

Annual Report

July 2016 to June 2017



Baby Boob Tree Planting Ceremony, Swim Beach, Lake Kununurra

A year in the Shire of Wyndham East Kimberley

SHIRE of
WYNDHAM
EAST KIMBERLEY



Annual Report 2016 – 2017

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Document Revision	Approved by	Date Approved
Annual Report 2016/17	DRAFT	...

East Kimberley Regional Airport

Introduction

Welcome to the Annual Report 2016-17 covering the period of 1 July 2016 to 30 June 2017.

This report aims to provide you with an open and accountable insight into how we have progressed the vision and strategic objectives in our Strategic Community Plan 2012-2022. This includes our main achievements and challenges, financial performance and key targets for the year ahead.

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. The Report has been reviewed by the Shire's Executive Management Team to ensure accuracy and authenticity.

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
- Visiting our Shire Offices at 20 Coolibah Drive, Kununurra or Koolama Street, Wyndham



Message from the Commissioner



I am pleased to be able to present the Shire of Wyndham East Kimberley 2016-17 annual report. I would like to express my appreciation for the role all of our residents, community groups and local businesses have played in helping us to achieve our goals this year, and to the hard-working and committed staff at the Shire.

The aim of the annual report is to inform the community of Council's performance during the 2016-17 financial period in relation to the Shire's Corporate Business Plan and annual budget, which was set at the beginning of the financial period, as well as report on our progress towards achieving the Community's Strategic Community Plan Goals and Objectives. This year's Annual Report follows a new format to help make it easier to interpret and hopefully make it more interesting for readers.

I was appointed as Commissioner of the Shire of Wyndham East Kimberley Council on Wednesday 28 September 2016. This was as a result of ongoing dysfunction between the elected Councillors with allegations of bullying and undeclared financial interests reported to the Local Government Minister. The Shire was issued with a Show Cause Notice under the Local Government Act 1995 in May 2016, requiring elected members and senior staff to take part in mediation. Mediation was declared untenable by the mediator on 2 August 2016 and the Shire was issued with a second Show Cause Notice by the Local Government Minister, notifying his intention to suspend Council. Following the resignation of five Councillors after the budget adoption in September 2016, the Council was left with no quorum and was therefore unable to conduct its business. As a result of these resignations, the Governor of Western Australia made an order under the Local Government Act 1995 declaring all offices vacant and required the appointment of a Commissioner in place of Council until the Ordinary Elections in October 2017.

The period without an elected Council has allowed the organisation time to review a number of long term strategic and informing plans required as part of the Integrated Planning and Reporting Framework, including an Asset Management Strategy and Plan, and a Long Term Financial Plan. I have also re-established the requirement for quarterly reporting to Council and the public on the delivery of the Corporate Business Plan to keep the community better informed about the Shire's activities, providing better transparency and accountability.

Through prudent financial management, we are back on track with our financial health indicators, as you will discover as you read through this report.

As well as developing our strategic plans and improving the finances we have conducted an independent Community Survey. The Shire should aim to undertake a similar community survey every two years to check perceived satisfaction with the Shire, Shire's performance and services and priorities for the future and as a way to measure performance improvement over time. This is something I hope future Councillors will commit to supporting as a fundamental part of a healthy democracy and well-functioning local government. The information provided by the community will assist in the review and development of the Strategic Community Plan 2017 - 2027, and we have included a summary of the survey for you in this report.

I would also like to thank the Chief Executive Officer, Mr Carl Askew, his Executive Team and the Shire Administration for their assistance, support and dedication in providing services and delivering programs and projects to the local community. I look forward to the Shire delivering efficient and effective services and sustainable asset management for the community during the next financial year.

Ron Yuryevich
Commissioner
Shire of Wyndham East Kimberley Council

Our Vision:

For the East Kimberley to be a thriving community with opportunities for all.

Chief Executive Officer Report



The Shire of Wyndham East Kimberley has continued to deliver the goals and strategies outlined in the Strategic Community Plan 2012-2022 and this Annual report presents the outcomes achieved

throughout the year against these goals and strategies. It also presents the Shire's financial statements.

2016/17 has again been a busy but productive year for the Shire's Administration and, in addition to the daily work of the Shire, a number of plans, studies and corporate documents have been prepared, provided to the community for comment and returned to Council for endorsement. As a consequence I am able to report that a number of matters have progressed, with projects and programs either continued or successfully completed. 2017 has been a productive year under the guidance of the Commissioner.

Elections and Council

2016/17 has also been a challenging year with changes in Council and across the Administration. As indicated by the Commissioner in his report there have been significant issues within Council which resulted in two Show Cause Notices, mediation and the appointment of Mr. Yuryevich as Commissioner until the next Ordinary Elections in October 2017.

Strategic Planning

The Shire has worked to complete its new Local Planning Strategy and Planning Scheme (No 9) and in February 2016 received authority from the West Australian Planning Scheme (WAPC) to advertise for public comment. The Strategy and Scheme will ensure town planning meets the needs of both residential and business communities and it was

submitted to the WAPC in January 2017. We are now awaiting final approval and gazettal and Council should be in a position to adopt its new Scheme and Strategy by the end of 2017. In addition, the Shire has also advertised Structure Plans for both the East Lily Creek Precinct and Civic (Town) Centre.

The Shire will also continue to deliver on the Council's Strategic Community Plan 2012-2022 whilst planning for a major review of that Plan in line with the Integrated Planning and Reporting Framework and we are intending to have a new Strategic Community Plan by the start of 2018.

Communications

We have maintained our practice of keeping the community informed throughout the year with SWEK news, local advertisements, statutory advertisements, Media Statements, website and Facebook pages as well as the Administration Centres and Library noticeboards. We have also undertaken advertising and community meetings specifically for individual projects and issues, none more important than our budget and corporate business plan consultation.

We are determined to deliver on the objective of "strong community engagement" by continually investigating and implementing options to encourage and integrate community input in Council planning, policies and decision making.

Economic Development

The development of the Kununurra Regional Growth Centre Plan was an initiative of the former State Government and was formally supported by the Shire. The development of the Plan was to be led by Landcorp and the Kimberley Development

Our Mission:

To enable the East Kimberley to develop in a manner that will achieve social, cultural, economic and environmental benefits for all.

CEO Report

Commission. A project Steering Committee was formed and included the Commissioner and CEO and met in February and March of 2017. A change at the State Government elections in March 2017 saw the process placed on hold whilst major changes (machinery of government) were made and a reassessment of State finances conducted. Since April 2017 the Growth Plan process for Kununurra has been placed on hold and is beyond the capacity of the Shire/Council to continue in its current form. The Shire is currently recruiting for an Economic Development Officer who will work with Council, the community and all levels of Government in order to develop and implement an Economic Development Strategy for the Shire.

Shire Operations

I congratulate the town maintenance staff in both Wyndham and Kununurra for their efforts in maintaining both towns to such a high standard. These staff quietly go about their work keeping the verges, parks and gardens presentable, undertaking maintenance and repairs to Shire infrastructure and removing rubbish and litter from our streets and public places.

In 2016/17 the Shire continued with capital renewal and improvements of our boat ramps, road network and footpath assets. Major projects includes the redevelopment of Lily Creek Boat Launching facility, resheeting sections of Duncan Road, installation of raised traffic plateaux to Ironwood Drive and Mangaloo



Street, lighting improvement to Coolibah Drive, improvements to Lake Argyle Road and resealing of various streets in Wyndham. Several new footpaths were also constructed in Wyndham improving footpath connectivity and some damaged footpaths were renewed. In addition, a number of streets were resealed as part of an ongoing program of maintenance and renewal.

The background design work was completed ready for the implementation of a four-year project to improve drainage in the area around Nutwood Crescent and Rosewood Street in Kununurra and tenders were awarded for stage one of these works. In addition a significant program of work commenced for the widening and upgrade of Lake Argyle Road, including a number of culverts. Tenders were also awarded for first stage of drainage improvements to Gambier Street and further resealing in both Wyndham and Kununurra.



Waste

The Shire operates two landfill sites within the Shire at Wyndham and Kununurra. The Shire services in excess of 2,200 bins each week though its main contractor Toxfree. Waste disposal is a major cost for the Shire and the community and by minimising waste, recycling, and reusing we aim to reduce waste. Our partnership this year with East Kimberley Job Pathways is a great example of how two organisations and the community can benefit from reuse and recycling of waste. During the year 300 tonnes of green waste were diverted from landfill and scrap steel has also been set aside, with 1,300 tonnes waiting to be recycled. The Shire also held a free waste weekend for residents and a free E-Waste Recycling program.



Landfill, Wyndham

Airport

The Shire operates two airports within the District, Wyndham Airport and the East Kimberley Regional Airport (EKRA) to support economic and employment growth within the Shire. Following several years of declining aviation activity due to contraction in the resources/construction sectors the Airports accommodated a modest increase in both regular public transport passenger numbers and aircraft movements. The delivery of Airport services achieved

very high community satisfaction in the Shire survey with a good/excellent rating of 70% for the facilities and services. Another positive initiative during the year was the completion and installation of the 'Welcome to Country'



Line Marking, East Kimberley Regional Airport

signage sited as passengers enter the Terminal. Significant work was also carried out by consultants GHD on the pre-feasibility and business case for the extension of the runway by 600m to 2,400m.

Budget

This year, the process of preparing the 2017/18 Budget commenced in February 2017 with our mid-year budget review, and the Commissioner and senior staff were involved in the many stages of preparing our budget. The annual budget process is significant in terms of its importance and also the time and resources required to be committed to the process to ensure accuracy and timeliness. This year included significantly more consultation and engagement with the community both in regard to rating, our Corporate Business Plan and budget, with Council undertaking a number of workshops and briefings plus formal

CEO Report



Traffic calming Ironwood Drive, Kununurra

reports, and leading to significant community engagement in June and budget acknowledgement of the community submissions and adoption of its rating model in July 2017. It is pleasing that the budget process was able to be achieved within the timeframes set and with an average (modest) rate increase of 1.2% (Fees and Charges 1%), significantly better than a number of (most) local governments. The Shire is now well positioned in terms of its finances and whilst there is still work to be done the foundations have been laid and all Integrated Planning and Reporting (IPRF) requirements have been met. Additional reserves have been created and significant funds set aside. The Shire is prepared moving forward.

Drainage and WANDRRA



Damage to open drains, Kununurra

The flood events of January 2017 were a significant event for the Shire with major damage to Kununurra road and drainage infrastructure. The Shire is proud of the immediate response that was provided to support the community during and after this event. The Shire is on track to complete the majority of an estimated \$8 million in repairs (funded through the WANDRRA program), during the 2017 dry season - a great achievement. These events have a long term impact as they sometimes expose the Shire to large unbudgeted expenses. The Shire has also engaged Cardno to undertake drainage study of the Kununurra townsite in partnership with Water Corp and Ord Irrigation Cooperative (OIC). This study will provide the necessary data and recommended actions for the Shire and other partners in order to address the long term issue of stormwater, runoff and drainage.



Surface water, Kununurra

Administration

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 difficult 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 SWEK team ready to take up the challenge. Council has recognised the need to have quality people within the organisation and this year have resourced the Shire in the critical areas of Asset and Financial Management.

We look forward to their contribution and efforts in maintaining and improving our services to residents, ratepayers and visitors.

Monthly Ordinary Council Meetings and a number of Special Council meetings took place throughout the year, as well as a number of Audit (Finance and Risk) Committee meetings and Briefing sessions, which resulted in approximately three hundred reports to Council and a significant number of Council decisions (resolutions) and actions for the Administration to implement. In addition, the Shire continues to be involved with a significant number of committees, some of which are statutory requirements, others are in-house and assist with the decision-making of Council whilst other committees relate to external stakeholders, including the West Australian Local Government Association, Kimberley Zone and Regional Collaborative Group. The Administration supports Council and individual elected members on the majority of these committees and community bodies.

Year Ahead

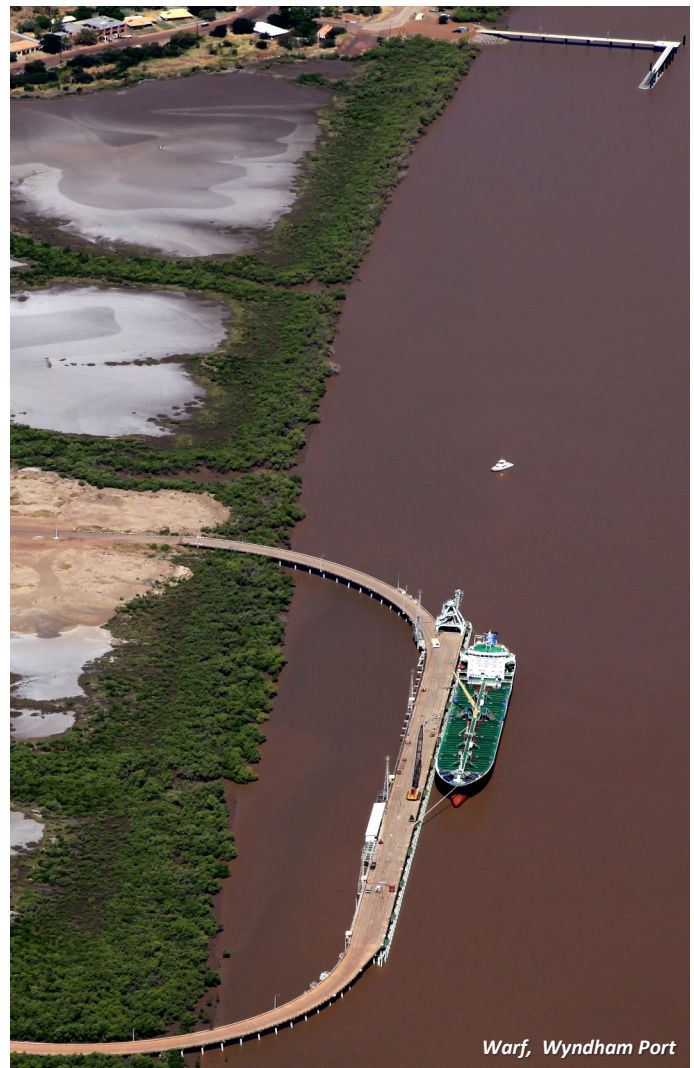
In the next 12 months Council has identified a number of strategic projects that will require the Administrations time and resources including;

- Finalise the Shire's Strategic Community Plan and update the Corporate Business Plan
- Finalise the Local Planning Scheme and Strategy
- Complete the Kununurra Growth Centre Plan in partnership with the State Government, KDC, EKCCI
- Report to Council on the East Lily Creek and Civic Centre Structure Plans
- Develop an Economic Development Strategy for the Shire
- Develop a Stormwater Management Strategy for Kununurra Town site
- Complete all WANDRRA road repairs for 2017/18
- Update our Community Safety and Crime Prevention Plan
- Develop a Streetscape Plan for Kununurra and Wyndham Town sites inclusive of a Tree Planting Program
- Prepare, negotiate and finalise a new Enterprise Agreement for the Organisation
- Investigate and prepare a Communications Strategy for the Shire

I would like to thank all staff for their continued commitment to providing services to the community and I would like to thank our Commissioner who has supported the implementation of our Strategic Community Plan to ensure that the long-term vision for the Shire is achieved.

As your CEO I am proud of the achievements listed in this report and our compliance with all statutory obligations required under legislation. Can I also acknowledge the many community volunteers for their commitment and efforts to improve our community. Once again I am looking forward to working with our professional and committed team of staff to deliver high quality services to the SWEK community.

Carl Askew
Chief Executive Officer



Wharf, Wyndham Port

About our Shire

Size of the Shire

121,000 KM²

Distance from Perth

3,215 KM

Population

7,494

Electors

3,614 ~

% population Born in Australia

78%

People who became citizens

23

Identify as Aboriginal

32%

Most common language spoken at home other than English

Miriwoong

Median Age

33

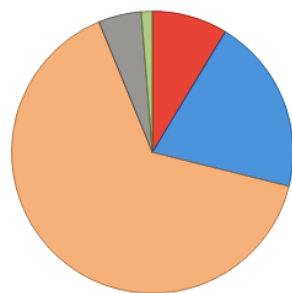
Families

1,576

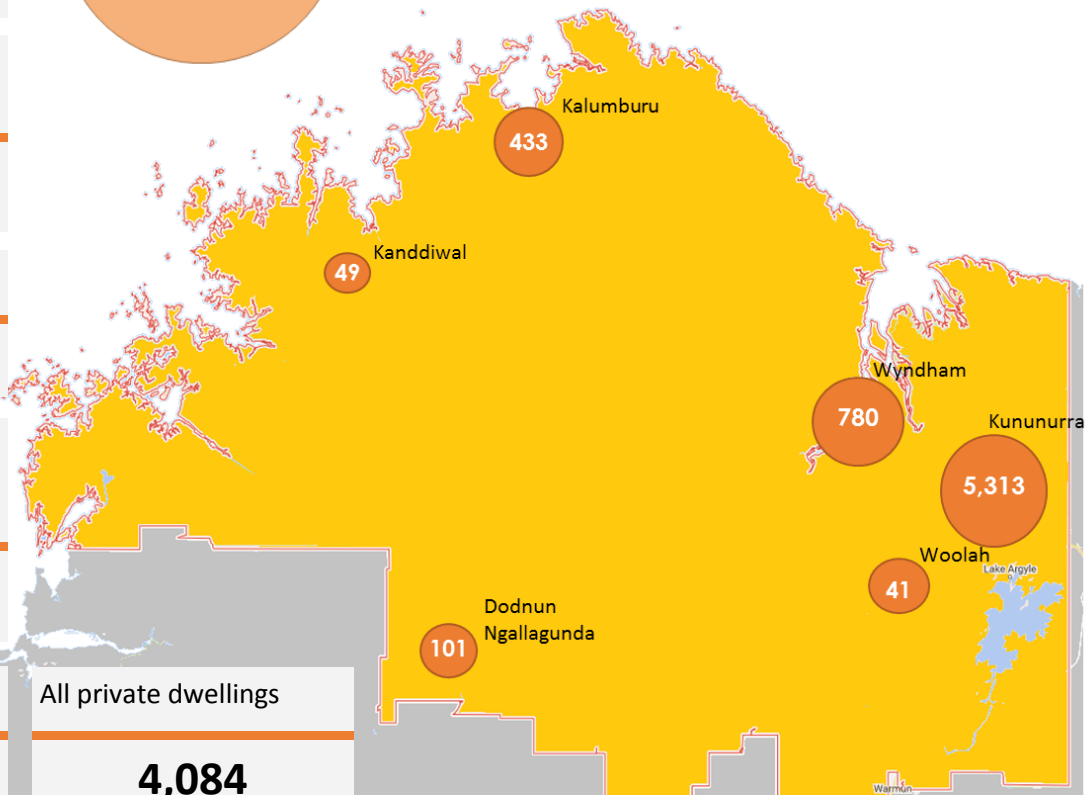
Shire of Wyndham East Kimberley, is located in the ruggedly picturesque and sparsely populated northeast corner of Western Australia, stretching from the Northern Territory border to the northern most tip of Western Australia. The Shire includes the towns of Kununurra and Wyndham, the township of Kalumburu, more than 40 Indigenous communities and a number of other small settlements and station homesteads.

The Shire covers 121,000 square kilometres (3 times the size of the Netherlands) and is one of the four local governments that make up the Kimberley region. It is an exciting time to live in the East Kimberley with rapid population growth due to the expansion of the Ord Irrigation area, new mining projects, a thriving tourism industry and the associated infrastructure and employment opportunities. The East Kimberley has the benefits of a rich history mixed with dynamic growth and a vibrant community.

Population Life Stage



- 0 to 4 years (pre-school age) 8.67%
- 5 to 19 years (school age / dependants) 20.20%
- 20 to 64 years (working age) 64.93%
- 65 to 74 years (retirement) 4.93%
- 75+ years (elderly) 1.28%



All private dwellings

4,084

Av. children per family

2

Average people per household

2.7

Median weekly household income

\$1,704

Output

Total Output in the Shire is estimated at \$1,631.075 million.

The major contributors to output are:

Industry Sector	\$M	%
Mining	\$360.1	22.1%
Construction	\$275.8	16.9%
Tourism	\$113.5	6.9%
Agriculture, Forestry & Fishing	\$92.1	5.6%
Other	\$789.4	48.4%

Employment

Total Employment in the Shire is estimated at 4,076 jobs.

The major contributors to employment are:

Industry Sector	Jobs	%
Mining	699	17.1%
Health Care & Social Assistance	412	10.1%
Construction	408	10.0%
Tourism	395	9.7%
Agriculture, Forestry & Fishing	239	5.9%
Other	1,925	47%

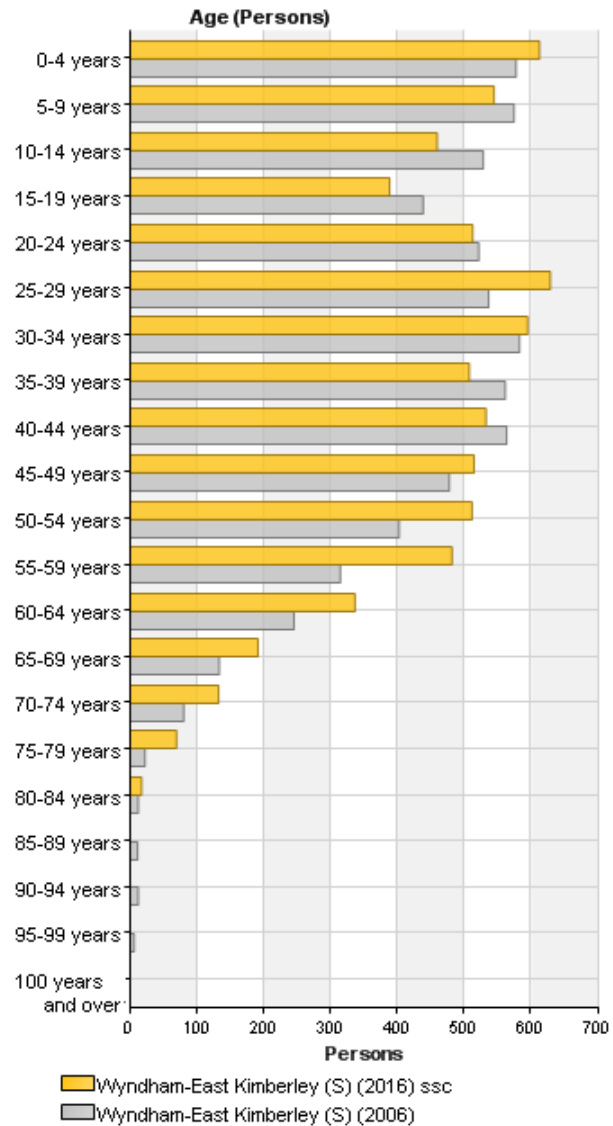
Value Added

Total Value-added in the Shire is estimated at \$785.166 million.

The major contributors to value-added are:

Industry Sector	\$M	%
Mining	\$192.3	24.5%
Construction	\$90.7	11.6%
Tourism	\$46.2	5.9%
Agriculture, Forestry & Fishing	\$46.0	5.86%
Other	\$409.7	52%

Shire Population by age bracket



Length of unseal roads

1,088 KM

Length of seal roads

249 KM

Length of footpaths

30,088 M

GRP Gross Regional Product

\$831.1M

Per Capita GRP (\$'000):

\$106.563

Per Worker GRP (\$'000):

\$203.924

[View our Economic Profile](#)

[View our Community Profile](#)

About our Organisation

The Shire of Wyndham East Kimberley is the local government covering the district of the East Kimberley and includes the towns of Wyndham and Kununurra.



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 the President, Deputy President and 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. The Title of "President" refers to the leader (Presiding Member) of a local government Council in Shires.

As individuals, the Shire President, and Councillors have no authority under the Act and no directive or decision-making power. All authority rests with the collective as a Council and that authority is exercised by majority decisions at formal Council or committee meetings.

Currently all offices of Council are vacant. A Commissioner has been appointed who's role is to provide direction and policy making for the Shire in the absence of Council.

Role of the Chief Executive Officer

The role of the 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; liaise with the Shire President regarding performance and management of staff.

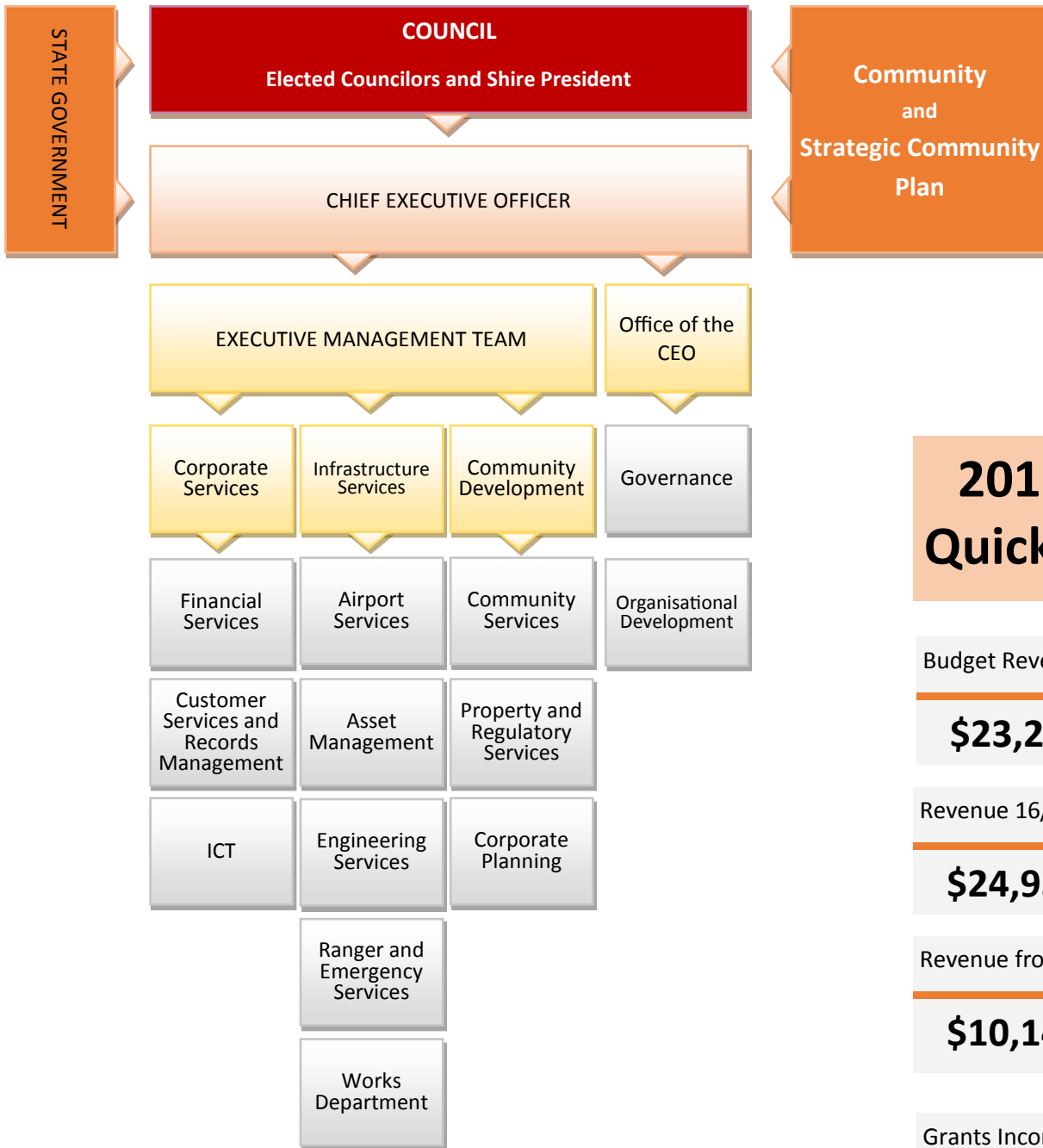
Council Decision Making

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.

Council Elections

The next Council election is scheduled to occur in October 2017.

Our Organisational Structure



2016/17 Quick Facts

Budget Revenue 16/17	\$23,237,858
Revenue 16/17	\$24,933,882
Revenue from Rates	\$10,141,663
Grants Income	\$8,408,705
Investment in Transport	\$9,765,977
Investment in Recreation	\$6,734,471

The Shire aims is to attract, retain and develop talented and committed employees through the continuous improvement of its human resources, organisational development and occupational safety and health programs and policies.

Rates are a tax on property levied by local governments to fund the shortfall between their planned expenditure and all other income they receive, including from investments and local government grants. The Local Government Act 1995 and the Valuation of Land Act 1978 prescribe the methods for assessing the rateable value of property and the types of rates which can be levied.

Integrated Planning and Reporting Framework

Local Government in WA is continuously improving the way it undertakes strategic planning processes. In 2011 the Integrated Planning and Reporting Requirement was legislated. The Shire of Wyndham East Kimberley has developed an Integrated Planning and Reporting Framework that will allow us to sustainably and strategically meet the needs of our community.

The objective of the framework is to have a stronger focus on place shaping and wellbeing with a greater level of community engagement. It also provides a link between the Shire's strategic objectives and its operational functions.

Framework aims

- Recognises that local government planning is holistic in nature and driven by the community
- Builds organisational and resource capability to meet community need
- Optimises success by understanding the integration and interdependencies between the components, and
- Emphasises performance monitoring so that the Shire can adapt and respond to changes in the communities needs and the operating environment.

The framework requires The Shire to have three levels of integrated strategic planning, informed and supported by appropriate resourcing and asset management plans.

The framework consists of number of strategic plans for identifying and prioritising local issues.

The strategic plans set the goals and direction for the Shire's future activities. It integrates asset, service and financial plans so that the Shires resource capabilities match our community's needs. The most important of these is the Shire's Strategic Community Plan.

Key components of the framework

- Strategic Community Plan with a 10 year horizon and informed by community consultation; (Level 1)
- Corporate Business Plan with a 4 year horizon; (Level 2)
- Annual Budget with a 1 year horizon; (Level3) and
- Supporting strategies including a Long Term Financial Plan, Asset Management Plan and Workforce Plan.

These components and their relationships are summarised in the diagram below:



Framework Roles and responsibilities



The Community

Residents, Businesses, Clubs and Organisations

Role:

Communicates their aspirations
 Articulate their strategic priorities
 Vision for the East Kimberley
 Engage in consultation processes and inform Council and Shire about ideas, needs and concerns
 Develop Strategic Community Plan



The Council

Elected Members who represent their community

Role:

Provides direction on strategy development
 Adopts Strategies, Plans and Budgets
 Deliver the 10 year Strategic Community Plan
 Report Annually on Progress



Administration

The organisation led by a Chief Executive Officer

Role:

Identifies actions to deliver adopted strategies
 Manages resources
 Deliver the 4 year Corporate Business Plan
 Strategic Project Delivery
 Report quarterly on progress

The Integrated Planning and Reporting Framework helps ensure Council's decisions look to the long-term future and consider the community's aspirations to deliver the best results possible with the resources available.

Before the legislative requirements to have an Integrated Planning and Reporting Framework the community had limited voice once Councillors were elected. The Framework is designed to put the community at the table through the Strategic Community Plan with the Council and CEO and ensure that the needs and aspirations of the community identified through the Strategic Community Plan are always considered. The framework helps to hold both Council and the CEO to account for delivering on the goals of the Strategic Community Plan.

Regular Review

The Integrated Planning and Reporting Framework requires a part review of the Strategic Community Plan every two years and a full review of the Strategic Community Plan every four years.

The Shire has begun the process of reviewing the Strategic Community plan and is following a 6 step process:

- Community Survey
- Analysis of Survey Results
- Plan for the future workshop with key community representatives
- Develop draft Plan using information from the survey results, workshop with key community representatives and existing Strategic Community Plan 2012-2022.
- Seek community comment on draft Plan through community consultation
- Finalise Strategic Community Plan 2017-2027 for adoption by council and publish

Other Informing Documents

The Shire has developed a number of informing strategies that document its project and service delivery that will ensure that it can achieve and deliver the priorities identified in the Strategic Community Plan.

Strategic Direction

Our Vision

For the East Kimberley to be a thriving community with opportunities for all.

Our Mission

To enable the East Kimberley to develop in a manner that will achieve social, cultural, economic and environmental benefits for all.

Our Values

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 people of the East Kimberley 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 Commonwealth level on issues that affect our region.

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

Our Commitment

Effective - Council will ensure that all work is undertaken in a cost effective manner providing value-for money to the community.

We will have a focus on quality in the delivery of all services and programs. Our internal systems will be efficient and will focus on enabling effective delivery.

Sustainable - Council will operate within its means, developing budgets that are affordable by the community.

Responsive - We recognise that the community is our customer. We will operate with a strong customer service focus in all our work. We will enable the community to provide feedback on our activities and we will respond to our stakeholders concerns in a timely manner.

Transparent - We will report regularly to the community on progress against this plan.

Council Decision-making Criteria

These criteria show what Council takes into account when considering significant issues. They reflect our values and the decision-making approach applied to developing the Shire's plans and will continue to be applied as it is implemented.

How well does it fit our Strategic Direction?

Does the option help to achieve our vision and goals?

Who benefits?

How are the benefits distributed across the community?

Can we afford it?

How well does the option fit within our long term financial plan? What do we need to do to manage the costs over the lifecycle of the asset / project / service?

Does the community support it?

How well informed is the community about the costs and benefits of the option? What is the level of community support? Is the community united or divided? What is the evidence?

Does it involve an acceptable level of risk?

What level of risk is associated with the option? How can it be managed? Does the residual risk fit within our risk tolerance level?

Strategic Community Plan

The Strategic Community Plan is the long-term overarching document that sets out our community's vision and aspirations for the future. It also sets out the key strategies and actions required to achieve these aspirations. The Strategic Community Plan identifies how we will get from where we are now, to where we want to be.

Achieving the identified aspirations will rely on the collective commitment and combined actions of the Shire of Wyndham East Kimberley, government agencies, Aboriginal Corporations, non government agencies, residents, the business community and community groups.

The Strategic Community Plan identifies three focus areas (Goals) and associated Outcomes for the community:

Civic Leadership & Governance

Strong leadership & governance that underpins a more strategic approach to community engagement, regional development & organisational sustainability

Strong community engagement

Alignment of regional and local priorities with other agencies and community groups

Advocacy of East Kimberley issues and opportunities at regional, state and national levels

Business innovation, efficiency and improved services

Physical & Social Infrastructure

Greater returns from regional investment to ensure sustainable provision of appropriate physical and social infrastructure

A highly valuable EK economy that maximises social benefits

Maintenance of economic diversity and greater community returns from investment in the region

Facilities appropriate for their intended use and factor in whole of life costing and maintenance

High standard of health and community facilities and services available to all residents

Lifestyle & Environment

Protection and enhancement of lifestyle values, community facilities and the environment to provide safe and inviting communities.

A broad range of lifestyle opportunities and activities are available for East Kimberley residents

Waste management and protection of environmental values

Towns are safe and inviting for locals and tourists

An active outdoor lifestyle is encouraged and promoted

The Strategic Community Plan was developed in 2012 and covers the ten years from 2012 to 2022. During the year no changes were made to the Strategic Community Plan. During 2017/18 a major review in consultation with the community will be undertaken to cover the period from 2017 to 2027.

Our Year, Delivering the Plan

Corporate Business Plan Year 2016-17

2016/17 Actions Summary







The Corporate Business Plan 2016/17 - 2019/20 was adopted by Council at the 15 September 2016 Ordinary Council Meeting.

202	Actions
	101 Completed
	45 Commenced
	33 Ongoing
	23 Deferred



2016/17 Priority Actions

Status	Priority Action
	New Leisure and Aquatic Facility for Kununurra
	Wyndham town site road reseal program
	Reticulation Upgrades throughout Wyndham
	Continuation of the Lake Argyle Road Staged Upgrade program
	Resheeting of Duncan Road
	EK Regional Airport carpark upgrade and replacement of air-conditioning
	Urban and Rural Road maintenance, renewal and upgrade projects

Status	Priority Action
	Stormwater drainage upgrades for Gambier Street, Wyndham
	Investigation and planning for Events Precinct
	Staged Implementation of the Recreation Space Strategy
	Trails Master Plan and commence implementation of the Plan
	Finalise the upgrade of the Lily Creek Lagoon boating facilities and carpark
	Review and optional continuation of the Take Away Alcohol Management System (TAMS)

Lakeside, Kununurra

Our Key Achievements



Lily Creek Lagoon boating facilities, Kununurra

During the year the Shire completed a number of actions that will directly benefit the East Kimberley community that were set out in the Corporate Business Plan adopted by Council in 2016.

The Shire commissioned a community survey in the form of a community scorecard to check perceived satisfaction with the Shire, the Shire's performance and services. The Community Scorecard survey was undertaken between 14 March and the 14 April 2017 using the independent company CATALYSE. CATALYSE has a significant amount of experience in conducting similar surveys for other local governments. This experience has allowed a comparison with other local governments for benchmarking purposes. The survey has provided the Shire with the following benefits:

- Provides robust and reliable measures of performance, from advocacy, community engagement and community development, to town planning, economic development and environmental management.
- Respondents share their needs and aspirations and their location giving the ability to create local priority mapping.
- If carried out every 2 years, the Shire can benchmark performance over time, showing historical trends.

The Lily Creek Lagoon boating facilities at Kununurra were successfully completed providing improved access to Lake Kununurra by residents and visitors to the region.

The Shire now has access to individual economic and community profiles for the Shire of Wyndham East Kimberley through REMPLAN who develop economic modelling and planning system. This provides community and local businesses with access to features information and statistics on our local economy and the community.

Our Key Challenges

A number of issues have affected the progress of actions during the year including; prioritisation of resources, staff resources due to vacancies, impact of weather, unsuccessful grant funding applications and external funding to-date not being secured.

At the Start of the financial year all positions of the Shire Council were declared vacant and the Shire was left without a functioning Council. This caused uncertainty within the organisation and the wider community. A Commissioner was appointment in place of Council allowing the Shire to function effectively.

The wet season during the year caused damage to assets across the Shire that has impacted on the residents and visitors using these assts. The Shire successfully applied for and received funds to repair damage caused by flooding from the Western Australia Natural Disaster and Recovery Arrangements (WANDRRA). Some roads received temporary repairs while this funding and repair work is undertaken. In Kununurra this was Leichhardt Street were works to repair the road are planned to begin in the new financial year (2017/18).

Goal: Civic Leadership and Governance

Strong leadership and governance that underpins a more strategic approach to community engagement, regional development and organisational sustainability

2016/17 Action Status Summary

56 Actions



25 Completed



11 Commenced



12 Ongoing



8 Deferred



Status	Action
✓	Undertake community satisfaction survey
✓	Promote good news stories about the Shire
>	Full review Strategic Community Plan (SCP)
✓	Annual and quarterly review of Corporate Business Plan (CBP)
↻	Ensure effective communication with the community
✓	Investigate and implement online options for the community to be more engaged
↻	Liaise with government departments and other stakeholders on key community issues
✓	Kimberley Zone / RCG business systems improvement initiative
✓	Kimberley Zone / RCG records management initiative
—	Kimberley Zone / RCG Volunteering Strategy
↻	Implement Kimberley Strategic Plan and Kimberley Regional Business Plan
✓	Participate in Kimberley Zone Regional Collaborative Group (RCG)

Status	Action
↻	Kimberley Zone / RCG Youth Strategy
—	Develop a community facility strategy
↻	Advocate key local issues and priorities to Government representatives as contained in Strategic Plans
↻	Seek Councillor representation on boards and organisations
↻	Liaise with State and Federal government agencies regarding service delivery in Aboriginal communities
↻	Ensure compliance with the Integrated Planning and Reporting Framework
↻	Ensure compliance with the Local Government Act 1995 and Regulations
↻	Records Management - Ensure compliance with legislation and support the needs of the organisation
>	Undertake a review of the Record Keeping plan
✓	Records Management - Develop General Disposal Authority for the Shire
>	Records Management - Undertake back scanning of paper records



Status	Action
✓	Records Management - Undertake a review of vital records
↻	Provide financial functions that comply with legislative requirements
✓	Develop Purchasing, Procurement and Contract Management in compliance with legislation
✓	Review Local Laws
➤	Implement recommendations from the Regulation 17 Review
✓	Undertake Biennial review in accordance with Regulation 17 provisions
➤	Develop and maintain quarterly Reg 17 status report for Audit (Finance and Risk) Committee
➤	Develop and implement a Risk Management Framework
✓	Kununurra Leisure Centre Service Review
✓	Wyndham Swimming Pool Service Review
➤	Undertake Wyndham Youth Service Review
↻	Coordinate regular reviews of Shire services
┌	Coordinate the development of Operational and Service Delivery Plans
➤	Review and maintain the Long Term Financial Plan
➤	Undertake competitive neutrality reviews: - Airport - Landfill
┌	EKRA - Develop and maintain a Long Term Financial Plan for the Airport
┌	Develop and maintain a Long Term Financial Plan for the Landfill
┌	Develop fee model structure for the Airport

Status	Action
✓	Develop and implement Asset Management Plan
✓	Enhance customer services - develop a customer services charter
➤	Develop Council Chambers Audio capabilities for recording of meetings
➤	Customer Service - Develop a public access portal - Information access
✓	Council - Provide governance administration and support
➤	ICT - Develop and implement an Information and Communication Technology (ICT) Strategy
✓	ICT - Server and network upgrades
┌	ICT - Develop an ICT disaster recovery plan
┌	ICT - Implement outdoor officer information access portal
➤	ICT - Laptop & Desktop upgrade Information Technology
➤	Review Workforce Management Plan
➤	Develop Occupational Health and Safety Plan - Promotion and training
➤	OHS - Schedule review policies and procedures

Goal: Physical & Social Infrastructure

Greater returns from regional investment to ensure sustainable provision of appropriate physical and social infrastructure

2016/17 Action Status Summary

76 Actions



43 Completed



17 Commenced



10 Ongoing



6 Deferred



Status	Action
—	To develop an Events Precinct Master Plan for Kununurra
✓	Provide financial and administrative support to events
>	Investigate the development of new and infill residential land in Kununurra
>	East Lily Creek subdivision
>	Implement Local Planning Strategy
—	Kununurra - Rezone existing light industrial estate to composite industry
>	Develop light industrial land around the wastewater treatment plant
>	Wyndham - Rezone land to promote Strategic Industry in proximity to Wyndham Port
↻	Liaise with State & Federal Ministers to promote issues relevant to the agricultural industry including pastoral
—	Identification and mapping of priority agricultural land
>	Develop a Local Planning Policy for Rural Workers Accommodation
↻	Liaise with State Government to promote issues relevant to irrigated, potable or waste water
↻	Support the EK Tourism Plan in collaboration with the tourism sector

Status	Action
✓	Provide operational funding to support the Kununurra Visitor Centre
↻	Support the EK Marketing Group for marketing and tourism purposes
✓	Marketing North West "Our Town"
↻	Advocate for improved Information & Communications Technology within the Shire
↻	Advocate for industry and business development
↻	Liaise with relevant Government Departments on initiatives to provide affordable housing
>	EKRA - Store for Terminal Cleaning Equipment
>	EKRA - Improve Airport Precinct Signage
✓	EKRA - Welcome to Country Signage and sculpture
✓	EKRA - Review and update the East Kimberley Regional Airport Master Plan
—	Lobby the department of Education for more school based apprenticeships
>	EKRA - Provide CCTV and upgrade Phone Systems at Airport Terminal
>	EKRA - Extend the length for the runway to accommodate larger aircraft



Status	Action
—	EKRA - Upgrade and increase airport carpark capacity
✓	EKRA - Airport Perimeter Security Fence Upgrade
↻	Great Northern Highway - Liaise with the State and Federal Governments on improvement projects
↻	Liaise with the State and Federal Governments on construction of a bypass
➤	Wyndham - Road reseal program
✓	Spray seal resurfacing program - Wyndham Town (R2R)
✓	Egret Close - Reconstruct and seal
➤	Kununurra - Reconstruct Nutwood and Rosewood Streets
✓	Reconstruct the D2 drain following M1 Siphon augmentation
➤	Wyndham - Gambier Street U drainage channel
✓	Drainage Upgrade (Design, Estimates, Construct)
✓	Kununurra - Miniata Street - Divert collapsed drain under properties
✓	Research Station Road - Construct and seal
✓	Mills Road - Reconstruct Failures
✓	Bridge 5123 - Research Station Road
➤	EKRA - Air Conditioning Plant Replacement
✓	Wyndham Airport - Runway Reseal
✓	Wyndham Airport - Upgrade to Septic System
✓	EKRA - Maintenance of EKRA Terminal Building
✓	Kalumburu Road Renewal / Upgrade
✓	Renew or upgrade new Landfill Assets as per Waste Management Strategy
✓	Landfill Site - Complete and commission new liquid waste ponds
✓	Kununurra Landfill Site - Bores
✓	Wyndham landfill - Purchase generator

Status	Action
➤	ICT - Upgrade CCTV at the Kununurra Landfill
✓	Create Action Plan and Implement development program for recreation space and playground equipment
✓	Plant Replacement - Depot
✓	Plant Replacement - Airport
✓	Implement Mangaloo Street traffic management devices
✓	Lake Argyle Road Upgrade Program
➤	Produce 10 year Asset Management schedule
➤	Kununurra - Develop Stormwater Management Strategy
✓	Review traffic management for Ron Hodnett Drive
➤	Review and maintain a Disability Access and Inclusion Plan
✓	Support childcare services
✓	Manage and provide environmental health services
✓	Mosquito-borne disease management
✓	Implement Mosquito Management Plan
✓	Deliver family literacy activities and programs
—	Establish a Youth Advisory Council
↻	Manage and support the Youth and Recreation Centre in Wyndham in accordance with a Youth Services Strategy
✓	Manage and promote youth services and delivery

Goal: Lifestyle & Environment

Greater returns from regional investment to ensure sustainable provision of appropriate physical and social infrastructure

Action Status Summary

70 Actions



33 Completed



17 Commenced



11 Ongoing



9 Deferred



Status Action



Support Civic and Volunteer events



Volunteer of the Year Awards



Administer grants for community clubs and events



Ord River Sports Club Self-Supporting Loan



Identify opportunities and support activities that encourage relationships between different communities and community groups



Provide an annual "Free Waste Disposal Weekend" for domestic waste



Kununurra landfill area Capping



Rehabilitation and decommission existing liquid waste ponds



Review closure plans for current Kununurra and Wyndam landfill sites



Implement the Waste Management Strategy



Ensure environmental sustainability is considered in all decision making processes



Manage Fire and Emergency Services



Develop Environmental Health Emergency Management Support Plan



Event Promotion

Status Action



Coolibah Drive - Lighting Upgrade Program Black Spot



Kununurra Townsite Footpath Upgrade Program



Wyndham Townsite Footpath Upgrade Program



Extend Coolibah Drive Footpath. Provide crossing point at Ironwood Drive



Prepare a Trails Master plan



Develop the Shire Community Safety and Crime Prevention Plan



Develop check list based on CPTED principles when reviewing Shire facilities or designing new initiatives



Undertake evaluation of Takeaway Alcohol Management System (TAMS) trial



Review Local Planning Scheme and Strategy



Manage and provide building services



Maintain an asbestos register for Shire facilities



Provide Ranger Services - Implement an animal management plan



Status	Action
✓	Renew and upgrade play spaces in accordance with Recreation Space Action Plan
	Upgrade Wyndham waste water reuse treatment facility
↻	Enhance shire parks and gardens
↻	Wyndham Parks and Gardens Reticulation Upgrade
↻	Maintain, upgrade or renew public buildings and facilities
>	Purchase/swap lot 828 Koolama St Wyndham
	Demolish structure at lot 828 Koolama St Wyndham
>	Construct ablutions and club storage at the Agricultural Oval
↻	Investigate options to heat Kununurra and Wyndham swimming pools during cooler months
✓	Replace shade sails at the Kununurra Leisure Centre paddlers pool
>	Investigate lights, viewing area and change rooms upgrade at Wyndham Oval
✓	Engage with Indigenous people in relation to public planning and design projects
✓	Property and facility management - Administer leases - Public buildings - Ablutions - Shire staff housing
✓	Manage Wyndham Community Resource Centre
>	Investigate feasibility of alternate ablutions for the Bastion
>	KLC - Develop a project definition plan for Renewal of Kununurra Leisure Centre
	KLC - Prepare detailed Business Case for renewal of Kununurra Leisure Centre

Status	Action
✓	Continue to support sport and recreation services and programs
>	Investigate the provision of gym facilities in Wyndham
✓	Develop a standardised event risk management plan
✓	Continue to support sport and recreation clubs
	Review the Lake Kununurra Foreshore and Aquatic Use plan to include Vegetation Management Plan
>	Finalise Local Planning Policy for Crossing Falls, Packsaddle and Jabiru Road foreshore
✓	Upgrade Lily Creek Lagoon jetty, boat ramp and car park
	Anton's Landing - Upgrade Wyndham Boat Ramp & Floating Pontoon
>	Lake Argyle - Provide improved public access to the Lake
	Lake Argyle - Review Concept for improved access to Lake Argyle

Measuring performance against the Strategic Community Plan

The Strategic Community Plan 2012 - 2022 sets out a number of performance measures against which Council's performance in delivering on the Goal, Objectives and Strategies detailed in the Strategic Community Plan are required to be measured.

Goal: Civic Leadership and Governance

Objective/Community Outcome	Performance Measures	Result
Strong community engagement	Community satisfaction with Council's engagement and communication with the community	9%
	Number of Facebook hits,	109,135
	Number of website hits and number of media releases	165,106
Alignment of regional and local priorities with other agencies and community groups	Council representation on committees	5
	Shire representation on other agency groups such as Alcohol Accord	3
Advocacy of East Kimberley issues and opportunities at regional, state and national levels	Number of meetings held with visiting State and Federal government officials ie ministers	
	Input provided to State and National plans, strategies and policies released for comment and WALGA info notes	
Business innovation, efficiency and improved service	Community satisfaction with customer service	45%
	Number of complaints received (s5.121)	0
	Operating surplus ratio (2016/17)	0.02
	Debt service coverage ratio (2016/17)	5.97
	Reduced staff turnover , Turnover rate:	38%

Goal: Physical & Social Infrastructure

Objective/Community Outcome	Performance Measures	Result
A highly valuable East Kimberley economy that maximises social benefits.	Council's support for community events	64
Maintenance of economic diversity and greater community returns from investment in the region.	Number of building (commercial/industrial/residential) approvals	79
	Value of building (commercial/industrial/residential) approvals	\$22.8m
Facilities are appropriate for their intended purpose and factor in whole of life costing and maintenance.	Asset consumption ratio (2016/17)	0.59
	Asset sustainability ratio (2016/17)	0.31
	Asset renewal funding ratio (2016/17)	0.90
High standard of health and community facilities and services available to all residents.	Community satisfaction with access to adequate health and medical facilities	44%
East Kimberley residents have access to a broad range of educational opportunities.	Community satisfaction with access to adequate educational facilities	44%



Goal: Lifestyle & Environment

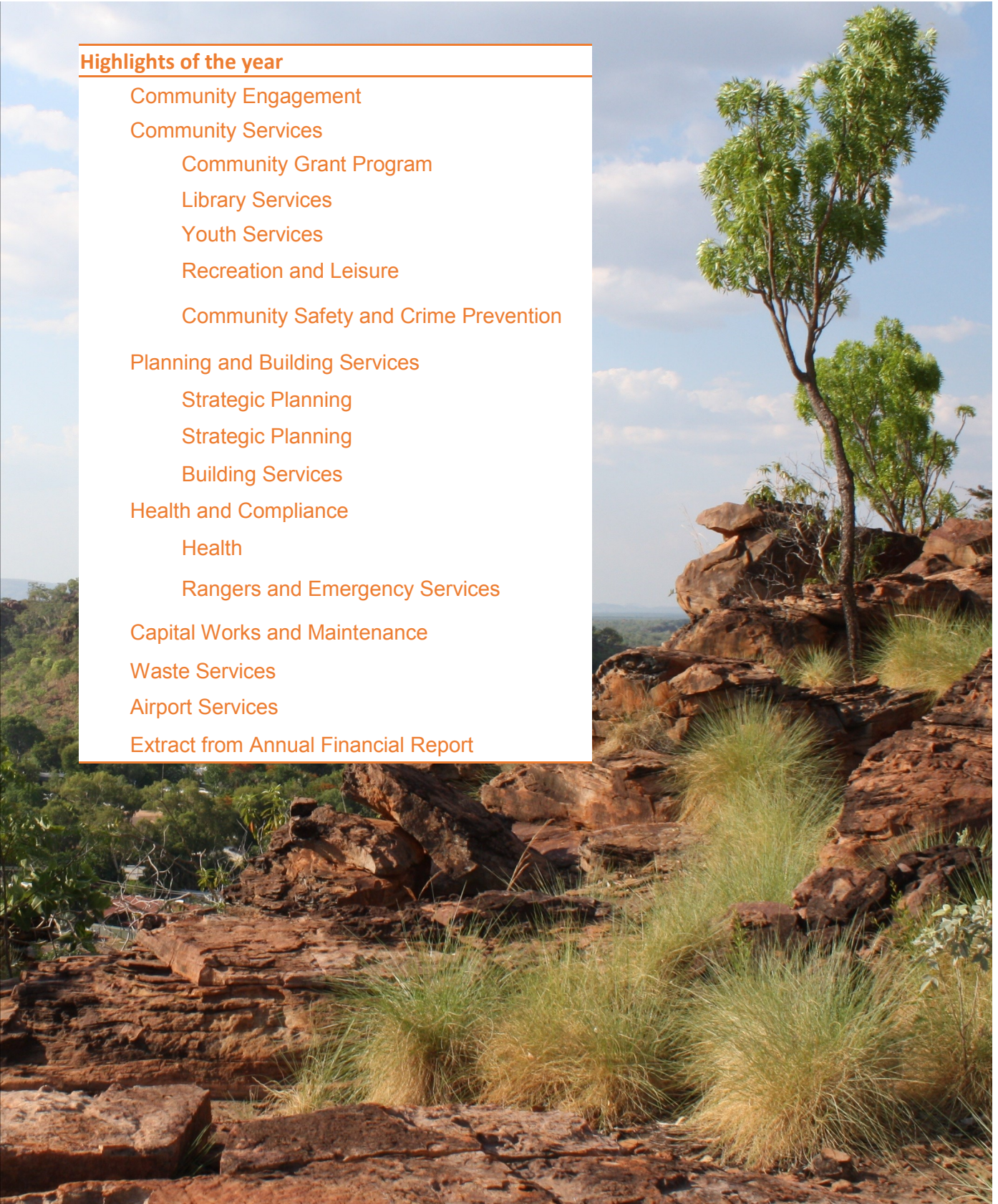
Objective/Community Outcome	Performance Measures	Result
A broad range of lifestyle opportunities and activities are available for residents.	Community satisfaction with Council owned boat ramps	59%
	Community satisfaction with Council owned parks and gardens	47%
	Community satisfaction with condition of roads	33%
Waste management and protection of environmental values.	Percentage of community waste diverted from landfill	23%
	Community satisfaction with domestic waste collection	54%
	Active local bush fire brigades	6
Towns are safe and inviting for locals and tourists	Community perception of safety and security in public places	21%
	Number of graffiti offences	12
Protection and enhancement of community facilities.	Airport facilities and services	72%
	Library and information services	71%
	Community buildings, halls and toilets	35%
An active outdoor lifestyle is encouraged and promoted.	Community satisfaction with council owned recreation facilities	48%
	Community satisfaction with pathways	34%

Highlights of the Year

A report on some of the highlights during the year from across the Shire's Services

Highlights of the year

- Community Engagement
- Community Services
 - Community Grant Program
 - Library Services
 - Youth Services
 - Recreation and Leisure
 - Community Safety and Crime Prevention
- Planning and Building Services
 - Strategic Planning
 - Strategic Planning
 - Building Services
- Health and Compliance
 - Health
 - Rangers and Emergency Services
- Capital Works and Maintenance
- Waste Services
- Airport Services
- Extract from Annual Financial Report



Community Engagement



2016/17 Quick Facts

Engagement Events held	6
Engagement participation	569
Council supported community events	64
Customer requests received	870
Customer requests completed	868

Community engagement is considered to be an integral component of informed decision making in ensuring that the community has the opportunity to be consulted about its needs and concerns prior to any decisions being made.

Connecting with community

Events



July 2016

NADOC Week - July

NAIDOC Week celebrations are held each July to celebrate the history, culture and achievements of Aboriginal and Torres Strait Islander people. The NAIDOC theme for 2016 was 'Songlines: The living narrative of our nation'. Local organisations came together to celebrate NAIDOC Week in Kununurra and Wyndham. Highlights included NAIDOC Week Community Day, Culture Day, Basketball Competitions, March and Flag raising

Stars on the Bastion - July

[Stars on the Bastion](#) is an annual showcase Music and Dining experience held in Wyndham at the Bastion. The event attracts VIP's, visitors and locals from Kununurra and outside the Shire.

Kununurra Agricultural Show - July

Annual [Kununurra Agricultural Show](#) is a major event for the region. The agricultural Show brings together visitors, businesses, community organisations, stakeholders and locals for a weekend of entertainment, information and lots of fun by showcasing all things unique to our region. Highlights include the Cattlemans Dinner, fireworks, live entertainment, interactive displays and events and so much more.

Kimberley Writers Festival - Oct

[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, a boat cruise and several workshops for people of all walks of life.

Seniors Week 2016

Seniors Week 2016, themed Active Aging, was a special time of celebration for seniors and show our appreciation for their valued contribution to society. A morning tea with presentations from various community organisations were held in Wyndham providing information on programs and services available in the Shire.

Remembrance Day - Nov

[Remembrance Day](#) is a memorial day observed since the end of the First World War to remember the members of the armed forces who have died in the line of duty. Each year on the 11th November a Remembrance Day gathering at the Shire Cenotaph on Coolibah Drive is held.



→ June 2017

Thank a Volunteer Day - Dec

Thank a Volunteer Day is a special event where the Community can recognise the invaluable contribution that volunteers provide daily in many fields and services. Thank a Volunteer Day community breakfasts were held in both Kununurra and Wyndham in early December 2016. Over 100 people partook in the Kununurra event and a further 50 in Wyndham.

Australia Day - Jan

Each year on Australia Day the Shire invites the community to celebrate with a Community Breakfast and fun for everyone, held in both Kununurra and Wyndham.

Baby Tree Planting - Jan

Each year on Australia Day the Shire plants a Boab tree and installs a plaque with all the baby's names and dates of birth that were born in the previous year and were registered by their parents. Families are given a Boab seedling to take home and plant in their own garden. In 2017, due to incumbent weather, the [Baby Tree Plantings](#) were rescheduled and took place in March 2017

ANZAC Day - April

Anzac Day is the solemn day of remembrance of those Australian and New Zealand Army Corps soldiers who have fought and died for their country, and is marked annually on the anniversary of the Gallipoli campaign of the First World War. Dawn Services are held in both Kununurra and Wyndham, followed by Gun Fire Breakfasts and later in the morning, a Community March and Service.

Ord Valley Muster - May

[The Ord Valley Muster](#) is a showcase week of events within the Shire. Highlights include Muster Idol, Durack Dinner, and the Kimberley Moon Experience, to name a few. The Muster attracts a large number of visitors from outside the Shire and high level of media attention as well as economic benefits to the community.

Lake Argyle Swim - May

The [Lake Argyle Swim](#) is a 10km and 20km open water swim for relay teams of four, relay teams of two or solo competitors. There is a post-event Gala Dinner held at Lake Argyle Resort. The event attracts many competitors and visitors to the area, both local, interstate and internationally.

Community Consultation

Some of the community Consultation projects undertaken in the 2016–17 financial year included:

Community Perceptions Survey - Community Scorecard 2007

The Shire successfully completed a community perceptions survey in the form of a Community Scorecard inviting all community members over 18 to complete the survey. The survey was undertaken during March and April 2017 using the independent company CATALYSE.

The survey comprised of a variety of questions that focused on the current status of the Shire's performance, areas for improvement and long term vision for the community. Approximately 2,000 paper surveys were distributed and an electronic version of the survey was also made available on the internet. Of the 2,000 surveys distributed, a total of 404 survey responses were received.

The results of the survey are now being used as an informing document to better align the Shire's services.

A summary of the results are presented on page 56.

Corporate Business Plan

The community were invited to comment on and help influence the development of the 4 year Corporate Business Plan (CBP) covering 2017/18 to 2020/21. 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 and provide feedback.

The community provided 86 comments on the actions contained in the CBP and 5 comments on the overall process. These comments were considered during the review process and development of the final plan.

Trails Master Plan

During the year the Shire sought community comment on the development of a plan to identify walking trails around Wyndham and Kununurra. 12 responses were received.

Recreational Play Space Strategy

The Shire is working to review and update of the Parks Plan 2014 with a Recreational Play Space Strategy. 19 comments were received.

Wyndham Boat ramp upgrade Concept

During the year the community were invited to provide feedback on a number of different concepts for the upgrade of the Wyndham Boat Ramp. 7 responses were received from the community.

Draft Local Planning Strategy and Draft Local Planning Scheme No. 9

In February 2015 Council adopted a draft Local Planning Strategy and draft Local Planning Scheme No. 9. The community were advised of the availability of the draft Strategy and Scheme for inspection and review through public notices in the local newspaper, on-line media and notification letters to government agencies, stakeholders and affected landowners. Information/display stalls were held at the Kununurra Markets, as well as 'Open Houses' at the Shire's Kununurra and Wyndham Administration Centres. 77 community/stakeholder submissions were received.

Stakeholder Advisory Group

Council established a Stakeholder Advisory Group to increase the flow of information between the Shire and the community, and to provide key stakeholders with an opportunity to be more actively involved in the decision-making process.

The Stakeholder Advisory Group consists of 21 nominated representatives from key stakeholder groups, and meetings are held every two months.

Draft Kununurra Civic Precinct Structure Plan and Draft East Lily Creek Structure Plan

Community surveys were undertaken on land use and leisure and sporting facilities in the Kununurra Civic Precinct and any future development at Lily Creek. 208 responses were received and 13 submissions on the draft structure plans.

Community Services

2016/17

Quick Facts

Community Grants

39

Library Items borrowed

44,183

Library Visitors

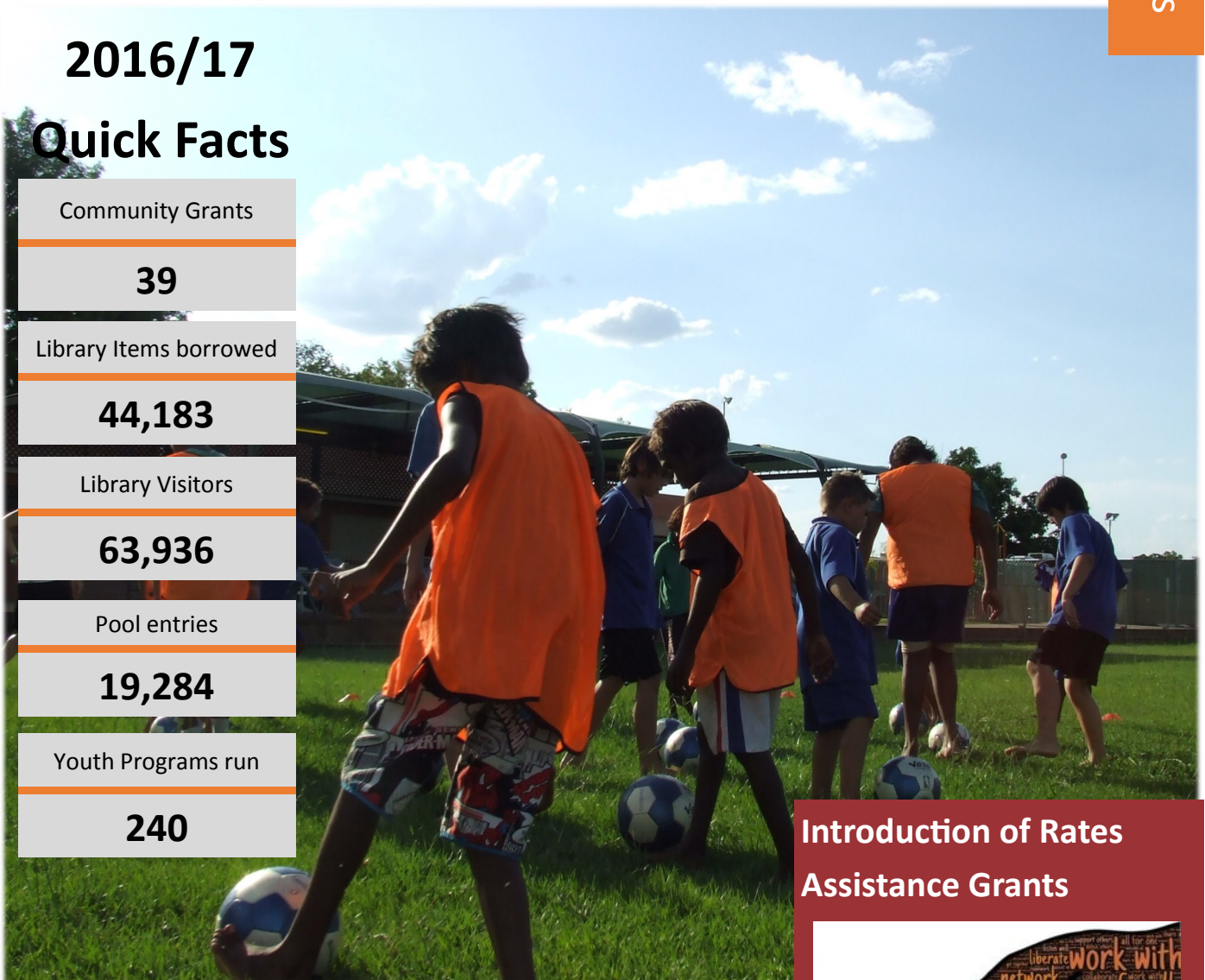
63,936

Pool entries

19,284

Youth Programs run

240



Introduction of Rates Assistance Grants



2017-2018 will see the introduction of Rates Assistance Grants to the Community Grants Scheme, allowing Shire lessee's to apply for Rates Assistance up to 100%.

Shire Services

- Library Services
- Aged and disabled services
- Youth services
- Safety and Crime Prevention
- Community Grants
- Recreation and Leisure
- Wyndham Community Resource Centre

The Shire of Wyndham East Kimberley provides a range of services as well as supporting numerous programmes to enhance the quality of life for Shire residents. Community Services provide services which support, engage and improve the quality of life for all sections of the community.

Community Services

Community Grants Program

Community Grants were available to non for profit and local organisations for projects that benefit the local community. The two types of grants available were Annual Grants, Quick Grants.

The Annual Community Grant Scheme offered not-for-profit organisations within the community the opportunity to receive financial and in-kind support for amounts over \$500. In 2016 – 2017, \$87,250 was allocated and is reflected in the following table:

Annual Grants

Organisation	Program	Grant
Kimberley Action Sports	2017 Lake Argyle Adventure Race	\$5,000
Kimberley Action Sports	2017 Lake Argyle swim	\$10,000
Ord Valley Events incorporated	2017 Ord Valley Muster	\$20,000
Wyndham Historical Society	Roof Restoration	\$10,000
Wyndham Community Events incorporated	2017 Stars on the Bastion	\$10,000
Kununurra Water Ski Club	2017 Dam to Dam	\$10,000
Kununurra Motocross Club	Spectator Shade	\$8,000
Kimberley Girl Guides	2017 State Awards Ceremony, Travel	\$1,750
East Kimberley Chamber of Commerce and Industry	2017 Economic Development Forum	\$12,500

The Quick Grant program provides financial and in-kind support to local organisations and projects which benefited the local community and provided funding up to \$500 (plus GST) per organisation per financial year.

The following community groups were successful in receiving Community Quick Grants in 2016 - 2017, with a total amount of \$12,871.33 being allocated:



Kununurra Markets (Mellen Events: Ben Broady)

Quick Grants

Organisation	Grant
Kununurra Taekwondo Incorporated.	\$500
Kununurra Agricultural Society (Auspice to Hors'n Around)	\$500
Kununurra Motocross Club	\$500
Kununurra District High School Parents and Citizens Association	\$550
Garnduwa Amboorny Wirnan Inc.	\$500
Fluoride Free WA Inc.	\$550
Wyndham District High School	\$500
Wyndham Returned Service League	\$300
Kununurra Community Garden	\$526
Kimberley Action Sports	\$500
Koori Kids Pty Ltd.	\$450
Kangaroo haven Inc.	\$500
Kununurra Returned Services League	\$500
Wyndham Picture Gardens	\$500
East Kimberley Chamber of Commerce and Industry	\$500
Wunan Foundation inc.	\$500
Kununurra Waringarri Aboriginal Corporation (Auspice to NAIDOC Week Committee)	\$500
Kununurra District High School	\$500
Kununurra Toy and Puzzle Library	\$500
Sudha Coutinho (Auspice to Tremulla Strong Women)	\$500
Monsoon Nights Belly Dancing Inc.	\$500
Kununurra Playgroup	\$500
Kununurra Crazy Croc Playgroup	\$500

HIGHLIGHTS

Notable achievements during 2016/17:

- The Library achieved an 71% satisfaction rating in the Community Perceptions Survey of May 2017 against an industry standard of 65%
- 4,500 people participated in library programs
- Youth programs were run in Wyndham on 240 days of the year and 300 days in Kununurra.

Library Statistics

44,183	Books borrowed
690	New members
7319	Active Members
63,936	Library Visitors

Wyndham Youth Services Statistics

240	Program days
7,200	Participants

Library Services

The Shire operates 2 Libraries within the Shire District, the Wyndham Library and the Kununurra School and Community Library jointly run with the WA Government.

At the Kununurra School and Community Library more than 2,500 carers and children enjoyed Storytime and Rhymetime. The Library has hosted a number of events and programs in 2016/17 including The Kimberley Writers Festival, Children’s Book Week, National Simultaneous Storytime, Literary Luncheon during the Muster and two Scholastic Book Fairs. Over 5,500 community members used the Internet facilities. The Library welcomed 690 new library members and loaned more than 43,000 items.



A major project for the library was the removal of open vent ducts from the ceiling of the workroom to prevent damp entering and the installation of solar panels on the roof to help reduce power costs.

Youth Services

The Shire, with support funding from the Department for Child Protection and Family Services provided a range of services for young people aged 10-24 years of age in Wyndham.

The Kununurra Empowering Youth (KEY) Program is a service delivery partnership that evolved from the regional Kimberley District Leadership Group. The KEY program is facilitated by a working group of staff from organisations including SWEK, Child Protection and Family Services, Save the Children, WA Police, Youth Justice, Waringarri Aboriginal

Corporation and Wunan and is focussed on the successful delivery of school holiday program activities for young people. The KEY program is based on the underlying premise that no single organisation can create large scale lasting social change alone.

While the 2016/17 year presented challenges in operating the Wyndham Youth Service, the 2017/18 year presents opportunities to further support and improve the delivery of youth services in Wyndham. At present the Shire is negotiating with potential funding partners to restructure the existing youth service model, with an emphasis on local ownership and management of the service. It is envisaged that if negotiations proceed further and a working partnership is established the Shires role would revert to that of facility provision and governance assistance in the operation of the youth service.

Early Years

In March 2017 One Tree Community Services relinquished the lease of the Wyndham Childcare Centre. A new provider trading as the Wyndham Child Care Centre has since taken over the service providing residents of the town with much needed day care options for babies and young children.

Shire staff also attend meetings of the Early Years Network Group and offer guidance and support to group members and their organisations.

In Kununurra the Shire continues to administer the lease for the Ewin Early Learning Centre and has approved an extension of the existing lease. Staff are also assisting the Ewin Centre investigate options to increase capacity through a planned expansion on the existing site.

Recreation and Leisure

The Shire operates for the benefit of the community recreation and leisure facilities in Wyndham and Kununurra. 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, club development and leisure programming.

In the town of Wyndham the 780 residents have access to; the Memorial Swimming Pool, Ted Birch Wyndham Recreation Centre, Peter Reed Memorial Hall, Wyndham Clarrie Cassidy Oval and five parks.

The 5,284 Kununurra residents have access to the Kununurra Leisure Centre, Kununurra Sports Facilities (Tennis courts, squash courts, sporting ovals and skate park) and six parks.

It has been a busy year for the recreation team in Wyndham and Kununurra. There have

been a number of major events throughout the financial year including School Holiday Programs, Swim for Fruit Program, Junior Triathlons, Virtual Rotto Swim, WAPOL Training. Staff have also participated in a number of requalification and training opportunities.

Swim for Fruit

The program run by the Shire in conjunction with Royal Life Saving WA continues to be well attended throughout the school holidays. Wyndham Swimming Pool had a total of 17 participants while Kununurra had 52 participants.

Staff Training

Staff have participated in a number of training opportunities that have had a direct benefit to the community. A number of staff participated in the Austswim WETS Instructor qualifications which has allowed aqua fitness to be held on a regular basis at the Kununurra Leisure Centre. Other training has included Chlorine Gas Handling, Lifeguard requalification and advanced CPR.

Kidsport

Kidsport continues to be well utilised by the registered sporting groups within the Shire. The Kununurra Tee Ball Association and Kununurra Junior Football Association are the major users of the funding. Other codes such as Taekwondo and Soccer also have increased their use of the funding from previous years.
Funded - \$6,675

HIGHLIGHTS

Notable achievements during 2016/17:

- 20km in a Day Swim - Held for the first time at the Kununurra Leisure Centre. Over 60 participants enjoyed either competing in a duo or quad event.
- Swim for Fruit - Continues to be popular school holiday program with the event well attended in both Wyndham and Kununurra.
- School holiday program - A number of school holiday programs were run in Wyndham and Kununurra with a number of stakeholders including Save the Children and WA Police. The pool parties were very popular with over 350 people attending each event.
- Staff qualifications - Wyndham Pool Coordinator and Leisure Centre Aquatic Recreation Officers participated in a number of training activities and personal development sessions including Aqua Fitness, Lifeguard requalification and CPR.
- WAPOL Training - Kununurra Leisure Centre staff have run a number of training sessions for WA Police. The sessions focus on medical response and are run in conjunction with Royal Life Saving WA.
- Kidsport Funding was again well utilised during 2016/17 with 76 vouchers approved for a total of \$6, 675.

Vouchers validated – 76

Registered with a Club Before – Yes 63%, No 37% with 78% of users identifying as of Indigenous descent.

Programs

A number of programs have been held at both the Kununurra Leisure Centre and Wyndham Swimming Pool this financial year including: Junior Triathlon, 20km in a Day Swim Event and Swim School.

Wyndham Swimming Pool Coordinator worked with Austswim WA to train 3 local residents to become qualified Learn to Swim Instructors. This has allowed for a basic mid-year Swim School to be run in April/May. The sessions were well attended with 17 participants gaining valuable swimming skills.

Efficiency Improvements

New energy efficient LED high bays lighting has been installed to help reduce electrical costs and have improved the lighting standard in the Hall.



Kununurra Leisure Centre refurbishment and upgrade investigations

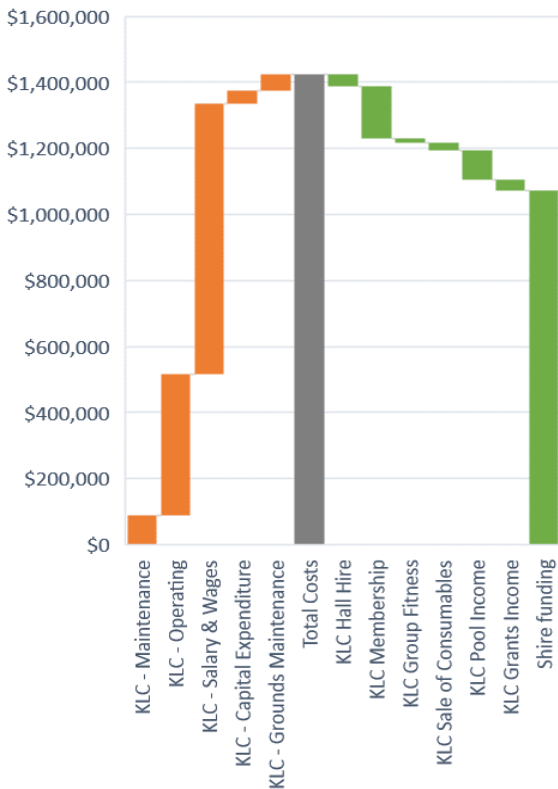
The existing Kununurra Aquatic Leisure Centre is now over 30 years old. The Centre no longer meets modern design/building code standards; nor does it meet the expectations of today's leisure-centre user groups. Following public consultation the community voiced that they would like to see the facilities remain at the existing location. The current location is central and easy to access before and after work and is close to the schools. Previous investigations had been focused on relocating the facilities to a new subdivision at East Lilly Creek (currently the site around the workers camp). Investigations into options to renew/ refurbish the existing site have begun during the year and will continue into 2017/18 and be presented to Council and invite public comment.

Recreation and Leisure Statistics	2015/16	2016/17	Change
Kununurra Leisure Centre Gym Numbers	16,249	19,265	↑ 24%
Swimming Pool entry, Kununurra	14,440	17,934	↑ 18%
Swimming Pool entry, Wyndham	1,782	1,350	↓ 32%
Swim School Participants, Kununurra	192	129	↓ 49%
Swim School Participants, Wyndham	0	17	↑
Kununurra Leisure Centre Group Fitness	2,101	1,483	↓ 42%

Trails Master Plan

During the year a draft Trails Master Plan has been developed to provide a strategic approach for the provision of recreational trails for use by residents and visitors in the Shire. The focus will be to provide strategic advice regarding the trail experiences and trail alignments within and around the town sites of Kununurra and Wyndham.

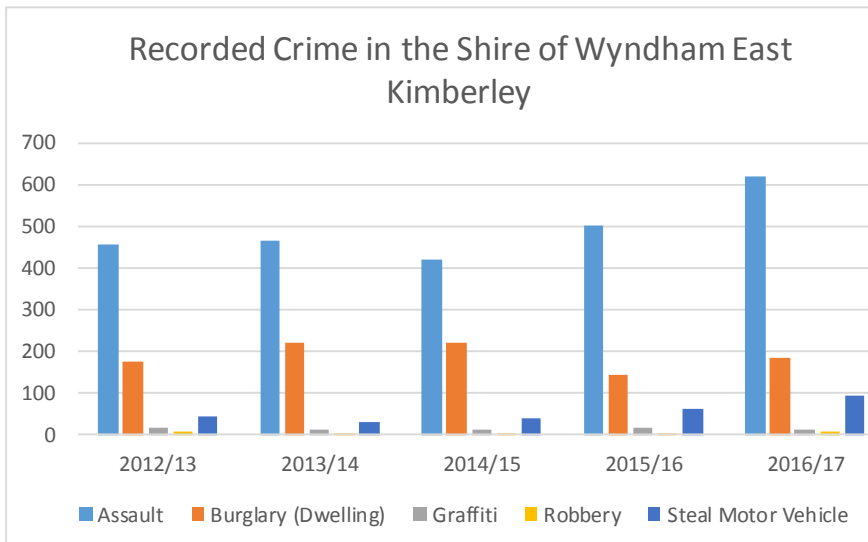
KLC Expenditure and Income



Wyndham Pool Expenditure and Income



Community Services



Community Safety and Crime Prevention

The 2017 Catalyse Community Scorecard highlighted community perceptions relating to the areas of safety and security, vandalism and anti-social behaviour as major issues for the local community. These findings have highlighted the need to bring together relevant agencies and develop a coordinated plan and approach to reduce the risk of crime and anti-social behaviour. Initiatives such as CCTV cameras, improved street lighting and community ownership/ involvement of issues can be explored with key stakeholders in the development of a draft Community Safety and Crime Prevention Plan for Council endorsement in the 2017/18 year.

The Shire of Wyndham East Kimberley's vision and commitment to the future of the region is to

87%	rated graffiti, vandalism and anti-social behaviour as poor/terrible
74%	supported the continuation of the TAMS program
78%	rated safety and security as poor/terrible
59%	rated multiculturalism and racial harmony as poor/terrible

create a safe, thriving and vibrant community with unlimited opportunities.

One way in which the Shire aims to achieve this is by improving the wellbeing and safety of the community, through the development and implementation of the Community Safety and Crime Prevention Plan. Together with key partners, the Shire of Wyndham East Kimberley is

committed to ensuring continual improvements to community safety with a particular emphasis on reducing antisocial behaviour. By improving the community safety and crime prevention of the area, the Shire seeks to achieve our vision for Kununurra and Wyndham to be vibrant communities that are safe, caring and inclusive.

The Shire of Wyndham East Kimberley was an active member of the Kununurra Wyndham Alcohol Accord which guided the implementation of the Takeaway Alcohol Management System (TAMS) into licenced premises and liquor stores in Kununurra and Wyndham. The TAMS initiative has had a positive impact on alcohol related issues of violence and is supported by the community. The Shire of Wyndham East Kimberley actively supports initiatives that encourage the reduced consumption of alcohol in the community.

Community Safety and Crime Prevention Plan

In developing a Community Safety and Crime Prevention Plan 2017-2022 the Shire acknowledges that matters of law and order are predominantly the responsibility of the WA Police and other state agencies, and that the community and its local government must take a complementary and assisting role to help make our area a safer place for the community to live, work and play.

Planning and Building Services

2016/17 Quick Facts

TOTAL building permits issued

79

TOTAL construction value

\$22,781,800

New dwelling

28

Pool Barrier inspections

203

Planning Approvals

39

Shire Services

Strategic Planning
Statutory Planning
Heritage
Planning Enquiries
Building and Compliance

The Planning and Building teams undertake land use planning, development approval and compliance, building control and heritage.

The Shire's role in the built environment is to provide strategic land use planning that ensures the Shire develops in line with the community vision.

The Shire's planning and building departments are essential in creating towns that are safe and welcoming and great places to live and do business.

Planning and Building Services

Building and Compliance

The construction value of the 74 Building Permits issued by the Shire for the 2016 - 2017 year was \$19,447,807.

Construction works within the Shire appears to have stabilised and is consistent with similar periods in the years 2002 through to 2007 and 2013 through to 2016. Indications on the graphs below indicate an increase of building activity 2007 through to 2013, which coincides with land releases for both Residential and Light Commercial properties.

The Shire completed 34 External Certification Services (BA3 - Certificate of Design Compliance)

Pool Assessments

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

Strategic Planning

Draft Local Planning Strategy and draft Local Planning Scheme No. 9

During the year the draft Local Planning Strategy and draft Local Planning Scheme No. 9 were advertised for public comment following a review of the plans that will encompass the whole Shire. The draft Local Planning Strategy was developed based on community consultation, alongside consideration of the broader state and regional planning framework, and the demographic profile and evolving characteristics of population, housing, economy, employment, environment and cultural heritage.

The draft Local Planning Strategy provides the future strategic vision and aspirations for growth and

HIGHLIGHTS

Notable achievements during 2016/17:

- Implementation of Bushfire Attack Level Certification and Reports
- Two building permits issued for works with construction values in excess of \$1 Million - Class 9C Aged Persons & Health Care Facility and Class 9B Classroom & Administration Building
- Draft Local Planning Strategy and Draft Local Planning Scheme No. 9 was adopted by Council
- Draft Kununurra Civic and East Lily Creek Precinct Structure Plans advertised for public comment

Construction Begins on age care hub in Kununurra



A concept image Picture: Juniper

Construction began in April 2017 on the purpose-built aged-care facility being constructed in Kununurra that will provide accommodation and enable the expansion of home and community care services in the East Kimberley. Its amenities include accommodation; activities and alfresco areas; a medical consulting room and nurses' treatment room for residents and community clients; and there are plans for five onsite staff accommodation units.

<http://www.juniper.org.au/news-publications/news>

2016/17	2015/16	Text
74	84	Building Permits issued by SWEK
79	99	Total Building Permits issued (SWEK + State Permit Authority)
\$19,447,807	\$10,918,797	Construction value of SWEK issued permits
\$22,781,800	\$20,258,328	Total Construction value (SWEK + State Permit Authority)
19	12	New Dwelling Units constructed (SWEK)
28	36	Total Dwelling Units constructed (SWEK + State Permit Authority)

development across the Shire for the next 5 to 10 years, and informs the draft Local Planning Scheme, which is a regulatory planning document intended to guide and control land use and development within the Shire.

The draft Local Planning Strategy and draft Local Planning Scheme No. 9 were forwarded to the Western Australian Planning Commission for approval in January 2017 and are currently under review, anticipated to be finalised in 2017-2018.

Draft Kununurra Civic and East Lily Creek Precinct Structure Plans

In July 2016 the Shire of Wyndham East Kimberley advertised the draft Kununurra Civic Precinct and East Lily Creek Structure Plans for public inspection.

The two structure plans were prepared to provide direction for the relocation of the Kununurra Leisure Centre to East Lily Creek, and future redevelopment of the current Leisure Centre site and extended Kununurra Civic Centre precinct, and East Lily Creek precinct to accommodate for residential development, and facilities and services within the community to cater for the growing population including a potential local primary school, local shops, community spaces and recreational parks.

The submissions received also identified a number of additional studies that should be completed prior to the finalisation of the structure plans, including a local water management strategy, and raised

concerns about relocating the Kununurra Leisure Centre facility from the town centre.

In the interim grant funding (\$25,000) received from the Department of Sport and Recreation has been utilised to undertake a concept design and cost estimate to assess whether a new aquatic and leisure facility to address future needs could be constructed within the existing site, within current site limitations. This assessment will assist when considering the further progression/modification of the draft structure plans.

Statutory Planning

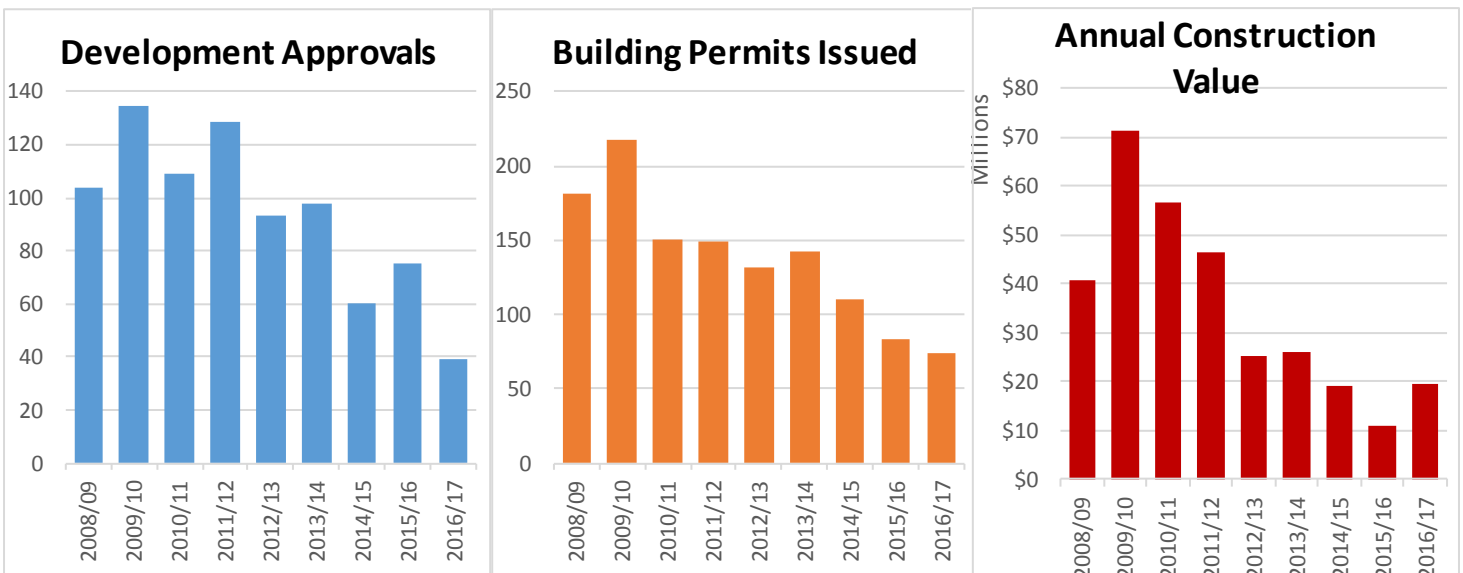
39 Development Applications were processed and approved in 2016-2017. This is just over half the number of approvals issued in the previous financial year.

However, there was a slight increase in the application fees received due to the large application fee received for the Residential Aged Care Facility, being 35% of the total fees received.

The majority of planning approvals issued (87%) were for use and development within

Kununurra and surrounds, and approximately 36% of the total approvals issued were of a commercial or industrial nature.

The majority of the planning approvals issued (54%) were for residential use and development, with just over a quarter of these approvals being for home based business approvals.



Health and Compliance



Kununurra Markets (Mellen Events: Ben Broady)

2016/17 Quick Facts

Feral cats removed

87

Stray Dog Seized

190

Dogs reunited with owner/re-homed

94

abandoned cars

27

Public Pool Samples

311

Health Inspections

129

Litter infringements

2

Health complaints

38

Shire Services

- Emergency Preparedness
- Emergency Response
- Local law enforcement
- Animal control
- Event Applications
- Environmental Health Inspections
- Health Complaints
- Waste Water Management
- Health Promotions
- Mosquito Management



Back Burning, Kununurra



Durack Dinner (Mellen Events: Ben Broady)

Ranger and Emergency Services



Ranger Services

Animal Management

In Australia, feral animals typically have few natural predators and often high reproductive rates multiplying rapidly if conditions are favourable.

Feral animals impact on native species by predation, competition for food and shelter, destroying habitat, and by spreading diseases.

Dogs and cats are an important part of life as they can be excellent companions. However, dogs are a major area of activity for Rangers with 190 stray dogs seized.

Feral cats hunt and kill native birds, mammals, reptiles and insects. It is known that this behaviour threatens the survival of many threatened species. During the year Rangers removed 87 feral cats.

Litter and rubbish management

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

Local Government Emergency Services

The Shire has two committees with a role in emergency management. The Local Emergency Management Committee (LEMC), under the *Emergency Management Act 2005* and the *Bushfire Advisory Committee (BFAC) under the Bush Fires Act 1954*.

Both committees met quarterly. The LEMC maintain the Local Emergency Management Arrangements and the Local Recovery Plan.

Changes to the Shire website are currently being implemented to give members of the public access to information in relation to an East Kimberley specific "Cyclone Information Booklet" including information about "Flooding", "Storms" and a "Fire Management Plan".

A Departmental Cyclone Information document has been developed and the review of the current Local Emergency Management Plan and Local Recovery Plan are being conducted. An Evacuation Plan is being developed to ensure public awareness.

Local Bush Fire Management

Firebreak compliance and fire permits continue to be managed by Ranger Services. Firebreaks have been put in place on all Shire land throughout the East Kimberley.

Ensuring property owners comply with the *Bush Fires Act 1954* has been a key area for Rangers. Labour intensive firebreak inspections have been conducted and Rangers continue to work with property owners to ensure community safety.

Controlled burns, in conjunction with DFES and Local Bush Fire Brigades, continue on Shire land to provide a safe environment and compliance with the *Bush Fire Act 1954*.

BFAC meetings provide a platform for outside agencies and the Shire to discuss any issues and develop any plans in relation to Local Bush Fire Management. Meetings are held quarterly.

DFES continue to manage the six Bush Fire Brigades throughout the East Kimberley.

Local Emergency Management

The Local Emergency Management Committee are reviewing the Local Emergency Management Arrangements and a Local Recovery Plan for the Shire.

The development of an Evacuation Plan is currently being undertaken to encompass outlying communities and Wyndham as the Cyclone created Welfare centre is based in Kununurra.

Meetings are held quarterly and one exercise is conducted yearly. Cyclone Blanche, during March 2017 tested the LEMC. Debriefing identified Wyndham's evacuation process needs reviewing, hence the development of the Evacuation Plan.

Environmental Health

Environmental Health

Environmental Health Inspections

The Shire's Environmental Health Service 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.

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

Routine Health Assessments

Environmental Assessments	2016/17
Health Assessments	28
Food Safety Assessments	64
Public Swimming Pool Sampling	311
Public Event Inspections	22
Septic Systems Approval for use	20

Food Safety Assessments

Food businesses are bound by the Food Act 2008 and given a risk classification which determines their inspection frequency. There are 152 registered food businesses within the Shire, the majority of which are classified as medium risk. In addition, a further In 2016-2017 a total of 64 inspections were conducted to monitor food safety and hygiene in local food businesses.

Public Events

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



Mosquito Management

The Shire's Mosquito Management Plan was adopted in August 2016 and continues to be a strong focus for the Environmental Health Officers. In addition to regular mosquito trapping during the wet season and applications of larvicide and adulticide when required, fortnightly Sentinel Chicken monitoring has also been conducted throughout the year with flocks of Chickens in both Wyndham and Kununurra. The Department of Health SMACK trap mosquito trial also required ongoing monitoring and identification of mosquito species active within the town sites of Wyndham and Kununurra.

Health Complaints Received

During the year 32 complaints were investigated

	2015/16	2016/17
Noise	13	5
Mosquito	17	18
Waste	5	3
Food	7	2
Smoke	2	1
Odour	3	4
Pool	0	1
Asbestos	1	0
Housing Conditions	8	4



Capital Works and Maintenance

2016/17 Quick Facts

KM of sealed roads
resealed

6 KM

KM of unsealed road
graded

333 KM

New footpaths

76 M

Footpath renewed

45m

Keeping the Streets Clean

\$530,440



Shire Services

- Asset Management
- Project Management
- Boating Facilities
- Footpaths, Trails and Cycle ways
- Road & Drain Maintenance
- Parks, Ovals and Reserves
- Playgrounds

The Shire I has a significant portfolio of community infrastructure assets under its care and control. These assets form an integral part of providing services to the community.

The Shire manages the safe and efficient construction and delivery of capital infrastructure projects.

Capital Works and Maintenance

Asset Management

Having an asset management strategy enables the Shire to show how the Shire's asset portfolio will meet the service delivery needs of its community into the future, enables the Shire's asset management policies to be achieved and ensures the integration of the Shire's asset management with its long term strategic plan. The Asset Management Plan details information about infrastructure assets including actions required to provide an agreed level of service in the most cost effective manner. The plan defines the services to be provided, how the services are provided and what funds are required to provide the services. It is anticipated that both the asset management strategy and the plan will be completed by the end of August 2017.

It is known that there is a funding gap between recent Shire maintenance budgets and the cost of maintaining the Shire's assets in their current condition. A greater understanding of future grant levels, along with processes for managing the level of maintenance, and determining the remaining useful life of some assets is required. This will require a higher understanding of Shire assets and a greater integration of asset management planning and long term financial planning. To this end the Shire has initiated a program to improve its ability in asset management.

Capital Works

In 2016/17 the Shire continued with capital renewal and improvements to boat ramps, road network and footpath assets. Major projects includes the redevelopment of Lily Creek Boat Launching facility including resheeting sections of Duncan Road, installation of raised traffic plateaux to Ironwood Drive and Mangaloo Street, lighting improvement to Coolibah Drive. The Shire also commenced improvements to Lake Argyle Road and resealing of various streets in Wyndham.

Footpaths

In 2016/17 the Shire continued its footpath construction program. An extensive program was completed in Kununurra and Wyndham to improve pedestrian safety. Footpath improvements were undertaken around the school precincts of Ironwood and Coolibah Drives including improvements to Chestnut St footpath. Footpath improvements were also completed between 108 - 116 Coolibah Drive. In Wyndham, the Shire continued to replace existing concrete pavers footpaths with concrete footpaths.

HIGHLIGHTS

Notable achievements during 2016/17:

- In February 2017, the Shire bolstered its asset management capability with the appointment of a full time Manager Assets.
- An Asset Management Policy, Strategy and a Plan will be presented to Council in July 2017 for consideration.
- The Shire has successfully advertised and recruited a new Works Supervisor and Manager Operations for the Kununurra based roles, which will significantly bolster the Shire's ability to provide high quality and timely public works and maintenance.
- Commenced drainage upgrade in Nutwood / Rosewood Precinct
- Lily Creek Boat Ramp Redevelopment completed
- Successfully applied for funding to repair damage to infrastructure caused by wet season weather

Roads and Drainage

Tenders were awarded for first stage of number of stages for drainage improvements of Nutwood Crescent and Rosewood Avenues precinct with execution to commence in early 2017/18. Tenders were also awarded for first stage of drainage improvements to Gamier Street and further streets resealing in Wyndham and Kununurra. Works for both of these tender packages will commence in early 2017/18.

The Corporate Business Plan identified a number of sealed roads and unsealed road works to be undertaken during 2016/17.

Significant road renewals:

Works commenced on safety improvements to Lake Argyle Road that will be ongoing for

Road	Kilometres of road Renewal completed
Kalumburu Road	12.6
Duncan Road	2.5
Carlton Hill Road	3.0
Lake Argyle Road	3.0

Access to water ways

During the year redevelopment of the Lily Creek Boat Ramp was completed.

The Shire commenced planning and design concept investigation works for the redevelopment of Wyndham Boat Ramp during 2016/17. The Wyndham Boat Ramp redevelopment is planned to occur over a number of stages with funding applications to the Recreational Boating Facilities Scheme funding rounds.

Town Maintenance

Economic development, tourism development and quality of life all benefit from keeping our towns and infrastructure well maintained. The Shire has a dedicated team of staff covering both Wyndham and Kununurra who are responsible for maintenance.

The Shire's maintenance program was delivered to a high level over the financial year, with town parks and gardens maintained to a high standard. Litter control and roads maintenance have continued throughout the year, ensuring the Shire continues to present a clean and welcoming environment for local residents and visitors.

The heavy Wet Season experienced during the 2016/17 financial year, had some significant impacts on Shire assets and town infrastructure. Repair works have been undertaken by Shire Depot staff, while other works falling under the Western Australia Natural Disaster Relief and Recovery Assistance (WANDRRA) program have been undertaken by local Kimberley contractors. WANDRRA works will continue through until November 2017.

Town Beautification

Our maintenance teams spend a lot of time focusing on keeping the Town Centre's attractive. Having nice looking streets and public open spaces help to reinforce the identity of a place, provide facilities for passive recreation and create an environment for pedestrian activity. Increasing activities in public open spaces enhance the safety, attractiveness and practicality of our Town Centre's.

Parks and verge management

Works to keep park and verges looking attractive have continued throughout the year, with mowing, slashing, weed spraying, and pressure cleaning of playground equipment. The Shire has continued to maintain and repair the town reticulation systems to ensure greenspaces remain in good condition.

Streetscape improvements

Wyndham Town has seen a tree planting program this year with a number of small trees, from many different species, planted along the Great Northern Highway footpath.

New signs were erected at Ivanhoe Crossing, as well as at the Shire's borders, providing a more welcoming message for visitors, but also thanking visitors for visiting our beautiful region.

Cemeteries

The Shire cemeteries have seen significant maintenance works to bring them to a standard expected from local families, and subsequently have become a pleasant place to visit.

Blackspot projects completed

3

Road repairs under WANDRRA

350 km

Length of unseal roads

1,088 KM

Length of seal roads

249 KM

Length of footpaths

30,088 M



Waste Services

2016/17 Quick Facts

Bins emptied each week

2,241

Tip Vouchers issued

1,979

Waste Diverted from landfill

2,100t or 23%

Kununurra Landfill

60% full

Wyndham Landfill

90% full

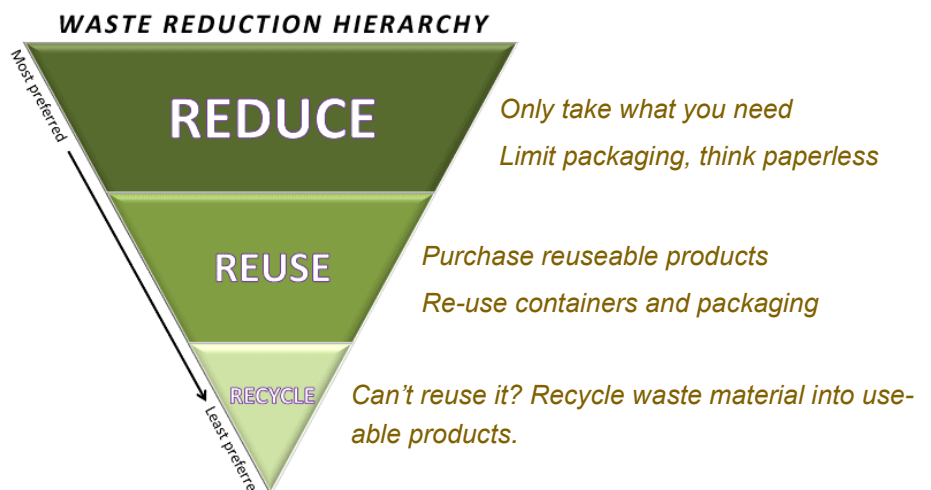


The Shire operates two landfill sites within the Shire at Wyndham and Kununurra. The Shire services 2,241 bins each week though its main contractor. Waste disposal is a major cost for the Shire and the community, during 2016/17 to dispose of domestic waste into landfill cost the Shire a minimum of \$55.00/m³. By minimising waste by avoiding and reducing, reusing and recycling, we can cut waste by up to 50 percent. Reducing waste also reduces litter. Remember, 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 your waste before it becomes rubbish.

Shire Services

- Recycling
- Refuse Collection
- Landfill Operations
- Street Cleaning
- Waste Transfer stations
- Reuse - Tip Shop





Waste Management Strategy

2016/17 has seen a number of improvements within the Shire’s waste management processes, and with its commitment to provide recycling opportunities to both Wyndham and Kununurra. The Waste Management Strategy has seen an improvement in landfill operations, safety and efficiencies, providing a quality, professionally managed landfill sites in both Wyndham and Kununurra.

Works to identify a new landfill site for Kununurra town have begun with groundwater sampling and site suitability tests underway. Wyndham Landfill is almost at capacity with approximately 12 months lifecycle remaining, therefore plans to develop a local transfer station are also progressing.

Reducing Waste to Landfill

The Shire continues to work to reduce the amount of waste sent to landfill. During the year 300 tonnes of green waste were diverted from landfill. Scrap steel has also been set aside to be recycled, with 1,300 tonnes waiting to be recycled.


The Shire also held a Free E-Waste Recycling program. The program provides all residents and small businesses to recycle old televisions, computers, printers and cables in an environmentally sound way and not ending up landfill.

The Shire successfully ran a tender process for delivery of an off-site tip shop to generate opportunities to recycle and upcycle waste delivered to the landfill sites. East Kimberley Job Pathways (EKJP) were the successful tenderer, and began removing items from the landfill site for recycling and re-sale. The EKJP store is due to open in September 2017.

In 2018 WA will introduce a container deposit scheme. This has the potential to significantly improve recycling and reduce littering in in the shire. A 10 cent refund will be available from reverse vending machines and collection depots and bring the WA inline with the Northern Territory.

Keeping the Streets Clean

Litter collection continues to be a focus across both Wyndham and Kununurra. With street sweeping and domestic waste collection contracted out. It cost the Shire \$488,530.69 for domestic waste collection and \$212,950 for street sweeping and \$317,490 for hand litter picking.



REDUCE

- Bulk buy when possible, but don't buy more than can be used
- Choose products with less packaging
- Choose products with recyclable or reusable packaging
- Carry reusable shopping bags and re-use plastic bags and all types of 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.
- Aluminium can be recycled over and over again.
- Salvaging other metals such as lead, copper and steel makes economic sense.



Airport Services

2016/17 Quick Facts

Passenger Numbers

71,275

Total Aircraft Landings

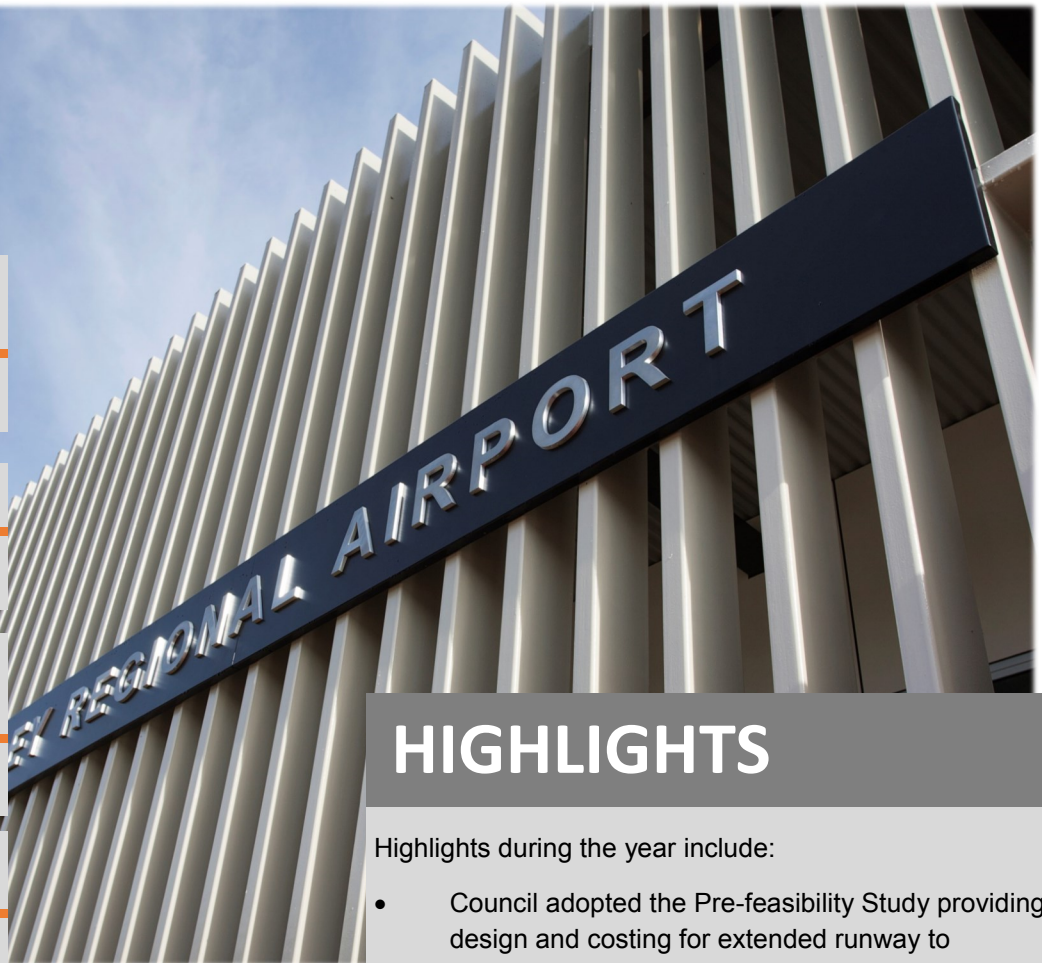
9,479

Wyndham Aircraft
Landings

534

EKRA Aircraft Landings

8,945



HIGHLIGHTS

Highlights during the year include:

- Council adopted the Pre-feasibility Study providing design and costing for extended runway to accommodate larger aircraft with greater range and cost efficiencies.
- Completed 20-year Master Plan for land-use and siting of major infrastructure.
- Updated Transport Security Program prepared for Aerodrome activities.
- Operations completed without any safety impacts on personnel or property.
- High level community satisfaction survey results.



Shire Services

EKRA Airport Operations

EKRA Property Management

EKRA Customer Services

EKRA Security and Emergency
management

Wyndham Airport

Airport Planning

The Shire operates two airports within the District, Wyndham Airport and the East Kimberley Regional Airport (EKRA) to support economic and employment growth within the Shire.

The Wyndham Airport is a registered Aerodrome servicing charter and private flight operations.

The East Kimberley Regional Airport is a certified Aerodrome and a security controlled Airport. Servicing regular passenger air services as well as charter and private flight operations.



Airport Operations

Following several years of declining aviation activity due to contraction in resources/construction sectors the Airports accommodated a modest increase in both regular public transport passenger numbers and aircraft movements.

The delivery of Airport services achieved very high community satisfaction in the Shire survey with a good/excellent rating of 70% for the facilities and services.

A positive initiative was the completion and installation of ‘Welcome to Country’ signage sited as passengers enter the Terminal. The signage was developed in collaboration with representatives of the Miriwoong people.

Airport Planning

There was a strong focus on strategic planning during the year.

At the September 2016 Council Meeting the Pre-feasibility Study to extend the runway by 601m was endorsed. This will enable the accommodation of direct flights to all airports in Australia and key destinations in south east Asia - providing improved flight times and more cost effective services. Next key step is to access supporting funding from other levels of government.

A new Master Plan was completed providing a 20-year horizon to accommodate aviation and land-side development that can support the growth of air-services and regional economic activity.

Work was significantly progressed on a new Airport Asset Management Plan to ensure current and future asset needs are recognised and they are managed as effectively and cost efficiently as possible.

Improving Services

Works activities: Design work was undertaken for a number of infrastructure projects that will support improved operations including an upgrade to Main Car Park and replacement of pre-1990 air conditioning in

Terminal building. Investigations and design for power augmentation for the Aerodrome was also completed. These initiatives will be delivered in 2017/18.

Projects undertaken during the year included:

- EKRA: New telephone system, next section of security fencing and construction of cleaners store.
- Wyndham Airport: Completion of runway/ apron reseal and install new septic system.
- Both Airports: Delivered maintenance program for sealed areas and navigational aids.

Trial commenced to identify most effective approach to address gilgai holes in runway strip.

Compliance and emergency management

Airport activities are subject to robust security and safety provisions.

During the year a new Transport Security Program was developed providing an updated framework to manage operations.

The Airport was subject to audits by Federal Office of Transport Security while the Aerodrome Emergency Committee, Safety Management Committee and Aerodrome Committee all met.

The scheduled ‘desktop’ emergency exercise ‘Eagle Landed’ was successfully undertaken.

Aerodrome Safety Audits and Electrical Technical Inspections were undertaken at each Airport with no major concerns identified.

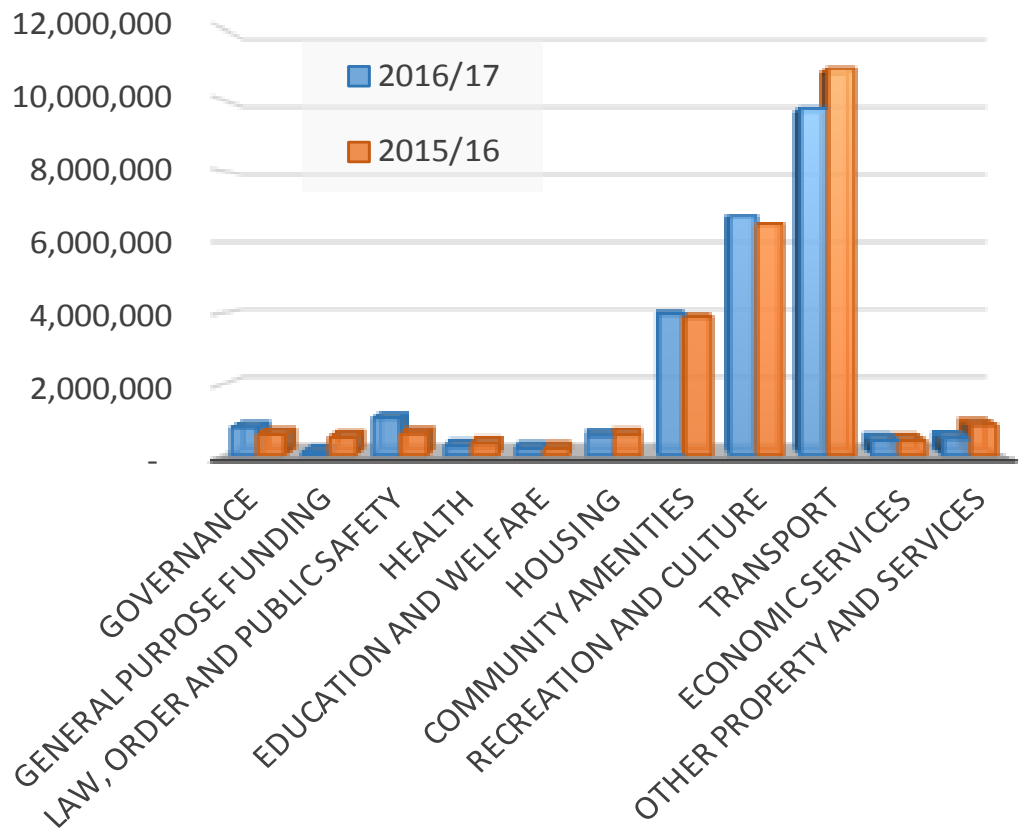
	2015/16	2016/17	Change
EKRA Passenger Numbers	71,230	71,275	↑ 0%
Aircraft Landings All SWEK	9,044	9,479	↑ 5%
Aircraft Landings - Kununurra	8,464	8,945	↑ 6%
Aircraft Landings - Wyndham	645	534	↓ -17%

Financial Summary of the Annual Financial Report (Part B)

2016/17 Quick Facts

Total Operating Revenue	\$24,933,882
Total Operating Expenses	\$24,547,592
Net Operating Surplus/ (Deficit)	\$386,290
Total Assets	\$285,755,503
Total Liabilities	\$8,025,490
Net Assets	\$277,730,013
Total Cash and Investments	\$16,981,044

Operating Expenditure by Program

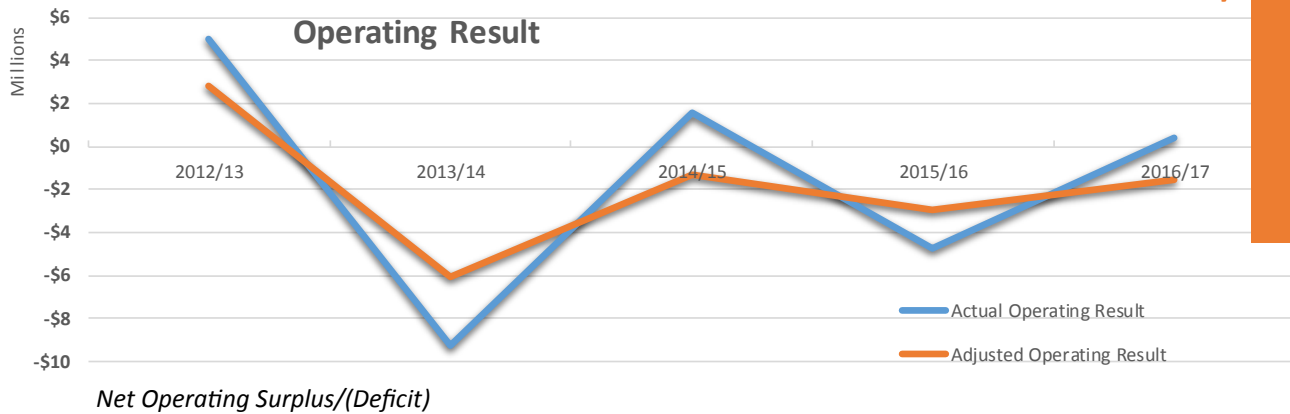


Operating Overview

The Shire of Wyndham East Kimberley continued to deliver services and programs to the community through its 11 program areas. The Council approved a budget of \$26.5 million to provide both operational and capital works programs during the financial year. The Shire incurred operating expenses of \$24.5 million and capital works expenditure of \$3.9 million against this budget during the financial year. An operating surplus of \$386k for the financial year was achieved by the Shire.

The major influence on the financial data for the year under review was the significant rainfall events that occurred during the wet season. This impacted on the Shires ability to deliver its capital works program. The budget position was that the Shire would deliver \$7.9 million of capital projects but only achieved \$3.9 million. The funding that





relates to the capital works not undertaken has been quarantined in the Shires reserves to fund these works in the 2017/18 capital works program. The budget capital works program for the 2017/18 financial year is \$18.5 million which includes \$8m of WANDRRA works.

The weather event also had an impact on the operating expenditure in that actual expenditure of only \$4.5 million was incurred on materials and contract costs against a budget of \$8.2 million.

The Shire owns and maintains over \$266 million worth of property, plant and infrastructure. The Shire re-values its assets to “fair value” on a rotational basis. The full impact of depreciation has been brought to account in our Financial Report resulting in a depreciation expense of \$6.99 million which is regarded as sufficient provision for the renewal and replacement of assets when they fall due.

We received approximately 40.68% of our revenue from rates and 30.24% from fees and charges. The recovery rate was reasonable with only 3.93% of rates outstanding.

Our internal reserves (funds put aside for specific projects and purposes) were valued at \$15.77 million and is fully backed by cash.

Operating Surplus

The financial result of an operating surplus of \$386k for 2016/17 reflects a stronger financial performance than the prior year. However, this result includes an advance receipt for the Commonwealth Financial Assistance Grant (FAG’s). Eliminating the timing effect of this receipt from the current and prior year operating results the adjusted data would be an improvement from a deficit of \$2.9 million in 2015/16 to a deficit of \$1,5 million in 2016/17.

Integrated Planning and Reporting Advisory Standard, published in September 2016, requires the Shire to have an Operating Surplus Ratio of greater than 0%. The Shire delivered a ratio of 0.02% which clearly meets the benchmark. However, after adjusting for the FAG’s advance receipts described in the paragraph above, the ratio is (0.08)% for the 2016/17 year which is an improvement on the adjusted prior year figure of (0.16)%.

The Shire needs to produce an operating surplus before capital items so that the regular costs incurred by Council in our normal day-to-day service delivery operations are less than revenue received from providing these services. This has been addressed by the Long Term Financial Plan that was adopted by Council at the July 2017

	2016/17 Actual (\$'000)	2015/16 Actual (\$'000)	Variance Actual
Total Operating Revenue	\$24,934	\$20,929	↑ 19.1%
Total Operating Expenses	\$24,547	\$25,712	↓(4.5%)
Net Operating Surplus/(Deficit)	\$387	\$(4,783)	↑ \$5,170
Total Assets	\$285,756	\$292,884	↓ (2.4%)
Total Liabilities	\$8,025	\$10,017	↓ (19.9%)
Net Assets	\$277,731	\$282,867	↓ (1.8%)
Total Cash and Investments	\$16,981	\$13,844	↑ 22.7%

Financial Summary

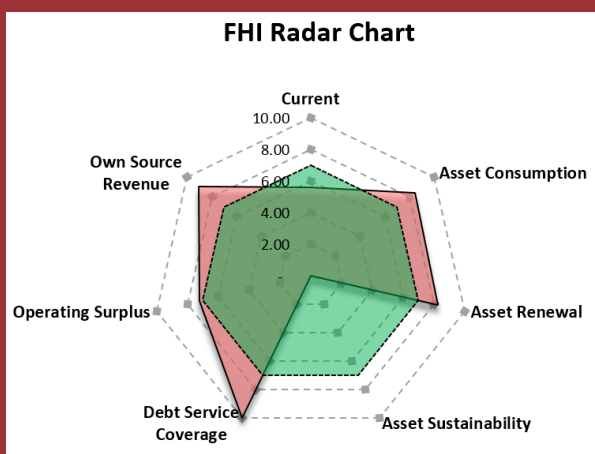
of the Annual Financial Report (Part B)

FINANCIAL HEALTH INDICATOR

2016/17

71

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 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.



Ordinary Council Meeting and is one of the keys to our long-term financial sustainability.

Liquidity

Our unrestricted Current Ratio, which is a measure of our capacity to satisfy short-term obligations is 0.98:1 and is marginally outside the requirements set by the Integrated Planning and Reporting Advisory Standard.

The Shire's debt management has been measured to be on the advanced standard before any adjustments for the early receipt of FAG's. The Debt Service Cover Ratio achieved was 5.97 against an advanced standard benchmark of 5. Where the adjustment for FAG's is made the ratio falls to 4.47 which is marginally short of the advance standard.

The Shire performed well against the Own Source Revenue Coverage Ratio achieving a ratio of 0.76 against a benchmark of 0.4.

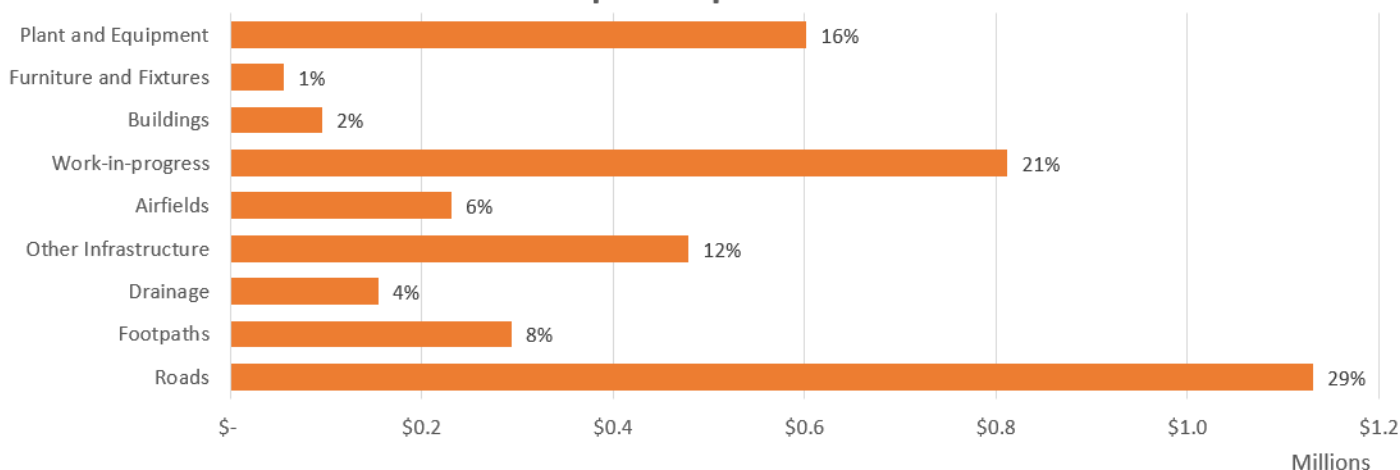
Asset Sustainability

The Shire achieved an Asset Sustainability Ratio of 31% against a benchmark of 90%. This ratio was heavily impacted on by the weather events that affected the capital works program. The Shire is confident that the capital works carried out in the 2017/18 financial year will more than compensate for the 2016/17 ratio and expects that on average over the 2016/17 and 2017/18 the Shire performance will meet its benchmark target.

Asset Consumption and Renewal

The Asset Consumption Ratio achieved was 59% against a benchmark of 50% or greater. This ratio is an expression of on average how new our asset stock is. This ratio has reduced against the prior year

Capital Expenditure



mainly because of the weather impact on the capital works program. This ratio should see a major improvement in the 2017/18 year as the capital works program delivers its planned renewal works.

The Shire has been able to calculate an Asset Renewal Funding Ratio for the first time this year because the Long Term Financial Plan and the Asset Management Plans have been adopted by Council. The ratio of 0.90 means that at the present time the amount of funds provided for in the Long Term Financial Plan is less than 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 our financial indicators reflect that we are in a stable financial position the Shire 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. We are addressing these long-term financial sustainability issues through our 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 our 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 will be done in the 2018/19 version of the Long Term Financial Plan.

The Long Term Financial Plan, Workforce Plan and Asset Management Plan have been adopted as an approach to achieving financial sustainability. We are also developing a better proactive approach to asset management to ensure our community's assets are maintained and this year adopted a new Asset Management Plan that will enable us to better manage the Shire's assets into the future.

Further information on our financial performance is contained in the Audited Annual Financial Report found in Part B.

Financial Ratios 2016-17

Under Western Australian legislation, local governments are required to report 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 by local governments across Australia.

Current Ratio - 0.98 (0.44)*

A measure of the ability of a local government to meet its short-term financial obligations with funds it can access quickly (also known as 'liquidity').

Asset Consumption Ratio - 0.59

A measure of the condition of a local government's physical assets, by comparing their age with their replacement cost. The ratio highlights the aged condition of a local government's stock of physical assets.

Asset Renewal Ratio - 0.90

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

Asset Sustainability Ratio - 0.31

A measure of the extent to which assets managed by a local government are being replaced as they reach the end of their useful lives.

Debt Service Cover Ratio - 5.97 (4.47)*

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

Operating Surplus Ratio - 0.02 (-0.09)*

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

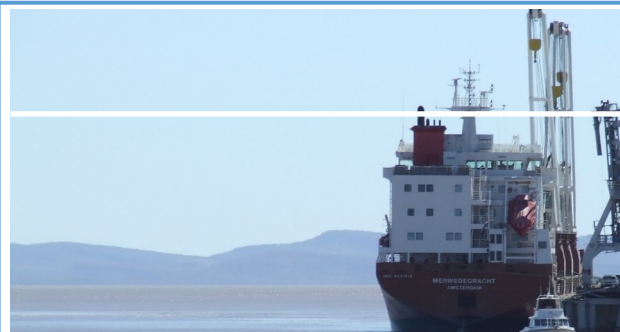
Own Source Revenue Coverage Ratio - 0.76

A measure of a local government's ability to cover its operating costs through revenue it generates itself.

** Adjusted for the effects of the advanced payments receipt of two Commonwealth Financial Assistance Grants.*

Community Survey

A Community Scorecard survey was undertaken during March and April 2017 using the independent company CATALYSE. The Survey was open to all people living in the Shire aged over 17. The survey highlighted that the community would like the Shire to focus on the following priorities:



Strengthen the Economy

More Jobs

More business, economic and tourism opportunities to create jobs



Livability of our Towns

Safe welcoming Towns

Address anti-social behaviour and community safety. Improve the appearance of streetscapes



Civic Leadership

Work in the best interests of community
Improve leadership with greater transparency, integrity & collaboration. Provide value for money from rates



Active Engaged Community

People, community, Sports

Upgrade and improve sport and recreation facilities, promote community integration



Environment & Landscape

Beautiful environment & landscape

Outdoor activities, Remote country lifestyle, access to waterways

The Shire aims to undertake a community survey every two years in the form of a community scorecard to check perceived satisfaction with the Shire, Shire's performance and services and priorities for the future.

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 reviews of the Strategic Community Plan. Importantly, the survey is a fundamental part of a healthy democracy and well-functioning local government. The information provided by the community will assist in the review and development of the Strategic Community Plan 2017 to 2027.

Strengthen the economy, tourism and job creation

Residents want the Shire to provide an environment that supports and encourages business and job development by reducing the administrative burdens, championing tourism and increasing access to supporting services, including childcare. Respondents want to see Council lobby all levels of government for greater regional investment.

Address anti-social behaviour and community safety with CCTV cameras, Police presence and security patrols; and retain TAMS

Residents want a safe and attractive town that is free of antisocial behaviour. CCTV cameras, Police presence and security patrols are suggested to combat youth on the street, public alcohol consumption, fighting, street violence and graffiti.

Improve the appearance of streetscapes

Respondents want their local area to look nice. Topical issues include planting and maintenance of lawn, trees and paths, control of weeds and cleaning and repair of public amenities and spaces.

Improve leadership with greater transparency, integrity and collaboration.

Residents want improved community leadership from the Shire. They seek greater transparency, integrity, honesty and collaboration in pursuit of bettering the community. As the direct representatives of the community, the Council is responsible for setting the strategic direction and making decisions. The community would like Councillors to put aside personal differences and work together for the good of our community.

Provide better value for money from rates

Respondents want to see value for the rates they pay. Tangible results such as maintained roads, improving streetscapes and equitable waste collection and a range of services to benefit the community are all identified as services to be prioritised for rates to be spent on.

Upgrade and improve sport and recreation facilities

Respondents would like current facilities to be upgraded and maintained. Ideas for new facilities include a water park, renovated pool complex, ablution blocks for outdoor ovals and better connected footpaths.

Residents want to promote the key attributes enjoyed by residents and ratepayers are:

- Beautiful environment & landscape - 43%
- Outdoor activities - 23%
- Remote country lifestyle - 23%
- People and community - 20%
- Access to waterways - 17%

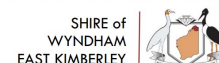
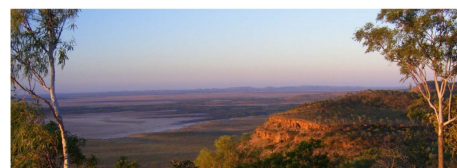
Priorities for 2017-18

Corporate Business Plan 2017-18 to 2021-22

The Shire has a significant portfolio of community infrastructure assets under its care and control. These assets form an integral part of providing services to the community. The Shire manages the safe and efficient construction and delivery of capital infrastructure projects. The Corporate Business Plan 2017-18 to 2021-22 sets out the planned activities for the next ten years with the first year informing the Annual Budget 2017-18.

Corporate Business Plan

2017/18 – 2020/21



[Corporate Business Plan 2017-18](#)

Shire Priorities - Short Term

The following table lists the Shires short term priorities that will be delivered over the first year to support the focus areas (goals) and the associated outcomes (objectives). The actions also help address the community concerns raised in the Community Scorecard 2017.

Priority Activities	Benefit to the community	Link To SCP
59 Communications Strategy	Keep the community better informed about the Shire's activities. Produce a monthly E-news letter	1.1.1
272, 550 Complete the Kununurra Growth Centre Plan and develop an Economic Development Strategy for the Shire	Provide an environment that supports and encourages business and job development	2.2.10
460 Investigation and development of an airport enterprise precinct based on the Airport Master Plan	Provide business development opportunities close to Victoria Highway and the Airport for business growth within the Airport precinct.	2.2.8
399 Update the Community Safety and Crime Prevention Plan	For residents to feel safe and confident in their ability to travel and socialise within the community. The Shire will work in partnership with other agencies.	3.3.6
383 Develop Streetscape Plans including a tree planting program	Improve the look of our Towns and make them greener by planting trees	3.3.1
419 Wyndham Parks and Gardens Reticulation Upgrade	Make Wyndham more inviting for tourists and residents	3.4.1
228 Provide Financial support for direct flights to/from Melbourne	Support and increase tourism opportunities in the Shire	2.2.4
291 Road Repairs - Wet season flooding disaster (WANDRRA)	Repair the damage to our roads caused by the wet season	2.3.1
487 Services Review	Identify efficiency savings and improve services delivered	1.4.2



Shire Priorities - Longer Term

The Shire is actively planning and advocating for funding for a number of significant projects over the four years on the plan. These priority projects have been identified to improve the quality of services in the Shire and include:

Priority Projects	Benefit to the community	Timing	Link To SCP
448 Develop a project definition plan for Renewal of Kununurra Leisure Centre	Determine the future location of Kununurra Leisure Centre and begin work to plan renewal of facilities	2 to 3 yrs	3.4.4
448 Upgrade Leisure and Aquatic Facilities for Kununurra	Upgrade the Kununurra Leisure Centre to provide improved swimming and sports halls for the community. Develop a Splash Pad play area	3 to 4 yrs	3.4.4
509 Lake Argyle Road Staged Upgrade program	Improve safety of travellers to Lake Argyle	2+ yrs	2.3.1
395 Implementation of the Trails Master Plan	Support and promote an active healthy lifestyle for residents and visitors	4+ yrs	3.3.4
311 Implementation of the Recreation Space Strategy	Maintain and renew playground equipment recreation spaces	4+ yrs	3.4.1
196 Review Corporate Administration Management Software systems	Improve efficiency of Shire operations and reduce operating costs	2 to 3 yrs	1.4.4
379 Acquire new landfill site near Kununurra	Ensure the continued provision of waste services in the Shire	3 to 4 yrs	3.2.1
405 Maintain Take Away Alcohol Management System (TAMS)	Provide community with a system to monitor the sale of alcohol and assist in reducing the harmful affects of excessive alcohol consumption	4+ yrs	3.3.6
237 EKRA Runway Extension - secure funding	Increase tourism related jobs and business opportunities in the Shire	2 to 3 yrs	2.2.8
331 Develop a storm water management strategy	Better manage storm water run off from roads and roofs within Kununurra. Improving the drainage system and reducing inflows	4+ yrs	2.3.2

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	5
Number of successful applications	4
Number of applications cancelled	1

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 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.

RECORD KEEPING PLAN AND SYSTEMS

Record Keeping Plan review (State Records Act 2000)

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

The Shire continued its commitment to recordkeeping, in accordance with legislative requirements. The Shire's current Recordkeeping Plan 2012(RKP) outlines the process for management and disposal of records in accordance with the State Records Act 2000 and is approved by the State Records Commission to 30 August 2017. prior to which it will formally be reviewed. The Shire's Recordkeeping Plan 2017(RKP) has been reviewed and is awaiting approval from the State Records Commission with increased focus on system improvements; particularly around recording and moving toward digitisation where possible.

The Shire of Wyndham East Kimberley has implemented the following activities to ensure that all staff are aware of their recordkeeping responsibilities and compliance with the Recordkeeping Plan:

- In-house training sessions will be conducted for the organization's staff by records officers;
- From time to time an external consultant will be brought in to run a training session for staff. Staff are also encouraged to attend training courses outside the organization whenever practicable; and/or
- Staff information sessions will be conducted on a *ad hoc basis for staff as required*.
- The Local Government's Intranet is used to publish recordkeeping information, highlight issues, or bring particular recordkeeping matters to staff attention.

The following performance indicators have been developed to measure the efficiency and effectiveness of the Shire of Wyndham East Kimberley'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

DISABILITY ACCESS AND INCLUSION PLAN

The [Disability Services Act 1993](#) was amended in December 2004, creating a requirement for public authorities to develop and implement Disability Access and Inclusion Plans (DAIP's).

Council is required to report on the seven outcomes relating to DAIP's annually.

Outcome 1. People with a disability have the same opportunities as other people to access the services of, and any events organised by, a public authority.

Outcome 2. People to access the buildings and other facilities of a public authority.

Outcome 3. People with disability receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it.

Outcome 4. People with disability receive the same level and quality of service from the staff of a public authority as other people receive from the staff of that public authority.

Outcome 5. People with disability have the same opportunities as other people to make complaints to a public authority.

Outcome 6. People to participate in any public consultation by a public authority.

Outcome 7. People with disability have the same opportunities as other people to obtain and maintain employment within a public authority.

Disability Access and Inclusion initiatives planned and undertaken during 2016/17 linked to Outcomes:

Outcome Area	No. of initiatives planned	initiatives Completed
1 Services and Events	3	2
2 Buildings & facilities	2	1
3 Information	2	1
4 Services	2	1
5 Complaints	2	1
6 Consultation	1	1
7 Employment	1	1

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 12 employees whose salary exceeded \$100,000.

Salary Range	2015/16	2016/17
\$100,000 and \$109,999	6	4
\$110,000 and \$119,999	3	1
\$120,000 and \$129,999	1	2
\$130,000 and \$139,999	2	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	1	1
\$180,000 and \$189,999	2	2
\$250,000 and \$259,999	1	1
Total Staff over \$100,000	16	12

STAFF SUMMARY

	2015/16	2016/17
Number of Full Time Staff (employed)	85	89*
Total Number of Staff	120	126
Planned Full time equivalent (FTE) staff	94	96
% Male Staff	52.5%	55.3%
% Female Staff	47.5%	44.7%
% Indigenous Staff	6%	6%
Trainee/Student placements	1	0
Staff Turnover	42%	38%
% Staff Engaged in Training	63%	56%
% Staff Engaged in Professional Development	11%	15%

*Represents the full time staff employed as at 30 June 2017. This figure does not include vacant positions.

REVIEW OF LOCAL LAWS

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.

Local Law Reviewed	Action (unchanged, repealed or amended)
Fencing	Amended
Bush Fire Brigades	Amended
Standing Orders	Amended

Statutory Reports

Shire's operations of the above business activities. The Shire continues to monitor Council Policies and Local Laws for anti-competitive practices.

NATIONAL COMPETITION POLICY STATEMENT

In 1995 the Council of Australian Governments entered into a number of agreements, collectively known as the National Competition Policy. Local government is affected mainly where it operates significant business activities which compete, or could compete, with private sector businesses. Local Government will also be affected where local laws unnecessarily affect competition. The Shire is required to comply with certain policies contained within the National Competition Policy statement and report on progress in connection with Competitive Neutrality Principles and review of Local Laws.

COMPETITIVE NEUTRALITY

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

- Airport Operations

No competitive advantage was identified in the

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 2017 no complaints were entered into the Register of Complaints under Section 5.121 of the Local Government Act 1995.

COUNCIL MEETINGS HELD

In 2016/17, 12 Ordinary Council Meetings, 12 Agenda Briefings, 5 other Briefing meetings, 3 Special Council Meetings, no Special Electors'

Elected Member (Cr) Or Commissioner (Com)	Briefing Sessions	Council (12)	Special Council	Committee	Performance Review, CEO	Sitting Fees, & allowances
Cr E Bolto		2	1			\$4,852
Cr S Cooke		2	1			\$4,852
Cr N Perry		2	1	1		\$4,852
Cr A Petherick		2	1	1		\$5,671
Cr J Parker		2	1	1		\$19,739
Cr B Robinson		2	1	1		\$4,852
Cr S Rushby		2	1			\$5,671
Cr D Spackman		2	1			\$5,671
Cr K Wright		2	1			\$9,537
Com R Yuryevich	9	9	1	4		\$105,767

Meetings, 1 CEO Evaluation Committee Meetings, 5 Audit, Risk and Governance Committee Meetings and 1 Annual Electors' Meeting were held.

COUNCILLOR MEETING ATTENDANCE IN 2016/17

Meeting Attendance By Councillors - July 2016 to June 2017. Under the Local Government Act, The Minister for Local Government Mr Simpson suspended the Shire's council and dismissed Councillors. Commissioner Ron Yuryevich was appointed as commissioner of the Shire of Wyndham East Kimberley Council on Wednesday 28 September 2016. The Commissioner presided over all Council meetings from the 28th of September to the end of the reporting period (31 June 2017).

COUNCIL COMMITTEES

Council operated 5 Committees during the year. Other than 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, all remaining Committees have no standing delegations and decision making authority. Their meetings are therefore closed to the public. Committees make recommendations to the full Council, with decision being made by the Council.

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.

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.

The Kununurra Community and School Library Committee

The Kununurra Community and School Library Committee provides advice on policy with respect to the running of the jointly managed facility.

Local Emergency Management Committee (LEMC)

The LEMC is established by the respective local government and operates under the provision of the Emergency Management Act 2005 to plan on behalf of the community. This is a representative committee to provide a network of skills, knowledge and advice to assist the local government in ensuring that the local emergency management arrangements are established for its area.

Bush Fire Advisory Committee (BFAC)

The function of the Bush Fire Advisory Committee (BFAC) is to provide support and guidance to Bush Fire Brigades in the Shire. It does this in collaboration with DFES and the Department of Parks & Wildlife. The BFAC meets to discuss operational and command and control issues, advise on matters relating to prosecutions under the Bush Fires Act 1954, and generally ensure coordination and cooperation between the brigades, agencies and the Shire in relation to the preparation of firebreaks and other preventative measures, and in the preparedness of each organisation to deal with bush fire incidents.

OTHER COUNCIL REPRESENTATION ON COMMITTEES

Council was also represented on the following committees not administered by the Shire:

- WALGA Kimberley Zone / Regional Collaborative Group
- Kununurra and Wyndham Alcohol Accord
- Ord Valley Events Board
- Kimberley Regional Road Group

Annual Financial Report

PART B

PART B



FOR THE YEAR ENDED 30TH JUNE 2017

Audited Annual Financial Report

SHIRE OF WYNDHAM EAST KIMBERLEY
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

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Principal place of business:
20 Coolibah Drive
Kununurra

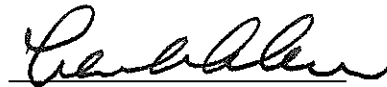
SHIRE OF WYNDHAM EAST KIMBERLEY
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire, being the annual financial report and supporting notes and other information for the financial year ended 30 June 2017 are in my opinion properly drawn up to present fairly the financial position of the Shire at 30th June 2017 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed as authorisation of issue on the 14 day of November 2017



Carl Askew
Chief Executive Officer

SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2017

	NOTE	2017 \$	2017 Budget \$	2016 \$
Revenue				
Rates	23	10,141,663	10,151,361	10,073,680
Operating grants, subsidies and contributions	30	6,369,129	4,611,648	2,528,250
Fees and charges	29	7,539,678	7,639,699	7,368,881
Interest earnings	2(a)	447,203	418,635	495,731
Other revenue	2(a)	436,209	416,515	462,692
		<u>24,933,882</u>	<u>23,237,858</u>	<u>20,929,234</u>
Expenses				
Employee costs		(10,236,442)	(10,925,701)	(10,008,428)
Materials and contracts		(4,537,614)	(8,210,970)	(5,528,988)
Utility charges		(938,166)	(1,220,306)	(1,176,174)
Depreciation on non-current assets	2(a)	(6,989,808)	(7,277,932)	(7,187,215)
Interest expenses	2(a)	(269,647)	(317,623)	(321,373)
Insurance expenses		(589,978)	(606,774)	(574,153)
Other expenditure		(985,937)	(1,291,208)	(915,949)
		<u>(24,547,592)</u>	<u>(29,850,514)</u>	<u>(25,712,280)</u>
Net operating surplus / (deficit)		386,290	(6,612,656)	(4,783,046)
Non-operating grants, subsidies and contributions	30	2,039,576	3,265,708	2,702,266
Profit on asset disposals	21	25,500	42,846	87,566
(Loss) on asset disposals	21	(106,305)	(15,518)	(137,210)
Net result		2,345,061	(3,319,620)	(2,130,424)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	13	(7,482,168)	0	1,171,940
Total other comprehensive income		(7,482,168)	0	1,171,940
Total comprehensive income		(5,137,107)	(3,319,620)	(958,484)

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

SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2017

	NOTE	2017 \$	2017 Budget \$	2016 \$
Revenue				
Governance		114,120	25,901	96,933
General purpose funding		16,163,447	14,249,880	12,752,284
Law, order, public safety		439,147	431,646	116,853
Health		100,451	97,328	127,786
Education and welfare		13,783	11,130	10,990
Housing		132,154	152,500	126,587
Community amenities		2,785,087	3,049,482	2,730,721
Recreation and culture		842,580	981,502	811,508
Transport		4,195,073	4,161,489	4,061,736
Economic services		116,573	53,000	55,770
Other property and services		31,467	24,000	38,066
		<u>24,933,882</u>	<u>23,237,858</u>	<u>20,929,234</u>
Expenses				
Governance		(780,774)	(1,384,129)	(598,566)
General purpose funding		(78,437)	(316,971)	(509,379)
Law, order, public safety		(1,044,972)	(1,036,202)	(613,308)
Health		(254,062)	(301,590)	(331,148)
Education and welfare		(192,898)	(224,498)	(190,945)
Housing		(547,259)	(588,056)	(585,975)
Community amenities		(3,971,757)	(5,517,021)	(3,892,323)
Recreation and culture		(6,734,471)	(6,985,785)	(6,502,997)
Transport		(9,765,977)	(12,078,979)	(10,887,657)
Economic services		(428,680)	(533,771)	(419,369)
Other property and services		(478,658)	(565,889)	(859,240)
		<u>(24,277,945)</u>	<u>(29,532,891)</u>	<u>(25,390,907)</u>
Finance costs				
Governance		(135,581)	(159,958)	(154,958)
Education and welfare		(14,003)	(18,893)	(18,307)
Housing		(4,412)	(5,470)	(5,999)
Community amenities		(81,927)	(90,786)	(96,755)
Recreation and culture		(23,038)	(31,277)	(33,579)
Transport		(10,686)	(11,239)	(11,775)
		<u>(269,647)</u>	<u>(317,623)</u>	<u>(321,373)</u>
Net operating surplus / (deficit)		386,290	(6,612,656)	(4,783,046)
Non-operating grants, subsidies and contributions	30	2,039,576	3,265,708	2,702,266
Profit on disposal of assets	21	25,500	42,846	87,566
(Loss) on disposal of assets	21	(106,305)	(15,518)	(137,210)
Net result		<u>2,345,061</u>	<u>(3,319,620)</u>	<u>(2,130,424)</u>
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	13	(7,482,168)	0	1,171,940
Total other comprehensive income		<u>(7,482,168)</u>	<u>0</u>	<u>1,171,940</u>
Total comprehensive income		<u><u>(5,137,107)</u></u>	<u><u>(3,319,620)</u></u>	<u><u>(958,484)</u></u>

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

SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2017

	NOTE	2017 \$	2016 \$
CURRENT ASSETS			
Cash and cash equivalents	3	16,974,362	13,836,742
Trade and other receivables	5	2,258,579	1,643,380
Inventories	6	14,702	14,576
TOTAL CURRENT ASSETS		<u>19,247,643</u>	<u>15,494,698</u>
NON-CURRENT ASSETS			
Other receivables	5	22,773	21,233
Investments	4	6,682	6,682
Inventories	6	46,283	46,283
Property, plant and equipment	7	56,274,236	64,612,592
Infrastructure	8	210,157,886	212,702,965
TOTAL NON-CURRENT ASSETS		<u>266,507,860</u>	<u>277,389,755</u>
TOTAL ASSETS		<u>285,755,503</u>	<u>292,884,453</u>
CURRENT LIABILITIES			
Trade and other payables	9	1,658,300	2,540,197
Current portion of long term borrowings	10	1,042,515	997,438
Provisions	11	981,564	1,087,056
TOTAL CURRENT LIABILITIES		<u>3,682,379</u>	<u>4,624,691</u>
NON-CURRENT LIABILITIES			
Long term borrowings	10	4,123,259	5,165,774
Provisions	11	219,852	226,868
TOTAL NON-CURRENT LIABILITIES		<u>4,343,111</u>	<u>5,392,642</u>
TOTAL LIABILITIES		<u>8,025,490</u>	<u>10,017,333</u>
NET ASSETS		<u>277,730,013</u>	<u>282,867,120</u>
EQUITY			
Retained surplus		88,308,695	90,670,076
Reserves - cash backed	12	15,767,291	11,060,849
Revaluation surplus	13	173,654,027	181,136,195
TOTAL EQUITY		<u>277,730,013</u>	<u>282,867,120</u>

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	RESERVES		REVALUATION SURPLUS \$	TOTAL EQUITY \$
		RETAINED SURPLUS \$	CASH BACKED \$		
Balance as at 1 July 2015		89,692,115	14,169,234	179,964,255	283,825,604
Comprehensive income					
Net result		(2,130,424)	0	0	(2,130,424)
Changes on revaluation of assets	13	0	0	1,171,940	1,171,940
Total comprehensive income		(2,130,424)	0	1,171,940	(958,484)
Transfers from/(to) reserves		3,108,385	(3,108,385)	0	0
Balance as at 30 June 2016		90,670,076	11,060,849	181,136,195	282,867,120
Comprehensive income					
Net result		2,345,061	0	0	2,345,061
Changes on revaluation of assets	13	0	0	(7,482,168)	(7,482,168)
Total comprehensive income		2,345,061	0	(7,482,168)	(5,137,107)
Transfers from/(to) reserves		(4,706,442)	4,706,442	0	0
Balance as at 30 June 2017		88,308,695	15,767,291	173,654,027	277,730,013

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	2017 Actual \$	2017 Budget \$	2016 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		9,748,106	9,796,063	9,955,456
Operating grants, subsidies and contributions		5,945,752	3,514,544	4,547,902
Fees and charges		7,656,011	7,639,699	7,368,881
Interest earnings		447,203	418,635	495,731
Goods and services tax		1,148,632	2,167,943	1,579,073
Other revenue		436,209	416,516	462,692
		<u>25,381,913</u>	<u>23,953,400</u>	<u>24,409,735</u>
Payments				
Employee costs		(10,307,597)	(10,935,533)	(9,856,464)
Materials and contracts		(5,451,933)	(8,210,970)	(9,336,499)
Utility charges		(938,166)	(1,220,306)	(1,176,174)
Interest expenses		(278,704)	(317,623)	(327,657)
Insurance expenses		(589,978)	(606,774)	(574,153)
Goods and services tax		(1,064,770)	(715,542)	(1,357,071)
Other expenditure		(985,937)	(1,291,208)	(915,949)
		<u>(19,617,085)</u>	<u>(23,297,956)</u>	<u>(23,543,967)</u>
Net cash provided by (used in)				
operating activities	14(b)	<u>5,764,828</u>	<u>655,444</u>	<u>865,768</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	7(b)	(753,239)	(1,405,380)	(1,034,419)
Payments for construction of infrastructure	8(b)	(3,099,607)	(6,542,068)	(5,343,689)
Non-operating grants, subsidies and contributions	30	2,039,576	3,265,708	2,702,266
Proceeds from sale of fixed assets	21	183,500	192,588	570,804
Net cash provided by (used in)				
investment activities		<u>(1,629,770)</u>	<u>(4,489,152)</u>	<u>(3,105,038)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of debentures		(997,438)	(999,565)	(954,448)
Advances to community groups		0	(50,000)	0
Proceeds from self supporting loans		0	2,128	0
Proceeds from new debentures		0	50,000	0
Net cash provided by (used in)				
financing activities		<u>(997,438)</u>	<u>(997,437)</u>	<u>(954,448)</u>
Net increase (decrease) in cash held		3,137,620	(4,831,145)	(3,193,718)
Cash at beginning of year		13,836,742	13,240,114	17,030,460
Cash and cash equivalents				
at the end of the year	14(a)	<u>16,974,362</u>	<u>8,408,969</u>	<u>13,836,742</u>

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2017**

NOTE	2017 Actual \$	2017 Budget \$	2016 Actual \$
Net current assets at start of financial year - surplus/(deficit)	<u>1,900,334</u>	<u>2,939,845</u>	<u>197,606</u>
Revenue from operating activities (excluding rates)			
Governance	114,120	25,901	96,933
General purpose funding	6,027,143	4,098,519	2,683,890
Law, order, public safety	439,147	431,646	116,853
Health	100,451	97,328	127,786
Education and welfare	13,783	11,130	10,990
Housing	132,154	152,500	126,587
Community amenities	2,785,087	3,049,482	2,730,721
Recreation and culture	842,580	981,502	811,508
Transport	4,195,073	4,161,489	4,081,305
Economic services	116,573	53,000	55,770
Other property and services	56,967	66,846	106,063
	<u>14,823,078</u>	<u>13,129,343</u>	<u>10,948,406</u>
Expenditure from operating activities			
Governance	(916,355)	(1,544,087)	(753,524)
General purpose funding	(78,437)	(316,971)	(509,379)
Law, order, public safety	(1,044,972)	(1,036,202)	(613,308)
Health	(254,062)	(301,590)	(331,148)
Education and welfare	(206,901)	(243,391)	(209,252)
Housing	(551,671)	(593,526)	(707,415)
Community amenities	(4,053,684)	(5,607,807)	(3,989,078)
Recreation and culture	(6,757,509)	(7,017,062)	(6,536,576)
Transport	(9,807,495)	(12,090,218)	(10,899,432)
Economic services	(428,680)	(533,771)	(419,369)
Other property and services	(554,131)	(581,408)	(881,009)
	<u>(24,653,897)</u>	<u>(29,866,033)</u>	<u>(25,849,490)</u>
Operating activities excluded from budget			
(Profit) on disposal of assets	21 (25,500)	(42,846)	(87,566)
Loss on disposal of assets	21 106,305	15,518	137,210
Movement in deferred pensioner rates (non-current)	(1,540)	0	(3,904)
Movement in employee benefit provisions	(112,508)	(9,831)	253,564
Depreciation and amortisation on assets	2(a) 6,989,808	7,277,932	7,187,215
Amount attributable to operating activities	<u>(973,921)</u>	<u>(6,556,072)</u>	<u>(7,216,959)</u>
INVESTING ACTIVITIES			
Non-operating grants, subsidies and contributions	2,039,576	3,265,708	2,702,266
Proceeds from disposal of assets	21 183,500	192,588	570,804
Purchase of property, plant and equipment	7(b) (753,239)	(1,405,380)	(1,034,419)
Purchase and construction of infrastructure	8(b) (3,099,607)	(6,542,068)	(5,343,689)
Amount attributable to investing activities	<u>(1,629,770)</u>	<u>(4,489,152)</u>	<u>(3,105,038)</u>
FINANCING ACTIVITIES			
Advances to community groups	0	(50,000)	0
Repayment of debentures	22(a) (997,438)	(999,565)	(954,448)
Proceeds from new debentures	22(a) 0	50,000	0
Proceeds from self supporting loans	0	2,128	0
Transfers to reserves (restricted assets)	12 (8,460,877)	(6,278,646)	(4,964,427)
Transfers from reserves (restricted assets)	12 3,754,435	8,169,946	8,072,812
Amount attributable to financing activities	<u>(5,703,880)</u>	<u>893,863</u>	<u>2,153,937</u>
Surplus(deficiency) before general rates	<u>(8,307,571)</u>	<u>(10,151,361)</u>	<u>(8,168,060)</u>
Total amount raised from general rates	23 <u>10,136,304</u>	<u>10,151,361</u>	<u>10,068,394</u>
Net current assets at June 30 c/fwd - surplus/(deficit)	24 <u><u>1,828,734</u></u>	<u><u>(0)</u></u>	<u><u>1,900,334</u></u>

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

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

Except for cash flow and rate setting information, the report has 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 20 to these financial statements.

(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) Cash and Cash Equivalents

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Trade and Other Receivables

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

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

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

(d) Inventories

General

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

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

Land held for sale

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

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

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

(e) Fixed Assets

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

Mandatory requirement to revalue non-current assets

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

During the year ended 30 June 2013, the Shire commenced the process of adopting Fair Value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at Fair Value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the Shire revalues its asset classes in accordance with this mandatory timetable.

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Fixed Assets (Continued)

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.

Initial recognition and measurement between mandatory revaluation dates

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

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the 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 detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

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

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 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Fixed Assets (Continued)

Depreciation

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

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

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

Major depreciation periods used for each class of depreciable asset are:

Group	Class	Number of Years
Roads		10-120
Drainage	Underground pipes	75
Airfields		16-120
Bridges	Bridges	100
	Culverts	100
Footpaths	Footpath	45-80
Infrastructure-Other		10-120
Building		7-140
Furniture and Equipment		3-20
Plant and Equipment		3-13

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.

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fair Value of Assets and Liabilities

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

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.

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fair Value of Assets and Liabilities (Continued)

Income approach

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

Cost approach

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

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the 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.

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued in accordance with the regulatory framework.

(g) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Shire becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Shire commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

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

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments and any reduction for impairment; and
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Financial Instruments (Continued)

Classification and subsequent measurement (continued)

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

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

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

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

(iii) Held-to-maturity investments

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

Held-to-maturity investments are included in current assets, where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

(iv) Available-for-sale financial assets

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

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current.

(v) Financial liabilities

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Financial Instruments (Continued)

Impairment

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

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

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

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

Derecog

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Shire no longer has any significant continual involvement in the risks and benefits associated with the asset.

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

(h) Impairment of Assets

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

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

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

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

(i) Trade and Other Payables

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Other long-term employee benefits

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

The 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.

(k) 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.

(l) 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.

(m) Leases

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

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

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Investment in Associates

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

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

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

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

(o) Interests in Joint Arrangements

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

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

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Shire's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 17

(p) Rates, Grants, Donations and Other Contributions

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

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

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

(q) 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.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the 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 even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the Shire's intentions to release for sale.

(s) Rounding Off Figures

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

(t) 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 statement, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

(u) Budget Comparative Figures

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(i) AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Shire, it is not anticipated the Standard will have any material effect.
(ii) AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2019	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the Shire has with those third parties it has dealings with. It may or may not be significant.
(iii) AASB 16 Leases	February 2016	1 January 2019	Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position once AASB 16 is adopted. Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Shire, the impact is not expected to be significant.

Notes:

⁽¹⁾ Applicable to reporting periods commencing on or after the given date.

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)	Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
	(iv) AASB 1058 Income of Not-for-Profit Entities (incorporating AASB 2016-7 and AASB 2016-8)	December 2016	1 January 2019	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; - Leases entered into at below market rates; and - Volunteer services. <p>Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Shire's operations.</p>

Notes:

⁽¹⁾ Applicable to reporting periods commencing on or after the given date.

(w) Adoption of New and Revised 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 associate with the amendment of existing standards, the only new standard with material application is as follows:

- | | |
|---|---|
| (i) AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities

[AASB 10, 124 & 1049] | <p>The objective of this Standard was to extend the scope of AASB 124 <i>Related Party Disclosures</i> to include not-for-profit sector entities.</p> <p>The Standard has had a significant disclosure impact on the financial report of the Shire as both Elected Members and Senior Management are deemed to be Key Management Personnel and resultant disclosures in accordance to AASB 124 have been necessary.</p> |
|---|---|

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

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

COMMUNITY VISION

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

GOVERNANCE

Objective:

Activities:

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

GENERAL PURPOSE FUNDING

Objective:

To collect revenue to allow for the provision of services

Activities:

Rates, general purpose Government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Objective:

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

Activities:

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

HEALTH

Objective:

To provide an operational framework for environmental and community health.

Activities:

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

EDUCATION AND WELFARE

Objective:

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

Activities:

Operation of youth services, day care centres and assistance to other voluntary services.

HOUSING

Objective:

To provide and maintain staff and residential housing.

Activities:

Provision of staff and residential housing.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective (Continued)

COMMUNITY AMENITIES

Objective:

To provide services required by the community.

Activities:

Rubbish collection services, operation of rubbish disposal sites, litter control, administration of the town planning schemes, maintenance of cemeteries, maintenance of rest centres and storm water drainage maintenance.

RECREATION AND CULTURE

Objective:

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

Activities:

Maintenance of halls, aquatic centres, recreation centres and various reserves; operation of library and community development services.

TRANSPORT

Objective:

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

Activities:

Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, depot maintenance and the provision and operation of airport services.

ECONOMIC SERVICES

Objective:

To help promote the Shire and its economic wellbeing.

Activities:

The regulation and provision of tourism, area promotion, building control, noxious weeds and vermin control.

OTHER PROPERTY AND SERVICES

Objective:

To monitor and control Shire's overheads operating accounts.

Activities:

Private works operation, plant repair and operations and administrative costs.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

2. REVENUE AND EXPENSES (Continued)

(c) Conditions Over Grants/Contributions

Grant/Contribution	Opening Balance ⁽¹⁾ 1/07/15	Received ⁽²⁾ 2015/16	Expended ⁽³⁾ 2015/16	Closing Balance ⁽¹⁾ 30/06/16	Received ⁽²⁾ 2016/17	Expended ⁽³⁾ 2016/17	Closing Balance 30/06/17
	\$	\$	\$	\$	\$	\$	\$
Education and Welfare	28,559	6,508	(22,620)	12,447	0	(12,447)	0
Takeaway Alcohol Management System - Kimberley Zone							
Health	0	0	0	0	20,737	(17,366)	3,371
Mosquito Control Administration (FIMMWA)							
Community amenities	0	65,652	(65,652)	0	48,750	(48,750)	0
Youth Services Wyndham (DCPFS)	4,968	0	(1,009)	3,959	0	(3,959)	0
Contribution to Local Planning Strategy							
Wyndham Community Resource Centre (CRC) - Remote Indigenous	32,455	0	(28,224)	4,231	0	(4,231)	0
Public Internet Access programme							
Recreation and culture	0	281,469	(281,469)	0	738,432	(738,432)	0
Lily Creek Grant	4,650	5,100	(4,650)	5,100	4,995	(5,100)	4,995
Childrens Book Week	13,343	0	(11,248)	2,095	6,000	(8,095)	0
Kids in Sport	13,901	103,100	(117,001)	0	104,750	(104,750)	0
Wyndham Community Resource Centre (CRC) - Operational	0	32,000	(32,000)	0	34,273	(34,273)	0
Kununurra Swimming Complex	0	32,000	(32,000)	0	34,273	(34,273)	0
Wyndham Swimming Complex	0	8,492	0	8,492	0	(8,492)	0
Record Management Grant - Kimberley Zone	0	35,000	(25,000)	10,000	20,000	(30,000)	0
Writers Festival	0	0	0	0	25,000	(25,000)	0
Trails Plan	0	0	0	0	25,000	(21,550)	3,450
Design and Feasibility for Recreation Facility	0	0	0	0	0	(3,000)	0
Recreation Services - School Holiday Program	0	0	0	0	3,000	0	0
Transport	62,177	1,118	(6,437)	56,858	319	(57,177)	0
Royalties for Regions - 2011/12 (CLGF)	591,411	9,520	(553,047)	47,884	667	(48,551)	0
Royalties for Regions - 2012/13 (CLGF)	0	104,000	(50,814)	53,186	401,109	(318,953)	135,342
Regional Road Group - Main Roads	94,933	1,000,523	(302,441)	793,015	248,000	(662,404)	378,611
Roads to Recovery	149,524	0	(149,524)	0	0	0	0
Road Upgrade - Carleton Hill Road	1	94,400	(2,421)	91,980	177,235	(269,215)	0
State Local Road Black Spot	341,737	294,000	(630,589)	5,148	0	(5,148)	0
Aboriginal Access Roads - Federal Grant (WALGGC)	0	0	0	0	304,000	(28,101)	275,899
Aboriginal Access Roads - Federal Grant (WALGGC) 2016/2017	51,488	294,244	(345,732)	0	0	0	0
Aboriginal Access Roads - State Grant 2014/15	0	0	0	0	60,800	(60,800)	0
Aboriginal Access Roads - State Grant 2016/17	0	0	0	0	110,000	0	110,000
Federal Bridges Grant 2016/17	2,889,313	22,319	(2,359,998)	551,634	6,405	0	558,039
Goomig Farmlands Road (DRD)	4,278,460	2,389,445	(5,921,876)	1,646,029	2,373,745	(2,550,067)	1,469,707
Total							

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 2016, the unspent balance of \$551,634 pertaining to the DRD grant was transferred to the Goomig Farmlands Roads Reserve and the balance of unspent grants of \$1,094,395 was transferred to the Unspent Grants and Loans Reserve.

(5) For the closing balance at 30 June 2017, the unspent balance of \$558,039 pertaining to the DRD grant, and the unspent balance of \$3,371 pertaining to the FIMMWA grant were transferred to the Goomig Farmlands Roads Reserve and the Contiguous Local Authority Group Reserve respectively, with the balance of unspent grants of \$908,297 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 2017

	Note	2017 \$	2016 \$
3. CASH AND CASH EQUIVALENTS			
Unrestricted		1,750	1,850
Cash at bank-Municipal		1,205,321	2,774,043
Restricted		15,767,291	11,060,849
		<u>16,974,362</u>	<u>13,836,742</u>
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Waste Management	12	527,664	530,390
Airport General	12	5,736,144	5,269,556
Plant and Equipment	12	2,993	2,929
Parking	12	121,659	119,069
Non-Portable water	12	73,698	94,653
East Kimberley Tourism	12	150,637	141,902
Foreshore	12	340,709	283,301
Staff Entitlement	12	118,081	115,567
Recreation Hardcourts	12	56,082	54,888
Bio Security	12	257,668	252,183
Childcare	12	178,727	162,677
Parks	12	333,287	326,192
Footpaths	12	292,046	285,829
Asset Management	12	1,002,180	974,981
Goomig Farmlands Roads Reserve	2(c)	558,039	551,634
Contiguous Local Authority Group (CLAG)	12	3,831	461
Kununurra Youth Hub	12	23,751	9,125
Regional Price Preference	12	199,189	0
Drainage Reserve	12	208,183	0
Capital Works Reserve	12	2,264,501	0
Unspent Grants and Loans Reserve		3,318,222	1,885,512
		<u>15,767,291</u>	<u>11,060,849</u>

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

	2017	2016
	\$	\$
4 INVESTMENTS		
Financial assets at fair value through profit and loss	<u>6,682</u>	<u>6,682</u>
Financial assets at fair value through profit and loss		
At the beginning of the year	<u>6,682</u>	<u>6,682</u>
At the end of the year	<u>6,682</u>	<u>6,682</u>
5. TRADE AND OTHER RECEIVABLES		
Current		
Rates outstanding	951,453	559,436
Sundry debtors	1,078,600	614,878
GST receivable	23,082	106,944
Prepayments	25,779	65,065
Accrued Income	441,076	557,409
Less: provision for doubtful debts	<u>(261,411)</u>	<u>(260,352)</u>
	<u>2,258,579</u>	<u>1,643,380</u>
Non-current		
Rates outstanding - pensioners	<u>22,773</u>	<u>21,233</u>
	<u>22,773</u>	<u>21,233</u>
Information with respect the impairment or otherwise of the totals of rates outstanding and sundry debtors is as follows:		
Rates outstanding	<u>951,453</u>	<u>559,436</u>
Includes:		
Past due and not impaired	951,453	559,436
Impaired	<u>152,412</u>	<u>144,405</u>
Sundry debtors	<u>1,078,600</u>	<u>614,878</u>
Includes:		
Past due and not impaired	12,663	19,290
Impaired	<u>108,999</u>	<u>115,947</u>
6. INVENTORIES		
Current		
Fuel and materials	<u>14,702</u>	<u>14,576</u>
	<u>14,702</u>	<u>14,576</u>
Non-current		
Land held for resale - cost	<u>46,283</u>	<u>46,283</u>
	<u>46,283</u>	<u>46,283</u>

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

	2017 \$	2016 \$
7 (a). PROPERTY, PLANT AND EQUIPMENT		
Land and buildings		
Land- Freehold at:		
- Independent valuation 2017 - level 2	2,836,300	7,259,000
- Independent valuation 2017 - level 3	7,186,500	5,183,000
- Additions after valuation - cost	0	295,000
	<u>10,022,800</u>	<u>12,737,000</u>
Land - vested in and under the control of Council at:		
- Management valuation 2013 - level 3	0	3,108,474
- Independent valuation 2017 - level 3	3,725,700	0
	<u>3,725,700</u>	<u>3,108,474</u>
	<u>13,748,500</u>	<u>15,845,474</u>
Buildings - non-specialised at:		
- Independent valuation 2017 - level 2	3,091,632	9,070,000
- Independent valuation 2017 - level 3	9,955,075	5,048,000
- Additions after valuation - cost	0	1,290,950
Less: accumulated depreciation	0	(1,832,889)
	<u>13,046,707</u>	<u>13,576,061</u>
Buildings - specialised at:		
- Independent valuation 2017 - level 3	21,403,740	27,915,140
- Additions after valuation - cost	0	1,505,135
Less: accumulated depreciation	0	(3,403,587)
	<u>21,403,740</u>	<u>26,016,688</u>
Land under control-buildings at:		
- Management valuation 2013 - level 3	0	3,485,477
- Independent valuation 2013 - level 3	0	1,350,000
- Independent valuation 2017 - level 3	3,256,037	0
Less: accumulated depreciation	0	(897,632)
	<u>3,256,037</u>	<u>3,937,845</u>
	<u>37,706,484</u>	<u>43,530,594</u>
Total land and buildings	<u>51,454,984</u>	<u>59,376,068</u>
Furniture and equipment at:		
- Independent valuation 2016 - level 3	538,813	538,813
- Independent valuation 2016 - level 2	43,900	43,900
- Additions after valuation - cost	100,882	0
Less: accumulated depreciation	(149,814)	0
	<u>533,781</u>	<u>582,713</u>
Plant and equipment at:		
- Independent valuation 2016 - level 2	2,112,834	2,321,530
- Independent valuation 2016 - level 3	1,953,949	2,031,334
- Additions after valuation - cost	591,951	0
Less: accumulated depreciation	(420,367)	0
	<u>4,238,367</u>	<u>4,352,864</u>
Property, plant and equipment-work in progress at:		
- Cost	47,104	300,947
	<u>47,104</u>	<u>300,947</u>
	<u>56,274,236</u>	<u>64,612,592</u>

The fair value of property, plant and equipment is determined at least every three years in accordance with the regulatory framework. Additions since the date of valuation are shown at cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening 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.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) 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.

	Balance at the Beginning of the Year \$	Additions \$	(Disposals) \$	Revaluation Increments/ (Decrements) Transferred to Revaluation \$	Revaluation (Losses)/ Reversals Through to Profit or Loss \$	Impairment (Losses)/ Reversals \$	Depreciation (Expense) \$	Transfers \$	Carrying Amount at the End of Year \$
Land - freehold land	12,737,000	0	0	(2,930,428)	0	0	0	216,228	10,022,800
Land - vested in and under the control of Council	3,108,474	0	0	617,226	0	0	0	0	3,725,700
Total land	15,845,474	0	0	(2,313,202)	0	0	0	216,228	13,748,500
Buildings - non-specialised	13,576,061	33,434	0	42,465	0	0	(605,253)	0	13,046,707
Buildings - specialised	26,016,688	62,297	0	(3,525,973)	0	0	(1,151,562)	2,290	21,403,740
Land under control-buildings	3,937,845	0	0	(373,160)	0	0	(308,648)	0	3,256,037
Total buildings	43,530,594	95,731	0	(3,856,668)	0	0	(2,065,463)	2,290	37,706,484
Total land and buildings	59,376,068	95,731	0	(6,169,870)	0	0	(2,065,463)	218,518	51,454,984
Furniture and equipment	582,713	55,882	0	0	0	0	(149,814)	45,000	533,781
Plant and equipment	4,352,864	556,951	(264,305)	0	0	0	(442,143)	35,000	4,238,367
Property, plant and equipment-work in progress	300,947	44,675	0	0	0	0	0	(298,518)	47,104
Total property, plant and equipment	64,612,592	753,239	(264,305)	(6,169,870)	0	0	(2,657,420)	0	56,274,236

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
	Land and buildings					
	Land – freehold land	2 & 3	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.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

	2017	2016
	\$	\$
8 (a). INFRASTRUCTURE		
Infrastructure - roads		
- Management valuation 2015 - level 3	131,903,080	133,215,378
- Additions after valuation - cost	4,890,391	3,756,634
Less: accumulated depreciation	<u>(4,536,661)</u>	<u>(2,260,867)</u>
	132,256,810	134,711,145
Infrastructure - footpaths		
- Management valuation 2015 - level 3	6,021,734	6,021,734
- Additions after valuation - cost	461,893	168,478
Less: accumulated depreciation	<u>(229,675)</u>	<u>(144,286)</u>
	6,253,952	6,045,926
Infrastructure - drainage		
- Management valuation 2015 - level 3	9,425,880	9,425,880
- Additions after valuation - cost	295,544	101,764
Less: accumulated depreciation	<u>(436,703)</u>	<u>(217,975)</u>
	9,284,721	9,309,669
Infrastructure - other		
- Independent valuation 2015 - level 3	13,993,311	13,993,311
- Management valuation 2015 - level 3	625,954	625,954
- Additions after valuation - cost	1,780,245	1,231,726
Less: accumulated depreciation	<u>(1,533,793)</u>	<u>(744,858)</u>
	14,865,717	15,106,133
Airfields		
- Independent valuation 2015 - level 3	1,801,511	1,801,511
- Management valuation 2015 - level 3	17,708,760	17,708,760
- Additions after valuation - cost	685,166	452,190
Less: accumulated depreciation	<u>(1,125,322)</u>	<u>(557,308)</u>
	19,070,115	19,405,153
Bridges		
- Management valuation 2015 - level 3	28,383,530	28,383,530
Less: accumulated depreciation	<u>(792,146)</u>	<u>(396,618)</u>
	27,591,384	27,986,912
Infrastructure - work in progress		
- Cost	<u>835,187</u>	<u>138,027</u>
	835,187	138,027
	<u>210,157,886</u>	<u>212,702,965</u>

The fair value of infrastructure is determined at least every three years in accordance with the regulatory framework. Additions since the date of valuation are shown as cost. Given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening 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 infrastructure to be shown at fair value.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

8. INFRASTRUCTURE (Continued)

(b) Movements in Carrying Amounts

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

	Balance as at the Beginning of the Year	Revaluation Increments/ (Decrements) Transferred to Revaluation	Revaluation (Loss)/ Reversal Transferred to Profit or Loss	Impairment (Losses)/ Reversals	Depreciation (Expense)	Transfers	Carrying Amount at the End of the Year
	\$	\$	\$	\$	\$	\$	\$
Infrastructure - roads	134,711,145	0	0	(1,312,298)	(2,275,794)	3,000	132,256,810
Infrastructure - footpaths	6,045,926	0	0	0	(85,389)	0	6,253,952
Infrastructure - drainage	9,309,669	0	0	0	(218,728)	39,493	9,284,721
Infrastructure - other	15,106,133	0	0	0	(788,935)	69,923	14,865,717
Airfields	19,405,153	0	0	0	(568,014)	2,190	19,070,115
Bridges	27,986,912	0	0	0	(395,528)	0	27,591,384
Infrastructure - work in progress	138,027	0	0	0	0	(114,606)	835,187
Total infrastructure	212,702,965	0	0	(1,312,298)	(4,332,388)	0	210,157,886

The impairment of roads of \$1,312,298 relates to write off of the book value of certain lengths of rural roads damaged by floods during 2016/17 financial year.

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

8. INFRASTRUCTURE (Continued)

(c) 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	June 2015	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	June 2015	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	June 2015	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	Independent valuers and Management valuation	June 2015	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	Independent valuers and Management valuation	June 2015	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	June 2015	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.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

	2017	2016
	\$	\$
9. TRADE AND OTHER PAYABLES		
Current		
Sundry creditors	1,037,763	1,069,144
Accrued interest on debentures	37,923	46,980
Accrued salaries and wages	256,139	214,786
Accrued expenses	326,475	1,209,287
	<u>1,658,300</u>	<u>2,540,197</u>

10. LONG-TERM BORROWINGS

Current		
Secured by floating charge		
Debentures	1,042,515	997,438
	<u>1,042,515</u>	<u>997,438</u>
Non-current		
Secured by floating charge		
Debentures	4,123,259	5,165,774
	<u>4,123,259</u>	<u>5,165,774</u>

Additional detail on borrowings is provided in Note 22.

11. PROVISIONS

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
Opening balance at 1 July 2016			
Current provisions	835,623	251,433	1,087,056
Non-current provisions	0	226,868	226,868
	<u>835,623</u>	<u>478,301</u>	<u>1,313,924</u>
Amounts used	(89,805)	(22,703)	(112,508)
Balance at 30 June 2017	<u>745,818</u>	<u>455,598</u>	<u>1,201,416</u>
Comprises			
Current	745,818	235,746	981,564
Non-current	0	219,852	219,852
	<u>745,818</u>	<u>455,598</u>	<u>1,201,416</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2017

12. RESERVES - CASH BACKED

	Actual 2017 Opening Balance	Actual 2017 Transfer to	Actual 2017 Transfer (from)	Actual 2017 Closing Balance	Budget 2017 Opening Balance	Budget 2017 Transfer to	Budget 2017 Transfer (from)	Budget 2017 Closing Balance	Actual 2016 Opening Balance	Actual 2016 Transfer to	Actual 2016 Transfer (from)	Actual 2016 Closing Balance
Waste Management	530,390	282,061	(284,787)	527,664	530,390	(203,848)	(293,274)	33,268	402,154	371,952	(243,716)	530,390
Airport General	5,269,556	867,081	(400,493)	5,736,144	5,269,467	867,132	(1,091,236)	5,045,363	4,895,302	918,214	(537,960)	5,269,556
Plant and Equipment	2,929	64	0	2,993	2,929	75	0	3,004	2,844	85	0	2,929
Parking	119,069	2,590	0	121,659	119,069	3,038	0	122,107	115,009	3,460	0	119,069
Non-Portable water	94,653	2,059	(23,014)	73,698	94,653	2,415	(95,000)	2,068	91,902	2,751	0	94,653
East Kimberley Tourism	141,902	13,086	(4,351)	150,637	141,902	13,620	0	155,522	136,129	14,075	(8,302)	141,902
Foreshore	283,301	100,483	(43,075)	340,709	283,301	102,721	(204,934)	181,088	198,844	84,523	(67)	283,301
Staff Entitlement	115,567	2,514	0	118,081	115,567	2,948	0	118,515	112,208	3,359	0	115,567
Recreation Hardcourts	54,888	1,194	0	56,082	54,888	1,400	0	56,288	53,293	1,595	0	54,888
Bio Security	252,183	5,485	0	257,668	252,183	6,434	0	258,617	268,383	8,033	(24,233)	252,183
Childcare	162,677	17,322	(1,272)	178,727	162,677	15,280	0	177,957	147,365	15,312	0	162,677
Parks	326,192	7,095	0	333,287	326,192	8,322	(200,000)	134,514	316,712	9,480	0	326,192
Footpaths	285,829	6,217	0	292,046	285,829	7,292	0	293,121	277,522	8,307	0	285,829
Asset Management	974,981	189,143	(161,944)	1,002,180	974,981	1,421,263	(613,032)	1,783,212	2,889,313	22,319	(2,359,997)	974,981
Goomig Farmlands Roads Reserve	551,634	6,405	0	558,039	551,633	5,000	0	556,633	4,267,654	2,476,131	(4,858,273)	551,634
Unspent Grants and Loans Reserve	1,885,512	4,246,175	(2,813,465)	3,318,222	1,885,512	3,786,057	(5,646,742)	24,826	4,267,654	40,725	(40,264)	1,885,512
Contiguous Local Authority Group (CLAG)	461	20,737	(17,367)	3,831	461	20,740	(20,728)	473	0	0	0	461
Kununurra Youth Hub	9,125	18,482	(3,856)	23,751	9,125	18,757	(5,000)	22,882	0	9,125	0	9,125
Regional Price Preference	0	200,000	(811)	199,189	0	200,000	0	200,000	0	0	0	0
Drainage Reserve	0	208,183	0	208,183	0	0	0	0	0	0	0	0
Capital Works Reserve	0	2,264,501	0	2,264,501	0	0	0	0	0	0	0	0
	11,060,849	8,460,877	(3,754,435)	15,767,291	11,060,759	6,278,646	(8,169,946)	9,169,459	14,169,234	4,954,427	(8,072,812)	11,060,849

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 2017**

12. RESERVES - CASH BACKED

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
Waste Management	Ongoing	This Reserve is to provide for the operation, maintenance, renewal and upgrade for existing and new waste management facilities within the Shire of Wyndham East Kimberley.
Airport General	Ongoing	This Reserve is to provide operation, maintenance, renewal, upgrade of existing and new airport facilities within the Shire of Wyndham East Kimberley.
Plant and Equipment	Ongoing	This Reserve is to provide for the plant management program.
Parking	Ongoing	This Reserve is for the land purchase and/or the construction and maintenance of vehicle parking facilities within the Shire.
Non-Portable water	Ongoing	This Reserve is for the development of non-potable water supply in Wyndham.
Civic buildings	Ongoing	This Reserve is to provide for maintenance, renewal, upgrade of existing and new Civic Buildings within the Shire Wyndham East Kimberley.
East Kimberley Tourism	Ongoing	This Reserve is to provide for significant maintenance, renewal and upgrading of the East Kimberley Tourism House
Foreshore	Ongoing	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
Staff Entitlement	Ongoing	This Reserve is to provide for Shire employee's entitlements.
Recreation Hardcourts	Ongoing	This Reserve is for the purpose of providing for future capital upgrades of Recreational Hardcourts
Bio Security	Ongoing	This Reserve is to hold funds for use in emergency situations that threatened the bio security of the East Kimberley
Childcare	Ongoing	This Reserve is to hold lease payments from the Kununurra Childcare Centre to provide for the significant maintenance and renewal of the building
Parks	Ongoing	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
Legal fees	Ongoing	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.
Youth Bus	Ongoing	This Reserve is to transfer fees from the hire of Youth Buses to provide funds for repairs, maintenance and replacement of the Youth Buses.
Footpaths	Ongoing	This Reserve is to hold developer contributions for construction of footpaths after housing construction is completed in new subdivisions.
Asset Management	Ongoing	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.
Goomig Farmlands Roads Reserve	Ongoing	This Reserve is to provide for the second coat seal of roads within the Goomig Farmlands
Unspent Grants and Loans Reserve	Ongoing	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
Contiguous Local Authority Group (CLAG)	Ongoing	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
Kununurra Youth Hub	Ongoing	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
Regional Price Preference	Ongoing	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.
Drainage Reserve	Ongoing	To provide for the maintenance, renewal, upgrade of existing and new drainage Infrastructure within the Shire of Wyndham East Kimberley.
Capital Works Reserve	Ongoing	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
Municipal Property Revaluation Reserve	Ongoing	To hold funds for the expenditure relating to Municipal Property Revaluation conducted every 4 years.
Election Expenditure Reserve	Ongoing	To hold funds for expenditure relating to Council Elections conducted every 2 years.

SHIRE OF WYNDHAM EAST KIMBERLEY
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2017

13. REVALUATION SURPLUS

	2017					2016				
	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Movement on Revaluation	Closing Balance	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Movement on Revaluation	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land and buildings	27,175,144	0	(6,169,870)	(6,169,870)	21,005,274	27,175,144	0	0	0	27,175,144
Furniture and equipment	107,344	0	0	0	107,344	0	107,344	0	0	107,344
Plant and equipment	1,802,411	0	0	0	1,802,411	737,815	1,064,596	0	0	1,802,411
Revaluation surplus - Infrastructure - Roads	98,257,582	0	(1,312,298)	(1,312,298)	96,945,284	98,257,582	0	0	0	98,257,582
Revaluation surplus - Infrastructure - footpaths	5,194,129	0	0	0	5,194,129	5,194,129	0	0	0	5,194,129
Revaluation surplus - Infrastructure - drainage	7,587,111	0	0	0	7,587,111	7,587,111	0	0	0	7,587,111
Revaluation surplus - Infrastructure - other	1,632,392	0	0	0	1,632,392	1,632,392	0	0	0	1,632,392
Revaluation surplus - Airfields	11,356,642	0	0	0	11,356,642	11,356,642	0	0	0	11,356,642
Revaluation surplus - Bridges	28,023,440	0	0	0	28,023,440	28,023,440	0	0	0	28,023,440
	<u>181,136,195</u>	<u>0</u>	<u>(7,482,168)</u>	<u>(7,482,168)</u>	<u>173,654,027</u>	<u>179,964,255</u>	<u>1,171,940</u>	<u>0</u>	<u>0</u>	<u>181,136,195</u>

Movements on revaluation of fixed assets 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 2017

14. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	2017 \$	2017 Budget \$	2016 \$
Cash and cash equivalents	<u>16,974,362</u>	<u>8,408,969</u>	<u>13,836,742</u>
(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	2,345,061	(3,319,621)	(2,130,424)
Non-cash flows in Net result:			
Depreciation	6,989,808	7,277,932	7,187,215
(Profit)/Loss on sale of asset	80,805	(27,328)	49,644
Changes in assets and liabilities:			
(Increase)/Decrease in receivables	(616,739)	0	2,123,430
(Increase)/Decrease in inventories	(126)	0	(4,044)
Increase/(Decrease) in payables	(881,897)	0	(3,911,351)
Increase/(Decrease) in provisions	(112,508)	(9,832)	253,564
Grants contributions for the development of assets	<u>(2,039,576)</u>	<u>(3,265,708)</u>	<u>(2,702,266)</u>
Net cash from operating activities	<u>5,764,828</u>	<u>655,443</u>	<u>865,768</u>
(c) Undrawn Borrowing Facilities			
	2017 \$		2016 \$
Credit Standby Arrangements			
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	(15,132)		(22,673)
Total amount of credit unused	<u>2,539,868</u>		<u>2,532,327</u>
Loan facilities			
Loan facilities - current	1,042,515		997,438
Loan facilities - non-current	4,123,259		5,165,774
Total facilities in use at balance date	<u>5,165,774</u>		<u>6,163,212</u>
Unused loan facilities at balance date	<u>507,031</u>		<u>791,117</u>

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

15. CONTINGENT LIABILITIES

There are no known contingent liabilities at the date of signing the financial report.

16. CAPITAL AND LEASING COMMITMENTS	2017	2016
	\$	\$
(a) Operating Lease Commitments		
The Shire did not have any future operating lease commitments at the reporting date.		
(b) Capital Expenditure Commitments		
Contracted for:		
- capital expenditure projects	418,136	880,366
- plant & equipment purchases	75,950	405,114
Payable:		
- not later than one year	494,086	1,285,480
Welcome to Country signage	0	10,500
Kununurra landfill site - liquid waste facility	0	23,472
Drainage upgrade (design, estimates & construct)	0	3,276
System development - Capital	0	30,197
Kalumburu Road - re-sheet	57,226	0
Lily Creek Lagoon boat ramp and jetty	0	36,357
Runway asphalt overlay	0	3,553
Air Conditioning at the East Kimberley Regional Airport	32,605	12,837
Footpath - Renewal	94,500	108,934
Roads - Upgrade, seal resurfacing and reconstruct	0	345,665
Kununurra Pound	0	12,420
Wyndham Waste Water Treatment Facility	7,280	17,985
Medium plant - purchase price	66,500	0
Heavy Plant - Purcher International	0	330,921
Airport Plant -	0	43,996
Carpark upgrade - East Kimberley Regional Airport	615	2,695
Legal Fees - Land Purchase	0	2,672
Bridges - D4 Weaber Plain Road	0	300,000
Building Upgrade - East Kimberley Regional Airport	19,434	0
Building Upgrades - Kununurra Swimming Complex	0	0
CCTV - East Kimberley Regional Airport	9,450	0
Construct Public Conveniences - Kununurra Agricultural Oval	52,500	0
Drainage Upgrade - Gambier Street, Wyndham	541	0
Duncan Road Resheet	2,975	0
Lake Argyle Road - Widening	84,727	0
Parking/Safety improvements Mangaloo St	429	0
Road and Drainage Upgrade - Nutwood & Rosewood and surrounds	3,300	0
Stormwater Management Strategy	62,004	0
	<u>494,086</u>	<u>1,285,480</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

17. JOINT VENTURE ARRANGEMENTS

The Shire is not involved in any joint venture arrangements.

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2017	2016
	\$	\$
Governance	0	59,328
General purpose funding	821,814	436,264
Law, order, public safety	733,648	737,164
Health	90,911	69,476
Education and welfare	2,963,584	3,632,748
Housing	5,743,977	6,769,021
Community amenities	13,329,238	4,696,143
Recreation and culture	31,064,252	33,484,962
Transport	202,448,652	215,358,822
Economic services	2,066,224	2,103,521
Other property and services	10,710,429	7,548,244
Unallocated	15,782,774	17,988,760
	<u>285,755,503</u>	<u>292,884,453</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

19. FINANCIAL RATIOS

	2017	2016	2015
Current ratio	0.98	1.00	0.81
Asset sustainability ratio	0.31	0.53	1.16
Debt service cover ratio	5.97	2.10	6.79
Operating surplus ratio	0.02	(0.27)	0.07
Own source revenue coverage ratio	0.76	0.70	0.62

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{Depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

Notes:

Information relating to the **asset consumption ratio** and the **asset renewal funding ratio** can be found at Supplementary Ratio Information on Page 58 of this document.

2017

Three of the 2017 ratios disclosed above were distorted by items of significant revenue relating to:

The early receipt of 50% of the Financial Assistance Grants (FAGS) allocated for the 2017/18 financial year were received in advance and accounted for in 2017. The early payment of the grant increased operating revenue in 2016/17 and decreased operating revenue in 2017/18 by 1,902,892.

2016

Three of the 2016 ratios disclosed above were distorted by items of significant revenue relating to:

- (i) The early receipt of 50% of the Financial Assistance Grants (FAGS) allocated for the 2015/16 financial year were received in advance and accounted for in 2015. The early payment of the grant increased operating revenue in 2015 and decreased operating revenue in 2016 by 1,843,380.
- (ii) The significant expense relating to D2 drainage rehabilitation incurred in 2015 amounting to \$1,100,000. This forms part of operating expenditure.

2015

Three of the 2015 ratios disclosed above were distorted by items of significant revenue and expense relating to:

- (i) An item of significant revenue relating to the early payment of 2015/16 Financial Assistance Grants (FAGs) of \$1,843,380, which was received prior to year end. This forms part of operating revenue.
- (ii) The WANDRRA grant of \$4,068,008 for flood damage repair expenses incurred by the Shire in 2014 and 2015, included as part of operating revenue.
- (iii) The significant expense relating to flood damage repair expenses incurred in 2015 amounting to \$2,995,272 funded by the WANDRRA grant detailed in (b)(ii) above. This forms part of operating expenses.

The items above are considered "one off" and are non-cash in nature and, if they were ignored, the calculations disclosed in the columns above would be as follows:

	2017	2016	2015
Current ratio	0.44	1.00	0.81
Debt service cover ratio	4.47	4.40	4.06
Operating surplus ratio	(0.09)	(0.10)	(0.10)
Own source revenue coverage	0.76	0.73	0.70

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

20. TRUST FUNDS

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

	1 July 2016 \$	Amounts Received \$	Amounts Paid (\$)	30 June 2017 \$
Housing Bond	1,000	0	(1,000)	0
Councillor Nomination Fees	160	320	(400)	80
ASIC - Airport Security Card	4,640	50	(490)	4,200
Footpath Bonds	53,000	14,885	(11,875)	56,010
Half Hire Bonds - Kununurra Leisure Centre	11,000	10,150	(12,300)	8,850
Half Hire Bonds - Peter Reid Memorial Hall	1,400	3,040	(3,520)	920
Wyndham Port Hall Bond	10,000	750	(750)	10,000
Wyndham Oval Hire Bonds	750	750	(1,300)	200
Kununurra Youth Centre Bond	1,750	300	(1,000)	1,050
Other Trust Funds	3,110	50	(2,500)	660
Public Open Space Contributions	444,242	12,273	(35)	456,480
Building Services Levy	9,578	29,562	(29,126)	10,014
Building & Construction Industry Training Fund	786	33,693	(33,608)	871
Kununurra 50th Birthday Brick Fund	269	0	(269)	0
50th Anniversary Special Series Number Plates	2,369	1,404	(3,773)	0
Terminal Security Access Cards	1,192	600	(852)	940
Transport Clearing Account	0	158,933	(158,933)	0
Health Application Fee	245	0	0	245
Private Works Bonds	0	2,200	(2,200)	0
	<u>545,491</u>			<u>550,520</u>

21. DISPOSALS OF ASSETS - 2016/17 FINANCIAL YEAR

The following assets were disposed of during the year.

		Actual Net Book Value \$	Actual Sale Proceeds \$	Actual Profit \$	Actual Loss \$	Budget Net Book Value \$	Budget Sale Proceeds \$	Budget Profit \$	Budget Loss \$
Plant and Equipment									
Transport									
Toyota Hilux 4x4 SR Dual Cab	P146	30,832	0	0	(30,832)	0	0	0	0
Other property and services									
John Deere 1565 Front Deck with 72" Mulching Deck	WY26224	13,455	8,750	0	(4,705)	5,767	8,844	3,077	0
John Deere 1565 4WD with 72" Mulching Deck	WY26291	13,455	8,750	0	(4,705)	6,611	8,844	2,233	0
Kubota M Series Tractor M9540DHC	WY14960	0	0	0	0	28,370	30,900	2,530	0
Ben Wye Piranha 2600 8' Slasher	N/A	0	0	0	0	9,437	0	0	(9,437)
2006 Isuzu 3T Truck NPR 300 Tipper - CFWD 2015/16	1CGF957	13,500	12,000	0	(1,500)	10,101	12,000	1,899	0
Fuso 3 Tonne Tip Truck - CFWD 2015/16	1DBW601	35,500	17,000	0	(18,500)	15,843	17,000	1,157	0
Mitsubishi Tipper 10 Tonne Truck - CFWD 2015/16	WY11160	36,200	60,000	23,800	0	28,050	60,000	31,950	0
Isuzu 4x2 Tray Tipper FSR850 - CFWD 2015/16	WY13511	53,300	55,000	1,700	0	61,081	55,000	0	(6,081)
AquaTec Weed Harvester - HV2600	P485	68,063	22,000	0	(46,063)	0	0	0	0
		<u>264,305</u>	<u>183,500</u>	<u>25,500</u>	<u>(106,305)</u>	<u>165,260</u>	<u>192,588</u>	<u>42,846</u>	<u>(15,518)</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

22. INFORMATION ON BORROWINGS

(a) Repayments - Debentures

Particulars	Loan Number	Principal 1 July 2016	New Loans	Principal Repayments		Principal 30 June 2017		Interest Repayments		Self Supporting Y/N
				Actual	Budget	Actual	Budget	Actual	Budget	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Governance										
Administration Building Land	122	231,198	0	52,780	52,779	178,418	178,420	14,569	14,796	N
Administration Building Loan	124	1,730,287	0	239,301	239,301	1,490,986	1,490,987	74,401	78,735	N
Administration Building	129	1,369,351	0	134,611	134,611	1,234,740	1,234,741	46,611	66,427	N
Education and welfare										
Kununurra Childcare Centre	120	238,259	0	62,969	62,969	175,290	175,290	14,003	18,893	N
Housing										
Staff Housing	115	37,648	0	14,380	14,380	23,268	23,268	1,964	2,739	N
Staff Housing	127	61,139	0	14,453	14,453	46,686	46,687	2,448	2,731	N
Community amenities										
KNW Youth Centre	118	65,270	0	31,465	31,465	33,805	33,804	4,335	4,348	N
Liquid Waste Facility	125	206,740	0	101,628	101,628	105,112	105,113	6,965	7,843	N
Waste Management	126	1,410,021	0	151,645	151,646	1,258,376	1,258,375	65,767	73,187	N
Drainage	128	103,984	0	11,183	11,183	92,801	92,801	4,861	5,408	N
Recreation and culture										
KNX Aquatic Centre Refurbishment	113	210,359	0	80,348	80,348	130,011	130,012	10,973	15,301	N
WYN Recreation Centre	114	88,239	0	33,703	33,703	54,536	54,535	4,603	6,418	N
Multi Purpose Courts	119	133,527	0	42,070	42,070	91,457	91,456	7,462	8,562	N
Transport										
Building and Infrastructure	130	277,190	0	26,902	26,902	250,288	250,287	10,685	11,239	N
		6,163,212	0	997,438	997,438	5,165,774	5,165,774	269,647	316,627	

All 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 2017

22. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2016/17

The Shire did not take up any new debentures during the year ended 30 June 2017.

(c) Unspent Debentures

Particulars	Date Borrowed	Balance 1 July 16	Borrowed		Expended		Balance 30 June 17
			Year	Year	Year	Year	
		\$	\$	\$	\$	\$	\$
Administration Building Loan	Dec 2012	38,390	0	(38,390)	0	0	0
Waste Management	16-May-14	529,447	0	(41,077)	488,370	488,370	488,370
Drainage	16-May-14	55,389	0	(36,728)	18,661	18,661	18,661
Building and Infrastructure	16-May-14	167,891	0	(167,891)	0	0	0
		791,117	0	(284,088)	507,031	507,031	507,031

(d) Overdraft

The Shire approved an overdraft facility with a limit of \$2.5 million at the Special Council Meeting in August 2014, minute #10503 in order to cover the expenditure associated with the flood event in February 2014 until such time as the WANDRRA reimbursement were received, also noting that the overdraft would be an ongoing facility.
 The Shire did not require the overdraft facility during 2016/17.

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

23. RATING INFORMATION - 2016/17 FINANCIAL YEAR

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
Differential general rate / general rate											
Gross rental value valuations											
GRV - Residential	0.0942	1632	47,992,984	4,520,939	35,301	143	4,556,383	4,520,939	0	0	4,520,939
GRV - Other Vacant	0.1413	29	496,300	70,127	5,779	0	75,906	70,127	0	0	70,127
GRV - Commercial	0.1225	158	14,659,129	1,795,743	13,814	9,605	1,819,162	1,795,743	0	0	1,795,743
GRV - Industrial	0.1130	171	8,991,235	1,016,010	20,728	9,258	1,045,996	1,016,010	0	0	1,016,010
Unimproved value valuations											
UV - Rural Residential	0.0099	185	51,149,000	506,375	0	0	506,375	506,375	0	0	506,375
UV - Pastoral	0.0538	23	6,170,800	331,989	815	0	332,804	331,989	0	0	331,989
UV - Commercial/Industrial	0.0068	37	13,740,440	93,435	(2,175)	0	91,260	93,435	0	0	93,435
UV - Rural Agriculture 1	0.0096	79	75,520,309	724,995	(1,860)	(90,239)	632,896	724,995	0	0	724,995
UV - Rural Agriculture 2	0.0088	109	57,381,000	390,191	0	0	390,191	390,191	0	0	390,191
UV - Mining	0.2788	37	1,634,268	455,634	(966)	0	454,668	455,634	0	0	455,634
UV - Mining Exploration and Prospecting	0.1394	22	275,442	38,397	7,720	(110)	46,007	38,397	0	0	38,397
UV - Other	0.0064	2	526,000	3,366	(12,576)	(2,901)	(12,111)	3,366	0	0	3,366
Sub-Total		2,484	278,536,907	9,947,201	66,580	(74,244)	9,939,537	9,947,201	0	0	9,947,201
Minimum payment	\$										
Gross rental value valuations											
GRV - Residential	1,099	45	381,930	49,455	0	0	49,455	49,455	0	0	49,455
GRV - Other Vacant	1,099	102	376,650	112,098	0	0	112,098	112,098	0	0	112,098
GRV - Commercial	1,099	17	83,325	18,683	0	0	18,683	18,683	0	0	18,683
GRV - Industrial	1,099	7	30,875	7,693	0	0	7,693	7,693	0	0	7,693
Unimproved value valuations											
UV - Rural Residential	1,099	0	0	0	0	0	0	0	0	0	0
UV - Pastoral	1,099	1	17,471	1,099	0	0	1,099	1,099	0	0	1,099
UV - Commercial/Industrial	1,099	24	628,400	26,376	0	0	26,376	26,376	0	0	26,376
UV - Rural Agriculture 1	1,099	1	10,000	1,099	0	0	1,099	1,099	0	0	1,099
UV - Rural Agriculture 2	1,099	0	0	0	0	0	0	0	0	0	0
UV - Mining	1,099	31	47,154	34,069	0	0	34,069	34,069	0	0	34,069
UV - Mining Exploration and Prospecting	220	22	24,626	4,840	0	0	4,840	4,840	0	0	4,840
UV - Other	1,099	0	0	0	0	0	0	0	0	0	0
Sub-Total		250	1,600,431	255,412	0	0	255,412	255,412	0	0	255,412
Discounts/concessions (refer note 27)											
Total amount raised from general rate		2,734	280,137,338	10,202,613	66,580	(74,244)	10,194,949	10,202,613	0	0	10,202,613
Ex-gratia rates											
Totals							(58,646)				(58,646)
							10,136,303				10,136,303
							5,360				5,360
							10,141,663				10,141,663

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

24. NET CURRENT ASSETS

Composition of net current assets

	2017	2017	2016
	(30 June 2017 Carried Forward) \$	(1 July 2016 Brought Forward) \$	(30 June 2016 Carried Forward) \$
Surplus/(Deficit) 1 July 16 brought forward	<u>1,828,734</u>	<u>1,900,334</u>	<u>1,900,334</u>
CURRENT ASSETS			
Cash and cash equivalents			
Unrestricted	1,207,071	2,775,893	2,775,893
Restricted	15,767,291	11,060,849	11,060,849
Investments			
Financial assets at fair value through profit and loss	6,682	6,682	6,682
Receivables			
Rates outstanding	951,453	559,436	559,436
Sundry debtors	1,078,600	614,878	614,878
GST receivable	23,082	106,944	106,944
Prepayments	25,779	65,065	65,065
Accrued Income	441,076	557,409	557,409
Less: provision for doubtful debts	(261,411)	(260,352)	(260,352)
Inventories			
Fuel and materials	14,702	14,576	14,576
LESS: CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(1,037,763)	(1,069,144)	(1,069,144)
Accrued interest on debentures	(37,923)	(46,980)	(46,980)
Accrued salaries and wages	(256,139)	(214,786)	(214,786)
Accrued expenses	(326,475)	(1,209,287)	(1,209,287)
Current portion of long term borrowings			
Secured by floating charge	(1,042,515)	(997,438)	(997,438)
Provisions			
Provision for annual leave	(745,818)	(835,623)	(835,623)
Provision for long service leave	(235,746)	(251,433)	(251,433)
Unadjusted net current assets	<u>15,571,946</u>	<u>10,876,689</u>	<u>10,876,689</u>
Adjustments			
Less: Reserves - restricted cash	(15,767,291)	(11,060,849)	(11,060,849)
Add: Secured by floating charge	1,042,515	997,438	997,438
Add: Employee liability not required to be funded	981,564	1,087,056	1,087,056
Adjusted net current assets - surplus/(deficit)	<u>1,828,734</u>	<u>1,900,334</u>	<u>1,900,334</u>

Difference

There was no difference between the surplus/(deficit) 1 July 2016 brought forward position used in the 2017 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2016 audited financial report.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

25. SPECIFIED AREA RATE - 2016/17 FINANCIAL YEAR

No specified area rates were imposed by the Shire during the year ended 2017.

26. SERVICE CHARGES - 2016/17 FINANCIAL YEAR

No service charges were imposed by the Shire during the year ended 2017.

**27. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS
- 2016/17 FINANCIAL YEAR**

Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount %	Discount \$	Actual \$	Budget \$
Rates					
Lake Kununurra Golf Club	A4993	Concession	100%	9,520	9,520
Ord River Sailing Club	A7561	Concession	100%	2,210	2,210
Kununurra Race Club Inc.	A2859	Concession	100%	3,400	3,400
Kununurra Agricultural Society	A7620	Concession	100%	3,534	3,534
Ord River Sports Club	A1160	Concession	100%	9,805	9,805
Kununurra Progress Association	A1072	Concession	100%	20,335	20,335
Wyndham Gardens Inc.	A502	Concession	100%	1,975	1,975
Ord River Pistol Club Inc.	A2866	Concession	100%	2,230	2,230
Kununurra Speedway Inc.	A5621	Concession	100%	1,788	1,788
Kununurra Water Ski Club	A7566	Concession	100%	2,033	0
Kununurra Motocross Club Inc.	A5616	Concession	100%	1,816	1,816
				58,646	56,613

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount %	Discount \$	Actual \$	Budget \$
Fees and Charges - Waste Management Charges Waiver					
Lake Kununurra Golf Club	A4993	Concession	100%	200	200
Ord River Sailing Club	A7561	Concession	100%	200	200
Kununurra Race Club Inc.	A2859	Concession	100%	200	200
Kununurra Agricultural Society	A7620	Concession	100%	200	200
Ord River Sports Club	A1160	Concession	100%	200	200
Kununurra Progress Association	A1072	Concession	100%	200	200
Wyndham Gardens Inc.	A502	Concession	100%	200	200
Ord River Pistol Club Inc.	A2866	Concession	100%	200	200
Kununurra Speedway Inc.	A5621	Concession	100%	200	200
Kununurra Water Ski Club	A7566	Concession	100%	200	0
Kununurra Motocross Club Inc.	A5616	Concession	100%	200	200
				2,200	2,000

Circumstances in which the Waiver or Concession is Granted and to whom it was available

Concessions were considered by the Council every year, and were based upon the applicant meeting particular conditions outlined in Council's Policy CP/FIN-3209 Rates Concession Policy (Rateable Land). For 2016/17, the Concessions outlined were approved by Council at the 15 September 2016 SCM (Minute No. 11487).

Objects of the Waiver or Concession

To provide a non-for-profit community group or association providing a benefit to the community from rateable land for the relief of rates

Reasons for the Waiver or Concession

The Shire of Wyndham East Kimberley recognises the value and importance of the services and contributions that community groups and associations provide to the community for the East Kimberley to be a thriving community with opportunities for all

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

28. INTEREST CHARGES AND INSTALMENTS - 2016/17 FINANCIAL YEAR

	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Instalment Options				
Option One				
Single full payment	28.10.16	0	0.00%	9.00%
Option Two				
First Instalment	28.10.16	11.60	5.50%	9.00%
Second Instalment	03.03.17	11.60	5.50%	9.00%
Option Three				
First Instalment	28.10.16	11.60	5.50%	9.00%
Second Instalment	30.12.16	11.60	5.50%	9.00%
Third Instalment	03.03.17	11.60	5.50%	9.00%
Fourth Instalment	05.05.17	11.60	5.50%	9.00%

	Revenue \$	Budgeted Revenue \$
Interest on unpaid rates	77,437	55,000
Interest on instalment plan	46,557	50,000
Charges on instalment plan	3,950	24,752
	<u>127,944</u>	<u>129,752</u>

29. FEES & CHARGES	2017 \$	2016 \$
Governance	5,576	2,217
General Purpose Funding	43,188	46,198
Law, Order And Public Safety	36,243	33,624
Health	79,710	87,522
Education and welfare	13,783	10,990
Housing	132,154	126,587
Community amenities	2,637,330	2,640,705
Recreation and culture	557,640	542,668
Transport	3,927,748	3,827,744
Economic services	106,306	50,626
	<u>7,539,678</u>	<u>7,368,881</u>

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

30. GRANT REVENUE

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

By Nature or Type:	2017 \$	2016 \$
Operating grants, subsidies and contributions		
Governance	63,993	15,000
General purpose funding	* 5,531,393	1,790,689
Law, Order And Public Safety	35,606	81,990
Health	20,727	40,264
Community amenities	147,757	90,016
Recreation and culture	283,907	266,889
Transport	247,947	213,299
Economic services	9,564	4,121
Other Properties And Services	28,235	25,982
	<u>6,369,129</u>	<u>2,528,250</u>

* Includes Financial Assistance Grants of \$1,902,892 received in 2016/17 but relate to 2017/18 allocations. (Refer note 19).

Non-operating grants, subsidies and contributions	2017 \$	2016 \$
Law, order, public safety	0	141,436
Recreation and culture	738,432	281,469
Transport	1,301,144	2,019,087
Other property and services	0	260,274
	<u>2,039,576</u>	<u>2,702,266</u>
	<u>8,408,705</u>	<u>5,230,516</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

	2017		2016
31. EMPLOYEE NUMBERS			
The number of full-time equivalent employees at balance date	89		89
32. ELECTED MEMBERS REMUNERATION	2017	2017	2016
	\$	Budget	\$
The following fees, expenses and allowances were paid to the Commissioner / Council members and/or the President.			
Meeting Fees	154,366	214,841	141,539
President's allowance	13,233	62,727	31,028
Deputy President's allowance	3,867	15,682	7,757
Travelling expenses	0	1,000	2,797
Child care expenses	1,141	900	0
Telecommunications allowance			
	172,607	295,150	183,121

33. RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP) Compensation Disclosure

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

	Directors
	\$
Short-term employee benefits	790,168
Post-employment benefits	87,350
Other long-term benefits	27,545
Termination benefits	87,494
	992,557

Short-term employee benefits

These amounts include all salary, paid leave, 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 at Note 32.

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).

Related Parties

The Shire's main related parties are as follows:

- i. *Key management personnel*
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.
- ii. *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.
- iii. *Joint venture entities accounted for under the equity method*
The Shire has no joint venture entities accounted for under the equity method.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

33. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

The following transactions occurred with related parties: 2017
\$

Associated companies/individuals:

Purchase of materials, goods and services.	118,891
Community grants to these organisations	105,358

The Shire purchased materials, goods and services from entities that are controlled by members of key management personnel. All purchases were at arm's length, in normal terms and were in normal course of the Shire's operations.

Grants were given to entities that are controlled by members of key management personnel. All grants were given after these organisations met established criteria for accessing these grants.

Joint venture entities: Nil

Amounts outstanding from related parties: Nil

Amounts payable to related parties: Nil

Note: Transitional provisions contained within AASB 2015-6 do not require comparative related party disclosures to be presented in the period of initial application. As a consequence, only disclosures in relation to the current year have been presented.

34. MAJOR LAND TRANSACTIONS

The Shire did not participate in any major land transactions during the 2016/2017 financial year.

35. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

The Shire did not participate in any trading undertakings or major trading undertakings during the 2016/2017 financial year.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

36. FINANCIAL RISK MANAGEMENT

The Shire's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Shire's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Shire.

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 Shire held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2017	2016	2017	2016
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	16,974,362	13,836,742	16,974,362	13,836,742
Investments	6,682	6,682	6,682	6,682
Receivables	2,281,352	1,664,613	2,281,352	1,664,613
	<u>19,262,396</u>	<u>15,508,037</u>	<u>19,262,396</u>	<u>15,508,037</u>
Financial liabilities				
Payables	1,658,300	2,540,197	1,658,300	2,540,197
Borrowings	5,165,774	6,163,212	5,232,666	5,487,632
	<u>6,824,074</u>	<u>8,703,409</u>	<u>6,890,966</u>	<u>8,027,829</u>

Fair value is determined as follows:

- Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.
- Borrowings- estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.
- Financial assets at fair value through profit and loss, available for sale financial assets - based on quoted market prices at the reporting date or independent valuation.

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

36. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

The Shire's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). Council has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with investments is price risk - the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the Shire.

The Shire manages these risks by diversifying its portfolio and only investing in investments authorised by *Local Government (Financial Management) Regulation 19C*. Council also seeks advice from independent advisers (where considered necessary) before placing any cash and investments.

	2017	2016
	\$	\$
Impact of a 10% ⁽¹⁾ movement in price of investments		
- Equity	668	668
- Statement of Comprehensive Income	668	668
Impact of a 1% ⁽¹⁾ movement in interest rates on cash		
- Equity	169,744	138,367
- Statement of Comprehensive Income	169,744	138,367

Notes:

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017**

36. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

The Shire's major receivables comprise rates and annual charges and user charges and fees. The 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 a secured charge over the land – that is, the land can be sold to recover the debt. The Shire is also 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 makes suitable provision for doubtful receivables as required and carries out credit checks on most non-

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Shire's credit risk at balance date was:

	2017	2016
Percentage of rates and annual charges		
- Current	0%	0%
- Overdue	100%	100%
Percentage of other receivables		
- Current	87%	59%
- Overdue	13%	41%

SHIRE OF WYNDHAM EAST KIMBERLEY
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2017

36. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables
 Borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. 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.

The contractual undiscounted cash flows of the Shire's Payables and Borrowings are set out in the Liquidity Sensitivity Table below:

	<u>2017</u>					
	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$	
Payables	1,658,300	0	0	1,658,300	1,658,300	
Borrowings	1,237,019	3,357,415	1,444,133	6,038,567	5,165,774	
	<u>2,895,319</u>	<u>3,357,415</u>	<u>1,444,133</u>	<u>7,696,867</u>	<u>6,824,074</u>	
Payables	2,540,197	0	0	2,540,197	2,540,197	
Borrowings	1,236,889	3,855,722	2,182,845	7,275,456	6,163,212	
	<u>3,777,086</u>	<u>3,855,722</u>	<u>2,182,845</u>	<u>9,815,653</u>	<u>8,703,409</u>	

2016

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2017

36. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables
Borrowings (continued)

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. 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 following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

	<1 year \$	>1<2 years \$	>2<3 years \$	>3<4 years \$	>4<5 years \$	>5 years \$	Total \$	Weighted Average Effective Interest Rate %
Year ended 30 June 2017								
Borrowings								
Fixed rate Debentures	1,042,984	863,195	745,888	653,149	677,697	1,182,861	5,165,774	3.99%
Weighted average Effective interest rate	4.47%	4.35%	4.04%	3.72%	3.73%	3.57%		
Year ended 30 June 2016								
Borrowings								
Fixed rate Debentures	0	272,010	469,773	530,596	0	4,890,833	6,163,212	3.97%
Weighted average Effective interest rate		4.23%	5.99%	5.83%		3.56%		

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INDEPENDENT AUDITOR'S REPORT TO THE ELECTORS OF THE SHIRE OF WYNDHAM – EAST KIMBERLEY

Opinion on the Audit of the Financial Report

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 2017, 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 is in accordance with *the Local Government Act 1995* (as amended) and the *Local Government (Financial Management) Regulations 1996* (as amended), including:

- a) giving a true and fair view of the Shire's financial position as at 30 June 2017 and of its financial performance and its cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australian Accounting Interpretations).

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.

Report on Other Legal and Regulatory Requirements

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

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Shire.
- b) No matters indicating non-compliance with Part 6 of the *Local Government Act 1995* (as amended), the *Local Government (Financial Management) Regulations 1996* (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) In relation to the Supplementary Ratio Information presented at page 58 of this report, we have reviewed the calculations as presented and nothing has come to our attention to suggest it is not supported by:
 - i) verifiable information; and
 - ii) reasonable assumptions.
- d) All necessary information and explanations were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit.

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the Shire's annual report for the year ended 30 June 2017 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

Responsibilities of Management and Council for the Financial Report

Management is responsible for the preparation of this financial report that gives a true and fair view in accordance with Australian Accounting Standards, the *Local Government Act 1995 (as amended)* and the *Local Government (Financial Management) Regulations 1996 (as amended)* and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management 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.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_files/ar3.pdf. This description forms part of our auditor's report.

MOORE STEPHENS
CHARTERED ACCOUNTANTS



DAVID TOMASI
PARTNER

Date: 14 November 2017
Perth, WA

**SHIRE OF WYNDHAM EAST KIMBERLEY
SUPPLEMENTARY RATIO INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2017**

RATIO INFORMATION

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

	2017	2016	2015
Asset consumption ratio	0.59	0.65	0.65
Asset renewal funding ratio	0.90	*	*

The above ratios are calculated as follows:

Asset consumption ratio	$\frac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

Annual Report 2016-17



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SHIRE of
WYNDHAM
EAST KIMBERLEY

