

# Annual Report

2018 - 2019



*Baby Tree Planting with Cr D Menzel and Cr J Farquhar, Swimbeach*

*A year in the Shire of Wyndham East Kimberley*

**SHIRE of  
WYNDHAM  
EAST KIMBERLEY**



Committed to investing in our community and creating a great place to live

# Annual Report 2018 – 2019

## Contents

Introduction	3
Strategic Direction 2027	8
About our Shire	12
Our Year, Delivering the Plan	15
People - Healthy vibrant active communities	16
Bring community together and promote our rich culture and heritage	18
Increase community participation in sporting, recreation and leisure activities	18
Promote quality education, health, childcare, aged care and youth services	20
Place - Enhancing the environment	22
Conserve the Shire's unique natural environment for the enjoyment of current and future generations	23
Provide sustainable public infrastructure that serves the current and future needs of the community	24
Make towns safe and inviting for locals and visitors	25
Prosperity - Economic prosperity	30
Deliver the critical infrastructure that will create the conditions for economic growth across the Shire	31
To be business friendly and the Shire of choice for inward investment in the Kimberley	33
Develop and retain skilled people that business needs to succeed	33
Governance - Civic leadership	34
Effective representation through advocacy at a regional, state and national level	35
Good decision making through engagement with the community	35
A strong and progressive organisation delivering customer focused services	37
Sustainably maintain the Shire's financial viability	39
The Year Ahead 2019/20	44
Statutory reports	46
Audited annual financial report	49

# Introduction

Welcome to the Annual Report 2018-19 covering the period of 1 July 2018 to 30 June 2019.

This report aims to provide you with an open and accountable insight into how we have progressed the vision and goals of our Strategic Community Plan 2017-2027. This includes our achievements and challenges, financial performance and key targets for the year ahead. It is organised to align with our Strategic Community Plan 2017- 2027 focus areas of People, Place, Prosperity and Governance.

This report is produced in accordance with the *Local Government Act 1995*, which requires Council to adopt an Annual Report by 31 December each year.

Thank you for taking the time to read this Annual Report. We welcome any feedback on our performance or where you would like us to focus in the future.

This Annual Report along with previous years can be viewed by visiting our:

- Website [www.swek.wa.gov.au](http://www.swek.wa.gov.au)
- Shire Offices at 20 Coolibah Drive, Kununurra or Koolama Street, Wyndham



# Message from the Shire President



I am pleased to introduce the Shire of Wyndham East Kimberley's 2018-19 Annual Report, concluding a year where we have made substantial progress in advancing our community and transforming our towns.

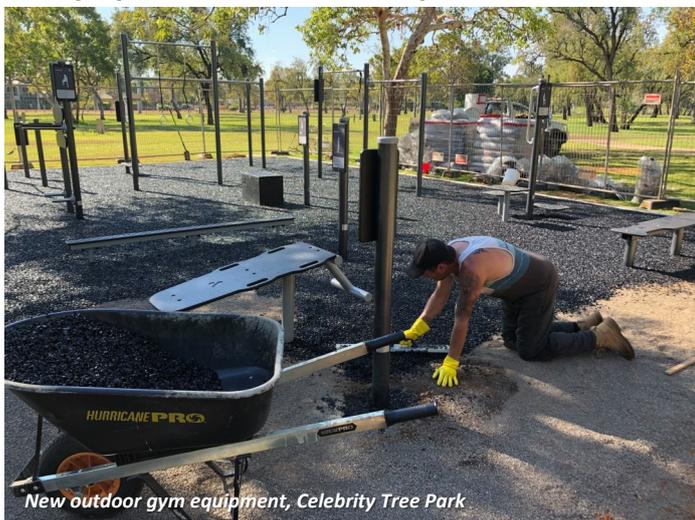
In presenting this Report, I would like to acknowledge the great team of Councillors and Staff who work tirelessly for our community. I believe we provide exceptional facilities and services for residents and visitors alike.

The elected Council and our workforce, in partnership with the community, are continually striving towards achieving our shared vision for the future. We engage with our community and deliver combined aspirations across the many communities throughout the region.

This Report details the works completed in 2018-19 as part of the overarching Strategic Community Plan 2017-2027. We set an ambitious work plan for 2018/19 and have made considerable progress in achieving it.

We continue to collaborate with our community and work to ensure the Shire is prosperous and continues to grow. We have provided community grants to local businesses and groups in the past year amounting to \$211,624 and this is a wonderful investment in our community, people and great Shire.

These and other important projects have been funded in partnership with the State and Commonwealth Governments and the Shire has been diligent to decrease the financial burden on our community through grants and other funding.



*New outdoor gym equipment, Celebrity Tree Park*

This year the Shire has been successful in a number

of State and Federal grant applications including a \$150,000 Sport and Recreation Grant used to upgrade the outdoor hardcourts in Kununurra and to install outdoor fitness equipment at Celebrity Tree Park. The Shire was also successful in obtaining \$800,000 funding under the Commonwealth Government's Safer



Communities Fund for the provision and installation of CCTV in both Kununurra and Wyndham.

Another exciting achievement this year is the decision by Council to underwrite a direct flight trial between Melbourne and Kununurra to begin in May 2020. This new air access into Kununurra and the East Kimberley is something that the Community can be very proud of. It will play a key role in attracting more tourists to the East Kimberley, driving economic growth to the region with a new market of fly-in visitors. The Shire is proud to work in partnership with the East Kimberley



*Melbourne to Kununurra direct flights, Alliance Airlines*

Marketing Group, Tourism WA and the Kimberley Development Commission on this valuable new project.

The Shire continues to work collaboratively with our neighbouring Shires through the Kimberley Regional Collaborative Group (KRG). The KRG was formed with a view to adopting a regional approach to

strategic and community planning and this year, the group progressed matters of regional significance including the development of a business case for the Tanami Road; Kimberley voluntary alcohol restrictions; Regional Waste Management Plan; land tenure reform; Local Government Act review; municipal services review, and the review of the Zone's Strategic and Business Plans.

The East Kimberley is fortunate to have many thriving economic drivers including agriculture, mining, forestry, aquaculture, government services and tourism. New opportunities are also emerging through developments such as the Seafarms Project Sea-Dragon aquaculture venture and highlights the need to enhance key transport infrastructure including Wyndham Port. Project Sea Dragon is proposed to be the largest prawn farm in the southern hemisphere. At full production it is expected to have a grow-out area of around 10,000 ha. The go-ahead of this project will have significant economic outcomes for the region, including employment opportunities at the Kununurra-based processing factory which was approved this year.

Our ongoing partnership with Airbus at Wyndham Airport is proving to be a mutually beneficial and long term relationship.

The protection, promotion and expansion of these diverse economies will foster economic resilience and therefore long term sustainability.

The Shire has committed to provide direction for the promotion of economic and employment growth within the Shire and intends to deliver an Economic Development Plan (EDP) in the coming year. Through the development of its EDP, the Shire will work collaboratively with all stakeholders to support infrastructure development that will drive our economy and employment into the future.

Key to this plan is the further development of the East Kimberley Regional Airport (EKRA) business precinct

including the widening and extension of our runway and the future potential of a Global Export Centre.

Moving forward the Shire will also be focusing on the redevelopment of the Kununurra Leisure Centre (leisure/aquatic centre) and further revitalisation of our Town Centres.

The greatest opportunity lies in our people: their ideas, skills, experience and enterprise to drive economic growth. The Shire can play a pivotal role in economic development through local engagement, leadership with community and business stakeholders, advocating and promoting business investment, employment growth and facilitating and coordinating development and investment. Providing these activities will create and sustain local employment opportunities enhancing community well-being and quality of life.

I look forward to the year ahead and the continuing progress the Council and community will make as we evolve and adapt to our future challenges and opportunities. We will continue to work collaboratively with governments and our communities to make the changes we want to see for our Shire.

Cr David Menzel

Shire President



# Chief Executive Officer Report



I am pleased to provide the following update on progress made towards achieving Council's objectives, as outlined in the Shire of Wyndham East Kimberley's Strategic Community Plan 2017-2027.

This Annual Report is to inform the community of Council's performance during the 2018-19 financial period in relation to the Shire's Corporate Business Plan and Annual Budget, as well as report on our progress of the Strategic Community Plan.

In addition to the many achievements across projects and partnerships which are outlined in this report, we have made some notable achievements this past year.

Community safety is an ongoing priority and an exciting development this year has been the introduction of CCTV to our towns. 45 cameras have been installed in Kununurra in strategic locations with a direct link to the Kununurra Police Station. In Wyndham there are 12 cameras connected wirelessly to the Shire's office. The Shire's surveillance system works closely with Western Australian Police to help ensure a fast and effective response to emergency situations and to assist in the detection and prosecution of offenders.

To meet our Shire's waste management needs into the future, Council has endorsed extending the existing Wyndham Landfill Site which is predicted to add another 40 years of operation to the facility at the current rate of waste disposal. In addition, the Wyndham and Kununurra Landfill sites now accept free domestic waste, as part of an initiative passed by Council to provide better value for rates.

This year we have also made a collective effort to beautify and improve our towns in collaboration with the East Kimberley Beautification Group. In addition, shade sails have now been installed at both the Celebrity Tree Park and Swim Beach playgrounds and the Wyndham Croc Park has received an upgrade. We have installed new reticulation to the foreshore of Lilly Creek Lagoon, to better maintain the appearance of the area.

The Shire has engaged a number of private and public sector interests to progress planning for the long awaited extension and widening of the East Kimberley Regional Airport (EKRA). This vital project will see the EKRA upgraded in aircraft capabilities enabling 737 and A320 aircraft to be able to operate in and out of the region to all destinations within Australia and the ability to enter into the burgeoning South East Asian markets. In turn, due to the efficiency of such aircraft, lower airfares may be achieved for the benefit of the local community. Direct flights to Melbourne commence as of May 15th 2020 through to August 2020. This is a

significant milestone for the Shire of Wyndham East Kimberley and will enable significant growth of the tourism market.

The Shire continues to address and support initiatives in the youth space and a new Kununurra PCYC is proposed to deliver a range of structured programs and intervention activities to at-risk youth. The service is expected to commence later in 2019. The Shire has also entered into an agreement with Kununurra Waringarri Aboriginal Corporation for the purpose of engaging a Youth Partnership Facilitator, to partner directly with WA Police and Department of Justice and to directly engage youth at-risk in Kununurra, as well as to coordinate a range of agencies to implement the Kununurra Empowering Youth (KEY) holiday program. In addition, a major achievement of the partnership between the Shire and Wyndham Youth Aboriginal Corporation (WYAC) has also allowed greater attention to client referrals particularly to WYAC and Boab Health.

In keeping with our effort to increase communications with our community, we have expanded our use of social media, not only to communicate important matters about our services and Shire, but also to attract tourists to our wonderful region.

In early 2019, the Shire administered a MARKYT® Community Scorecard to evaluate community priorities and measure the Council's performance against key indicators in the Strategic Community Plan. In total, 440 residents submitted a response. Overall the 2019 Community Scorecard Survey has seen healthy improvements in a number of performance areas with many of the larger improvements relating to leadership and organisational governance.

Compared to the previous survey in 2017, the Shire



Repairs to Kelly's Knob walking trail

has improved in 35 performance measures. Moving forward the community would like the Council to focus on five higher priority areas: safety and security, services for youth, economic development, improved infrastructure and value for money from Shire rates. The survey is one of many ways we inform and seek input from our community members so they can be part of the decision-making processes of Council and how we can shape our future together.

The Shire is committed to the promotion of economic and employment growth within the region and we continue to develop an Economic Development Plan (EDP) that will drive economic activity and jobs into the future. During the year a discussion paper on the EDP was released for comment. The discussion paper was prepared after considerable engagement with the business community and organisations such as the East Kimberley Chamber of Commerce and Industry, Indigenous organisations and government agencies. The Draft Economic Development Plan is expected to be released during 2019-20.

The Shire continues to invest in capital projects including road resurfacing, drainage, footpaths and playground equipment. Tourism development and quality of life all benefit from keeping our towns and infrastructure well maintained.

We have had a strong focus on our financial management to build the foundations for financial sustainability into the future, as well as supporting continuous improvement and efficiency across all areas of our operations. In May 2019 a number of issues were raised by Councillors including historical rises in rate revenue over the preceding 10 years, and the current economic climate. Council also acknowledged feedback from the 2019 community survey results, which showed concern for value for rate payers' money. Council therefore decided that there would be no rate rise for rate payers over the 2019/20 financial year.

The organisational structure of the Shire reflects a local government that is responsible for a significant and diverse regional area, with all the challenges of working in a remote part of Western Australia and 'trying' climatic conditions. Quality people are a critical component of any business success and workforce turnover is always a challenge. Whilst we have said farewell to a number of good people we have also

welcomed new faces to the team ready to take up the challenge.

Over the past year we have continued to evolve our organisational structure to position ourselves to be ahead of external changes. This helps us provide the vast range of services and facilities focused on the things our community has told us are most important to them, including safety and security, economic development and improved infrastructure.

In early 2019, the Shire engaged 'Catalyse' to undertake a Shire wide Staff Perceptions Scorecard, a process which delivered the additional benefit of having Shire of Wyndham East Kimberley results compared against other Local Governments participating in the scorecard process within WA. The Scorecard Report showed 100% of responses rated the organisation positively as a place to work. Furthermore, 30 out of 42 areas tested performed on par or better when compared to the industry average. Having received the results, the Shire will continue to engage with staff to seek their suggestions as to what initiatives and actions they would like to see implemented in order to see identified priority areas responded to and overall improvement achieved.

Our successes from this year have been as a result of significant effort and investment from our staff and community and is something we can all be proud of. I would like to thank my Executive Management Team for its professionalism, enthusiasm, technical abilities and advice to myself, Council and the community. All are outstanding and work hard for the benefit of the Shire community and show great leadership to our staff and the broader local government industry.

I take great pride and satisfaction in the job we have all done for the Shire residents and ratepayers over the past 12 months and I am sure the Shire will continue to work together in 2019-20 – and beyond – to deliver services valued by our community, in the most effective way possible.

Carl Askew

Chief Executive Officer



2018 Volunteer of the Year Award recipients, Christine McLachlan (WHS, RSL, Bastion Newsletter) and Richard "Dick" Daniels (St John's Ambulance, WHS, RSL)

# Strategic Direction 2027

## Strategic Community Plan 2017-2027

**Vision** for the Shire of Wyndham East Kimberley:

**To be a thriving community with opportunities for all**

**Mission** for the Shire of Wyndham East Kimberley:

**To develop in a manner that will achieve social, cultural, economic and environmental benefits for all**

**Values** of the Shire of Wyndham East Kimberley:

**Inclusivity** - We recognise the diversity of our community and want to ensure that everyone can actively participate in community life.

**Unity** - We will work collaboratively with the community, united in a common purpose.

**Sustainability** - Ensure that the aspirations of the community can be met within budget in order to remain socially, environmentally and financially sustainable.

**Responsibility for our own future** - We will actively participate in providing input to decision making at a state and national level on issues that affect our region.

**Leadership** - We will listen to the community's concerns and advocate for issues that are important to residents.

**Integrated Planning and Reporting Framework** of the Shire of Wyndham East Kimberley:

A stronger focus on place and wellbeing with a greater level of community engagement



**Focus Areas and Goals** of the Shire of Wyndham East Kimberley:**1 Healthy vibrant active communities**

PEOPLE

*Improving liveability through social and recreational opportunities, a range of inclusive community services and activities, and valuing our diversity.*

Goals:

- 1.1 Bring community together and promote our rich culture and heritage
- 1.2 Increase community participation in sporting, recreation and leisure activities
- 1.3 Promote quality education, health, childcare, aged care and youth services

**2 Enhancing the environment**

PLACE

*We value our Kimberley lifestyle and natural environment. We will work to improve the liveability of our towns and their connection to our surrounding environment.*

Goals:

- 2.1 Conserve the Shire's unique natural environment for the enjoyment of current and future generations
- 2.2 Provide sustainable public infrastructure that serves the current and future needs of the community
- 2.3 Make towns safe and inviting for locals and visitors

**3 Economic prosperity**

PROSPERITY

*For the Shire to be open for business with a growing and successful economy and jobs for all.*

Goals:

- 3.1 To deliver the critical infrastructure that will create the conditions for economic growth across the Shire
- 3.2 To be business friendly and the Shire of choice for inward investment in the Kimberley
- 3.3 Develop and retain skilled people that business needs to succeed

**4 Civic leadership**

GOVERNANCE

*We will deliver services to the community efficiently, provide leadership and governance that is future thinking, transparent and accountable.*

Goals:

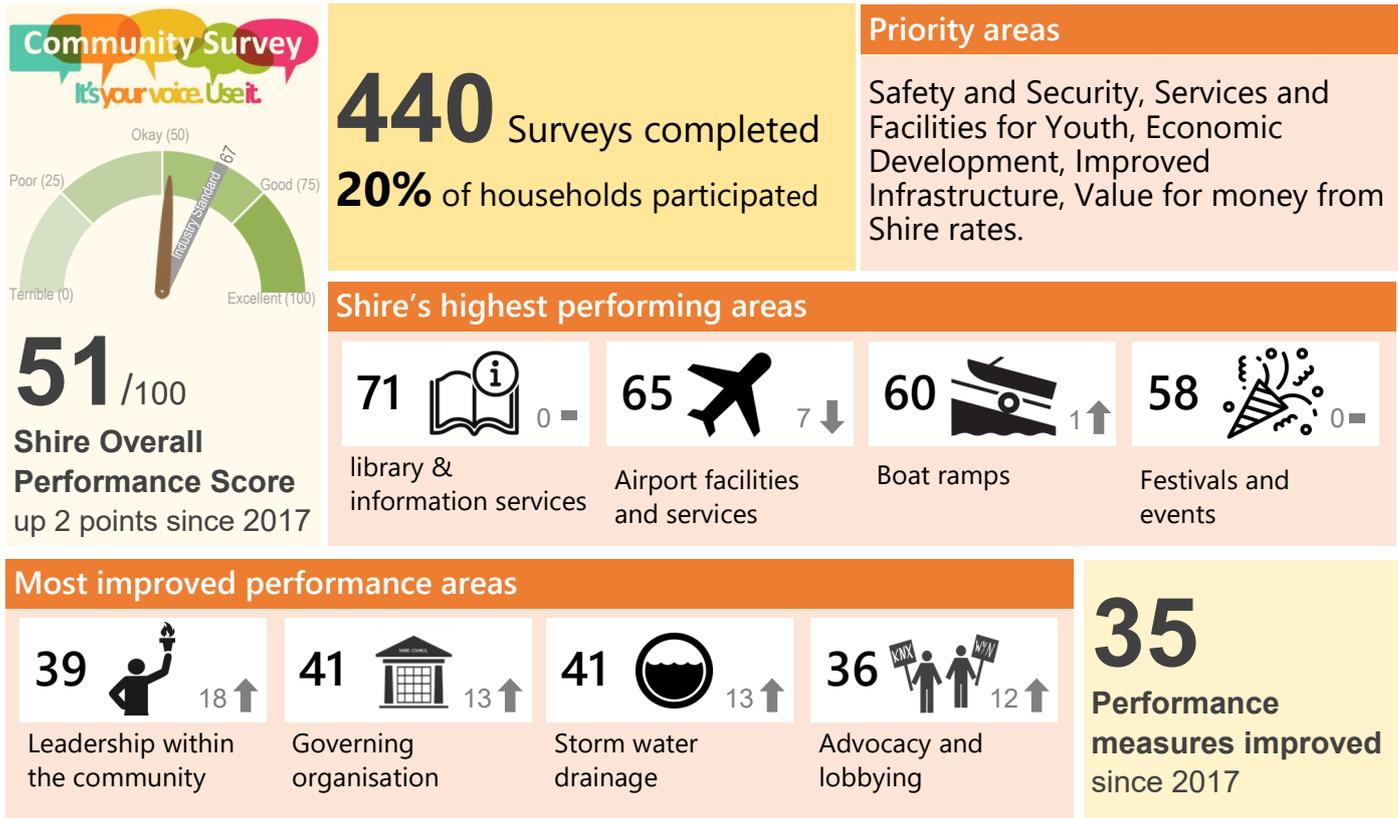
- 4.1 Effective representation through advocacy at a regional, state and national level
- 4.2 Good decision making through engagement with the community
- 4.3 Ensure a strong and progressive organisation delivering customer focused services
- 4.4 Sustainably maintain the Shire's financial viability

## Focus Area outcomes for the Shire of Wyndham East Kimberley:

The Strategic Community Plan (SCP) Focus Areas provide an overarching statement that describes the future desires of the community. The Focus Areas are based on community outcomes, the end result that the community will see once the SCP strategies have been successfully implemented and goals achieved.

Focus Areas	Community Outcomes	
	A Shire With:	A Council that:
 <p><b>PEOPLE</b></p>	<ul style="list-style-type: none"> <li>• A unified community that has active and healthy lifestyles</li> <li>• Young people that are engaged in their families, schools and communities</li> <li>• Upgraded and improved sport and recreation facilities</li> <li>• Greater access to childcare, education and less anti social behaviour</li> </ul>	<ul style="list-style-type: none"> <li>• Supports community events</li> <li>• Has greater understanding and knowledge of the Shire's heritage</li> <li>• Collaborates with others to tackle disadvantage</li> </ul>
 <p><b>PLACE</b></p>	<ul style="list-style-type: none"> <li>• Improved environmental management and biodiversity outcomes</li> <li>• A community that respects and cares for the natural and built environment</li> <li>• Well connected and maintained network of shared paths and trails</li> <li>• Well planned and maintained infrastructure and improved streetscapes</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitates development responsibly and encourages sustainable design principles</li> <li>• Adopts sustainable environmental practices</li> <li>• Maintains public areas such as parks, gardens and ovals to a high and sustainable standard</li> <li>• Maintains infrastructure to positively impact residents and users</li> </ul>
 <p><b>PROSPERITY</b></p>	<ul style="list-style-type: none"> <li>• A strong local economy and access to jobs</li> <li>• Infrastructure that supports industry growth</li> <li>• Educational and training opportunities that lead to entrepreneurship or employment</li> </ul>	<ul style="list-style-type: none"> <li>• Supports the growth of business</li> <li>• Attracts new investment, both public and private</li> <li>• Promotes and markets the Shire</li> </ul>
 <p><b>GOVERNANCE</b></p>	<ul style="list-style-type: none"> <li>• Sustainable revenue and expenditure</li> <li>• Existing and future services funded</li> </ul>	<ul style="list-style-type: none"> <li>• Works in the best interest of the community</li> <li>• Engages with the community and keeps it informed about decisions and its activities</li> <li>• Lobbies and represents the community at all levels of government</li> </ul>

## 2019 Community Survey of community opinions and views



In February 2019, a community survey using a Community Scorecard was undertaken to better understand perceptions and priorities of our community and the Shire. The scorecard evaluated community needs and aspirations and was the key aid in the development of the Corporate Business Plan.

A regular community survey is an opportunity for the organisation to: understand the opinions and views of the community; identify issues and areas for focus; benchmark performance; track improvements over time, and inform the review of the Strategic Community Plan. Importantly, the survey is a fundamental part of a healthy democracy and well-functioning local government.

In total, 440 residents submitted a response. This represented an approximated participation rate of 20% of households (Total occupied private dwellings 2016 Census).

### Survey results

Overall, the 2019 Community Scorecard Survey saw a healthy improvement in a number of performance areas with many of those relating to leadership and organisational governance. Since the last study, the Shire has improved 35 performance measures.

The Shire's highest performing areas were library and

information services, airport facilities and services, boat ramps, festivals, events and cultural activities.

The scorecard highlighted five high priority areas that the community would like the Shire to focus on:

- Safety and security.** Greater action to address graffiti, vandalism and anti-social behaviour.
- Services and facilities for youth** to help alleviate concerns with perceived boredom and antisocial behaviour.
- Economic development**, including attracting investment, supporting local business, improving airport services, growing tourism and improving the overall appearance of Kununurra and Wyndham town centres.
- Improved infrastructure** including road surfaces, drainage, lighting and streetscapes, and more connectivity of footpaths, cycleways and trails.
- Value for money from Shire rates.** Ratepayers request rate reductions or limits to rate increases.

Community input will be used to revise the Shire's Strategic Direction captured in the Strategic Community Plan in 2020.

# About our Shire

The Shire of Wyndham East Kimberley is situated at the northern-most extent of Western Australia. It has an area of 121,000 square kilometres and has two main urban centres; Kununurra and Wyndham and a number of Aboriginal communities.

The Shire is known for its natural attractions, bringing many tourists to the area through the dry season. It is also known for being an important agricultural region by virtue of the Ord Irrigation Scheme with around 28,000 hectares of arable land. Development of the irrigation scheme included the construction of two man-made dams; the Kununurra Diversion Dam, which created Lake Kununurra, and the much larger Ord Dam (Lake Argyle), the largest freshwater storage dam on mainland Australia.

## About Our Organisation

**The Shire of Wyndham East Kimberley is the local government covering the district of the East Kimberley.**

### Role of Local Government

The function of a local government organisation is to provide good governance for its community members, involving efficient and effective decision-making, community participation, operational transparency and accountability.

All local governments in Western Australia are independent corporate bodies constituted under the Local Government Act 1995 (the Act). The Act requires each local government to meet the needs of current and future generations by integrating environmental protection, social advancement and economic prosperity.

### Roles of Councillors

The role of an elected member is prescribed in the Act as representing the interests of electors, ratepayers and residents, providing leadership and guidance, facilitating communication between the community and Council and participating in the local government's decision-making processes. The President has the additional roles of presiding at meetings, carrying out civic and ceremonial



duties and speaking on behalf of the local government.

### Role of the Chief Executive Officer

The role of the Chief Executive Officer (CEO) is to: advise the Council in relation to the functions of the local government; ensure advice and information is available for Council to make informed decisions; implement Council decisions; manage daily operations; manage staff, and liaise with the Shire President regarding organisational performance.

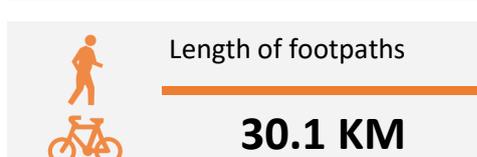
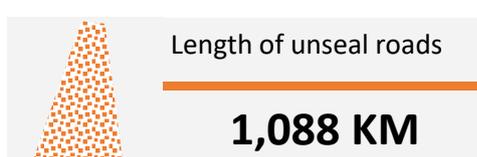
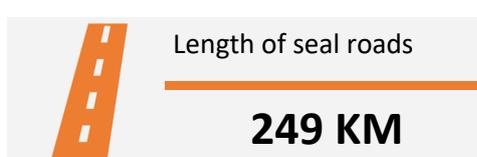
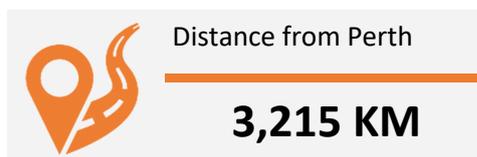
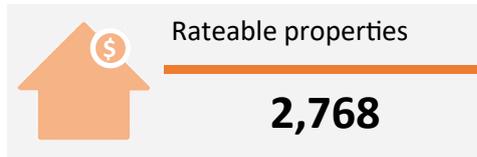
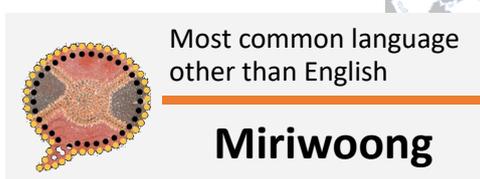
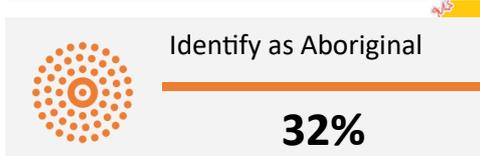
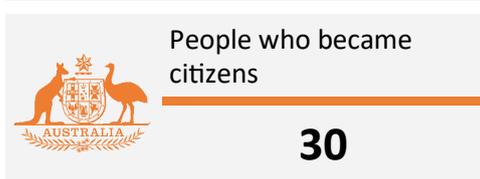
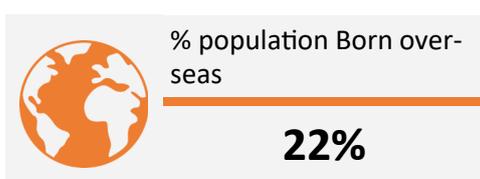
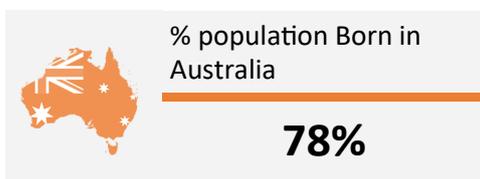
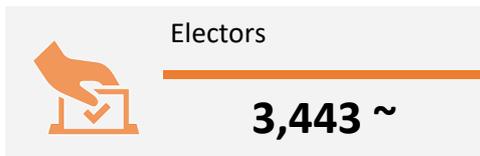
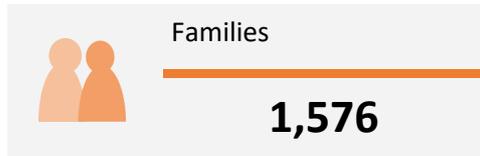
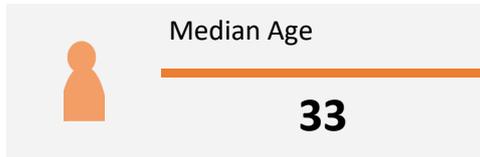
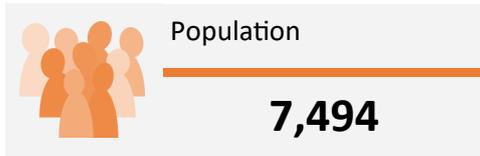
### Council Decision Making

Decisions of Council are made at Ordinary Council Meetings and are generally held on the fourth Tuesday of each month at the Council Chambers. These meetings commence at 5pm and are open to the public.

### Delivering Shire Services

To deliver services to the community, the Shire's organisational structure is grouped into four operational and functional directorates which are guided through the leadership of the CEO. Within each directorate are several service-specific units that are responsible and accountable for delivering services and implementing the Corporate Business Plan in accordance with their specific expertise.

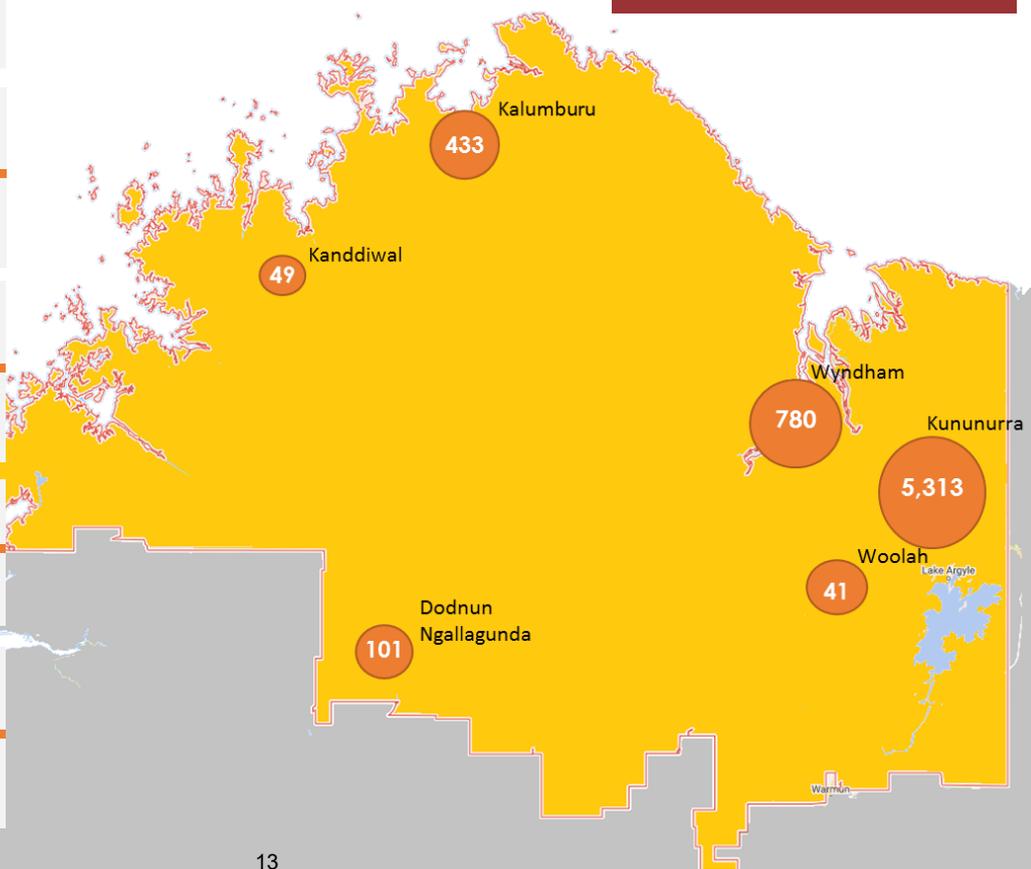
# Our Shire in Numbers



**Where did my rates go?**

PER \$100 2018/19

<b>\$23</b>	On Recreation and Culture
<b>\$44</b>	On Roads
<b>\$15</b>	On Community Amenities
<b>\$3</b>	On Governance
<b>\$3</b>	On Economic Services
<b>\$3</b>	On Law, Order & Public Safety
<b>\$1</b>	On Health
<b>\$0.55</b>	On Education & Welfare
<b>\$6</b>	On Other



# Shire of Wyndham East Kimberley Council

## Our Elected Members 2018-19



Cr Narelle Brook  
Term: 2021



Cr Grant Lodge  
Term: 2021



Cr Debra Pearce  
Term: 2021



Cr Tony Chafer  
Deputy Shire President  
Term: 2021



Cr David Menzel  
Shire President  
Term: 2021



Cr Mat Dear  
Term: 2019



Cr Judy Farquhar  
Term: 2019



Cr Michelle McKittrick  
Term: 2019



Cr Alma Petherick  
Term: 2019

# Highlights of the Year

Some of the highlights during the year

## Our Year, Delivering the Plan

The following pages summarise the Shire's progress during the 2018/19 financial year in achieving the outcomes and goals defined in our Strategic Community Plan 2017-2027 and Corporate Business Plan 2018-2021.



# Delivering Focus Area 1

## Healthy vibrant active communities



*Improving liveability through social and recreational opportunities, a range of inclusive community services and activities, and valuing our diversity.*

### 2018/19 CBP Action Summary

**19** Actions



**6** Completed



**2** Commenced



**7** Ongoing



**5** Deferred



Library Visitors

**83,523** ↑ 22%

2016/17: 63,936

2017/18: 68,136



Library Items Borrowed

**39,727** ↓ 14%

2016/17: 44,183

2017/18: 45,994



Pool Entry

**22,586** ↓ 13%

2016/17: 19,284

2017/18: 25,853



Gym Entry

**16,356** ↓ 20%

2016/17: 19,265

2017/18: 20,531



Community Quick Grant Applications

**21** ↓ 34%

2016/17: 23

2017/18: 29



Community Quick Grant Value

**\$10,450** ↓ 33%

2016/17: \$12,871

2017/18: \$14,249

### Festivals, events and cultural activities



Community Survey

### Library programs participation



Community Survey

### Accessed library Internet facilities



Community Survey

### How history and heritage is preserved



Community Survey

### Multiculturalism and racial harmony



Community Survey

### Disability improvements completed



Community Survey

### Library and information services



Community Survey

### Sport and recreation facilities



Community Survey

### Services and facilities for youth



Community Survey

# Events

## Connecting with community July 2018 – June 2019

The direct and indirect impact that events have on communities are important. They create a strong coming together for people from all walks of life. They also provide opportunities for participation, volunteering and encourage involvement for all ages.



2018-19 Baby tree planting



Durack Homestead Dinner. Photo: OK Media Group

Road safety week

### NAIDOC Week - July

The Shire supported NAIDOC activities conducted in Kununurra and Wyndham. The theme was 'Because of her, we can', celebrating the important role of indigenous women at the community, local, state and national level. Activities included: flag raising ceremonies; street marches, activities for children and festivals in the parks. In Wyndham, this also included a Women's football competition.

### Kununurra Agricultural Show - July

The annual [Kununurra Agricultural Show](#) is a major event for the region. The Agricultural Show brings together visitors, businesses, community organisations and locals for a weekend of entertainment, information and lots of fun by showcasing all things unique to our region. Highlights include fireworks, live entertainment, interactive displays and events. The 2018 theme was 'Reduce, Reuse and Recycle', which was wholly embraced by exhibitors and which focused on waste minimisation; reducing harm to the environment, and partnering with local businesses to promote innovation in recycling.

### Kimberley Writers Festival - September

[Kimberley Writer's Festival](#) aims to entertain and inspire the community of the East Kimberley with a variety of authors, musicians, songwriters, storytellers and illustrators who share their life stories and love of the written and spoken word. Highlights include literary lunches and several workshops for people of all walks of life.

### Lake Argyle Adventure Race - September

Multi-sports event involving swim, trail run, mountain bike and paddle all around the scenic Lake Argyle and Carr Boyd Ranges. The 2018 event saw a number of records being broken and an overall record was set of just under four hours for a team's adventure.

### Dam to Dam - April

The Kununurra Dam to Dam is a fast paced, picturesque 55km race along Lake Kununurra between the historic Lake Argyle Dam wall to the Kununurra Diversion Dam wall. With lots of other entertainment taking place on the day and venturing into the evening, the Dam to Dam is always an entertaining festive day that has something that every member of the family can participate in.

### Lake Argyle Swim - May

The [Lake Argyle Swim](#) which consists of a 10km and 20 km open freshwater swim for relay teams and solo competitors, it takes place at Lake Argyle and is recognised as one of the most spectacular places to visit. Clean water, no sharks, bluebottles, ocean rips or chafing just a very pleasant 22-26 degrees in 980 square kilometres of lake to enjoy.

### Ord Valley Muster - May

The [Ord Valley Muster](#) highlights some of the magnificence of the East Kimberley and is packed with exciting events and experiences (rodeo, dining under the stars, music, comedy and more) and it's the local characters and flavour that make Kununurra and the East Kimberley one of the most iconic destinations in the world. The Muster is a truly enthralling, enchanting and magical experience for all.



Lake Argyle - Lake Argyle Swim

# 1 Healthy vibrant active communities

## Goal 1.1

Bring community together and promote our rich culture and heritage

### Heritage

Officers participated in the consultation session in Kununurra for the review of the Aboriginal Heritage Act 1972 run by the Department of Planning, Lands and Heritage (DPLH). The discussion paper released by the Minister for Planning aims to modernise Aboriginal Heritage Legislation, to make it more culturally appropriate and equitable for Aboriginal people and more efficient for industry use.

A development approval was also issued for an extension to the existing building owned and operated by the Wyndham Historical Society Incorporated. The extension will provide additional space and enable the display of more historical items and information for the community and visitors alike.

There were no recorded changes to the Shire Heritage lists.

## Goal 1.2

Increase community participation in sporting, recreation and leisure activities

### Access and Inclusion services

The Shire implemented 8 of the 24 actions within the Shire Disability Access and Inclusion Plan. These actions included:

1. Providing large print books and audio for relevant community members. Challenges included ensuring that large print books and audiobooks are current and an extensive range is on offer.
2. Providing free entry into Shire facilities for carers accompanying people with disability through the Companion Card. Marketing the free entry to Shire facilities has been the greatest challenge, however, through marketing on the Shire website, SWEK News and signage at the relevant facilities most agencies/organisations are now aware of the Companion Card and the benefits.
3. Incorporating inclusion principles into the design and construction of infrastructure including parks, pathways and open space and boating facilities. A number of smaller facility projects took place within the reporting period including the installation of automatic doors at the main Shire office in

Kununurra.

4. Introducing strategies that allow people with disability to participate in engagement processes. This included utilising facilities which meet the State Government Access Guidelines and consultation options for all community members, including opportunities to participate online and on social media.
5. Reviewing and updating all position descriptions to ensure that no person is disadvantaged when applying for roles within the Shire.
6. Improvements in relation to signage have included an audit of signage at a number of Shire facilities, and some replacements have been made.

### Community Grants Program

Services, activities, and the opportunities provided by community organisations are highly valuable to any community. Strong community organisations build resilience within the community and their presence means that during times when government spending is challenged, services within the community are less likely to be impacted. For these reasons it is in the interest of the Shire to support these organisations through the provision of funding.

#### Annual Grants

The Council approved \$155,000 in grant funding to community clubs and organisations. Some grants supported recurrent (iconic) events such as the Ord Valley Muster, Kununurra Agricultural Show, Lake Argyle Swim and the Dam to Dam. Grants were also provided for new buildings and infrastructure upgrades such as the multi-purpose storage building for the East Kimberley Cricket Association and upgrades to the wastewater system at the Kununurra Campdraft and Rodeo Association. In addition, the Shire supported some new initiatives such as for (youth) Street Art in Wyndham, instigated by the Wyndham Youth Aboriginal Corporation; a new fitness park by Apex Club Kununurra, in Celebrity Tree Park; NAIDOC Week; programs run by Kununurra Neighbourhood House; a survey of women's issues conducted by the East Kimberley Women's Alliance, as well as the establishment of Little Athletics.

#### 2018/19 Quick Grants

Community Quick Grants are a mechanism to support local clubs and community groups for amounts up to \$500 (per organisation per annum). Quick Grants are available at any time and the application process is



relatively straightforward.

Over the reporting period, the Shire provided \$10,450 through Quick Grants to 21 clubs and community organisations.

#### 2018/19 Rates assistance grants

Rates Assistance Grants provide the opportunity for not for profit community groups and associations occupying rateable land to apply for funding for the payment of their rates. A Rates Assistance Grant is only applicable to rates and not to service charges; the waste management charge and/or the Emergency Services Levy.

Residential properties not used in the primary service delivery of the community group or association's activities or services are not eligible assistance.

Over the reporting period, the Shire provided \$52,386 in Rates Assistance Grants to 17 clubs and community organisations.

#### Future Leaders Award

The Shire is committed to develop and retain skilled people that both business and the wider community need to succeed. To help achieve this Council established a new funding category in March of 2019 making available funding to high achieving young people in the Shire, to assist with the cost of participating in an activity or program which focuses on; leadership; skill development; self growth and development; confidence building and/or team work and communication.

#### **Community lease management**

Tourism House in Kununurra returned to Shire management on 30 December 2018 after a 20-year lease to Australia's Northwest (ANW). This provided the Shire with an opportunity to assist the Kununurra Visitor Centre (KVC) who were previously leasing from ANW. The Shire provided KVC with a community lease reducing rental costs by 99%.

Kununurra Neighbourhood House also signed a community lease for the construction of the new Neighbourhood Centre in Chestnut Avenue.

#### **Recreation and Leisure**

The Shire operates recreation and leisure facilities in Wyndham and Kununurra for the benefit of the community. The Shire aims to provide and facilitate a wide range of sport, recreation and healthy lifestyle

opportunities for the community through the delivery of strategic infrastructure planning, facility management and leisure programming. The Shire manage and maintain a number of sporting facilities and parks in Wyndham and Kununurra.

It has been a busy year for the recreation team in Wyndham and Kununurra. There have been a number of major events including School Holiday Programs (KEY and WYAC), staff training and development sessions as well as a number of maintenance and asset management projects.

#### Kununurra Leisure Centre Redevelopment

The Shire engaged Donovan Payne Architects to produce a concept plan for the redevelopment of the Kununurra Leisure Centre. The concept plan was prepared in late 2018 and includes to substantially retain the main building but to modify it to meet modern disability standards and to upgrade a number of essential services to meet the needs of users and the community. The plan was released in December 2018 and the Shire received considerable positive responses with regard to retaining and upgrading the facility within the centre of Kununurra. The community provided many good suggestions for further improvements or enhancements, which will be used to inform a later business case and to update the concept plan prior to preparing detailed construction drawings and specifications.



#### Funding

The Shire was successful in obtaining a total of \$483,700 toward recreation projects in 2018/19. Lotterywest confirmed an allocation of \$298,711 would be approved for stage one trails in Kununurra which is expected to begin in the 2019/20 financial year. The Australian Sports Commission also confirmed approximately \$180,000 funding to assist the Shire upgrade the Kununurra Multipurpose Courts in the 2019/20 financial year.

# 1 Healthy vibrant active communities

## Wyndham Memorial Swimming Pool

The past 12 months have been challenging yet positive at the Wyndham Swimming Pool. The employment of a Casual Pool Operator allowed for increased services and activities at the pool, to:

- Enable the pool to open 6 days a week including Thursday night late closure. This proved popular with the locals and saw an increase in attendance.
- Conduct a Learn to Swim program which had 33 participants
- Supporting WYAC youth programs and activities
- Conduct a School Swim Program - Both schools utilised the pool for structured swimming programs throughout Term 4 and Term 1. The program concluded with school swimming carnivals.
- Undertake essential maintenance including to the Balance Tank. The relining of the tank prevented a 5000lt per day leak caused by the degradation of the tank floor.
- Offer training in Bronze Medallion, Pool Lifeguard and CPR/First Aid.

## Goal 1.3

Promote quality education, health, childcare, aged care and youth services

### Library Services

The Shire operates two Libraries; the Wyndham Library and the Kununurra School and Community Library, the latter being jointly funded by the WA Government.

The year reinforced the growing popularity of the Kununurra School and Community Library (KSCL) as a venue for new and expanded facilities in addition to the important role it plays in delivering a range of programs and events. In September, the Library hosted the annual Kimberley Writers Festival which included a record number of authors including some locals and which was well attended by the community. The KSCL also hosted Children's Book Week; National Simultaneous Storytime and two Scholastic Book Fairs. Additional access to technology – internet and Wi-Fi was also provided.

The KSCL extended its programmed activity beyond the library for Teddy Bear's Picnic, an annual event run by Kununurra Neighbourhood House, and also

visited Juniper's care facility in Kununurra with Rhymetime families. The venue also proved popular for a number of key events such as for Seniors Week and to host the WA Governor.



### Children and families (0-11)

#### Kununurra Neighbourhood House

Kununurra Neighbourhood House (KNH) is a not-for-profit family support service open to all members of the community. During the year, KNH began construction of a new facility on Chestnut Avenue following the creation of a 21 year lease over the Shire reserve land. The new centre will provide much needed space for community development, family support services and community groups.

Local building company MGC Building and Maintenance Pty Ltd is constructing the new facility creating local apprenticeships and employment and hopeful of completing the project in early 2020.



#### Wyndham Child Care Centre

Wyndham Child Care Centre is the only Care service in Wyndham and is licenced for 20 children. The centre is owned by the Shire and leased to the community to provide vital support for working parents.

#### Wyndham Early Learning Activity Centre (WELA)

Wyndham Early Learning Activity Centre (WELA) is a multicultural family centre for parents or primary caregivers to provide and facilitate early learning



opportunities for their children. WELA services are open to all parents/carers and children who were born and bred in the Kimberley region.

### Youth Services (12-24)

#### Save the Children (Kununurra Youth Hub)

The Shire supported Save the Children through the provision of the Youth Hub in Kununurra.

Save the Children run a number of programs for children after school, during school holidays as well as activities for families throughout the year and collaborate with a range of organisations. In addition, they also provide the following programs:

- Kununurra Night Patrol and Youth Service
- YES program
- Youth Justice and Strong Tomorrow case management programs
- Transition Support Service
- Collaborate with KWAC and other agencies on joint programs

#### Kununurra Waringarri Aboriginal Corporation (KWAC)

The Shire entered into an agreement with Kununurra Waringarri Aboriginal Corporation for the purpose of engaging a Youth Partnership Facilitator, their purpose being to partner directly with WA Police and Department of Justice to directly engage youth at-risk in Kununurra, as well as to coordinate a range of agencies to implement the Kununurra Empowering Youth (KEY) holiday program.

#### Wyndham Youth Aboriginal Corporation (WYAC)

Wyndham Youth Aboriginal Corporation (WYAC) are supported by the Shire's Wyndham Youth Officer whose wages are partially funded by the Department of Communities through a service agreement. The Shire also provides office space at the Ted Brich Centre, and the centre is the venue for many of their programs.

WYAC have been a stand-out for their proactive approach to youth engagement and inclusion in program design and implementation, including activities such as:

- School Holiday Programs
- Aussie Hoops Basketball Kimberley Program
- Family fun days/ nights run by WELA and Boab Health
- Wyndham Swimming Pool sessions
- Youth Leadership Group

A major achievement of the partnerships has also allowed greater attention to client referrals particularly to WYAC and Boab Health.

The Wyndham Youth Officer has been consistently involved in supporting community events and activities run by other stakeholders/organisations in Wyndham, principally through directly supporting WYAC. The partnership with other service providers has delivered consistent programming and diversional activities. This has allowed the Shire and WYAC staff to build trust with the youth and community and has been beneficial in implementing programs tailored to local youth. Highlights included the Purple People Show which was well attended by both youth and adults. School holiday programs which included trips to country, fishing and cooking sessions at the Ted Birch Centre.

#### Kununurra Police and Community Youth Centre (PCYC)

During the year the State Government announced that it would provide funding to establish a PCYC in Kununurra. Grants of \$2 million will be provided to the PCYC between 2019-20 and 2021-22 to establish a new centre in Kununurra. The centre will provide structured programs and intervention activities targeted to at-risk youth to support the community.



Kununurra Empowering Youth & Families Holiday Program, Kununurra Picture Gardens.

# Delivering Focus Area 2

## Enhancing the environment



*We value our Kimberley lifestyle and natural environment. We will work to improve the liveability of our towns and their connection to the surrounding environment.*

### 2018 CBP Action Summary

**49** Actions



**15** Completed



**21** Commenced



**6** Ongoing



**5** Deferred

### Safety and security



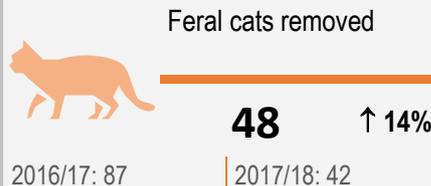
### Graffiti, vandalism, antisocial behaviour



### Playgrounds, parks and reserves



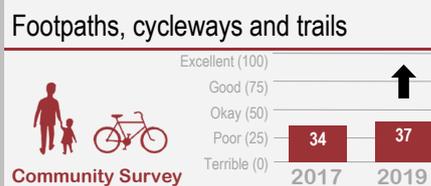
### Conservation management



### Waste collection services



### Area's character and identity



## Goal 2.1

Conserve the Shire's unique natural environment for the enjoyment of current and future generations

### Landscape conservation

Conservation of Shire reserves for the conservation of unique natural environments such as the Bastion' 2,810 hectares continued during the year. Works included shoulder repair works at the Bastion to ensure the safety of road users and improve storm water drainage.

### Better Access to Country

#### Trails

Shire staff completed essential repairs to the Kelly's Knob walking trail, enlisting the assistance of a local helicopter company.

The Shire also undertook shoulder repair works at the Bastion to ensure the safety of road users and improve storm water drainage.

Stage one of the Shire Trails Master Plan was awarded to contractors in June 2019 and included the installation of the APEX outdoor fitness equipment and soft-fall at Celebrity Tree Park in Kununurra.

#### Boating facilities

Maintenance of the current boat ramps in Kununurra and Wyndham was undertaken to ensure continued safe access the Shire's waterways. Staff have undertaken maintenance on the Anthon's Landing Jetty in Wyndham, including cleaning, graffiti removal, and greasing. The Shire also undertook work to add ballast to the floating pontoon.

### Management Waste Sustainably

The Shire manages two landfill facilities, one in Wyndham and one in Kununurra. The operational costs associated with operating these facilities are \$700,000 approx. to process and landfill 48,500m<sup>3</sup> of waste.

The Shire has in place a Waste Management Plan introducing a number of standard operating procedures and processes for landfill staff to follow to improve our environmental commitments.



The plan also includes a plan for the future closure of the facilities, when the capacity to accept waste is reached. The Shire is already actively looking at new sites for the future.

The Shire successfully applied for, and received an extension to the lifespan of the Wyndham Landfill facility. This is predicted to add another 40 years of operation to the facility at the current rate of waste disposal. The Shire also successfully applied for, and received a five year clearing permit to access a vacant block of land adjacent to the Kununurra Landfill facility, in order to access suitable clean fill materials for waste management practices, for the lifespan of the facility.

#### Refuse collection

The Shire continues to provide a weekly roadside bin collection services, and services approx. 3,000 bins each week through its main contractor.

Waste disposal is a major cost for the Shire and the community. During 2018/19 the costs to the Shire to provide a household refuse collection service was \$473,000 approx. Minimising waste by reducing, reusing and recycling, we could cut waste by up to 50 percent (WA Waste Strategy). Reducing waste also reduces litter, everything dropped can find its way to waterways, beaches and bush land harming our lands and environment. If each person changes the way they think and act, the production of waste can be reduced. The most effective way is to reduce waste before it becomes rubbish.

Wyndham and Kununurra Landfill sites now accept free domestic waste, as part of an initiative passed by Council to provide better value for rates and help reduce littering.

#### Keeping the Streets Clean



The Shire strives to ensure the local streets and parks are kept clean and tidy. The Shire engages a local contractor, Cleanaway (formally Toxfree), to undertake a daily litter removal service within Kununurra, which

# 2 Enhancing the environment

occurs between 4am - 6am.

Cleanaway also provide a street sweeping service (fortnightly or monthly dependent on location) of residential streets and commercial/industrial estates. These services cost the Shire \$362,000 annually.

In addition to the Cleanaway services, Shire depot staff undertake daily litter collection as part of the town maintenance program.

## Waste reduction (reduce, reuse, recycle)

The Shire continues to provide recycling options as part of the Waste Management Plan. The Shire offers chemical container recycling through the DrumMuster scheme, used car battery and fire extinguisher recycling, as well as used oil and an off-site tip shop delivered by Revive. The Shire also works closely with scrap metal merchants to collect and recycle scrap steel collected and separated at both landfill sites.

The Shire entered into an agreement with Techcollect, to establish an eWaste recycling opportunity, with eWaste collected from Kununurra and transported to Adelaide for processing.

The Shire also recycled 300 approx. used tyres, by engaging Tyrecycle to collect and transport tyres to

Perth for shredding, to be used as a commodity to manufacture other products.

## Goal 2.2

Provide sustainable public infrastructure that serves the current and future needs of the community

## Capital Works

### Roads and bridges

Through collaboration with Main Roads Western Australia, the replacement of Bridge 5116 located on Weaber Plain Road was completed with the replacement bridge having an increased load rating for future increases in heavy vehicle traffic.

Road works were undertaken on Nutwood Avenue and Rosewood Avenue precinct which included the intersection of Bauhinia and Leichhardt, Boab Street, Hakea Street and Sheoak Street.

Road widening works continued on Lake Argyle Road during the year.

### Footpaths and cycleways

During the year the Shire completed the installation of a new path along the Great Northern Highway in the Wyndham town centre.

New concrete footpaths were also installed at the following locations: Konkerberry Drive between Bloodwood Drive and Mango Street on Konkerberry Drive, Livistona Avenue, from Argentea Avenue to Setosa Pass, Kununurra

### Marine assets

Community consultation was undertaken to gauge community expectations for replacement of the Wyndham Boat Ramp Floating Jetty which included 4 designs including a fixed and floating options, additionally the Shire assessed funding options with the State Government's Department of Transport.

The Shire prepared plans and tender documentation for the installation of Cathodic Protection on Anthons Landing, Wyndham which was not included when constructed in 2011.

### Drainage

Significant drainage works were undertaken on Nutwood Avenue and Rosewood Avenue precinct. These works lowered the road, installed

## REDUCE

- Bulk buy when possible, but don't buy more than can be used
- Choose products with less packaging
- Choose products with reusable/recyclable packaging
- Carry reusable shopping bags and reuse containers over and over again
- Buy quality goods that will last



## REUSE

- Look for products in reusable, refillable or recyclable packaging when shopping
- Donate unwanted clothing, furniture and white goods to charities
- Enquire if goods can be repaired rather than replaced
- Hold a garage sale
- Use rechargeable batteries rather than single-use batteries

## RECYCLE

- Only recycle after trying to reduce and reuse
- Find out if you can recycle before putting it in the bin



## PLACE

underground drainage, to modernise and improve the flood routing.

The Shire also undertook drainage upgrades within the Kununurra town centre including a new drainage trench along Leichhardt Street between Konkerberry Drive and Bauhinia Street.

### Town Maintenance

Maintenance of Shire assets and community areas has continued throughout the 2018-19 financial year, with staff undertaking works across a wide variety of work areas including parks and gardens, urban and rural roads, kerb works, street signage and graffiti removal.



Footpath repairs, Hotel Kununurra

### Cemeteries

The Shire successfully installed a modern and respectful PVC fence around the Kununurra Cemetery site, and procured a second Kazuba Compost Toilet for installation in the 2019-20 financial year, to match the facility previously installed in Wyndham. The Shire also repaired and replaced the drinking water fountain at the Kununurra Cemetery.

Work to install a matching PVC fence at the Wyndham



Installing a new Polyvinyl Chloride (PVC) Plastic fence, Kununurra Cemetery

Cemetery (Six Mile) on the Great Northern Highway will commence in the 2019/20 financial year.

### Parks and Gardens

The Shire's Parks and Gardens teams in both Kununurra and Wyndham have worked all year to maintain the Shire's communal areas to a high standard, including the sports ovals and Celebrity Tree Park. They procured a grass catcher for the town mowers to increase the productivity and efficiency of oval maintenance and provide a better level of service to oval users.

## Goal 2.3

Make towns safe and inviting for locals and visitors

### Community Safety and Crime Prevention

#### Kununurra Wyndham Alcohol Accord

The Shire continued to host the Kununurra Wyndham Alcohol Accord and provide administrative support to the group. The Shire sees the Accord as a way to improve safety in the community, and promote effective communication and problem solving between licensees and key stake holders. The Shire on behalf of the Accord administered and funded the Takeaway Alcohol Management System (TAMS).

#### Safer Communities Funding - CCTV, lighting and Crime Prevention through Environmental Design

In 2017/18 the Shire was successful in their funding application to the Commonwealth Government's Safer Communities Fund for the provision and installation of CCTV and additional lighting in both Kununurra and Wyndham town centres. The amount awarded for Safer Communities Project is \$800,000. Installation of CCTV cameras and supporting infrastructure was undertaken during the 2018/19 year and is expected to be completed and operational during the 2019/20 year.

#### Community Safety Plan

A draft community safety plan has been developed and will be workshopped with the community in the next financial year. One of the major concerns of the community is the "youth on the streets", however the programs being developed and run through the collaboration of multiple agencies is having a positive

# 2 Enhancing the environment

## Make towns safe and inviting for locals and visitors

effect in this space.

### Town Safety

The Shire continues to engage with State and Federal government agencies with a view to addressing community safety concerns and to reduce crime. This includes a strong working relationship with Western Australian Police and addressing street present youth and supporting initiatives such as 'Operation Orange Sky' in Kununurra, and to link those initiatives to partnering organisations being Kununurra Waringarri Aboriginal Corporation and Wyndham Youth Aboriginal Corporation. The Shire has also supported activities run from the Shire's Youth Hub in Kununurra. Additionally, the Shire has been actively participating in interagency forums, particularly the East Kimberley District Leadership Group and the Children and Young People Priority Working Group, and supporting the Kununurra Empowering Youth (school holiday) program.



Shire's Road Safety Week event in White Gum Park, Kununurra

During the year, the Shire supported National Road Safety Week by holding a 'Drive so Others Survive' event in White Gum Park to raise awareness of the impact of road trauma and to help reduce the number of crashes due to unsafe roads and driving.



Cr Mat Dear attending the Shire's Road Safety Week event in White Gum Park, Kununurra

### **Building and Compliance**

The construction value of the 72 Building Permits (BA4) issued by the Shire for the year was \$21,217,330, which is reflective of a significant increase in construction works during this period.

In addition to the building permits, the following assessments, permits and certificates were issued:

- 51 Certificates of Design Compliance (BA3)
- 20 Demolition Permits (BA6)
- 5 Occupancy Permits (BA10)
- 3 Building Approval Certificate (BA14) – unauthorised/undocumented structures
- 1 Certificates of Construction Compliance (BA17)
- 9 Certificates of Building Compliance (BA18)

### Pool assessments

47 inspections for swimming pool security compliance (minimum four-year interval) were undertaken in compliance with the Building Regulations 2012.

### Major works

Building approvals issued for works in excess of \$1 million included:

- Community Swimming Pool and Amenities Building in Kalumburu
- Medical Centre in Kununurra
- Kununurra Neighbourhood House
- Internal alterations to Coles Supermarket Kununurra

### **Ranger Services**

The Ranger Services exist to initiate and implement enforcement of relevant legislation in accordance with Council policy and Local Government Acts to ensure the protection of amenities for the residents of the Shire. They ensure public health and safety through the provision of regulatory services.

At all times the Rangers promote Council's Customer Service Ethics by participating in a high standard of service to the community and the organisation and assist with the delivery of emergency services.

### Community awareness and education

Public information brochures have been developed and distributed regarding dog ownership, parking, bushfire control (prevention) and firebreak requirements within the Shire.

Rangers have conducted visits to different groups around the Shire providing information and guidance.

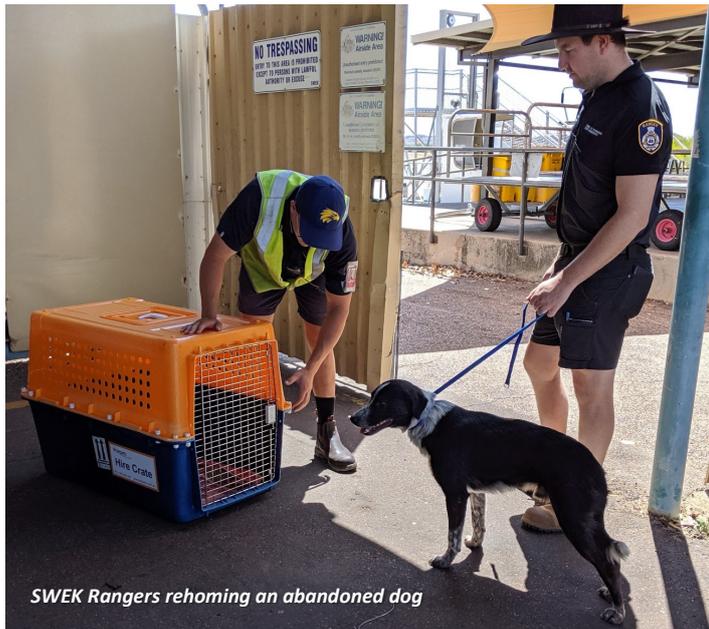


## PLACE

### Animal Management

Rangers support and promote a strong customer service focus, providing advice and information to staff and the general public on matters relating to Ranger Service functions and focusing on Animal Management throughout the Shire.

The Animal Management Facility was improved by installing a septic containment system, upgraded lighting and improving cage security, strength and capacity.



*SWEK Rangers rehoming an abandoned dog*

### Litter reduction

Ranger Services have continued their litter and rubbish management efforts with the identification, monitoring and enforcement of domestic dumping within the Shire.



*Girl Guides, Clean up Australia Day*

### Illegal camping and parking

Illegal campers were again a focus throughout the tourist season with many being asked to move on. Community intelligence was critical in the identification of key sites to patrol and enforce.

The regulation of parking continues to be a focus for Rangers. Areas of high levels of non-compliance were targeted with increased patrols. Efforts to educate the public on the laws applicable to different areas have increased especially during the tourist season.

### **Bushfire and Emergency Management**

More than 60% of bushfires in the Kimberley during 2018-19 were deliberate, suspicious, or caused by human activity. To help combat this issue, the Department of Fire and Emergency Services have developed a new school education program designed for the unique challenges posed by the harsh yet beautiful Kimberley environment. Developed in collaboration with local Aboriginal ranger groups and the Parks and Wildlife Service, the 'North West Bushfire Patrol' program provides teachers in the Kimberley region with geographically and culturally appropriate resources to teach students about bushfires and how to prevent them.

### **Environmental Health**

#### Environmental Health Assessments

The Shire's Environmental Health Services is responsible for monitoring aspects of the natural and built environment that may affect human health. This includes administering the Public Health Act 2016, the Health (Miscellaneous Provisions) Act 1911, the Food Act 2008, the Environmental Protection Act 1986 and the Caravan Parks and Camping Grounds Act 1995 and subsidiary legislation.

Assessments	2018/19	2017/18
Health assessments	52	24
Food Safety assessments	106	115
Public swimming pool sampling	279	279
Public event assessments	10	58
Septic systems approval for use	8	8

Premises bound by the Health (Miscellaneous Provisions) Act 1911, the Food Act 2008 include lodging houses, public buildings, public swimming pools and beauty and skin penetration establishments. These premises are subject to annual inspections to ensure that health and safety standards are maintained.

# 2 Enhancing the environment

## Make towns safe and inviting for locals and visitors

### Food safety assessments

Food businesses are bound by the Food Act 2008 and given a risk classification which determines their inspection frequency. This year saw an additional 11 new food businesses start up in the Shire, taking the number of registered businesses to 134; the majority of these are classified as medium risk. A total of 106 inspections were carried out to monitor food safety and hygiene in local food businesses and temporary food stalls set up at public events.

### Public Swimming Pool Sampling

In accordance with the Health (Aquatic Facilities) Regulations 2007, the Shire samples all public swimming pools monthly whilst the facilities are open for use. These samples are sent to Perth for microbial analysis to determine the safety of the water. In the 2018/19 financial year, 279 samples were collected. Of these, 5 re-samples were collected in response to unsatisfactory microbiological results requiring action. This included 5 samples positive for *Pseudomonas aeruginosa* and 1 sample positive for *Thermophilic Naegleria*.

### Mosquitoes

The Shire's Environmental Health Officers raise community awareness of the risk of mosquito's through a number of community awareness stands at

community events. In addition to these stalls, the Shire has been promoting the WA Department of Health's 'Fight the Bite' campaign. The three central messages are to: cover up, repel (using repellents), and to clean up areas around the home where mosquitoes can breed. This campaign is aimed at reducing mosquito-borne diseases that affect individuals and communities. This information can also be seen both through the Waringarri Radio Station, and at the Kununurra Picture Garden outdoor movies.

### Public events

The Shire ensures that public events that are held within the area pose minimal risk to public health and safety, and ensure they are operated to and within required standards. All public events are bound by the Health (Public Building) Regulations 1992 and are given a risk classification to determine the level of health and safety arrangements an organiser must comply with.

### Health Complaints Received

A total of 25 health complaints were received and investigated in 2018/19, with nearly half of these being in regards to excessive noise. This is very similar to the number of complaints received in the 2017/18 financial year.

Complaint Type	2018/19	2017/18
Noise	11	10
Mosquitoes	3	5
Waste	3	6
Food	5	1
Smoke	0	0
Odour	0	5
Pool	0	0
Asbestos	2	0
Housing conditions	1	1
Total complaints	25	28



### Strategic Land Use Planning

Local Planning Scheme 9 was approved and gazetted by the Minister for Planning in the second half of the reporting period concluding a 7 year wait. The new Planning Scheme combined the previous schemes for



## PLACE

Kununurra and Wyndham and now apply consistent planning controls across the entire Shire.

### Town Centre Planning

Throughout the year, preparations have been underway to develop a discussion paper addressing the Kununurra and Wyndham Town Centres. Community engagement sessions are expected to occur late 2019 and early 2020 to capture the community's thoughts and ideas on the Town Centres of both Kununurra and Wyndham. In the interim, Planning Officers prepared concept plans for the purpose of implementing a range of small project initiatives in both towns including improvements to:

- Swim Beach, Celebrity Tree Park and White Gum Park in Kununurra
- Big Croc park in Wyndham
- Wyndham foreshore area
- Conduct night-time assessments in Kununurra and Wyndham to determine safety issues and inform the placement of new CCTV and pedestrian lighting as a component of the Shire's Community Safety Plan.



Kununurra Town Centre

### High Quality Agricultural Land Study

Irrigated agriculture is a major contributor to the local economy and as population grows opportunities exist to meet future needs. To ensure the right decisions are made, governments require good quality information about the nature and distribution of these natural resources and their potential.

The Shire is undertaking a study to identify high quality agricultural land (HQAL) within the Shire that exhibits a

combination of qualities that are valuable to the agricultural industry and worthy of protection for production into the future.



Soil sampling by the Department for Primary Industries and Regional Development in the Ord Valley (2013 DAFWA)

### **Statutory land use planning**

58 Development Applications were processed and approved. This is an increase in the number of approvals issued in the previous year, which also resulted in an increase (26%) in the application fees received.

The majority of development approvals issued were for use and development within Kununurra and surrounds. The majority of development approvals issued (64%) were for residential use and development, with 20 (60%) of those applications being for home based business approvals or renewals.

The first Development Assessment Panel (DAP) application was processed for a prawn processing facility (Project Sea Dragon) in Kununurra, which represents a \$44 million investment in the municipality. The Shire also responded to a number of referrals from State agencies in relation to Crown land administration, subdivision applications and street numbering allocations as outlined below:

- Crown land administration advice (Department of Planning, Lands and Heritage) - 20
- Subdivision Referral Responses - 3
- Street Numbering Allocations (Total no. of properties, Landgate) - 24

## Economic Prosperity



For the Shire to be open for business with a growing and successful economy and jobs for all.

PROSPERITY

### 2018/19 CBP Action Summary

27 Actions



0 Completed



12 Commenced



9 Ongoing



2 Deferred



EKRA Aircraft movements

**8,455** ↓2%

2016/17: 8,945 | 2017/18: 8,630



EKRA Passenger numbers

**78,095** ↑12%

2016/17: 71,275 | 2017/18: 69,669



Wyndham Aircraft movements

**467** ↑14%

2016/17: 534 | 2017/18: 409



Building Approvals

**81** ↑12%

2016/17: 79 | 2017/18: 67

### Economic development



Planning Approvals

**58** ↑18%

2016/17: 39 | 2017/18: 49



Construction Value

**\$32.95m** ↑171%

2016/17: \$22.78m | 2017/18: \$12.16m

### Access to goods and services



Shire spend with local businesses

**\$3.55m**

2016/17: Unknown | 2017/18: Unknown



Percentage spend with local businesses

**19%**

2016/17: Unknown | 2017/18: Unknown

Businesses registered in the Shire

**1,032** ↑8%

2016: Unknown | 2017: 954



Businesses registered in Kununurra

**943** ↑9%

2016/17: Unknown | 2017/18: 863



Businesses registered in Wyndham

**84** ↓6%

2016/17: Unknown | 2017/18: 90

### Goal 3.1

To deliver the critical infrastructure that will create the conditions for economic growth across the Shire

#### Advocacy for economic development

The Shire continues to work closely with all industry sectors in the region to identify infrastructure and liveability priority projects in the region. This information is then utilised to approach governments (Federal and State) to seek support for critical infrastructure projects.

The Shire President and CEO have travelled to Canberra to meet with senior Ministers to outline the region's infrastructure shortfalls. Similarly, meetings have been held with senior Western Australian Government Ministers and bureaucrats to garner support for our priority projects. The Shire also continuously meets with prospective investors to discuss possible projects that can drive jobs growth in the region.

#### Economic Development Planning

While the Shire has identified infrastructure shortfalls and possible projects in the pipeline, the Shire needs to be ready for the development of support infrastructure in the region. Such infrastructure includes roads, workers camps, ICT, housing, liveability and social infrastructure. Careful planning also requires the Shire to ensure projects are delivered smoothly and avoid the development peaks and troughs we have experienced in the past. Also, Council is passionate about supporting local businesses to grow and prosper.

#### Economic Development Plan

The Shire is developing an Economic Development Plan (EDP) for the region, expected to be completed by mid 2020.

The Shire has a small rate base. It, therefore, has limited capacity to self-fund projects. The Shire relies on governments and investors to provide project funding. The Shire also will rely on utilising its own projects that are in the pipeline to drive our economic development and this will form the basis of the EDP. The purpose of this Plan is not set targets for growth, such as employment and/or growth targets.

Additional work that is likely to be developed after the completion of the EDP include:

- preparation of a Growth Plan for urban areas;
- preparation of a Workforce Development Plan;
- exploration of Cluster Development, particularly around the two export hubs of Wyndham Port and East Kimberley Regional Airport; and
- preparation of an Investment Attraction Plan.

#### Wyndham Port Logistics Study

The Port of Wyndham is a Western Australian Government asset. The port is the shipping port for the region and surrounding areas and more recently host to the operations of a luxury cruise operator.

There are a number of major projects in and around the region that are likely to commence operations in the medium to long-term e.g. Agrimin's phosphate mine, various resource projects, Seafarms Sea Dragon Project, and the cotton industry. Some of the proponents of these projects have identified Wyndham Port as their import/export hub. It is therefore vital that a study is undertaken of the Port infrastructure to understand who is likely to utilise the Port's facilities, volumes of goods to be moved through the Port, and identify infrastructure gaps.

The Shire is working with the East Kimberley Chamber of Commerce and Industry to secure government grants to undertake a logistics study of the Port.

#### **East Kimberley Regional Airport (EKRA)**

This year the Shire has engaged a number of private and public sector interests to progress planning for the long awaited extension and widening of the EKRA runway with upgrades to the RPT apron and associated taxiways included in this project. This vital project will see the EKRA upgraded in aircraft capabilities to a Code 4C aerodrome. This will enable 737 and A320 aircraft to be able to operate in and out of the EKRA to all destinations within Australia and the ability to enter into the burgeoning south east Asian markets. In turn, due to the efficiency of the larger aircraft, lower airfares may be achieved for the benefit of the local community.

To facilitate the progression of this project, detailed analysis documentation encompassing a business case and cost benefit analysis have been received, along with project design requirements to facilitate final preparation for the issuing of tender documents for the final design phase, to ensure that the project is

# 3 Economic Prosperity

shovel-ready in 2020 for progression to the final stage of funding negotiations.

Expansion of the RPT apron to facilitate extra aircraft is being costed to ensure the long term Airport requirements are being met. Extensions to the Western General Aviation Aircraft parking area is also being costed to enable local operators to grow with the Airport and provide extra aircraft parking for visiting aircraft to the EKRA.

The design phase for the upgrading of the Eastern General Aviation area is underway to enhance the pavement strength and improve drainage.

Vital replacement and upgrades to the RPT Apron lighting will see LED lighting installed, new switchboards and lighting poles to enhance visibility and improve safety on the aircraft movement area. This project is partly funded by the State Government with a 50% contribution to Stage 1.

Remediation works are underway for the improvement of the Runway grass strip areas to enhance the safety of aircraft. This project will be completed over a three year period.

## EKRA Property Management

Detailed design planning is being undertaken for the expansion and upgrading of the EKRA car park and surrounds. This will see larger and safer bus bays and a dedicated secure long term car park. Landscaping improvements will be undertaken with new plantings, shaded seating areas, improved crosswalks and sidewalks for pedestrian access.

Design and costings are being investigated for the extension of the fire hydrant systems, water, and electrical supply to allow for expansion of the western landside areas of the EKRA to enable commercial leasing opportunities to be made available as per the approved Airport Master Plan.

Land has been made available for expansion of the car rental companies to allow them to grow with the Airport. Secure vehicle parking areas will soon be made available for EKRA based aircraft operators.

## EKRA Security and Emergency management

There have been recent changes to Aviation security requirements in relation to screening of passengers utilising the EKRA. This will see the installation of a new scanner at the EKRA screening point which will require 50% of passengers to be screened by this process. The purchasing of this machine is being

funded by the Federal government and the applicable funding grant application has been submitted.

CCTV has been installed throughout the EKRA terminal building, car parking areas and airside to enhance the security and safety of staff, visitors, passengers and airside operations.

A Live Airport Emergency exercise was undertaken at the EKRA to test the validity of the EKRA Emergency Exercise Plan. All local and state emergency services took part in the exercise which was based around the largest aircraft that currently utilises the EKRA. The exercise is designed to test the response and capabilities of the emergency services, Airport staff, aircraft operators and tenants of the EKRA.

Security fencing upgrades at the EKRA are ongoing with 2.4 metre cyclone fencing being progressively installed to prevent unauthorised access to the Airside areas of the Airport.



## Wyndham Airport

### Wyndham Airport Operations

It was identified in 2018 that the primary lighting cable at Wyndham Airport was failing. Funding from RADS was sought and was successful with a \$45,000 allocation provided. Equivalent funds were drawn from the Airport reserve to facilitate this project. Works commenced in May 2019 and planned to be completed by September 2019.

### Wyndham Airport Property Management

Airbus have taken up residence at Wyndham Airport. The main hangar included in the lease has been refurbished by Airbus to meet Airbus operational requirements.

A temporary accommodation facility and 24 hour manned security has been established for the initial stages of the project.

2019 has seen the start of building rationalisation at Wyndham Airport. Once completed the asbestos free areas will be made available for lease. Stage 1 has



## PROSPERITY

been completed with the removal of the old Ord River Air building which was in extremely poor condition and contained asbestos.



### Goal 3.1

To be business friendly and the Shire of choice for inward investment in the Kimberley

#### Tourism

During the 2018 dry season, visitor numbers were down on 2017 figures. However, visitor numbers appear to be higher for the 2019 dry season. An analysis of the visitor numbers will not be undertaken until after the end of the 2019 dry season. The Shire is exploring ways to extend the tourist season and also to increase visitor numbers.

The critical infrastructure that will address both issues is the extension of the runway at the EKRA. Larger planes coming into EKRA is likely to reduce airfares and increase passenger movements.

Direct flights to Melbourne will commence as of May 2020 through to August 2020. This is a significant milestone for the Shire and will enable significant growth of the tourism market. The Shire has underwritten the trial flights with the intention that an analysis of the data captured during the trial period will lead to the service being a viable commercial proposition in the future.

#### Significant economic activity during the year

##### Project Sea Dragon

Seafarms Project Sea Dragon, a \$1.5b large-scale land-based prawn farm in the region, is continuing to move towards Final Investment Decision (FID). While the grow-out facility that encompasses 10,000 hectares of ponds at full production, is based at Legune Station in the Northern Territory, the processing plant will be located in Kununurra and was issued with development approval in 2019. The first harvest is expected to be in late 2021, should the project reach FID soon.

##### EKRA Export Centre

The Shire has been discussing with private developers the establishment of an export centre at the EKRA. Should this project become a reality, it could generate significant economic activity in the region by allowing perishable produce to be transported quickly to the Asian markets. This may also unlock considerable opportunities for the agricultural and horticultural sector to diversify their product range and also increase production of existing produce.

##### Panoramic Resources Ltd's Savannah Nickel Project

The company restarted its operations at Savannah Nickel, Mabel Downs after a period of care and maintenance. The first concentrate was shipped out of Wyndham Port in February 2019. Panoramic expects to ramp up production at the mine during 2019/20.

##### Great Northern Highway - Wyndham Upgrade

The \$56 million Maggie Creek to Wyndham section of the Great Northern Highway road upgrade was funded under the Northern Australia Roads Program. While the works were expected to be completed during the 2018 dry season, it was completed in the early part of the 2019 dry season. The project contractor was WBHO Infrastructure. The completion of this project provides a safer road network from Kununurra to Wyndham that improves economic development outcomes in the region.

### Goal 3.1

Develop and retain skilled people that business needs to succeed

#### Regional Price Preference Policy

The Council has a Regional Price Preference Policy in place to promote and support local businesses and the community by giving preferential consideration to Regional Businesses and Regional Content when considering the provision of goods and services via tender and quotation.

# Delivering Focus Area 4

## Civic Leadership



GOVERNANCE

*We will deliver Shire services to the community efficiently, and provide leadership and governance that is future thinking, transparent, accountable and relevant.*

### 2018 CBP Action Summary

**30** Actions



**13** Completed



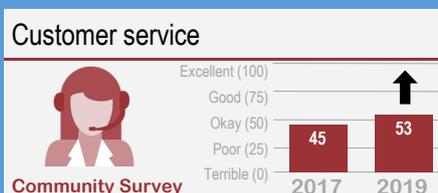
**3** Commenced



**2** Ongoing



**4** Deferred



<sup>^</sup> The Local Government Act 1995 s5.121 requires the Shire's complaints officer to maintain a register of complaints which records all complaints that result in an action under the Local Government Act s5.121 (6)(b) or (c).

## Goal 4.1

### Effective representation through advocacy at a regional, state and national level

#### Partnerships and Advocacy

August 2018, saw Council agree to support the development and implementation of an integrated model to address issues associated with Youth in Kununurra. This resulted in a partnership between the Shire and the Kununurra Waringarri Aboriginal Corporation (KWAC) for the engagement of a Youth Partnership Facilitator. The Shire contributes financially to this position (\$75,000) whose primary aim is to coordinate with key stakeholders and provide an 'alternative pathway' for at risk youth in conjunction with the activities directly being conducted by KWAC, Save the Children, WA Police and Juvenile Justice. The Deed of Agreement between the two parties was signed in April 2019, and the Youth Partnership Facilitator was engaged in May 2019.

In June 2019, the Shire accepted the offer of a variation to the Service Agreement for the Wyndham Youth Services for Young People at Risk, from the Department of Communities. The variation provided for a one year extension option from 1 July 2019 - 30 June 2020 with a further variation option to extend the Service Agreement for up to one year to 30 June 2021. This funding option allows for the continued employment of the Wyndham Youth Recreation Officer and is a vital service being provided to the Wyndham community, as well as to support the WYAC program and activities.

During the year the Shire submitted applications for various grants including Safer Communities, Regional Economic Development, Building Better Regions, WA Bike Network, etc. Letters of support for such grants included from the East Kimberley Chamber of Commerce and Industry, Hon Melissa Price (the then Minister for the Environment), Regional Development Australia, Kimberley Ports Authority, CGL Limited, and various community organisations.

As part of its advocacy role, the Shire met with senior Ministers in Canberra to champion many important projects in our region. The Shire also engaged with Western Australian Government Ministers and senior bureaucrats.

Advocacy by groups across the Kimberley has helped to secure the following State Government funding announced for the Kimberley:

- \$10 million to support development in the Ord

- \$900,000 to deliver the Kimberley Juvenile Justice Strategy to find alternatives to detention and services aimed at diversion
- \$20.1 million for the North West Drug and Alcohol Support Program to reduce the harm caused by alcohol and other drugs in the Kimberley, Pilbara and Mid-West
- \$9.2 million to establish comprehensive Alcohol and Drug Youth Centre in the Kimberley with residential rehabilitation, low medical withdrawal beds and a day program
- \$2 million for a new PCYC in Kununurra
- \$18.7 million to continue the Aboriginal Rangers Program over the next four years

#### Council representation on external committees

The Council actively represented the community and provided input to decisions affecting the Shire through membership the following committees not administered by the Shire:

- WALGA Kimberley Zone / Regional Collaborative Group
- Kununurra and Wyndham Alcohol Accord
- Kimberley Regional Road Group
- The Kununurra Community and School Library Committee
- Development Assessment Panels
- Disability Access and Inclusion Planning
- Kununurra Visitor Centre
- East Kimberley Marketing Group
- SWEK Roadwise Committee

## Goal 4.2

### Good decision making through engagement with the community

#### Communications Marketing and Media

In 2018/19 the Shire worked to improve the communications and marketing from the Shire to the community. It was recognised that sharing 'good news stories' with the residents of the Shire was important in improving the perception of the Shire by the community. This was achieved by developing a monthly external newsletter, with good news stories, upcoming events and other important information. The newsletter has helped to provide information in a new way and to gain further reach within our community.

# 4 Civic Leadership

## Good decision making through engagement with the community

We have recognised that a large portion of our community find and share their community information on social media, in particular Facebook. Therefore the Shire increased its Facebook presence from 260 posts to 350 posts per year, with a vision to increase this further in 2019-2020.

The Shire is also using the existing website, SWEK News, as published in the Kimberley Echo fortnightly, Instagram and LinkedIn to further communicate with the community.

With a communications and marketing strategy currently being developed, there will be significant improvements in this area, both internally and externally.

### Community Consultation

The community has insights, skills, knowledge and experience which are valued by Council. This community resource can be used to improve Council's outcomes.

Effective community consultation enhances democratic processes, good decision making and good management. Consultations undertaken during the year included:

#### 2019 Community Perceptions Survey

In February 2019, a survey using a Community Scorecard was undertaken by the Shire to better understand perceptions and priorities of our community and the Shire. The scorecard evaluated community needs and aspirations and has aided in the development of the Corporate Business Plan.

#### 2019 Corporate Business Plan

The community were invited to comment on and help influence the development of the 4 year Corporate Business Plan (CBP) covering 2019/20 to 2022/23. To assist the community in accessing and understanding the CBP, community forums were held for the public exhibition of the draft CBP in Wyndham and Kununurra. The forums allowed the community to view the Plan and provide feedback. The community provided comment on 70 of the 85 existing actions contained in the Draft CBP. A total of 212 responses to actions were received. 124 of these were positive and in favour of existing actions. 69 responses highlighted a need to refine an action and 19 responses indicated a dislike for an action.

#### Wyndham Transfer Station

The Shire undertook a community forum in Wyndham on 20th February 2018, whereby a small number of local residents, and Councillors attended. The Shire

explained the need for alternative waste management practices in Wyndham, due to the capacity of the facility, as well as the legislative and financial ramifications of developing a new landfill facility. The establishment of a transfer station was discussed, but was poorly received by the Wyndham community, with a preference for developing a new Landfill Facility being expressed by those in attendance. Community input will be considered by Council when determining future waste management in Wyndham.

#### Economic Development Plan

During the year, a discussion paper on the Economic Development Plan was released for comment. The discussion paper was prepared after considerable engagement with the business community and organisations such as the East Kimberley Chamber of Commerce and Industry, Indigenous organisations and government agencies. The Economic Development Plan is expected to be released during 2019-20.

#### Renewal of the Kununurra Leisure Centre Pools

The community was invited to comment on the Draft Kununurra Leisure Centre Redevelopment Design. Feedback was mostly positive with the community requesting more activities for children such as slides and water play.

#### Safer Communities CCTV Project

During the year, the Shire undertook community engagement on the Safer Communities CCTV Project. Community engagement occurred throughout the project, with initial stages of engagement taking place between September and November 2018. Community engagement focused on building awareness of the project in the lead up to the pole and camera installation.

At the start of the year the Shire engaged with Police in Kununurra and Wyndham to confirm camera placement. In Kununurra, Police requested coverage at the intersection of Weaber Plain Road and the Victoria Highway and the intersection of Tristania Street and Konkerberry Drive. The outcome of this engagement was that the design was modified to include coverage at these locations.

#### Carlton Hill Road

The Shire sought community comment on the de-gazettal of a portion of Carlton Hill Road, Kununurra. The change was requested by the landowner and pastoral lessee, Kimberley Agricultural Investments (KAI), with the intent that it will become a private road maintained and managed by KAI. Community raised concerns about access to fishing spots and access to



## GOVERNANCE

Cape Domett and Mijing Conservation Park. Further work on this matter will be undertaken during 2019-20.

### Strategic Community Plan

There were no changes to the Shire's Strategic Community Plan during the year.

### Corporate Business Plan

During the year the Shire reviewed the Corporate Business Plan that sets out the projects and services the Shire will deliver over a 4 year period to achieve the outcomes identified in the Strategic Community Plan. The review considered the feedback received from the 2019 community perceptions survey and to reflect any new opportunities and challenges that have been identified.

### Goal 4.3

Ensure a strong and progressive organisation delivering customer focused services

### Customer services

The Shire operates Customer Service Centres in Wyndham and Kununurra, which are staffed by professionals within their field. Over the past twelve months, the team has embraced a "continuous improvement" mindset and this has resulted in many incremental improvements to the customer experience. Ongoing professional training and skills development along with better supporting technology will further enhance the abilities of our customer service team and enable them to continue the delivery of high levels of customer service and administrative support.

In the 2018/19 the Shire undertook works to improve accessibility and the customer experience by renovating the Kununurra reception area. The improvements have made it easier for customers to visit us and have made the space compliant with the requirements for disability access, inline with the recommendations of the Disability Access and Inclusion Plan.

### Information Management

The Shire's Records Department underwent a transformation during 2018-19 in order to ensure that it can supply the services and functions that will be required at the end of 2020-21 when a digital approach to records management is due to come into effect. Now functioning as an Information Management Department, the past twelve months has seen a review of processes and procedures to ensure compliance with best practice

record keeping as well as identification of the required changes to achieve our target of digitisation by 2021.

Changes to inbound communication processing has seen an improvement in the Shire's response times to customer service requests whilst at the same time improving the Shire's ability to meet statutory requirements. Work completed over the past year has also identified records that should form part of the State Records Library archives and documents of historical value to the Shire.

Through the incremental implementation of improved Information Management System processes, policies and procedures, customers are already receiving some of the benefits in the form of increased productivity gains and better customer service outcomes.

### Information Communication Technology

While there remains many areas for improvement to ensure the community sees value for its rate investment, ICT staff are striving to work closely with Council and the community to upgrade ICT infrastructure and software to realise the community's aspirations.

Information and Communication Technology is a rapidly evolving field of endeavour and the work delivered during 2018-19 has brought the Shire to a more modern position. This better positions the Shire to be able to take advantage of emerging technologies as they become available.

Projects delivered during the year included:

- Replacement of computer and storage solutions to facilitate better availability of services and increased productivity through faster response times.
- Upgrade of remote connectivity applications to allow more reliable, more secure as well as faster access across the Shire's wide area network.
- Upgrade of the Audio-Visual equipment in the Council Chambers in both Wyndham and Kununurra to facilitate and improve remote participation by Councillors in meetings.
- The establishment of a Disaster Recovery Centre for the Shire to be able to guarantee business continuity in case of a major local disaster event.
- Support for the new CCTV infrastructure.

These projects, along with many other incremental

# 4 Civic Leadership

Ensure a strong and progressive organisation delivering customer focused services

changes in the delivery of ICT services to the Shire are enabling and supporting the delivery of many of the Shire's services to customers.

## Property management

The Shire continued to maintain Shire owned housing to attract and retain staff. Works were undertaken to ensure that the Shire houses retain their value and that they meet the basic needs of staff.

A review of staff housing was undertaken to identify future housing needs and identify the best value investment options.

## Our People

Shire employees are Council's most valuable resource. They are the primary means by which organisational goals are met and the Shire has made a commitment to manage, improve and develop staff resources efficiently and effectively.

Employees	2018/19	2017/18	2016/17
FTE (Full Time Equivalent)	99	99	96
Full time staff employed	94	82	89
Total number of staff	108	115	126

## CULTYR Scorecard

In March - April 2019, the Shire engaged Catalyse to undertake a Shire wide Staff Perceptions Scorecard, a process which delivered the additional benefit of having these results compared against other Local Governments participating in the scorecard process within WA.

The Scorecard Report was finalised in May 2019 with the below statistics of particular interest:

- 64% engagement rate
- 100% of responses rated the organisation positively as a place to work
- 30/42 areas tested performed on par or better when compared to the industry average

Priorities indicated a need to focus on the following key areas:

- Effective policies, directives, processes and systems
- Staff retention
- Training and development
- Team spirit and culture
- Recruitment process and attracting the right people

Having received these results, the Shire executives and management will continue to engage with staff to seek their suggestions as to what initiatives and actions they would like to see implemented in order to address those priority areas identified.

## Employee turnover rate

During the 2018-19 financial years the Shire had 43 employees join the Shire; and 46 employees leave the Shire. The turnover rate for the 2018-19 financial year was 40.5%. This is an 8.5% increase from the 32% staff turnover rate reported in the 2017/18 financial year.

## Recognising exemplary service

During the 2018/19 financial year, the Shire celebrated the below service achievements by staff:

- Jennifer Ninyette - Manager Planning and Regulatory Services - 10 years
- John Piercey - Asset Officer - 10 years

## Equity and Diversity

The Shire is committed to providing a workplace where all staff and volunteers are valued and respected. This means that the Shire will continually review its culture and procedures to ensure everyone feels safe.

Diversity Profile	Outdoor Workforce	Indoor Workforce
Employee count	20	89
Identify as female	10%	45%
Identify as male	90%	55%
Identify as Aboriginal	20%	-
People with disability	-	-
People with culturally and linguistically diverse background	-	-
Aged 24 years and under	10%	11%
Aged 45 years and over	50%	47%
EEO survey participation	80%	53%

During the year, the Shire completed an Equal Employment Opportunity (EEO) Survey. The table above is reflective of statistics submitted to the Director of Equal Opportunity in Public Employment as at 31 March 2019 and is representative of the staff based on relevant EEO data supplied.



## GOVERNANCE

Statistics relating to whether a staff member identifies as Aboriginal or being from a cultural and linguistic background are derived from completed surveys only. It is important to consider this on occasions whereby the percentage of staff that have completed and returned an EEO survey is less than 100%.

### Safety and Wellbeing

The Shire has made a commitment to provide employees with a safe working environment. As part of this commitment, the Shire employed a Safety and Wellbeing Officer in February 2019 which is a dedicated resource focused on the improvement of safety and facilitation of wellbeing related activities and events.

Occupational Safety and Health Representative training and Worksafe Registration was completed for all Safety Team Area Representatives following a successful nomination process undertaken with Staff. This nomination and training process underpinned the reformation of the Shire's Safety Team (previously referred to as the 'OSH Committee'), of which includes both Management and Area Representatives covering all workplaces within both Kununurra and Wyndham.

The newly created Safety Team held two meetings within the 2018/19 financial year.

#### Health and wellbeing

A variety of health and wellbeing initiatives are available to all employees through our Health and Wellbeing Program. These include flu vaccinations, skin screening, ergonomic assessments and healthy team activities.

Health and wellbeing program participation 18/19	
Skin screening	72
Flu vaccinations	56
Staff Leisure Centre Membership	20

## Goal 4.4 Sustainably maintain the Shire's financial viability

### Asset Management

#### Asset Management Plan review

During this period the Asset team reviewed the asset management plan based on the most recent fair

valuations to assist forward planning.

#### Asset renewal programs

An investigation and completion of design works for Bandicoot Drive, which included road and drainage works. This is to prevent ponding and standing water on Bandicoot Drive. Additionally, Infrastructure staff investigated footpath surface compliance to build on the asset condition database.

#### Roads and bridges renewal program

As part of an annual inspection program, an assessment was undertaken in relation to the condition of the Shire's unsealed road network to enable the grading program to be developed.

Works on Lake Argyle Road continued with Stage 2 and 3, this involved widening and culvert extension works between 0.42 to 5.15km.

#### Footpaths and cycleways renewal program

The Shire commenced the planning and researching grant funding options for the Kununurra shared path network.

#### Marine assets renewal program

Work to progress the upgrade of the Wyndham boat ramp and jetty continued, with designs for floating pontoons favoured over a fixed structure.

### Rates

There is a perception by some in the community that rates are unreasonably high and that they should be reduced in line with revaluations in the property market despite the cost of delivering local government services remaining the same. There are many reasons why rates in the Shire are high relative to the bigger Shires down South.

The first consideration is the very small rates base the Shire has. The Shire has a rates base of 2,768 rateable properties. By comparison, larger Councils have a much larger rates base. The City of Perth has a rates base of 18,734. This is relevant when one considers the cost of providing services. The Shire does not have the benefit of economies of scale. This is particularly relevant when considering the burden of maintaining the asset base. The average ratepayer in the Shire has a burden for maintaining its asset base that is approximately 68% higher than that of a ratepayer in Perth.

As a Local Government, the Shire has additional administrative costs compared to private enterprise.

# 4 Civic Leadership

## Sustainably maintain the Shire's financial viability

As the Shire deals with ratepayers and taxpayers funding it has to implement and abide by transparent processes such as procurement and recruitment. This is a cost that private enterprise does not necessarily have to bear.

The Shire's remote location also impacts the cost of doing business. Anecdotally, an often used phrase is one must allow for a '70% Kimberley Loading' when determining pricing. This has a basis in reality as the Shire has experience of loadings on Perth pricing to conduct capital works projects in the Shire. This is further evidenced by the costs of mobilisation in delivering capital works projects.

The Shire needs a certain quantum of funds to deliver the services that it is legislatively required to deliver and to ensure that the assets it owns are maintained in such a manner that they can continue to provide services for the community into the future.

The Shire has over the last three financial years attempted to critically analyse its cost structure and ensure that processes are effective and efficient. To this end, the Shire has transitioned from a budgeted operating deficit of \$6.6 million (M) in 2016/17 to an actual deficit of \$1.1M in 2018/19. This has allowed the Council to ensure that any rate increases are kept to a minimum and this is evidenced by a 1.2% rate increase in 2017/18 and 0% rate increase in 2018/19.

The Shire has a financial strategy in its Long Term Financial Plan to be a low rating Council. While 0% increases are desirable from the perspective of the ratepayer, they may be not financially sustainable in the long run unless there are significant increases in the rates base or further operational efficiencies found.

With respect to rates varying with property revaluations, since our rates base is very small a change in economic conditions can bring about volatile swings in property values as has been seen in the past. It is not good practice to either increase rates dramatically when property prices increase or vice versa. Good practice is to increase the yield from rates each year by the desired increment by adjusting the rate in the dollar as required.

Rates make up approximately 43% of operational funding sources for the Shire this year with the majority of funding coming from alternative sources including fees and charges and grants.

### Grant funding

During the year, the Shire worked to secure the

maximum grant funding available. Some grant funding the Shire receives is regular and Shire officers do not have to make application for it. Other grant funding is on application where the Shire competes for funding against other organisations. Not all funding applications are successful. The Shire received grant funding from the Federal Government, State Government of Western Australia and other statutory authorities set up under State Legislation. Some of the Federal grant income is routed via the State Government such as the Financial Assistance Grants and Western Australia Natural Disaster Relief and Recovery Arrangements.

The Federal Government provided support to the Shire in 2018-19 through:

- Financial Assistance Grants
- Roads to Recovery
- Safer Communities Fund
- Aboriginal Access Roads Grant
- Western Australia Natural Disaster Relief and Recovery Arrangements

Total funding received from the Federal Government in 2018-19 was \$10,386,780.

The State Government of Western Australia provides support to the Shire by way of grant funding through the following schemes:

- Regional Road Group Funding (Main Roads)
- Aboriginal Access Roads Grants
- State Local Road Black Spot Grant
- WA Bicycle Network Grant
- Commodity Freight Routes Grant
- Regional Airports Development Scheme Grants
- Lotterywest

Total funding received from the State Government in 2018-19 was \$1,258,509.

Other grant funding of \$6,000 provided support to the shire in 2018-19 through:

- Children's Book Council of Australia
- COTA Western Australia

### Financial Health Indicator

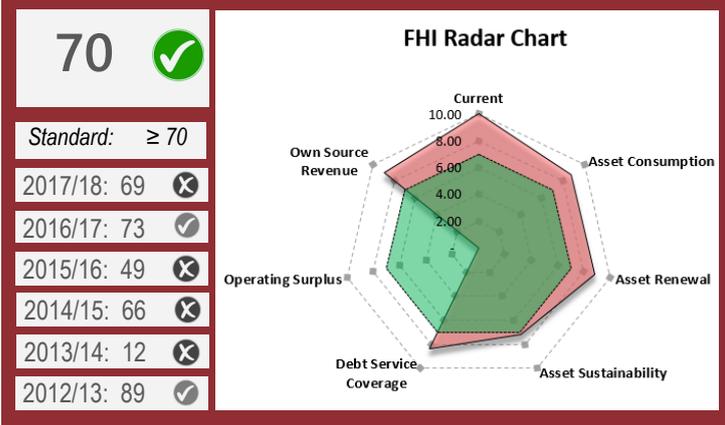
The Financial Health Indicator (FHI) is a measurement of a local government's overall financial health. It is calculated from the seven financial ratios that local governments are required to calculate annually. An FHI result of 70 and above indicates sound financial



GOVERNANCE

health. The maximum result achievable is 100. The FHI is one factor to consider in assessing overall performance. Other factors include: the range of services offered; efficiency of services delivered; and community satisfaction. A very high or low FHI may be a prompt for questions to be asked by the community about a local government’s revenue, expenses and service delivery.

2018/19 Financial Health Indicator Score



Financial Ratios

Under Western Australian legislation, local governments are required to report on seven financial ratios. For each ratio, a standard has been set as a benchmark for Councils to achieve. The ratios provide a measure of the financial sustainability of local governments and are reported across Australia.

Financial Overview and Summary

The Shire continued to deliver services and programs to the community through its 11 program areas. A

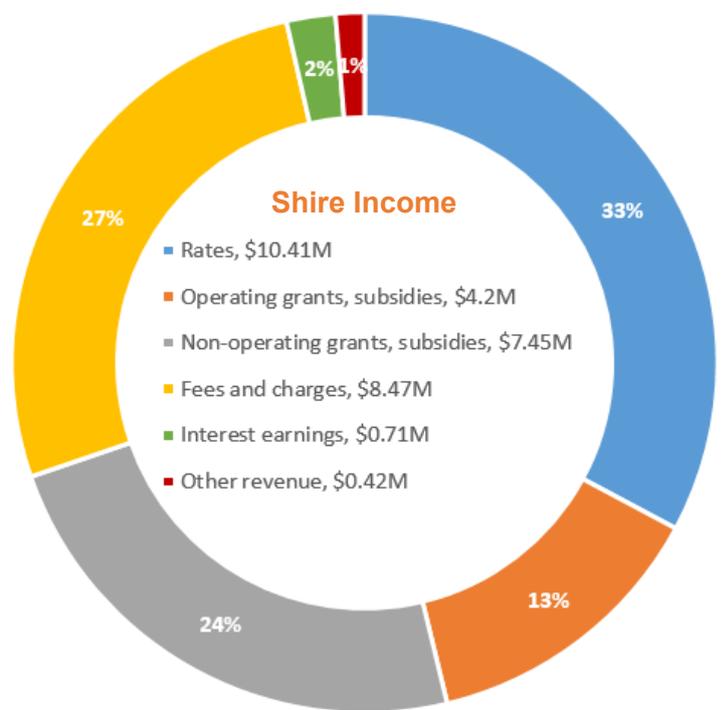
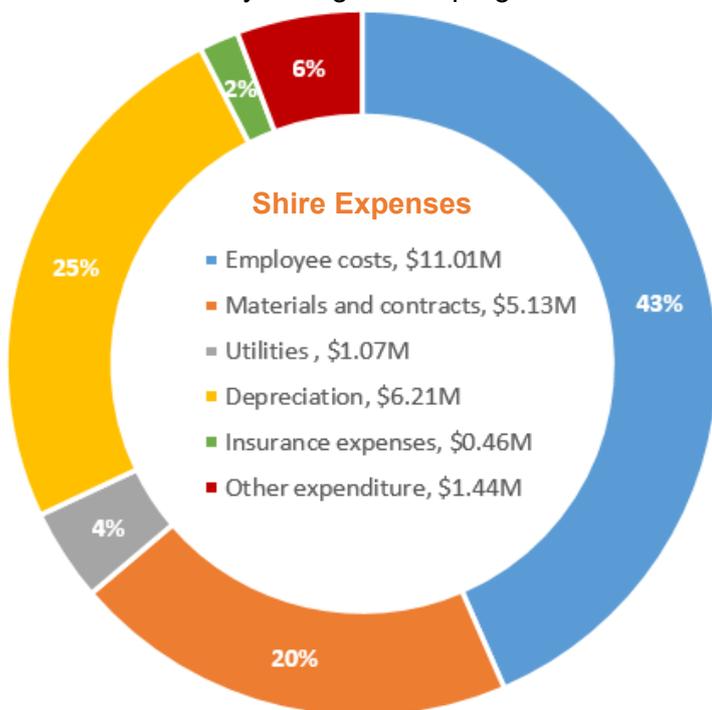
greater focus for the Shire has been in the Economic Development of the Shire and resources have been realigned with this goal in mind.

The Council approved an operational budget of \$26.6 M and a capital works budget of \$8.1M for 2018/19. The Shire incurred operating expenses of \$25.3M and capital expenditure of \$10.8M against the budget. An operating deficit of \$1.1M for the financial year was incurred against a budgeted deficit of \$4.9M. The improvement in operating results compared to budget was mainly due to grants received in advance amounting to \$1.9M (for use during 2019/20 financial year) and lower operating costs.

Operating costs were lower than budget mainly due to lower materials and contract costs and slightly lower employee costs and other expenditure. The Shire owns and maintains over \$289M worth of property, plant and infrastructure and re-values its assets to “fair value” on a rotational basis. The full impact of depreciation has been brought to account in the Financial Report resulting in a depreciation expense of \$6.2M which matched the budgeted amount of \$6.2M. The recorded amount of depreciation is regarded as sufficient provision for the renewal and replacement of assets when they fall due. No revaluation of infrastructure assets took place this financial year.

Rates generated approximately 43% (17/18-44%) of operating revenue and 35% (17/18-33%) of operating revenue was from fees and charges.

The Shire’s internal (cash) reserves (funds for specific



# 4 Civic Leadership

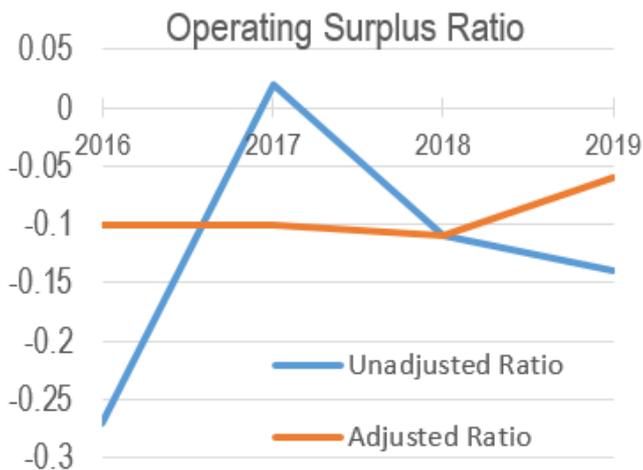
## Sustainably maintain the Shire's financial viability

purposes) were valued at \$15.6M.

### Operating deficit/surplus

2018/19 recorded an operating deficit of \$1.1M compares favourably with the budgeted deficit of \$4.9M and the prior year deficit of \$1.9M. The improvement on the budget deficit was mainly due to grants received in advance and lower overall expenditure.

[Integrated Planning and Reporting \(IPR\) Advisory Standard](#), published in 2016, requires the Shire to have an Operating Surplus Ratio greater than 0%. Shire recorded an unadjusted ratio of -0.14 compared to a ratio of -0.11 and 0.02 in the previous two years. The Shire considers that for this ratio to be meaningful the calculation needs to include adjustments for the variation in payment of [Financial Assistance Grant to Local Government](#) (FAG) as well as an adjustment for the one off write off of assets that have been renewed. The directive from the Office of the WA Auditor General for the calculation of this ratio is not to include or report on adjusted ratios in the financial report. The IPR Advisory Standard states that the operating surplus ratio is "a measure of the Shire's ability to cover its operational costs and have money left for capital projects."



In 2016-17 an advance payment of FAG artificially inflated the ratio from -0.1 to +0.02. In 2018-19 the calculation includes a \$1.5M one off write off for a bridge upgrade. The Shire considers this to be of a capital nature and should be excluded in determining this ratio on operating performance. It should be noted that the funding for the replacement of this asset is from grant funding which is excluded from the calculation of the ratio. Furthermore in calculating the ratio the Shire cannot offset any revaluation surplus that relates to the "loss on disposal".

The Shire believes that the operating surplus for 2018/19 should be -0.6, if it were allowed to make the necessary adjustment. Then by adjusting for the advanced payment of FAG's in prior years it will show that the ratio is improving over the four year time horizon showing -0.11 in 2017-18 and -0.09 and -0.10 in each of the previous two years. The unadjusted ratios show a volatile negative trend which is not reflective of the true situation.

For long term sustainability purposes the Shire needs to produce an operating surplus before capital items so that the regular costs incurred in its normal day-to-day operations are less than revenue received. Significant progress has been made to this end. Management continues to consider this imbalance to be mostly structural between capital and revenue items. This has been partially addressed with further actions to be taken in the 2019-20 financial year. The Shire is committed to ensuring that this will continue to be addressed over the long term planning period to ensure that any changes made are incremental and permanent. The Long Term Financial Plan that is to be updated and re-adopted by Council 2019-20 will reflect the plan to achieve this.

### Liquidity Ratios

The benchmark for the Current Ratio is met if this ratio is 1:1 or greater. The Shire's unrestricted Current Ratio, which is a measure of our capacity to satisfy short-term obligations is 1,79:1, and is within the benchmark set by the Integrated Planning and Reporting Advisory Standard. It should be noted that this ratio is a picture at one point in time and at the stage when the Shires cash position is at its lowest ebb during the financial year.

The Shire's debt management is significantly ahead of standard which has been set at 2 or greater. The Debt Service Cover Ratio achieved was 3.35 against a benchmark of 2 or greater. This means the Shire's operating surplus before interest and depreciation (cash surplus) covers interest cost 3.35 times. The Shire's Own Source Revenue Coverage Ratio was 0.73 which reduced slightly but still remained within standard of between 0.4 and 0.9. This means the Shire's own source revenue is able to cover 73% its operating expenditure.

### Asset Sustainability Ratio's

The Shire achieved an Asset Sustainability Ratio of 0.92 against a benchmark of 0.90. In 2016/17 ratio of 0.31 was a result of weather events that affected the



## GOVERNANCE

capital works program in that year. This ratio is best considered by examining the three year average. The average for the three years is 0.94 which exceeds the renewal benchmark of 0.90. The Shire meets the required standard and is ensuring that its stock of assets are being renewed on the basis to ensure that they will provide services in future years.

The Asset Consumption Ratio achieved was 0.65 against a benchmark of 0.70 or greater. This ratio is an expression of how new the Shire asset stock is on average. Shire officers have made significant progress improving the quality of data relating to infrastructure assets. The ratio of 0.65 better reflects the status of the Shire's assets and the importance of prioritising renewal works over new.

The ratio has improved against the prior year recording of 0.70 mainly due to the significantly high renewal capital works program delivered in 2017/18 compared to the prior year, and the revaluations done in 2017/18.

Since 2016/17 the Shire has been able to calculate an Asset Renewal Funding Ratio because Council adopted the Long Term Financial Plan 2017-2027 and an Asset Management Plan. The ratio of 0.96 recorded in 2018/19 means that at the present the amount of funds provided for in the Long Term Financial Plan is approximately the amount that is needed per the Asset Management Plan. The ratio is the best estimate that can be produced at this time before a detailed forward capital works program is produced and integrated into the Long Term Financial Plan. Once this has been done we fully expect the ratio to remain in the required range of 75% - 95% to meet the standard. While the financial indicators reflect that the Shire in a stable financial position, it will continue to face a number of financial challenges in the years ahead. These include developing new sources of revenue other than rates to fund ongoing operations, dealing with reducing grant opportunities for new asset construction and funding asset renewal and replacement programs. These issues will be addressed through the Long Term Financial Plan. The Long Term Financial Plan is a guiding document that will ensure that the day to day operations of the Shire are funded from sustainable revenue sources. In order to maintain essential infrastructure assets (roads, footpaths, drains, community buildings, and so on) at a satisfactory condition, detailed future capital works programs need to be integrated into the Long Term Financial Plan. This is expected to be achieved in the revised Long Term Financial Plan to be delivered in the 2019-20 financial year.

## Financial Ratios

Current Ratio **1.79**

Standard:  $\geq 1.00$

A measure of the Shire's ability to meet short-term financial obligations with funds it can access quickly

2016/17: 0.98 | 2017/18: 1.22

Asset Consumption Ratio **0.65**

Standard:  $\geq 0.50$

A measure of the condition of physical assets, by comparing their age with their replacement cost.

2016/17: 0.59 | 2017/18: 0.70

Asset Renewal Ratio **0.96**

Standard:  $\geq 0.75$

A measure of the Shire's ability to fund asset renewal and replacements in the future.

2016/17: 0.90 | 2017/18: 0.87

Asset Sustainability Ratio **0.92**

Standard:  $\geq 0.90$

A measure of the extent to which Shire assets are being replaced as they reach the end of their useful lives.

2016/17: 0.31 | 2017/18: 1.61

Debt Service Cover Ratio **3.35**

Standard:  $\geq 2.00$

A measure of the Shire's ability to repay its debt based on how much cash it can access compared its debt obligations.

2016/17: 5.97 | 2017/18: 3.68

Operating Surplus Ratio **-0.14**

Standard:  $\geq 0.01$

A measure of the Shire's ability to cover its operational costs and have money left for capital projects and other purposes.

2016/17: 0.02 | 2017/18: -0.10

Revenue Coverage Ratio **0.73**

Standard:  $\geq 0.40$

A measure of the Shire's ability to cover its operating costs through revenue it generates itself.

2016/17: 0.76 | 2017/18: 0.74

# The Year Ahead 2019/2020

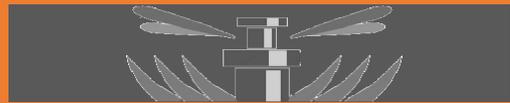
## Highlights for the year ahead

With defined resources there is a growing need to deliver services that meet the needs and expectations of the community while reducing pressures on rates revenue.

The Shire is focusing on the things that will make a difference to support the focus areas, goals and the associated community outcomes of the Strategic Community Plan.

Work to reduce the likelihood of alcohol related harm

(#405)



Parks and Gardens Reticulation Upgrade

\$453k Investment in footpaths and Shared Paths

(#277, #395)



Work in partnership to deliver a Youth Model to reduce the prevalence of street present children (#347, 349)

CCTV system in Shire towns to detect and help reduce crime

(#401)



Tree Planting to create shade in towns

(#314)

East Kimberley Runway Extension funding

(#237)



Direct flights to Melbourne trial

(#226)

# CBP Action Identification (ID) number

## Shire Priorities - Longer Term

1	<ul style="list-style-type: none"> <li>• Refurbishment and upgrade of the Kununurra Leisure Centre (#448)</li> <li>• Manage and promote youth services and program delivery (#349)</li> </ul>
2	<ul style="list-style-type: none"> <li>• Investment in the Shire road and footpath network</li> <li>• New Shire landfill site (#379)</li> </ul>
3	<ul style="list-style-type: none"> <li>• East Kimberley Regional Airport runway extension (#237)</li> <li>• Advocate for a second Ord River crossing to secure National Highway One freight link between Darwin and Perth (#250)</li> </ul>
4	<ul style="list-style-type: none"> <li>• Develop Customer focused services</li> <li>• Review the appropriateness and effectiveness of Shire's systems and procedures and implement corrective actions (#164)</li> </ul>



# STATUTORY REPORTS

## FREEDOM OF INFORMATION

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

Number of FOI applications made	3
Number of successful applications	3
Number of applications cancelled	0

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 <http://foi.wa.gov.au/>.

This Information Statement can be accessed through the Shire of Wyndham East Kimberley's website at [www.swek.wa.gov.au](http://www.swek.wa.gov.au).

## RECORD KEEPING STATEMENT

The Shire of Wyndham East Kimberley, as a Local Government Authority, is required under the State Records Act 2000 to provide an annual report, as outlined in the Record Keeping Plan.

The Shire continued its commitment to recordkeeping in line with legislative requirements. The Shire's current Recordkeeping Plan 2017(RKP) outlines the processes for the capture, management and disposal of records in accordance with the requirements of the State Records Act and is approved by the State Records Commission until 30 August 2022 by which time it is required to be formally reviewed.

The focus for the Shire's Records Department over the 2018-19 financial year has been the development of policy, processes and procedures to support the Shire's aspirational goal of moving to a digitised record keeping methodology by the end of 2021-22. This work has progressed well and will continue over the foreseeable future.

The Shire is committed to ensuring we meet the requirements of the record keeping plan through ongoing review of staff capability in this field and providing information and training sessions on an ad-hoc basis as and when required. Training is conducted by internal and external sources to meet the identified training or informational requirement.

The following performance indicators have been developed to measure the efficiency and effectiveness of the Shire's recordkeeping systems:

- Reports on records with 'outstanding' status
- Regular checks on electronic copies of records entered by non-records staff
- Daily incoming and outgoing correspondence monitoring

## REGISTER OF COMPLAINTS

The *Local Government Act 1995 s5.121* requires the complaints officer of the Local Government to maintain a register of complaints which records all complaints that result in an action under the *Local Government Act s5.121 (6)(b) or (c)*.

The register of complaints is to include, for each recorded complaint:

- Name of Council Member about whom the complaint is made;
- Name of the person who makes the complaint;
- A description of the minor breach that the standards panel finds has occurred; and
- Details of the action taken under LGA s5.110 (6)(b) or (c)

In the financial year ending 30 June 2018 no complaints were entered into the Register of Complaints under Section 5.121 of the *Local Government Act 1995*.

The Shire maintains a separate register for misconduct complaints made against Staff in which 10 complaints were recorded.

## PUBLIC INTEREST DISCLOSURE

The *Public Interest Disclosure Act 2003* facilitates the disclosure of public interest information, and provides for the protection of those making such disclosure and those who are subject of the disclosures. The Act provides a system for the matters disclosed to be investigated and for appropriate action to be taken.

There were no Public Interest Disclosures made to the Chief Executive Officer.

## DELEGATIONS REVIEW

In accordance with Section 5.46 of the *Local Government Act 1995* a review was undertaken of the Shire's Delegations Register during this period.

## PRIMARY AND ANNUAL RETURNS

In accordance with Section 5.75 and 5.76 of the *Local Government Act 1995* all relevant persons lodged an Annual Return by the due date of 31 August 2019 and a primary return within 3 months of their start date.

## NATIONAL COMPETITION POLICY STATEMENT

The Federal and State governments have a Competition Principals Agreement in place, which is binding on local government. The Agreement requires the Shire to carry out a number of procedures and include a report on the matter in each year's Annual Report. The three areas that affect local government are:

1. **Competitive neutrality** To remove benefits (and costs) which accrue to government business as a result of their public ownership.
2. **Structural reform** Local government is required to reform the structure of publicly owned monopoly businesses where it is proposed to introduce competition.
3. **Legislation review** To review legislation that restricts competition. The full requirements of the package are contained in a statement issued by the Department of Local Government, Sport, and Cultural Industries. Competitive Neutrality

### Competitive neutrality

Local Governments are required to apply the principle of competitive neutrality to all business activities generating user-pays income. 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.

Within these criteria the Shire makes the following disclosure for the reporting period with respect to Competitive Neutrality:

- The Shire does not operate a business enterprise that has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or Public Financial Enterprise;
- The number of activities to which competitive neutrality principles have been considered but not applied in the reporting period is: One (1) – East Kimberley Regional Airport. A study into the operations of the East Kimberley Regional Airport concluded that competitive neutrality not be applied. Council will continue to monitor the benefits of applying competitive neutrality on an ongoing basis.
- During the reporting period the Shire did not receive any complaints or did not become aware of any allegations of non-compliance with the competitive neutrality principles made by a private entity against the Shire;
- The Shire continues to monitor Council Policies and Local Laws for anti-competitive practices.

### Structural reform

In this area, Council has no monopoly activities.

### Legislation review

Council has a portfolio of local laws (previously known as by-laws) which may or may not conflict with the Competition Principles Agreement. These local laws will be reviewed to ensure compliance with the reporting requirements.

Section 3.16 of the Local Government Act 1995 requires that all of the Local Laws of Local Government must be reviewed within an eight year period after their commencement to determine if they should remain unchanged or be repealed or amended. There were no local laws reviewed in 2019

## DISABILITY ACCESS AND INCLUSION PLANNING

The [Disability Services Act 1993](#) was amended in December 2004, creating a requirement for the Shire to:

- maintain a Disability Access and Inclusion Plan (DAIP)
- address seven specific outcome areas within the plan
- report to annually on progress against actions within the plan

The Shire's Disability Access and Inclusion Plan is a key strategic document, outlining the Shire's approach to working towards a more accessible and inclusive community. While it is a statutory requirement for the Shire to maintain and implement a DAIP, direct community benefits also result from the Shire's commitment to access and inclusion.

The table below indicates the outcome areas where strategies/initiatives were planned, as well as the strategies/ initiatives completed.

Outcome Area	Initiatives planned	initiatives Completed
1 Services and Events	3	3
2 Buildings & facilities	2	2
3 Information	3	0
4 Services	3	1
5 Complaints	2	0
6 Consultation	3	2
7 Employment	8	0
<b>Total actions</b>	<b>24</b>	<b>8</b>

## ANNUAL SALARIES

The *Local Government Act 1995* requires Council to provide the number of employees who are entitled to an annual salary of \$100,000 or more and to break those employees into salary bands of \$10,000. For the period under review, the Shire had 17 employees whose salary exceeded \$100,000.

Salary Range	2018/19	2017/18
\$100,000 and \$109,999	2	3
\$110,000 and \$119,999	6	3
\$120,000 and \$129,999	5	1
\$130,000 and \$139,999	0	1
\$140,000 and \$149,999	0	0
\$150,000 and \$159,999	0	0
\$160,000 and \$169,999	0	0
\$170,000 and \$179,999	0	0
\$180,000 and \$189,999	0	3
\$190,000 and \$199,999	1	0
\$200,000 and \$209,999	0	0
\$210,000 and \$219,999	2	0
\$250,000 and \$259,999	0	0
\$270,000 and \$279,999	1	1
<b>Total Staff over \$100,000</b>	<b>17</b>	<b>12</b>

## COUNCILLOR TRAINING

Mandatory Councillor training will commence for the newly elected candidates in the late part of the year. Councillors completed sufficient training in the 17/18 Calendar year. No Councillor training was required in the subsequent year.

## COUNCIL MEETINGS HELD

In 2018/19, 11 Ordinary Council Meetings, 11 Agenda Briefings, 1 Special Council Meeting, 1 CEO Evaluation Committee Meeting, 4 Audit (Risk and Finance) Committee Meetings and 1 Annual Electors' Meeting were held.

## COUNCIL COMMITTEES

Council operated one Committee of Council during the year. The Audit (Finance and Risk) Committee which has been delegated by the Council to meet annually with the Shire of Wyndham East Kimberley's auditors.

### Audit (Finance and Risk) Committee

Each local government is required to have an Audit Committee to exercise the powers and discharge the duties conferred on it. The Council's Audit (Finance

and Risk) Committee's Terms of Reference as endorsed by the Council outlines the duties and responsibilities of the Committee. In addition to this legislated purpose, the Audit (Finance and Risk) Committee provides guidance and assistance to the Council in relation to:

- Financial Management
- Risk Management
- Internal Controls
- Legislative Compliance
- Internal and external audit planning and reporting.

### Other Committees:

Shire Councillors were also appointed to and attended the following committees that have no standing delegations and decision making authority. Their meetings are therefore closed to the public.

### CEO Review and Selection Panel

The CEO is employed by the Council and the performance of the CEO is to be reviewed at least once in relation to every year of employment. Division 4 of the *Local Government Act 1995* s5.36 gives guidance to Councillors on the employment of a CEO and s5.38 indicates that an annual review must take place. CEO Review committee members in 2018/19 were Cr Menzel (President), Cr Brook and Cr Lodge.

## COUNCILLOR MEETING ATTENDANCE

Meeting Attendance By Councillors - July 2018 to June 2019.

Elected Member	Briefing Sessions	Ordinary Council Meeting	Special Council	Electors Meeting	Audit Committee	Sitting Fees, & allowances
D Menzel President	10	10	1	0	1	\$67,897
T Chafer Deputy President	9	11	0	1	4	\$29,531
N Brook	9	11	0	0	0	\$18,499
M Dear	9	11	1	1	0	\$18,499
J Farquhar	10	10	1	1	2	\$18,499
G Lodge	9	10	1	0	3	\$18,499
M McKittrick	8	8	1	0	3	\$18,499
D Pearce	9	10	1	1	0	\$18,499
A Petherick	9	10 (*1)	1	0	0	\$18,499

\*LoA = Approved Leave of Absence

**\$226,921**

# Annual Report

July 2018 to June 2019

## Audited Annual Financial Report

For the year ended 30th June 2019



**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

**TABLE OF CONTENTS**

Statement by Chief Executive Officer	2
Statement of Comprehensive Income by Nature or Type	3
Statement of Comprehensive Income by Program	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Rate Setting Statement	8
Notes to and forming part of the Financial Report	9
Independent Auditor's Report	52

**COMMUNITY VISION**

To be a thriving community with opportunities for all.

Principal place of business:  
20 Coolibah Drive  
Kununurra, 6743, WA

**SHIRE OF WYNDHAM EAST KIMBERLEY  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Shire of Wyndham East Kimberley for the financial year ended 30 June 2019 is based on proper accounts and records to present fairly the financial position of the Shire of Wyndham East Kimberley at 30 June 2019 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 8th day of November 2019



---

Chief Executive Officer

Carl Askew

---

Name of Chief Executive Officer

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

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
<b>Revenue</b>				
Rates	22(a)	10,407,546	10,426,634	10,440,859
Operating grants, subsidies and contributions	2(a)	4,203,340	2,374,374	4,208,107
Fees and charges	2(a)	8,469,406	7,957,001	7,801,522
Interest earnings	2(a)	705,564	514,184	441,675
Other revenue	2(a)	422,895	432,986	545,444
		24,208,751	21,705,179	23,437,607
<b>Expenses</b>				
Employee costs		(11,015,505)	(11,427,688)	(11,119,700)
Materials and contracts		(5,130,680)	(6,119,538)	(4,810,387)
Utility charges		(1,074,156)	(979,078)	(1,011,892)
Depreciation on non-current assets	11(b)	(6,208,292)	(6,144,866)	(6,481,995)
Interest expenses	2(b)	(173,805)	(203,746)	(221,627)
Insurance expenses		(455,065)	(463,520)	(459,096)
Other expenditure		(1,262,451)	(1,305,961)	(1,317,386)
		(25,319,954)	(26,644,397)	(25,422,083)
		(1,111,203)	(4,939,218)	(1,984,476)
Non-operating grants, subsidies and contributions	2(a)	7,446,949	8,108,635	11,800,587
Profit on asset disposals	11(a)	45,197	45,876	35,045
(Loss) on asset disposals	11(a)	(1,478,389)	(135,649)	(139,125)
Assets written off	9(a)	(233,320)	0	0
		5,780,437	8,018,862	11,696,507
<b>Net result for the period</b>		<b>4,669,234</b>	<b>3,079,644</b>	<b>9,712,031</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	0	0	11,452,649
<b>Total other comprehensive income for the period</b>		<b>0</b>	<b>0</b>	<b>11,452,649</b>
<b>Total comprehensive income for the period</b>		<b>4,669,234</b>	<b>3,079,644</b>	<b>21,164,680</b>

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

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

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
<b>Revenue</b>				
	2(a)			
Governance		19,634	47,551	39,708
General purpose funding		14,894,134	12,889,615	14,605,919
Law, order, public safety		423,094	468,486	468,764
Health		70,002	85,000	83,989
Education and welfare		12,026	11,500	11,575
Housing		124,885	146,280	130,631
Community amenities		3,017,733	2,895,441	2,978,350
Recreation and culture		669,520	671,484	745,001
Transport		4,783,067	4,365,322	4,189,940
Economic services		80,869	89,500	52,188
Other property and services		113,787	35,000	131,542
		24,208,751	21,705,179	23,437,607
<b>Expenses</b>				
	2(b)			
Governance		(671,454)	(750,383)	(895,522)
General purpose funding		(289,491)	(298,312)	(163,417)
Law, order, public safety		(1,076,663)	(1,156,524)	(1,127,766)
Health		(256,605)	(289,036)	(318,817)
Education and welfare		(119,656)	(153,528)	(147,164)
Housing		(392,227)	(461,179)	(454,659)
Community amenities		(4,029,288)	(4,726,795)	(4,225,016)
Recreation and culture		(6,187,733)	(6,647,380)	(6,372,303)
Transport		(10,487,126)	(10,490,358)	(9,824,582)
Economic services		(714,337)	(591,999)	(460,004)
Other property and services		(921,569)	(875,157)	(1,211,206)
		(25,146,149)	(26,440,651)	(25,200,456)
<b>Finance Costs</b>				
	2(b)			
Governance		(96,789)	(115,596)	(116,727)
Education and welfare		(4,925)	(7,107)	(9,589)
Housing		(1,255)	(1,561)	(2,790)
Community amenities		(57,987)	(60,671)	(67,680)
Recreation and culture		(4,249)	(9,787)	(15,195)
Transport		(8,600)	(9,024)	(9,646)
		(173,805)	(203,746)	(221,627)
		(1,111,203)	(4,939,218)	(1,984,476)
Non-operating grants, subsidies and contributions	2(a)	7,446,949	8,108,635	11,800,587
Profit on disposal of assets	11(a)	45,197	45,876	35,045
(Loss) on disposal of assets	11(a)	(1,478,389)	(135,649)	(139,125)
Assets written off	9(a)	(233,320)	0	0
		5,780,437	8,018,862	11,696,507
		<b>4,669,234</b>	<b>3,079,644</b>	<b>9,712,031</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	0	0	11,452,649
<b>Total other comprehensive income for the period</b>		<b>0</b>	<b>0</b>	<b>11,452,649</b>
<b>Total comprehensive income for the period</b>		<b>4,669,234</b>	<b>3,079,644</b>	<b>21,164,680</b>

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 30TH JUNE 2019**

	NOTE	2019 \$	2018 Restated *	1 July 2017 Restated *
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	3	5,284,573	11,298,651	13,133,899
Trade receivables	5	1,963,979	2,028,203	1,791,724
Other financial assets at amortised cost	8	13,728,574	7,581,042	3,840,463
Inventories	6	14,378	8,732	14,702
Other current assets	7	599,060	826,835	466,855
<b>TOTAL CURRENT ASSETS</b>		<b>21,590,564</b>	<b>21,743,463</b>	<b>19,247,643</b>
<b>NON-CURRENT ASSETS</b>				
Trade receivables	5	31,206	29,574	22,773
Other financial assets at amortised cost	8	33,350	43,187	6,682
Inventories	6	46,283	46,283	46,283
Property, plant and equipment	9	54,645,568	55,437,379	56,274,236
Infrastructure	10	234,049,131	230,596,711	210,587,318
<b>TOTAL NON-CURRENT ASSETS</b>		<b>288,805,538</b>	<b>286,153,134</b>	<b>266,937,292</b>
<b>TOTAL ASSETS</b>		<b>310,396,102</b>	<b>307,896,597</b>	<b>286,184,935</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	13	1,459,835	2,969,632	1,658,300
Borrowings	14	779,306	903,767	1,042,515
Employee related provisions	15	1,261,280	1,055,023	981,564
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,500,421</b>	<b>4,928,422</b>	<b>3,682,379</b>
<b>NON-CURRENT LIABILITIES</b>				
Borrowings	14	2,598,843	3,378,149	4,123,259
Employee related provisions	15	145,096	187,687	219,852
Other provisions	16	3,286,947	3,206,778	3,128,564
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>6,030,886</b>	<b>6,772,614</b>	<b>7,471,675</b>
<b>TOTAL LIABILITIES</b>		<b>9,531,307</b>	<b>11,701,036</b>	<b>11,154,054</b>
<b>NET ASSETS</b>		<b>300,864,795</b>	<b>296,195,561</b>	<b>275,030,881</b>
<b>EQUITY</b>				
Retained surplus		100,176,701	95,152,122	85,609,563
Reserves - cash backed	4	15,581,418	15,936,763	15,767,291
Revaluation surplus	12	185,106,676	185,106,676	173,654,027
<b>TOTAL EQUITY</b>		<b>300,864,795</b>	<b>296,195,561</b>	<b>275,030,881</b>

\* See note 28 for details regarding the prior period adjustment

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

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

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2017</b>		<b>88,308,695</b>	<b>15,767,291</b>	<b>173,654,027</b>	<b>277,730,013</b>
Prior period adjustment	28	(2,699,132)	0	0	(2,699,132)
<b>Restated total equity at the beginning of the financial year</b>		<b>85,609,563</b>	<b>15,767,291</b>	<b>173,654,027</b>	<b>275,030,881</b>
Comprehensive income					
Net result for the period		9,712,031	0	0	9,712,031
Other comprehensive income	12	0	0	11,452,649	11,452,649
Total comprehensive income		9,712,031	0	11,452,649	21,164,680
Transfers from/(to) reserves	4	(169,472)	169,472	0	0
<b>Balance as at 30 June 2018</b>		<b>95,152,122</b>	<b>15,936,763</b>	<b>185,106,676</b>	<b>296,195,561</b>
Comprehensive income					
Net result for the period		4,669,234	0	0	4,669,234
Total comprehensive income		4,669,234	0	0	4,669,234
Transfers from/(to) reserves	4	355,345	(355,345)	0	0
<b>Balance as at 30 June 2019</b>		<b>100,176,701</b>	<b>15,581,418</b>	<b>185,106,676</b>	<b>300,864,795</b>

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

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

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		10,094,458	10,061,702	10,374,431
Operating grants, subsidies and contributions		4,203,340	1,023,579	3,737,417
Fees and charges		8,809,660	7,957,001	7,801,522
Interest received		705,564	514,184	441,675
Goods and services tax received		1,932,141	2,521,918	1,975,959
Other revenue		422,895	432,986	545,444
		26,168,058	22,511,370	24,876,448
<b>Payments</b>				
Employee costs		(11,134,150)	(11,427,688)	(10,136,022)
Materials and contracts		(6,129,129)	(6,119,538)	(4,427,491)
Utility charges		(1,074,156)	(979,078)	(1,011,892)
Interest expenses		(180,713)	(203,746)	(229,605)
Insurance paid		(455,065)	(463,520)	(459,096)
Goods and services tax paid		(1,896,715)	(806,191)	(2,042,101)
Other expenditure		(1,182,282)	(1,305,961)	(1,239,172)
		(22,052,210)	(21,305,722)	(19,545,379)
<b>Net cash provided by (used in) operating activities</b>	17	4,115,848	1,205,648	5,331,069
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	9(a)	(1,265,133)	(2,351,468)	(1,642,832)
Payments for construction of infrastructure	10(a)	(9,563,973)	(10,975,349)	(12,897,330)
Net proceeds from financial assets	8(a)	(6,147,271)	0	(3,731,003)
Non-operating grants, subsidies and contributions	2(a)	7,446,949	8,108,635	11,800,587
Advances to community groups		0	0	(50,000)
Proceeds from self supporting loans		9,576	9,576	3,919
Proceeds from sale of property, plant & equipment	11(a)	293,693	359,583	234,200
<b>Net cash provided by (used in) investment activities</b>		(9,226,159)	(4,849,023)	(6,282,459)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	14(b)	(903,767)	(903,765)	(1,053,858)
Proceeds from new borrowings	14(c)	0	0	170,000
<b>Net cash provided by (used in) financing activities</b>		(903,767)	(903,765)	(883,858)
<b>Net increase (decrease) in cash held Cash and cash equivalents at the end of the year</b>	17	(6,014,078)	(4,547,140)	(1,835,248)
Cash at beginning of year		11,298,651	14,768,470	13,133,899
		5,284,573	10,221,330	11,298,651

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

**RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2019**

	NOTE	2019 Actual	2019 Budget	2018 Actual
		\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
Net current assets at start of financial year - surplus/(deficit)	23 (b)	2,827,492	1,622,636	1,822,053
		2,827,492	1,622,636	1,822,053
<b>Revenue from operating activities (excluding rates)</b>				
Governance		19,634	47,551	39,708
General purpose funding		4,492,267	2,468,680	4,170,739
Law, order, public safety		423,094	468,486	468,764
Health		70,002	85,000	83,989
Education and welfare		12,026	11,500	11,575
Housing		124,885	146,280	130,631
Community amenities		3,017,733	2,895,441	2,978,350
Recreation and culture		673,894	671,484	745,001
Transport		4,823,890	4,374,727	4,189,940
Economic services		80,869	89,500	52,527
Other property and services		113,787	71,471	166,248
		13,852,081	11,330,120	13,037,472
<b>Expenditure from operating activities</b>				
Governance		(773,374)	(865,979)	(1,012,249)
General purpose funding		(289,491)	(298,312)	(163,417)
Law, order, public safety		(1,076,663)	(1,156,524)	(1,127,766)
Health		(256,605)	(289,036)	(318,817)
Education and welfare		(124,581)	(160,635)	(156,753)
Housing		(393,482)	(462,740)	(457,449)
Community amenities		(4,274,986)	(4,791,677)	(4,292,696)
Recreation and culture		(6,235,122)	(6,657,167)	(6,387,498)
Transport		(11,967,680)	(10,548,753)	(9,887,132)
Economic services		(714,337)	(591,999)	(460,004)
Other property and services		(925,342)	(957,224)	(1,297,427)
		(27,031,663)	(26,780,046)	(25,561,208)
Non-cash amounts excluded from operating activities	23(a)	8,117,007	6,234,639	6,698,782
<b>Amount attributable to operating activities</b>		(2,235,083)	(7,592,651)	(4,002,901)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions		7,446,949	8,108,635	11,800,587
Proceeds from disposal of assets	11(a)	293,693	359,583	234,200
Proceeds from self supporting loans		9,576	9,576	3,919
Purchase of property, plant and equipment	9(a)	(1,265,133)	(2,351,468)	(1,642,832)
Purchase and construction of infrastructure	10(a)	(9,563,973)	(10,975,349)	(12,897,330)
Advances to community groups		0	0	(50,000)
<b>Amount attributable to investing activities</b>		(3,078,888)	(4,849,023)	(2,551,456)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	14(b)	(903,767)	(903,765)	(1,053,858)
Proceeds from borrowings	14(c)	0	0	170,000
Transfers to reserves (restricted assets)	4	(9,211,060)	(1,471,252)	(10,166,697)
Transfers from reserves (restricted assets)	4	9,566,405	4,395,756	9,997,224
<b>Amount attributable to financing activities</b>		(548,422)	2,020,739	(1,053,331)
<b>Surplus/(deficit) before imposition of general rates</b>		(5,862,393)	(10,420,935)	(7,607,688)
<b>Total amount raised from general rates</b>	22	10,401,867	10,420,935	10,435,180
<b>Surplus/(deficit) after imposition of general rates</b>	23(a)	<b>4,539,474</b>	<b>0</b>	<b>2,827,492</b>

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

## 1. BASIS OF PREPARATION

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

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

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

### CRITICAL ACCOUNTING ESTIMATES

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

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

### THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

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

## 2. REVENUE AND EXPENSES

### (a) Revenue

#### Grant Revenue

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

#### Operating grants, subsidies and contributions

Governance  
 General purpose funding  
 Law, order, public safety  
 Health  
 Community amenities  
 Recreation and culture  
 Transport  
 Economic services  
 Other property and services

#### Non-operating grants, subsidies and contributions

Law, order, public safety  
 Recreation and culture  
 Transport

#### Total grants, subsidies and contributions

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
	4,776	33,851	8,235
	3,749,014	1,911,981	3,689,099
	36,921	26,000	35,646
	1,074	3,000	3,516
	40,684	143,000	89,329
	78,591	81,000	182,527
	248,166	146,042	176,546
	5,647	4,500	6,196
	38,467	25,000	17,013
	4,203,340	2,374,374	4,208,107
	719,574	800,000	0
	148,496	470,413	57,340
	6,578,879	6,838,222	11,743,247
	7,446,949	8,108,635	11,800,587
	11,650,289	10,483,009	16,008,694

#### SIGNIFICANT ACCOUNTING POLICIES

##### Grants, donations and other contributions

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

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over

##### Grants, donations and other contributions (Continued)

a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 21. That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

## 2. REVENUE AND EXPENSES (Continued)

### (a) Revenue (Continued)

#### Other revenue

Reimbursements and recoveries  
Other

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Reimbursements and recoveries	19,688	29,600	64,945
Other	403,207	403,386	480,499
	422,895	432,986	545,444

#### Fees and Charges

Governance  
General purpose funding  
Law, order, public safety  
Health  
Education and welfare  
Housing  
Community amenities  
Recreation and culture  
Transport  
Economic services  
Other property and services

Governance	3,302	3,700	3,791
General purpose funding	33,286	38,000	34,851
Law, order, public safety	41,849	49,000	43,346
Health	68,928	82,000	79,941
Education and welfare	12,026	11,500	11,575
Housing	124,885	146,280	130,631
Community amenities	2,960,528	2,752,441	2,889,021
Recreation and culture	558,847	589,300	561,059
Transport	4,518,252	4,201,280	3,993,724
Economic services	74,505	83,500	45,307
Other property and services	72,998	0	8,276
	8,469,406	7,957,001	7,801,522

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

#### Interest earnings

Loans receivable - clubs/institutions  
Reserve accounts interest  
Rates instalment and penalty interest (refer Note 21(b))  
Other interest earnings

Loans receivable - clubs/institutions	1,276	1,184	604
Reserve accounts interest	357,910	298,000	232,584
Rates instalment and penalty interest (refer Note 21(b))	224,511	150,000	116,165
Other interest earnings	121,867	65,000	92,322
	705,564	514,184	441,675

### (b) Expenses

#### Auditors remuneration

- Audit of the Annual Financial Report  
- Other services  
    Audit of grant funded projects and other services  
    Financial Management Review

	2019 Actual	2019 Budget	2018 Actual
- Audit of the Annual Financial Report	32,032	35,850	28,401
- Other services			
Audit of grant funded projects and other services	5,885	7,650	2,425
Financial Management Review	18,318	18,000	6,333
	56,235	61,500	37,159

#### Interest expenses (finance costs)

Borrowings (refer Note 14(b))

Borrowings (refer Note 14(b))	173,805	203,746	221,627
	173,805	203,746	221,627

SHIRE OF WYNDHAM EAST KIMBERLEY  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2019

3. CASH AND CASH EQUIVALENTS

	NOTE	2019 \$	2018 \$
Cash at bank and on hand		3,421,892	2,933,365
Term Deposits		1,862,681	8,365,286
		5,284,573	11,298,651
Reclassification to Other financial assets		13,718,737	7,571,466
		19,003,310	18,870,117
<b>Comprises:</b>			
- Unrestricted cash and cash equivalents		3,343,967	2,933,354
- Restricted cash and cash equivalents		15,659,343	15,936,763
		19,003,310	18,870,117
The following restrictions have been imposed by regulations or other externally imposed requirements:			
<b>Reserve accounts</b>			
Waste Management	4	1,219,560	656,284
Airport General	4	7,320,246	6,083,339
Plant and Equipment	4	109,383	303,581
Parking	4	130,847	123,978
Non-Potable water	4	17,264	75,102
East Kimberley Tourism	4	101,891	160,056
Foreshore	4	527,906	442,791
Staff Entitlement	4	109,570	141,298
Recreation Hardcourts	4	58,734	57,151
Bio Security	4	269,853	262,579
Childcare	4	206,311	193,707
Parks	4	199,198	278,775
Footpaths	4	244,215	286,207
Asset Management	4	587,015	624,399
Goomig Farmlands Roads Reserve	4	569,984	564,000
Unspent Grants and Loans Reserve	4	1,623,785	2,421,927
Contiguous Local Authority Group (CLAG)	4	78	2,491
Kununurra Youth Hub	4	51,777	48,160
Regional Price Preference	4	190,720	185,461
Drainage Reserve	4	640,320	680,581
Capital Works Reserve	4	972,854	1,961,095
Municipal Property Revaluation Reserve	4	30,000	15,000
Election Expenditure Reserve	4	40,000	20,000
Property Reserve	4	348,040	338,801
Public Art Work Reserve	4	11,867	10,000
		15,581,418	15,936,763
<b>Other restricted cash and cash equivalents</b>			
Bonds and deposits held	25	77,925	0
<b>Total restricted cash and cash equivalents</b>		15,659,343	15,936,763

**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

**Cash and cash equivalents (Continued)**

and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

4. RESERVES - CASH BACKED

	2019 Actual Opening Balance	2019 Actual Transfer to	2019 Actual Transfer (from)	2019 Actual Closing Balance	2019 Budget Opening Balance	2019 Budget Transfer to	2019 Budget Transfer (from)	2019 Budget Closing Balance	2018 Actual Opening Balance	2018 Actual Transfer to	2018 Actual Transfer (from)	2018 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Waste Management	656,284	746,798	(183,522)	1,219,560	620,100	288,830	(200,773)	708,157	527,664	474,079	(345,459)	656,284
(b) Airport General	6,083,339	1,461,550	(224,643)	7,320,246	5,836,235	801,590	(1,006,678)	5,631,147	5,736,144	849,446	(502,251)	6,083,339
(c) Plant and Equipment	303,581	31,335	(225,533)	109,383	28,048	25,508	0	53,556	2,993	1,026,802	(726,214)	303,581
(d) Parking	123,978	6,869	0	130,847	123,910	2,244	0	126,154	121,659	2,319	0	123,978
(e) Non-Potable water	75,102	2,082	(59,920)	17,264	0	0	0	0	73,698	1,404	0	75,102
(g) East Kimberley Tourism	160,056	22,629	(80,794)	101,891	158,424	27,870	(7,000)	179,294	150,637	12,871	(3,452)	160,056
(h) Foreshore	442,791	93,365	(8,250)	527,906	443,014	106,025	(110,000)	439,039	340,709	102,082	0	442,791
(i) Staff Entitlement	141,298	109,570	(141,298)	109,570	120,265	2,178	0	122,443	118,081	23,217	0	141,298
(j) Recreation Hardcourts	57,151	1,583	0	58,734	57,120	1,035	(30,000)	28,155	56,082	1,069	0	57,151
(k) Bio Security	262,579	7,274	0	269,853	262,435	4,754	0	267,189	257,668	4,911	0	262,579
(l) Childcare	193,707	17,312	(4,708)	206,311	193,033	14,997	0	208,030	178,727	14,980	0	193,707
(m) Parks	278,775	8,143	(87,720)	199,198	416,652	7,547	(138,600)	285,599	333,287	6,351	(60,863)	278,775
(p) Footpaths	286,207	8,008	(50,000)	244,215	297,448	5,388	(50,000)	252,836	292,046	5,565	(11,404)	286,207
(q) Asset Management	624,399	21,957	(59,341)	587,015	1,027,378	18,610	(58,000)	987,988	1,002,180	21,020	(398,801)	624,399
(r) Goomig Farmlands Roads Reserve	564,000	5,984	0	569,984	563,539	10,208	0	573,747	558,039	5,961	0	564,000
(s) Unspent Grants and Loans Reserve	2,421,927	6,578,414	(7,376,556)	1,623,785	2,186,251	110,000	(2,140,285)	155,966	3,318,222	4,270,218	(5,166,513)	2,421,927
(t) Contiguous Local Authority Group (CLAG)	2,491	1,259	(3,672)	78	0	0	0	0	3,831	3,595	(4,935)	2,491
(u) Kununurra Youth Hub	48,160	19,943	(16,326)	51,777	33,190	19,101	(8,000)	44,291	23,751	28,147	(3,738)	48,160
(v) Regional Price Preference	185,461	5,259	0	190,720	202,874	3,675	0	206,549	199,189	7,255	(20,983)	185,461
(w) Drainage Reserve	680,581	15,620	(55,881)	640,320	524,754	9,505	0	534,259	208,183	482,687	(10,289)	680,581
(x) Capital Works Reserve	1,961,095	0	(988,241)	972,854	672,826	12,187	(646,420)	38,593	2,264,501	2,438,916	(2,742,322)	1,961,095
(y) Municipal Property Revaluation Reserve	15,000	15,000	0	30,000	0	0	0	0	0	15,000	0	15,000
(z) Election Expenditure Reserve	20,000	20,000	0	40,000	0	0	0	0	0	20,000	0	20,000
(aa) Property Reserve	338,801	9,239	0	348,040	0	0	0	0	1	338,801	0	338,801
(ab) Public Art Work Reserve	10,000	1,867	0	11,867	0	0	0	0	0	10,000	0	10,000
	15,936,763	9,211,060	(9,566,405)	15,581,418	13,767,496	1,471,252	(4,395,756)	10,842,992	15,767,291	10,166,696	(9,997,224)	15,936,763

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

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

**4. RESERVES - CASH BACKED ( Continued)**

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

<b>Name of Reserve</b>	<b>Anticipated date of use</b>	<b>Purpose of the reserve</b>
(a) Waste Management	on going	This Reserve to provide for the operation, maintenance, renewal and upgrade for existing and new waste management facilities within the Shire of Wyndham East Kimberley.
(b) Airport General	on going	This Reserve to provide operation, maintenance, renewal, upgrade of existing and new airport facilities within the Shire of Wyndham East Kimberley.
(c) Plant and Equipment	on going	This Reserve is to provide for the plant management program.
(d) Parking	on going	This Reserve is for the land purchase and/or the construction and maintenance of vehicle parking facilities within the Shire.
(e) Non-Potable water	on going	This Reserve is for the development of non-potable water supply in Wyndham.
(f) Civic buildings	on going	This Reserve is to provide for maintenance, renewal, upgrade of existing and new Civic Buildings within the Shire Wyndham East Kimberley.
(g) East Kimberley Tourism	on going	To hold the lease payments from the East Kimberley Tourism House building in order to provide for the maintenance, renewal or upgrade of the building and to assist in funding expenditure that is of a strategic nature for the Kununurra Visitor Centre.
(h) Foreshore	on going	This Reserve is to hold lease and license payments from occupiers of Lake Kununurra Foreshore Reserve to provide for the implementation of specific actions outlined in the Lake Kununurra Foreshore plan.
(i) Staff Entitlement	on going	This Reserve is to provide for Shire employee's entitlements.
(j) Recreation Hardcourts	on going	This Reserve is for the purpose of providing for future capital upgrades of Recreational Hardcourts.
(k) Bio Security	on going	This Reserve is to hold funds for use in emergency situations that threatened the bio security of the East Kimberley.
(l) Childcare	on going	This Reserve is to hold lease payments from the Kununurra Childcare Centre to provide for the the significant maintenance and renewal of the childcare building.
(m) Parks	on going	This Reserve is to hold the funds from the sale of parks provided by the State to undertake major upgrades and to establish new parks and public open spaces in the Shire.
(n) Legal fees	on going	This Reserve is to hold funds not expended in any budget year to accumulate to cover any significant legal costs or expenses related to regulatory prosecution and enforcement.
(o) Youth Bus	on going	This Reserve is to transfer fees from the hire of Youth Buses to provide funds for repairs, maintenance and replacement of the Youth Buses.
(p) Footpaths	on going	This Reserve is to hold developer contributions for construction of footpaths after housing construction is completed in new subdivisions.
(q) Asset Management	on going	This Reserve is to provide for the ongoing maintenance, renewal, upgrade, replacement or development of Shire owned assets within the Shire of Wyndham East Kimberley.
(r) Goomig Farmlands Roads Reserve	on going	This Reserve is to provide for the second coat seal of roads within the Goomig Farmlands.
(s) Unspent Grants and Loans Reserve	on going	This Reserve is to provide a mechanism for restricting prepaid grants, conditional unspent grants and loan proceeds unspent in a particular financial year where the expenditure will be undertaken in future years.
(t) Contiguous Local Authority Group (CLAG)	on going	This reserve is to hold funds for ongoing management, funding and technical aspects of health-driven mosquito control in an effort to reduce the risk of mosquito-borne diseases within the boundaries of the Shire.
(u) Kununurra Youth Hub	on going	This reserve is to hold lease payments from the Kununurra Youth Hub to provide for the maintenance, renewal and upgrade of the building in accordance with the lease conditions.
(v) Regional Price Preference	on going	This reserve is to fund the regional price preference applied, if any, for the procurement of goods and /or services that are supplied by a Regional Business in accordance with Council policy CPIFIN-3217 Regional Price Preference.
(w) Drainage Reserve	on going	To provide for the maintenance, renewal, upgrade of existing and new drainage Infrastructure within the Shire of Wyndham East Kimberley.
(x) Capital Works Reserve	on going	To ensure that funds allocated to Capital Works Projects remain available for future Capital Works if amounts are not expended at the end of a financial year.
(y) Municipal Property Revaluation Reserve	on going	To hold funds for the expenditure relating to Municipal Property Revaluation conducted every 4 years.
(z) Election Expenditure Reserve	on going	To hold funds for expenditure relating to Council Elections conducted every 2 years.
(aa) Property Reserve	on going	To ensure that funds received from the disposal of properties after settling any property debt, are retained within the reserve and are used for the acquisition of land and /or buildings or the development of land under the control of the Shire.
(ab) Public Art Work Reserve	on going	To receipt LandCorp contributions towards the ongoing maintenance of the public artwork in the Coolibah / Chestnut subdivision.

## 5. TRADE RECEIVABLES

### Current

Rates receivable	1,322,536
Sundry receivables	966,175
Allowance for impairment of receivables	(378,530)
GST receivable	53,798

### Non-current

Pensioner's rates and ESL deferred	31,206
------------------------------------	--------

2019	2018
\$	\$
1,322,536	1,011,080
966,175	1,332,517
(378,530)	(404,618)
53,798	89,224
1,963,979	2,028,203
31,206	29,574
31,206	29,574

## SIGNIFICANT ACCOUNTING POLICIES

### Trade and other receivables

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

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

### Impairment and risk exposure

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

### Previous accounting policy: Impairment of trade

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment.

### 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 WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019**

**6 INVENTORIES**

**Current**

Fuel and Materials

**Non-current**

Land held for resale - cost

Cost of acquisition

The following movements in inventories occurred during the year:

**Carrying amount at 1 July**

Inventories expensed during the year

Additions to inventory

**Carrying amount at 30 June**

	2019	2018
	\$	\$
	14,378	8,732
	14,378	8,732
	46,283	46,283
	46,283	46,283
	55,015	60,985
	(32,098)	(142,577)
	37,744	136,607
	60,661	55,015

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

**7. OTHER CURRENT ASSETS**

**Other current assets**

Accrued Income

Prepayments

	2019	2018
	\$	\$
	484,028	708,210
	115,032	118,625
	599,060	826,835

**SIGNIFICANT ACCOUNTING POLICIES**

**Other current assets**

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

SHIRE OF WYNDHAM EAST KIMBERLEY  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2019

8. OTHER FINANCIAL ASSETS

(a) Current assets

Other financial assets at amortised cost

Other financial assets at amortised cost

- Financial assets at amortised cost - self supporting loans
- Financial assets at amortised cost - term deposits

(b) Non-current assets

Other financial assets at amortised cost

Other financial assets at amortised cost

- Financial assets at amortised cost - self supporting loans

Financial assets previously classified as available for sale financial assets

Shares in Ord River Co-operative

	2019	2018
	\$	\$
Other financial assets at amortised cost	13,728,574	7,581,042
	13,728,574	7,581,042
Other financial assets at amortised cost		
- Financial assets at amortised cost - self supporting loans	9,837	9,576
- Financial assets at amortised cost - term deposits	13,718,737	7,571,466
	13,728,574	7,581,042
Other financial assets at amortised cost		
Other financial assets at amortised cost		
- Financial assets at amortised cost - self supporting loans	26,668	36,505
	26,668	36,505
Financial assets previously classified as available for sale financial assets		
Shares in Ord River Co-operative	6,682	6,682
	6,682	6,682

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 14(b) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Previous accounting policy: available for sale financial assets

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

Previous accounting policy: Loans and receivables

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

Refer to Note 29 for explanations regarding the change in accounting policy and reclassification of available for sale financial assets to financial assets at fair value through profit and loss.

SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Carrying Amounts

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

	Land - freehold land	Land - vested in and under the control of Council	Total land	Buildings - non-specialised	Buildings - specialised	Land under control - buildings at	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Property, plant and equipment - work in progress at:	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2017</b>	10,022,800	3,725,700	13,748,500	13,046,707	21,403,740	3,256,037	37,706,484	51,454,984	533,781	4,238,367	47,104	56,274,236
Additions	0	0	0	0	447,505	0	447,505	447,505	91,858	1,081,620	21,849	1,642,832
(Disposals)	0	0	0	0	0	0	0	0	0	(338,280)	0	(338,280)
Depreciation (expense)	0	0	0	(521,357)	(860,089)	(138,102)	(1,519,548)	(1,519,548)	(145,820)	(476,041)	0	(2,141,409)
Transfers	0	0	0	0	44,675	0	44,675	44,675	0	0	(44,675)	0
<b>Carrying amount at 30 June 2018</b>	10,022,800	3,725,700	13,748,500	12,525,350	21,035,831	3,117,935	36,679,116	50,427,616	479,819	4,505,666	24,278	55,437,379
<b>Comprises:</b>												
Gross carrying amount at 30 June 2018	10,022,800	3,725,700	13,748,500	13,046,707	21,895,920	3,256,037	38,198,664	51,947,164	775,453	5,299,384	24,278	58,046,279
Accumulated depreciation at 30 June 2018	0	0	0	(521,357)	(860,089)	(138,102)	(1,519,548)	(1,519,548)	(295,634)	(793,718)	0	(2,608,900)
<b>Carrying amount at 30 June 2018</b>	10,022,800	3,725,700	13,748,500	12,525,350	21,035,831	3,117,935	36,679,116	50,427,616	479,819	4,505,666	24,278	55,437,379
Additions	0	0	0	39,204	72,892	19,086	131,182	131,182	207,273	915,075	11,603	1,265,133
(Disposals)	0	0	0	0	0	0	0	0	0	(367,067)	0	(367,067)
Assets written off	0	0	0	0	(7,682)	(8,669)	(16,351)	(16,351)	(17,386)	(195,204)	(4,379)	(233,320)
Depreciation (expense)	0	0	0	(288,443)	(404,166)	(138,876)	(831,485)	(831,485)	(138,774)	(486,298)	0	(1,456,557)
Transfers	0	0	0	0	0	0	0	0	0	0	0	0
<b>Carrying amount at 30 June 2019</b>	10,022,800	3,725,700	13,748,500	12,276,111	20,696,875	2,989,476	35,962,462	49,710,962	530,932	4,372,172	31,502	54,645,568
<b>Comprises:</b>												
Gross carrying amount at 30 June 2019	10,022,800	3,725,700	13,748,500	13,085,911	21,951,371	3,259,303	38,296,585	52,045,085	946,244	5,426,020	31,502	58,448,851
Accumulated depreciation at 30 June 2019	0	0	0	(809,800)	(1,254,496)	(269,827)	(2,334,123)	(2,334,123)	(415,312)	(1,053,848)	0	(3,803,283)
<b>Carrying amount at 30 June 2019</b>	10,022,800	3,725,700	13,748,500	12,276,111	20,696,875	2,989,476	35,962,462	49,710,962	530,932	4,372,172	31,502	54,645,568

SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>Land and buildings</b>					
Land - freehold land	2 & 3	Market approach using recent observable market data for similar properties and improvements to land valued using cost approach using depreciated replacement cost.	Independent registered valuers	June 2017	Market Value, utilising comparable sales evidence for similar type properties. This method of valuation is referred to as the direct comparison approach which takes into consideration factors such as location, zoning, land area, development potential, topography & current market conditions.
Land - vested in and under the control of Council	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - non-specialised	2 & 3	Market approach using recent observable market data for similar properties and current replacement cost using both observable and unobservable inputs.	Independent registered valuers	June 2017	Market Value, utilising comparable sales evidence for similar type properties. This method of valuation is referred to as the direct comparison approach which takes into consideration factors such as location, zoning, land area, development potential, topography & current market conditions.
Buildings - specialised	3	Current replacement cost using both observable and unobservable inputs.	Independent registered valuers	June 2017	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Furniture and equipment	2 & 3	Market approach using recent observable market data for similar plant items and cost approach using depreciated replacement cost.	Independent registered valuers	June 2016	Market price per item and purchase costs and current condition ( level 2), residual values and remaining useful life assessments ( level 3) inputs.
Plant and equipment	2 & 3	Market approach using recent observable market data for similar plant items and cost approach using depreciated replacement cost.	Independent registered valuers	June 2016	Market price per item and purchase costs and current condition ( level 2), residual values and remaining useful life assessments ( level 3) 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 by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

10. INFRASTRUCTURE

(a) Movements in Carrying Amounts

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

	Infrastructure - Roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - other	Airfields	Bridges	Infrastructure- Work in progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2017</b>	132,256,810	6,253,952	9,284,721	15,295,149	19,070,115	27,591,384	835,187	210,587,318
Additions	10,879,158	132,249	1,567,133	165,468	48,483	0	104,839	12,897,330
(Disposals)	0	0	0	0	0	0	0	0
Revaluation increments / (decrements) transferred to revaluation surplus	16,010,756	922,520	(3,207,860)	(832,784)	614,246	(2,054,229)	0	11,452,649
Depreciation (expense)	(2,227,124)	(85,240)	(219,410)	(846,482)	(566,144)	(396,186)	0	(4,340,586)
Transfers	370,028	0	84,067	0	0	25,690	(479,785)	0
<b>Carrying amount at 30 June 2018</b>	157,289,628	7,223,481	7,508,651	13,781,351	19,166,700	25,166,659	460,241	230,596,711
<b>Comprises:</b>								
Gross carrying amount at 30 June 2018	185,947,049	7,915,727	10,013,094	27,166,899	26,622,702	36,036,372	460,241	294,162,084
Accumulated depreciation at 30 June 2018	(28,657,421)	(692,246)	(2,504,443)	(13,385,548)	(7,456,002)	(10,869,713)	0	(63,565,373)
<b>Carrying amount at 30 June 2018</b>	157,289,628	7,223,481	7,508,651	13,781,351	19,166,700	25,166,659	460,241	230,596,711
Additions	3,422,386	154,206	552,576	423,682	0	4,494,235	516,888	9,563,973
(Disposals)	0	0	0	(28,000)	0	(1,331,818)	0	(1,359,818)
Depreciation (expense)	(2,785,955)	(98,945)	(133,505)	(863,302)	(509,661)	(360,367)	0	(4,751,735)
Transfers	0	0	0	95,488	0	208,928	(304,416)	0
<b>Carrying amount at 30 June 2019</b>	157,926,059	7,278,742	7,927,722	13,409,219	18,657,039	28,177,637	672,713	234,049,131
<b>Comprises:</b>								
Gross carrying amount at 30 June 2019	189,369,435	8,069,933	10,565,670	27,658,069	26,622,702	39,407,718	672,713	302,366,240
Accumulated depreciation at 30 June 2019	(31,443,376)	(791,191)	(2,637,948)	(14,248,850)	(7,965,663)	(11,230,081)	0	(68,317,109)
<b>Carrying amount at 30 June 2019</b>	157,926,059	7,278,742	7,927,722	13,409,219	18,657,039	28,177,637	672,713	234,049,131

SHIRE OF WYNDHAM EAST KIMBERLEY  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2019

10. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	3	Cost approach using depreciated replacement cost	Management valuation	30 June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - footpaths	3	Cost approach using depreciated replacement cost	Management valuation	30 June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - drainage	3	Cost approach using depreciated replacement cost	Management valuation	30 June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - other	3	Cost approach using depreciated replacement cost	Management valuation	30 June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Airfields	3	Cost approach using depreciated replacement cost	Management valuation	30 June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Bridges	3	Cost approach using depreciated replacement cost	Management valuation	30 June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) 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.

## 11 PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE)

### SIGNIFICANT ACCOUNTING POLICIES

#### Fixed assets

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

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

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

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

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

#### Revaluation

The fair value of fixed assets is determined at least every three years and no more than five years in accordance with the regulatory framework. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

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

### AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

#### Land under control

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

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

#### Land under roads

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

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

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

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

**11. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE) (Continued)**

**(a) Disposals of Assets**

	2019	2019	2019	2019	2019	2019	2019	2019	2018	2018	2018	2018
	Actual	Actual			Budget	Budget			Actual	Actual		
	Net Book	Sale			Budget	Budget			Actual	Actual		
Value	Proceeds	Profit	Loss	Value	Proceeds	Profit	Loss					
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and equipment	367,067	293,693	45,197	(118,571)	449,356	359,583	45,876	(135,649)	338,280	234,200	35,045	(139,125)
Infrastructure - other	28,000	0	0	(28,000)	0	0	0	0	0	0	0	0
Bridges	1,331,818	0	0	(1,331,818)	0	0	0	0	0	0	0	0
	1,726,885	293,693	45,197	(1,478,389)	449,356	359,583	45,876	(135,649)	338,280	234,200	35,045	(139,125)

The following assets were disposed of during the year.

	2019	2019	2019	2019		
	Actual	Actual			Actual	Actual
	Net Book	Sale			Actual	Actual
Value	Proceeds	Profit	Loss			
	\$	\$	\$	\$		
<b>Plant and Equipment</b>						
<b>Recreation and Culture</b>						
P118 - Toyota Hilux SR Utility 4x4	10,171	14,545	4,374	0		
<b>Transport</b>						
P120 - Toyota Hilux Utility 2WD	9,098	8,183	0	(915)		
P121 - Toyota Hilux Dual Cab	10,172	9,091	0	(1,081)		
P125 - Howard EHD300 Slasher	7,361	6,000	0	(1,362)		
P127 - Flex Wing Slasher Piranha 5500	19,061	11,000	0	(8,061)		
P128 - John Deere 6534 Tractor	74,102	45,000	0	(29,102)		
P129 - Toyota Hilux 4x4 TD M SR	14,777	16,455	1,678	0		
P130 - Toyota Hilux SCC 4x4 TD M S	16,342	16,909	567	0		
P131 - Toyota Hilux DCC 4X4 TD M S	6,885	16,618	9,733	0		
P132 - Toyota Hilux SCC 4x4 TD M S	9,180	14,545	5,365	0		
P133 - Toyota Hilux SCC 4X4 TD M S	10,372	14,545	4,173	0		
P134 - Toyota Hilux 4x4 TD 4A S	0	17,575	17,575	0		
P477 - Grader John Deere 670G	164,716	92,000	0	(72,716)		
P495 - Kubota Ride On Mower	12,835	7,500	0	(5,335)		
P651 - Haus Howard EHD210 Slasher	0	1,000	1,000	0		
P698 - Superior V19 Rotary Slasher	1,995	2,727	732	0		
	367,067	293,693	45,197	(118,571)		
<b>Infrastructure - Other</b>						
<b>Recreation and Culture</b>						
Wyndham multipurpose courts	28,000	0	0	(28,000)		
<b>Bridges</b>						
<b>Transport</b>						
Bridge #5116, Weaber Plains Road	1,331,818	0	0	(1,331,818)		
	1,726,885	293,693	45,197	(1,478,389)		

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

### (b) Depreciation

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Buildings - non-specialised	288,443	1,130,148	521,357
Buildings - specialised	404,166	112,350	860,089
Furniture and equipment	138,774	146,079	145,820
Plant and equipment	486,298	454,245	476,041
Land under control - buildings at	138,876	142,300	138,102
Infrastructure - Roads	2,785,955	2,091,399	2,227,124
Infrastructure - footpaths	98,945	85,474	85,240
Infrastructure - drainage	133,505	219,977	219,410
Infrastructure - other	863,302	797,976	846,482
Airfields	509,661	567,695	566,144
Bridges	360,367	397,223	396,186
	6,208,292	6,144,866	6,481,995

### 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
Roads	10-120 years
Drainage	75 years
Airfields	16-120 years
Bridges	100 years
Culverts	100 years
Footpaths	45-80 years
Infrastructure-Other	10-120 years
Building	7-140 years
Furniture and Equipment	3-20 years
Plant and Equipment	3-13 years

#### Depreciation (Continued)

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

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

12. REVALUATION SURPLUS

	2019 Opening Balance	2019 Revaluation Increment	2019 Revaluation (Decrement)	Total Movement on Revaluation	2019 Closing Balance	2018 Opening Balance	2018 Revaluation Increment	2018 Revaluation (Decrement)	Total Movement on Revaluation	2018 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land and buildings	21,005,274	0	0	0	21,005,274	21,005,274	0	0	0	21,005,274
Furniture and equipment	107,344	0	0	0	107,344	107,344	0	0	0	107,344
Plant and equipment	1,802,411	0	0	0	1,802,411	1,802,411	0	0	0	1,802,411
Revaluation surplus - Infrastructure - Roads	112,956,040	0	0	0	112,956,040	96,945,284	16,010,756	0	16,010,756	112,956,040
Revaluation surplus - Infrastructure - footpaths	6,116,649	0	0	0	6,116,649	5,194,129	922,520	0	922,520	6,116,649
Revaluation surplus - Infrastructure - drainage	4,379,251	0	0	0	4,379,251	7,587,111	0	(3,207,860)	(3,207,860)	4,379,251
Revaluation surplus - Infrastructure - other	799,608	0	0	0	799,608	1,632,392	0	(832,784)	(832,784)	799,608
Revaluation surplus - Airfields	11,970,888	0	0	0	11,970,888	11,356,642	614,246	0	614,246	11,970,888
Revaluation surplus - Bridges	25,969,211	0	0	0	25,969,211	28,023,440	0	(2,054,229)	(2,054,229)	25,969,211
	185,106,676	0	0	0	185,106,676	173,654,027	17,547,522	(6,094,873)	11,452,649	185,106,676

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

SHIRE OF WYNDHAM EAST KIMBERLEY  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2019

13. TRADE AND OTHER PAYABLES

Current

Sundry creditors	1,185,207
Accrued expenses	123,958
Rates paid in advance	49,708
Accrued salaries and wages	0
Accrued interest	23,037
Bonds and Deposits held (refer to note 25)	77,925

	2019	2018
	\$	\$
Sundry creditors	1,185,207	1,414,689
Accrued expenses	123,958	1,242,687
Rates paid in advance	49,708	0
Accrued salaries and wages	0	282,311
Accrued interest	23,037	29,945
Bonds and Deposits held (refer to note 25)	77,925	0
	<u>1,459,835</u>	<u>2,969,632</u>

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other payables**

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

**Trade and other payables (Continued)**

of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

14. INFORMATION ON BORROWINGS

(a) Borrowings

	2019	2018
	\$	\$
Current	779,306	903,767
Non-current	2,598,843	3,378,149
	3,378,149	4,281,916

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	Actual	30 June 2019	30 June 2019	30 June 2019	Budget	30 June 2019	30 June 2019	30 June 2019	Actual	30 June 2018	30 June 2018	30 June 2018	30 June 2018
				Principal 1 July 2018	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding	Principal 1 July 2018	Budget Principal repayments	Budget Interest repayments	Budget Principal outstanding	Principal 1 July 2017	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Government</b>																
Administration Building Land	122	* WATC	6.00%	122,424	59,404	7,382	63,020	122,425	59,404	7,441	63,021	178,418	0	55,994	11,084	122,424
Administration Building Loan	124	* WATC	3.82%	1,242,457	258,114	52,761	984,343	1,242,457	258,114	55,743	984,343	1,490,986	0	248,529	63,878	1,242,457
Administration Building	129	* WATC	3.01%	1,096,046	142,900	36,646	953,146	1,096,046	142,899	52,412	953,147	1,234,740	0	138,694	41,764	1,096,046
<b>Education and welfare</b>																
Kununurra Childcare Centre	120	* WATC	6.19%	108,362	71,134	4,925	37,228	108,361	71,134	7,107	37,227	175,290	0	66,928	9,589	108,362
<b>Housing</b>																
Staff Housing	115	* WATC	6.04%	7,991	7,991	88	0	7,991	7,992	250	0	23,268	0	15,277	968	7,991
Staff Housing	127	* WATC	3.71%	31,693	15,555	1,167	16,138	31,692	15,555	1,311	16,137	46,686	0	14,993	1,822	31,693
<b>Community amenities</b>																
KNW Youth Centre	118	* WATC	7.24%	0	0	0	0	0	0	0	0	33,805	0	33,805	1,815	0
Liquid Waste Facility	125	* WATC	3.40%	0	0	0	0	0	0	0	0	105,112	0	105,112	2,857	0
Waste Management	126	* WATC	4.21%	1,100,279	164,823	50,958	935,456	1,100,278	164,823	56,496	935,455	1,258,376	0	158,097	58,681	1,100,279
Drainage	128	* WATC	4.21%	81,142	12,155	3,757	68,987	81,142	12,155	4,174	68,987	92,801	0	11,659	4,326	81,142
Kununurra Leisure Gym Equipment	132	* WATC	2.49%	108,657	23,111	3,272	85,546	108,657	23,111	3,412	85,546	0	120,000	11,343	2,105	108,657
<b>Recreation and culture</b>																
KNX Aquatic Centre Refurbishment	113	* WATC	6.04%	44,653	44,653	489	0	44,655	44,654	1,396	0	130,011	0	85,358	5,406	44,653
WYN Recreation Centre	114	* WATC	6.04%	18,732	18,732	205	0	18,731	18,731	587	0	54,536	0	35,804	2,268	18,732
Multi Purpose Courts	119	* WATC	5.61%	46,993	46,993	1,958	0	46,993	46,992	2,337	0	91,457	0	44,464	4,812	46,993
<b>Transport</b>																
Building and Infrastructure	130	* WATC	3.32%	222,487	28,733	8,600	193,754	222,487	28,732	9,024	193,755	250,288	0	27,801	9,648	222,487
				4,231,916	894,298	172,208	3,337,618	4,231,915	894,296	201,690	3,337,618	5,165,774	120,000	1,053,858	221,023	4,231,916
<b>Self Supporting Loans</b>																
<b>Recreation and culture</b>																
Ord River Sports Club	131	* WATC	2.71%	50,000	9,469	1,597	40,531	50,000	9,469	2,055	40,531	0	50,000	0	604	50,000
				50,000	9,469	1,597	40,531	50,000	9,469	2,055	40,531	0	50,000	0	604	50,000
				4,281,916	903,767	173,805	3,378,149	4,281,915	903,765	203,745	3,378,149	5,165,774	170,000	1,053,858	221,627	4,281,916

\*WATC is the abbreviation for the WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 8 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.

SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

14. INFORMATION ON BORROWINGS (Continued)

(c) Unspent Borrowings

Particulars	Date Borrowed	Unspent Balance 1 July 2018	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2019
		\$	\$	\$	\$
Waste Management	16 May 14	450,678	0	(5,289)	445,389
Kununurra Leisure Gym Equipment	08 Dec 17	9,285	0	(7,968)	1,317
		459,963	0	(13,257)	446,706

(d) Undrawn Borrowing Facilities

Credit Standby Arrangements

	2019	2018
	\$	\$
Bank overdraft limit	2,500,000	2,500,000
Bank overdraft at balance date	0	0
Credit card limit	55,000	55,000
Credit card balance at balance date	(13,761)	(16,120)
<b>Total amount of credit unused</b>	<b>2,541,239</b>	<b>2,538,880</b>

Loan facilities

Loan facilities - current	779,306	903,767
Loan facilities - non-current	2,598,843	3,378,149
<b>Total facilities in use at balance date</b>	<b>3,378,149</b>	<b>4,281,916</b>

Unused loan facilities at balance date

	446,706	459,963
--	---------	---------

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Borrowing costs

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

Risk

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

SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
<b>Opening balance at 1 July 2018</b>			
Current provisions	820,194	234,829	1,055,023
Non-current provisions	0	187,687	187,687
	820,194	422,516	1,242,710
Additional provision	137,852	111,852	249,704
Amounts used	(71,411)	(14,627)	(86,038)
<b>Balance at 30 June 2019</b>	886,635	519,741	1,406,376
<b>Comprises</b>			
Current	886,635	374,645	1,261,280
Non-current	0	145,096	145,096
	886,635	519,741	1,406,376

Amounts are expected to be settled on the following basis:

	2019	2018
	\$	\$
Less than 12 months after the reporting date	784,237	766,567
More than 12 months from reporting date	577,380	448,991
Expected reimbursements from other WA local governments	44,759	27,152
	1,406,376	1,242,710

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**

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

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

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

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

**Provisions**

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

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

## 16. OTHER PROVISIONS

Landfill closure and rehabilitation provision	Provision for Remediation	
	Costs	Total
	\$	\$
<b>Opening balance at 1 July 2018</b>		
Non-current	3,206,778	3,206,778
	3,206,778	3,206,778
Additional provision	80,169	80,169
<b>Balance at 30 June 2019</b>	3,286,947	3,286,947
<b>Comprises</b>		
Non-current	3,286,947	3,286,947
	3,286,947	3,286,947

### Provision for remediation costs

Under the licence for the operation of the Kununurra and Wyndham waste landfill sites, the Shire has a legal obligation to restore the site.

A provision for remediation is recognised when:

- there is a present obligation as a result of waste activities undertaken;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

The estimated future obligations include the costs of restoring the affected areas and continued monitoring of the site.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

Amounts which are reliably expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on the remaining life of the waste facility.

## 17. NOTES TO THE STATEMENT OF CASH FLOWS

### Reconciliation of Cash

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

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Cash and cash equivalents	5,284,573	10,221,330	11,298,651
<b>Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>			
Net result	4,669,234	3,079,644	9,712,031
Non-cash flows in Net result:			
Depreciation	6,208,292	6,144,866	6,481,995
(Profit)/loss on sale of asset	1,433,192	89,773	104,080
Assets written off	233,320	0	0
Changes in assets and liabilities:			
(Increase)/decrease in receivables	62,592	0	(603,260)
(Increase)/decrease in other assets	227,775	0	0
(Increase)/decrease in inventories	(5,646)	0	5,970
Increase/(decrease) in payables	(1,509,797)	0	1,311,332
Increase/(decrease) in provisions	243,835	0	119,508
Non-operating grants, subsidies and contributions	(7,446,949)	(8,108,635)	(11,800,587)
Net cash from operating activities	4,115,848	1,205,648	5,331,069

## 18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2019	2018
	\$	\$
Governance	48,160	58,231
General purpose funding	1,116,608	2,688,983
Law, order, public safety	1,116,322	723,704
Health	92,948	81,403
Education and welfare	2,877,516	2,908,865
Housing	5,468,283	5,544,442
Community amenities	12,382,403	5,476,379
Recreation and culture	27,745,403	27,306,158
Transport	232,977,395	238,408,589
Economic services	1,971,241	2,042,964
Other property and services	9,201,394	9,131,219
Unallocated	15,398,429	13,525,660
	<b>310,396,102</b>	<b>307,896,597</b>

## 19. CAPITAL COMMITMENTS

### (a) Capital Expenditure Commitments

	2019	2018
	\$	\$
Contracted for:		
- capital expenditure projects	<b>1,863,867</b>	<b>2,313,831</b>
- plant & equipment purchases	<b>0</b>	<b>50,220</b>
	<b>1,863,867</b>	<b>2,364,051</b>
Payable:		
- not later than one year	<b>1,863,867</b>	<b>2,364,051</b>
Kalumburu Road - re-sheet	0	778,666
Gibb River-Kalumburu Road	0	284,019
Wyndham Waste Water Treatment Facility	0	10,909
Plant and Equipment - Wyndham Swimming Complex	0	35,698
Apron Lighting - East Kimberley Regional Airport Terminal	0	10,750
Wyndham Multipurpose Court - Renewal/Upgrade	0	27,273
CCTV - East Kimberley Regional Airport	72,024	3,773
Drainage Upgrade - Gambier Street, Wyndham	0	137,672
Lake Argyle Road - Widening	0	1,024,360
Road and Drainage Upgrade - Nutwood & Rosewood and surrounds	0	50,931
Geotechnical Testing - Gilgai Holes - Kununurra Airport	50,971	0
Airport Outbuilding Demolition-Wyndham Airport	130,579	0
Bandicoot Drive - Road and Drainage upgrade	989,861	0
Bridges (5116) - D4 Weaber Plain Rd	148,969	0
Miscellaneous Road Infrastructure	20,688	0
Reticulation Upgrades - Wyndham & Kununurra	76,793	0
Anthon Landing Wyndham Jetty Remediation Works( incl Lighting)	5,622	0
Play Spaces	60,854	0
Anthon Landing Wyndham Jetty Cathodic Protection-25 yr Life span	278,053	0
CCTV - Kununurra Landfill Site Security	23,600	0
Kununurra Pound	5,853	0
	<b>1,863,867</b>	<b>2,364,051</b>

## 20. RELATED PARTY TRANSACTIONS

### Elected Members Remuneration

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

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Meeting Fees	150,389	150,389	146,788
President's allowance	43,909	43,909	30,195
Deputy President's allowance	10,977	10,977	7,549
Travelling expenses	455	1,000	0
Telecommunications allowance	21,600	21,000	14,854
Child care expenses	0	0	0
	227,330	227,275	199,385

### Key Management Personnel (KMP) Compensation Disclosure

The total of remuneration paid to KMP of the Shire during the year are as follows:

	2019 Actual	2018 Actual
	\$	\$
Short-term employee benefits	1,024,119	888,131
Post-employment benefits	100,523	97,249
Other long-term benefits	7,095	8,852
Termination benefits	0	0
	1,131,737	994,232

#### *Short-term employee benefits*

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

#### *Post-employment benefits*

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

#### *Other long-term benefits*

These amounts represent long service benefits accruing during the year.

#### *Termination benefits*

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

## 20 RELATED PARTY TRANSACTIONS (Continued)

### Transactions with related parties

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

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

The following transactions occurred with related parties:

	2019 Actual	2018 Actual
	\$	\$
Sale of goods and services	195,430	242,649
Community grants to controlled organisations	52,727	116,000

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

#### *i. Key management personnel*

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

#### *ii. Other Related Parties*

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

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2019

21. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening	Received	Expended	Closing	Received	Expended	Closing
	Balance <sup>(1)</sup>	2017/18	2017/18	Balance <sup>(1)</sup>	2018/19	2018/19	Balance
	1/07/17	2017/18	2017/18	30/06/18	2018/19	2018/19	30/06/19
	\$	\$	\$	\$	\$	\$	\$
<b>Law, order, public safety</b>							
Safer Communities Programme Grant	0	0	0	0	719,574	(397,957)	321,617
LGGS Brigades and SES Grant	0	0	0	0	36,920	(35,502)	1,418
<b>Health</b>							
Mosquito Control Administration (FIMMWA)	3,371	3,522	(4,935)	1,958	0	0	1,958
<b>Community amenities</b>							
Youth Services Wyndham (DCPFS)	0	81,790	(81,790)	0	54,108	(54,108)	0
Strategic land use Planning ( KDC)	0	72,000	0	72,000	0	(72,000)	0
<b>Recreation and culture</b>							
Sports and Recreation grant	0	0	0	0	148,496	0	148,496
Childrens Book Week	4,995	0	(2,646)	2,349	5,001	(5,605)	1,745
Kids in Sport	0	6,000	(2,515)	3,485	0	0	3,485
Writers Festival	0	20,000	(20,000)	0	20,000	(20,000)	0
Design and Feasibility for Recreation Facility	3,450	0	(3,450)	0	0	0	0
Club Development ( DLGSC)	0	40,000	(18,069)	21,931	0	(21,931)	0
Wyndham Boat Ramp ( DOT)	0	57,340	(57,340)	0	0	0	0
<b>Transport</b>							
Regional Road Group - Main Roads	135,342	912,471	(580,722)	467,091	390,357	(601,727)	255,721
Roads to Recovery	378,611	2,321,019	(1,556,843)	1,142,787	4,645,637	(5,788,424)	0
State Local Road Black Spot	0	47,207	(47,207)	0	42,359	(42,359)	0
Aboriginal Access Roads - Federal Grant (WALGGC) 2016/2017	275,899	326,000	(459,579)	142,320	331,754	(323,683)	150,391
Aboriginal Access Roads - State Grant 2016/17	0	258,600	(258,600)	0	182,250	0	182,250
Federal Bridges Grant 2016/17	110,000	0	0	110,000	0	0	110,000
Goomig Farmlands Road (DRD)	558,039	0	0	558,039	0	0	558,039
<b>Total</b>	<b>1,469,707</b>	<b>4,145,949</b>	<b>(3,093,696)</b>	<b>2,521,960</b>	<b>6,576,456</b>	<b>(7,363,296)</b>	<b>1,735,120</b>

Notes:

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

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

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

(4) - For the closing balance at 30 June 2019 the unspent balance of \$558,039 pertaining to the DRD grant and the unspent balance of \$1,958 pertaining to the FIMMWA grant were transferred to the Goomig Farm Roads and the Contiguous Local Authority Group reserves respectively with the balance of \$1,175,123 being transferred to the Unspent Grants and Loans Reserve.

SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

22. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2017/18		
			Actual Rateable Value \$	Actual Rate Revenue \$	Actual Interim Rates \$	Actual Back Rates \$	Actual Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$	Actual Total Revenue \$
<b>Differential general rate / general rate</b>												
<b>Gross rental valuations</b>												
GRV GRV - Residential	0.1449	1,673	32,309,061	4,681,582	12,771	(383)	4,693,970	4,681,583	0	0	4,681,583	4,663,832
GRV GRV - Other Vacant	0.2247	28	311,950	70,095	(3,873)	(493)	65,729	70,095	0	0	70,095	72,112
GRV GRV - Commercial	0.1429	171	12,828,756	1,833,229	0	0	1,833,229	1,833,229	0	0	1,833,229	1,825,642
GRV GRV - Industrial	0.1389	168	7,451,495	1,035,013	0	0	1,035,013	1,035,013	0	0	1,035,013	1,044,673
<b>Unimproved valuations</b>												
UV - IUV - Rural Residential	0.0110	185	45,908,000	504,988	(3,486)	(3,695)	497,807	504,988	0	0	504,988	504,988
UV - IUV - Pastoral	0.0570	22	5,885,680	335,484	1,140	0	336,624	335,484	0	0	335,484	335,488
UV - IUV - Commercial/Industrial	0.0077	42	11,899,760	91,628	4,526	0	96,154	91,628	0	0	91,628	102,665
UV - IUV - Rural Agriculture 1	0.0116	81	61,152,309	709,367	(9,744)	0	699,623	709,367	0	0	709,367	707,659
UV - IUV - Rural Agriculture 2	0.0101	109	34,018,000	343,582	931	8	344,521	343,582	0	0	343,582	343,561
UV - IUV - Mining	0.2740	37	1,733,988	475,113	(1,416)	0	473,697	475,113	0	0	475,113	474,697
UV - IUV - Exploration and Prospecting	0.1369	24	386,299	52,884	6,767	468	60,119	52,884	0	0	52,884	55,214
UV - IUV - Other	0.0065	3	8,525,000	55,413	(22,588)	0	32,825	55,413	0	0	55,413	55,413
<b>Sub-Total</b>		2,543	222,410,298	10,188,378	(14,972)	(4,095)	10,169,311	10,188,379	0	0	10,188,379	10,185,944
<b>Minimum payment</b>	\$											
<b>Gross rental valuations</b>												
GRV - Residential	1,112.00	26	144,949	28,912	0	0	28,912	28,912	0	0	28,912	47,816
GRV - Other Vacant	1,112.00	98	218,061	108,976	0	0	108,976	108,976	0	0	108,976	105,640
GRV - Commercial	1,112.00	15	77,285	16,680	0	0	16,680	16,680	0	0	16,680	22,240
GRV - Industrial	1,112.00	9	30,275	10,008	0	0	10,008	10,008	0	0	10,008	7,784
<b>Unimproved valuations</b>												
UV - Pastoral	1,112.00	1	17,471	1,112	0	0	1,112	1,112	0	0	1,112	1,112
UV - Commercial/Industrial	1,112.00	20	320,200	22,240	0	0	22,240	22,240	0	0	22,240	22,240
UV - Rural Agriculture 1	1,112.00	1	10,000	1,112	0	0	1,112	1,112	0	0	1,112	1,112
UV - Mining	1,112.00	33	52,516	36,696	0	0	36,696	36,696	0	0	36,696	34,472
UV - Exploration and Prospecting	310.00	22	26,957	6,820	0	0	6,820	6,820	0	0	6,820	6,820
<b>Sub-Total</b>		225	897,714	232,556	0	0	232,556	232,556	0	0	232,556	249,236
<b>Total amount raised from general rate</b>		2,768	223,308,012	10,420,934	(14,972)	(4,095)	10,401,867	10,420,935	0	0	10,420,935	10,435,180
Ex-gratia rates							10,401,867				10,420,935	10,435,180
<b>Totals</b>							5,679				5,699	5,679
							10,407,546				10,426,634	10,440,859

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

## 22 RATING INFORMATION (Continued)

### (b) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
<b>Option One</b>	17 Aug 2018	0	0.00%	9.00%
<b>Option Two</b>	17 Aug 2018	0	5.50%	9.00%
	21 Dec 2018	11.90	5.50%	9.00%
<b>Option Three</b>	17 Aug 2018	0	5.50%	9.00%
	19 Oct 2018	11.90	5.50%	9.00%
	21 Dec 2018	11.90	5.50%	9.00%
	22 Feb 2019	11.90	5.50%	9.00%

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Interest on unpaid rates	182,763	100,000	112,703
Interest on instalment plan	41,748	50,000	3,462
Charges on instalment plan	19,897	23,000	22,396
	<b>244,408</b>	<b>173,000</b>	<b>138,561</b>

## 23. RATE SETTING STATEMENT INFORMATION

Note	2018/19	2018/19	2018/19	
	(30 June 2019 Carried Forward)	Budget (30 June 2019 Carried Forward)	(1 July 2018 Brought Forward)	
	\$	\$	\$	
<b>(a) Non-cash amounts excluded from operating activities</b>				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals	11(a)	(45,197)	(45,876)	(35,045)
Movement in pensioner deferred rates (non-current)		(1,632)	0	(6,801)
Movement in provisions		243,835	0	119,508
Add: Loss on disposal of assets	11(a)	1,478,389	135,649	139,125
Add: Assets written off	9(a)	233,320	0	0
Add: Depreciation on assets	11(b)	6,208,292	6,144,866	6,481,995
<b>Non cash amounts excluded from operating activities</b>		<b>8,117,007</b>	<b>6,234,639</b>	<b>6,698,782</b>
<b>(b) Surplus/(deficit) after imposition of general rates</b>				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
<b>Adjustments to net current assets</b>				
Less: Reserves - restricted cash	3	(15,581,418)	(10,842,992)	(15,936,763)
Less: - Financial assets at amortised cost - self supporting loans	8(a)	(9,837)	0	(9,576)
Add: Borrowings	14(a)	779,306	779,306	903,767
Add: Employee liability not required to be funded	15	1,261,280	981,564	1,055,023
<b>Total adjustments to net current assets</b>		<b>(13,550,669)</b>	<b>(9,082,122)</b>	<b>(13,987,549)</b>
<b>Net current assets used in the Rate Setting Statement</b>				
Total current assets		21,590,564	12,501,292	21,743,463
Less: Total current liabilities		(3,500,421)	(3,419,170)	(4,928,422)
Less: Total adjustments to net current assets		(13,550,669)	(9,082,122)	(13,987,549)
<b>Net current assets used in the Rate Setting Statement</b>		<b>4,539,474</b>	<b>0</b>	<b>2,827,492</b>

## 24. FINANCIAL RISK MANAGEMENT

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

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

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

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

### (a) Interest rate risk

#### Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
<b>2019</b>					
Cash and cash equivalents	1.87%	5,284,573	2,045,060	3,237,513	2,000
Financial assets at amortised cost - term deposits	2.15%	13,718,737	13,718,737	-	-
<b>2018</b>					
Cash and cash equivalents	2.52%	11,298,651	7,822,660	3,473,991	2,000
Financial assets at amortised cost	2.48%	7,571,466	7,571,466	-	-

#### Sensitivity

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\*

	2019	2018
	\$	\$
	52,846	112,987

\* 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 14(b).

## 24 FINANCIAL RISK MANAGEMENT (Continued)

### (b) Credit risk

#### **Trade Receivables**

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

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2018 or 1 July 2019 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors. There are no material receivables that have been subject to a re-negotiation of repayment terms.

The loss allowance as at 30 June 2019 and 1 July 2018 (on adoption of AASB 9) was determined as follows for rates receivable. Except for Pastoral Leases and Mining Tenements, no expected credit loss was forecast on 1 July 2018 or 30 June 2019 for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
<b>30 June 2019</b>					
Rates receivable					
Expected credit loss	17.12%	9.62%	12.16%	44.99%	20.20%
Gross carrying amount	606,030	266,932	196,779	252,795	1,322,536
Loss allowance	103,762	25,692	23,937	113,743	267,134
<b>01 July 2018</b>					
Rates receivable					
Expected credit loss	6.17%	24.89%	33.70%	62.56%	29.93%
Gross carrying amount	356,368	260,842	106,412	287,458	1,011,080
Loss allowance	21,978	64,922	35,862	179,820	302,582

## 24. FINANCIAL RISK MANAGEMENT (Continued)

### (b) Credit risk (continued)

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2019</b>					
Sundry Receivables					
Expected credit loss	0.26%	2.01%	6.95%	21.85%	11.53%
Gross carrying amount	758,727	179,572	4,835	23,041	966,175
Loss allowance	1,998	3,603	336	105,459	111,396
<b>01 July 2018</b>					
Sundry Receivables					
Expected credit loss	0.32%	2.05%	5.58%	87.43%	7.66%
Gross carrying amount	1,180,481	8,968	33,063	110,005	1,332,517
Loss allowance	3,831	184	1,845	96,176	102,036

### (c) 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 14(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>2019</b>					
Payables	1,459,835	0	0	1,459,835	1,459,835
Borrowings	895,985	2,632,494	174,823	3,703,302	3,378,149
	2,355,820	2,632,494	174,823	5,163,137	4,837,984
<b>2018</b>					
Payables	2,969,632	0	0	2,969,632	2,969,632
Borrowings	1,056,875	3,057,019	646,283	4,760,177	4,281,916
	4,026,507	3,057,019	646,283	7,729,809	7,251,548

## 25. TRUST FUNDS

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

	1 July 2018	Amounts Received	Amounts Paid	Amounts Reclassified to Restricted Cash	30 June 2019
	\$	\$	\$	\$	\$
Councillor Nomination Fees	80	50	(50)	0	80
ASIC - Airport Security Card	4,200	0	0	(4,200)	0
Footpath Bonds	49,667	3,000	(582)	(52,085)	0
Hall Hire Bonds - Kununurra Leisure Centre	11,000	5,550	(8,150)	(8,400)	0
Hall Hire Bonds - Peter Reid Memorial Hall	2,810	2,300	(2,570)	(2,540)	0
Wyndham Port Hall Bond	10,000	0	0	(10,000)	0
Wyndham Council Chamber Bond	250	1,000	(750)	(500)	0
Wyndham Oval Hire Bonds	200	250	(250)	(200)	0
Kununurra Youth Centre Bond	1,050	300	(1,350)	0	0
Other Trust Funds	1,540	622	0	0	2,162
Public Open Space Contributions	469,714	11,380	0	0	481,094
Building Services Levy	12,463	41,555	(29,969)	0	24,049
Building & Construction Industry Training Fund	1,699	40,804	(41,049)	0	1,454
Terminal Security Access Cards	820	0	0	0	820
Health Application Fee	245	0	0	0	245
	565,738	106,811	(84,720)	(77,925)	509,904

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

**26. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS**

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

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

**AASB 9 Financial instruments**

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

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

The effect of adopting AASB 9 as at 1 July 2018 was, as follows:

	<u>Adjustments</u>	<u>01 July 2018</u>
		\$
<b>Assets</b>		
Trade receivables	(a),(b)	0
Loans and advances	(a)	0
Available for sale financial assets	(a)	0
<b>Total Assets</b>		<u>0</u>
<b>Total adjustments on Equity</b>		
Accumulated surplus/(deficit)	(a),(b)	0
		<u>0</u>

The nature of these adjustments are described below:

**(a) Classification and measurement**

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

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

## 26. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

The classification and measurement requirements of AASB 9 did not have a significant impact on the Shire. The following are the changes in the classification of the Shire's financial assets:

- Trade receivables and Loans and advances (i.e. Other debtors) classified as Loans and receivables as at 30 June 2018 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Financial assets at amortised cost beginning 1 July 2018.
- The Shire did not designate any financial assets as at fair value through profit and loss.

In summary, upon the adoption of AASB 9, the Shire had the following required (or elected) reclassifications as at 1 July 2018:

AASB 139 category	AASB 139 value	AASB 9 category amortised cost	Fair value through OCI	Fair value through P/L
	\$	\$	\$	\$
<b>Loans and receivables</b>				
Trade receivables*	2,028,203	2,028,203	0	0
Loans and advances	46,081	46,081	0	0
Available for sale financial assets	6,682	6,682	0	0
	2,080,966	2,080,966	0	0

### (b) Impairment

The adoption of AASB 9 has fundamentally changed the Shire's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the Shire to recognise an allowance for ECLs for all financial assets not held at fair value through P/L. Upon adoption of AASB 9, the Shire has not recognised an impairment on the Shire's Trade receivables.

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

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

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

### (a) Revenue from Contracts with Customers

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

	AASB 118 carrying amount		AASB 15 carrying amount
Note	30 June 2019	Reclassification	01 July 2019
	\$	\$	\$
<b>Contract liabilities - current</b>			
Unspent grants, contributions and reimbursements	0	1,735,120	1,735,120
Adjustment to retained surplus from adoption of AASB 15	27(d)	(1,735,120)	

### (b) Leases

The Shire adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. The Shire does not have any qualifying leases to which AASB 16 apply and so no restatement of financial information is necessary.

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

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

The Shire will adopt AASB 1058 Income for Not-for-Profit Entities (issued December 2016) on 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the Shire will adopt the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods shall not be restated in accordance with AASB 1058 transition requirements.

In applying AASB 1058 retrospectively with the cumulative effect of initially applying the Standard on 1 July 2019 changes will occur to the following financial statement line items by application of AASB 1058 as compared to AASB 1004 Contributions before the change:

	AASB 1004 carrying amount		AASB 1058 carrying amount	
	Note	30 June 2019	Reclassification	01 July 2019
		\$	\$	\$
Trade and other payables		1,459,835	0	1,459,835
Adjustment to retained surplus from adoption of AASB 1058	27(d)		0	

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance give rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 the prepaid rates will be recognised as a financial asset and a related amount recognised as a financial liability and no income recognised by the Shire. When the taxable event occurs the financial liability will be extinguished and the Shire will recognise income for the prepaid rates that have not been refunded.

Assets that were acquired for consideration, that were significantly less than fair value principally to enable the Shire to further its objectives, may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value.

Volunteer Services will not be recognised in revenue and expenditure as the fair value of the services cannot be reliably estimated.

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

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

	Note	Adjustments	2019
			\$
Retained surplus - 30 June 2019			100,176,701
Adjustment to retained surplus from adoption of AASB 15	27(a)	(1,735,120)	
Adjustment to retained surplus from adoption of AASB 16	27(b)	0	
Adjustment to retained surplus from adoption of AASB 1058	27(c)	0	(1,735,120)
Retained surplus - 01 July 2019			98,441,581

## 28. EFFECT OF CHANGES IN ACCOUNTING POLICY

### Unrecognised provision for Landfill closure and rehabilitation

During the year a provision for the closure of the Kununurra and Wyndham landfills was recognised.

As recognition of this should have been at the inception of the landfill activity, the provision is being recognised as a prior period error.

Both errors above have been corrected by restating each of the affected financial statement line items for the prior periods as follows:

Effect of the above:	30 June 2017 Original Balance	Amount of Adjustment	1 July 2017 Restated
2017	\$	\$	\$
<b><u>STATEMENT OF FINANCIAL POSITION</u></b>			
<b>Non-Current Assets</b>			
Infrastructure	210,157,886	429,432	210,587,318
<b>Non-Current Liabilities</b>			
Other Provisions	0	(3,128,564)	3,128,564
<b>Equity</b>			
Retained Surplus	88,308,695	(2,699,132)	85,609,563
Effect of the above:	30 June 2018 Original Balance	Amount of Adjustment	30th June 2018 Restated
2018			
<b><u>STATEMENT OF COMPREHENSIVE INCOME</u></b>			
<b>By Nature or Type</b>			
<b>Expenses</b>			
Depreciation	(6,431,309)	(50,686)	(6,481,995)
Other expenditure	(1,239,172)	(78,214)	(1,317,386)
	(7,670,481)	(128,900)	(7,799,381)
<b>By program</b>			
<b>Expenses</b>			
Governance	(895,522)	0	(895,522)
General purpose funding	(163,417)	0	(163,417)
Law, order, public safety	(1,127,766)	0	(1,127,766)
Health	(318,817)	0	(318,817)
Education and welfare	(147,164)	0	(147,164)
Housing	(454,659)	0	(454,659)
Community amenities	(4,096,116)	(128,900)	(4,225,016)
Recreation and culture	(6,372,303)	0	(6,372,303)
Transport	(9,824,582)	0	(9,824,582)
Economic services	(460,004)	0	(460,004)
Other property and services	(1,211,206)	0	(1,211,206)
	(25,071,556)	(128,900)	(25,200,456)

## 28. EFFECT OF CHANGES IN ACCOUNTING POLICY (Continued)

	30 June 2018 Original Balance	Amount of Adjustment	30th June 2018 Restated
<b><u>STATEMENT OF FINANCIAL POSITION</u></b>			
<b>Non-Current Assets</b>			
Infrastructure	230,217,965	378,746	230,596,711
<b>Non-Current Liabilities</b>			
Other Provisions	0	(3,206,778)	3,206,778
<b>Equity</b>			
Retained Surplus	97,980,154	(2,828,032)	95,152,122
<b><u>RATE SETTING STATEMENT</u></b>			
<b>Expenditure from operating activities</b>			
Community amenities	(4,163,796)	(128,900)	(4,292,696)
Non-cash amounts excluded from operating activities	6,569,881	128,900	6,698,781
<b>11 <u>PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE)</u></b>			
<b>(b) Depreciation</b>			
Infrastructure - Other	795,796	50,686	846,482
<b>16 <u>OTHER PROVISIONS</u></b>			
Non-current provisions	0	3,206,778	3,206,778
<b>17 <u>NOTES TO THE STATEMENT OF CASH FLOWS</u></b>			
Net result	9,840,931	(128,900)	9,712,031
Depreciation	6,431,309	50,686	6,481,995
Increase/(decrease) in provisions	41,294	78,214	119,508
<b>18 <u>TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY</u></b>			
Community amenities	5,097,633	378,746	5,476,379
<b>24 <u>RATE SETTING STATEMENT INFORMATION</u></b>			
Add: Depreciation on assets	6,431,309	50,686	6,481,995
Add: Movement on Provisions	41,294	78,214	119,508
<b>32 <u>FINANCIAL RATIOS</u></b>			
Asset sustainability ratio	1.61	(0.01)	1.60

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

**29. OTHER SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

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

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

**c) Rounding off figures**

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

**d) Comparative figures**

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

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

**e) Budget comparative figures**

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

**f) Superannuation**

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

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

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

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

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

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

**h) Fair value hierarchy**

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

**Valuation techniques**

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

**Market approach**

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

**Income approach**

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

**Cost approach**

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

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

**i) Impairment of assets**

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

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

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019**

**30. 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>
<b>GOVERNANCE</b>  To provide a decision making process for the efficient allocation of scarce resources	Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific Council services.
<b>GENERAL PURPOSE FUNDING</b>  To collect revenue to allow for the provision of services	Rates, general purpose Government grants and interest revenue.
<b>LAW, ORDER, PUBLIC SAFETY</b>  To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
<b>HEALTH</b>  To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
<b>EDUCATION AND WELFARE</b>  To provide services to disadvantaged persons, the elderly, children and youth.	Operation of youth services, day care centres and assistance to other voluntary services.
<b>HOUSING</b>  To provide and maintain staff and residential housing.	Provision of staff and residential housing.
<b>COMMUNITY AMENITIES</b>  To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control, administration of the town planning schemes, maintenance of cemeteries, maintenance of rest centres and storm water drainage maintenance.
<b>RECREATION AND CULTURE</b>  To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community.	Maintenance of halls, aquatic centres, recreation centres and various reserves; operation of library and community development services.
<b>TRANSPORT</b>  To provide safe, effective and efficient transport services to the community.	Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, depot maintenance and provision and operation of airport services.
<b>ECONOMIC SERVICES</b>  To help promote the Shire and its economic wellbeing.	The regulation and provision of tourism, area promotion, building control, noxious weeds and vermin control.
<b>OTHER PROPERTY AND SERVICES</b>  To monitor and control Shire's overheads operating accounts.	Private works operation, plant repair and operations and administrative costs.

### 31. FINANCIAL RATIOS

	2019 Actual	2018 Actual	2017 Actual
Current ratio	1.79	1.22	0.98
Asset consumption ratio	0.65	0.70	0.59
Asset renewal funding ratio	0.96	0.87	0.90
Asset sustainability ratio	0.92	1.61	0.31
Debt service cover ratio	3.35	3.62	5.97
Operating surplus ratio	(0.14)	(0.11)	0.02
Own source revenue coverage ratio	0.73	0.73	0.76

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

Level 15, Exchange Tower,  
2 The Esplanade, Perth, WA 6000

PO Box 5785, St Georges Terrace, WA 6831

T +61 (0)8 9225 5355

F +61 (0)8 9225 6181

[www.moorestephens.com.au](http://www.moorestephens.com.au)

## **INDEPENDENT AUDITOR'S REPORT TO THE COUNCILLORS OF THE SHIRE OF WYNDHAM EAST KIMBERLEY**

### **REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

#### **Opinion**

We have audited the accompanying financial report of the Shire of Wyndham East Kimberley (the Shire), which comprises the Statement of Financial Position as at 30 June 2019, Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and the Rate Setting Statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement by Chief Executive Officer.

In our opinion, the financial report of the Shire of Wyndham East Kimberley:

- a) is based on proper accounts and reports; and
- b) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2019 and its financial position at the end of that period in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

#### **Basis for Opinion**

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

#### **Emphasis of Matter – Basis of Preparation**

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

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

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

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

## INDEPENDENT AUDITOR'S REPORT TO THE COUNCILLORS OF THE SHIRE OF WYNDHAM EAST KIMBERLEY (CONTINUED)

### REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONTINUED)

#### *Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives of the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

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

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

**INDEPENDENT AUDITOR'S REPORT  
TO THE COUNCILLORS OF  
THE SHIRE OF WYNDHAM EAST KIMBERLEY (CONTINUED)**

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

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

- a) In our opinion, there is a significant adverse trend in the financial position of the Shire as the Operating Surplus Ratio has been below the DLGSCI standard for the past 2 years.
- b) All required information and explanations were obtained by us.
- c) All audit procedures were satisfactorily completed in conducting our audit.
- d) In our opinion, the asset consumption ratio and the asset renewal ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

**MATTERS RELATING TO THE ELECTRONIC PUBLICATION OF THE AUDITED FINANCIAL REPORT**

This auditor's report relates to the annual financial report of the Shire of Narembeen for the year ended 30 June 2019 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.

MOORE STEPHENS  
CHARTERED ACCOUNTANTS



GREG GODWIN  
PARTNER

Date: 11 November 2019  
Perth, WA



To contact us:

 +61 08 9168 4100

 [mail@swek.wa.gov.au](mailto:mail@swek.wa.gov.au)

 [www.swek.wa.gov.au](http://www.swek.wa.gov.au)

 PO Box 614 Kununurra WA 6743

#### Shire Offices and Chambers

 [Kununurra Office](#)  
20 Coolibah Drive  
Kununurra WA 6743

[Wyndham Office](#)  
Koolama Street  
Wyndham WA 6740

SHIRE of WYNDHAM  
EAST KIMBERLEY



SHIRE of  
WYNDHAM  
EAST KIMBERLEY

