

ANNUAL REPORT

2019 - 2020



A year in the Shire of Wyndham East Kimberley

80's Driveway Disco, Tim Lanzon (Timbee)

**SHIRE of
WYNDHAM
EAST KIMBERLEY**



Annual Report 2019 – 2020

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Introduction

Welcome to the Annual Report 2019-20 covering the period of 1 July 2019 to 30 June 2020.

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

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

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

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

- Website www.swek.wa.gov.au
- Shire Offices at 20 Coolibah Drive, Kununurra or Koolama Street, Wyndham



Message from the Shire President



We are pleased to present the 2019/20 Shire of Wyndham East Kimberley Council Annual Report to the community and Minister for Local Government.

It is fair to say that 2019/20 has been a tumultuous one – the COVID-19 (Coronavirus)

Pandemic was declared on 11 March, with a profound impact on not only our community but worldwide.

In saying that, I would like to firstly acknowledge the great team of Councillors and Shire staff who have worked tirelessly throughout this unprecedented time. Despite the ever-evolving changes around COVID-19 restrictions, the Shire team were able to continue to do their part in ensuring the community were well informed and provide the necessary services to keep our community going.

On 24 March 2020, the State Government announced travel restrictions to the Kimberley region. The Local Government leaders in the Kimberley collectively welcomed this announcement as our region was vulnerable against this pandemic.

Although this was a necessary call to protect the health and wellbeing of our community, it also had a significant impact on our local economy.

Our local tourism industry took a massive hit with the cancellation of the annual Ord Valley Muster event and the trial flights between Kununurra and Melbourne. Due to the health advice given by the State Government, Council agreed to defer the flight trial to 2021 at the March 2020 Ordinary Council Meeting. The trial is designed to provide stakeholders with an accurate picture of what it would look like for a more permanent air service route. Although it has not gone ahead, the Shire and partners involved will continue to work on moving it forward in 20/21.

As a response to the pandemic, Council adopted several reliefs to assist the community:

- The Financial Hardship Policy was adopted to enabled the Shire to provide relief to ratepayers and sundry debtors on a case-by-case basis, including the recent changes to legislation concerning interest and administration fees charged.
- A new community grant category was created, the Community Support Grant, which will support community groups during states of emergency.

- The Department of Local Governments requested that rates are frozen for the 2020/21 financial year. As such, Council adopted a 0% increase in rates in the dollar for advertising and submission from the community and a 0% increase in Fees and Charges.
- The Emergency Response and Recovery Policy was adopted to ensure that the organisation could adapt appropriately to the current COVID-19 emergency. The Shire also participated in a community impact survey to seek information from individuals, businesses and community organisations with regard to the impact of COVID-19 which will inform our response moving forward.
- Council adopted modifications to the Corporate Business Plan to include a Business Continuity Service area to reflect the Shire's activities relating to business continuity. This will help assess any event that could negatively impact Shire operations setting out contingencies to minimise potential harm to the organisation and community during adverse scenarios.



Shire border closures, Kununurra Police

Despite the significant challenges we faced, there has been some great outcomes.

We saw several creative community solutions to stay connected while staying apart. Such as the ANZAC Driveway Initiative held on 25 April 2020 – a joint event between the Kununurra and Wyndham RSL and the Shire. Due to Coronavirus restrictions, community members were unable to gather in public for the Dawn Service. Instead, the Shire live-streamed the Service from ANZAC Hill and asked members of the community to watch it from their driveways. An electronic candle was delivered to local PO Boxes. The online event was a success with over 3,500 viewers.

Similarly, on Friday 19 June 2020, the Shire held a Driveway Disco event to boost community morale and

spirit. A Truck playing 80's disco music drove through the streets of Kununurra, and members of the community were encouraged to come out on their driveway for a dance. The event was also live-streamed for members of the community to enjoy. The event was a huge success. This would not have been possible without the support of Save the Children, Western



80's Driveway Disco, Tim Lanson (Timbee)

Australian Police and Community Youth Centre (PCYC), Western Australia Police, St John Ambulance, and Volunteer Fire Fighters.

Both events were nominated as part of Tidy Town Sustainable Awards 2020 – under the Community Engagement during COVID-19 category. Congratulations to all involved. I could not have been prouder, not only due to the effort put in but mainly due to the way our community worked together.

Although Coronavirus has been the focal point for the second half of 2019/2020, the organisation also

The Shire farewelled the previous CEO, Carl Askew. Mr Askew provided a wealth of knowledge since his arrival in early 2015. He left behind a bright future for the organisation and community. On behalf of the Council and organisation, thank you.

In place of his absence, Vernon Lawrence became the Acting CEO for the Shire, who was later successfully appointed as CEO in July 2020. I would like to personally acknowledge Vernon for his hard work over the second half of the year. As mentioned, it hasn't been an easy start to 2020. However, Vernon has been able to step up in the process and lead the organisation through the pandemic. Congratulations on your appointment. The Councillors and I look forward to working with you.

There has also been several positive projects and outcomes for our region.

In October 2019, Cr Mat Dear, Cr Judy Farquhar, Cr Michelle McKittrick and Cr Alma Petherick were all re-elected back into Council at the bi-annual Council election and were sworn in by Cr Tony Chafer and I.

Congratulations Councillors.

In November 2019, the Shire held an open consultation with the Wyndham community around the development of the town. The consultation provided some excellent information which will be used to prioritise areas of improvement in Wyndham.

In February 2020, the Shire successfully secured a \$200,000 grant for the Wyndham floating jetty as part of the Recreational Boating Facilities Scheme (RBFS) managed by the Department of Transport. This funding allowed the Shire to commence a Planning Study to undertake a detailed engineering design for a floating pontoon jetty structure in Wyndham. The engineers were engaged, and a design was presented to the Wyndham and Kununurra community consultation in August 2020.

The Shire had also successfully secured \$315,000 over two years to design and build a cycling loop around the Kununurra Centre. As part of the annual Western Australian Bicycle Network (WABN) grant scheme, the State Government provides grant funding assistance to local government authorities for the planning, design and construction of bicycle infrastructure.

The Shire was also successful in securing additional funding from the State Government for a new Water playground in Kununurra that will be announced in 2020/21.

2019/20 has not been like any other with a unique set of challenges. Like others across the world, we are having to adapt to a new reality of changing cultural norms and ongoing impacts of this Coronavirus pandemic. However, we have managed to navigate through these challenging roads together.

Despite the uncertainty ahead, I am looking forward to the trials and opportunities the new year will bring. If anything, this year has shown how resilient and progressive we are as a community to get through the difficult times, and I could not have been prouder.

The Shire and I will continue to work collaboratively with governments and our communities to provide a great future for our region.

Cr David Menzel
Shire President

Chief Executive Officer's Report



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

This Annual Report is to inform the community of Council's performance during the 2019/20 financial period in relation to the Shire's Corporate Business Plan and Annual Budget, as well as report on our progress towards the Strategic Community Plan.

This year brought some unique challenges. The second half of the year was defined by the unexpected impact of the Coronavirus (COVID-19) pandemic. The information in this Annual Report needs to be viewed with reference to the impact that COVID-19 has had on the operations and finances of the Shire and the community as a whole. These effects are highlighted in more detail later in this report. While COVID-19 had negative impacts, the pandemic highlighted the ability of the Shire to adapt rapidly to circumstances beyond its control and to continue to deliver essential services to the community. In this regard I need to mention our Shire President, Cr David Menzel, who put in an enormous amount of work during this time. I would also like to acknowledge the Kimberley Zone Group, comprised of Shire Presidents and CEOs within the Kimberley, who worked cooperatively to present a unified voice for our region at the height of pandemic.

During this financial year biennial local government elections were held. In October 2019, Councillors Mat Dear, Judy Farquhar, Michelle McKittrick and Alma Petherick reached the end of their term. At the elections, all four were re-elected. At a Special Council Meeting on 20 October 2020 the new Councillors present were sworn in and Cr David Menzel and Cr Tony Chafer were sworn in as Shire President and Shire Deputy President respectively.

A Desktop review of the Strategic Community Plan 2017 - 2027 was undertaken during the year and



Councillors elected at the 2019 Local Government Elections

considered the information from the Community Scorecard Survey undertaken in early 2019. The community feedback received in the 2019 survey has confirmed that the goals outlined in focus areas 1, 2 and 3 remain consistent with community views. Strategies were updated and consolidated to reflect the Shire approach in reaching the community goals.



Wyndham Community Engagement informing the CSP desktop review

There has also been a heavy focus on Economic Development this year. Council has recognised the importances of having a strategic focus on economic development to ensure future prosperity and wellbeing for our community. As a result, the Shire has commenced the process of developing a comprehensive Economic Development Strategy and Prospectus. This document is well-advanced and will be released for discussion towards the end of the calendar year.

As part of the Economic Development strategy, the Shire has primarily advocated on five main projects during this financial year. Three of these are Shire projects, being the infrastructure upgrades at the East Kimberley Regional Airport, the upgrade works needed for the Kununurra Leisure Centre and the expansion of the Ewin Early Learning Centre. The other two projects that the Shire advocates for are Seafarms Project Sea Dragon and the establishment of a cotton gin. Shire Officers and Councillors have engaged with State and Federal politicians, including undertaking several trips to Perth and Canberra to meet with Ministers and senior bureaucrats to advocate for these projects.

In order to be successful in funding applications, the Shire needs to demonstrate that its infrastructure projects are "shovel ready" if and when grant and other funding opportunities are identified. As part of our projects being "shovel ready", the Shire is well progressed towards having detailed engineering designs completed in the first half of 2020/21 for the East Kimberley Regional Airport infrastructure upgrades. Similarly, the Shire has also completed concept plans and a comprehensive business case for the Kununurra Leisure and Aquatic Centre upgrade.

With respect to economic development in the tourism

area, the Shire was well on its way to having a direct flight trial between Melbourne and Kununurra commencing in May 2020. COVID-19 led to the deferment of this service. At the time of deferring the trial, the Shire was confident that the trial would have been a success with approximately 50% of the available seats for the trial being sold. The Shire will revisit the Melbourne direct flights in 2020/21.

The organisational structure of the Shire continues to reflect the complex nature of the diverse range of services the Shire is required to provide for the community. The Shire operates from 11 different sites providing services to our community. Our organisational structure continues to evolve to meet new and different challenges. Of particular attention is the focus on self-performing works where we do not believe we receive value for money for our ratepayers in the market place. Staff turnover and the ability to recruit quality people remains a challenge. The number of Full-Time Equivalent staff members have remained constant when compared to the previous year.

Despite the Coronavirus (COVID-19) pandemic, the Shire has completed a number of projects this year. The Shire expended \$6.7M on its capital works and plant and equipment replacement program. Of particular note was \$2.4M spent on our road network renewals; \$585K on plant replacement; \$295K resurfacing our hardcourts; \$296K on our jetties, and \$523K on completing our CCTV network. We continue to have problems with attracting contractors to undertake capital works. These problems are associated with our location, which makes it difficult to get good value for money from our major capital works programs. To this end, we are in the process taking the necessary steps to be able to perform routine renewal works on our asset base ourselves.



Outdoor staff maintaining public open spaces

The Shire's Depot Team continue to work hard at providing a great level of service to our parks and open spaces. They have improved reticulation and upgraded fencing and other infrastructure in Kununurra and Wyndham. They conducted a trial to self perform footpath improvements and will be extending these works in the new financial year. Drainage remains a significant challenge for the Shire. The findings from the

Cardno Report are being implemented and the Shire is again looking to self perform a number of these works.



Streetscape planning for Wyndham using a drone

The East Kimberley Regional Airport took a massive hit from COVID-19. It was expected that the passenger numbers would reduce sharply with the traveling restrictions in place. As such, our passenger numbers reduced by 23%. However, soon after the end of the financial year, the first Virgin Australia Boeing 737 aircraft from Perth to Kununurra serviced this route. This will make a significant contribution to the recovery of our Tourism sector, particularly with the recent announcement of subsidised seats for the 2021 tourism season.



Airnorth Flight landing at the East Kimberley Regional Airport

The Shire's two landfill sites are both reaching the end of their useful lives. Survey work is underway to determine their exact remaining lives. Council has already resolved that the Wyndham Landfill site will be extended at its current location. The Kununurra landfill site will need to be relocated to a new site that has been identified and preliminary steps taken to secure the site have commenced. Waste is a significant issue for local governments and we expect in future years that there will be more regulation and more requirements to reduce the amount of waste that is put into landfill.

The safety of our community, and particularly our youth,

Chief Executive Officer's Report

is an ongoing priority. The CCTV infrastructure project, with its direct link to the Kununurra Police Station provides a valuable service for local law enforcement assisting to expedite investigations and prosecuting offenders.

Funding the Youth Partnership Facilitator with Kununurra Waringarri Aboriginal Corporation continued for the financial year. Council were briefed directly on the valuable work being done.

The Shire has continued to improve the frequency and quality of communication to our community. Social Media provided a significant role in this financial year, particularly with the overflow of COVID-19 related information.



The financial performance of the Shire is reflected in the sustainability indicators included in the audited financial statements. These seven ratios measure the financial sustainability of the Shire across the important performance areas of the Shire. The Shire has achieved a positive result for six of the seven ratio's. The operating surplus ratio is negative due to a number of factors. Firstly, the operating deficit is higher than expected for the current year due to COVID-19 related effects. Secondly, we consider that the ratio is fundamentally flawed as it mismatches the distinction between capital and revenue items of income and expenditure. The Shire's Financial Health Indicator Score was 69 (2018/19 FHI: 70).

I would like to acknowledge the contribution of the former Chief Executive Officer, Carl Askew. Carl left the Shire to take up the position of Chief Executive Officer at Port Hedland. Carl led the Shire during a difficult period of our history and on behalf of the Shire Administration, I would like to thank him for his contribution and wish him all of the very best in his future endeavours.



This financial year has been a difficult one, not only for us, but for many in our community. Under the circumstances the Shire has performed well both operationally and financially. This is due to the dedication and hard work of the Shire staff. I would like to thank the Shire President and the Council for their guidance during this year. I would also like to thank the Executive Management Team and other Shire Officers for their professionalism and commitment to the vision and mission of the Shire. The year ahead will bring many new challenges. Of critical importance is managing the financial effects of COVID-19. However, as restrictions ease and borders open up, we look forward to business settling into a "new normal". We hope to be able to bring our strategic projects closer to delivery during the next financial year and strive to improve the services valued by our community.

Vernon Lawrence

Chief Executive Officer



Impacts of Coronavirus (COVID-19)

The Shire acted swiftly in response to the impacts of the Coronavirus (COVID-19) pandemic and the declared State of Emergency. In response to the directions issued by the State and Federal governments, the Shire implemented new hygiene measures, physical distancing and closed facilities where directed. This also impacted Council meeting protocols, with most meetings of elected representatives limited to video conferencing (eMeetings) and meaning that most meetings, from March onward, were closed to the public.

The Shire worked closely with the Kimberley Group of Council's (Kimberley Zone) to implement travel restrictions across the Kimberley, safeguard communities and work closely with emergency service agencies through its Local Emergency Management Committee (LEMC).

At the 24 March 2020 Ordinary Council Meeting, Council formally endorsed the freeing up of resources to respond to community and business needs as well as to support mandatory (emergency) measures that had been instituted by the State and Federal governments. Council also established an internal incident management team to coordinate organisational responses with respect to essential service delivery, communications, human

resources, logistics, emergency responses and community and business support.

This team prepared a risk management framework and embedded much of the service delivery around the pandemic into the Shire's Corporate Business Plan. The team went on to prepare business continuity plans for all essential functions which were of great assistance to State agencies and those that were on the front line of the pandemic. The team also supported staff that were required to work remotely from administrative centres and prepared a number of strategic and policy responses that were endorsed by Council. These included a Financial Hardship (Rates and Sundry Debtors) Policy, Emergency Response and Recovery Policy and a new Community Grant stream to support community-based organisations that had been directly impacted by the pandemic. Council also created a new reserve (COVID-19 Reserve) to fund a number of community and business-focused initiatives and projects, which are still being implemented and which are focused on encouraging local job creation.

Don't risk it. Always follow the health advice.



Hygiene



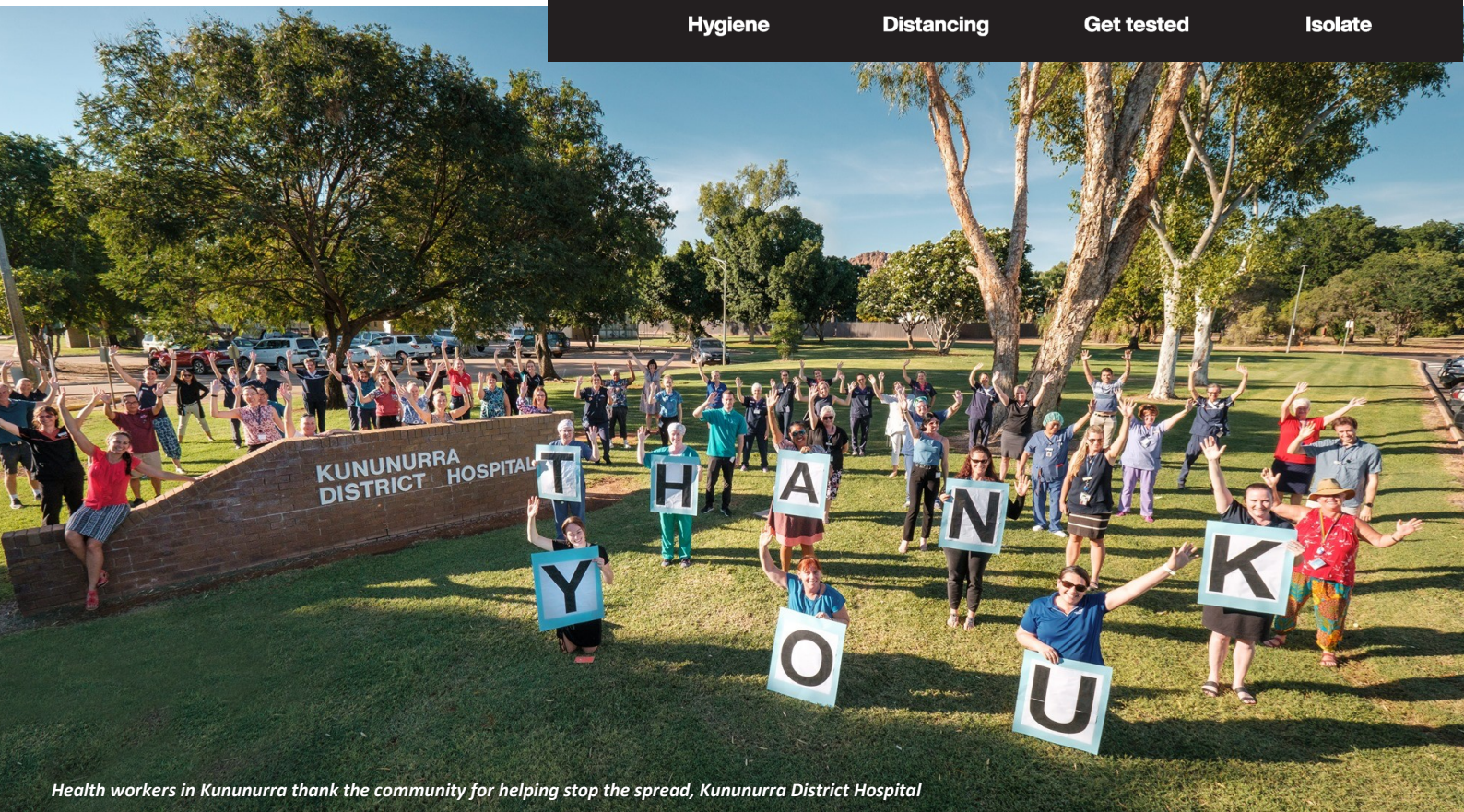
Distancing



Get tested



Isolate



Health workers in Kununurra thank the community for helping stop the spread, Kununurra District Hospital

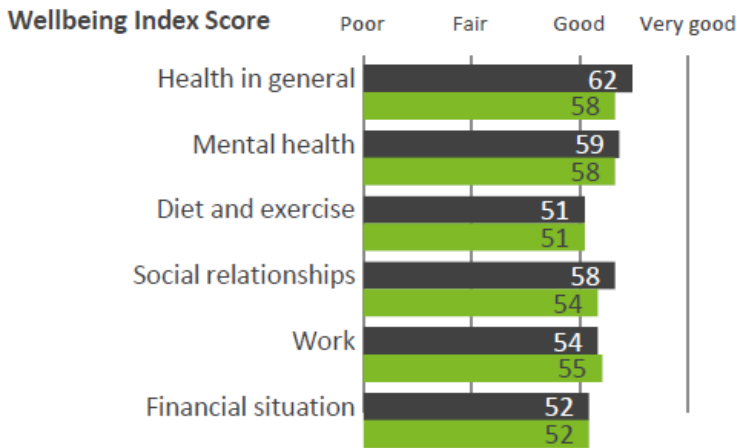
Impacts of Coronavirus (COVID-19)

Community Resilience Scorecard Survey - 2020 Shire Results

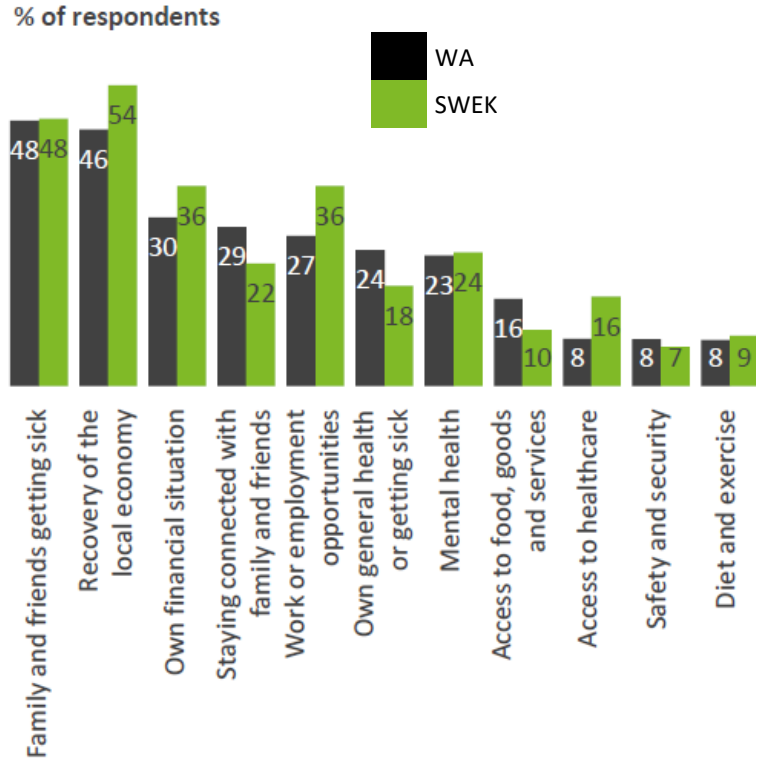
During the year the Shire collaborated with the Department of Local Government, Sport and Cultural Industries, 139 Local Governments, Local Government Professionals WA, community members across Western Australia and CATALYSE to undertake a State wide survey of the impacts of COVID-19.

The study has mapped map community well-being and resilience levels and has helped the Shire to prioritise efforts as we recover from the impacts of COVID-19.

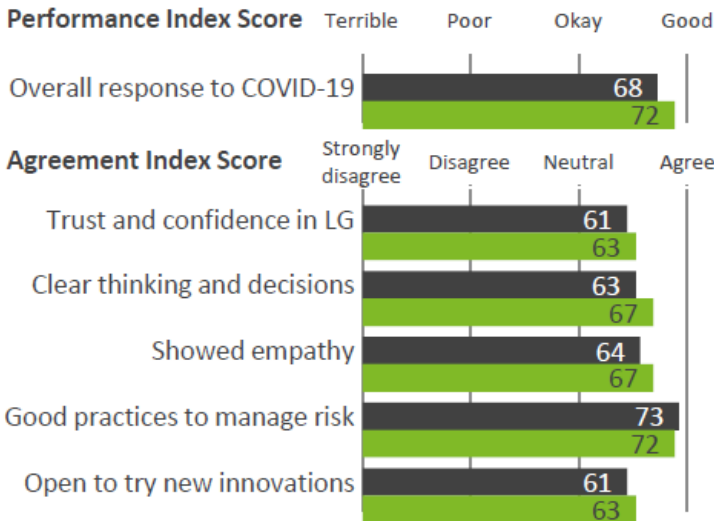
Community Wellbeing



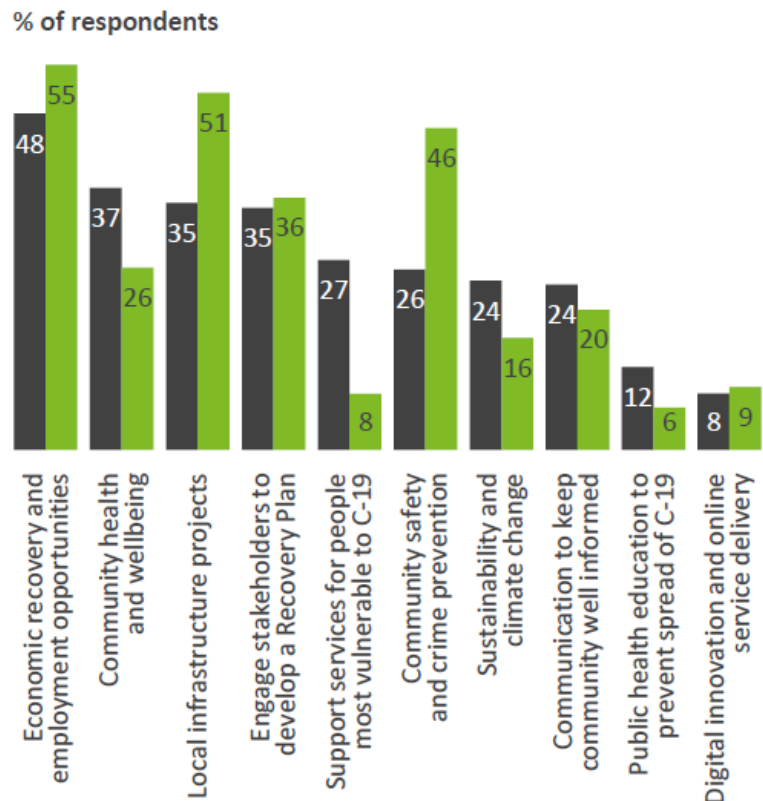
COVID-19 impacts of greatest concern



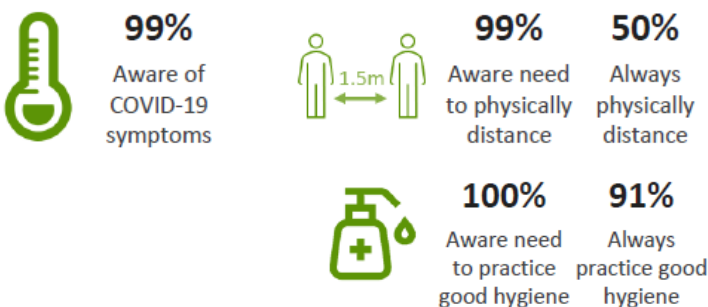
Shire performance in response to COVID-19



Community Priorities for the Shire



Community awareness



Strategic Direction 2027

Strategic Community Plan 2017-2027

Vision for the Shire of Wyndham East Kimberley:

To be a thriving community with opportunities for all

Mission for the Shire of Wyndham East Kimberley:

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

Values of the Shire of Wyndham East Kimberley:

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

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

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

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

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

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

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



Focus Areas and Goals of the Shire of Wyndham East Kimberley:

1 Healthy vibrant active communities



PEOPLE

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

Goals:

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

2 Enhancing the environment



PLACE

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

Goals:

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

3 Economic prosperity



PROSPERITY

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

Goals:

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

4 Civic leadership



GOVERNANCE

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

Goals:

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

Focus Area outcomes for the Shire of Wyndham East Kimberley:

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

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

About our Shire

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

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

About Our Organisation

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

Role of Local Government

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

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

Roles of Councillors

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



duties and speaking on behalf of the local government.

Role of the Chief Executive Officer

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

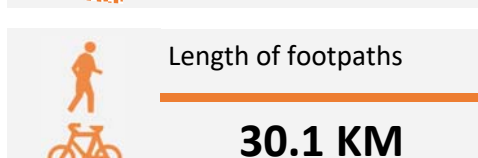
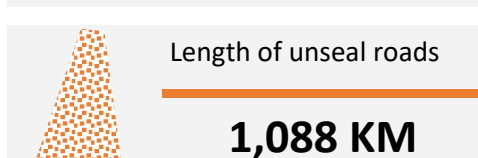
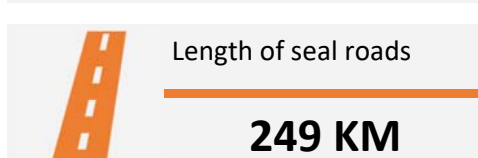
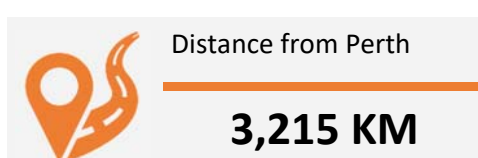
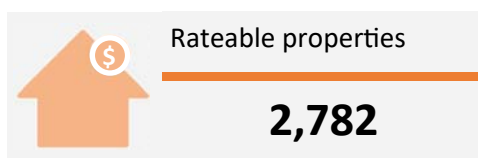
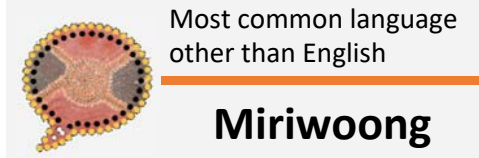
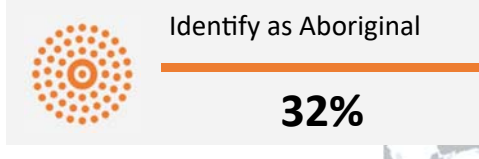
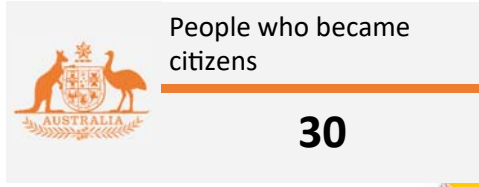
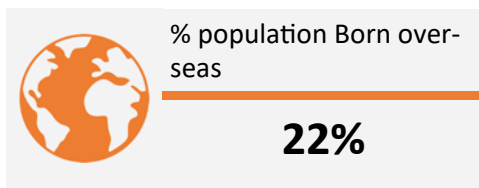
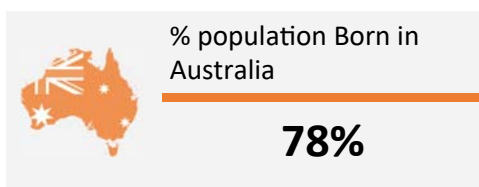
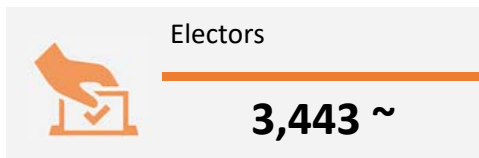
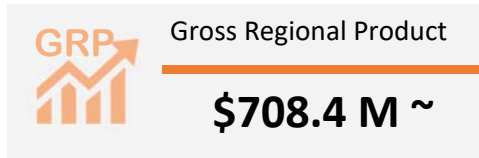
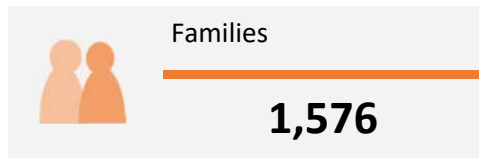
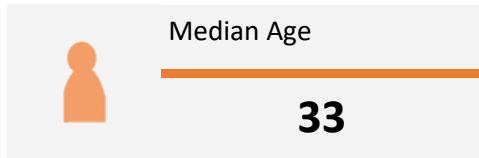
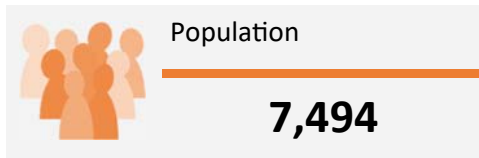
Council Decision Making

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

Delivering Shire Services

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

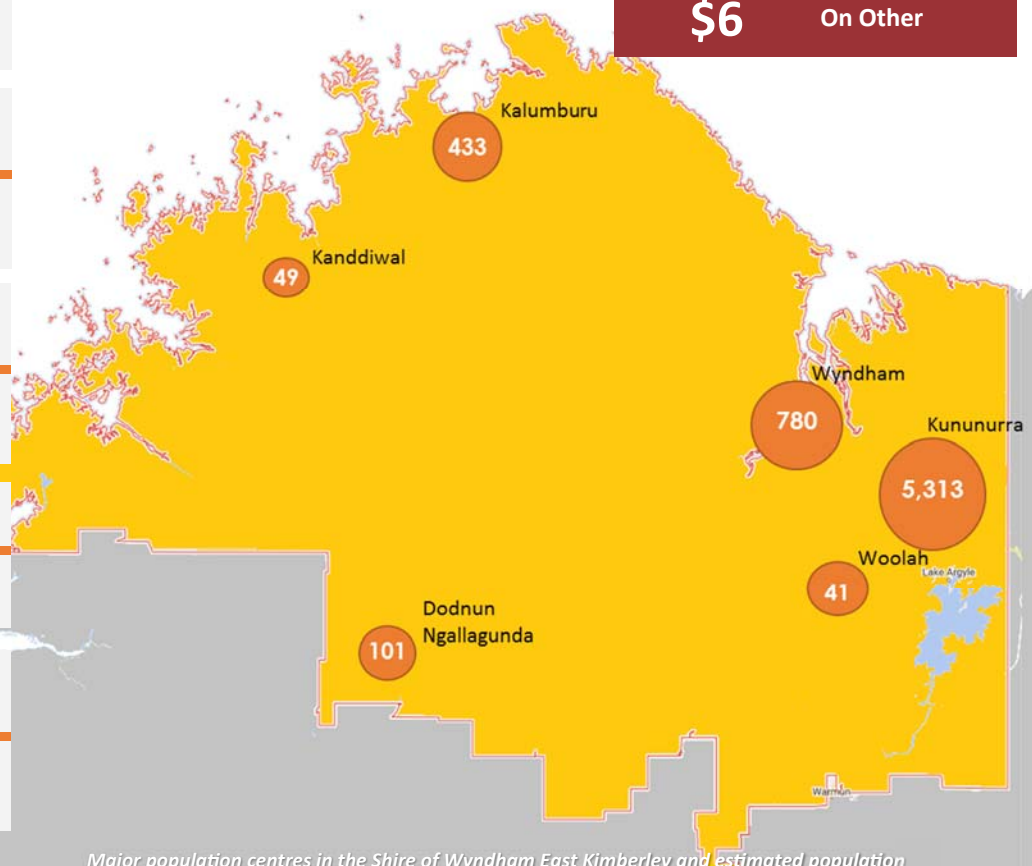
Our Shire in Numbers



Where did my rates go?

PER \$100 2019/20

- \$26** On Recreation and Culture
- \$29** On Roads
- \$22** On Community Amenities
- \$6** On Governance
- \$4** On Economic Services
- \$5** On Law, Order & Public Safety
- \$1** On Health
- \$1** On Education & Welfare
- \$6** On Other



Major population centres in the Shire of Wyndham East Kimberley and estimated population

Shire of Wyndham East Kimberley Council

Our Elected Members 2019-20



Cr Tony Chafer
Deputy Shire President
Term: 2021 (821 votes)
Born: United Kingdom



Cr David Menzel
Shire President
Term: 2021 (810 votes)
Born: Australia



Cr Grant Lodge
Term: 2021 (813 votes)
Born: Australia



Cr Narelle Brook
Term: 2021 (802 votes)
Born: Australia



Cr Debra Pearce
Term: 2021 (720 votes)
Born: Australia



Cr Mat Dear
Term: 2023 (672 votes)
Born: Australia



Cr Judy Farquhar
Term: 2023 (643 votes)
Born: Australia



Cr Michelle McKittrick
Term: 2023 (580 votes)
Born: Australia



Cr Alma Petherick
Term: 2023 (521 votes)
Born: Australia

Highlights of the Year

Some of the highlights during the year

Our Year, Delivering the Plan

The following pages summarise the Shire's progress during the 2019/20 financial year in achieving the outcomes and goals defined in our Strategic Community Plan 2017-2027 and Corporate Business Plan 2019-2022.



Delivering Focus Area 1

Healthy vibrant active communities



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

2019/20 CBP Action Summary

14 Actions



5 Completed



7 Commenced



2 Not Started



5 Deferred



Library Visitors

61,888 ↓ 26%

2018/19: 83,523

2017/18: 68,136



Library Items Borrowed

34,602 ↓ 13%

2018/19: 39,727

2017/18: 45,994



Pool Entry

16,177 ↓ 28%

2018/19: 22,586

2017/18: 25,853



Gym Entry

7,165 ↓ 56%

2018/19: 16,356

2017/18: 20,531



Community Quick Grant Applications

14 ↓ 33%

2018/19: 21

2017/18: 29



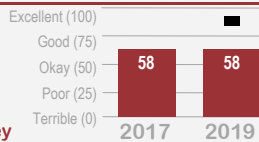
Community Quick Grant Value

\$6,890 ↓ 34%

2018/19: \$10,450

2017/18: \$14,249

Festivals, events and cultural activities



Community Survey



Library programs participation

1,451 ↓ 54%

2018/19: 3,219

2017/18: 2,500



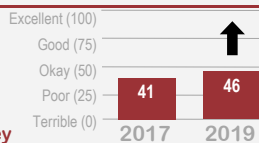
Accessed library Internet facilities

5,463 ↓ 63%

2018/19: 14,721

2017/18: 10,964

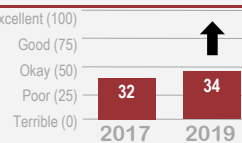
How history and heritage is preserved



Community Survey



Multiculturalism and racial harmony



Community Survey



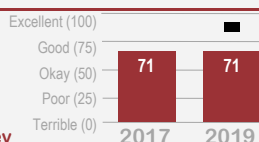
Disability improvements completed

14 ↑ 80%

2018/19: 8

2017/18: 13

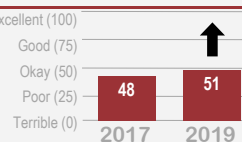
Library and information services



Community Survey

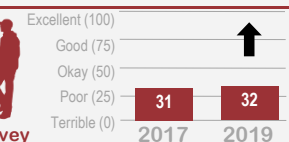


Sport and recreation facilities



Community Survey

Services and facilities for youth



Community Survey

Events

Connecting with community July 2019 – June 2020

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



NAIDOC Street March



KNX AG Show



Big Float Kununurra 2019

NAIDOC Week - July 2019

The 2019 theme of NAIDOC was Voice, Treaty, Truth. This reflected on Aboriginal and Torres Strait Islander people's desire to have their voice heard after being excluded when the Australian Constitution came into being. The Shire supported NAIDOC activities by providing free hire of Warlarring (White Gum) Park. A variety of activities were held on the day including a street march, flag-raising ceremony and family activities in the parks.

Kununurra Agricultural Show - July 2019

The annual [Kununurra Agricultural Show](#) is a major event for the region. The Kununurra Agricultural Show brings together visitors, businesses, community organisations and locals for a weekend of entertainment, information and lots of fun by showcasing all things unique to our region. Highlights include fireworks, live entertainment, interactive displays and events. The 2019 theme was 'UN International year of Indigenous Languages.'

The Kimberley Writers Festival - September 2019

[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. The 2019 Kimberley Writers Festival was once again a huge success attracting good numbers across the weekend. This year, a new event was added for elders to share their stories with the authors and our community.

Lake Argyle Adventure Race - October 2019

A multi-sports event involving swim, trail run, mountain bike and paddle all around the scenic Lake Argyle and Carr Boyd Ranges.

The Big Float - October 2019

The Big Float was held at Ski Beach, and brought

together hundreds of community members to attempt to break the Guinness Book of records-longest line of inflatables. The event was a huge success with a 500m line of inflatables being achieved.

ANZAC Day - April 2020

Due to COVID-19 public gathering restrictions, the ANZAC Ceremony was a little different this year. The Shire held a 'Driveway at Dawn' event. The Ceremony was streamed live on the Shire's Facebook page, and members of the community were encouraged to watch it from their driveway. Electronic candles were provided to the community through their PO Boxes. The event was a success with over 3,500 viewers.

Lake Argyle Swim - May 2020

The [Lake Argyle Swim](#), an open freshwater swim for relay teams and solo competitors, takes place at Lake Argyle and is recognised as one of the most spectacular places to visit in the Kimberley. The 2019/20 Community Grant round saw Lake Argyle Swim awarded a \$20,000 Event Grant towards the Lake Argyle Swim. Due to COVID-19 the 2020 lake Argyle Swim the event was unable to be held.

Ord Valley Muster - May 2020

The [Ord Valley Muster](#) is a 9 day festival, consisting of over 30 different events and experiences. The 2019/20 Community Grant round saw the Ord Valley Event Committee awarded a \$55,000 Event Grant towards the Ord Valley Muster, however due to the COVID-19 declarations the event was unable to be held.

Driveway Disco - June 2020

The Shire held an 80's Disco Driveway to connect with the community and boost morale amidst the COVID-19 restrictions. A disco truck drove through the streets of Kununurra with 80's disco music. Members of the community brought their families out dressed in their 80's get-up and danced on the streets.

1 Healthy vibrant active communities

Goal 1.1

Bring community together and promote our rich culture and heritage

Heritage

September 2019 was the 200th anniversary of Lieutenant Phillip Parker King's exploration and survey of the Cambridge Gulf. Although officially the first recorded European visit to the Kimberley coast was by Abel Tasman in 1644, it wasn't until the surveys of King that the coastline was mapped with any degree of accuracy. King was responsible for many of the names still used in the region today. He anchored under what he referred to as "a remarkable range of hills" which he called the "Bastion Hills".

The Shire was donated a boab tree that is a genetically identical copy of the "Mermaid Boab" at Careening Bay (Prince Regent National Park) which was inscribed by King and his crew in 1820. The tree was planted at the top of the Bastion late in 2019, and a plinth was constructed for the accompanying plaque. The official unveiling of the plaque and tree is expected to occur late in 2020.

No changes were made to the Shire Heritage lists.

Culture

Aboriginal Engagement Plan

During the Year Council committed to developing a plan to improve daily interactions with Aboriginal community members ensuring they are heard, captured and used to inform decision making, enhance customer services and transform our shared understanding. The Shire has been working with Aboriginal organisations to improve indigenous participation in future Shire projects. Including:

- Business development and joint venture partnerships
- Workforce participation opportunities
- Cultural inclusion

Goal 1.2

Increase community participation in sporting, recreation and leisure activities

Access and Inclusion services

The Shire implemented 15 of the 29 actions within the Shire Disability Access and Inclusion Plan (DAIP). These actions included:

- Incorporating the objectives and strategies of the DAIP into the Shire's existing planning processes, particularly project delivery plans;
- Ensuring disability access needs are considered in all event planning, incorporating disability access into the application processes;
- Providing large print books and audio for relevant community members. Challenges included ensuring that large print books and audiobooks are current and an extensive range is on offer;
- Continuing free admission to Shire facilities for carers accompanying people with a disability through the Companion Card;
- Promoting and improving both staff and the community's awareness of the Companion Card and inclusion needs;
- Planning, building and maintaining new facilities to be accessible, including construction of a new ramp at the Kununurra Basketball Courts;
- Incorporating access needs in Project Implementation Plans;
- Undertaking an audit of public signage, develop new templates and replacing old signage;
- Ensuring people with disability are supported and encouraged to participate in engagement activities.



Community Grant Program

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



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Annual Grants

The Council received 19 Annual Grant applications in the 2019/20 financial year and approved 13 applications worth \$191,326.00 in grant funding to community clubs and organisations.

Recipient	Activity	Grant
Ord Valley Events Inc.	Ord Valley Muster	\$55,000
Ord River Sport Club	Sporties Lawn Bowls Area upgrade	\$26,796
Lake Argyle Swim Inc.	Lake Argyle Swim	\$20,000
Wyndham Turf Club	My Kitchen Rules	\$20,000
Kimberley Action Sports Incorporated.	Lake Argyle Adventure Race	\$12,000
Wyndham Historical Society	Museum Exhibition Area Extension	\$12,000
Kununurra Agricultural Society	2020 Agricultural Show	\$10,000
Kununurra Visitor Centre	The Big Float Event	\$10,000
Kununurra Campdraft and Rodeo Association	Ablution Building Cover	\$10,000
Wyndham Blue Light Association	Blue Light Disco	\$5,000
Kununurra Water Ski Club	Dam to Dam	\$5,000
Crazy Crocs playgroup	Improve Storage of Equipment	\$3,130
Kununurra Neighbourhood House	Community Events Program and community telephone tree	\$2,400

2018/19 Rates assistance grants

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

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

Over the reporting period, the Shire provided \$66,901 in Rates Assistance Grants to 16 clubs and community organisations.

Quick Grants

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

Over the reporting period, the Shire provided \$6,890

through Quick Grants to 14 community groups.

Recipient	Activity
Kununurra Toy and Puzzle Library	Computer Software- SETLS
Wyndham Picture Gardens	Replacement of Seat Covers
Gurnduwa Aboriginal Corporation	Deadly Diva Day
Kununurra Taekwondo	Taekwondo Event
WELA	WELA Christmas Party
Kununurra Touch Football	Touch Football Line Marking
OVAHS	Personal pedometers
Kununurra Community Garden	Community Garden Seed Bank
Kimberley Action Sports Inc.	BMX Track maintenance
Kununurra Agricultural Society	Water Cannon Hose
Crazy Crocs Playgroup	Update and Replace Equipment
Kununurra Neighbourhood House	Kitchen Appliance
Kununurra Motocross Club Inc.	Mobile Emergency Stretcher
Kununurra Markets Inc	Markets Insurance

Future Leaders Award

The Shire is committed to develop and retain skilled people that both business and the wider community need to succeed. To help achieve this, Council established the Future Leaders Award. The award supports high achieving young people in the Shire, to assist with the cost of participating in an activity or program which focuses on leadership, skill development, self growth and development, confidence building and/or team work and communication.

Over the reporting period, the Shire did not receive any eligible applications for the Future Leaders Award.

Community lease management

No new community leases were established during the reporting period, however leases were drafted and sent to the Wyndham Child Care Centre, Ewin Early Learning Centre and Ord River Magpies Football Club.

Recreation and Leisure

The Shire operates 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 and leisure programming. The Shire also manages and maintains a number of sporting facilities and parks in Wyndham and Kununurra.

1 Healthy vibrant active communities

The end of the 2019/20 financial year was a difficult one for Recreation Services with COVID-19 State of Emergency declarations forcing the Shire to close all of its facilities for almost 3 months. Staff maintained the facilities and brought forward seasonal maintenance such as replacing the media within the Kununurra Leisure Centre pool filters, a job that would have meant closing the pool under normal circumstances. It also meant that new and innovative ways of connecting with people had to be considered. The Kununurra Leisure Centre staff and the Wyndham Youth Officer posted a number of instructional fitness and youth related activities on the Shire Facebook page just to try and keep connection during the forced closures. The forced closures also impacted the income at both the Kununurra Leisure Centre and the Wyndham Swimming Pool with memberships placed on hold for a period of 4 months the declarations were lifted.

Despite the challenges, there were a number of projects finalised this financial year including:

- Major upgrades of the Kununurra Hardcourts - Netball, Basketball and Tennis courts;
- Upgrades to the Wyndham Swimming Pool shade sails;
- Capital works plant room equipment upgrades at Kununurra Leisure Centre and Wyndham Swimming Pool; and
- Upgrades to the spectator area at the Kununurra Tennis Courts.



Kununurra Leisure Centre Redevelopment

The Kununurra Leisure Centre Redevelopment project continues to progress with a number of significant milestones occurring within 2019/20. At the May Ordinary Council Meeting, Council endorsed the Kununurra Leisure Centre Redevelopment Business Plan. The purpose of the plan is to outline the project

to possible funding bodies and demonstrate the need for the redevelopment; an essential criteria for most State and Federal funding applications.

Shire Officers continued to work with the State Government to finalise the proposed water playground within the overall development of the Kununurra Leisure Centre. A proposal was put to the State Government and the Department of Local Government Sports and Cultural Industries to use the allocated \$590,000 water park funding for detailed design of the Kununurra Leisure Centre redevelopment. The State did not approve the repurposing of the funds but did commit to additional funding pending concept design and costing for a water playground to be located at the Kununurra Leisure Centre.

Donovan and Payne were engaged in early 2020 to provide a water playground concept plan as stage one of the Kununurra Leisure Centre redevelopment. Initial concept plan and costings were then provided to the State Government for consideration. The total estimated cost of the water park was \$3.2M, significantly more than the \$590,000 offered as part of the 2017 State election promise. The water playground has been located close to where it had been originally shown, being close to the main entrance but is of course a more enhanced facility, and which will now include greater water play elements including slides.

Construction of the water playground at the location suggested in the concept would require the demolition of the former Shire Administrative Offices, which will occur in the next financial year.

Wyndham Memorial Swimming Pool

Like all public swimming pools across Western Australia the past 12 months has been challenging. The loss of qualified staff meant that the Wyndham Pool staffing was reduced from two qualified Pool Operators to one. This had a slight effect on service delivery and opening hours with the pool opening 5 days a week during the reporting period.

In March 2020 the pool was closed due to the COVID-19 closures. During this time the Shire conducted a number of major maintenance projects including: repairing a major leak within the filtration system, painting of external shade structures, installation of new shade sails over all of the pools, and major plant room services of pumps and balance tank.

Prior to the COVID-19 closure, the pool supported a



PEOPLE

number of community events such as weekly youth programs, Royal Life Saving WA Bronze Medallion courses and Term 4 school swimming lessons and Wyndham Youth Aboriginal Corporation (WYAC) youth programs and activities.

Ted Birch Memorial Youth and Recreation Centre

The Shire, with support of the State Government's Department of Communities provide a range of services for young people aged between 12 and 18 years of age in Wyndham. The Shire's Wyndham Youth Officer delivered youth diversionary programs throughout the reporting period. The programs included structured recreational activities and life skills programs. During the reporting period the Shire also worked collaboratively with other youth service providers within Wyndham including the WYAC, WELA and PCYC. These partnerships allow all service providers the ability and capacity to deliver a diverse range of activities from the Ted Birch Memorial Youth and Recreation Centre that build the capacity, resilience and life skills among the towns youth.

Recreation and Open Space

During the year officers initiated a review of the Recreation and Open Space Action Plan. This included undertaking an audit of the Shire's open spaces. Initial finding from the audit highlighted the lack of play space equipment within the older residential areas of Kununurra following the disposal of former play spaces on River Fig Avenue and Greybox Crescent. The Shire also has a number of reserves not currently being actively managed that have limited access and have been impacted by invasive weeds. The review of the Recreation and Open Space Action Plan aims to identify ways to



Swim Beach Reserve

address these issues within the Shire's limited available resources.

Goal 1.3

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

Library Services

The Shire operates two Libraries; the Wyndham Library and the Kununurra School and Community Library (KSCL), the latter being jointly funded by the WA Government. The library was affected by COVID-19 closures due to the State of Emergency being declared however staff were able to introduce a number of virtual programs during the forced closure.

The KSCL, nevertheless, hosted Children's Book Week; National Simultaneous Storytime and two Scholastic Book Fairs. Additional access to technology – internet and Wi-Fi was also provided.



The KSCL extended its programmed activity beyond the library for the Teddy Bear's Picnic; an annual event run by Kununurra Neighbourhood House, and also visited Juniper's care facility in Kununurra with Rhymetime families.

The 2019 Kimberley Writers Festival was once again a huge success with the event attracting good numbers across the weekend. This year a new event was added where elders shared their stories with authors and the community with most of the events held at the Kununurra School and Community Library. The guests this year were: Chris Hammer, Steve Hawke, Raewyn Caisley, Chris Gurney, Meg McKinlay, Tiffany Tsao and local author Frauke

1 Healthy vibrant active communities

Bolten-Boshammer. The featured events consisted of a Literary Breakfast at the Kununurra Country Club, the very popular Festival opening cocktail party, Sharing our Stories, the Literary Brunch on the Ord River, and a variety of author talks, panel events, and storytelling.

Children and families (0-11)

Kununurra Neighbourhood House

Kununurra Neighbourhood House (KNH) is a not-for-profit family support service open to all members of the community. During the year, KNH completed construction of its new Community Centre on Chestnut Avenue. The new centre will provide much needed space for community development, family and community support services and community groups.

Local building company MGC Building and Maintenance Pty Ltd owned by MG Corporation constructed the new facility with help from local apprentices and businesses.



Kununurra Neighbourhood House Community Centre under construction.

Wyndham Child Care Centre

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

Wyndham Early Learning Activity Centre (WELA)

Wyndham Early Learning Activity Centre (WELA) is a



Wyndham Child Care Centre

multicultural family centre for parents or primary care givers to provide and facilitate early learning opportunities for their children. WELA services are open to all parents/carers and children who were born and bred in the Kimberley region.



Kununurra Police engaging with 6-7 year olds, Kununurra Police

Youth Services (12-24)

Save the Children (Kununurra Youth Hub)

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

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

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



Garnduwa-Amboorny Wirnan Aboriginal Corporation at the Kununurra Youth Hub in Kununurra

Kununurra Waringarri Aboriginal Corporation (KWAC)

The Shire entered into an agreement with Kununurra



PEOPLE

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



KWAC Back to Country Program, Lake Argyle

Wyndham Youth Aboriginal Corporation (WYAC)

Wyndham Youth Aboriginal Corporation (WYAC) are supported by the Shire's Wyndham Youth Officer whose wages are partially funded by the Department of Communities through a service agreement. The Shire also provides office space at the Ted Birch Memorial Youth and Recreation Centre, and the centre is the venue for many of their programs. WYAC have been a stand-out for their proactive approach to youth engagement and inclusion in program design and implementation, including activities such as:

- School Holiday Programs
- Aussie Hoops Basketball Kimberley Program
- Family fun days/nights run by WELA and Boab Health

- Wyndham Swimming Pool sessions
- Youth Leadership Group

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

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

Kununurra Police and Community Youth Centre (PCYC)

During the year the State Government announced that it would provide funding to establish a PCYC in Kununurra. The 2019/20 State budget allocated \$2 million to PCYC to establish a new centre in Kununurra. The centre will provide structured programs and intervention activities targeted to at-risk youth to support the community. This will help replicate the existing services provided in the West Kimberley by Broome PCYC from the West Kimberley Youth and Resilience Hub by creating an East Kimberley Youth and Resilience Hub.



Kununurra PCYC, Kununurra



WYAC at the Ted Birch Memorial Youth and Recreation Centre

Delivering Focus Area 2

Enhancing the environment



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

19/20 CBP Action Summary

27 Actions



10 Completed



12 Commenced



3 Not started

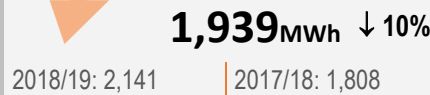


2 Deferred

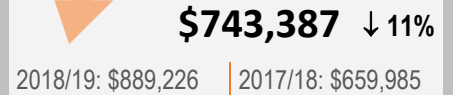
Safety and security



Shire energy consumption



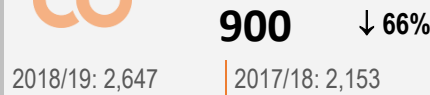
Shire energy costs



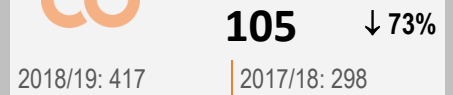
Graffiti, vandalism, antisocial behaviour



Recorded Crime - Kununurra



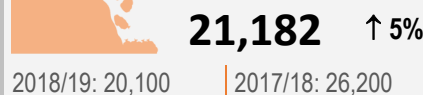
Recorded Crime - Wyndham



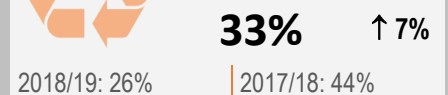
Playgrounds, parks and reserves



Waste to landfill (Tonnes)



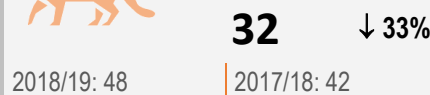
Waste diverted from landfill



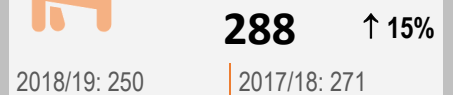
Conservation management



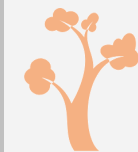
Feral cats removed



Stray dogs found



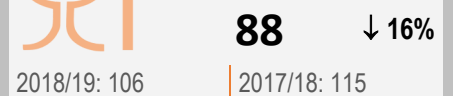
Waste collection services



Trees Planted



Food Safety Assessments



Area's character and identity



Footpaths, cycleways and trails



Road fatalities



Goal 2.1

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

Landscape conservation

The Shire has a number of reserves for the conservation of unique natural environments such as the Bastion's 2,810 hectares. During the year land management works continued, including work at Lily Creek Reserve 41812 in collaboration with the East Kimberley Beautification Group to clear vegetation. The Shire also partnered with East Kimberley Job Pathways (EKJP) to maintain the Botanical Gardens near Swim Beach.

Better Access to Country

Trails

Shire staff have completed essential repairs to various trails. Repairs included potholes and scour rectification after rain events in late 2019 / early 2020. Coupled with this the Shire has rolled out a program of slashing along path routes, painting culverts white to reduce trip hazards, and its annual mowing program.

Stage One of the Shire Trails Master Plan was progressed with survey and designs completed and costings developed for the proposed future stages. It is projected to be a 3 to 5 year project. Further contracts will be awarded in 2020.

Boating facilities

The Shire's boating facilities underwent a comprehensive structural survey by qualified maritime engineers. The outcome of these investigations have enabled the Shire to develop a forward 5 year plan for the prevention of salt corrosion and maintaining general wear and tear. Fresh water structures were included in this investigation and the reports were used to assist the development of the 2020/2021 financial budget. Council was successful in obtaining funding for the design of the Wyndham Boat Ramp Jetty from the Department of Transport. These designs will be completed in the next financial year, at which point the Shire will investigate funding options to construct a new ramp.

The Shire is now producing a preventative maintenance program for all of the Shire's marine structures.

Manage Waste Sustainably

The Shire manages landfill facilities in Wyndham and Kununurra. The operational costs associated with operating these facilities was approximately \$1.37 million processing 126,641m³ of waste to landfill and 41,790m³ of waste diverted from landfill for recycling

or mulch.

During the year, the Shire made some significant changes to the Waste Management Plan including introducing a number of standard operating procedures and processes for landfill staff to follow to improve safety at the sites and compliance. These new processes and plans will be subject to auditing during the next 12 months to establish the effectiveness of these changes.

The Shire has complied with landfill licences issued by the Department of Water and Environmental Regulations (DWER) for the two sites, no breaches of the Shire's Landfill licenses have been reported in the last 12 months.

The Shire has been busy investigating an expansion of the Wyndham Landfill and an alternative location for Kununurra. The new Kununurra Landfill will be located on Valentine Spring Road and discussions are underway with the Native Title holders.

The Shire is also working closely with EKJP and Revive to increase its recycling activities.

Refuse collection

The Shire continues to provide a weekly roadside bin collection service, collecting 2,045 bins each week through its contractor Cleanaway.

Waste disposal is a major cost for the Shire and the community. During 2019/20 the cost to the Shire to provide household refuse collection services was in excess of \$488,000. Minimising waste by reducing, reusing and recycling, we could cut waste to landfill by up to 50 percent (WA Waste Strategy). Reducing waste also reduces litter. Everything dropped can find its way to waterways, beaches and bush land harming our lands and environment. The most effective way is to reduce waste before it becomes rubbish.

Wyndham and Kununurra Landfill sites now accept free domestic waste, as part of an initiative passed by Council to provide better value for rates and help reduce littering. Additionally, Free Waste Weekends were held in November and April to successfully help the community clean up domestic waste around their properties, accepting items like washing machines, mattresses and car bodies.

Keeping the Streets Clean

The Shire strives to ensure the local streets and parks are kept clean and tidy. The Shire engages Cleanaway to undertake a daily litter removal service within Kununurra, which occurs between 4am - 6am.

Cleanaway also provides a street sweeping service for

2 Enhancing the environment

residential streets and commercial/industrial estates (fortnightly or monthly depending on location). Annually, these services cost the Shire \$185,440.

Additionally, Shire depot staff undertake daily litter collections from streets, parks and playgrounds as part of the town maintenance program.

Waste reduction (reduce, reuse, recycle)

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

The Shire has established an eWaste recycling opportunity, with eWaste collected from Kununurra and transported to Adelaide for processing by Techcollect.

The Shire recycled approximately 1,230 used tyres by engaging Tyrecycle to collect and transport tyres to Perth for shredding. These tyres are used as a commodity to manufacture other products.

During the year, East Kimberley Job Pathways (EKJP) were awarded the contract to establish the Container Deposit Scheme to accept the return of eligible beverage containers and facilitate customer refunds. EKJP is developing a Refund point depot at Lot 26 Ivanhoe Road and will open when the scheme starts in October 2020.



From 1 October 2020, people within the Shire will be able to take their empty beverage containers to a Containers for Change refund point and receive 10 cents for every eligible container returned. The scheme aims to: increase recovery and recycling of empty beverage containers and reduce the number of empty beverage containers that are disposed of as litter or to landfill.

REDUCE

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



REUSE

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

RECYCLE

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

Goal 2.2

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

Capital Works

Roads and bridges

The Shire has developed a 5 year maintenance plan for all existing structures following investigation of all Shire Bridge structures.

Key Works over the last 12 months have included:

- Completion of Bridge 5116 over the D4 on Weaber Plain Road
- Parking seal, kerb realignment and line marking at East Kimberley College
- 390m of resealing Works completed on Mangaloo Street
- 6150m of resealing Works on Packsaddle Road



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In terms of planning for the future, the Shire has progressed the survey and design works for the following assets:

- Stage 2 works on Bandicoot Drive drainage and road works
- Weaber Plain Road Blackspot locations (various)
- Carlton Hill Road design and bridge inspections
- Ewin Early Learning Centre drainage proposal
- Hibiscus Drive drainage proposal

Footpaths and cycleways

During the year the Shire completed the planning of works for installation of grant funded shared paths on Ironwood Drive and Messmate Way.

Works to repair the significant damage to the Shire's footpath network following a tropical cyclone was undertaken this year.

New concrete footpaths were also installed along Bandicoot Drive, Kununurra.



Storm damage to Weaber Plain Shared Path

Marine assets

Wyndham Boat Launching Facility is currently under design, after the Shire was successful in obtaining grant funding for the survey and design for replacement of the structure. Council also resolved to continue seeking funding for upgrade of the structure in coming years.

Cathodic Protection was installed on the Wyndham Community Fishing Jetty at Anthon's Landing protecting the asset from salt corrosion. Minor lighting replacement works were also conducted on the solar lighting at this location.

Drainage

Significant drainage works were undertaken on Bandicoot Drive. This project involved installation of pipeworks from Bandicoot Drive adjacent to the

Kimberley Grande, under Victoria Highway to a newly constructed outlet at Celebrity Tree Park. The work also required installation of a precast Gross Pollutant Trap to capture litter prior to entering the lagoon.

A detailed drainage investigation study was completed by Cardno BSD engineering consultants, which will be used as the informing document for the develop of a Stormwater Management Strategy and drainage designs to be included as priority projects within the study area.

Goal 2.3

Make towns safe and inviting for locals and visitors

Town Maintenance

Maintenance of Shire assets and community areas has continued throughout the 2019-20 financial year despite the impacts of Coronavirus. Outdoor crews developed COVID safe methods of work, to perform works across a wide variety of assets including parks and gardens, urban and rural roads, kerb works, street signage and graffiti removal.

Cemeteries

The Shire maintains and prepares for services at the Kununurra and Wyndham Cemeteries. Both of these assets had toilet facilities installed. During the year a Kazuba Compost Toilet was installed in Kununurra cemetery, to match the one installed at the Wyndham cemetery.



SWEK Depot crew installing Phillip Parker King plaque

2 Enhancing the environment

Make towns safe and inviting for locals and visitors

Parks and Gardens

The Shire's Parks and Gardens teams in both Kununurra and Wyndham have continued to maintain community assets to a high standard. Outdoor crews developed COVID safe methods of work to continue to maintain communal areas during the second half of the year. They also kept our towns tidy and are continually looking to beautify areas such as updated garden beds at the Post Office car park area and installed a rock work memorial plinth on the Bastion in commemoration of the 200th Anniversary of Phillip Parker King exploring and naming of the Cambridge Gulf and the Bastian. The depot team also planted a boab tree grafted from the original mermaid tree from Careening Bay in Prince Regent National Park as part of this commemoration.

Community Safety and Crime Prevention

Kununurra Wyndham Alcohol Accord

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

One of the main goals of the Accord has been in relation to the implementation of a Banned Drinkers Register and a number of letters have been sent to relevant Ministers on behalf of the Accord.

Community Safety CCTV

The Shire completed the installation of CCTV cameras within the CBD and surrounding areas in this reporting period. The CCTV provide real-time coverage for police and has had a big impact on crime and antisocial behaviour within Kununurra CBD and



Wyndham.

Community Safety Plan

A draft Community Safety and Crime Prevention Plan has been developed. Plans to workshop the document with relevant stakeholders were however delayed due to COVID-19. It is intended that the Shire will form a working group committee to provide stakeholder feedback and input in finalising the document in the 2020/21 reporting period.



Recorded Crime

Crime statistics provide an important tool for communities to see trends over time and will assist in the evaluation of crime prevention and associated programs. Documented increases in recorded crime can be used by the community to advocate and lobby for additional resources and funding.

During 2019/20, recorded offences in Wyndham fell by 75% and Kununurra also saw a fall of 66% compared to 2018/19. Kimberley District Superintendent Greg Crofts said alcohol continues to be the biggest cause of bad behaviour in both adults and the children in their care.

During the year, the State government developed the Kimberley Juvenile Justice Strategy and funded a number of programs to try to keep young people out of trouble in the short-term, including bush camps run out of Kununurra and after-school programs.

Road Safety

During the year, there were three road traffic fatalities in the Shire of which one occurred on a Shire managed road. All these incidents occurred within 110 km/h speed limits.



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Building and Compliance

The construction value of the 72 Building Permits (BA4) issued by the Shire for the year was \$7,395,828, which is reflective of a significant decrease in construction works compared to \$26,232,802 in 2018/19.

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

- 54 Certificates of Design Compliance (BA3)
- 10 Demolition Permits (BA6)
- 6 Occupancy Permits (BA10)
- 4 Building Approval Certificates (BA14)
- 5 Certificates of Building Compliance (BA18)

The Shire also provides an External Certification Service and issued a number of additional Certificates of Design Compliances (CDC) to the following applicants:

- City of Karratha - 19
- Shire of Halls Creek - 1
- Private (Builder) - 1

Pool assessments

34 inspections for swimming pool security compliance (minimum four-year interval) were undertaken in compliance with the relevant regulations.

Major works

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

- Canopies for Unmanned Petrol Station in Kununurra (not yet constructed).

Ranger Services

The Ranger Services team is responsible for the education and compliance of State Government legislation and Council's Local Laws for controlling dogs and cats, firebreak inspections, stock control, litter and parking. Rangers spend most of their time undertaking patrols and responding to customer requests forming a vital part of helping to make our community a safer place.

Rangers aim to provide the best possible customer service by following Council's Customer Service Charter by participating in a high standard of service to the community and the organisation and assist with the delivery of emergency services.

Over the last 12 months Standard Operating Procedures for Ranger Services have been developed incorporating Council delegated powers and reviewing relevant Acts, Regulations, Local Laws, policies and procedures. The Standard Operating Procedures will continue to be updated and amended as Acts, Regulations, Local Laws policies and procedures are changed. The Standard Operating Procedure have been reviewed by a legal professional to ensure consistency with Western Australian law.

Ranger Services forms have been standardised, updated and are compliant with all laws and policies to produce uniform correspondence when dealing with members of the community.



Ranger and community safety is paramount, therefore Rangers have been issued body cameras as a tool to help increase public confidence, provide an improved evidence gathering method and assist in the safety and integrity of officers and community members.

Constant training is provided to Rangers to improve their skills, knowledge and keep them up to date with new methods, actions and legal responsibilities.

Rangers are provided training in Senior First Aid to help members of the community if it is required.

Enforcement is a tool of last resort that Rangers have to regularly utilise due to ongoing breaches including issuing warning notices and infringements.

Ranger Services have connected the use of infringements with the Western Australia Department of Justice Fine Enforcement Registry providing the option to have unpaid fines finalised.

Rangers are normally on duty from 8:00am to 4:00pm Monday to Friday and conduct adhoc out of hours patrols. Rangers also provide after hours emergency

2 Enhancing the environment

Make towns safe and inviting for locals and visitors

response in cases such as:

- stock on Shire Roads posing danger;
- dog attack in progress or aggressive dogs wandering at large;
- animals in immediate dire need of assistance;
- Emergency Services requests (Police, Fire and Ambulance);
- Collection of captured stray animals;
- Shire building security alarm attendance &/or coordination of repairs, and
- Snake capture/removal.

Community awareness and education

During the year rangers used a wide range of engagement methods including social media, newspapers and Shire website and information brochures. Rangers conduct visits to School and not-for-profit organisations. Rangers plan to hold public forums next year to create more awareness within the community.

Ranger Services have produced a Domestic Animal Management Plan and Barking Dogs Information Pack which can be found on the Shire website to provide readily available information to members of the community.

Animal Management

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

The Animal Management Facility was improved by installing a septic containment system, upgraded lighting and improving cage security, strength and capacity. Rangers are regularly painting the pens and floor surfaces to ensure cleanliness, as well as health and safety. Further improvements are planned to deliver a secure space to store all miscellaneous items such as dog food, animal control equipment, and other Ranger Service items. A security cage is being installed around existing pens to assist in the prevention of animal escapes and the stored water tanks are being upgraded to provide a more sustainable amount of water for current and future expansion usage.

Seized animals are routinely treated for pests such as

ticks and fleas. Any sick or unwell animals are provided veterinary attention.

Rangers have been ensuring every animal released from the pound is microchipped.

Litter reduction

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

Regular patrols of identified areas where illegal dumping occurs, immediate rubbish removal and utilising monitoring devices are conducted on a regular basis in an attempt to prevent illegal dumping.

Regular patrols of Kununurra and Wyndham town sites educating people about littering continues. Rangers focus on educating people and utilise enforcement measures only when required.

Graffiti throughout the Shire continues to be an issue. Rangers regularly conduct graffiti removal/cover up in an attempt to prevent further graffiti incidents.

Illegal camping and parking

Illegal camping continued to be prevalent around Kununurra during the first quarter. The introduction of restrictions from the State of emergency saw a significant reduction during the rest of the year, resulting in 28 infringements issued, down 52%, compared to 58 in 2018/19.

During the year Rangers focused on illegal parking in high risk areas such as school zones and increased efforts to educate the public on parking requirements.

Bushfire and Emergency Management

Bushfire management and bushfire brigades

The Department of Fire and Emergency Services (DFES) and the Shire have a Memorandum of Understanding giving the control of the Bushfire Brigades to DFES.

Rangers have been provided training as Fire Control Officers and in general attendance and fire control.

Two Ranger vehicles have been fitted with fire units, these units provide Rangers with a fast response ability to attend small fires within the community and the ability to conduct controlled burns in a safe manner.

Strategic partnerships have been established with DFES and Department of Biodiversity, Conservation and Attractions (DBCA) enabling interagency fire prevention and strategic fire mitigation strategies to



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take place in a well-coordinated, planned and concise manner, benefiting all agencies and the community.

Rangers have heavy machinery training and complete a high percentage of the required firebreaks on Shire land themselves. This service is also coordinated with DFES and DBCA and these services are provided for their benefit as well.

Bushfire Advisory Committee Meetings are conducted with outside agencies to enable an organised, well-educated approach to fire mitigation.

Rangers have conducted several drainage clearing projects through clearing drainage areas, this ensures fire safety by removing the fire hazard to the community.

Rangers are responsible, as Fire Control Officers, to issue fire permits, monitor, maintain and change the Fire rating signs throughout the community. Rangers inspect properties to ensure they are not a fire hazard. Hazard reduction notices are given to properties that have been identified as a fire hazard and are in breach of the Bush Fires Act 1954.

Local Emergency Management

The Shire's Senior Ranger and Emergency Services Coordinator is responsible for the organisation of the Local Emergency Management Committee (LEMC). This committee involves various outside agencies, LEMC meets four times a year at minimum to discuss matters in relation to emergency management.

The Local Emergency Management Arrangements (LEMA) and Recovery Plan are currently being reviewed. Several risk workshops have been conducted and coordinated by Ranger Services to enable risk identification and supply information for the LEMA review. These plans are in line with the State Emergency Management Committee guidelines and have been in the review process for the past 18 months. Once approved these arrangements will remain in place for 5 years before another review is required.

In conjunction with Water Corporation, LEMC held a Dam Safety Exercise which provided information to all agencies in relation to an incident involving the Ord River (Argyle) Dam in an emergency and enabled agencies to discuss their role and plan how their agency would plan for and work with other agencies to react to this scenario.

The Shire's website has been improved to provide links

to information in relation to emergencies such as cyclones, flooding, driving in flooded waters and fire. These links provide information to the community focusing on preparedness, response and recovery.

The Shire is responsible for recovery as per the Emergency Management Act 2005.

The Shire is currently assisting the Department of Health in relation to the current COVID-19 pandemic to provide assistance with response and recovery in line with State Plans.

Environmental Health

Environmental Health Assessments

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

Assessments	2018/19	2019/20
Health assessments	61	50
Food Safety assessments	95	88
Public swimming pool sampling	279	236
Public event assessments	10	11
Septic systems approval for use	8	6

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

Food Safety Assessments

Food businesses are bound by the Food Act 2008 and given a risk classification which determines their inspection frequency. This year saw an additional 9 new food businesses start up in the Shire, taking the number of registered businesses to 141; the majority of these are classified as medium risk. A total of 102 inspections were carried out to monitor food safety and hygiene in local food businesses and temporary stalls set up at public events.

2 Enhancing the environment

Make towns safe and inviting for locals and visitors

The emergence of COVID-19 resulted in short term business closures to prevent the spread of COVID-19, such as restaurants and cafes no longer being able to have dine in patrons; instead permitted to only provide takeaway meals. When the dine in bans were lifted, there were still requirements for physical distancing for patrons and staff, which limited the number of persons permitted within the dining areas.

These safety measures implemented by the WA state government ultimately reduced the number of food inspections undertaken for the second half of 2020 for both Shire staff and food business staff overall safety.

Public Swimming Pool Sampling

In accordance with the Health (Aquatic Facilities) Regulations 2007, the Shire samples all public accessible swimming pools monthly whilst the facilities are open for use. These samples are sent to Perth for microbial analysis to determine the safety of the water, in the 2019/20 financial year, 236 samples were collected. Of these, 3 re-samples were collected in response to unsatisfactory microbiological results requiring action. This included 1 sample positive for *Pseudomonas aeruginosa*, 1 sample positive for *Escherichia coli*, and 1 sample positive for *Thermophilic naegleria*.

In response to COVID-19 on 25 March 2020, the WA States Emergency Coordinator issued a direction that all public swimming pools statewide were to close and remain closed until such time as otherwise directed. Phase 2 of the statewide roadmap saw the permitted re-opening of these facilities, which was effective as of 18 May, following which Officers priorities testing of public swimming pools.

Mosquitoes

The Shire's Environmental Health Officers raise community awareness of the risk of mosquitoes through a number of awareness stands at community events. In addition to these stalls, the Shire continues to promote the WA Department of Health's 'Fight the Bite' campaign, like the three central messages being: Cover Up, Repel (using repellents) and Clean Up areas around the home where mosquitoes can breed. This campaign is aimed at reducing mosquito-borne diseases that affect individuals and communities. This information can be seen at the Kununurra Picture Garden outdoor movies, and heard on the Waringarri Media (Radio Station).

There were 4 confirmed cases of mosquito-borne viruses (3 Ross River virus and 1 Barmah Forrest virus

confirmations) in the Shire of Wyndham East Kimberley during the reporting period.

Public events

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

41 event applications were received by the Shire in the 2019/2020 financial year with 21 event approvals issued and 2 acknowledgement letters provided for low-risk events. A number of annual events, including the Lake Argyle Swim, Ord Valley Muster and Dam to Dam Dinghy Race could not proceed in early 2020 due to the State of Emergency restrictions, which resulted in 21 events were being cancelled and 2 events being postponed.

Health Complaints Received

A total of 37 complaints were received and investigated in 2019/20, with almost half of these being in regard to excessive noise. This is a 48% increase on the number of complaints that the Shire had received in the previous 2018/19 financial year.

Complaint Type	2018/19	2017/18
Noise	11	16
Mosquitoes	3	5
Waste	3	4
Food	5	5
Smoke	0	2
Odour	0	0
Pool	0	0
Asbestos	2	1
Housing conditions	1	4
Total complaints	25	37

Strategic Land Use Planning

Town Centre Planning

Officers met with community members and stakeholders in Wyndham in November 2019 to discuss priority projects and actions to revitalise and



PLACE

improve the physical appearance of the town. Officers also began to identify likely priority areas in Kununurra; mostly within the town centre and at key public destinations (Swim Beach and Celebrity Tree Park) and engaged UDLA, landscape architects and urban designers, to assist with establishing appropriate theming for each town and to start prioritising key projects and destinations.

The overall aim with respect to these projects is to improve townscape amenity and provide public space that promotes community pride, health and wellbeing; and in particular the need to define an urban design vision for improving the urban environments for locals, whilst also providing an improved visitor experience. Each project will be linked for the purpose of enhancing key destinations in each town and premised upon the basis of integrating basic 'ingredients' to maximise their benefit, around:

- Emphasising culture and identity
- Enhancing comfort through appropriate shade (trees and shelters) and seating
- Improving connections, with an emphasis on catering for all abilities and people with disability
- Considering safety such as appropriate pedestrian lighting
- Catering for locals and visitors

This work will continue and be further refined in the 2020/21 reporting period.



Wyndham Evening Engagement event

Foreshore Place Making

A major component of work related to streetscape and place making projects relates to foreshore areas; in Kununurra, at Swim Beach, and in Wyndham along the foreshore between Anthon's Landing and the boat ramp. Officers within the reporting period, prepared

scoping documents which will be progressed in 2020/21 for the purpose of linking and enhancing these locations in line with the Shire's overall strategy and in line with its streetscape and place making program and which will incorporate significant input and ideas sharing from community members and other key stakeholders.

Strategic Land Release Planning

The Shire's Local Planning Strategy, which provides the long term strategic planning framework for future development within the Shire for the next 10 years and considers future land uses and other planning recommendations for the Shire, was endorsed by the Western Australian Planning Commission on 21 August 2019.

The response to the COVID-19 State of Emergency delayed commencement of work in this area which was to prepare a scoping paper to identify gaps in strategy with respect to future land releases, with the main gap relating to land for future (general) industrial purposes. Work in this area is now proposed to align with the recommendations of the Shire's new Economic Development Strategy, which is proposed to be adopted by Council in the 2020/21 reporting period.

Statutory land use planning

41 Development Applications were received and 33 Approvals were issued, with 100% of those issued within statutory timeframes. This total number of applications is down on the previous year (58 in the previous year) and consequently the application fees received were less.

The majority of development approvals issued were for use and development within Kununurra and surrounds, with a mix of applications for residential development, rural sheds and home based businesses.

The Shire also responded to a number of referrals from State agencies in relation to Crown land administration and public works, as outlined below:

- Crown Land Enquiries from Department of Planning Lands and Heritage (DPLH) - 18
- Public Work Referrals (under the Planning and Development Act) for Housing developments within the Shire - 16.

Economic Prosperity



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

PROSPERITY

2019/20 CBP Action Summary

16 Actions



6 Completed



6 Commenced



1 Not started



3 Deferred



EKRA Aircraft movements

6,762 ↓20%

2018/19: 8,455 | 2017/18: 8,630



EKRA Passenger numbers

60,416 ↓22%

2018/19: 78,095 | 2017/18: 69,669



Wyndham Aircraft movements

313 ↓33%

2018/19: 467 | 2017/18: 409



Building Approvals

81 ↑12%

2018/19: 81 | 2017/18: 67

Economic development



Planning Approvals

58 ↑18%

2018/19: 58 | 2017/18: 49



Construction Value

\$14.41m ↓55%

2018/19: \$32.95m | 2017/18: \$12.16m

Access to goods and services



Shire spend with local businesses

\$3.24m ↓9%

2018/19: \$3.55m | 2017/18: Unknown



Percentage spend with local businesses

24% ↑30%

2018/19: 19% | 2017/18: Unknown

Businesses registered in the Shire

1,128 ↑9%

2018: 1,032 | 2017: 954



Businesses registered in Kununurra

943 ↑9%

2018: 943 | 2017: 863



Businesses registered in Wyndham

99 ↑18%

2018: 84 | 2017: 90

Goal 3.1

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

Advocacy for economic development

The Shire continues to work closely with all industry sectors in the region to identify infrastructure and liveability priority projects. This information is then utilised to approach governments (Federal and State) to seek support for critical infrastructure projects. The priority projects that the Shire continues to advocate for, and which are also on the Kimberley Zone's priority projects list, are the East Kimberley Regional Airport airside infrastructure upgrade, provision of additional child care places and the upgrade to the East Kimberley Leisure and Aquatic Centre facilities.

Economic Development Planning

While the Shire has identified infrastructure shortfalls and future projects, the Shire needs to be ready for the development of support infrastructure in the region associated with economic development. Such infrastructure includes roads, worker accommodation camps, information and communications technology (ICT), housing, liveability and social infrastructure. Careful planning also requires the Shire to ensure projects are delivered smoothly and avoid the development peaks and troughs we have experienced in the past. Council is aware that it needs to create a procurement environment that supports local businesses to grow and prosper.

Economic Development Plan

The Shire is developing an Economic Development Strategy (EDS) for the region, expected to be completed by January 2021 and endorsed by Council the final quarter of 2021.

The funding of economic development actions is challenging for a Shire that has a small rate base. The Shire, therefore, is unable to self-fund large infrastructure projects and relies on grant funding from State and Federal governments to fund major projects. Additional work that will likely be developed after the completion of the EDS include:

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

Wyndham Port Logistics Study

The Port of Wyndham is a key import/export hub for the region. The Port is expected to experience increased throughput pressures in the medium to long-term, particularly from the resources and agricultural sectors. It is therefore important to understand what the throughput pressures are likely to be and the infrastructure requirements that will be necessary to cope with such pressures. The Shire applied for funding to undertake a logistics study but was unsuccessful. The Shire continues to advocate for funding to undertake this study of the Port to understand the likely demands for it.

East Kimberley Regional Airport (EKRA)

This year, the Shire continued engaging private and public sector interests to progress planning and design, for the long awaited extension of the EKRA runway, with upgrades to the Regular Public Transport (RPT) apron and associated taxiways included in this project. This vital project will see the EKRA upgraded in aircraft capabilities to be capable of handling larger B737 and A320 aircraft on a sustainable basis. This project will further enhance the liveability of the region, allowing for lower airfare costs, enabling community members to visit family and holiday out of the region without the expensive costs usually associated with living in a remote region. The investment in airport infrastructure is critical future economic growth especially in Kununurra.

Tourism will see benefits from the lower fares, with the lower cost of airfares into the region enabling visitors who in the past would not normally have been able to visit due to the high cost of flights. Lower fares will help promote the East Kimberley as a destination for tourism.

EKRA Property Management

Detailed design planning is being undertaken for the commencement of the commercial precinct at the EKRA, as per the Airport Master Plan. This is a major undertaking that will see the future availability of commercial lots in the Stage 1 precinct, along with a designated area for future sewer reclamation and solar systems.

Further upgrades will see a new, fully fenced and monitored, long-term car park and improved bus bay drop off and pick up area. Planning and Design layout for a more user-friendly main car park is also currently underway.

It is further recognised that the current terminal facility at the East Kimberley Regional Airport is already

3 Economic Prosperity

experiencing passenger and visitor capacity constraints due to the significant increase in passenger numbers, through the larger capacity aircraft that are now frequenting the EKRA. The larger aircraft is also putting pressure on other operational areas of the airport e.g. baggage screening and baggage pick-up.

Funding avenues are currently being investigated to progress the terminal redevelopment.

EKRA Security and Emergency management

There have been recent changes to Aviation security in relation to the requirements, as set down by the Federal Government. As such this will see the EKRA take possession of new generation Body Scanner. This new equipment will further enhance the detection of prohibited items as well as creating efficiencies in passenger throughput.

Wyndham Airport

Wyndham Airport Operations

Airbus have a base at Wyndham Airport using the airport hanger. The Shire anticipates that Airbus will return to full operations in 2021.

Wyndham Airport Property Management

There have been significant milestones achieved at the Wyndham Airport recently, with the completion of the Airbus compound and associated infrastructure.

A new primary lighting cable for the Airfield has also been installed to ensure the integrity of the airfield lighting systems are maintained into the future. This was part funded by \$45,000 from the State Government's Regional Airports Development Scheme (RADS) and funds drawn from the Airport reserve.

Major landside works undertaken included the demolition of asbestos buildings, construction of a

new essential powerhouse shed and the undergrounding of overhead power lines.

Replacement of the entire perimeter fence at the Airport was undertaken, along with progressive airside/landside fencing replacement.

Goal 3.2

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

Tourism

During the 2019 dry season, visitor numbers increased to a level not seen since the early development of Stage 2 of the Ord River Irrigation Area.

The 2020 dry was heavily impacted by COVID 19, and saw a dramatic decrease in visitors. Flights into Kununurra dropped from twenty three RPT flights per week to just eight. The impact of COVID-19 saw Virgin Airlines business go into administration. Because of the impacts of COVID-19 both State and Federal Governments provided funding to subsidise a basic air service to the Shire. This has proved to be very successful, demonstrating that there is a demand for fares at a lower price.

Direct flights to Melbourne in 2020 were deferred due to COVID-19. Prior to this, 50% of available seats had been sold. The Shire was very happy with the interest in the flights and is currently in discussions to enable the flights to recommence, hopefully in the 2021 dry season.

Significant economic activity during the year

Project Sea Dragon

Seafarms Project Sea Dragon is a \$1.5b large-scale land-based prawn farm in the region that will provide a significant economic boost to the towns of Kununurra and Wyndham. During the year the Northern Territory (NT) Government began sealing the Keep River Road, creating an all weather connection between the prawn farm and Moonamang Road.

Also during the year, the NT Government released 67,500ha of farmland in the Keep Plains Agricultural Development via an expressions of interest process. This will offer economic growth for local farmers and businesses and local employment opportunities.





PROSPERITY

Cotton Gin

Cotton production in the region has grown significantly in recent years and offers opportunities to value add through local downstream processing. Cotton trials have been successfully conducted in the last four years. Additional land is being made available for cotton farming on a scale that will sustain a cotton gin in the Shire. The Shire continues to work with the agricultural sector to grow local jobs and supports the private sector development of a cotton gin in Kununurra.

Green Hydrogen Generation Project

Kununurra has an abundance of water and renewable electricity needed to make clean hydrogen. Production of clean hydrogen offers an opportunity to create jobs and reduce carbon dioxide emissions as demand grows in Japan, Singapore and the EU. The closure of the Argyle Diamond Mine will see spare electricity in the East Kimberley making hydrogen production an ideal replacement industry. Pacific Hydro have received funding to investigate the development of a clean hydrogen plant near Kununurra.

Closure of Argyle Diamond Mine

The Argyle Diamond Mine has been a significant part of the Shire's economy since entering production in 1983 following the first diamonds discovered by geologists in the 1970's.

Following the last production from the Argyle mine in late 2020, it is anticipated that it will take five years to decommission mine and undertake rehabilitation, followed by a further period of time for monitoring. Argyle will continue to employ people post mining to work on rehabilitation and monitoring, continuing to pay wages and contributing to the local economy.



Argyle Mine - Extraction Level, Rio Tinto

The Shire is working with Rio Tinto to try and minimise the economic impact from the mine closure.

Panoramic Resources Ltd's Savannah Nickel Project

The growth of electric cars has boosted battery metal prices such as nickel during 2019 and 2020. As a result, local Savannah Nickel Mine restarted its operations during the year providing local employment and additional passenger traffic through the EKRA.

Ridges Iron Ore Mine

The Ridges mine, located 170 kilometres south of Kununurra, was put into care and maintenance in March 2020, after its previous operators, Gold Valley Iron, went into administration. Indus Mining Pty Ltd signed a mining agreement with tenement owner Kimberley Metals Group and plan to restart production in July 2020 creating 140 jobs.

Regional Price Preference Policy

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

Contracts and Procurement

All procurement is carried out as required by the Local Government Act 1995, the Local Government (Functions and General) Regulations 1996 (as amended) and the Shire's own purchasing policies. The Shire delivers training to employees around purchasing to ensure compliance and that value for money is being delivered to ratepayers.

The Shire uses the online platform Vendorpanel to undertake procurement activities and to engage with suppliers. The majority of local suppliers are registered suppliers in Vendorpanel and the Shire continues to encourage new businesses to register.

The Shire issued 14 public tenders and 34 formal requests for quotation (for expenditure over \$50,000) during 2019/20.

Goal 3.3

Develop and retain skilled people that business needs to succeed

No reported activity was undertaken during the year linked to Goal 3.3.

Delivering Focus Area 4

Civic Leadership



GOVERNANCE

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

2019/20 CBP Action Summary

11 Actions



5 Completed



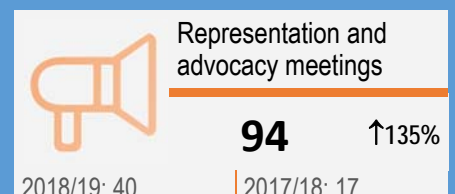
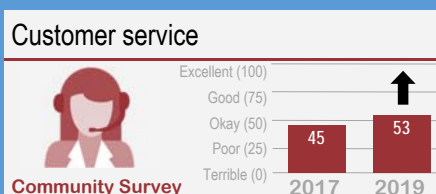
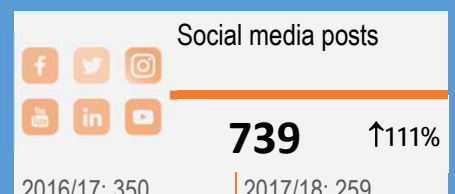
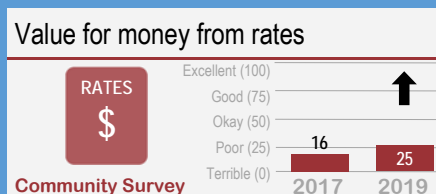
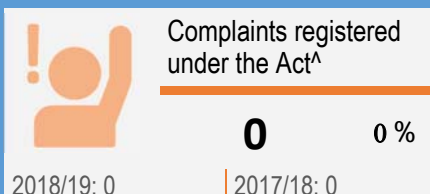
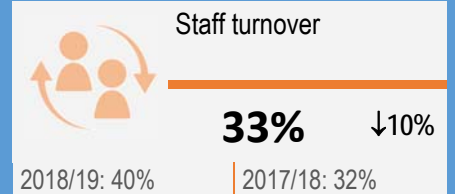
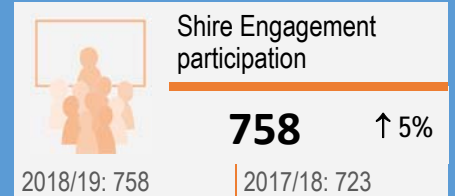
3 Commenced



0 Not started



3 Deferred



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

Goal 4.1

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

Partnerships and Advocacy

During the year, the Shire has been pursuing partnerships with both the private and public sectors in many areas, including Indigenous business development, resolution of issues such as waste management, youth issues, etc. The Shire has also been advocating strongly for projects in the region. We have been engaged with Federal and State government Ministers on a range of issues including the EKRA runway project, East Kimberley Leisure and Aquatic Centre, support for Seafarms' Project Sea Dragon, child care, liveability in the region and many more.

Shire representatives have met with Federal and State Ministers and their officers on numerous occasions. The Deputy President of the Council was also part of the Zone delegation to Canberra in late 2019 to support our projects. While COVID-19 severely impacted the Shire's ability to hold face-to-face discussions, there have been numerous teleconferences and visits by State and Federal members to the Shire.

During 2019 Council continued to support the integrated youth partnership with Kununurra Waringarri Aboriginal Corporation as well as Wyndham Youth Aboriginal Corporation which have built sustainable relationships with government agencies and those delivering services for youth diversionary programs and support. This has included continued support for the KEY (Kununurra Empowered Youth) school holiday program.

During the year the Shire submitted applications for various grants and supported grant applications by other in the Shire as part of its advocacy role.

Advocacy by groups across the Kimberley during the year has helped to secure the following State Government funding announced for the Kimberley for the 2020/21 financial year:

- \$6 million to North Regional TAFE's Kununurra Campus for a new Health and Hospitality Trade Training Centre, to deliver specialist training facilities for NDIS related courses and hospitality training
- \$3 million to Wyndham District High School to rebuild the Early Childhood Education Centre
- \$3.2 million for a water playground at the Kununurra Leisure Centre
- \$20 million for the construction of a 70 bed Aboriginal Short Stay Accommodation facility in Kununurra, providing temporary accommodation for Aboriginal people visiting Kununurra
- \$500,000 for upgrades and maintenance at Kununurra Police Station
- \$2 million for a new PCYC in Kununurra
- \$2.6 million to extend the Kimberley Family Violence Service trial for a further two years
- \$1.85 million for upgrades to alcohol and other drug facilities in regional WA, including sobering up centre in Wyndham
- \$12 million through the Regional Road Safety Program to upgrade 100 kilometres of Kimberley roads with shoulder sealing and installation of audible lines, creating around 55 local jobs
- \$6 million for the Regional Aviation Recovery program to ensure affordable airfares for residents and tourists including between Perth and Broome and Perth and Kununurra
- Replacing street lights with energy efficient LED across the towns of Kununurra and Wyndham.

Council representation on external committees

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

- WALGA Kimberley Zone / Regional Collaborative Group
- Kununurra and Wyndham Alcohol Accord
- Kimberley Regional Road Group
- The Kununurra Community and School Library Committee
- Kununurra Visitor Centre
- East Kimberley Marketing Group
- SWEK Roadwise Committee
- East Kimberley Air Access Coordination Group

Goal 4.2

Good decision making through engagement with the community

Communications Marketing and Media

In 2019/20, the Shire worked on improving its communication with the general public. Upon

4 Civic Leadership

Good decision making through engagement with the community

investigation, the Shire found issues in communications internally that affected the level of information shared to the public. Through the implementation of an internal newsletter, internal communication improved and led to a well-informed public.

During the third quarter, the Shire dealt with the Coronavirus (COVID-19) pandemic that changed the communication management process. This management process required the accurate flow of information both internally and externally in response to the pandemic. A new section of the Website was dedicated to assisting the community in accessing trusted COVID-19 related information, both in terms of actions from the Shire and a repository for State and Federal information relating to this District.

The pandemic enabled the Shire to move towards digital platforms. This included creating an online form system on the website. The Shire also saw an increase in engagement by the public using social media to obtain information, particularly around COVID-19.

Community Consultation

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

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

Strategic Community Plan - Desktop review

The Shire initiated a desk top review of the Strategic Community Plan during the year. Community input through the Community Perception Survey provided an opportunity to review the strategies. The restrictions caused by the out break of COVID-19 limited the opportunity to seek further community input. The Wyndham Town Centre Community Engagement offered an opportunity to review the aspirations for Wyndham.

2020 Corporate Business Plan

The community were invited to comment on and help influence the development of the 4 year Corporate Business Plan (CBP) covering 2020/21 to 2023/24. The restrictions caused by the out break of COVID-19 limited the opportunity for community input to online submissions.

Renewal of the Kununurra Leisure Centre

The community was invited to comment on the revised Draft Kununurra Leisure Centre Redevelopment

Design. The revised plan took into consideration feedback requesting more activities for children such as slides and water play. The latest design allows for a larger free water playground, which has subsequently received \$3.2m State funding for the 2020/21 financial year.



Kununurra Leisure Centre Redevelopment Community Engagement

Wyndham Town Centre Place-Making and revitalisation

The Shire held a community engagement event in Wyndham to inform street scape plans for Koolinda Street and the Highway area and Wyndham Port area. Around thirty local residents attended the event. A second engagement event planned for April was postponed due to COVID-19 restrictions.



Wyndham Community Engagement

Swim Beach Consultation

During the year the Shire engaged with students from the East Kimberley College (Formally Kununurra District High School) about what they would like to see



Swim Beach Community Engagement



GOVERNANCE

improved at Swim Beach.

Strategic Community Plan

The Shire initiated a desk top review during the year considered the information from the Community Scorecard Survey undertaken in early 2019. The community feedback received in the 2019 survey has confirmed that the goals outlined in focus areas 1, 2 and 3 remain consistent with community views. Strategies were updated or consolidated to reflect the Shire's approach in reaching the community goals. The reviewed document will be presented to Council in July 2020.

Corporate Business Plan

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

Goal 4.3

Ensure a strong and progressive organisation delivering customer focused services

Customer services

The Shire operates Customer Service Centres in Kununurra and Wyndham. During 2019/20 the Customer Service team continued to embrace a "continuous improvement" mindset and this has resulted in further incremental improvements to the customer experience. Ongoing professional training and skills development along with better supporting technology will further enhance the abilities of our customer service team and enable them to continue the delivery of high levels of customer service and administrative support.

During the peak of the COVID-19 State of Emergency Customer Service Officers provided vital information and communication services to the community whilst also continuing to provide administrative support for the delivery of Shire services and operations. Department of Transport services at the Wyndham office were affected during this time impacting the Wyndham community with alternative arrangements for licence testing and payment services made to accommodate essential requirements.

Information Management

The Shire's Records Department has continued to support the ongoing operations of the Shire through the timely provision of information as required and the safeguarding of information developed during the course of business operations.

The department has begun a process of reviewing the current record-keeping application in use with a view of process improvement and process streamlining. Part of this process has been the exploration of records digitisation and the planning of the transition to 'paperless' records/information management. Progress in this area was negatively impacted by the COVID-19 lockdown as a significant effort was required to ensure officers working remotely had to access to the required information.

Information Communication Technology (ICT)

The Shire's ICT team has undergone significant change over the past year. The appointment of a new Manager and a new Systems Officer has brought a fresh outlook on the Shire's ICT infrastructure and services. The focus over the past year has been to resolve communication issues across the various business units in Wyndham and Kununurra with a view of improving reliability and access to corporate systems. This was achieved through the introduction of GSM based connections for satellite offices in Wyndham and Kununurra as well as the roll out of a new telephony system in the Kununurra administration centre. This has resulted in faster, more reliable access to corporate services for the remote sites and greatly improved intra and inter-office communications.

During the COVID-19 lockdown, the ICT team was instrumental in facilitating the continuation of Shire operations by enabling Shire staff to work from home where possible. The transition to "working from home" and then back to the offices was completed with minimal interruption to the delivery of Shire services.

Property management

The Shire continued to maintain Shire owned housing to attract and retain staff. Works were undertaken to ensure that the Shire houses retain their value and meet the basic needs of staff. During the year the Shire initiated a strategic review of housing provision. The review has indicated that the length of service significantly improved where housing is provided.

4 Civic Leadership

Ensure a strong and progressive organisation delivering customer focused services

Our People

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

Employees	2019/20	2018/19	2017/18
FTE (Full Time Equivalent)	98.7	99	99
Full time staff employed	74	94	82
Total number of staff	99	108	115

Employee turnover rate

During the 2019/20 financial years the Shire had 18 employees join the Shire; and 33 employees leave the Shire. The turnover rate for the 2019/20 financial year was 33%. This is a 10% decrease from the 40.5% staff turnover rate reported in the 2018/19 financial year.

Recognising exemplary service

During the 2019/20 financial year, the Shire celebrated the below service achievements by staff:

- Terrence Arthur - 10 years of service at the EKRA
- Nick Allen - 10 years of service within recreational and leisure services

Equity and Diversity

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

During the year, the Shire completed an Equal Employment Opportunity (EEO) Survey. The table provided is reflective of statistics submitted to the Director of Equal Opportunity in Public Employment as at March 2020 and is representative of the staff based on relevant EEO data supplied.

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

Diversity Profile	Outdoor Workforce	Indoor Workforce
Employee count	19	80
Identify as female	11%	51%
Identify as male	89%	49%
Identify as Aboriginal	21%	3%
People with disability	-	1%
People with culturally and linguistically diverse background	-	13%
Aged 24 years and under	10%	6%
Aged 45 years and over	36%	50%
EEO survey participation	74%	61%

Safety and Wellbeing

The Shire has made a commitment to provide employees with a safe working environment.

Occupational Safety and Health Representatives on the Shire's Safety Team include both Management and Area Representatives covering all workplaces within both Kununurra and Wyndham.

Health and wellbeing

A variety of health and wellbeing initiatives are available to all employees through our Health and Wellbeing Program. These included 31 Flu vaccinations and 41 Skin checks. From the 41 skin checks conducted, none required referrals.

Asset Management

Asset Management Plan review

Substantial work was undertaken throughout the year to create detailed asset management sub-plans. Whilst the Shire has an Asset Management Strategy and an overarching Asset Management Plan, over 15 sub-plans were produced to allow officers to capture data on the asset condition, life expectancy, preventive maintenance requirements and replacement costs of asset groups i.e. Roads, Bridges, Footpaths, Pipe Systems etc.

The Shire has invested in the purchase of drones to safely capture asset data. Information collected is entered to the Shires asset management tool - RAMM to maintain accurate records of historic and current asset condition, as well as the location of Shire



GOVERNANCE

maintained assets such as signage and culverts.

Goal 4.4 Sustainably maintain the Shire's financial viability

Rates

There is a perception by some in the community that Shire rates are unreasonably high and that they should be reduced in line with changes to values in the property market despite the cost of delivering local government services remaining the same.

There are many reasons why rates in the Shire are high relative to larger Councils in the south of the state. The first consideration is the very small rates base the Shire has. The Shire has 2,782 rateable properties. By comparison, the City of Perth has over 18,000 rateable properties. This is relevant when considering the cost of providing services as the Shire does not have the benefit of economies of scale. This is particularly relevant when considering the burden of maintaining the asset base. The Shire has an asset base of approximately \$285M and rates revenue of \$10.4M which equates to 3.6% of the value of the assets to be maintained is raised from rates. By comparison the City of Perth has an asset base of \$1,140M and rates revenue of \$92.5M which equates to 8.1% of the value of assets to be maintained.

As the Shire deals with ratepayers and taxpayers funding it has to implement and abide by transparent processes such as procurement and recruitment. This is a cost that private enterprise does not necessarily have to bear. The Shire's remote location also impacts the cost of doing business. The Regional Price Index and the Local Government Cost Index are two guides used to provide an indication of the additional costs for local government which indicate up to a 20% loading needs to be applied to the cost of acquiring services. In addition to this, local experience suggests that a Kimberley loading of up to 70% needs to be applied when determining pricing. This is confirmed by experience of loadings on Perth pricing to conduct capital works projects in the Shire; a large part of which is due the costs of mobilisation and demobilisation.

The Shire needs a certain quantum of funds to deliver the services that it is legislatively required to deliver

and to ensure that the assets it owns are maintained in such a manner that they can continue to provide services for the community into the future. The Shire has over the last four financial years attempted to critically analyse its cost structure and ensure that processes are effective and efficient. To this end, the Shire transitioned from a budgeted operating deficit of \$6.6 million in 2016/17 to an actual deficit of \$1.1 million in 2018/19. The reducing operating deficit has allowed the Council to ensure that any rate increases are kept to a minimum and this is evidenced by a 1.2% rate increase in 2017/18 and 0% rate increases in 2018/19 and 2019/20. In 2019/20 the Shire had an operating deficit of \$3.6 million against a budgeted deficit of \$5.5 million. The improvement in operating results compared to budget was mainly due to grants received in advance of \$1.99 million and lower operating costs partially offset by a reduction in fees and charges revenue.

The Shire has a financial strategy in its Long Term Financial Plan to be a low rating Council. While 0% increases are desirable from the perspective of the ratepayer, they are not financially sustainable in the long term unless there are significant increases in the rates base or further operational efficiencies are found. With respect to rates varying with property revaluations, due to the Shire's very small rates base a change in economic conditions can bring about volatile swings in property values as has been seen in the past. It is not good practice to either increase rates dramatically when property prices increase or vice versa. Good practice is to increase the yield from rates each year by the desired increment by adjusting the rate in the dollar as required. Rates made up approximately 45% of operational funding sources for the Shire this year with the majority of funding coming from alternative sources including fees and charges and grants.

Grant funding

During the year, the Shire worked to secure the maximum grant funding available. Some grant funding the Shire receives is regular and Shire Officers do not have to make an application for it. Other grant funding is on application where the Shire competes for funding against other organisations. Not all funding applications are successful. The Shire received grant funding from the Federal Government, State Government of Western Australia and other statutory authorities set up under State Legislation. Some of the Federal grant income is routed via the State

4 Civic Leadership

Sustainably maintain the Shire's financial viability

Government such as the Financial Assistance Grants and Disaster Recovery Funding Arrangements Western Australia (DRFAWA) (Previously WANDRRA).

The Federal Government provided support to the Shire in 2019/20 through:

- Financial Assistance Grants
- Roads to Recovery
- Safer Communities Fund
- Aboriginal Access Roads Grant and
- Recovery Arrangements

Total funding received from the Federal Government in 2019/20 was \$4,995,567.

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

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

Total funding received from the State Government in 2019/20 was \$2,226,657.

Other grant funding of \$5,200 provided support to the Shire in 2019/20 through:

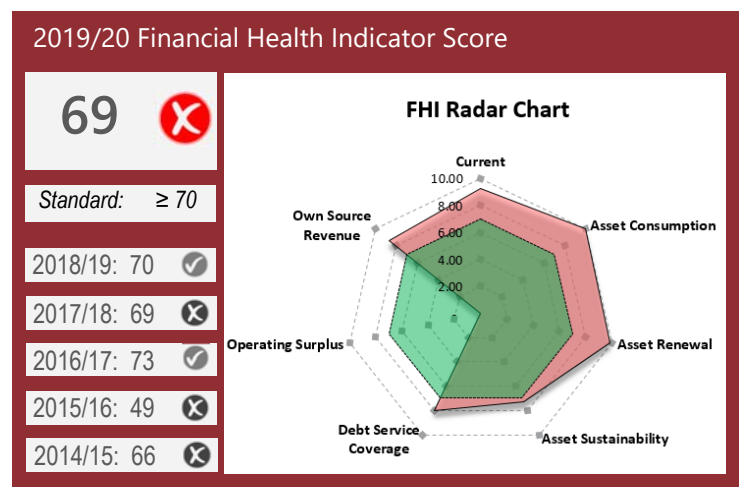
- Children's Book Council of Australia
- The total grant funding recognised in the financials for 2019/20 does not include \$541,242 for works not completed by the Shire in 2019/20.

Financial Health Indicator

The Financial Health Indicator (FHI) is a measurement of a local government's overall financial health and is best viewed as a trend over time. The FHI is calculated from the seven financial ratios that local governments are required to calculate annually. A FHI result of 70 and above indicates sound financial health with the maximum result achievable being 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.

The Shire's Financial Health Indicator for 2019/20 was 69 compared to a score of 70 for 2018/19. Whilst the 2019/20 FHI is slightly below what is considered to be the minimum standard, the Shire does not consider this to be indicative of a trend as there are a number of factors that impact the calculation of the FHI including the method of calculation and the weighting applied to the different financial ratios as well as specific circumstances impacting these during 2019/20.



Financial Ratios

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

Financial Overview and Summary

The Shire continued to deliver services and programs to the community through its 11 program areas. The focus continued to be on the economic development of the Shire with resources aligned to this area.

The COVID-19 Pandemic had a significant impact on the Shire's operations during the second half of the 2019/20 financial year with the reduction in airline flights and the closure of recreation facilities impacting revenue and additional financial support being provided to the community through financial hardship provisions and the community grants scheme.

The Council approved an operational budget of \$27.8 million and a capital works budget of \$8.8 million for 2019/20. The Shire incurred operating expenses of



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\$26.6 million and capital expenditure of \$6.7 million against the budget. An operating deficit of \$3.6 million was incurred for the financial year against a budgeted deficit of \$5.5 million. The improvement in operating results compared to budget was mainly due to grants received in advance of \$1.99 million (for use during 2019/20 financial year), and lower operating costs partially offset by a reduction in Fees and charges revenue.

Operating costs were lower than budgeted mainly due to lower materials and contract costs and other expenditure. The Shire owns and maintains approximately \$285 million worth of property, plant and infrastructure and re-values its assets to 'fair value' on a rotational basis. The full impact of depreciation has been brought to account in the Financial Report resulting in a depreciation expense of \$6.4 million which matched the budgeted amount of \$6.4 million. The recorded amount of depreciation is regarded as sufficient provision for the renewal and replacement of assets when they fall due. No revaluation of property, plant and infrastructure assets took place during the 2019/20 financial year.

Rates generated approximately 45% (18/19 - 43%) of operating revenue and 31.5% (18/19 - 35%) of operating revenue was from fees and charges.

The Shire's internal (cash) reserves (funds for specific purposes) were valued at \$15.3 million.

Operating deficit/surplus

The Shire recorded an operating deficit of \$3.6 million

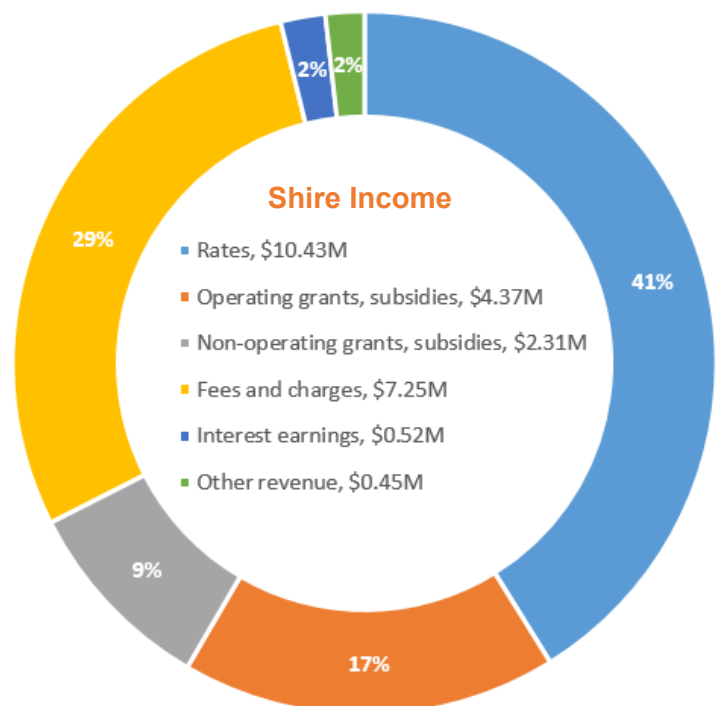
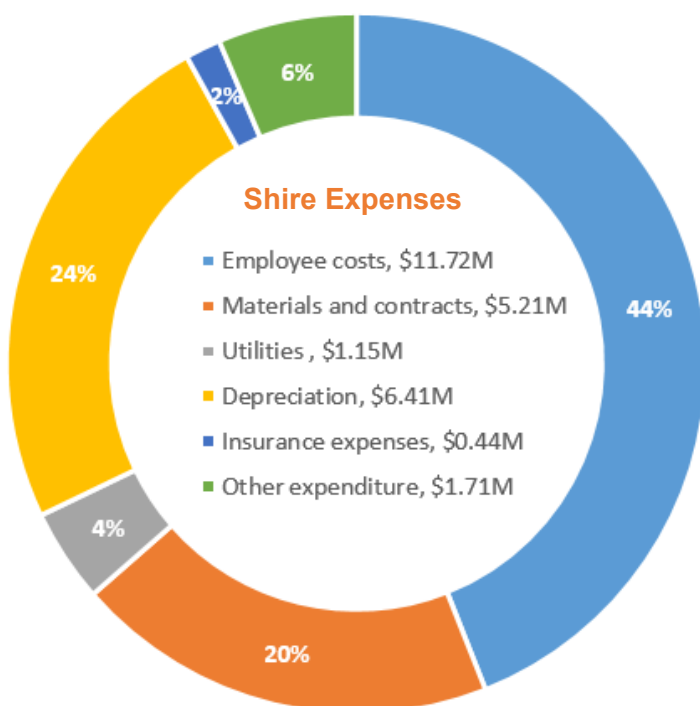
for 2019/20 which compares favourably with the budgeted deficit of \$5.5 million. This is an increase on the prior year deficit of \$1.1 million. This increase was mainly due to a decrease in fees and charges revenue as a result of the Covid-19 pandemic and an increase in employee costs due to additional leave provisions for leave not taken, depreciation and other expenditure.

The Operating Surplus Ratio (OSR) is a measure of a local government's ability to cover its operational

Operating surplus Ratio	Unadjusted	Adjusted
2019/20	-0.21	-0.20
2018/19	-0.14	-0.06
2017/18	-0.11	-0.11
2016/17	0.02	-0.09
2015/16	-0.27	-0.10

costs and have revenues available for capital funding or other purposes. The State Governments' [Integrated Planning and Reporting \(IPR\) Advisory Standard](#), published in 2016, requires the Shire to have an Operating Surplus Ratio greater than 0%. In 2019/20 the Shire recorded an unadjusted ratio of -0.21, compared to a ratio of -0.14 and - 0.11 in the previous two years.

The Shire considers that for these ratios to be meaningful the calculation needs to include adjustments relating to variations in the timing of

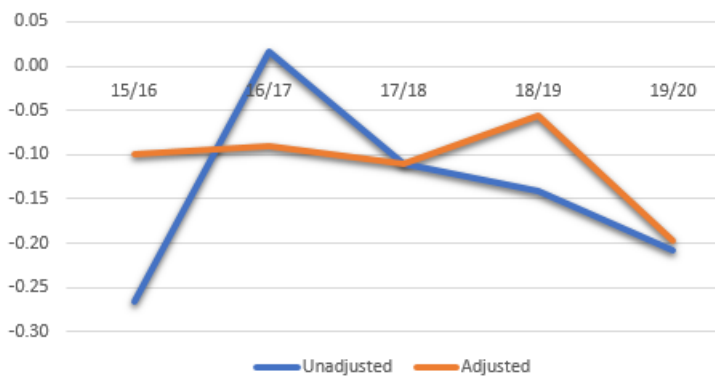


4 Civic Leadership

Sustainably maintain the Shire's financial viability

payments of the [Financial Assistance Grant to Local Government](#) as well as adjustments for the one off write off of assets that have been renewed. The directive from the WA Office of the Auditor General for the calculation of this ratio is not to include or report on adjusted ratios in the financial report.

Operating Surplus Ratio



By adjusting for the advanced payment of Financial Assistance Grants in prior years and one off capital items it can be seen that the ratio has improved over the four year period from 2015/16 to 2018/19, whereas the unadjusted ratios show a volatile negative trend which is not reflective of the true situation.

For 2019/20 the Shire recorded an unadjusted ratio of -0.21 and an adjusted ratio of 0.20. This was mainly due to the reduction in Airport and other revenue and increases in expenditure as a result of the Covid-19 pandemic and as such is considered to be a one off event and not reflective of a longer term trend.

For long term sustainability purposes the Shire needs to produce an operating surplus before capital items so that the regular costs incurred in its normal day to day operations are less than revenue received. Significant progress has been made to this end. Management continues to consider this imbalance to be mostly structural between capital and revenue items. This has been partially addressed with further actions to be taken in the 2020/21 financial year. The Shire is committed to ensuring that this will continue to be addressed over the long term planning period to ensure that any changes made are incremental and permanent. The Long Term Financial Plan that is to be updated and re-adopted by Council in 2020/21 will reflect the plan to achieve this.

Liquidity Ratios

The Current Ratio is a modified commercial ratio designed to focus on the liquidity position of a local government that has arisen from past year's transactions. The benchmark for the Current Ratio is met if this ratio is 1:1 or greater. The Shire's unrestricted Current Ratio, which is a measure of our capacity to satisfy short-term obligations, is 1.38:1 for 2019/20. It should be noted that this ratio is a picture at one point in time and is measured at the stage when the Shire's cash position is at its lowest ebb during the financial year.

The Debt Service Cover Ratio is the measurement of a local government's ability to repay its debt. The higher the ratio is, the easier it is for a local government to obtain a loan. The Shire's debt management is significantly above the standard which has been set at 2 or greater. The Debt Service Cover Ratio achieved for 2019/20 was 3.0 against a benchmark of 2 or greater. This means the Shire's operating surplus before interest and depreciation (cash surplus) covers interest costs 3 times. The Shire's Own Source Revenue Coverage Ratio for 2019/20 was 0.68 which reduced slightly but still remained within the standard of between 0.4 and 0.9. This means the Shire's own source revenue is able to cover 68% of its operating expenditure.

Asset Sustainability Ratio's

The [Asset Sustainability Ratio \(ASR\)](#) is a measure of the extent to which Shire assets are being replaced as they reach the end of their useful lives. In 2019/20 the Shire achieved an ASR of 93% against a benchmark of 90%. This ratio is best considered by examining the three year average. The average for the last three years is 115% which exceeds the benchmark of 90%. The Shire meets the required standard and is ensuring that its stock of assets are being renewed on the basis to ensure that they will provide services in future years.

The [Asset Consumption Ratio \(ACR\)](#) measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost. In 2019/20 the Shire achieved an ACR of 78% against a benchmark of 50% or greater. This ratio is an expression of how new the Shire asset stock is on average. Shire Officers have made significant progress improving the quality of data relating to infrastructure assets. The ratio of 78% reflects the status of the Shire's assets and the




GOVERNANCE

importance of prioritising renewal works over new.

The Asset Renewal Funding Ratio is a measure of the ability of the Shire to fund its projected asset renewal/replacements in the future. Since 2016/17 the Shire has been able to calculate this ratio because Council adopted the Long Term Financial Plan 2017-2027 and an Asset Management Plan. The ratio of 108% recorded in 2019/20 means that at present the amount of funds provided for in the Long Term Financial Plan is approximately the amount that is needed per the Asset Management Plan. The ratio is the best estimate that can be produced at this time before a detailed forward capital works program is produced and integrated into the Long Term Financial Plan. Once this has been done we fully expect the ratio to remain in the required range of 75% - 95% to meet the standard.

While the financial indicators reflect that the Shire is in a stable financial position, it will continue to face a number of financial challenges in the years ahead. These include developing new sources of revenue other than rates to fund ongoing operations, dealing with reducing grant opportunities for new asset construction and funding asset renewal and replacement programs. These issues will be addressed through the Long Term Financial Plan, which ensures that the day to day operations of the Shire are funded from sustainable revenue sources to maintain essential infrastructure (roads, footpaths, drains, community buildings, etc.).


Financial Ratios

Current Ratio **1.38** 

Standard: ≥ 1.00

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


2018/19: 1.79  | 2017/18: 1.22 

Asset Consumption Ratio **0.79** 

Standard: ≥ 0.50

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

2018/19: 0.65  | 2017/18: 0.70 

Asset Renewal Ratio **1.08** 

Standard: ≥ 0.75

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

2018/19: 0.96  | 2017/18: 0.87 

Asset Sustainability Ratio **0.93** 

Standard: ≥ 0.90

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


2018/19: 0.33  | 2017/18: 1.61 

Debt Service Cover Ratio **3.00** 

Standard: ≥ 2.00

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


2018/19: 3.35  | 2017/18: 3.68 

Operating Surplus Ratio **-0.21** 

Standard: ≥ 0.01

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

2018/19: -0.14  | 2017/18: -0.10 

Revenue Coverage Ratio **0.68** 

Standard: ≥ 0.40

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

2018/19: 0.73  | 2017/18: 0.74 

The Year Ahead 2020/21

Highlights for the year ahead

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

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

Tree Planting to
create shade in
towns

(#314)



Develop Water Playground

(#448)

East Kimberley
Runway Extension
secure funding

(#237)



Investment in
footpaths and
Shared Paths

(#277, #395)



Have

your

say

2021

Community Survey

(#1)



Work in partnership to
support and deliver
Youth services (#347, 349)



Direct flights to
Melbourne trial

(#226)

CBP Action Identification (ID) number

Shire Priorities - Longer Term

- 1
 - Refurbishment and upgrade of the Kununurra Leisure Centre (#448)
 - Manage and promote youth services and program delivery (#349)
- 2
 - Investment in the Shire road and footpath network
 - New Shire landfill site (#379)
- 3
 - East Kimberley Regional Airport runway extension (#237)
- 4
 - Develop Customer focused services (#196)
 - Review systems and procedures and implement corrective actions (#164)



STATUTORY REPORTS

FREEDOM OF INFORMATION

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

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

Should you wish to obtain a copy of the *Freedom of Information Act 1992* or associated regulations please visit the State Law Publisher website at www.slp.wa.gov.au 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 STATEMENT

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

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

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

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

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

REGISTER OF COMPLAINTS

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

Government Act s5.121 (6)(b) or (c).

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

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

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

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

PUBLIC INTEREST DISCLOSURE

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

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

DELEGATIONS REVIEW

In accordance with Section 5.46 of the *Local Government Act 1995* a review was undertaken of the Shire's Delegations Register during this period and presented to Council at the August Council Meeting.

PRIMARY AND ANNUAL RETURNS

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

NATIONAL COMPETITION POLICY STATEMENT

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

1. **Competitive neutrality** To remove benefits (and costs) which accrue to government business as a result of their public ownership.
2. **Structural reform** Local government is required to reform the structure of publicly owned monopoly businesses where it is proposed to introduce competition.
3. **Legislation review** To review legislation that restricts competition. The full requirements of the

package are contained in a statement issued by the Department of Local Government, Sport, and Cultural Industries. Competitive Neutrality

Competitive neutrality

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

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

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

Structural reform

In this area, Council has no monopoly activities.

Legislation review

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

Section 3.16 of the Local Government Act 1995 requires that all of the Local Laws of Local Government must be reviewed within an eight year period after their commencement to determine if they should remain unchanged or be repealed or amended. Local laws are currently being reviewed.

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 19 employees

whose salary exceeded \$100,000.

Salary Range	2018/19	2019/20
\$100,000 and \$109,999	2	2
\$110,000 and \$119,999	6	3
\$120,000 and \$129,999	5	5
\$130,000 and \$139,999	0	2
\$140,000 and \$149,999	0	1
\$150,000 and \$159,999	0	0
\$160,000 and \$169,999	0	1
\$170,000 and \$179,999	0	0
\$180,000 and \$189,999	0	2
\$190,000 and \$199,999	1	0
\$200,000 and \$209,999	0	0
\$210,000 and \$219,999	2	2
\$220,000 and \$229,999	0	1
\$250,000 and \$259,999	0	0
\$270,000 and \$279,999	1	0
Total Staff over \$100,000	17	19

DISABILITY ACCESS AND INCLUSION PLAN

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

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

The Shire's Disability Access and Inclusion Plan is a key strategic document, outlining the Shire's approach to working towards a more accessible and

Outcome Area	2019-20		2020-21
	Initiatives planned	Initiatives Completed	Initiatives planned
1 Services and Events	7	5	7
2 Buildings & facilities	2	1	2
3 Information	4	1	4
4 Services	3	1	3
5 Complaints	2	1	2
6 Consultation	3	2	3
7 Employment	8	4	8
Total actions	29	15	29

inclusive community. While it is a statutory requirement for the Shire to maintain and implement a DAIP, direct community benefits also result from the Shire's commitment to access and inclusion.

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

COUNCILLOR TRAINING

Councillor Training completed during the year	
T Chafer	Meeting Procedures and Debating
J Farquhar	Understanding Local Government; Serving on Council; conflicts of Interest ; Meeting Procedures
M McKittrick	Conflict of Interest; Understanding Local Government

COUNCIL MEMBER PROFILE

Council gender

Male	4
Female	5
Indeterminate	-

Council age profile

Age bracket	Councillors
Between 18 years and 24 years	0
Between 25 years and 34 years	0
Between 35 years and 44 years	1
Between 45 years and 54 years	3
Between 55 years and 64 years	3
Over the age of 64 years	2

ATSI Council Members

No council members identify as Aboriginal or Torres Strait Islander (ATSI).

COUNCIL MEETINGS HELD

In 2019/20, 11 Ordinary Council Meetings, 5 Special Council Meeting, 1 CEO Evaluation Committee Meeting, 4 Audit (Risk and Finance) Committee Meetings and 1 Annual Electors' Meeting were held.

COUNCIL COMMITTEES

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

Audit (Finance and Risk) Committee

Each local government is required to have an Audit Committee to exercise the powers and discharge the duties conferred on it. The Council's Audit (Finance and Risk) Committee's Terms of Reference as endorsed by the Council outlines the duties and responsibilities of the Committee. In addition to this legislated purpose, the Audit (Finance and Risk) Committee provides guidance and assistance to the

Council in relation to:

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

Other Committees:

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

CEO Review and Selection Panel

The CEO is employed by the Council and the performance of the CEO is to be reviewed at least once in relation to every year of employment. One CEO review panel was held during the year for Carl Askew. A Selection Panel of all Councillors was established for the recruitment of new Shire CEO which involved an independent consultant, resulting in the appointment of Vernon Lawrence.

COUNCILLOR MEETING ATTENDANCE

Meeting Attendance By Councillors - July 2019 to June 2020.

Elected Member	Ordinary Council Meeting (11)	Special Council (5)	Electors Meeting (1)	Audit Committee (4)	Sitting Fees, & allowances
D Menzel President	10(*1)	5		2	\$68,545
T Chafer Deputy President	10(*1)	5		4	\$29,696
N Brook	10	5			\$18,611
M Dear	11	4			\$18,611
J Farquhar	11	5	1	1	\$18,611
G Lodge	9(*2)	5		2(*1)	\$18,611
M McKittrick	11	4	1	4	\$18,611
D Pearce	10(*1)	4	1		\$18,611
A Petherick	10 (*1)	4	1		\$18,611

* LoA = Approved Leave of Absence

\$228,518

Annual Report

July 2019 to June 2020

Audited Annual Financial Report

For the year ended 30th June 2020



SHIRE OF WYNDHAM EAST KIMBERLEY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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COMMUNITY VISION

To be a thriving community with opportunities for all.

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the SHIRE OF WYNDHAM EAST KIMBERLEY for the financial year ended 30 June 2020 is based on proper accounts and records to present fairly the financial position of the SHIRE OF WYNDHAM EAST KIMBERLEY at 30 June 2020 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the **20TH** day of **NOVEMBER** 2020



Chief Executive Officer

Vernon Lawrence

Name of Chief Executive Officer

SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
Rates	24(a)	10,430,632	10,428,336	10,407,546
Operating grants, subsidies and contributions	2(a)	4,373,482	2,230,000	4,203,340
Fees and charges	2(a)	7,254,346	8,645,680	8,469,406
Interest earnings	2(a)	521,305	590,823	705,564
Other revenue	2(a)	452,955	378,500	422,895
		23,032,720	22,273,339	24,208,751
Expenses				
Employee costs		(11,719,153)	(11,478,651)	(11,015,505)
Materials and contracts		(5,211,265)	(5,871,335)	(5,130,680)
Utility charges		(1,147,933)	(1,097,650)	(1,074,156)
Depreciation on non-current assets	11(b)	(6,408,369)	(6,400,706)	(6,208,292)
Interest expenses	2(b)	(134,333)	(157,108)	(173,805)
Insurance expenses		(435,874)	(456,500)	(455,065)
Other expenditure		(1,575,710)	(2,351,419)	(1,262,451)
		(26,632,637)	(27,813,369)	(25,319,954)
		(3,599,917)	(5,540,030)	(1,111,203)
Non-operating grants, subsidies and contributions	2(a)	2,312,700	3,697,977	7,446,949
Profit on asset disposals	11(a)	29,206	13,769	45,197
(Loss) on asset disposals	11(a)	(227,152)	(16,180)	(1,478,389)
Assets written off		0	0	(233,320)
		2,114,754	3,695,566	5,780,437
Net result for the period		(1,485,163)	(1,844,464)	4,669,234
Other comprehensive income		0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(1,485,163)	(1,844,464)	4,669,234

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 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
	2(a)			
Governance		18,357	25,100	19,634
General purpose funding		14,835,408	12,917,399	14,894,134
Law, order, public safety		439,137	419,400	423,094
Health		74,674	80,500	70,002
Education and welfare		11,526	11,500	12,026
Housing		113,100	143,880	124,885
Community amenities		3,041,840	2,841,000	3,017,733
Recreation and culture		546,367	655,060	669,520
Transport		3,764,272	5,039,500	4,783,067
Economic services		84,926	105,000	80,869
Other property and services		103,113	35,000	113,787
		23,032,720	22,273,339	24,208,751
Expenses				
	2(b)			
Governance		(1,142,757)	(655,149)	(671,454)
General purpose funding		(91,255)	(315,675)	(289,491)
Law, order, public safety		(1,164,307)	(1,167,190)	(1,076,663)
Health		(322,960)	(296,002)	(256,605)
Education and welfare		(184,675)	(160,459)	(119,656)
Housing		(289,847)	(340,219)	(392,227)
Community amenities		(4,988,168)	(4,633,220)	(4,029,288)
Recreation and culture		(5,956,033)	(6,206,194)	(6,187,733)
Transport		(10,633,217)	(11,023,873)	(10,487,126)
Economic services		(866,711)	(1,895,911)	(714,337)
Other property and services		(858,374)	(962,371)	(921,569)
		(26,498,304)	(27,656,261)	(25,146,149)
Finance Costs				
	2(b)			
Governance		(76,104)	(92,114)	(96,789)
Education and welfare		(493)	(1,247)	(4,925)
Housing		(482)	(556)	(1,255)
Community amenities		(46,221)	(51,157)	(57,987)
Recreation and culture		(3,662)	(4,254)	(4,249)
Transport		(7,371)	(7,780)	(8,600)
		(134,333)	(157,108)	(173,805)
		(3,599,917)	(5,540,030)	(1,111,203)
Non-operating grants, subsidies and contributions	2(a)	2,312,700	3,697,977	7,446,949
Profit on disposal of assets	11(a)	29,206	13,769	45,197
(Loss) on disposal of assets	11(a)	(227,152)	(16,180)	(1,478,389)
Assets written off		0	0	(233,320)
		2,114,754	3,695,566	5,780,437
Net result for the period		(1,485,163)	(1,844,464)	4,669,234
Other comprehensive income		0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(1,485,163)	(1,844,464)	4,669,234

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

SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	NOTE	2020	2019
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	2,392,837	5,284,573
Trade and other receivables	6	1,936,787	1,963,979
Other financial assets	5(a)	15,171,146	13,728,574
Inventories	7	10,522	14,378
Other assets	8	933,531	599,060
TOTAL CURRENT ASSETS		20,444,823	21,590,564
NON-CURRENT ASSETS			
Trade and other receivables	6	35,922	31,206
Other financial assets	5(b)	23,491	33,350
Inventories	7	46,283	46,283
Property, plant and equipment	9	50,047,233	54,645,568
Infrastructure	10	234,945,847	234,049,131
TOTAL NON-CURRENT ASSETS		285,098,776	288,805,538
TOTAL ASSETS		305,543,599	310,396,102
CURRENT LIABILITIES			
Trade and other payables	14	1,587,100	1,459,835
Contract liabilities	15	2,268,701	0
Borrowings	16(a)	687,426	779,306
Employee related provisions	17	1,602,945	1,261,280
TOTAL CURRENT LIABILITIES		6,146,172	3,500,421
NON-CURRENT LIABILITIES			
Borrowings	16(a)	1,911,418	2,598,843
Employee related provisions	17	198,076	145,096
Other provisions	18	3,369,121	3,286,947
TOTAL NON-CURRENT LIABILITIES		5,478,615	6,030,886
TOTAL LIABILITIES		11,624,787	9,531,307
NET ASSETS		293,918,812	300,864,795
EQUITY			
Retained surplus		97,200,298	100,176,701
Reserves - cash/financial asset backed	4	15,337,538	15,581,418
Revaluation surplus	13	181,380,976	185,106,676
TOTAL EQUITY		293,918,812	300,864,795

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 30 JUNE 2020**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH/FINANCIAL ASSET BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2018		95,152,122	15,936,763	185,106,676	296,195,561
Comprehensive income					
Net result for the period		4,669,234	0	0	4,669,234
Other comprehensive income	13	0	0	0	0
Total comprehensive income		4,669,234	0	0	4,669,234
Transfers from reserves	4	9,566,405	(9,566,405)	0	0
Transfers to reserves	4	(9,211,060)	9,211,060	0	0
Balance as at 30 June 2019		100,176,701	15,581,418	185,106,676	300,864,795
Change in accounting policy	29(b)	(1,735,120)	0	(3,725,700)	(5,460,820)
Restated total equity at 1 July 2019		98,441,581	15,581,418	181,380,976	295,403,975
Comprehensive income					
Net result for the period		(1,485,163)	0	0	(1,485,163)
Other comprehensive income	13	0	0	0	0
Total comprehensive income		(1,485,163)	0	0	(1,485,163)
Transfers from reserves	4	4,178,897	(4,178,897)	0	0
Transfers to reserves	4	(3,935,017)	3,935,017	0	0
Balance as at 30 June 2020		97,200,298	15,337,538	181,380,976	293,918,812

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 30 JUNE 2020

NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates	10,266,553	10,428,336	10,094,458
Operating grants, subsidies and contributions	5,053,909	734,784	4,203,340
Fees and charges	7,254,346	8,645,680	8,809,660
Interest received	521,305	590,823	705,564
Goods and services tax received	1,430,854	2,472,906	1,932,141
Other revenue	452,955	378,500	422,895
	24,979,922	23,251,029	26,168,058
Payments			
Employee costs	(11,240,641)	(11,478,651)	(11,134,150)
Materials and contracts	(5,753,302)	(5,871,335)	(6,129,129)
Utility charges	(1,147,933)	(1,097,650)	(1,074,156)
Interest expenses	(134,333)	(157,108)	(180,713)
Insurance paid	(435,874)	(456,500)	(455,065)
Goods and services tax paid	(1,426,983)	(977,690)	(1,896,715)
Other expenditure	(1,202,878)	(2,351,419)	(1,182,282)
	(21,341,944)	(22,390,353)	(22,052,210)
Net cash provided by (used in) operating activities	19 3,637,978	860,676	4,115,848
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	9(a) (946,835)	(1,023,000)	(1,265,133)
Payments for construction of infrastructure	10(a) (5,795,061)	(7,803,720)	(9,563,973)
Non-operating grants, subsidies and contributions	2(a) 2,312,700	3,697,977	7,446,949
Proceeds from financial assets at amortised cost - term deposits	(1,442,572)	0	(6,147,271)
Proceeds from financial assets at amortised cost - self supporting loans	9,859	9,836	9,576
Proceeds from sale of property, plant & equipment	11(a) 111,500	105,000	293,693
Net cash provided by (used in) investment activities	(5,750,409)	(5,013,907)	(9,226,159)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	16(b) (779,305)	(779,310)	(903,767)
Net cash provided by (used in) financing activities	(779,305)	(779,310)	(903,767)
Net increase (decrease) in cash held	(2,891,736)	(4,932,541)	(6,014,078)
Cash at beginning of year	5,284,573	16,917,002	11,298,651
Cash and cash equivalents at the end of the year	19 2,392,837	11,984,461	5,284,573

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	25 (b)	4,539,474	4,421,685	2,827,492
		4,539,474	4,421,685	2,827,492
Revenue from operating activities (excluding rates)				
Governance		18,357	25,100	19,634
General purpose funding		4,410,454	2,494,762	4,492,267
Law, order, public safety		439,137	419,400	423,094
Health		74,674	80,500	70,002
Education and welfare		11,526	11,500	12,026
Housing		113,100	143,880	124,885
Community amenities		3,041,840	2,841,000	3,017,733
Recreation and culture		546,367	655,060	673,894
Transport		3,764,272	5,040,265	4,823,890
Economic services		84,926	105,000	80,869
Other property and services		132,319	48,004	113,787
		12,636,972	11,864,471	13,852,081
Expenditure from operating activities				
Governance		(1,218,861)	(747,263)	(773,374)
General purpose funding		(91,255)	(315,675)	(289,491)
Law, order, public safety		(1,164,307)	(1,167,190)	(1,076,663)
Health		(322,960)	(296,002)	(256,605)
Education and welfare		(185,168)	(161,706)	(124,581)
Housing		(290,329)	(340,775)	(393,482)
Community amenities		(5,034,389)	(4,684,377)	(4,274,986)
Recreation and culture		(5,975,764)	(6,210,448)	(6,235,122)
Transport		(10,655,774)	(11,047,833)	(11,967,680)
Economic services		(866,711)	(1,895,911)	(714,337)
Other property and services		(1,054,271)	(962,371)	(925,342)
		(26,859,789)	(27,829,551)	(27,031,663)
Non-cash amounts excluded from operating activities	25(a)	7,611,999	6,403,117	8,117,007
Amount attributable to operating activities		(2,071,344)	(5,140,278)	(2,235,083)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	2,312,700	3,697,977	7,446,949
Proceeds from disposal of assets	11(a)	111,500	105,000	293,693
Proceeds from financial assets at amortised cost - self supporting loans		9,859	9,836	9,576
Purchase of property, plant and equipment	9(a)	(946,835)	(1,023,000)	(1,265,133)
Purchase and construction of infrastructure	10(a)	(5,795,061)	(7,803,720)	(9,563,973)
Amount attributable to investing activities		(4,307,837)	(5,013,907)	(3,078,888)
FINANCING ACTIVITIES				
Repayment of borrowings	16(b)	(779,305)	(779,310)	(903,767)
Transfers to reserves (restricted assets)	4	(3,935,017)	(2,280,029)	(9,211,060)
Transfers from reserves (restricted assets)	4	4,178,897	2,790,888	9,566,405
Amount attributable to financing activities		(535,425)	(268,451)	(548,422)
Surplus/(deficit) before imposition of general rates		(6,914,606)	(10,422,636)	(5,862,393)
Total amount raised from general rates	24(a)	10,424,954	10,422,636	10,401,867
Surplus/(deficit) after imposition of general rates	25(b)	3,510,348	0	4,539,474

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
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FOR THE YEAR ENDED 30 JUNE 2020**

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SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

1. BASIS OF PREPARATION

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

AMENDMENTS TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Prior to 1 July 2019, *Financial Management Regulation 16* arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Shire. This was not in accordance with the requirements of AASB 1051 *Land Under Roads* paragraph 15 and AASB 116 *Property, Plant and Equipment* paragraph 7.

From 1 July 2019, the Shire has applied AASB 16 Leases which requires leases to be included by lessees in the statement of financial position. Also, the *Local Government (Financial Management) Regulations 1996* have been amended to specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position) rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparative year amounts have been retained as AASB 16 does not require comparatives to be restated in the year of transition.

Therefore the departure from AASB 1051 and AASB 16 in respect of the comparatives for the year ended 30 June 2019 remains.

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

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

On 1 July 2020 the following new accounting standards are to be adopted:

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

AASB 1059 *Service Concession Arrangements: Grantors* is not expected to impact the financial report.

Specific impacts of AASB 2018-7 *Amendments to Australian Accounting Standards - Materiality*, have not been identified.

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 30 to these financial statements.

SHIRE OF WYNDHAM EAST KIMBERLEY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

SIGNIFICANT ACCOUNTING POLICIES

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

(a) Grant revenue

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Operating grants, subsidies and contributions			
Governance	6,875	10,000	4,776
General purpose funding	3,851,800	1,875,000	3,749,014
Law, order, public safety	44,448	36,000	36,921
Health	6,161	3,000	1,074
Community amenities	95,544	68,500	40,684
Recreation and culture	68,942	78,000	78,591
Transport	257,421	125,000	248,166
Economic services	13,512	9,500	5,647
Other property and services	28,779	25,000	38,467
	4,373,482	2,230,000	4,203,340
Non-operating grants, subsidies and contributions			
Law, order, public safety	401,607	80,089	719,574
Recreation and culture	186,567	502,398	148,496
Transport	1,724,526	3,115,490	6,578,879
	2,312,700	3,697,977	7,446,949
Total grants, subsidies and contributions			
	6,686,182	5,927,977	11,650,289
Fees and charges			
Governance	1,723	4,100	3,302
General purpose funding	32,572	34,000	33,286
Law, order, public safety	42,707	43,400	41,849
Health	68,513	77,500	68,928
Education and welfare	11,526	11,500	12,026
Housing	113,100	143,880	124,885
Community amenities	2,946,297	2,772,500	2,960,528
Recreation and culture	476,525	566,300	558,847
Transport	3,490,749	4,897,000	4,518,252
Economic services	70,636	95,500	74,505
Other property and services	0	0	72,998
	7,254,346	8,645,680	8,469,406

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

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

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

Fees and Charges

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

2 REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)	2020 Actual \$	2020 Budget \$	2019 Actual \$
Contracts with customers and transfers for recognisable non-financial assets			
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:			
Fees and charges	7,185,191	8,556,679	8,411,073
Non-operating grants, subsidies and contributions	2,312,700	3,697,977	7,446,949
	9,497,891	12,254,656	15,858,022
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:			
Contracts with customers included as a contract liability at the start of the period	1,735,120	1,735,120	0
Performance obligations satisfied in the previous year			
Other revenue from contracts with customers recognised during the year	7,762,771	10,519,536	0
	9,497,891	12,254,656	0
Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:			
Trade and other receivables from contracts with customers	819,329	0	0
Contract liabilities from contracts with customers	(2,268,701)	0	0

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

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

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

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

2 REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

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

General rates
 Statutory permits and licences

Other revenue

Reimbursements and recoveries
 Other

Interest earnings

Financial assets at amortised cost - self supporting loans
 Interest on reserve funds
 Rates instalment and penalty interest (refer Note 23(b))
 Other interest earnings

	2020 Actual \$	2020 Budget \$	2019 Actual \$
General rates	10,424,954	10,422,636	10,401,867
Statutory permits and licences	69,155	89,001	58,333
	10,494,109	10,511,637	10,460,200
Reimbursements and recoveries	0	378,500	19,688
Other	452,955	0	403,207
	452,955	378,500	422,895
Financial assets at amortised cost - self supporting loans	901	4,000	1,276
Interest on reserve funds	243,546	285,900	357,910
Rates instalment and penalty interest (refer Note 23(b))	213,619	200,000	224,511
Other interest earnings	63,239	100,923	121,867
	521,305	590,823	705,564

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

Interest earnings (continued)

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

SHIRE OF WYNDHAM EAST KIMBERLEY
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

2 REVENUE AND EXPENSES (Continued)

(b) Expenses	Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
Auditors remuneration				
- Audit of the Annual Financial Report		35,126	33,000	32,032
- Other services		3,435	28,500	24,203
		38,561	61,500	56,235
Interest expenses (finance costs)				
Borrowings	15(b)	134,333	157,108	173,805
		134,333	157,108	173,805

SHIRE OF WYNDHAM EAST KIMBERLEY
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

3. CASH AND CASH EQUIVALENTS

NOTE	2020 \$	2019 \$
Cash at bank and on hand	1,380,573	3,421,892
Term deposits	1,012,264	1,862,681
Total cash and cash equivalents	2,392,837	5,284,573
Restrictions		
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:		
- Cash and cash equivalents	258,804	1,940,606
- Financial assets at amortised cost	15,161,309	13,718,737
	15,420,113	15,659,343
The restricted assets are a result of the following specific purposes to which the assets may be used:		
Reserves - cash/financial asset backed	4 15,337,538	15,581,418
Contract liabilities from contracts with customers	15 2,268,701	0
Less: Portion of Contract Liability held in reserves	(2,268,701)	0
Bonds and Deposits held	13 82,575	77,925
Total restricted assets	15,420,113	15,659,343

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Restricted assets

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent 55 fully expended in the manner specified by the contributor, legislation or loan agreement.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

4. RESERVES - CASH/FINANCIAL ASSET BACKED	2020	2020	2020	Transfer to	2020	2020	2020	2020	2019	2019	2019	2019	
	Actual	Actual	Actual	COVID 19	Actual	Budget	Budget	Budget	Actual	Actual	Actual	Actual	
	Opening	Transfer	Transfer	Response	Closing	Opening	Transfer	Transfer	Opening	Transfer	Transfer	Closing	
	Balance	to	(from)	Reserve	Balance	Balance	to	(from)	Balance	Balance	(from)	Balance	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
(a) Waste Management Reserve	1,219,560	264,379	(195,361)	0	1,288,578	1,111,659	478,854	(171,835)	1,418,678	656,284	746,798	(183,522)	1,219,560
(b) Airport General Reserve	7,320,246	416,725	(402,354)	0	7,334,617	5,791,307	1,440,020	(1,545,000)	5,686,327	6,083,339	1,461,550	(224,643)	7,320,246
(c) Plant and Equipment Reserve	109,383	15,136	(64,948)	(59,571)	0	108,361	13,896	0	122,257	303,581	31,335	(225,533)	109,383
(d) Parking Reserve	130,847	5,813	0	(136,660)	0	126,148	2,208	0	128,356	123,978	6,869	0	130,847
(e) Non-Potable Water Reserve	17,264	358	0	(17,622)	0	16,497	289	0	16,786	75,102	2,082	(59,920)	17,264
(f) East Kimberley Tourism Reserve	101,891	39,129	(40,653)	(31,568)	68,799	104,257	41,824	(34,000)	112,081	160,056	22,629	(80,794)	101,891
(g) Foreshore Reserve	527,906	88,906	(947)	(307,933)	307,932	524,048	91,171	(100,000)	515,219	442,791	93,365	(8,250)	527,906
(h) Staff Entitlement Reserve	109,570	147,531	(109,570)	0	147,531	143,771	2,516	0	146,287	141,298	109,570	(141,298)	109,570
(i) Recreation Hardcourts Reserve	58,734	1,069	0	(59,803)	0	58,151	1,018	(50,000)	9,169	57,151	1,583	0	58,734
(j) Bio Security Reserve	269,853	4,911	0	(274,764)	0	267,174	4,676	0	271,850	262,579	7,274	0	269,853
(k) Child Care Reserve	206,311	15,275	(32,849)	0	188,737	208,622	15,151	0	223,773	193,707	17,312	(4,708)	206,311
(l) Parks Reserve	199,198	3,688	0	(202,886)	0	213,654	3,739	0	217,393	278,775	8,143	(87,720)	199,198
(m) Footpaths Reserve	244,215	4,480	(48,413)	(99,382)	100,900	241,216	4,221	0	245,437	286,207	8,008	(50,000)	244,215
(n) Goomig Farmlands Road Reserve	569,984	2,019	0	0	572,003	573,870	10,043	0	583,913	564,000	5,984	0	569,984
(o) Asset Management Reserve	587,015	12,644	(43,580)	0	556,079	577,326	10,103	(50,000)	537,429	624,399	21,957	(59,341)	587,015
(p) Contiguous Local Authority Group (CLAG) Reserve	78	5,098	(1,614)	0	3,562	0	0	0	0	2,491	1,259	(3,672)	78
(q) Unspent Loans	446,706	0	(54,322)	0	392,384	446,705	0	(176,704)	270,001	459,963	0	(13,250)	446,706
(q) Unspent Grants	1,177,079	2,832,319	(2,312,700)	0	1,696,698	355,178	0	(355,178)	0	1,961,964	6,578,414	(7,363,306)	1,177,079
(r) Kununurra Youth Hub	51,777	20,017	(6,376)	(32,708)	32,710	49,353	19,364	(9,700)	59,017	48,160	19,943	(16,326)	51,777
(s) Drainage Reserve	640,320	11,693	(10,395)	0	641,618	433,095	107,579	0	540,674	680,581	15,620	(55,881)	640,320
(t) Regional Price Preference	190,720	3,471	0	(194,191)	0	188,707	3,302	0	192,009	185,461	5,259	0	190,720
(u) Capital Works - Municipal Funded Reserve	972,854	18,608	(826,211)	0	165,251	431,667	7,609	(258,471)	180,805	1,961,095	0	(988,241)	972,854
(v) Public Art Works	11,867	414	0	(6,140)	6,141	10,175	178	0	10,353	10,000	1,867	0	11,867
(w) Property Reserve	348,040	6,334	0	0	354,374	344,730	6,033	0	350,763	338,801	9,239	0	348,040
(x) Municipal Property Revaluation Reserve	30,000	15,000	0	(15,000)	30,000	30,263	15,530	0	45,793	15,000	15,000	0	30,000
(y) Election Expenditure Reserve	40,000	0	(28,604)	0	11,396	40,350	706	(40,000)	1,056	20,000	20,000	0	40,000
(z) COVID 19 Response Reserve	0	0	0	1,438,228	1,438,228	0	0	0	0	0	0	0	0
	15,581,418	3,935,017	(4,178,897)	0	15,337,538	12,396,284	2,280,029	(2,790,888)	11,885,425	15,936,763	9,211,060	(9,566,405)	15,581,418

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

4 RESERVES - CASH/FINANCIAL ASSET BACKED (Continued)

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

#	Name of Reserve	Anticipated date of use	Purpose of the reserve
(a)	Waste Management	on going	This Reserve to provide for the operation, maintenance, renewal and upgrade for existing and new waste management facilities within the Shire of Wyndham East Kimberley.
(b)	Airport General	on going	This Reserve to provide operation, maintenance, renewal, upgrade of existing and new airport facilities within the Shire of Wyndham East Kimberley.
(c)	Plant and Equipment	on going	This Reserve is to provide for the plant management program.
(d)	Parking	on going	This Reserve is for the land purchase and/or the construction and maintenance of vehicle parking facilities within the Shire.
(e)	Non-Potable water	on going	This Reserve is for the development of non-potable water supply in Wyndham.
(f)	East Kimberley Tourism	on going	To hold the lease payments from the East Kimberley Tourism House building in order to provide for the maintenance, renewal or upgrade of the building and to assist in funding expenditure that is of a strategic nature for the Kununurra Visitor Centre.
(g)	Foreshore	on going	This Reserve is to hold lease and license payments from occupiers of Lake Kununurra Foreshore Reserve to provide for the implementation of specific actions outlined in the Lake Kununurra Foreshore plan.
(h)	Staff Entitlement	on going	This Reserve is to provide for Shire employee's entitlements.
(i)	Recreation Hardcourts	on going	This Reserve is for the purpose of providing for future capital upgrades of Recreational Hardcourts.
(j)	Bio Security	on going	This Reserve is to hold funds for use in emergency situations that threatened the bio security of the East Kimberley.
(k)	Childcare	on going	This Reserve is to hold lease payments from the Kununurra Childcare Centre to provide for the the significant maintenance and renewal of the childcare building.
(l)	Parks	on going	This Reserve is to hold the funds from the sale of parks provided by the State to undertake major upgrades and to establish new parks and public open spaces in the Shire.
(m)	Footpaths	on going	This Reserve is to hold developer contributions for construction of footpaths after housing construction is completed in new subdivisions.
(n)	Goomig Farmlands Roads Reserve	on going	This Reserve is to provide for the second coat seal of roads within the Goomig Farmlands.
(o)	Asset Management	on going	This Reserve is to provide for the ongoing maintenance, renewal, upgrade, replacement or development of Shire owned assets within the Shire of Wyndham East Kimberley.
(p)	Contiguous Local Authority Group (CLAG)	on going	This reserve is to hold funds for ongoing management, funding and technical aspects of health-driven mosquito control in an effort to reduce the risk of mosquito-borne diseases within the boundaries of the Shire.
(q)	Unspent Grants and Loans Reserve	on going	This Reserve is to provide a mechanism for restricting prepaid grants, conditional unspent grants and loan proceeds unspent in a particular financial year where the expenditure will be undertaken in future years.
(r)	Kununurra Youth Hub	on going	This reserve is to hold lease payments from the Kununurra Youth Hub to provide for the maintenance, renewal and upgrade of the building in accordance with the lease conditions.
(s)	Drainage Reserve	on going	To provide for the maintenance, renewal, upgrade of existing and new drainage Infrastructure within the Shire of Wyndham East Kimberley.
(t)	Regional Price Preference	on going	This reserve is to fund the regional price preference applied, if any, for the procurement of goods and /or services that are supplied by a Regional Business in accordance with Council policy CPIFIN-3217 Regional Price Preference.
(u)	Capital Works Reserve	on going	To ensure that funds allocated to Capital Works Projects remain available for future Capital Works if amounts are not expended at the end of a financial year.
(v)	Public Art Work Reserve	on going	To receipt LandCorp contributions towards the ongoing maintenance of the public artwork in the Coolbah / Chestnut subdivision.
(w)	Property Reserve	on going	To ensure that funds received from the disposal of properties after settling any property debt, are retained within the reserve and are used for the acquisition of land and /or buildings or the development of land under the control of the Shire.
(x)	Municipal Property Revaluation Reserve	on going	To hold funds for expenditure relating to Municipal Property Revaluation conducted every 4 years
(y)	Election Expenditure Reserve	on going	To hold funds for expenditure relating to Council Elections conducted every 2 years.
(z)	COVID 19 Response Reserve	on going	To fund capital and operational expenditure in support of local businesses to address the financial impact caused by the COVID 19.

SHIRE OF WYNDHAM EAST KIMBERLEY
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FOR THE YEAR ENDED 30 JUNE 2020

5. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

Self supporting loans

(b) Non-current assets

Financial assets at amortised cost

Financial assets at fair values through other comprehensive income

Financial assets at amortised cost

Self supporting loans

Financial assets at fair values through other comprehensive income

Shares in Ord River Co-operative

	2020	2019
	\$	\$
	15,171,146	13,728,574
	<u>15,171,146</u>	<u>13,728,574</u>
	15,161,309	13,718,737
	9,837	9,837
	<u>15,171,146</u>	<u>13,728,574</u>
	16,809	26,668
	6,682	6,682
	<u>23,491</u>	<u>33,350</u>
	16,809	26,668
	<u>16,809</u>	<u>26,668</u>
	6,682	6,682
	<u>6,682</u>	<u>6,682</u>

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

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 26.

SHIRE OF WYNDHAM EAST KIMBERLEY
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Sundry receivables	
GST receivable	
Allowance for impairment of receivables	

Non-current

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

	2020	2019
	\$	\$
Rates receivable	1,818,893	1,322,536
Sundry receivables	819,329	966,175
GST receivable	49,927	53,798
Allowance for impairment of receivables	(751,362)	(378,530)
	1,936,787	1,963,979
Pensioner's rates and ESL deferred	35,922	31,206
	35,922	31,206

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

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

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 26.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

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

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

7. INVENTORIES

Current

Fuel and materials

Non-current

Land held for resale - cost

Cost of acquisition

The following movements in inventories occurred during the year:

Carrying amount at beginning of period

Inventories expensed during the year

Additions to inventory

Carrying amount at end of period

	2020	2019
	\$	\$
Fuel and materials	10,522	14,378
	10,522	14,378
Land held for resale - cost		
Cost of acquisition	46,283	46,283
	46,283	46,283
Carrying amount at beginning of period	60,661	55,015
Inventories expensed during the year	(32,060)	(32,098)
Additions to inventory	28,204	37,744
Carrying amount at end of period	56,805	60,661

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for resale

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

Land held for resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY
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 FOR THE YEAR ENDED 30 JUNE 2020

8. OTHER ASSETS

Other assets - current

Prepayments
 Accrued income

	2020	2019
	\$	\$
Prepayments	63,862	115,032
Accrued income	869,669	484,028
	933,531	599,060

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Carrying Amounts

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

	Land - freehold land	Land - vested in and under the control of Council	Total land	Buildings - non-specialised	Buildings - specialised	Land under control - buildings at	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Property, plant and equipment - work in progress at:	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2018	10,022,800	3,725,700	13,748,500	12,525,350	21,035,831	3,117,935	36,679,116	50,427,616	479,819	4,505,666	24,278	55,437,379
Additions	0	0	0	39,204	72,892	19,086	131,182	131,182	207,273	915,075	11,603	1,265,133
(Disposals)	0	0	0	0	0	0	0	0	0	(367,067)	0	(367,067)
Assets written off	0	0	0	0	(7,682)	(8,669)	(16,351)	(16,351)	(17,386)	(195,204)	(4,379)	(233,320)
Depreciation (expense)	0	0	0	(288,443)	(404,166)	(138,876)	(831,485)	(831,485)	(138,774)	(486,298)	0	(1,456,557)
Carrying amount at 30 June 2019	10,022,800	3,725,700	13,748,500	12,276,111	20,696,875	2,989,476	35,962,462	49,710,962	530,932	4,372,172	31,502	54,645,568
Comprises:												
Gross carrying amount at 30 June 2019	10,022,800	3,725,700	13,748,500	13,085,911	21,951,371	3,259,303	38,296,585	52,045,085	946,244	5,426,020	31,502	58,448,851
Accumulated depreciation at 30 June 2019	0	0	0	(809,800)	(1,254,496)	(269,827)	(2,334,123)	(2,334,123)	(415,312)	(1,053,848)	0	(3,803,283)
Carrying amount at 30 June 2019	10,022,800	3,725,700	13,748,500	12,276,111	20,696,875	2,989,476	35,962,462	49,710,962	530,932	4,372,172	31,502	54,645,568
Change in the accounting policy	0	(3,725,700)	(3,725,700)	0	0	0	0	(3,725,700)	0	0	0	(3,725,700)
Adjusted Carrying Amount as on 1 July 2019	10,022,800	0	10,022,800	12,276,111	20,696,875	2,989,476	35,962,462	45,985,262	530,932	4,372,172	31,502	50,919,868
Additions	0	0	0	0	224,252	0	224,252	224,252	136,635	585,948	0	946,835
(Disposals)	0	0	0	0	(211,966)	0	(211,966)	(211,966)	0	(97,480)	0	(309,446)
Depreciation (expense)	0	0	0	(403,200)	(312,412)	(135,155)	(850,767)	(850,767)	(80,953)	(578,304)	0	(1,510,024)
Carrying amount at 30 June 2020	10,022,800	0	10,022,800	11,872,911	20,396,749	2,854,321	35,123,981	45,146,781	586,614	4,282,336	31,502	50,047,233
Comprises:												
Gross carrying amount at 30 June 2020	10,022,800	0	10,022,800	13,085,911	21,941,601	3,259,303	38,286,815	48,309,615	1,082,879	5,845,428	31,502	55,269,424
Accumulated depreciation at 30 June 2020	0	0	0	(1,213,000)	(1,544,852)	(404,982)	(3,162,834)	(3,162,834)	(496,265)	(1,563,092)	0	(5,222,191)
Carrying amount at 30 June 2020	10,022,800	0	10,022,800	11,872,911	20,396,749	2,854,321	35,123,981	45,146,781	586,614	4,282,336	31,502	50,047,233

SHIRE OF WYNDHAM EAST KIMBERLEY
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 FOR THE YEAR ENDED 30 JUNE 2020

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
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.
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	Independent registered valuers	June 2016	Market price per item and purchase costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs.
Plant and equipment	2 & 3	Market approach using recent observable market data for similar plant items and cost approach using depreciated replacement cost.	Independent registered valuers	June 2016	Market price per item and purchase costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs.

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

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

Following a change to *Local Government (Financial Management) Regulation 17A*, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy.

Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.

SHIRE OF WYNDHAM EAST KIMBERLEY
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10. INFRASTRUCTURE

(a) Movements in Carrying Amounts

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

	Infrastructure - Roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - other	Airfields	Bridges	Infrastructure- Work in progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2018	157,289,628	7,223,481	7,508,651	13,781,351	19,166,700	25,166,659	460,241	230,596,711
Additions	3,422,386	154,206	552,576	423,682	0	4,494,235	516,888	9,563,973
(Disposals)	0	0	0	(28,000)	0	(1,331,818)	0	(1,359,818)
Depreciation (expense)	(2,785,955)	(98,945)	(133,505)	(863,302)	(509,661)	(360,367)	0	(4,751,735)
Transfers	0	0	0	95,488	0	208,928	(304,416)	0
Carrying amount at 30 June 2019	157,926,059	7,278,742	7,927,722	13,409,219	18,657,039	28,177,637	672,713	234,049,131
Comprises:								
Gross carrying amount at 30 June 2019	189,369,435	8,069,933	10,565,670	27,658,069	26,622,702	39,407,718	672,713	302,366,240
Accumulated depreciation at 30 June 2019	(31,443,376)	(791,191)	(2,637,948)	(14,248,850)	(7,965,663)	(11,230,081)	0	(68,317,109)
Carrying amount at 30 June 2019	157,926,059	7,278,742	7,927,722	13,409,219	18,657,039	28,177,637	672,713	234,049,131
Additions	2,400,621	0	0	1,321,938	298,508	46,925	1,727,069	5,795,061
Depreciation (expense)	(2,954,969)	(99,604)	(140,958)	(893,327)	(437,959)	(371,528)	0	(4,898,345)
Transfers	0	0	0	418,635	30,469	0	(449,104)	0
Carrying amount at 30 June 2020	157,371,711	7,179,138	7,786,764	14,256,465	18,548,057	27,853,034	1,950,678	234,945,847
Comprises:								
Gross carrying amount at 30 June 2020	191,770,056	8,069,933	10,565,670	29,398,642	26,951,679	39,454,643	1,950,678	308,161,301
Accumulated depreciation at 30 June 2020	(34,398,345)	(890,795)	(2,778,906)	(15,142,177)	(8,403,622)	(11,601,609)	0	(73,215,454)
Carrying amount at 30 June 2020	157,371,711	7,179,138	7,786,764	14,256,465	18,548,057	27,853,034	1,950,678	234,945,847

SHIRE OF WYNDHAM EAST KIMBERLEY
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10. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

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

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

11. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

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

Revaluation

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

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

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

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under control prior to 1 July 2019

In accordance with the then *Local Government (Financial Management) Regulation 16(a)(ii)*, the Shire was previously required to include as an asset (by 30 June 2013), vested 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.

Land under roads prior to 1 July 2019

In Western Australia, most 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 then *Local Government (Financial Management) Regulation 16(a)(i)* which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then *Local Government (Financial Management) Regulation 16(a)(i)* prohibited 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 was not included as an asset of the Shire.

Land under roads from 1 July 2019

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

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

Vested improvements from 1 July 2019

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

11. FIXED ASSETS

(a) Disposals of Assets

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss	2020 Budget Net Book Value	2020 Budget Sale Proceeds	2020 Budget Profit	2020 Budget Loss	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings - specialised	211,966	0	0	(211,966)	0	0	0	0	0	0	0	0
Plant and equipment	97,480	111,500	29,206	(15,186)	107,411	105,000	13,769	(16,180)	367,067	293,693	45,197	(118,571)
Infrastructure - other	0	0	0	0	0	0	0	0	28,000	0	0	(28,000)
Bridges	0	0	0	0	0	0	0	0	1,331,818	0	0	(1,331,818)
	309,446	111,500	29,206	(227,152)	107,411	105,000	13,769	(16,180)	1,726,885	293,693	45,197	(1,478,389)

The following assets were disposed of during the year.

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss	#
Plant and Equipment					
Transport					
P119-Toyota Hilux Utility	8,250	8,000	0	(250)	
P223-Ride on Front deck Mower	23,936	9,000	0	(14,936)	
Other property and services					
P141-Toyota Prado GXL	25,125	40,500	15,375	0	
P142-Toyota Hilux Extra cab Manual Tray	19,298	27,000	7,702	0	
P144-Toyota Hilux Utility	20,871	27,000	6,129	0	
	97,480	111,500	29,206	(15,186)	
Buildings-Specialised					
Other Property and Services					
LB459-Depot Office and storage shed-Wyndham	195,897	0	0	(195,897)	
Recreation and culture					
LB424-Open Sided Shade structures-Wyndham	9,909	0	0	(9,909)	
LB347-Shade sail over Toddlers'pool	6,160	0	0	(6,160)	
	211,966	0	0	(211,966)	
	309,446	111,500	29,206	(227,152)	

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

11. FIXED ASSETS

(b) Depreciation

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Buildings - non-specialised	403,200	469,320	288,443
Buildings - specialised	312,412	390,971	404,166
Furniture and equipment	80,953	113,013	138,774
Plant and equipment	578,304	436,229	486,298
Land under control - buildings at	135,155	140,200	138,876
Infrastructure - Roads	2,954,969	2,582,904	2,785,955
Infrastructure - footpaths	99,604	142,441	98,945
Infrastructure - drainage	140,958	350,200	133,505
Infrastructure - other	893,327	553,707	863,302
Airfields	437,959	703,199	509,661
Bridges	371,528	518,522	360,367
	6,408,369	6,400,706	6,208,292

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

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

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

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

Depreciation rates

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

Asset Class	Useful life
Buildings	7 to 140 years
Roads	10-120 years
Bridges	100 years
Plant and equipment	3 to 13 years
Drainage	75 years
Airfields	16-120 years
Culverts	100 years
Footpaths	45-80 years
Infrastructure-Other	10-120 years
Furniture and equipment	3-20 years

Depreciation on revaluation

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

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

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the note above.

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

12. LEASES

The Shire does not have any qualifying leases under our Plant, Property and Equipment

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

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

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

Right-of-use assets - valuation

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

Refer to Note 11 for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

13. REVALUATION SURPLUS

	2020 Opening Balance	2020 Change in Accounting Policy	2020 Revaluation Increment	2020 Revaluation (Decrement)	Total Movement on Revaluation	2020 Closing Balance	2019 Opening Balance	2019 Revaluation Increment	2019 Revaluation (Decrement)	Total Movement on Revaluation	2019 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land and buildings	17,279,574	0	0	0	0	17,279,574	17,279,574	0	0	0	17,279,574
Land-Vested in and under the control of Council	3,725,700	(3,725,700)	0	0	0	0	3,725,700	0	0	0	3,725,700
Furniture and equipment	107,344	0	0	0	0	107,344	107,344	0	0	0	107,344
Plant and equipment	1,802,411	0	0	0	0	1,802,411	1,802,411	0	0	0	1,802,411
Revaluation surplus - Infrastructure - Roads	112,956,040	0	0	0	0	112,956,040	112,956,040	0	0	0	112,956,040
Revaluation surplus - Infrastructure - footpaths	6,116,649	0	0	0	0	6,116,649	6,116,649	0	0	0	6,116,649
Revaluation surplus - Infrastructure - drainage	4,379,251	0	0	0	0	4,379,251	4,379,251	0	0	0	4,379,251
Revaluation surplus - Infrastructure - other	799,608	0	0	0	0	799,608	799,608	0	0	0	799,608
Revaluation surplus - Airfields	11,970,888	0	0	0	0	11,970,888	11,970,888	0	0	0	11,970,888
Revaluation surplus - Bridges	25,969,211	0	0	0	0	25,969,211	25,969,211	0	0	0	25,969,211
	185,106,676	(3,725,700)	0	0	0	181,380,976	185,106,676	0	0	0	185,106,676

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

14. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Accrued expenses
Rates paid in advance
Accrued salaries and wages
Accrued interest
Bonds and deposits held

	2020	2019
	\$	\$
	891,522	1,185,207
	460,952	123,958
	101,709	49,708
	31,866	0
	18,476	23,037
	82,575	77,925
	1,587,100	1,459,835

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

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

Prepaid rates

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

15. CONTRACT LIABILITIES

Current

Contract liabilities from contracts with customers

	2020	2019
	\$	\$
Contract liabilities from contracts with customers	2,268,701	0
	<u>2,268,701</u>	<u>0</u>

SIGNIFICANT ACCOUNTING POLICIES

Contract Liabilities

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

16. INFORMATION ON BORROWINGS

(a) Borrowings

	2020	2019
	\$	\$
Current	687,426	779,306
Non-current	1,911,418	2,598,843
	2,598,844	3,378,149

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	30 June 2020					30 June 2020					30 June 2019				
				Actual Principal 1 July 2019	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding	Budget Principal 1 July 2019	Budget New Loans	Budget Principal repayments	Budget Interest repayments	Budget Principal outstanding	Actual Principal 1 July 2018	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance																		
Administration Building Land	122	* WATC	6.00%	63,020	0	63,020	3,356	0	63,020	0	63,022	3,408	(2)	122,424	0	59,404	7,382	63,020
Administration Building Loan	124	* WATC	3.82%	984,343	0	268,068	41,322	716,275	984,342	0	268,069	43,604	716,273	1,242,457	0	258,114	52,761	984,343
Administration Building	129	* WATC	3.01%	953,146	0	147,233	31,426	805,913	953,147	0	147,234	45,102	805,913	1,096,046	0	142,900	36,646	953,146
Education and welfare																		
Kununurra Childcare Centre	120	* WATC	6.19%	37,228	0	37,228	493	0	37,228	0	37,228	1,247	0	108,362	0	71,134	4,925	37,228
Housing																		
Staff Housing	115	* WATC	6.04%	0	0	0	0	0	0	0	0	0	0	7,991	0	7,991	88	0
Staff Housing	127	* WATC	3.71%	16,138	0	16,138	482	0	16,138	0	16,138	556	0	31,693	0	15,555	1,167	16,138
Community amenities																		
KNX Youth Centre	118	* WATC	7.24%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Liquid Waste Facility	125	* WATC	3.40%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Waste Management	126	* WATC	4.21%	935,456	0	171,835	43,048	763,621	935,456	0	171,835	47,637	763,621	1,100,279	0	164,823	50,958	935,456
Drainage	128	* WATC	4.21%	68,987	0	12,672	3,173	56,315	68,987	0	12,673	3,520	56,314	81,142	0	12,155	3,757	68,987
Recreation and culture																		
KNX Aquatic Centre Refurbishment	113	* WATC	6.04%	0	0	0	0	0	0	0	0	0	0	44,653	0	44,653	489	0
WYN Recreation Centre	114	* WATC	6.04%	0	0	0	0	0	0	0	0	0	0	18,732	0	18,732	205	0
Multi Purpose Courts	119	* WATC	5.61%	0	0	0	0	0	0	0	0	0	0	46,993	0	46,993	1,958	0
Kununurra Leisure Gym Equipment	132	* WATC	2.49%	85,546	0	23,690	2,498	61,856	85,546	0	23,691	2,633	61,855	108,657	0	23,111	3,272	85,546
Transport																		
Building and Infrastructure	130	* WATC	3.32%	193,754	0	29,694	7,371	164,060	193,755	0	29,694	7,780	164,061	222,487	0	28,733	8,600	193,754
				3,337,618	0	769,578	133,169	2,568,040	3,337,619	0	769,584	155,487	2,568,035	4,231,916	0	894,298	172,208	3,337,618
Self Supporting Loans																		
Recreation and culture																		
Ord River Sports Club	131	* WATC	2.71%	40,531	0	9,727	1,164	30,804	40,531	0	9,727	1,621	30,804	50,000	0	9,469	1,597	40,531
				40,531	0	9,727	1,164	30,804	40,531	0	9,727	1,621	30,804	50,000	0	9,469	1,597	40,531
				3,378,149	0	779,305	134,333	2,598,844	3,378,150	0	779,311	157,108	2,598,839	4,281,916	0	903,767	173,805	3,378,149

* WA Treasury Corporation

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

16. INFORMATION ON BORROWINGS (Continued)

(c) Unspent Borrowings

Particulars	Date Borrowed	Unspent Balance 1 July 2019	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2020
		\$	\$	\$	\$
Waste Management	16 May 14	445,389	0	(54,322)	391,067
Kununurra Leisure Gym Equipment	08 Dec 17	1,317	0	0	1,317
* WA Treasury Corporation		446,706	0	(54,322)	392,384

(d) Undrawn Borrowing Facilities

Credit Standby Arrangements

	2020	2019
	\$	\$
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	(9,949)	(13,761)
Total amount of credit unused	2,545,051	2,541,239

Loan facilities

Loan facilities - current	687,426	779,306
Loan facilities - non-current	1,911,418	2,598,843
Total facilities in use at balance date	2,598,844	3,378,149

Unused loan facilities at balance date

	392,384	446,706
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SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Borrowing costs

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

Risk

Information regarding exposure to risk can be found at Note 26.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

17. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
Opening balance at 1 July 2019			
Current provisions	886,635	374,645	1,261,280
Non-current provisions	0	145,096	145,096
	886,635	519,741	1,406,376
Additional provision	921,605	142,179	1,063,784
Amounts used	(653,373)	(15,766)	(669,139)
Balance at 30 June 2020	1,154,867	646,154	1,801,021
Comprises			
Current	1,154,867	448,078	1,602,945
Non-current	0	198,076	198,076
	1,154,867	646,154	1,801,021

Amounts are expected to be settled on the following basis:

	2020 \$	2019 \$
Less than 12 months after the reporting date	858,352	784,237
More than 12 months from reporting date	910,744	577,380
Expected reimbursements from other WA local governments	31,925	44,759
	1,801,021	1,406,376

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

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

Other long-term employee benefits (Continued)

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

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

Provisions

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

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

18. OTHER PROVISIONS

	Provision for Remediation	
	Costs	Total
	\$	\$
Opening balance at 1 July 2019		
Current provisions	0	0
Non-current provisions	3,286,947	3,286,947
	<u>3,286,947</u>	<u>3,286,947</u>
Increase in the discounted amount arising because of time and the effect of any change in the discounted rate	82,174	82,174
Balance at 30 June 2020	<u>3,369,121</u>	<u>3,369,121</u>
Comprises		
Current	0	0
Non-current	3,369,121	3,369,121
	<u>3,369,121</u>	<u>3,369,121</u>

Provision for remediation costs

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

A provision for remediation is recognised when:

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

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

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

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

19. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Cash and cash equivalents	2,392,837	11,984,461	5,284,573
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	(1,485,163)	(1,844,464)	4,669,234
Non-cash flows in Net result:			
Depreciation on non-current assets	6,408,369	6,400,706	6,208,292
(Profit)/loss on sale of asset	197,946	2,411	1,433,192
Assets written off	0	0	233,320
Changes in assets and liabilities:			
(Increase)/decrease in receivables	22,476	0	62,592
(Increase)/decrease in other assets	(334,471)	0	227,775
(Increase)/decrease in inventories	3,856	0	(5,646)
Increase/(decrease) in payables	127,265	0	(1,509,797)
Increase/(decrease) in provisions	476,819	0	243,835
Increase/(decrease) in contract liabilities	533,581	0	0
Non-operating grants, subsidies and contributions	(2,312,700)	(3,697,977)	(7,446,949)
Net cash from operating activities	3,637,978	860,676	4,115,848

SHIRE OF WYNDHAM EAST KIMBERLEY
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 FOR THE YEAR ENDED 30 JUNE 2020

20. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2020	2019
	\$	\$
Governance	11,396	48,160
General purpose funding	2,011,920	1,116,608
Law, order, public safety	699,396	1,116,322
Health	72,496	92,948
Education and welfare	2,807,001	2,877,516
Housing	5,392,218	5,468,283
Community amenities	3,844,413	12,382,403
Recreation and culture	28,008,421	27,745,403
Transport	236,312,523	232,977,395
Economic services	1,647,488	1,971,241
Other property and services	8,151,777	9,201,394
Unallocated	16,584,550	15,398,429
	305,543,599	310,396,102

21. CONTINGENT LIABILITIES

No contingent liabilities existed as at 30 June 2020

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

22. CAPITAL COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects

Payable:

- not later than one year

	2020	2,019
	\$	\$
	1,690,377	1,863,867
	1,690,377	1,863,867
	1,690,377	1,863,867
Kalumburu Road - re-sheet	1,068,362	0
Passenger Screening Equipment-EKRA	291,500	0
Plant and Equipment - Wyndham Swimming Complex	2,354	0
Footpath renewal	4,620	0
Implement Trails Master Plan	5,170	0
CCTV - East Kimberley Regional Airport	0	72,024
Street Scape & Landscaping plan for Kununurra	4,123	0
Geotechnical Testing - Gilgai Holes - Kununurra Airport	26,180	50,971
Airport Outbuilding Demolition-Wyndham Airport	0	130,579
Bandicoot Drive - Road and Drainage upgrade	67,596	989,861
Bridges (5116) - D4 Weaber Plain Rd	0	148,969
Miscellaneous Road Infrastructure	0	20,688
Reticulation Upgrades - Wyndham & Kununurra	0	76,793
Anthon Landing Wyndham Jetty Remediation Works(incl Lighting)	216,913	5,622
Play Spaces	0	60,854
Anthon Landing Wyndham Jetty Cathodic Protection-25 yr Life span	0	278,053
CCTV - Kununurra Landfill Site Security	0	23,600
Kununurra Pound	0	5,853
Sundry other	3,559	0

23. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Meeting fees	151,492	151,492	150,389
President's allowance	44,341	44,342	43,909
Deputy President's allowance	11,085	11,085	10,977
Travelling expenses	0	20,000	455
Telecommunications allowance	21,600	21,600	21,600
	228,518	248,519	227,330

Key Management Personnel (KMP) Compensation Disclosure

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

	2020 Actual	2019 Actual
	\$	\$
Short-term employee benefits	898,951	1,024,119
Post-employment benefits	90,311	100,523
Other long-term benefits	7,144	7,095
	996,406	1,131,737

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

23 RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

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

The following transactions occurred with related parties:

Sale of goods and services

Community grants to controlled organisations

	2020	2019
	Actual	Actual
	\$	\$
Sale of goods and services	215,379	195,430
Community grants to controlled organisations	80,629	52,727

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

iii. Entities subject to significant influence by the Shire

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

24. RATING INFORMATION

(a) Rates

RATE TYPE

Differential general rate

Gross rental valuations

	Rate in \$	Number of Properties	2019/20 Actual Rateable Value \$	2019/20 Actual Rate Revenue \$	2019/20 Actual Interim Rates \$	2019/20 Actual Back Rates \$	2019/20 Actual Total Revenue \$	2019/20 Budget Rate Revenue \$	2019/20 Budget Interim Rate \$	2019/20 Budget Back Rate \$	2019/20 Budget Total Revenue \$	2018/19 Actual Total Revenue \$
GRV - Residential	0.1449	1,672	32,210,989	4,667,372	(46,928)	(10,242)	4,610,202	4,667,372	0	0	4,667,372	4,693,970
GRV - Other Vacant	0.2247	26	293,900	66,039	(6,288)	(1,357)	58,394	66,039	0	0	66,039	65,729
GRV - Commercial	0.1429	171	12,828,756	1,833,229	4,057	1,496	1,838,782	1,833,229	0	0	1,833,229	1,833,229
GRV - Industrial	0.1389	168	7,451,495	1,035,013	11,826	1,976	1,048,815	1,035,013	0	0	1,035,013	1,035,013
GRV - Rural Residential	0.1449	22	252,356	36,566	82	0	36,648	36,566	0	0	36,566	0
Unimproved valuations												
UV - Rural Residential	0.0110	200	49,776,000	547,536	(3,663)	(649)	543,224	547,536	0	0	547,536	497,807
UV - Pastoral	0.0570	20	5,463,978	311,447	0	0	311,447	311,447	0	0	311,447	336,624
UV - Commercial/Industrial	0.0077	45	12,728,580	98,010	5,852	1,570	105,432	98,010	0	0	98,010	96,154
UV - Agriculture	0.0116	80	60,732,309	704,495	174	0	704,669	704,495	0	0	704,495	699,623
UV - Horticulture	0.0101	94	29,978,000	302,778	4,029	0	306,807	302,778	0	0	302,778	344,521
UV - Mining	0.2740	37	1,733,988	475,113	24,679	0	499,792	475,113	0	0	475,113	473,697
UV - Mining Exploration and Prospecting	0.1369	25	441,909	60,497	15,346	358	76,201	60,497	0	0	60,497	60,119
UV - Other	0.0065	4	8,825,000	57,363	0	0	57,363	57,363	0	0	57,363	32,825
Sub-Total		2,564	222,717,260	10,195,458	9,166	(6,848)	10,197,776	10,195,458	0	0	10,195,458	10,169,311

Minimum payment

Gross rental valuations

	Rate	Number of Properties	Value	Revenue	Interim Rates	Back Rates	Total Revenue	Budget Rate Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue	2018/19 Actual Total Revenue
GRV - Residential	1112	22	126,649	24,464	0	0	24,464	24,464	0	0	24,464	28,912
GRV - Other Vacant	1112	94	210,836	104,528	0	0	104,528	104,528	0	0	104,528	108,976
GRV - Commercial	1112	15	77,285	16,680	0	0	16,680	16,680	0	0	16,680	16,680
GRV - Industrial	1112	9	30,275	10,008	0	0	10,008	10,008	0	0	10,008	10,008
GRV - Rural Residential	1112	4	18,300	4,448	0	0	4,448	4,448	0	0	4,448	0
Unimproved valuations												
UV - Rural Residential	1112	0	0	0	0	0	0	0	0	0	0	0
UV - Pastoral	1112	1	17,471	1,112	0	0	1,112	1,112	0	0	1,112	1,112
UV - Commercial/Industrial	1112	20	320,200	22,240	0	0	22,240	22,240	0	0	22,240	22,240
UV - Agriculture	1112	1	10,000	1,112	0	0	1,112	1,112	0	0	1,112	1,112
UV - Horticulture	1112	0	0	0	0	0	0	0	0	0	0	0
UV - Mining	1112	32	52,076	35,584	0	0	35,584	35,584	0	0	35,584	36,696
UV - Mining Exploration and Prospecting	310	19	22,205	5,890	0	0	5,890	5,890	0	0	5,890	6,820
UV - Other	1112	1	150,000	1,112	0	0	1,112	1,112	0	0	1,112	0
Sub-Total		218	1,035,297	227,178	0	0	227,178	227,178	0	0	227,178	232,556

Total amount raised from general rate

	2,782	223,752,557	10,422,636	9,166	(6,848)	10,424,954	10,422,636	0	0	10,422,636	10,401,867
Totals						10,430,632	10,428,336			10,428,336	10,407,546

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY
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 FOR THE YEAR ENDED 30 JUNE 2020

24. RATING INFORMATION (Continued)

(b) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option one				
Single full payment	23/08/2019	0	0.00	9.00
Option two				
First instalment	23/08/2019	12.00	5.50	9.00
Second instalment	10/01/2020	12.00	5.50	9.00
Option three				
First instalment	23/08/2019	12.00	5.50	9.00
Second instalment	25/10/2019	12.00	5.50	9.00
Third instalment	10/01/2020	12.00	5.50	9.00
Fourth instalment	13/03/2020	12.00	0.06	9.00
		2020 Actual \$	2020 Budget \$	2019 Actual \$
Interest on unpaid rates		170,304	158,000	182,763
Interest on instalment plan		43,315	42,000	41,748
Charges on instalment plan		20,184	20,000	19,897
		233,803	220,000	244,408

SHIRE OF WYNDHAM EAST KIMBERLEY
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FOR THE YEAR ENDED 30 JUNE 2020

25. RATE SETTING STATEMENT INFORMATION

	2019/20 (30 June 2020 Carried Forward)	2019/20 Budget (30 June 2020 Carried Forward)	2019/20 (1 July 2019 Brought Forward)	2018/19 (30 June 2019 Carried Forward)
Note	\$	\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals	11(a) (29,206)	(13,769)	(45,197)	(45,197)
Less: Movement in liabilities associated with restricted cash	533,581	0	0	0
Movement in pensioner deferred rates (non-current)	(4,716)	0	(1,632)	(1,632)
Movement in employee benefit provisions	394,645	0	74,756	74,756
Movement in other provisions (non-current)	82,174	0	169,079	169,079
Add: Loss on disposal of assets	11(a) 227,152	16,180	1,478,389	1,478,389
Add: Assets written off	0	0	233,320	233,320
Add: Depreciation on non-current assets	11(b) 6,408,369	6,400,706	6,208,292	6,208,292
Non cash amounts excluded from operating activities	7,611,999	6,403,117	8,117,007	8,117,007
(b) Surplus/(deficit) after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserves - cash/financial asset backed	4 (15,337,538)	(11,885,425)	(15,581,418)	(15,581,418)
Less: Financial assets at amortised cost - self supporting loans	5(a) (9,837)	0	(9,837)	(9,837)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	16(a) 687,426	124,456	779,306	779,306
- Current portion of contract liability held in reserve	14 2,268,701	0	1,735,120	0
- Employee benefit provisions	1,602,945	1,052,274	1,261,280	1,261,280
Total adjustments to net current assets	(10,788,303)	(10,708,695)	(11,815,549)	(13,550,669)
Net current assets used in the Rate Setting Statement				
Total current assets	20,444,823	14,857,807	21,590,564	21,590,564
Less: Total current liabilities	(6,146,172)	(4,149,112)	(5,235,541)	(3,500,421)
Less: Total adjustments to net current assets	(10,788,303)	(10,708,695)	(11,815,549)	(13,550,669)
Net current assets used in the Rate Setting Statement	3,510,348	0	4,539,474	4,539,474
(c) Adjustments to current assets and liabilities at 1 July 2019 on application of new accounting standards				
Total current assets at 30 June 2019				
- Contract assets	28(a) 0			21,590,564
Total current assets at 1 July 2019				21,590,564
Total current liabilities at 30 June 2019				
- Contract liabilities from contracts with customers	28(a) 0			(3,500,421)
Total current liabilities at 1 July 2019				(5,235,541)

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26. FINANCIAL RISK MANAGEMENT

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2020					
Cash and cash equivalents	1.63%	2,392,837	1,378,573	1,012,264	2,000
Financial assets at amortised cost - term deposits	1.06%	15,161,309	15,161,309	0	0
2019					
Cash and cash equivalents	1.87%	5,284,573	2,045,060	3,237,513	2,000
Financial assets at amortised cost	2.15%	13,718,737	13,718,737	0	0

Sensitivity

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

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

	2020	2019
	\$	\$
	23,928	52,846

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs.

The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 16(b).

25. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The Shire's major receivables comprise rates annual charges and user fees and charges.

The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid.

The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies.

It also encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. Whilst the Shire was historically able to charge interest on overdue rates and annual charges at higher than market rates, which further encourage payment, the effect of COVID-19 needs to be considered. Financial assistance provided to ratepayers is expected to adversely affect the Shire's cash flows.

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2020					
Rates receivable					
Expected credit loss	16.10%	16.20%	35.68%	96%	26.99%
Gross carrying amount	1,153,472	286,852	173,450	205,119	1,818,893
Loss allowance	185,709	46,470	61,883	196,911	490,973
30 June 2019					
Rates receivable					
Expected credit loss	17.12%	9.62%	12.16%	44.99%	20.20%
Gross carrying amount	606,030	266,932	196,779	252,795	1,322,536
Loss allowance	103,762	25,692	23,937	113,743	267,134

The loss allowance as at 30 June 2020 and 30 June 2019 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2020					
Trade and other receivables					
Expected credit loss	0.19%	1.23%	10.90%	90.01%	31.78%
Gross carrying amount	294,418	53,991	208,196	262,724	819,329
Loss allowance	552	666	22,694	236,477	260,389
30 June 2019					
Trade and other receivables					
Expected credit loss	0.26%	2.01%	6.95%	21.85%	11.53%
Gross carrying amount	758,727	179,572	4,835	23,041	966,175
Loss allowance	1,998	3,603	336	105,459	111,396

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26. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<u>2020</u>					
Payables	1,587,100	0	0	1,587,100	1,587,100
Borrowings	775,146	2,047,616	0	2,822,762	2,598,844
Contract liabilities	2,268,701	0	0	2,268,701	2,268,701
	<u>4,630,947</u>	<u>2,047,616</u>	<u>0</u>	<u>6,678,563</u>	<u>6,454,645</u>
<u>2019</u>					
Payables	1,459,835	0	0	1,459,835	1,459,835
Borrowings	895,985	2,632,494	174,823	3,703,302	3,378,149
	<u>2,355,820</u>	<u>2,632,494</u>	<u>174,823</u>	<u>5,163,137</u>	<u>4,837,984</u>

27 EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There were no events occurring subsequent to the end of the reporting period that warrant adjustments or disclosure.

SHIRE OF WYNDHAM EAST KIMBERLEY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

28 INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

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

(a) AASB 15: Revenue from Contracts with Customers

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

	Note	AASB 118 carrying amount 30 June 2019 \$	Reclassification \$	AASB 15 carrying amount 01 July 2019 \$
Contract liabilities from contracts with customers.	15	0	(1,735,120)	(1,735,120)
Adjustment to retained surplus from adoption of AASB 15	27(d)	0	(1,735,120)	

(b) AASB 1058: Income For Not-For-Profit Entities

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

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

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

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance give rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 the prepaid rates will be recognised as a financial asset and a related amount recognised as a financial liability and no income recognised by the Shire. When the taxable event occurs the financial liability will be extinguished and the Shire will recognise income for the prepaid rates that have not been refunded. Assets that were acquired for consideration, that were significantly less than fair value principally to enable the Shire to further its objectives, may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value. Volunteer Services will not be recognised in revenue and expenditure as the fair value of the services cannot be reliably estimated.

The table below provides details of the amount by which each financial statement line item is affected in the current reporting period by the application of this Standard as compared to AASB 118 and 1004 and related Interpretations that were in effect before the change.

	Note	2020 \$	Adjustment due to application of AASB 15 and AASB 1058	2020 \$	Compared to AASB 118 and AASB 1004
Statement of Comprehensive Income					
Revenue					
Rates	24(a)	10,430,632	101,709	10,532,341	
Operating grants, subsidies and contributions	2(a)	4,373,482	0	4,373,482	
Fees and charges	2(a)	7,254,346	0	7,254,346	
Non-operating grants, subsidies and contributions	2(a)	2,312,700	2,268,701	4,581,401	
Net result		(1,485,163)	2,370,410	885,247	
Statement of Financial Position					
Contract assets	2(a)	0	0	0	
Trade and other payables	14	1,587,100	(101,709)	1,485,391	
Contract liabilities	15	2,268,701	(2,268,701)	0	
Net assets		293,918,812	2,370,410	296,289,222	
Statement of Changes in Equity					
Net result		(1,485,163)	2,370,410	885,247	
Retained surplus		97,200,298	2,370,410	99,570,708	

Refer to Note 2(a) for new revenue recognition accounting policies as a result of the application of AASB 15 and AASB 1058.

(c) Leases

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

29 CHANGE IN ACCOUNTING POLICIES

(a) Change in Accounting Policies due to regulation changes

Effective 6 November 2020, *Local Government (Financial Management) Regulation 16* was deleted and *Local Government (Financial Management) Regulation 17A* was amended with retrospective application. The changes were effective for financial years ending on or after 30 June 2020 so are required to be applied retrospectively with cumulative effect applied initially on 1 July 2019.

In accordance with the changes, the Shire was required to remove the values attributable to certain crown land assets previously required to be recognised, as well as the associated revaluation surplus at 1 July 2019. These assets have been measured as concessionary lease right-of-use assets at zero cost in accordance with AASB 16. For further details relating to these changes, refer to Note 12.

In summary the following adjustments were made to the amounts recognised in the statement of financial position at the date of initial application (1 July 2019):

	Note	Carrying amount 30 June 2019 \$	Reclassification \$	Carrying amount 01 July 2019 \$
Property, plant and equipment	9	54,645,568	(3,725,700)	50,919,868
Revaluation surplus	13	185,106,676	(3,725,700)	181,380,976

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

(b) Changes in equity due to change in accounting policies

The impact on the Shire's retained surplus due to the adoption of AASB 15, AASB 1058 and AASB 16 as at 1 July 2019 was as follows:

	Note	Adjustments	2019 \$
Retained surplus - 30 June 2019			100,176,701
Adjustment to retained surplus from adoption of AASB 15	28(a)	(1,735,120)	
Adjustment to retained surplus from adoption of AASB 1058	27(b)	0	
Adjustment to retained surplus from adoption of AASB 16	28(c)	0	(1,735,120)
Retained surplus - 1 July 2019			98,441,581

The impact on the Shire's opening revaluation surplus resulting from *Local Government (Financial Management) Regulation 16* being deleted and the amendments to *Local Government (Financial Management) Regulation 17A* as at 1 July 2019 was as follows:

	Note	Adjustments	2019 \$
Revaluation surplus - 30 June 2019			185,106,676
Adjustment to revaluation surplus from deletion of FM Reg 16	29(a)	(3,725,700)	
Adjustment to revaluation surplus from deletion of FM Reg 17	29(a)	0	(3,725,700)
Revaluation surplus - 1 July 2019			181,380,976

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

30 TRUST FUNDS

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

	1 July 2019	Amounts Received	Amounts Paid	Amounts Reclassified to Restricted Cash	30 June 2020
	\$	\$	\$		\$
Councillor Nomination Fees	80	0	0	(80)	0
ASIC - Airport Security Card	0	4,250	0	(4,250)	0
Footpath Bonds	0	52,085	0	(52,085)	0
Hall Hire Bonds - Kununurra Leisure Centre	0	10,500	0	(10,500)	0
Hall Hire Bonds - Peter Reid Memorial Hall	0	2,540	0	(2,540)	0
Wyndham Port Hall Bond	0	10,000	0	(10,000)	0
Wyndham Oval Hire Bonds	0	200	0	(200)	0
Kununurra Youth Centre Bond	0	1,050	(250)	(800)	0
Other Trust Funds	2,162	1,098	(1,140)	(2,120)	0
Public Open Space Contributions	481,094	8,248	(5)	0	489,337
Building Services Levy	24,049	16,286	(23,192)	0	17,143
Building & Construction Industry Training Fur	1,454	17,716	(12,019)	0	7,151
Terminal Security Access Cards	820	1	0	0	821
Health Application Fee	245	0	0	0	245
	509,904	123,974	(36,606)	(82,575)	514,697

SHIRE OF WYNDHAM EAST KIMBERLEY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

31 OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

32 ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
GOVERNANCE	
To provide a decision making process for the efficient allocation of scarce resources	Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific Council services.
GENERAL PURPOSE FUNDING	
To collect revenue to allow for the provision of services	Rates, general purpose Government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY	
To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
HEALTH	
To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
EDUCATION AND WELFARE	
To provide services to disadvantaged persons, the elderly, children and youth.	Operation of youth services, day care centres and assistance to other voluntary services.
HOUSING	
To provide and maintain staff and residential housing.	Provision of staff and residential housing.
COMMUNITY AMENITIES	
To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control, administration of the town planning schemes, maintenance of cemeteries, maintenance of rest centres and storm water drainage maintenance.
RECREATION AND CULTURE	
To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community.	Maintenance of halls, aquatic centres, recreation centres and various reserves; operation of library and community development services.
TRANSPORT	
To provide safe, effective and efficient transport services to the community.	Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, depot maintenance and provision and operation of airport services.
ECONOMIC SERVICES	
To help promote the Shire and its economic wellbeing.	The regulation and provision of tourism, area promotion, building control, noxious weeds and vermin control.
OTHER PROPERTY AND SERVICES	
To monitor and control Shire's overheads operating accounts.	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 30 JUNE 2020

33 FINANCIAL RATIOS

	2020 Actual	2019 Actual	2018 Actual
Current ratio	1.38	1.79	1.22
Asset consumption ratio	0.78	0.65	0.70
Asset renewal funding ratio	1.08	0.96	0.87
Asset sustainability ratio	0.93	0.92	1.61
Debt service cover ratio	3.00	3.35	3.62
Operating surplus ratio	(0.21)	(0.14)	(0.11)
Own source revenue coverage ratio	0.68	0.73	0.73

The above ratios are calculated as follows:

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

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

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of the Shire of Wyndham East Kimberley (the Shire), which comprises the Statement of Financial Position as at 30 June 2020, Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and the Rate Setting Statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement by Chief Executive Officer.

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

- a) is based on proper accounts and reports; and
- b) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2020 and its financial position at the end of that period in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

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

Emphasis of Matter – Basis of Preparation

We draw attention to Note 1 to the financial report, which describes the basis of preparation. The financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act. Regulation 17A of the Local Government (Financial Management) Regulations 1996, requires a local government to measure vested improvements at fair value and the associated vested land at zero cost. This is a departure from AASB 16 Leases which would have required the entity to measure the vested improvements also at zero cost. Our opinion is not modified in respect of this matter.

Emphasis of Matter – Basis of Preparation

We draw attention to Note 1 to the financial report, which describes the basis of preparation. The financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act. In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 of the Local Government (Financial Management) Regulations 1996, did not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. Our opinion is not modified in respect of this matter.

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

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

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

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

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

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 the 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 include the economic decisions of the 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 Standard Board website at http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our audit report.

Report on Other Legal and Regulatory Requirements

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

- a) In our opinion, there is a significant adverse trend in the financial position of the Shire as the Operating Surplus Ratio has been below the DLGSCI standard for the past 3 years.
- b) All required information and explanations were obtained by us.
- c) All audit procedures were satisfactorily completed in conducting our audit.
- d) In our opinion, the asset consumption ratio and the asset renewal ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

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

Matters Relating to the Electronic Publication of the Audited Financial Report

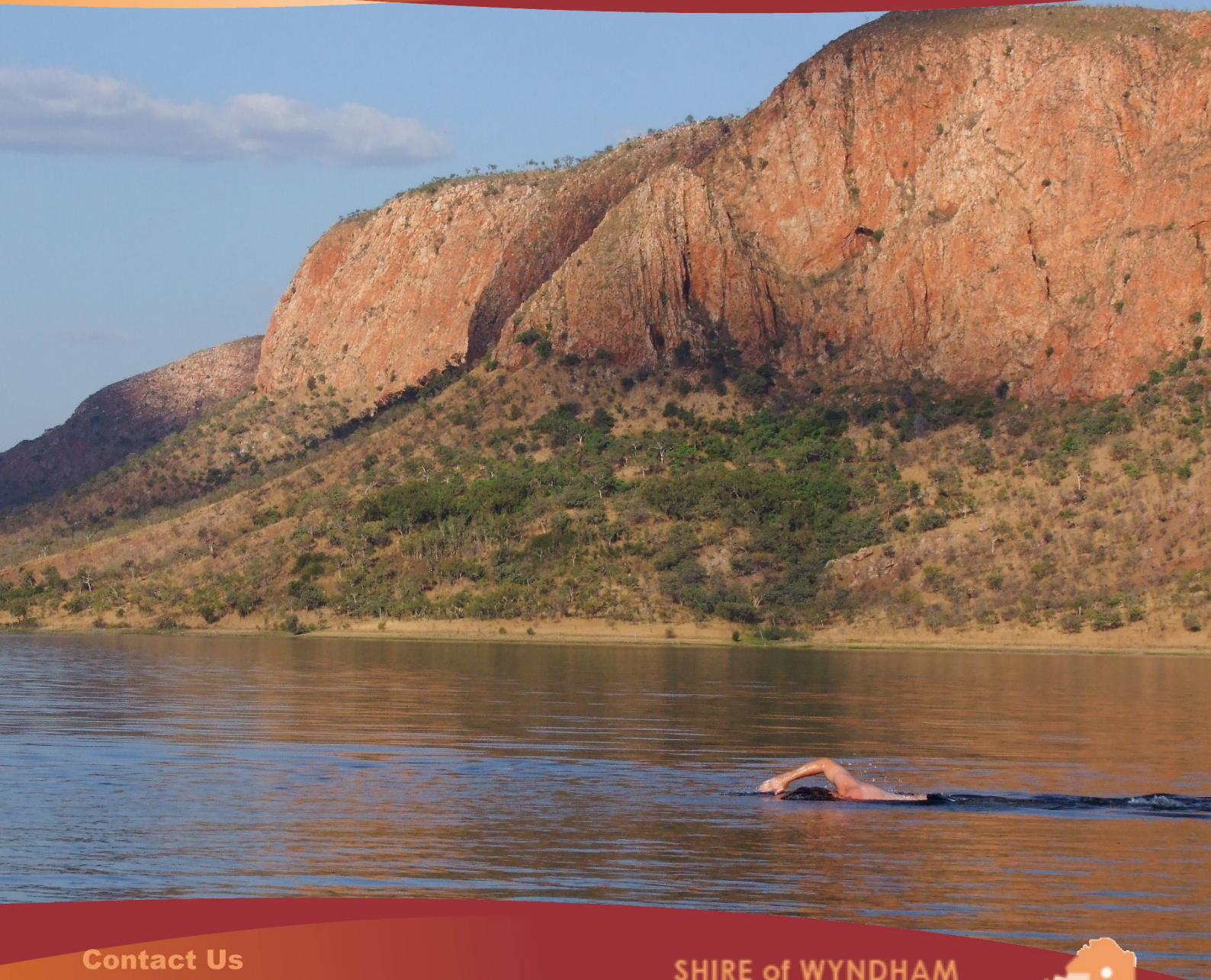
This auditor's report relates to the annual financial report of the Shire of Wyndham East Kimberley for the year ended 30 June 2020 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS



GREG GODWIN
PARTNER

Signed at Perth this 20th day of November 2020.



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