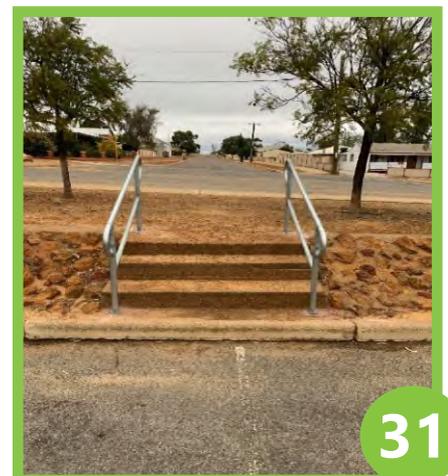


Medical Centre Vinyl



## Civic Centre Hand Rail

The works department were asked to organise the installation of a new handrail at the Civic Centre off Quinlan Street. Wongan Engineering were enlisted to manufacture and install the handrail



# Infrastructure & Services

## BUILDING SERVICES EXPENDITURE 2020/2021

Building Maintenance	\$312,673
Building Capital Expenses (inc Colocation)	\$596,078
Cleaning of Public Buildings	\$126,900
Swimming Pool Operating Costs	\$171,890
Utilities and Insurance to Council Buildings	\$311,004

## Swimming Pool

### Annual Breakdown of swimming pool entrance income

2014/2015	\$28,716
2015/2016	\$29,248
2016/2017	\$27,130
2017/2018	\$20,203
2018/2019	\$30,810
2019/2020	\$25,541
2020/2021	\$22,826

### Annual Breakdown of swimming pool operating costs

2014/2015	\$210,307
2015/2016	\$184,696
2016/2017	\$169,845
2017/2018	\$160,650
2018/2019	\$127,616
2019/2020	\$121,022
2020/2021	\$171,890



# Infrastructure & Services

## Swimming Pool

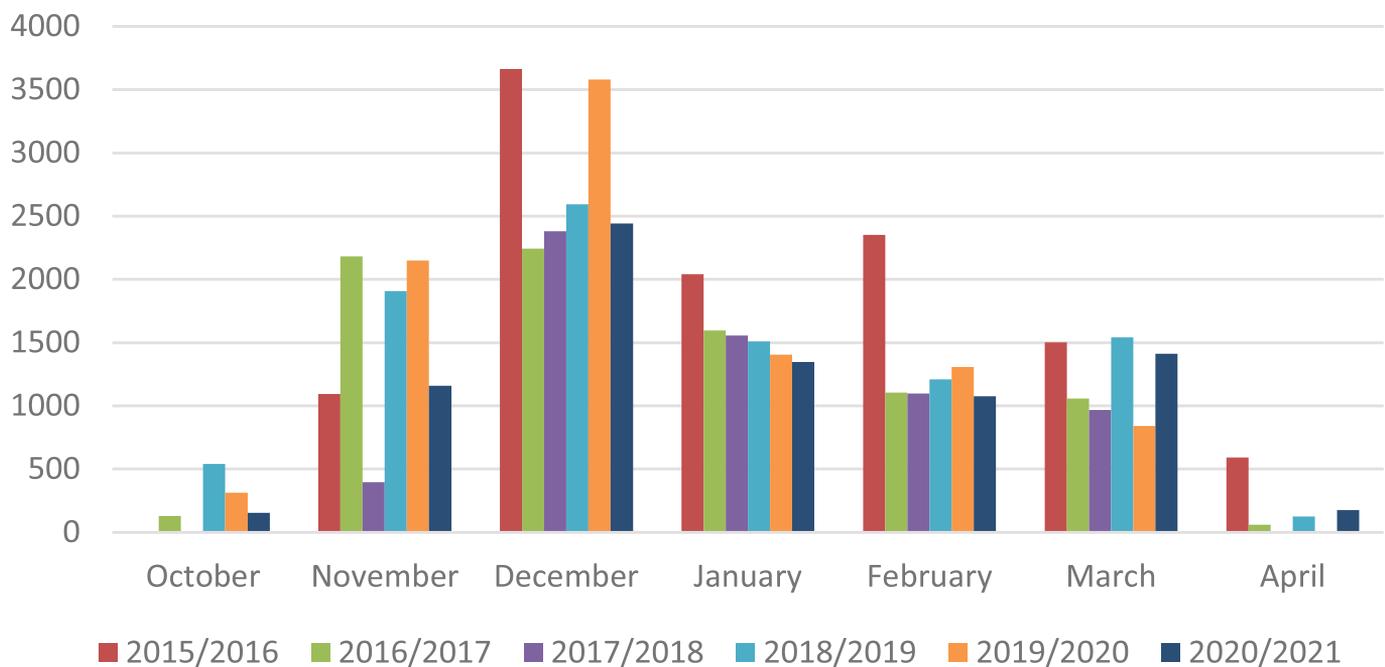
There were no major incidents with plant and equipment.

The beach volleyball competition saw five teams compete over the season with good numbers participating each week.

This year we introduced the Shire of Wongan Ballidu Swim to Rotto Challenge which saw 32 people participate with one lap swimmer completing 2,660 laps, the distance of the Avon Decent.

In-term school swimming lessons were held by Wongan Hills District High School, and the Calingiri and Yerecoin Primary Schools. Vacation Swimming (VacSwim) held one session in December.

### Wongan Hills Swimming Pool Patronage 2020-2021



#### Total Patronage for Swimming Pool Season

2015/2016	11,048
2016/2017	8,380
2017/2018	6,412
2018/2019	9,429
2019/2020	9,113
2020/2021	7,765

# Infrastructure & Services

## Bushfire Mitigation and Emergency Services

Protection of our community is at the heart of the Shire and we have 4 Volunteer Bush Fire Brigades within the district to protect the Shire from bushfire with a total of 192 volunteers across these brigades. In the 2020/21 financial year the brigades attended 5 reported incidents. The brigades also supported a major incident in January 2021 by providing assistance to volunteer brigades within the City of Swan.

The Shire has been preparing a Bush Fire Management Plan which will be adopted by Council in the 2021/22 year. This plan outlines how the Shire, in partnership with the Department of Fire and Emergency Services (DFES) will manage bushfire risk within the Shire. This plan will outline the high-risk areas of the Shire and a program over 5 years to mitigate these risks to the Shire.

Council thanks all volunteers and acknowledges the hard work these volunteers do in their own time and often at their expense to protect the Shire from bushfire.

## Ranger Services

Ranger Services primarily encourages and enforces compliance with Local and State Laws with respect to pets and livestock; parking and off-road vehicles, abandoned vehicles and fire hazard reduction within the townsites. The ranger also actively promotes the registration of Dogs and Cats within the Shire through educating pet owners about registration and follows up on unregistered animals throughout the year and as a result of this only one infringement was issued during the 2020/21 year.

In 2020/21 year, the Shire had a total of 312 dog registrations and the majority of these are lifetime registrations (215) with the others being for a period of 1 or 3 years. Cats are also required to be registered and the shire had a total of 73 cat registrations and of these 54 were lifetime registrations

Firebreak and fire compliance is becoming increasingly important and each year the ranger inspects all properties within the townsites of Wongan Hills, Ballidu and Cadoux and ensures that properties comply with the legal requirements as per the Bushfires Act. It is pleasing to see that each year the number of non-compliant properties is decreasing as more landowners become bushfire aware.



# Governance

## Occupational Health and Safety

With the impending changes to the OH&S legislation, the Shire has embarked on an awareness program for employees to enable them to make an informed transition.

The Shire's partner, LGIS have been instrumental in providing advice, guidance and support to the Shire through the Regional Risk Coordinator Program.

The safety committee continue to provide support to staff and investigate incidents in a timely manner with recommendations discussed at monthly OH&S meetings. Improved employee inductions and safety training have increased employee awareness. Managers and staff have been made aware of their liabilities once the new WH&S changes come into effect.

## Human Resources and Employee Wellbeing

Our key focus following the COVID pandemic has been on mental health and wellbeing of all our staff to ensure they are well supported and are well equipped to cope in uncertain times. Council has supported initiatives including the provision of additional health and well-being leave and flexible work arrangements when required. Although sourcing of a skilled workforce remains a challenge throughout regional WA, we have been fortunate to retain a strong, talented team. Our key strength has been the flexibility of our team to be agile and able to quickly adapt to an ever changing work environment.

## Traineeship

In partnership with the Department of Primary Industries and Regional Development, the Shire continued the Traineeship Program within the Shire Administration and Community Resource Centre offices. Our Traineeship Program offers the opportunity for young people to complete a nationally accredited Certificate III in Business Administration, while gaining valuable and diverse work experience during a one year traineeship.



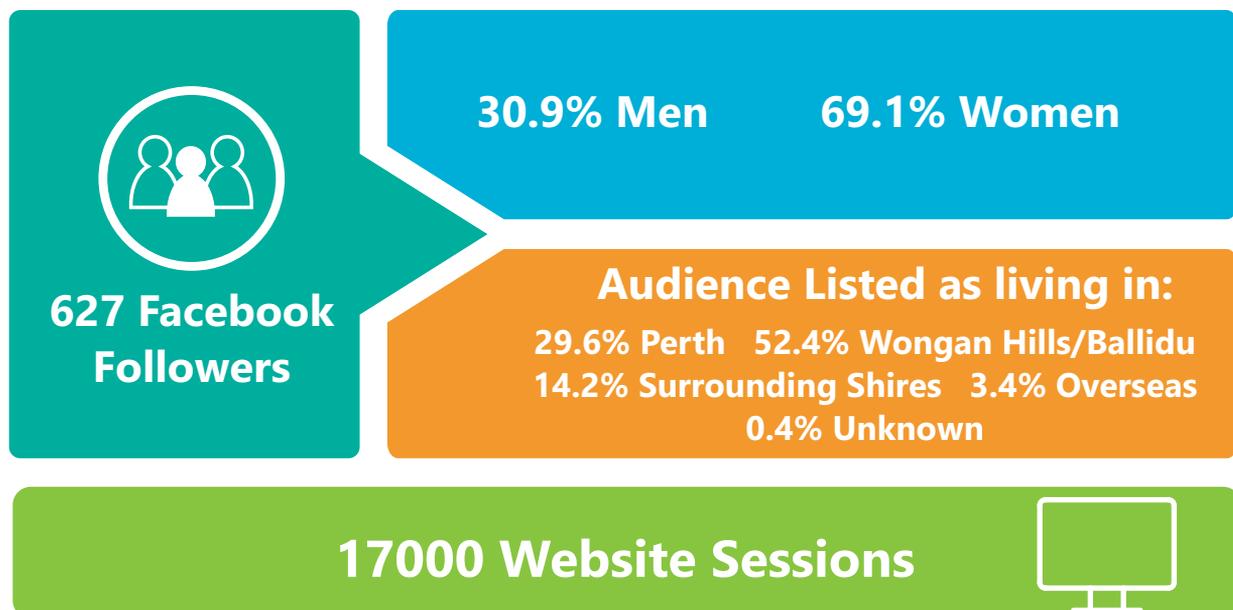
# Governance

## 2020/21 Councillors Meeting Attendance Records

NAME	ORDINARY COUNCIL MEETING		SPECIAL COUNCIL MEETING	
	Eligible	Attended	Eligible	Attended
Cr Jon Hasson	8	8	2	2
Cr Brad West	11	10	2	2
Cr Stuart Boekeman	11	10	2	1
Cr Sue Falconer	11	10	2	2
Cr Eion Ganzer	11	11	2	2
Cr Mandy Stephenson	11	11	2	2
Cr Andrew Tunstill	11	10	2	2

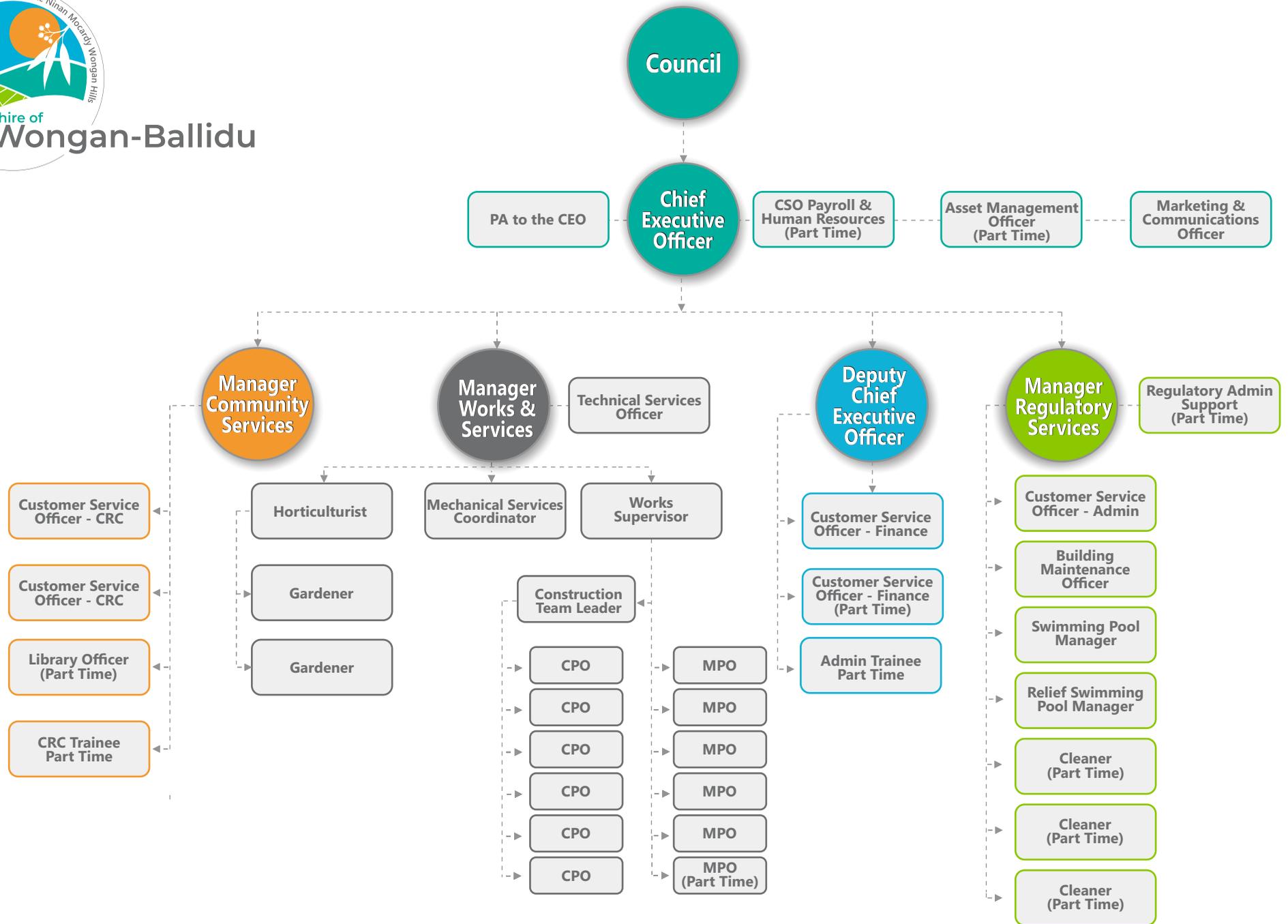
## Social Media Statistics

### Social Media and Website Snapshot





Shire of  
Wongan-Ballidu



# Statutory Reports

## Register of Complaints

Pursuant to Section 5.110 and 5.121 of the *Local Government Act 1995* the complaints officer for a local government is required to maintain a Register of Complaints which records all complaints that result in action under section 5.110(6)(b) or (c) of that Act.

The Register of Complaints is to include, for each recorded complaint:

- (a) the name of the Council member about whom the complaint is made;
- (b) the name of the person who makes the complaint;
- (c) a description of the minor breach that the Standards Panel finds has occurred; and
- (d) details of the action taken under section 5.110(6)(b) or (c).

Details of entries made under section 5.121 during the 2019/20 financial year in the Register of Complaints are;

- (i) the number of complaints recorded in the Register of Complaints: Nil
- (ii) how the recorded complaints were dealt with: Not applicable

Stuart Taylor

### Designated Complaints Officer

Chief Executive Officer  
Shire of Wongan-Ballidu

## Strategic Community Plan

There were no modifications made to the current Strategic Community Plan. A review of the plan was carried out in Q1&Q2 2021 in order to develop and implement a new strategic plan for the period 2021 - 2031.

## Corporate Business Plan

There were no modifications made to the current Corporate Business Plan.

## Council's Preferred Agents

### Auditors

Office of the Auditor General for  
Western Australia  
7th Floor, Albert Facey House  
469 Wellington Street  
PERTH WA 6849

### Solicitors

McLeods Barristers & Solicitors  
Stirling Law Chambers 220-222  
Stirling Highway  
CLAREMONT WA 6010

### Settlement Agents

St James Conveyancing  
P O Box 912  
BALCATTA WA 6914

### Banking Agents

Australia and New Zealand  
Banking Group  
Fenton Place  
WONGAN HILLS WA 6603

### Insurance Agents

Local Government Insurance  
Services  
17 Altona Street  
WEST PERTH WA 6605



# Statutory Reports

## Disability Access & Inclusion

The Shire's interpretation of being an accessible and inclusive community is ensuring that all Council functions, facilities and services (both in-house and contracted), are open, available and accessible to people with disability, providing them with the same opportunities, rights and responsibilities as other people in the community.

A review of the Shire's current Disability Access and Inclusion Plan was conducted in Q2, 2020 and an updated version of the Plan is available electronically on the Shire of Wongan-Ballidu website or in other formats if required.

## Local Laws

The Local Government Act 1995 requires all existing local laws to be reviewed every eight years. As part of this process the intention to review local laws is advertised in the media giving residents and ratepayers the opportunity to comment on any proposed changes, additions or deletions to the Shire's local laws.

Local Governments are required to apply the principle of competitive neutrality to all business activities generating user-pays income in excess of \$200,000. The principle of competitive neutrality is that Government businesses should not enjoy a competitive advantage, or disadvantage, simply as a result of their public sector ownership. Annual Reports must show that a public benefit test has been conducted for all significant business activities to determine if competitive neutrality is in the public interest.

## Freedom of Information

In accordance with Section 96 and 97 of the Freedom of Information Act 1992 the Shire is required to publish an Information Statement annually which details the process of applying for information under the Act, as well as information that the Shire provides outside of the Act. This document is available from the Shire of Wongan-Ballidu Centre or the Shire of Northam website.

During 2020/21, the Shire received one application for Freedom of Information. This request was completed within 45 days in accordance with Section 13 (3) of the Freedom of Information Act 1992.

Should you wish to obtain a copy of the Freedom of Information Act 1992 or associated regulations please visit the State Law Publisher website at [www.slp.wa.gov.au](http://www.slp.wa.gov.au) where a full copy of all State Legislation is available. Further information about Freedom of Information can also be found on the Freedom of Information Commissioner's website.

## Compliance with the State Records Act 2000

In accordance with Section 19 of the State records Act 2000, Local Governments are required to have a Record Keeping Plan approved by the State Records Commission (SRC). The purpose of the plan is to provide an accurate reflection of the record keeping program in the organisation, including information regarding the organisation's record keeping system, disposal arrangements, policies, practices and processes. The Shire is required to ensure records are created, managed and maintained over time and disposed of in accordance with the principles and standards issued by the SRC. The Record Keeping Plan is the primary means of providing evidence of compliance with the Act and the implementation of best-practice record keeping in the organisation.

# Statutory Reports

## Employee Remuneration

For purposes of section 5 of the annual report of a local government, the following table indicates the number of employees entitled to and in receipt of an annual salary over \$100,000;

Salary Band	Number of Employees
\$110,000 - \$119,000	1
\$160,000 - \$169,000	1

## National Competition Policy

In 1995, the Council of Australian Governments entered into a number of agreements collectively known as the National Competition Policy. Local government is affected mainly where it operates significant business activities which compete, or could compete with private sector businesses. Local Government will also be affected where local laws unnecessarily affect competition.

The Shire is required to comply with certain policies contained within the National Competition Policy statement and report on progress in connection with Competitive Neutrality Principles and review of Local Laws.

## Competitive Neutrality

Local Governments are required to apply the principle of competitive neutrality to all business activities generating user-pays income in excess of \$200,000.00. The principle of competitive neutrality is that Government Businesses should not enjoy a competitive advantage or disadvantage simply as a result of their public sector ownership. Annual Reports must show that a public benefit test has been conducted for all significant business activities to determine if competitive neutrality is in the public interest.

# Annual Financial Reports

The Shire has continued to be placed in a strong financial position at the end of June 2021.

Total Comprehensive income at year end was \$639,474. Operating Income was higher than budget due to the pre-payment of Grants from the State Government. Non-Operating Grants were slightly lower than budgeted, this was due to the Shire not receiving all grant income from the Federal Government by the 30<sup>th</sup> June 2021.

Operating Expenditure was lower than budgeted, employee costs were lower due to staff vacancies and the purchase of material and contracts.

The cash position was also maintained during the year, there was an increase in cash held by the Shire of \$277,000. The Balance of the reserves at the end of June 2021 remained a healthy \$1.91 million.

## The key financial indicators of the Shire (Financial Ratios)

The Department of Local Government, Sport and Cultural Industries has set a series of ratios that are used by All Local Governments in Western Australia to look at trends to evaluate the sustainability of the Shire. The Ratios used by the Shire are as follows, included is the minimum benchmark that has been set and the Shire's ratio for the year ended June 2021.



### Current Ratio

This focuses on the liquidity of the Shire.

Minimum Standard 1.00

Shire's Ratio 2.10

Result – Higher than the minimum Standard



### Asset Consumption Ratio

This focuses on if the Shire is replacing its assets at an adequate rate.

Minimum Standard 0.50

Shire's Ratio 0.95

Result – Higher than the minimum Standard



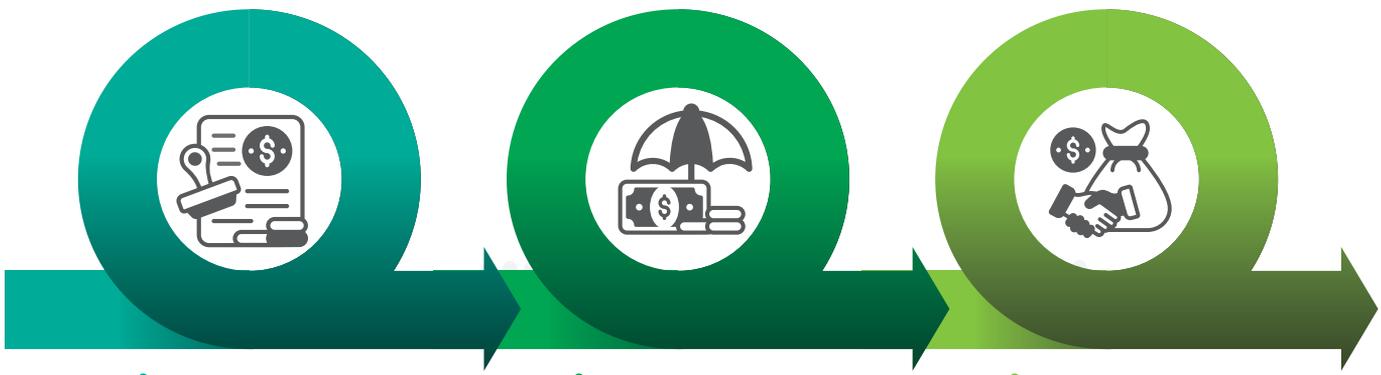
### Asset Sustainability Ratio

This focuses on if the Shire is replacing its assets greater than they are being depreciated

Minimum Standard 0.90

Shire's Ratio 1.10

Result – Higher than the minimum Standard



### Debt Service Cover Ratio

This focuses on the Shire's ability to repay loans.

Minimum Standard 2.00

Shire's Ratio 9.71

Result – Higher than the minimum Standard

### Operating Surplus Ratio

The ability of the Shire to fund its operating costs and have funds left for Capital Works.

Minimum Standard 0.01 - 0.015

Shire's Ratio (0.27)

Result – Lower than the

### Own Source Revenue Coverage Ratio

The ability of the Shire to fund its operating costs through its own revenue (not grants).

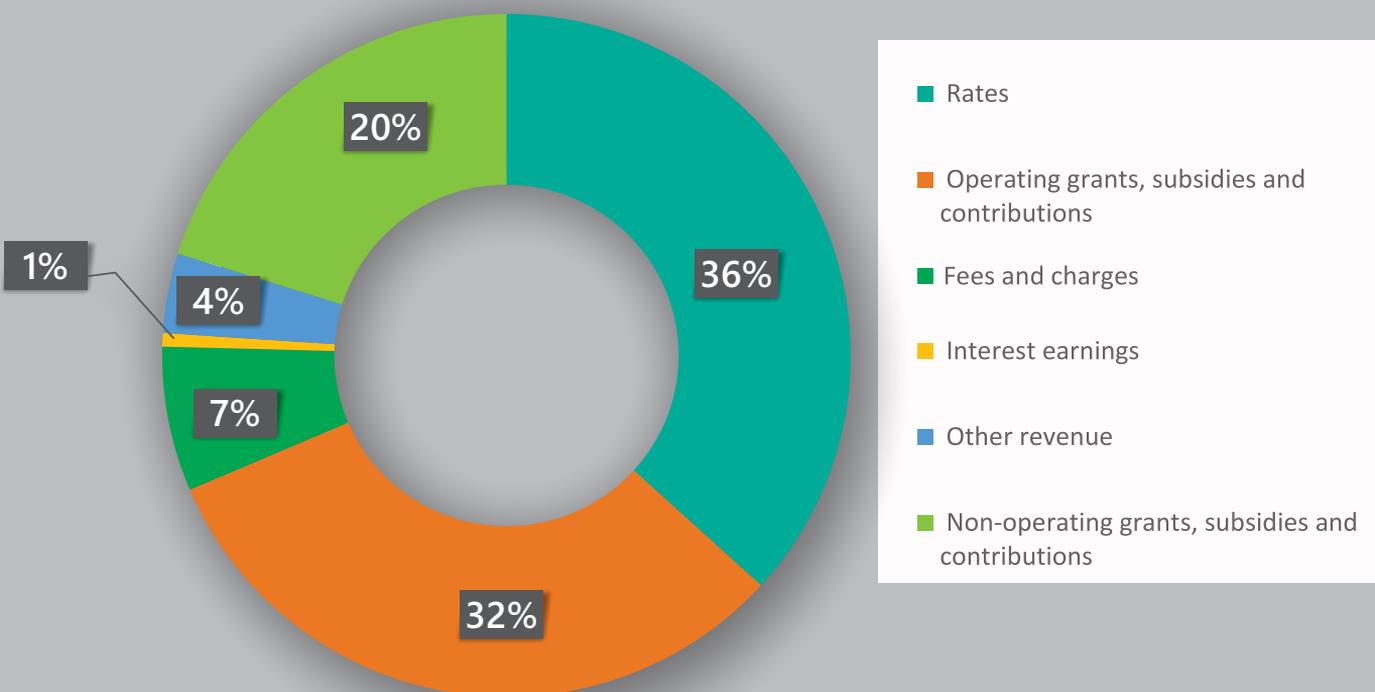
Minimum Standard 0.40 - 0.60

Shire's Ratio 0.50

Result – Higher than the minimum Standard

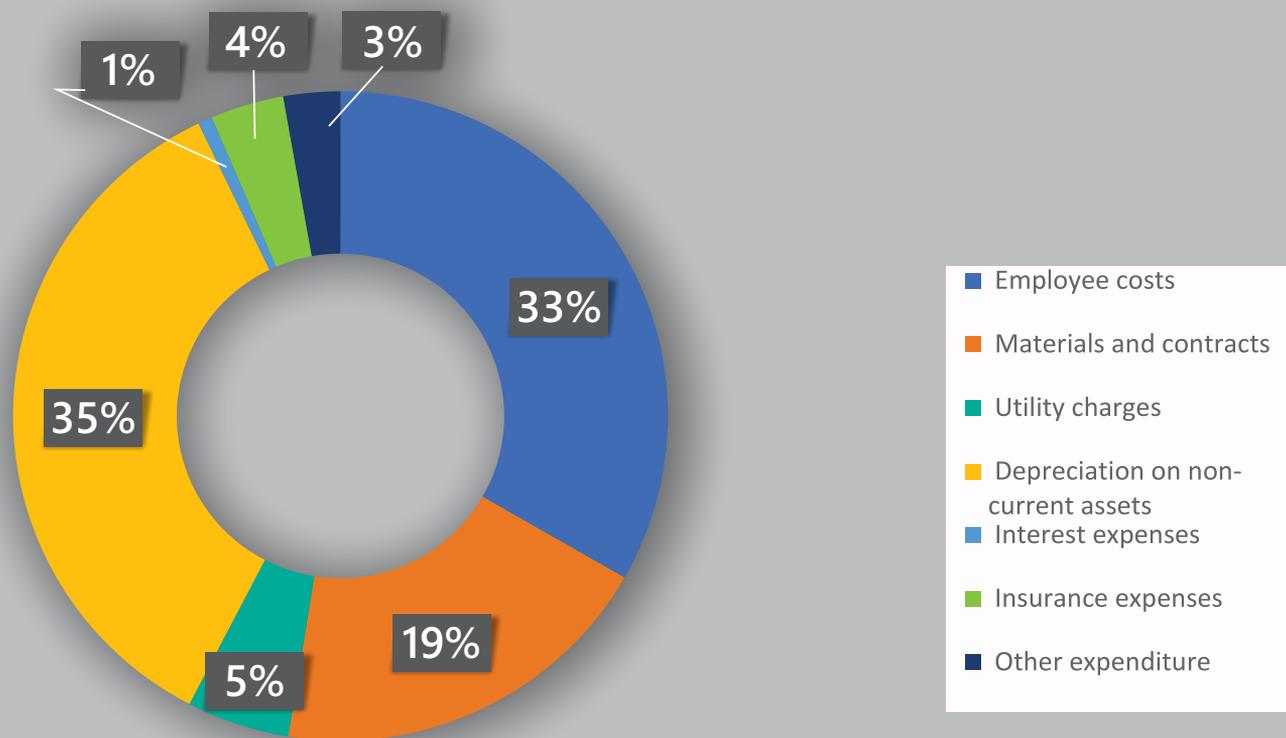
## Revenue in 2020/21

### Income Sources in 2020/21



# Expenditure in 2020/21

## Shire's Expenditure by Type



The primary expense components above are Depreciation (35%), Employee Costs (33%), Materials and Contracts (19%). The Shire's total expenditure increased from 2019/20 by approximately 3%. The reasons for the increase can be mostly attributed to increases in Depreciation, insurance premiums, utility charges and interest on the loan for the Colocation project (This was the first year of a full years interest paid). There was also a significant decrease in the other expenditure from 2019/20.

### Statement of Financial Position

The table below provides a summary of the Shire's Statement of Financial Position, reporting what the Shire owns (total assets) and what the Shire owes (total liabilities) the net of this is called net worth (equity) 2020.

	2020 \$	2019 \$
Cash, Receivables, Inventories & Other Assets	5,272,041	4,945,922
Property, Plant and Equipment and Infrastructure	152,141,615	151,786,920
Liabilities (other than Long term borrowings)	1,218,449	1,104,481
Long Term Borrowings	2,171,723	2,244,352
<b>Total Equity</b>	<b>154,023,484</b>	<b>153,384,009</b>

## Asset Summary

Major components of the Shire's assets include:

- Funds in Reserve or Restricted Cash held for specific purposes \$2.2M
- Municipal Cash \$1.91M
- Land and Buildings \$25.6M
- Plant and Equipment \$4.2M
- Infrastructure (Roads, Bridges etc) \$122.2M

Liabilities-What the Shire Owes

- Suppliers \$0.38M
- Employee Entitlements \$0.49M
- Long Term Borrowings \$2.17M

## The Year in summary

The Shire continues to be in a healthy financial position with low borrowings and a high asset base. This is clearly demonstrated in the financial Ratios.

Alan Hart  
**Deputy Chief Executive Officer**

**SHIRE OF WONGAN-BALLIDU**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**COMMUNITY VISION**

Wongan Ballidu - a caring and supportive community driving sustainability of agriculture, services and the environment

Principal place of business:  
Cnr Elphin Crescent & Quinlan Street  
Wongan Hills WA 6603

SHIRE OF WONGAN-BALLIDU  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

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

Signed on the

21<sup>st</sup>

day of

December

2021



Chief Executive Officer

**Stuart Taylor**

Name of Chief Executive Officer



BUTLER SETTINERI

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

	NOTES	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Revenue</b>				
Rates	25(a)	2,967,766	2,968,739	2,971,818
Operating grants, subsidies and contributions	2(a)	2,568,415	1,382,019	3,007,987
Fees and charges	2(a)	552,697	526,878	573,177
Interest earnings	2(a)	51,263	56,333	70,114
Other revenue	2(a)	304,517	132,356	242,658
		<b>6,444,658</b>	<b>5,066,325</b>	<b>6,865,754</b>
<b>Expenses</b>				
Employee costs		(2,401,108)	(2,732,616)	(2,265,520)
Materials and contracts		(1,389,529)	(1,536,569)	(1,406,537)
Utility charges		(366,275)	(342,406)	(380,263)
Depreciation on non-current assets	10(b)	(2,540,623)	(2,434,945)	(2,437,475)
Interest expenses	2(b)	(51,320)	(52,020)	(39,629)
Insurance expenses		(261,330)	(255,470)	(259,791)
Other expenditure	2(b)	(202,316)	(248,213)	(220,270)
		<b>(7,212,501)</b>	<b>(7,602,239)</b>	<b>(7,009,485)</b>
		<b>(767,843)</b>	<b>(2,535,914)</b>	<b>(143,731)</b>
Non-operating grants, subsidies and contributions	2(a)	1,629,267	2,080,633	1,568,481
Loss on asset disposals	10(a)	(239,929)	(289,105)	(48,071)
Fair value adjustments to financial assets at fair value through profit or loss		4,683	-	-
		<b>1,394,021</b>	<b>1,791,528</b>	<b>1,520,410</b>
<b>Net result for the period</b>		<b>626,178</b>	<b>(744,386)</b>	<b>1,376,679</b>
<b>Other comprehensive income</b>				
Changes in asset revaluation surplus	12	13,296	-	-
<b>Total other comprehensive income for the period</b>		<b>13,296</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>639,474</b>	<b>(744,386)</b>	<b>1,376,679</b>

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



BUTLER SETTINERI

**SHIRE OF WONGAN-BALLIDU**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTES	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Revenue</b>				
Governance		59,383	53,021	72,660
General purpose funding		5,128,917	4,028,598	5,246,347
Law, order, public safety		43,532	35,500	52,464
Health		28,507	29,100	27,589
Education and welfare		10,652	13,883	16,277
Housing		56,746	64,500	68,318
Community amenities		207,737	196,736	188,679
Recreation and culture		109,259	47,176	412,378
Transport		252,761	204,660	245,063
Economic services		71,829	37,950	77,505
Other property and services		475,335	355,201	458,474
		<b>6,444,658</b>	<b>5,066,325</b>	<b>6,865,754</b>
<b>Expenses</b>				
Governance		(295,894)	(298,940)	(254,477)
General purpose funding		(121,157)	(121,385)	(118,175)
Law, order, public safety		(173,249)	(161,509)	(153,607)
Health		(385,228)	(406,067)	(383,747)
Education and welfare		(129,478)	(165,453)	(155,388)
Housing		(187,678)	(191,444)	(192,532)
Community amenities		(514,536)	(504,271)	(426,441)
Recreation and culture		(1,554,608)	(1,634,684)	(1,551,848)
Transport		(2,903,050)	(2,882,560)	(2,986,357)
Economic services		(190,682)	(239,099)	(226,547)
Other property and services		(705,621)	(944,807)	(520,737)
		<b>(7,161,181)</b>	<b>(7,550,219)</b>	<b>(6,969,856)</b>
<b>Finance Costs</b>				
Education and welfare		(11,395)	(11,310)	(10,789)
Housing		-	-	(1,748)
Recreation and culture		(39,437)	(39,710)	(26,619)
Other property and services		(488)	(1,000)	(473)
	2(b)	<b>(51,320)</b>	<b>(52,020)</b>	<b>(39,629)</b>
		<b>(767,843)</b>	<b>(2,535,914)</b>	<b>(143,731)</b>
Non-operating grants, subsidies and contributions	2(a)	1,629,267	2,080,633	1,568,481
Loss on disposal of assets	10(a)	(239,929)	(289,105)	(48,071)
Fair value adjustments to financial assets at fair value through profit or loss		4,683	-	-
		<b>1,394,021</b>	<b>1,791,528</b>	<b>1,520,410</b>
<b>Net result for the period</b>		<b>626,178</b>	<b>(744,386)</b>	<b>1,376,679</b>
<b>Other comprehensive income</b>				
Changes in asset revaluation surplus	12	13,296	-	-
<b>Total other comprehensive income for the period</b>		<b>13,296</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>639,474</b>	<b>(744,386)</b>	<b>1,376,679</b>

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



BUTLER SETTINERI

**SHIRE OF WONGAN-BALLIDU**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2021**

	NOTES	2021	2020
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	4,163,016	3,885,370
Trade and other receivables	6	379,015	346,715
Other financial assets	5(a)	123,355	113,506
Inventories	7	31,343	6,610
<b>TOTAL CURRENT ASSETS</b>		<b>4,696,729</b>	<b>4,352,201</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	6	28,858	25,340
Other financial assets	5(b)	352,011	346,535
Inventories	7	189,310	211,110
Property, plant and equipment	8	29,894,342	29,972,925
Infrastructure	9	122,247,273	121,813,995
Right-of-use assets	11(a)	5,133	10,736
<b>TOTAL NON-CURRENT ASSETS</b>		<b>152,716,927</b>	<b>152,380,641</b>
<b>TOTAL ASSETS</b>		<b>157,413,656</b>	<b>156,732,842</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	386,644	647,563
Contract liabilities	14	335,644	18,000
Lease liabilities	15(a)	4,928	5,799
Borrowings	16(a)	119,587	108,687
Employee related provisions	17	402,489	357,023
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,249,292</b>	<b>1,137,072</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	15(a)	-	4,928
Borrowings	16(a)	2,052,136	2,135,665
Employee related provisions	17	88,744	71,168
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,140,880</b>	<b>2,211,761</b>
<b>TOTAL LIABILITIES</b>		<b>3,390,172</b>	<b>3,348,833</b>
<b>NET ASSETS</b>		<b>154,023,484</b>	<b>153,384,009</b>
<b>EQUITY</b>			
Retained surplus		61,326,367	60,771,393
Reserves - cash backed	4	1,911,870	1,840,666
Revaluation surplus	12	90,785,247	90,771,951
<b>TOTAL EQUITY</b>		<b>154,023,484</b>	<b>153,384,010</b>

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



BUTLER SETTINERI

**SHIRE OF WONGAN-BALLIDU**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTES	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2019</b>		<b>59,007,014</b>	<b>2,228,366</b>	<b>90,771,951</b>	<b>152,007,331</b>
Comprehensive income					
Net result for the period		1,376,679	-	-	1,376,679
Total comprehensive income for the period		1,376,679	-	-	1,376,679
Transfers from reserves	4	1,109,883	(1,109,883)	-	-
Transfers to reserves	4	(722,183)	722,183	-	-
<b>Balance as at 30 June 2020</b>		<b>60,771,393</b>	<b>1,840,666</b>	<b>90,771,951</b>	<b>153,384,010</b>
Comprehensive income					
Net result for the period		626,178	-	-	626,178
Other comprehensive income	12	-	-	13,296	13,296
Total comprehensive income for the period		626,178	-	13,296	639,474
Transfers from reserves	4	531,808	(531,808)	-	-
Transfers to reserves	4	(603,012)	603,012	-	-
<b>Balance as at 30 June 2021</b>		<b>61,326,367</b>	<b>1,911,870</b>	<b>90,785,247</b>	<b>154,023,484</b>

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



**SHIRE OF WONGAN-BALLIDU**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTES	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		2,860,850	2,976,370	2,955,716
Operating grants, subsidies and contributions		2,771,620	1,388,932	3,036,192
Fees and charges		552,697	526,878	573,177
Interest received		51,921	56,333	70,114
Goods and services tax received		462,286	66,731	382,849
Other revenue		304,517	132,356	242,658
		7,003,891	5,147,600	7,260,706
<b>Payments</b>				
Employee costs		(2,378,089)	(2,770,616)	(2,234,940)
Materials and contracts		(1,534,991)	(1,580,788)	(1,258,867)
Utility charges		(366,275)	(342,406)	(380,263)
Interest expenses		(51,320)	(52,020)	(39,629)
Insurance paid		(261,330)	(255,470)	(259,791)
Goods and services tax paid		(355,775)	-	(495,303)
Other expenditure		(202,316)	(248,213)	(220,271)
		(5,150,096)	(5,249,513)	(4,889,064)
<b>Net cash provided by / used in operating activities</b>	18	1,853,795	(101,913)	2,371,642
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for financial assets at amortised cost - self supporting loans		(40,000)	(57,000)	-
Payments for purchase of property, plant & equipment	8(a)	(1,018,729)	(1,801,487)	(4,519,445)
Payments for construction of infrastructure	9(a)	(2,274,847)	(2,613,866)	(2,193,121)
Non-operating grants, subsidies and contributions	2(a)	1,629,267	2,080,633	1,568,481
Proceeds from financial assets at amortised cost - self supporting loans		30,019	36,089	71,792
Payments for financial assets at amortised cost-term deposits		(658)	-	-
Net payments for financial assets at amortised cost		-	-	(1,684)
Proceeds from sale of property, plant & equipment	10(a)	177,227	208,500	70,919
<b>Net cash used in investment activities</b>		(1,497,721)	(2,147,131)	(5,003,058)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	16(b)	(112,629)	(118,706)	(112,431)
Payments for principal portion of lease liabilities	15(b)	(5,799)	-	(5,611)
Proceeds from new borrowings	16(b)	40,000	57,000	2,000,000
<b>Net cash provided by /(used in) financing activities</b>		(78,428)	(61,706)	1,881,958
<b>Net increase / (decrease) in cash held</b>		277,646	(2,310,750)	(749,458)
Cash at beginning of year		3,885,370	3,736,497	4,634,828
<b>Cash and cash equivalents at the end of the year</b>	18	4,163,016	1,425,747	3,885,370

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



BUTLER SETTNERI

**SHIRE OF WONGAN-BALLIDU**  
**RATE SETTING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTES	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at start of financial year - surplus/(deficit)</b>	26 (b)	1,504,375	1,863,714	1,940,666
		1,504,375	1,863,714	1,940,666
<b>Revenue from operating activities (excluding rates)</b>				
Governance		64,066	53,021	72,660
General purpose funding		2,184,420	1,081,857	2,302,243
Law, order, public safety		43,532	35,500	52,464
Health		28,507	29,100	27,589
Education and welfare		10,652	13,883	16,277
Housing		56,746	64,500	68,318
Community amenities		207,737	196,736	188,679
Recreation and culture		109,259	47,176	412,378
Transport		252,761	204,660	245,063
Economic services		71,829	37,950	77,505
Other property and services		475,335	355,203	458,474
		3,504,844	2,119,586	3,921,650
<b>Expenditure from operating activities</b>				
Governance		(296,136)	(307,375)	(257,379)
General purpose funding		(121,157)	(121,385)	(118,175)
Law, order, public safety		(173,249)	(161,509)	(153,607)
Health		(385,228)	(406,067)	(383,747)
Education and welfare		(140,873)	(176,764)	(166,177)
Housing		(187,678)	(191,444)	(194,280)
Community amenities		(514,536)	(504,271)	(426,441)
Recreation and culture		(1,826,025)	(1,847,292)	(1,578,467)
Transport		(2,910,757)	(2,990,330)	(3,031,526)
Economic services		(190,682)	(239,099)	(226,547)
Other property and services		(706,109)	(945,807)	(521,210)
		(7,452,430)	(7,891,343)	(7,057,556)
Non-cash amounts excluded from operating activities	26(a)	2,811,967	2,724,050	2,487,227
<b>Amount attributable to operating activities</b>		368,756	(1,183,993)	1,291,987
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions	2(a)	1,629,267	2,080,633	1,568,481
Proceeds from disposal of assets	10(a)	177,227	208,500	70,919
Proceeds from financial assets at amortised cost - self supporting loans		30,019	36,089	71,792
Payments for financial assets at amortised cost - self supporting loans		(40,000)	(57,000)	-
Purchase of property, plant and equipment	8(a)	(1,018,729)	(1,801,487)	(4,519,445)
Purchase and construction of infrastructure	9(a)	(2,274,847)	(2,613,866)	(2,193,121)
<b>Amount attributable to investing activities</b>		(1,497,063)	(2,147,131)	(5,001,374)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	16(b)	(112,629)	(118,706)	(112,431)
Proceeds from borrowings	16(b)	40,000	57,000	2,000,000
Payments for principal portion of lease liabilities	15(b)	(5,799)	-	(5,611)
Transfers to reserves (restricted assets)	4	(603,012)	(318,760)	(722,183)
Transfers from reserves (restricted assets)	4	531,808	764,851	1,109,883
<b>Amount attributable to financing activities</b>		(149,632)	384,385	2,269,658
<b>Surplus/(deficit) before imposition of general rates</b>		(1,277,939)	(2,946,739)	(1,439,729)
<b>Total amount raised from general rates</b>	25(a)	2,944,497	2,946,739	2,944,104
<b>Surplus/(deficit) after imposition of general rates</b>	26(b)	<b>1,666,558</b>	-	<b>1,504,375</b>

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

BUTLER SETTINGER

**SHIRE OF WONGAN-BALLIDU**  
**INDEX OF NOTES TO THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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

**1. BASIS OF PREPARATION**

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

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

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

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

**THE LOCAL GOVERNMENT REPORTING ENTITY**

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 30 to these financial statements.

**INITIAL APPLICATION OF ACCOUNTING STANDARDS**

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

These were:

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

The impact of adoption of these standards is described at Note 29.

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

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

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

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

**CRITICAL ACCOUNTING ESTIMATES**

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

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

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

**2. REVENUE AND EXPENSES**

**(a) Grant revenue**

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

	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Operating grants, subsidies and contributions</b>			
Governance	19,169	18,000	6,000
General purpose funding	2,114,421	996,700	2,202,342
Law, order, public safety	32,165	25,000	39,998
Community amenities	987	2,500	-
Recreation and culture	66,098	-	370,000
Transport	202,278	202,160	235,881
Other property and services	133,297	137,659	153,766
	2,568,415	1,382,019	3,007,987
<b>Non-operating grants, subsidies and contributions</b>			
Recreation and culture	381,218	891,548	409,331
Transport	1,248,049	1,189,085	1,159,150
	1,629,267	2,080,633	1,568,481
	4,197,682	3,462,652	4,576,468
<b>Fees and charges</b>			
Governance	9,845	7,500	7,195
General purpose funding	6,140	5,350	7,248
Law, order, public safety	11,366	10,500	12,487
Health	25,361	25,500	27,142
Education and welfare	182	1,500	1,175
Housing	52,631	61,000	64,650
Community amenities	206,750	194,236	188,042
Recreation and culture	35,454	37,000	35,699
Transport	3,059	2,500	2,059
Economic services	70,524	37,800	75,119
Other property and services	131,385	143,992	152,361
	552,697	526,878	573,177

**SIGNIFICANT ACCOUNTING POLICIES**

**Grants, subsidies and contributions**

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

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

**Fees and Charges**

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

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

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

(a) Revenue (Continued)	NOTES	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Contracts with customers and transfers for recognisable non-financial assets</b>				
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:				
Operating grants, subsidies and contributions		385,896	407,818	433,422
Fees and charges		519,514	506,878	547,822
Other revenue		180,474	-	116,745
Non-operating grants, subsidies and contributions		1,629,267	2,080,633	1,568,481
		2,715,151	2,995,329	2,666,470
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:				
Revenue from contracts with customers included as a contract liability at the start of the period				
		18,000	-	39,823
Revenue from contracts with customers recognised during the year				
		1,067,884	914,696	1,058,166
Revenue from transfers intended for acquiring or constructing recognisable non-financial assets during the year				
		1,629,267	2,080,633	1,568,481
		2,715,151	2,995,329	2,666,470
Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non-financial assets is:				
Trade and other receivables from contracts with customers	6	168,246	-	53,461
Contract liabilities from contracts with customers	14	335,644	-	18,000

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

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

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

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

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

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

**(a) Revenue (Continued)**

**Revenue from statutory requirements**

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

General rates	2,944,497	2,946,739	2,944,104
Statutory permits and licences	32,514	19,000	23,974
Fines	669	1,000	1,381
	<b>2,977,680</b>	<b>2,966,739</b>	<b>2,969,459</b>

**Other revenue**

Reimbursements and recoveries	124,043	132,356	125,913
Sale of inventory	94,418	-	-
Other	86,056	-	116,745
	<b>304,517</b>	<b>132,356</b>	<b>242,658</b>

**Interest earnings**

Financial assets at amortised cost - self supporting loans	11,598	1,175	5,175
Interest on reserve funds	9,811	19,810	23,239
Rates instalment and penalty interest (refer Note 25(c))	23,232	20,848	29,060
Other interest earnings	6,622	14,500	12,640
	<b>51,263</b>	<b>56,333</b>	<b>70,114</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Interest earnings**

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

**Interest earnings (continued)**

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

**SHIRE OF WONGAN-BALLIDU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**2. REVENUE AND EXPENSES (Continued)**

(b) Expenses	Notes	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Auditors remuneration</b>				
Audit of the Annual Financial Report		25,000	29,500	32,081
Other Services		1,300	-	8,250
		26,300	29,500	40,331
<b>Interest expenses (finance costs)</b>				
Borrowings	16(b)	51,035	52,020	39,156
Lease liabilities	15(b)	285	-	473
		51,320	52,020	39,629
<b>Other expenditure</b>				
Sundry expenses		202,316	248,213	220,270
		202,316	248,213	220,270

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

**2. REVENUE AND EXPENSES**

**REVENUE RECOGNITION POLICY**

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by Council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by Council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by Council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by Council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by Council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by Council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

**SHIRE OF WONGAN-BALLIDU**  
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**3. CASH AND CASH EQUIVALENTS**

<u>NOTES</u>	<u>2021</u>	<u>2020</u>
	\$	\$
Cash at bank and on hand	3,099,854	3,427,206
Term deposits	1,063,162	458,164
<b>Total cash and cash equivalents</b>	<b>4,163,016</b>	<b>3,885,370</b>

**Restrictions**

The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

Cash and cash equivalents	2,164,350	1,776,730
Financial assets at amortised cost	88,090	87,434
	<b>2,252,440</b>	<b>1,864,164</b>

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

Reserves - cash backed	4	1,911,870	1,840,666
Contract liabilities from contracts with customers	14	335,644	18,000
Bonds and deposits held	13	4,926	5,498
<b>Total restricted assets</b>		<b>2,252,440</b>	<b>1,864,164</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

**Restricted assets**

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

**SHIRE OF WONGAN-BALLIDU**  
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**4. RESERVES - CASH BACKED**

	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance	2021 Budget Opening Balance	2021 Budget Transfer to	2021 Budget Transfer (from)	2021 Budget Closing Balance	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Long Service Leave Reserve	41,498	240	-	41,738	41,486	398	-	41,884	81,043	838	(40,383)	41,498
(b) Depot Improvement Reserve	10,486	60	-	10,546	10,500	64	-	10,564	10,377	109	-	10,486
(c) Plant Reserve	660,098	269,321	(335,082)	594,337	660,989	233,436	(244,000)	650,425	682,931	231,167	(254,000)	660,098
(d) Housing Reserve	1,851	116,020	-	117,871	1,854	18	-	1,872	1,832	19	-	1,851
(e) Wongan Hills Community Resource Centre Reserve	32,504	20,138	(15,296)	37,346	32,617	20,228	(15,296)	37,549	13,372	19,132	-	32,504
(f) Swimming Pool Reserve	114,767	661	(51,430)	63,998	114,921	1,361	(86,500)	29,782	113,573	1,194	-	114,767
(g) Historical Reserve	7,068	40	-	7,108	7,077	69	-	7,146	6,994	74	-	7,068
(h) Medical Facilities Reserve	348,905	42,025	(30,000)	360,930	349,376	43,736	(30,000)	363,112	290,895	88,010	(30,000)	348,905
(i) Waste Management Reserve	44,981	5,262	-	50,243	45,042	5,393	-	50,435	39,564	5,417	-	44,981
(j) Housing - Stickland Street Reserve	53,142	308	-	53,450	53,214	473	-	53,687	47,640	5,502	-	53,142
(k) Housing - Quinlan Street Reserve	44,534	5,258	-	49,792	44,594	5,389	-	49,983	39,121	5,413	-	44,534
(l) Housing - Patterson Street Reserve	43,980	5,256	-	49,236	44,039	5,383	-	49,422	38,573	5,407	-	43,980
(m) Sporting Co-Location Reserve	286,852	138,423	-	425,275	287,239	1,816	(289,055)	-	862,451	209,901	(785,500)	286,852
(n) Doctor Reserve	150,000	-	(100,000)	50,000	150,000	996	(100,000)	50,996	-	150,000	-	150,000
	1,840,666	603,012	(531,808)	1,911,870	1,842,948	318,760	(764,851)	1,396,857	2,228,366	722,183	(1,109,883)	1,840,666

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Long Service Leave Reserve	Ongoing	- To be used for Council's current and non-current long service leave liability.
(b) Depot Improvement Reserve	Ongoing	- To be used to fund capital improvements and maintenance works at the Shire of Wongan-Ballidu.
(c) Plant Reserve	Ongoing	- To be used for the purchase of major plant.
(d) Housing Reserve	Ongoing	- To be used for the development of housing within the Shire.
(e) Wongan Hills Community Resource Centre Reserve	Ongoing	- To be used to transfer funds from the Community Resource Centre operations for the future purchase of capital, furniture and equipment.
(f) Swimming Pool Reserve	Ongoing	- To be used to fund capital and maintenance works at the Wongan Hills Memorial Swimming Pool.
(g) Historical Reserve	Ongoing	- To be used to fund historical publications and projects of the Shire.
(h) Medical Facilities Reserve	Ongoing	- To be used to fund the refurbishment of a multi-purpose medical facility in Wongan Hills to house the doctor and others.
(i) Waste Management Reserve	Ongoing	- To be used to fund the future waste management facility needs of the Shire.
(j) Housing - Stickland Street Reserve	Ongoing	- To be used to fund the capital and operating costs of the housing in Stickland Street.
(k) Housing - Quinlan Street Reserve	Ongoing	- To be used to fund the capital and operating costs of the housing in Quinlan Street.
(l) Housing - Patterson Street Reserve	Ongoing	- To be used to fund the capital and operating costs of the housing in Patterson Street.
(m) Sporting Co-Location Reserve	30 June 2023	- To be used to fund the implementation of the co-location of sports facilities within the Shire of Wongan-Ballidu.
(n) Doctor Reserve	30 June 2022	- To be used To fund the operational subsidy paid to the operator of the Wongan Hills Medical Centre.

**SHIRE OF WONGAN-BALLIDU**  
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**5. OTHER FINANCIAL ASSETS**

**(a) Current assets**

Financial assets at amortised cost

	2021	2020
	\$	\$
	123,355	113,506
	123,355	113,506

**Other financial assets at amortised cost**

Term deposits

Self supporting loans

	88,090	87,434
	35,265	26,072
	123,355	113,506

**(b) Non-current assets**

Financial assets at amortised cost

Financial assets at fair value through profit and loss

	259,752	258,959
	92,259	87,576
	352,011	346,535

**Financial assets at amortised cost**

Self supporting loans

	259,752	258,959
	259,752	258,959

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

Units in Local Government House Trust

	92,259	87,576
	92,259	87,576

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 16(b) as self supporting loans.

**SIGNIFICANT ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

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

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

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

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

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

**Impairment and risk**

Information regarding impairment and exposure to risk can be found at Note 27.

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

**6. TRADE AND OTHER RECEIVABLES**

**Current**

Rates receivable	
Trade and other receivables	
GST receivable	
Accrued income	

**Non-current**

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

2021	2020
\$	\$
181,405	157,032
168,246	53,461
26,705	133,216
2,659	3,006
379,015	346,715
28,858	25,340
28,858	25,340

**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 27.

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Classification and subsequent measurement**

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

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

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

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

**7. INVENTORIES**

**Current**

Fuel and materials

**Non-current**

Land held for resale - cost

Cost of acquisition

The following movements in inventories occurred during the year:

**Balance at beginning of year**

Inventories expensed during the year

Land disposed during the year

Additions to inventory

**Balance at end of year**

	2021	2020
	\$	\$
	31,343	6,610
	31,343	6,610
	189,310	211,110
	189,310	211,110
	217,720	222,314
	(409,544)	(265,276)
	(21,800)	-
	434,277	260,682
	220,653	217,720

**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.

**Land held for resale**

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

**Land held for resale (Continued)**

Borrowing 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 onto the buyer at this point

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

## 8. PROPERTY, PLANT AND EQUIPMENT

### (a) Movements in Balances

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

	Land	Buildings - non- specialised	Buildings - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Motor vehicles	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$
Gross balance at 30 June 2019	2,223,200	4,256,913	15,615,376	22,095,489	426,917	4,706,942	388,189	27,617,537
Accumulated depreciation at 30 June 2019	-	(73,987)	(248,408)	(322,395)	(95,495)	(918,992)	(83,180)	(1,420,062)
<b>Balance at 1 July 2019</b>	<b>2,223,200</b>	<b>4,182,926</b>	<b>15,366,968</b>	<b>21,773,094</b>	<b>331,422</b>	<b>3,787,950</b>	<b>305,009</b>	<b>26,197,475</b>
Additions	-	42,951	4,046,409	4,089,360	-	343,786	86,299	4,519,445
Disposals	-	-	-	-	-	(82,452)	(36,538)	(118,990)
Depreciation expense	-	(37,401)	(129,092)	(166,493)	(58,433)	(341,040)	(59,039)	(625,005)
<b>Balance at 30 June 2020</b>	<b>2,223,200</b>	<b>4,188,476</b>	<b>19,284,285</b>	<b>25,695,961</b>	<b>272,989</b>	<b>3,708,244</b>	<b>295,731</b>	<b>29,972,925</b>
<b>Comprises:</b>								
Gross balance at 30 June 2020	2,223,200	4,299,864	19,661,785	26,184,849	426,917	4,935,729	407,526	31,955,021
Accumulated depreciation at 30 June 2020	-	(111,388)	(377,500)	(488,888)	(153,928)	(1,227,485)	(111,795)	(1,982,096)
<b>Balance at 30 June 2020</b>	<b>2,223,200</b>	<b>4,188,476</b>	<b>19,284,285</b>	<b>25,695,961</b>	<b>272,989</b>	<b>3,708,244</b>	<b>295,731</b>	<b>29,972,925</b>
Additions	-	332,862	98,992	431,854	11,977	473,227	101,671	1,018,729
Disposals	(80,000)	-	(174,333)	(254,333)	-	(101,116)	(61,707)	(417,156)
Revaluation increments transferred to revaluation surplus	-	13,296	-	13,296	-	-	-	13,296
Depreciation expense	-	(37,912)	(165,929)	(203,841)	(59,861)	(363,587)	(66,163)	(693,452)
<b>Balance at 30 June 2021</b>	<b>2,143,200</b>	<b>4,496,722</b>	<b>19,043,015</b>	<b>25,682,937</b>	<b>225,105</b>	<b>3,716,768</b>	<b>269,532</b>	<b>29,894,342</b>
<b>Comprises:</b>								
Gross balance at 30 June 2021	2,143,200	4,646,022	19,581,347	26,370,569	438,894	5,245,956	399,479	32,454,898
Accumulated depreciation at 30 June 2021	-	(149,300)	(538,332)	(687,632)	(213,789)	(1,529,188)	(129,947)	(2,560,556)
<b>Balance at 30 June 2021</b>	<b>2,143,200</b>	<b>4,496,722</b>	<b>19,043,015</b>	<b>25,682,937</b>	<b>225,105</b>	<b>3,716,768</b>	<b>269,532</b>	<b>29,894,342</b>

SHIRE OF WONGAN-BALLIDU  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>(i) Fair Value</b>					
<b>Land and buildings</b>					
Land	2	Market approach using observable or estimated open market values of similar assets, adjusted for condition and comparability, at their highest and best use	Independent Valuation	30 June 2017	Price per hectare or sales comparison
Buildings - non-specialised	2	Market approach using observable or estimated open market values of similar assets, adjusted for condition and comparability, at their highest and best use	Independent Valuation	30 June 2017	Available market information and utilising both observable and unobservable inputs being construction costs based on recent contract prices, current condition, residual values and remaining useful life assessments
Buildings - specialised	3	Cost approach using current replacement cost	Independent Valuation	30 June 2017	Construction costs and current conditions residual value and remaining useful life assessment inputs
<b>(ii) Cost</b>					
<b>Furniture and equipment</b>		Cost approach			Purchase cost
<b>Plant and equipment</b>		Cost approach			Purchase cost

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

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

**9. INFRASTRUCTURE**

**(a) Movements in Balances**

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

	Infrastructure - Roads	Infrastructure - Other	Infrastructure - Footpaths	Infrastructure - Drainage	Infrastructure - Parks and Ovals	Infrastructure - Signs	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Gross balance at 30 June 2019	98,099,615	5,706,706	1,799,465	10,758,210	7,169,520	497,522	124,031,038
Accumulated depreciation at 30 June 2019	(1,267,726)	(240,134)	(51,505)	(109,191)	(895,131)	(39,609)	(2,603,296)
<b>Balance at 1 July 2019</b>	<b>96,831,889</b>	<b>5,466,572</b>	<b>1,747,960</b>	<b>10,649,019</b>	<b>6,274,389</b>	<b>457,913</b>	<b>121,427,742</b>
Additions	2,175,698	17,423					2,193,121
Depreciation expense	(1,289,538)	(138,331)	(51,505)	(109,191)	(215,066)	(3,237)	(1,806,868)
<b>Balance at 30 June 2020</b>	<b>97,718,049</b>	<b>5,345,664</b>	<b>1,696,455</b>	<b>10,539,828</b>	<b>6,059,323</b>	<b>454,676</b>	<b>121,813,995</b>
<b>Comprises:</b>							
Gross balance at 30 June 2020	100,275,313	5,724,129	1,799,465	10,758,210	7,169,520	497,522	126,224,159
Accumulated depreciation at 30 June 2020	(2,557,264)	(378,465)	(103,010)	(218,382)	(1,110,197)	(42,846)	(4,410,164)
<b>Balance at 30 June 2020</b>	<b>97,718,049</b>	<b>5,345,664</b>	<b>1,696,455</b>	<b>10,539,828</b>	<b>6,059,323</b>	<b>454,676</b>	<b>121,813,995</b>
Additions	2,128,370	65,871	80,606	-	-	-	2,274,847
Depreciation expense	(1,321,127)	(141,223)	(51,725)	(109,191)	(215,066)	(3,237)	(1,841,569)
<b>Balance at 30 June 2021</b>	<b>98,525,292</b>	<b>5,270,312</b>	<b>1,725,336</b>	<b>10,430,637</b>	<b>5,844,257</b>	<b>451,439</b>	<b>122,247,273</b>
<b>Comprises:</b>							
Gross balance at 30 June 2021	102,403,683	5,790,000	1,880,071	10,758,210	7,169,520	497,522	128,499,006
Accumulated depreciation at 30 June 2021	(3,878,391)	(519,688)	(154,735)	(327,573)	(1,325,263)	(46,083)	(6,251,733)
<b>Balance at 30 June 2021</b>	<b>98,525,292</b>	<b>5,270,312</b>	<b>1,725,336</b>	<b>10,430,637</b>	<b>5,844,257</b>	<b>451,439</b>	<b>122,247,273</b>

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**9. INFRASTRUCTURE (Continued)**

**(b) Carrying Value Measurements**

	<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
<b>(i)</b>	<b>Fair Value</b>					
	<b>Infrastructure - Roads</b>	3	Cost approach using depreciated replacement cost	Independent Valuation	30 June 2018	Construction cost and current condition, residual values and remaining useful life assessments inputs
	<b>Infrastructure - Other</b>	3	Cost approach using depreciated replacement cost	Independent Valuation	30 June 2018	Construction cost and current condition, residual values and remaining useful life assessments inputs
	<b>Infrastructure - Footpaths</b>	3	Cost approach using depreciated replacement cost	Independent Valuation	30 June 2018	Construction cost and current condition, residual values and remaining useful life assessments inputs
	<b>Infrastructure - Drainage</b>	3	Cost approach using depreciated replacement cost	Independent Valuation	30 June 2018	Construction cost and current condition, residual values and remaining useful life assessments inputs
	<b>Infrastructure - Parks and Ovals</b>	3	Cost approach using depreciated replacement cost	Independent Valuation	30 June 2018	Construction cost and current condition, residual values and remaining useful life assessments inputs
	<b>Infrastructure - Signs</b>	3	Cost approach using depreciated replacement cost	Independent Valuation	30 June 2018	Construction cost and current condition, residual values and remaining useful life assessments inputs

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.

## **10. FIXED ASSETS**

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **Fixed assets**

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

#### **Initial recognition and measurement between mandatory revaluation dates**

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

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

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

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

#### **Revaluation**

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

#### **Revaluation (Continued)**

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

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

#### **AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY**

##### **Land under roads from 1 July 2019**

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

##### **Vested improvements from 1 July 2019**

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

Refer to Note 11 that details the significant accounting policies applying to leases (including right-of-use assets).

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**10. FIXED ASSETS**

**(a) Disposals of Assets**

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss	2021 Budget Net Book Value	2021 Budget Sale Proceeds	2021 Budget Profit	2021 Budget Loss	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	80,000	-	-	(80,000)	-	-	-	-	-	-	-	-
Buildings - specialised	174,333	27,000	-	(147,333)	189,150	27,000	-	(162,150)	-	-	-	-
Plant and equipment	101,116	94,500	-	(6,616)	248,576	145,000	-	(103,576)	82,452	37,283	-	(45,169)
Motor vehicles	61,707	55,727	-	(5,980)	59,879	36,500	-	(23,379)	36,538	33,636	-	(2,902)
	417,156	177,227	-	(239,929)	497,605	208,500	-	(289,105)	118,990	70,919	-	(48,071)

The following assets were disposed of during the year.

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$
<b>Plant and Equipment</b>				
<b>Governance</b>				
Nissan Pathfinder	22,970	22,727	-	(243)
<b>Recreation and culture</b>				
Toyota Hilux Utility	17,647	13,000	-	(4,647)
<b>Transport</b>				
Fuso Truck	33,962	32,000	-	(1,962)
Case MXU115	28,567	27,500	-	(1,067)
Isuzu NPR300	38,587	35,000	-	(3,587)
Holden Collorado	21,090	20,000	-	(1,090)
	162,823	150,227	-	(12,596)
<b>Land &amp; Buildings</b>				
<b>Other Property and Services</b>				
14 Mitchell Street, Wongan Hills	188,740	25,000	-	(163,740)
43 Fairbanks Street, Ballidu	65,593	2,000	-	(63,593)
	254,333	27,000	-	(227,333)
	417,156	177,227	-	(239,929)

**SHIRE OF WONGAN-BALLIDU**  
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**10. FIXED ASSETS**

**(b) Depreciation**

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Buildings - non-specialised	37,912	40,115	37,401
Buildings - specialised	165,929	139,685	129,092
Furniture and equipment	59,861	32,110	58,433
Plant and equipment	363,587	356,060	341,040
Motor vehicles	66,163	46,890	59,039
Infrastructure - Roads	1,321,127	1,481,875	1,289,538
Infrastructure - Other	141,223	94,410	138,331
Infrastructure - Footpaths	51,725	51,000	51,505
Infrastructure - Drainage	109,191	109,000	109,191
Infrastructure - Parks and Ovals	215,066	75,000	215,066
Infrastructure - Signs	3,237	3,200	3,237
Right-of-use assets - plant and equipment	5,602	5,600	5,602
	<b>2,540,623</b>	<b>2,434,945</b>	<b>2,437,475</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Depreciation**

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

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

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

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

**Depreciation rates**

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

Asset Class	Useful life
Buildings - non-specialised	25 - 125 Years
Buildings - specialised	25 - 100 Years
Furniture and equipment	4 - 10 Years
Plant and equipment	5 - 15 Years
Motor vehicles	1 - 10 Years
Infrastructure - Road Seals	27 Years
Infrastructure - Road Subgrade	200 Years
Infrastructure - Road Unsealed	10 Years
Infrastructure - Footpaths	30 - 40 Years
Infrastructure - Drainage	70 Years
Infrastructure - Other	15 - 60 Years

**Depreciation on revaluation**

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated as follows:

- Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

## 11. LEASES

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

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

	Right-of-use assets · plant and equipment	Right-of-use assets Total
	\$	\$
Balance at 1 July 2019	16,338	16,338
Depreciation (expense)	(5,602)	(5,602)
<b>Balance at 30 June 2020</b>	<b>10,736</b>	<b>10,736</b>
Additions	-	-
Depreciation (expense)	(5,603)	(5,603)
<b>Balance at 30 June 2021</b>	<b>5,133</b>	<b>5,133</b>

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

	2021 Actual	2020 Actual
	\$	\$
Depreciation expense	5,603	5,603
Interest expense on lease liabilities	285	473
<b>Total amount recognised in the statement of comprehensive income</b>	<b>5,888</b>	<b>6,076</b>
Total cash outflow from leases	6,084	6,084

### SIGNIFICANT ACCOUNTING POLICIES

#### Leases

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Leases for right-of-use assets are secured over the asset being leased.

#### Right-of-use assets - valuation

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 10 for details on the significant accounting policies applying to vested improvements.

#### Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

11. LEASES (Continued)

(b) Property, Plant and Equipment Subject to Lease

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

Less than 1 year  
 1 to 2 years  
 2 to 3 years  
 3 to 4 years  
 4 to 5 years  
 > 5 years

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
	4,938	4,928	5,799
	-	-	4,928
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	4,938	4,928	10,727

**SIGNIFICANT ACCOUNTING POLICIES**

**The Shire as Lessor**

Upon entering into each contract as a lessor, the Shire assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Entity applies AASB 15 to allocate the consideration under the contract to each component.

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**12. REVALUATION SURPLUS**

	2021 Opening Balance	2021 Revaluation Increment	Total Movement on Revaluation	2021 Closing Balance	2020 Opening Balance	2020 Revaluation Increment	2020 Revaluation (Decrement)	Total Movement on Revaluation	2020 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - Freehold land	14,195,153	-	-	14,195,153	14,195,153	-	-	-	14,195,153
Buildings - non-specialised	31	*13296	13,296	13,327	31	-	-	-	31
Buildings - specialised	88	-	-	88	88	-	-	-	88
Furniture and equipment	160,617	-	-	160,617	160,617	-	-	-	160,617
Plant and equipment	2,016,215	-	-	2,016,215	2,016,215	-	-	-	2,016,215
Motor vehicles	13,751	-	-	13,751	13,751	-	-	-	13,751
Infrastructure - Roads	50,767,889	-	-	50,767,889	50,767,889	-	-	-	50,767,889
Infrastructure - Other	4,236,181	-	-	4,236,181	4,236,181	-	-	-	4,236,181
Infrastructure - Footpaths	1,672,764	-	-	1,672,764	1,672,764	-	-	-	1,672,764
Infrastructure - Drainage	10,813,000	-	-	10,813,000	10,813,000	-	-	-	10,813,000
Infrastructure - Parks and Ovals	6,447,451	-	-	6,447,451	6,447,451	-	-	-	6,447,451
Infrastructure - Signs	448,811	-	-	448,811	448,811	-	-	-	448,811
	90,771,951	13,296	13,296	90,785,247	90,771,951	-	-	-	90,771,951

\*change in value of housing units relating to the joint operation disclosed in note 24

**SHIRE OF WONGAN-BALLIDU**  
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**13. TRADE AND OTHER PAYABLES**

**Current**

Sundry creditors	
Prepaid rates	
Accrued salaries and wages	
ATO liabilities	
Bonds and deposits held	
Accrued Interest on long-term borrowings	

	2021	2020
	\$	\$
	125,672	266,526
	197,448	276,473
	15,153	93,749
	38,573	-
	4,926	5,498
	4,872	5,317
	<b>386,644</b>	<b>647,563</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other payables**

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

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

**Prepaid rates**

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

## 14. CONTRACT LIABILITIES

	2021	2020
	\$	\$
	335,644	18,000
	335,644	18,000

### Current

Contract liabilities

### SIGNIFICANT ACCOUNTING POLICIES

#### Contract liabilities

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

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

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

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**15. LEASE LIABILITIES**

(a) Lease Liabilities	2021	2020
	\$	\$
Current	4,928	5,799
Non-current	-	4,928
	<u>4,928</u>	<u>10,727</u>

**(b) Movements in Carrying Amounts**

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Actual	30 June 2021	30 June 2021	30 June 2021	Budget	30 June 2021	30 June 2021	30 June 2021	Actual	30 June 2020	30 June 2020	30 June 2020
					Lease Principal 1 July 2020	Actual Lease Principal Repayments	Actual Lease Principal Outstanding	Actual Lease Interest Repayments	Lease Principal 1 July 2020	Budget Lease Principal Repayments	Budget Lease Principal Outstanding	Budget Lease Interest Repayments	Lease Principal 1 July 2019	Actual Lease Principal Repayments	Actual Lease Principal Outstanding	Actual Lease Interest Repayments
					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Other property and services</b>																
Konica Photocopier - CRC	1	De Lage Landen	3.30%	5 Years	10,727	(5,799)	4,928	(285)	-	-	-	-	16,338	(5,611)	10,727	(473)
					<u>10,727</u>	<u>(5,799)</u>	<u>4,928</u>	<u>(285)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,338</u>	<u>(5,611)</u>	<u>10,727</u>	<u>(473)</u>

**SHIRE OF WONGAN-BALLIDU**  
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**16. INFORMATION ON BORROWINGS**

(a) Borrowings	2021	2020
	\$	\$
Current	119,587	108,687
Non-current	2,052,136	2,135,665
	2,171,723	2,244,352

**(b) Repayments - Borrowings**

Particulars	Loan Number	Institution	Interest Rate	30 June 2021					30 June 2021					30 June 2020				
				Actual Principal 1 July 2020	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding	Budget Principal 1 July 2020	Budget New Loans	Budget Principal repayments	Budget Interest repayments	Budget Principal outstanding	Actual Principal 1 July 2019	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Recreation and culture</b>																		
Co-Location Construction	152	WATC*	2.05%	1,959,323	-	(82,617)	(39,437)	1,876,706	1,959,321	-	(82,616)	(39,710)	1,876,705	-	2,000,000	(40,678)	(24,225)	1,959,323
				1,959,323	-	(82,617)	(39,437)	1,876,706	1,959,321	-	(82,616)	(39,710)	1,876,705	-	2,000,000	(40,678)	(24,225)	1,959,323
<b>Self Supporting Loans</b>																		
<b>Education and welfare</b>																		
Aged Complex Construction	151A	WATC*	3.65%	260,589	-	(16,789)	(10,137)	243,800	260,588	-	(16,790)	(9,779)	243,798	276,782	-	(16,193)	(10,789)	260,589
<b>Housing</b>																		
Community Association	142	WATC*	6.91%	-	-	-	-	-	-	-	-	-	-	39,325	-	(39,325)	(1,748)	-
<b>Recreation and culture</b>																		
Aged Person Complex	147	WATC*	6.91%	24,440	-	(9,281)	(1,258)	15,159	24,440	-	(9,282)	(1,531)	15,158	33,112	-	(8,672)	(2,112)	24,440
Wongan Hills Bowling Club	149	WATC*	6.14%	-	-	-	-	-	-	-	-	-	-	7,563	-	(7,563)	(282)	-
<b>Other property and services</b>																		
Wongan Hills Community Store	153	WATC*	2.02%	-	40,000	(3,942)	(203)	36,058	-	57,000	(10,018)	(1,000)	46,982	-	-	-	-	-
				285,029	40,000	(30,012)	(11,598)	295,017	285,028	57,000	(36,090)	(12,310)	305,938	356,782	-	(71,753)	(14,931)	285,029
				2,244,352	40,000	(112,629)	(51,035)	2,171,723	2,244,349	57,000	(118,706)	(52,020)	2,182,643	356,782	2,000,000	(112,431)	(39,156)	2,244,352

\* WA Treasury Corporation

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

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16. INFORMATION ON BORROWINGS (Continued)

(c) New Borrowings - 2020/21

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2021 Actual	2021 Budget	2021 Actual	2021 Budget		
Wongan Hills Community Store Inc	WATC*	P & I	5	2.05	40,000	57,000	40,000	57,000	715	-
* WA Treasury Corporation					40,000	57,000	40,000	57,000	715	-

(d) Undrawn Borrowing Facilities

Credit Standby Arrangements

	2021	2020
Bank overdraft limit	100,000	100,000
Bank overdraft at balance date	-	-
Credit card limit	15,000	7,500
Credit card balance at balance date	(590)	(988)
<b>Total amount of credit unused</b>	<b>114,410</b>	<b>106,512</b>

Loan facilities

Loan facilities - current	119,587	108,687
Loan facilities - non-current	2,052,136	2,135,665
Lease liabilities - current	4,928	5,799
Lease liabilities - non-current	-	4,928
<b>Total facilities in use at balance date</b>	<b>2,176,651</b>	<b>2,255,079</b>

Unused loan facilities at balance date

NIL NIL

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Borrowing costs

Borrowing costs are recognised as an expense when incurred.

Risk

Information regarding exposure to risk can be found at Note 27.

## 17. EMPLOYEE RELATED PROVISIONS

### (a) Employee Related Provisions

#### Opening balance at 1 July 2020

Current  
Non-current

Amounts used  
Additional provision

#### Balance at 30 June 2021

#### Comprises

Current  
Non-current

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

Less than 12 months after the reporting date  
More than 12 months from reporting date

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2020			
Current	174,117	182,906	357,023
Non-current	-	71,168	71,168
	174,117	254,074	428,191
Amounts used	(133,935)	(17,699)	(151,634)
Additional provision	178,439	36,237	214,676
Balance at 30 June 2021	218,621	272,612	491,233
Comprises			
Current	218,621	183,868	402,489
Non-current	-	88,744	88,744
	218,621	272,612	491,233

	2021	2020
	\$	\$
Less than 12 months after the reporting date	417,369	176,565
More than 12 months from reporting date	73,864	251,626
	491,233	428,191

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees.

Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

## SIGNIFICANT ACCOUNTING POLICIES

### Employee benefits

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

### Short-term employee benefits

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

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

### Other long-term employee benefits

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

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

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

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

### Provisions

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

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

## 18. NOTES TO THE STATEMENT OF CASH FLOWS

### Reconciliation of Cash

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

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Cash and cash equivalents	4,163,016	1,425,747	3,885,370
<b>Reconciliation of Net Result to Net Cash Provided By / (Used In) Operating Activities</b>			
Net result for the period	626,178	(744,386)	1,376,679
<b>Non-cash items:</b>			
Adjustments to fair value of financial assets at fair value through profit and loss	(4,683)	-	-
Depreciation on non-current assets	2,540,623	2,434,945	2,437,475
(Profit)/loss on sale of asset	239,929	289,105	48,071
<b>Changes in assets and liabilities:</b>			
(Increase)/decrease in trade and other receivables	(35,819)	81,274	(7,607)
(Increase)/decrease in inventories	(2,933)	854	4,594
Increase/(decrease) in trade and other payables	(260,919)	(45,072)	98,935
Increase/(decrease) in employee related provisions	63,042	(38,000)	3,799
Increase/(decrease) in contract liabilities	317,644	-	(21,823)
Non-operating grants, subsidies and contributions	(1,629,267)	(2,080,633)	(1,568,481)
<b>Net cash provided by / (used in) operating activities</b>	<b>1,853,795</b>	<b>(101,913)</b>	<b>2,371,642</b>

19. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2021	2020
	\$	\$
Governance	1,706,085	1,759,336
Law, order, public safety	206,615	228,736
Health	2,336,640	2,359,266
Education and welfare	740,052	750,330
Housing	501,411	505,023
Community amenities	840,682	910,199
Recreation and culture	22,639,189	22,848,745
Transport	113,208,940	112,494,263
Economic services	5,878,445	5,925,335
Other property and services	4,257,640	4,216,796
Unallocated	5,097,957	4,734,813
	<u>157,413,656</u>	<u>156,732,842</u>

## 20. CONTINGENT LIABILITIES

The Shire is not aware of any contingent liabilities or assets as at 30 June 2021.

## 21. CAPITAL AND LEASING COMMITMENTS

### (a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects

	2021	2020
	\$	\$
	-	185,231
	-	185,231
	-	185,231

Payable:

- not later than one year

### (b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts (short-term and low value leases).

Payable:

- not later than one year

- later than one year but not later than five years

- later than five years

	2021	2020
	\$	\$
	2,769	3,021
	-	2,769
	-	-
	2,769	5,790

## SIGNIFICANT ACCOUNTING POLICIES

### Leases

Lease liabilities for short term leases (with lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less) are not recognised as lease liabilities in note 15. Lease payments associated with these leases are expensed when paid.

## 22. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
<b>Cr J Hasson</b>			
President's annual allowance	750	750	750
Deputy President's annual allowance	-	63	63
Meeting attendance fees	1,050	1,530	1,245
Annual allowance for ICT expenses	750	1,000	1,000
Travel and accommodation expenses	198	362	265
	2,748	3,705	3,323
<b>Cr M Stephenson</b>			
President's annual allowance	250	250	-
Meeting attendance fees	1,160	1,530	600
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	-	362	74
	2,410	3,142	1,674
<b>Cr B West</b>			
Deputy President's annual allowance	250	187	125
Meeting attendance fees	1,090	1,530	890
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	176	362	133
	2,516	3,079	2,148
<b>Cr E Ganzer</b>			
Meeting attendance fees	1,100	1,530	800
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	-	362	44
	2,100	2,892	1,844
<b>Cr S Boekeman</b>			
Meeting attendance fees	1,100	1,530	745
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	-	362	-
	2,100	2,892	1,745
<b>Cr S Falconer</b>			
Meeting attendance fees	1,045	1,530	700
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	-	362	-
	2,045	2,892	1,700
<b>Cr A Tunstill</b>			
Meeting attendance fees	1,090	1,530	-
Annual allowance for ICT expenses	1,000	1,000	-
Travel and accommodation expenses	160	362	-
	2,250	2,892	-
<b>Cr P Macnamara</b>			
President's annual allowance	-	-	250
Meeting attendance fees	-	-	360
Annual allowance for ICT expenses	-	-	250
	-	-	860
	16,169	21,494	13,294

**22. ELECTED MEMBERS REMUNERATION (Continued)**

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
President's allowance	1,000	1,000	1,000
Deputy President's allowance	250	250	188
Meeting attendance fees	7,635	10,710	5,340
Annual allowance for ICT expenses	6,750	7,000	6,250
Travel and accommodation expenses	534	2,534	516
	16,169	21,494	13,294

## 23. RELATED PARTY TRANSACTIONS

### Key Management Personnel (KMP) Compensation Disclosure

	2021 Actual	2020 Actual
	\$	\$
The total of remuneration paid to KMP of the Shire during the year are as follows:		
Short-term employee benefits	587,274	676,307
Post-employment benefits	66,716	66,414
Other long-term benefits	15,799	57,460
	669,789	800,181

#### *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.

**SHIRE OF WONGAN-BALLIDU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**23. 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.

There are no provisions for doubtful debts or guaranties exist in relation to related parties at year end.

The following transactions occurred with related parties:	2021 Actual	2020 Actual
	\$	\$
Purchase of goods and services	97,069	86,610
<b>Amounts outstanding from related parties</b>		
Trade and other receivables	209	680
<b>Amounts outstanding to related parties</b>		
Trade and other payables	6,512	-

**Related Parties**

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

*i. Key management personnel*

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

*ii. Other Related Parties*

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

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

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

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

## 24. JOINT ARRANGEMENTS

### (a) Balance of investment in joint operation

The Shire together with the Department of Housing have a joint operational agreement with regard to the ownership of four housing units in Quinlan Street and two housing units in Patterson Street, Wongan Hills.

The Shire's interest in the joint operations are as follows;

Quinlan Street: 12.81%

Patterson Street 11.22%

### SIGNIFICANT ACCOUNTING POLICIES

#### Interests in joint arrangements

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

Joint operations represent arrangements whereby joint operators maintain direct interest in each asset and exposure to each liability of the arrangement. The Shire's interest in the assets of the joint operations are included in the respective line items of the financial statements.

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**25. RATING INFORMATION**

(a) Rates

<b>RATE TYPE</b>	<b>Rate in \$</b>	<b>Number of Properties</b>	<b>2020/21 Actual Rateable Value \$</b>	<b>2020/21 Actual Rate Revenue \$</b>	<b>2020/21 Actual Interim Rates \$</b>	<b>2020/21 Actual Back Rates \$</b>	<b>2020/21 Actual Total Revenue \$</b>	<b>2020/21 Budget Rate Revenue \$</b>	<b>2020/21 Budget Interim Rate \$</b>	<b>2020/21 Budget Back Rate \$</b>	<b>2020/21 Budget Total Revenue \$</b>	<b>2019/20 Actual Total Revenue \$</b>
<b>Differential general rate / general rate</b>												
<b>Gross rental valuations</b>												
Wongan Hills	9.8999	458	5,870,827	581,206	2,868	-	584,074	581,205	2,500	-	583,705	582,474
Ballidu and Cadoux	9.8999	69	456,671	45,210	-	-	45,210	45,210	-	-	45,210	44,533
<b>Unimproved valuations</b>												
Rural	1.1154	267	205,967,007	2,297,356	558	481	2,298,395	2,297,356	-	-	2,297,356	2,298,734
Mining	1.1154	1	76,833	857	265	-	1,122	808	-	-	808	1,211
<b>Sub-Total</b>		795	212,371,338	2,924,629	3,691	481	2,928,801	2,924,579	2,500	-	2,927,079	2,926,952
<b>Minimum payment</b>												
<b>Gross rental valuations</b>												
Wongan Hills	663	53	145,807	35,142	-	-	35,142	35,142	-	-	35,142	34,479
Ballidu and Cadoux	357	20	11,573	7,150	-	-	7,150	7,150	-	-	7,150	7,508
<b>Unimproved valuations</b>												
Rural	357	16	254,393	5,720	-	-	5,720	5,720	-	-	5,720	5,720
Mining	357	13	108,074	4,648	-	-	4,648	4,648	-	-	4,648	3,933
<b>Sub-Total</b>		102	519,847	52,660	-	-	52,660	52,660	-	-	52,660	51,640
		897	212,891,185	2,977,289	3,691	481	2,981,461	2,977,239	2,500	-	2,979,739	2,978,592
Discounts/concessions (Note 25(b))							(36,964)				(33,000)	(34,488)
<b>Total amount raised from general rate</b>							2,944,497				2,946,739	2,944,104
Ex-gratia rates							23,269				22,000	27,714
<b>Totals</b>							2,967,766				2,968,739	2,971,818

**SIGNIFICANT ACCOUNTING POLICIES**

**Rates**

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

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

SHIRE OF WONGAN-BALLIDU  
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25 RATING INFORMATION (Continued)

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

Rates Discounts

Rate or Fee Discount Granted	Discount	Discount	2021 Actual	2021 Budget	2020 Actual	Circumstances in which Discount is Granted
	%	\$	\$	\$	\$	
General Rates	2	-	36,964	33,000	34,488	Early Payment discount if payment in full received by 4 September 2020
Total discounts/concessions (Note 25(a))			36,964	33,000	34,488	

## 25. RATING INFORMATION (Continued)

### (c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
<b>Option One</b>				
Single full payment	04/09/2020	-	-	8.00
<b>Option Two</b>				
First instalment	04/09/2020	33.00	5.50	-
Second instalment	06/11/2020	-	5.50	-
Third instalment	08/01/2021	-	5.50	-
Fourth instalment	12/03/2021	-	5.50	-

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Interest on unpaid rates	14,864	15,000	20,142
Interest on instalment plan	8,368	5,848	8,918
Charges on instalment plan	4,270	6,000	5,922
	27,502	26,848	34,982



## 27. 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
<b>Market risk - interest rates</b>	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
<b>Credit risk</b>	Cash and cash equivalents, trade receivables, financial assets and debt investments	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
<b>Liquidity risk</b>	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

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

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

### (a) Interest rate risk

#### Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
<b>2021</b>					
Cash and cash equivalents	0.10	4,163,016	1,063,162	3,099,004	850
Financial assets at amortised cost - term deposits	0.10	88,090	88,090	-	-
<b>2020</b>					
Cash and cash equivalents	0.58	3,885,370	458,164	2,918,321	508,885
Financial assets at amortised cost-term deposits	1.00	87,434	87,434	-	-

#### Sensitivity analysis

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

Impact of a 1% movement in interest rates on profit and loss and equity\*

	2021	2020
	\$	\$
	30,999	29,183

\* 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 16(b)

## 27. FINANCIAL RISK MANAGEMENT (Continued)

### (b) Credit risk

#### Trade and Other Receivables

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

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The Shire is 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 2020 or 1 July 2021 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2021 and 30 June 2020 for rates receivable was determined as follows

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
<b>30 June 2021</b>					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	2,030	83,877	30,656	64,842	181,405
Loss allowance	-	-	-	-	-
<b>30 June 2020</b>					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	85,836	17,575	19,716	33,905	157,032
Loss allowance	-	-	-	-	-

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2021</b>					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	161,687	3,386	284	2,889	168,246
Loss allowance	-	-	-	-	-
<b>30 June 2020</b>					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	50,972	-	90	2,399	53,461
Loss allowance	-	-	-	-	-

## 27. 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 16(d).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b><u>2021</u></b>					
Trade and other payables	348,072	-	-	348,072	348,072
Borrowings	167,034	775,037	1,670,691	2,612,762	2,171,723
Contract liabilities	335,644	-	-	335,644	335,644
Lease liabilities	4,928	-	-	4,928	4,928
	855,678	775,037	1,670,691	3,301,406	2,860,367
<b><u>2020</u></b>					
Trade and other payables	647,563	-	-	647,563	647,563
Borrowings	159,112	757,715	1,818,990	2,735,817	2,244,352
Contract liabilities	18,000	-	-	18,000	18,000
Lease liabilities	5,799	4,928	-	10,727	10,727
	830,474	762,643	1,818,990	3,412,107	2,920,642

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

There were no events occurring after the balance date that have a significant effect on the financial statements

## **29. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS**

During the 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.

### **(a) AASB 1059 Service Concession Arrangements: Grantors**

Service concession assets are those assets where a third-party operator constructs assets on behalf of the Shire, upgrades existing assets of the Shire or uses existing assets of the Shire to operate and maintain the assets to provide a public service, for a specified period of time.

The Shire has considered the requirements of AASB 1059 Service Concession Agreements: Grants and confirms that the Shire has no arrangements that fall within the scope of this standard.

### 30. TRUST FUNDS

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

	1 July 2020	Amounts Received	Amounts Paid	30 June 2021
	\$	\$	\$	\$
Lake Ninan/Hinds Fire Brigade	4,821	-	-	4,821
Mocardy Bushfire Brigade	7,787	-	-	7,787
Fire Brigade - Glenvar	500	-	-	500
Transport Payments	33,077	939,452	(967,106)	5,423
Discover Golden Horizons	27,641	-	-	27,641
WH Nature Playground	1,680	-	-	1,680
	75,506	939,452	(967,106)	47,852

# SHIRE OF WONGAN-BALLIDU

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

### 31. OTHER SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

#### c) Rounding off figures

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

#### d) Comparative figures

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

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

#### e) Budget comparative figures

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

#### f) Superannuation

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

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

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

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

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

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

#### h) Fair value hierarchy

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

##### Level 1

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

##### Level 2

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

##### Level 3

Measurements based on unobservable inputs for the asset or liability.

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

#### Valuation techniques

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

##### Market approach

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

##### Income approach

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

##### Cost approach

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

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

#### i) Impairment of assets

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

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

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

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

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

**32. ACTIVITIES/PROGRAMS**

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

<b>PROGRAM NAME AND OBJECTIVES</b>	<b>ACTIVITIES</b>
<p><b>GOVERNANCE</b></p> <p>To provide an efficient decision making process and the efficient allocation of scarce resources.</p>	<p>Includes the activities of members of council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific local government services.</p>
<p><b>GENERAL PURPOSE FUNDING</b></p> <p>To provide general purpose funding to deliver a quality of services to the community.</p>	<p>Activities involve the raising of rates, maximisation of general purpose government grants and interest revenue.</p>
<p><b>LAW, ORDER, PUBLIC SAFETY</b></p> <p>The objective of the program is to provide the highest standard of supervision of various local laws and statutory regulations.</p>	<p>Activities involve animal control, fire prevention and emergency services to ensure a safer community.</p>
<p><b>HEALTH</b></p> <p>The Shire's health program aims to provide an operational framework for good community health.</p>	<p>Activities involve supervision of food quality and pest control, provision of maternal and infant health and the provision of a doctor to the community.</p>
<p><b>EDUCATION AND WELFARE</b></p> <p>Propotion and support of education for the youth of the community and care of the elderly.</p>	<p>Activities involve the support for aged accomodation, Community Health Care Centre, and Youth Services within the community.</p>
<p><b>HOUSING</b></p> <p>This program aims to provide and maintain a high standard of housing to the community and staff.</p>	<p>Activities involve management and maintenance of various rental residences throughout Wongan Hills.</p>
<p><b>COMMUNITY AMENITIES</b></p> <p>The objective of this program is to provide and maintain a high quality of sanitation, planning and cemetery services to the community.</p>	<p>Activities involve the management of refuse services, maintenance of refuse sites, administration of the town planning scheme, maintenance of the cemeteries in Wongan Hills and Ballidu.</p>
<p><b>RECREATION AND CULTURE</b></p> <p>The areas of recreation and culture are of the highest importance to the community of the Shire of Wongan-Ballidu.</p>	<p>Council's objective for this program is to provide, develop and maintain a superior level and quality of recreation facilities and cultural activities. This includes maintenance of civic centres and halls, recreation centres, ovals, parks and gardens, swimming areas, museums and the library facilities.</p>
<p><b>TRANSPORT</b></p> <p>Maintenance and development of the Shire's infrastructure and transport services is the objective of this program.</p>	<p>Construction and maintenance of streets, roads, bridges and footpaths, cleaning and lighting of streets, depot maintenance and maintenance of aerodromes are all provided to community.</p>
<p><b>ECONOMIC SERVICES</b></p> <p>This program aims to regulate and provide and area promotion to generate interest in the Shire and therefore generates tourist income for the benefit of the community.</p>	<p>Activities include, building control, provision of standpipes and tourism and area promotion.</p>
<p><b>OTHER PROPERTY AND SERVICES</b></p> <p>This program provides for the corporate support for the Community Resource Centre and general building maintenance.</p>	<p>Activities include, private works, community resource centre operations, maintenance of government buildings.</p>

### 33. FINANCIAL RATIOS

	2021 Actual	2020 Actual	2019 Actual
Current ratio	2.10	2.32	4.90
Asset consumption ratio	0.95	0.96	0.97
Asset renewal funding ratio (Note 1)	N/A	N/A	N/A
Asset sustainability ratio	1.10	1.07	0.59
Debt service cover ratio	9.71	15.08	8.42
Operating surplus ratio	(0.27)	(0.05)	(0.20)
Own source revenue coverage ratio	0.50	0.53	0.51

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

Note 1: The Shire's Long Term Financial Plan and Asset Management Plans do not have the required information and as a result could not be calculated



## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2021 Shire of Wongan-Ballidu

To the Councillors of the Shire of Wongan-Ballidu

## Report on the audit of the annual financial report

### Opinion

I have audited the financial report of the Shire of Wongan-Ballidu (Shire) which comprises:

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

In my opinion the financial report of the Shire of Wongan-Ballidu:

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

### Basis for opinion

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

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

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

In preparing the financial report, the CEO is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

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

## **Auditor's responsibility for the audit of the financial report**

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

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

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

## Report on other legal and regulatory requirements

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

- (i) In my opinion, the following material matter indicates a significant adverse trend in the financial position of the Shire:
  - a) The Operating Surplus Ratio is below the Department of Local Government, Sport and Cultural Industries standard for the past 3 years. The financial ratios are reported at Note 33 of the annual financial report.
- (ii) The following material matters indicating non-compliance with Part 6 of the Act, the Regulations or applicable financial controls of any other relevant written law were identified during the course of my audit:
  - a) The Shire has not reported the Asset Renewal Funding Ratio for 2021, 2020 and 2019 in the annual financial report as required by section 50(1)(c) of the Local Government (Financial Management) Regulations 1996, as management has not updated the asset management plan and long term financial plan.
  - b) A review of the appropriateness and effectiveness of the Shire's system and procedures in relation to risk management, internal control and legislative compliance was not completed by the CEO at least once every three financial years, as required by paragraph 17 of the Local Government (Audit) Regulations 1996. The last review took place in 2017.
  - c) Approval of invoices and purchase orders occurred above the delegated authority limit of senior management staff members of the Shire.
  - d) Verbal quotes were not obtained for purchase orders of up to \$10,000 in 78% of our samples. In addition, the Shire's purchasing system does not make provision for the verbal quotation to be documented on the purchase order.
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.
- (v) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the financial report were supported by verifiable information and reasonable assumptions.

### Other matter

The financial ratios for 2019 and 2020 in Note 33 of the financial report were audited by another auditor when performing their audit of the Shire for the years ending 30 June 2019 and 30 June 2020. The auditor expressed an unmodified opinion on the financial report for those years.

### Other information

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

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

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

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



Grant Robison  
Assistant Auditor General Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
21 December 2021

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