



# SHIRE OF VICTORIA PLAINS

ANNUAL REPORT  
2020 – 2021



Shire of Victoria Plains  
28 Cavell Street  
Calingiri WA 6569  
08 9628 7004  
[reception@victoriaplains.wa.gov.au](mailto:reception@victoriaplains.wa.gov.au)  
[www.victoriaplains.wa.gov.au](http://www.victoriaplains.wa.gov.au)



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## THE DISTRICT AT A GLANCE

<b>Population:</b>	921 (2016 Census Data)
<b>Area:</b>	2,563 km <sup>2</sup>
<b>Number of Electors:</b>	581
<b>Townsites:</b>	Bolgart, Calingiri, Yerecoin, Piawaning, Gillingarra, Mogumber and the New Norcia community
<b>Libraries:</b>	Calingiri, Bolgart, Mogumber
<b>Primary Schools:</b>	Bolgart, Calingiri, Yerecoin
<b>Length of sealed roads:</b>	246km
<b>Length of unsealed roads:</b>	578km
<b>Rates levied (20/21):</b>	\$2,777,989
<b>Total revenue (20/21):</b>	\$6,462,239 (29% from capital grants)

The Shire of Victoria Plains is located in the wheatbelt region of Western Australia, some 140km North East of Perth. It is a short, yet scenic drive featuring picturesque fields and homes. Major agricultural activities include cereal crops, export hay, sheep, poultry, cattle, and pigs. Visitor attractions in the shire include the historic town of New Norcia, seasonal wildflowers, key local events such as Yerecoin Markets, Piawaning Expo, Mogumber Rodeos and various sporting days, and destination hospitality venues most notably in New Norcia and Bolgart. A range of local services exist, including recreation facilities such as halls, sporting oval pavillions, as well as parks, gardens and barbecue facilities for tourists and visitors. Primary education is provided in three localities. Secondary education, health and aged services are provided in a number of the Shire's neighbouring local government districts.



Image by Sandrine Pasfield



# Our Vision

## *“A Place to Grow”*

### OUR VISION

“A Place to Grow”



**Making the Citizenship Pledge: The Ramos Family – Solomon, Chiquie, Chariz & Juliane.**



**Australia Day Awards 2021**



## OUR COUNCIL

### SHIRE PRESIDENT'S REPORT 2020 - 2021



The Shire of Victoria Plains has been very fortunate during the 2020-2021 financial year, a 12-month period where the word 'Pandemic' and 'COVID19' will feature in Annual Reports worldwide. The health impact to our community has been minimal so far and we pray that trend continues. The Shire acknowledges the community's commitment to responsible health practices which aided the Shire's planning and response during this challenging time.

Victoria Plains has benefited from increased funding through the Local Roads and Community Infrastructure Program, a Federal Government COVID19 stimulus measure. Round 1 enabled the Shire to upgrade the Calingiri oval water tank and install CCTV across the Shire.

The Shire's Financial position has improved consecutively compared to the 2 previous financial years as we continue our transition towards long term financial sustainability.

Our ageing road network continues to put pressure on Shire resources. Council and Shire Staff continued to seek external funding to boost the Budget. It was pleasing to see over \$1.1 million dollars of reconstruction work completed on the Shire's ag-lime freight route, thanks to the Wheatbelt Secondary Freight Network Funding. The Roads to Recovery Program injected \$230,000 on the Gillingarra-Glentromie Rd and Black Spot Funding enabled \$268,000 to be spent on Toodyay-Bindi-Bindi Rd. Our representation through the Regional Road Group yielded \$128,000 for the Yerecoin South-East Rd. The towns of Bolgart and Yerecoin received new footpaths, a benefit to local school children and community groups. We thank the Federal and State Government for working with the Shire to fund these improvements.

Council continued their work toward the Shire's Local Planning Scheme #5 Omnibus Amendment, changes which aim to address numerous inefficiencies and matters of immediate concern in the current Scheme. The Shire also adopted their Bushfire Risk Management Plan, a strategic document that identifies assets at risk from bushfire and their priority for treatment. A plan that will allow our Shire to apply for mitigation funding.

Compliance and legislative changes continue to absorb a large portion of the Shire's resources. The 2020-2021 year saw the State Government make several changes to the Regulations that our Local Government must adhere to. While some changes provide our Shire greater clarity on regulatory matters, it still takes staff time and Council policy to adjust to the new standards and requirements. A mandatory Code of Conduct for Councillors, Committee Members and Candidates was adopted, along with the mandatory standards for CEO recruitment, performance, and termination.

I thank the Councillors who stepped up to meet the new requirements. Thank you for the time you put into representing your community and strategically leading our Shire towards a better future. I thank my Deputy President Cr Lovelock for his support and advice.

The Shire's CEO Glenda Teede has continued to put the Shire of Victoria Plains first, committing many extra hours during the pandemic and periods of strained resources. Victoria Plains cannot operate without our Workforce, and we are thankful for your efforts and input.

Lastly, I thank the amazing Victoria Plains Community. Thank you for making our Shire a wonderful community to live and work. I wish everyone in the Shire of Victoria Plains good health and happiness going forward.

Cr Pauline Bantock.  
**Shire President**



**Image by Sandrine Pasfield**



## COUNCILLORS



**Cr P (Pauline) Bantock**

(West Ward) President  
PO Box 14  
Mogumber WA 6506  
Phone: 9651 9047  
Fax: 9651 9027  
Mobile: 0416 131 837  
Email: [crpbantock@victoriaplains.wa.gov.au](mailto:crpbantock@victoriaplains.wa.gov.au)



**Cr D S (David) Lovelock**

(West Ward) Deputy President  
PO Box 272  
New Norcia WA 6509  
Phone: 9654 8026  
Fax: 9654 8086  
Mobile: 0427 548 026  
Email: [crdlovelock@victoriaplains.wa.gov.au](mailto:crdlovelock@victoriaplains.wa.gov.au)



**Cr S (Stephanie) Penn**

(South Ward)  
PO Box 104  
Bolgart WA 6568  
Phone: 9627 5189  
Mobile: 0447 160 470  
Email: [crspenn@victoriaplains.wa.gov.au](mailto:crspenn@victoriaplains.wa.gov.au)



**Cr N (Neville) Clarke**

(South Ward)  
PO Box 95  
Bolgart WA 6568  
Phone: 9574 4004  
Fax: 9574 4004  
Mobile: 0428 751 410  
Email: [crnclarke@victoriaplains.wa.gov.au](mailto:crnclarke@victoriaplains.wa.gov.au)



**Cr J (Jaymie) King**

(Central Ward)

PO Box 68

Calingiri WA 6569

Phone: 9628 7182

Mobile: 0428 287 181

Email: [crjking@victoriaplains.wa.gov.au](mailto:crjking@victoriaplains.wa.gov.au)



**Cr G (Gary) O'Brien**

(Central Ward)

PO Box 103

Calingiri WA 6569

Phone:

Fax:

Mobile: 0417 945 380

Email: [crgobrien@victoriaplains.wa.gov.au](mailto:crgobrien@victoriaplains.wa.gov.au)



**Former Cr J (Jacqueline) Corless-Crowther**

(Central Ward)

PO Box 42

Calingiri WA 6569

Phone: 9628 7006

Fax: 9628 7137

Mobile: 0427 287 006

Email: [crjcorless-crowther@victoriaplains.wa.gov.au](mailto:crjcorless-crowther@victoriaplains.wa.gov.au)

Please note Cr Corless Crowther resigned 30 November 2020



**Cr J (Jim) Kelly**

(East Ward)

Mobile: 0428 515 045

Email: [crjkelly@victoriaplains.wa.gov.au](mailto:crjkelly@victoriaplains.wa.gov.au)



## **COUNCIL MEETINGS**

Ordinary Council Meetings are held on the fourth Wednesday of each month (except December, where they are held on the third Wednesday) in the Council Chambers at the Shire Administration Office, 28 Cavell Street, Calingiri from 2:00pm. All meetings are normally open to the public. Due to the COVID-19 Pandemic, e-meeting protocols continued throughout 2020-2021. The Shire met the requirements for public participation through this time through recording of the Council meetings for public viewing from August 2020 and accepting written questions in writing.

Special Meetings of Council are held as, and when, required.

Minutes of the meetings are available on the Shire's website:

<https://www.victoriaplains.wa.gov.au/council-meetings/past>

## **ANNUAL MEETING OF ELECTORS**

An Annual Meeting of Electors is held each financial year, in accordance with Part 3 of the *Local Government (Administration) Regulations 1996* and the *Local Government Act 1995* Part 5, Division 2, Subdivision 4, section 5.27. The purpose of the meeting is to, firstly, present the Annual Report (including the Auditor's Report) to electors, and then to discuss any other general business. Under section 5.33, all decisions made at an elector's meeting are to be considered at the next ordinary meeting of Council.

The Shire held the Annual Meeting of Electors on Monday, 3 May 2021 regarding the 2019/2020 Annual Report and other matters of interest to the Community.

## **COUNCIL ELECTIONS**

Elected members (councillors) are elected for four-year terms with local government ordinary elections held every two years on the third Saturday in October. There were no ordinary elections for 2020/2021.

However, an extraordinary election for the Central Ward was held on 26 March 2021, which saw Gary O'Brien elected as the councillor to replace former councillor Jackie Corless-Crowther, who retired from Council in November 2020.

The next local government ordinary elections will be held on 16 October 2021.

## **COUNCIL DELEGATES TO COMMITTEES**

Councillors participate in two types of committees. The first type are the committees of Council i.e. the Audit Committee and the Chief Executive Officer Performance Review Committee. The second type of committee is where councillors are invited to participate on committees external to the Shire of

Victoria Plains as an organisation. Most terms expire at the next Ordinary Local Government election (16 October 2021).

At its meetings on 30 October 2019 and 27 November 2019, Council resolved to make the following appointments:

## **COMMITTEES OF COUNCIL**

### **Audit Committee**

Council Representatives - Cr Bantock, Cr King, Cr Penn  
Community Members: Ms Lou Witham and Mr Gary McGill

## **ADVISORY GROUPS**

### **ANZAC Commemorative Advisory Group**

Council Representatives - Cr Penn and Cr Corless-Crowther  
Warden of the Memorial - Mr Gary McGill

## **EXTERNAL COMMITTEES**

### **Avon Midland Zone of the Western Australian Local Government Association**

Council Delegate - Cr Bantock  
Deputy Council Delegate: - Cr Corless-Crowther

### **Avon Voluntary Regional Organisation of Councils (AROC)**

Council Delegate - Cr Bantock

### **Bush Fire Advisory Committee**

Delegate – Cr Clarke  
Deputy Delegate – Cr Lovelock

### **Development Assessment Panel**

Members – Cr Bantock and Cr Penn  
Alternate Members – Cr Kelly and Cr Corless-Crowther

### **Local Emergency Management Committee (LEMC)**

Council Representatives - Cr Bantock, Cr King, Cr Clarke, Cr Lovelock

### **Rural Water Council**

Council Delegate - Cr Penn

### **Wheatbelt North Regional Road Group**

Council Representative - Cr Clarke  
Deputy Council Representative: Cr Kelly



## COMPLAINTS

The *Local Government Act 1995* s.5.53(2)(hb) requires reporting of the formal complaints entered into a register under section 5.121 that require action in accordance with section 5.110(6)(b) or (c).

No. of complaints recorded	Method of dealing with complaints
0	Apology
0	Sanction
0	Training

No formal complaints were reported during 2020-2021.

## ELECTED MEMBERS ATTENDANCE AT MEETINGS

Elected Member	Ordinary Council Meetings -	Special Council Meetings -	Special Electors Meetings - 0	Annual Electors Meeting - 2
Cr P Bantock	11	1	1	2
Cr D Lovelock	10	1	1	2
Cr S Penn	8	0	0	0
Cr N Clarke	10	1	1	2
Cr J King	10	1	0	0
Cr J Corless Crowther**	1	0	N/A	0
Cr J Kelly	9	1	1	2
Cr G O'Brien*	2	N/A	N/A	1

\* Elected March 2021

\*\* Ceased as an Elected Member November 2020

## CONTINUING PROFESSIONAL DEVELOPMENT

### 5.127. Report on training

(1) A local government must prepare a report for each financial year on the training completed by council members in the financial year.

(2) The CEO must publish the report on the local government's official website within 1 month after the end of the financial year to which the report relates.

### **Mandatory Training Matrix – Council Member Essentials Regulations 35 & 36 Local Government (Administration) Regulations 1996**

The Mandatory Modules are:

- (i) Understanding Local Government;
- (ii) Serving on Council;
- (iii) Meeting Procedures;
- (iv) Conflicts of Interest;
- (v) Understanding Financial Reports and Budgets.

Elected Member	Date Elected	Required to Complete Training	Due Date	Progress (Completed unless specified otherwise)	Date
Cr P Bantock	19/10/2019	Y	16/10/20	<ul style="list-style-type: none"> <li>• Serving on Council</li> <li>• Understanding Local Government</li> <li>• Meeting Procedures</li> <li>• Conflicts of Interest</li> <li>• Understanding Financial Reports and Budgets</li> </ul>	26/10/20 05/11/20 03/11/20 05/11/20 03/11/20
Cr N Clarke	19/10/2019	Y	16/10/20	<ul style="list-style-type: none"> <li>• Serving on Council</li> <li>• Understanding Local Government</li> <li>• Meeting Procedures</li> <li>• Conflicts of Interest</li> <li>• Understanding Financial Reports and Budgets</li> </ul>	26/10/20 05/11/20 03/11/20 05/11/20 03/11/20

Cr D Lovelock	21/10/2017	Y	16/10/20	<ul style="list-style-type: none"> <li>• Serving on Council – Incomplete P</li> <li>• Understanding Local Government – Incomplete P</li> <li>• Meeting Procedures – Incomplete P</li> <li>• Conflicts of Interest – Incomplete P</li> </ul>	
Cr J Kelly	19/10/2019	Y	16/10/20	<ul style="list-style-type: none"> <li>• Serving on Council – Incomplete P+E</li> <li>• Understanding Local Government</li> <li>• Meeting Procedures</li> <li>• Conflicts of Interest</li> </ul>	05/11/20 03/11/20 05/11/20
Cr S Penn**	21/10/2017	Y	16/10/20	<ul style="list-style-type: none"> <li>• Serving on Council – Incomplete P+E</li> <li>• Understanding Local Government – Incomplete P</li> <li>• Meeting Procedures – Incomplete P</li> <li>• Conflicts of Interest – Incomplete P</li> </ul>	
Cr G O'Brien*	26/03/21	Y	25/03/22	<ul style="list-style-type: none"> <li>• Serving on Council</li> <li>• Understanding Local Government</li> <li>• Meeting Procedures</li> <li>• Conflicts of Interest</li> </ul>	15/05/21 12/04/21 13/06/21 27/04/21

#### **Notes**

\*Cr O'Brien completed the fifth and final module Understanding Financial Reports and Budgets on 13/08/21. This will appear in the training report for 2021/2022

\*\*Cr Penn – was elected prior to the commencement of mandatory training on 19/10/19 and so was required to complete the training by 16/10/20.

P+E = Participating but studies not finished (with evidence)

P = Participating but studies not finished (NO evidence)

Councillors did not undertake other development training opportunities.

**Glenda Teede**

Chief Executive Officer



## CEO'S MESSAGE 2020-2021

2020 – 2021 has proven to be a roller coaster of a ride. And we are still riding the wave, albeit Victoria Plains has fared better than many parts of Australia and indeed globally.

### OVERALL FINANCIAL POSITION

The Shire's financial position is sound, recognising that there is one issue regarding the Shire's financial ratios:



**The Operating Surplus Ratio** is below the Department of Local Government, Sport and Cultural Industries' standard for the last three financial years

This ratio is subject to measures under the Resource Plan to improve it over the long term.

### CAPITAL WORKS

The Local Road and Community Infrastructure Program (LRCI) Phase 1 and 2 funding was secured with the following projects completed:

- Bolgart West Rd – Shoulder Upgrade 2kms
- CCTV System
- Solar Lights

Whilst the Mogumber-Yarawindah Road pilot project was halted in 2020 due to COVID 19, the first two stages of the project were completed in Quarter 3 of 2020/2021.

Bolgart West Road - Stage 1 was completed in Quarter 3 of 2020/2021.

The Bolgart and Yerecoin Footpaths were completed in 2020/2021.

Another key requirement of the Shire was continuation of the Wheatbelt Secondary Freight Network Project and Local Roads & Community Infrastructure, and I am pleased to advise that the Funding Projects associated with the WSFN & LRCI 1 were completed within the grant conditions and timeframe.

### COMMUNITY DEVELOPMENT

The Shire and Elected Members have resolved to review the Business and Strategic Plans of Victoria Plains to ensure to improve communication between the Shire and community and provide quality core business services for the Community.

### ENVIRONMENT

The Bushfire Risk Management Plan was developed and endorsed by Council and the Office of Bushfire Risk Management. This plan outlines the environmental

risk of bush fire and strategies and tactics to appropriately mitigate risk where possible and provide access to State Funding. A number of small mitigation burns were conducted for protection of the Calingiri and Piawaning Town Sites.

### **PLANNING COMPLIANCE**

Finalisation of an Omnibus Amendment to the Shire of Victoria Plains Local Planning Scheme No.5 to update the scheme, correct minor errors and provide more clarity and flexibility for future development. This is an important achievement that will be of significant benefit to the local community and local economy. The Shire also worked closely with a number of landowners to successfully resolve a range of non-compliance issues.

### **GOVERNANCE**

A key component of any Shire is to deliver significant priorities of the Corporate Business Plan, as reflected in the Annual Budget, to the standard specified on time and within budget.

This has been achieved through Quarterly and Annual reports including the CEO performance objectives; Monthly reports to Council on the progress of capital projects; a quarterly report on status of items in the Compliance Calendar; and advice to Council on significant risks and variations to projects along with proposed recovery actions in monthly reports.

A key component over the last 12 months has been to implement the Record Keeping Improvement Project. This has seen the Record Keeping Plan adopted by the State Records Office in 2021, which Plan is now being more fully implemented. Staff training and awareness is continuing with a Records Disaster Recovery Plan (RDRP) being developed.

Overall, a Shire is obliged to manage the organisation within delegated authority and meet statutory obligations, which is achieved through various means including reporting on relevant results from an independent annual Staff Survey, reporting trends from staff exit interviews to Council and monitoring the number of compliance exceptions.

### **COMMUNITY SAFETY**

In 2020 the CEO implemented a restructure of Ranger Services and created the Community Safety Team, this team was designed to be Managed by the Community Emergency Services Manager and had a Bushfire Risk Planning Officer as well as a Community Safety Officer within the department. This restructure allowed the Shire a broader approach to the provision of Animal Control, Bushfire Prevention – Preparedness - Response & Recovery, Emergency Management, Regulatory Services, Community Engagement and Education.

The reformed structure has allowed development of Terms of Reference in the Local Emergency Management Committees, reviews of the Local Emergency Management Arrangements, Community Engagement strategies and continued response to emergency incidents.

The shire continued to support neighbouring Local Governments, Department of Biodiversity & Attractions, and Forrest Product Commissions in combating incidents as required.

A Bushfire Support trailer was built to assist our volunteers in the initial phases of incidents, which was completed in 2021.

## **CONCLUSION**

To maintain a strategic and annual planning framework which governs the Shire's actions, which is comprehensive, integrated and widely understood, the Shire can advise that Council are satisfied with the Strategic Planning Framework as developed; components are being prepared and approved by their due dates; the Asset Management Plans are up to date and feed into, and form part of, the Long-Term Financial Plan; with the Corporate Business Plan and Four-Year Budget forming the basis for annual budgets, again which are consistent with the Strategic Community Plan and Long-Term Financial Plan.

I am grateful to my staff and Elected Members for their ongoing support to allow the success of the above.

Glenda Teede  
**Chief Executive Officer**



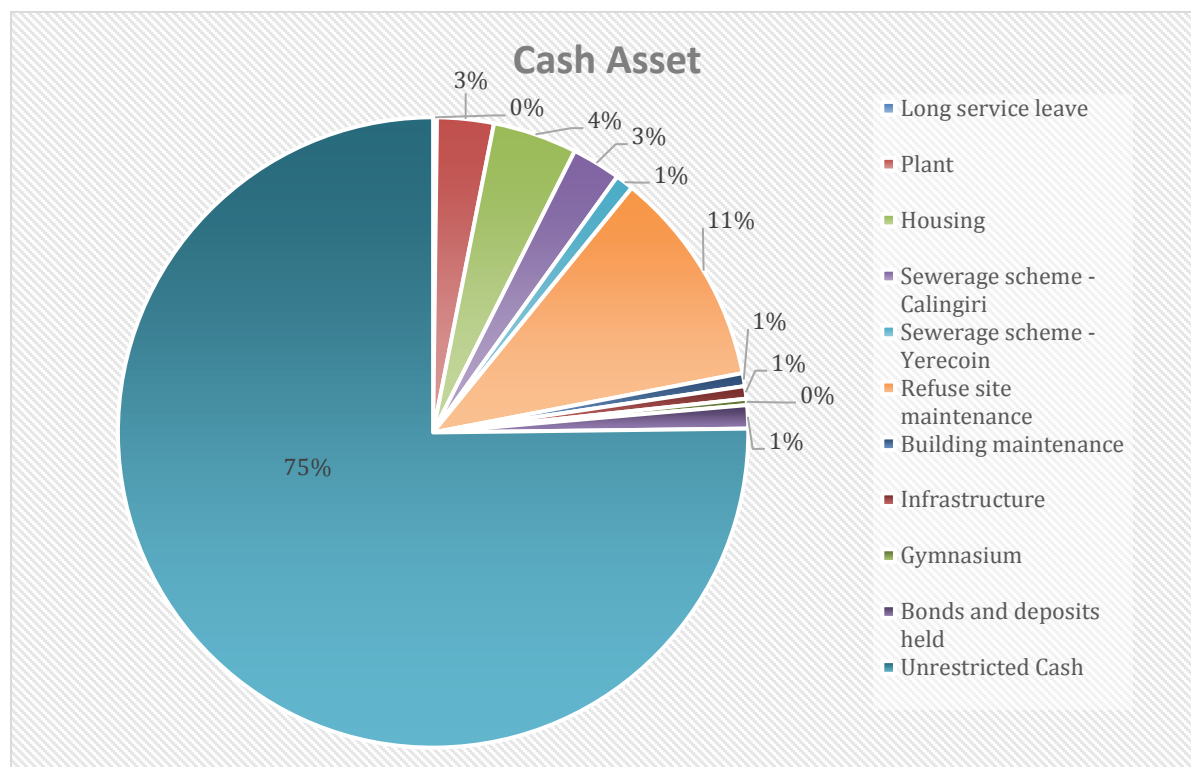
## FINANCE AND ADMINISTRATION

### FINANCIAL PERFORMANCE

The Shire of Victoria Plains completed the financial year 2020/2021 with \$2.28 million in cash and cash equivalents, an increase of 55% from last financial year.

The graph below shows \$1.715 million in unrestricted funds, and \$0.565 million in restricted funds held in various reserves. 29% of the unrestricted funds were placed in fixed term deposit account.

### CASH



### RESERVES

The Reserve accounts are created for specific purpose to fund the future projects. The Shire increases its reserve funds through interests and operating surplus and reduce the balances through funding the projects for the year.

As at 30 June 2021, the Cash-Backed Reserves balance was \$538,866 against a budgeted closing balance of \$435,659. A transfer of funds Refuse Site maintenance reserve decreased the total funds by 5% compared from last financial year.

Reserves			
	2021 Actual	2021 Budget	2020 Actual
Opening Balance	564,979	472,889	470,117
Net Transfers	(26,113)	(37,230)	94,863

<b>Closing Balance</b>	<b>538,866</b>	<b>435,659</b>	<b>564,979</b>
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## BORROWINGS

Council can raise funds for a specific project by way of borrowing. As at 30 June 2021, the total principal owing was \$306,547. These loans funded the Calingiri Sports Pavilion, Piawaning Water Supply, and Calingiri Football Club (self- supporting loan). There were no new borrowings during the 2020/2021 financial year.

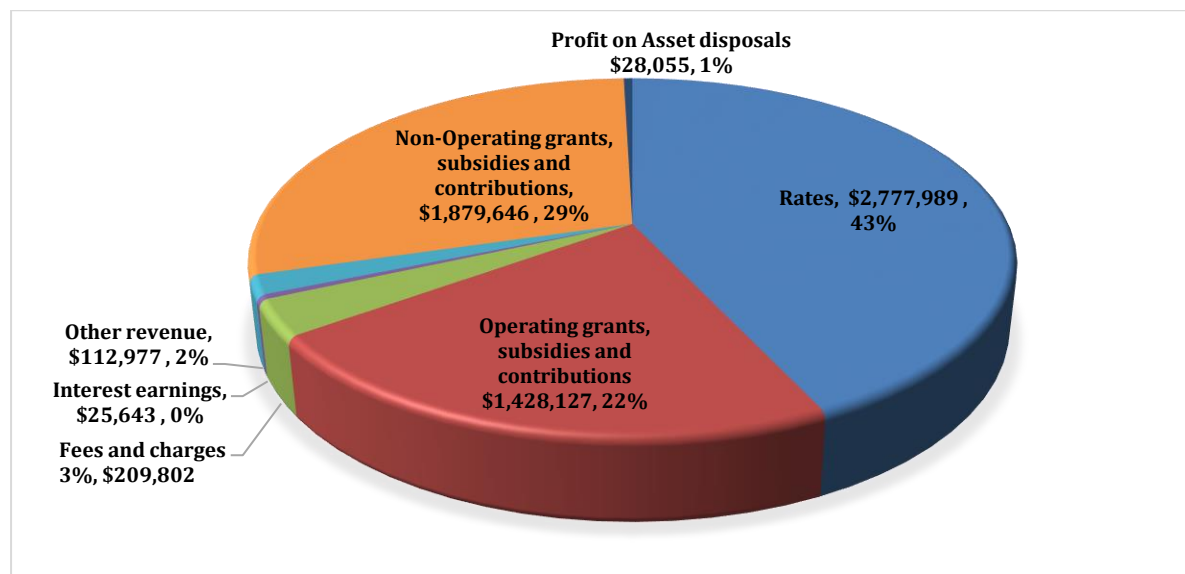
## REVENUE AND EXPENSES

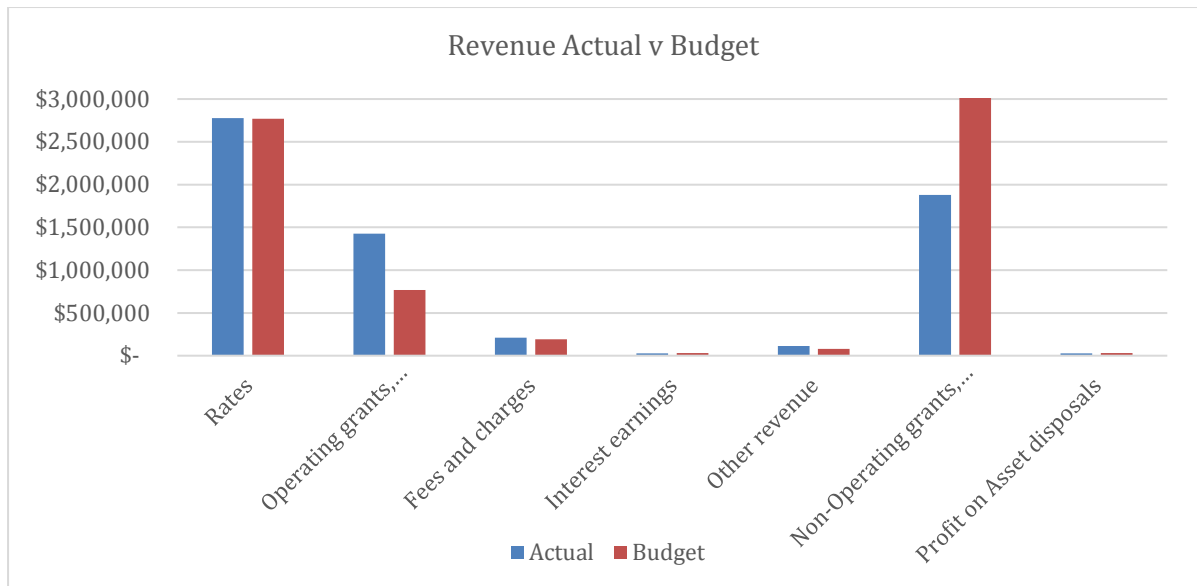
The Shire's total revenue for 2021 Financial Year was \$6.46 million and expenditure, \$7.36 million, resulted to a negative net result of \$894,406 against a deficit budget of \$62,359.

The net loss is mainly contributed by non-operating grants, subsidies and contributions being lower than the budget estimates, primarily related to deferment of capital projects and projects brought forward to the following financial year, and timing of revenue recognition associated with the implementation of revised accounting standards AASB 15 and 1004

The component of these revenue and expenses are illustrated in the range of following charts:

## REVENUE

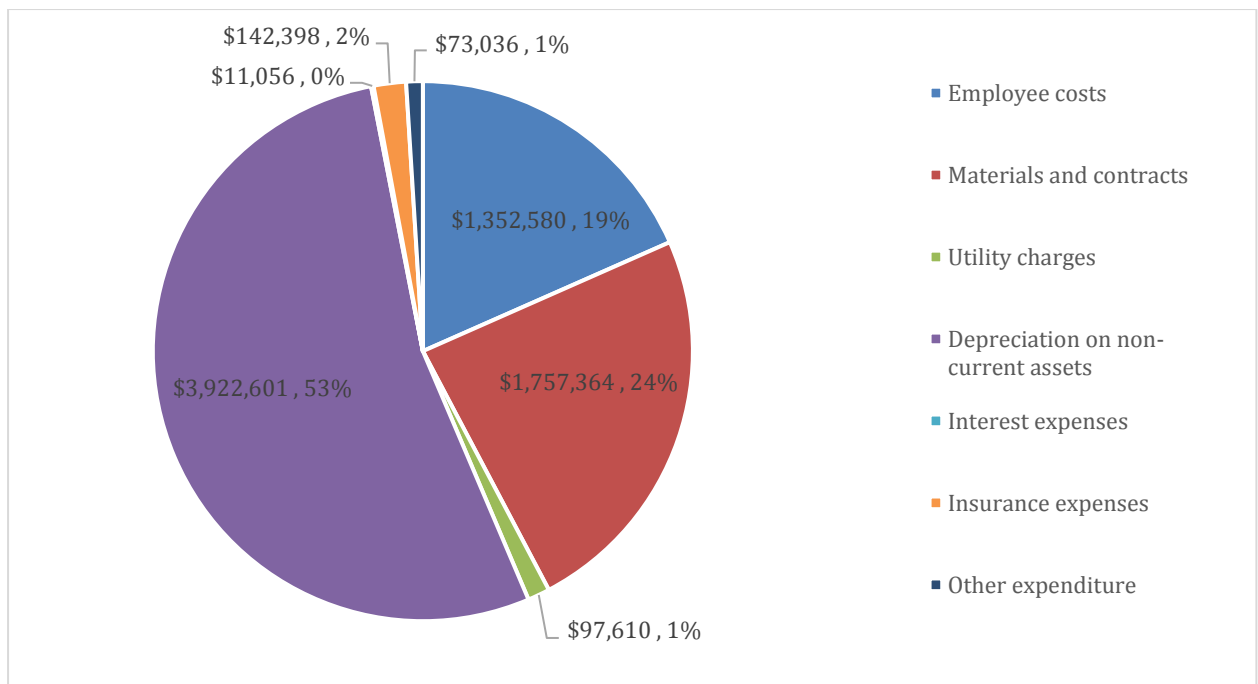




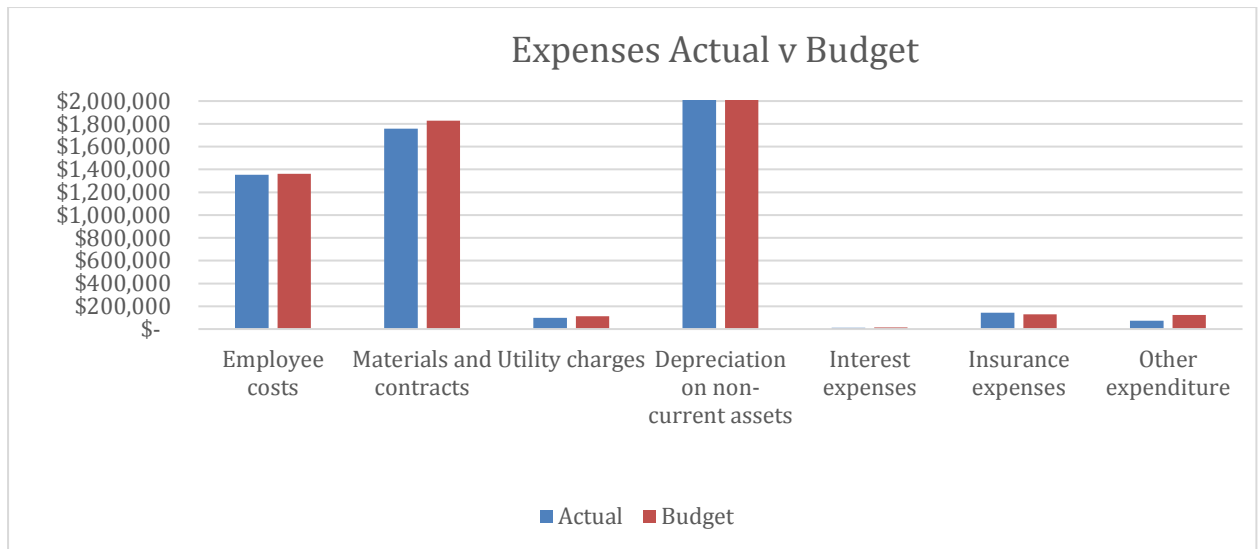
The graphs show the sources of Council's revenue for the year 2020/2021. The main components are as follows: Operating grants, subsidies and contributions 22%, and non-operating grants 29%, and major own source revenue Rate 43% and Fees and Charges 3%. The remaining 3% comes from other sources of revenue such interest, profit from disposal of assets and other revenue.

The total Rates noted in the graph includes Ex-Gratia rates of \$80,571. No rates discounts and waivers were offered by the Shire during the 2021 financial year

## EXPENSES







The graphs show Council's expenses for financial year 2020/2021. The three main components were made up of \$1.76 million (24%) materials and contracts costs, \$1.35 (19%) employee costs, \$3.922(53%) depreciation of non-current assets with the remaining \$0.324 million (4%) are from interest, insurance and other expenditure.

### **CAPITAL EXPENDITURE**

The Council budgeted \$4,242,500 for capital expenditure, \$293,902 was spent on Property, Plant and Equipment, and \$2,079,559 on Construction of Infrastructures.

A number of the capital projects are being carried forward to the next financial year (2021/2022), such as LRCI Program funded projects.

### **Road infrastructure**

Total road grants income received for the financial year amounted to \$2,558,562 as follows:

- Grants Commission – Local Roads \$552,263
- Grant – Direct Road \$132,995
- Grant – Regional Road Group – Road Projects \$278,481
- Grant – Roads to Recovery \$229,267
- Grant – Main Roads (Mogumber Yarawindah) \$1,036,940
- Grant – Local Rural Community Infrastructure Program \$328,616

Total road expenditure was \$2,826,702 excluding depreciation as follows:

- Roads Construction \$1,956,978
- Road Maintenance \$ 869,724

The major roads construction works were:

- Toodyay-Bindi Bindi Road

- Gillingarra- Glentromie Road
- Bolgart West Road
- Mogumber – Yarrawindah
- Yerecoin Southeast Road

### Major Plant

There were no items of major plant purchased during the 2021 financial year.

### FAIR VALUE

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

In reviewing the fair values of land, buildings and infrastructure at 30 June 2021, it was determined that the recorded values reflected current market conditions. The next revaluation of Land and Buildings will be reflected in financial year 2021/2022.

### NET SURPLUS / DEFICIT CARRIED FORWARD

The 2021 financial year has resulted in a net surplus carried forward of \$0.894 million against a balanced budget.

### FINANCIAL RATIOS

The Department of Local Government emphasize the purpose of Financial Ratios in which is “to provide users of annual financial reports with a clearer interpretation of performance and financial results of a local government”. Financial Ratios are required to be reported in accordance with the Local Government (Financial Management) Regulations. The Shires ratios for 2021 are:

	2021 Actual	DLGSCI Benchmark*
<b>Current Ratio</b>	<b>1.96</b>	<b>≥ 1.00</b>
<b>Asset Consumption Ratio</b>	<b>0.68</b>	<b>≥ 0.50</b>
<b>Asset Renewal Funding Ratio</b>	<b>0.51</b>	<b>≥ 0.75</b>
<b>Asset Sustainability Ratio</b>	<b>0.50</b>	<b>≥ 0.90</b>
<b>Debt Service Cover Ratio</b>	<b>17.34</b>	<b>≥ 2.00</b>

<b>Operating Surplus Ratio</b>	<b>(.90)</b>	<b>≥ 0.01</b>
<b>Own Source Revenue Coverage Ratio</b>	<b>0.42</b>	<b>≥ 0.40</b>

**\*Department of Local Government, Sport and Cultural Industries**

## **CONCLUSION**

The staff are committed in safeguarding the Shire's finances and meeting the compliance requirements. I personally thank the administration and finance staff for their enthusiasm, time, and commitment in their respective responsibilities ensuring that tasks are done accurately, satisfactorily and on time.

I would also like to thank the consultants and the Shire Councillors for their support during the year. I look forward to a productive and successful 2022.

Ms Glenn Deocampo

**Finance Manager/Coordinator Financial Services**



## WORKS AND SERVICES

There are 12 works and services positions based at the depot split into two crews, Towns and Parks crew and Construction and Maintenance crews.

The Town and Parks crew's scope of works including drain clearing, cleaning and tree pruning in town, weed spraying, maintaining parks, reserves and public open spaces.

The Construction and Maintenance crew carry out road maintenance and construction, drainage works, culvert construction, maintenance of the refuse sites and footpath repairs. The crews operate two graders across the shire alternating between maintenance grading and construction works.

### REVENUE – GRANT FUNDING

External funding is the major income stream for capital works and major maintenance of the Shire's assets. In 2020/21 financial year, external Federal or State Government grants funded to the Shire of Victoria Plains were from:

- Wheatbelt North Regional Road Group (RRG) – funding administered by Main Roads Western Australia (MRWA).
- Main Roads WA Direct Grants for roads.
- Department of Infrastructure, Transport, Regional Development and Local Government (Australian Government) Roads to Recovery funding program.
- Wheatbelt Secondary Freight Network (WSFN) to connect with state and national highways to provide access for heavy vehicles into the region. These roads are essential for supporting key freight supply chains including grain and mining related freight. They also support tourism in the region.
- Agricultural Lime Funding through the Western Australian Government's Royalties for Regions.
- Department of Infrastructure, Transport, Regional Development and Local Government (Australian Government) Local Roads and Community Infrastructure Program
- Financial Assistance Grants – Road Component. Distributed by the Local Government Grants Commission.

The Shire also contributed key funding as it is required to match funding provided by the State.



**Bolgart West Road Shoulder widening and reseal was completed in late October 2020**

## **CAPITAL PROGRAM**

Capital Roadwork's form a major portion of the Council's Annual Budget expenditure. Council has in recent years followed a stringent program of resealing works which is aimed at preserving Council's existing sealed road assets. A ten-year Road and Plant Replacement Program has been developed for future works. Major capital construction projects undertaken in 2020/2021 financial year were:

- Bolgart West Rd
- Toodyay-Bindi Bindi Rd
- Yenart rd Culvert
- Footpaths Bolgart and Yerecoin

## **ROAD MAINTENANCE**

Grading, rolling, cleaning of drainage and culverts on Council's roads are performed throughout the Shire as part of the Councils maintenance program. Bitumen patching roads was also a high priority as was street tree maintenance and weed spraying in both the town site and rural areas. There are 560 kilometres of unsealed roads in the Shire. The Shire utilises its two graders to maintain the unsealed road network as well as being involved in capital works. The expectation is to achieve two to three grades over the network per year. Additional grading contractors are engaged when required to achieve this.

## **BRIDGES**

The Shire is responsible for 7 Bridges of varying condition, composition and ages, we are delegated the care and control of these bridges from MRWA, as such we complete annual inspections, highlight any maintenance issues and in conjunction with MRWA repairs are carried out to preserve the integrity and the life of the bridges.



## **PLANT/MACHINERY**

No major plant purchases were made in 2020/21, the general age of the plant and equipment is increasing so a robust Asset management plan must be put in place to ensure Shire levels of service can be delivered.

## **PARKS, GARDENS AND OVALS**

A significant number of resources and staff time goes into the up-keep and maintenance of the Shire's parks, gardens, and sports oval facilities. Our Town crew have done a fantastic job ensuring these very important recreational areas look their best.

## **WASTE MANAGEMENT**

Waste management is a core function of the Shire. It encompasses activities and services related to the collection and disposal of waste, along with waste minimization and recycling initiatives. The Shire strives to manage waste in an environmentally responsible and sustainable manner to protect the natural environment and public health. This includes:

- Drum Muster, The Shire again participated in the "Drum Muster Program". This nation- wide program provides for the collection and disposal of used farm chemical containers.
- Kerbside Collection. A weekly kerbside waste collection service operates in the town sites of Yerecoin, Calingiri, and Bolgart.
- Bulk Cardboard and Comingled services at Bolgart, Calingiri and Yerecoin.

## **ASSET MANAGEMENT**

Road data is utilized to maintain an asset value of the road network and replacement cost. Data gathered is also used by the LGGC (Local Government Grants Commission) to calculate funds allocated to the Shire from the LGGC. The ROMAN System has highlighted the need for a higher level of expenditure on road maintenance and preservation. Council's current and future budgets will reflect the higher priority needed to maintain existing road and bridge infrastructure. Shire officers are continually collecting traffic counts and classification data to support the deterioration modelling which assists the preparation of the Shires ten year works and maintenance programme.

## **BUILDINGS**

The Shire has a range of building infrastructure assets which it is responsible for, these assets include Halls, Libraries, Office and Depots, Playgroup centres, Caravan Parks and rest stops, and other community buildings throughout the Shire that enable people to enjoy and participate in a range of activities.

## **CUSTOMER SERVICE REQUESTS**

The Shire aims to be responsive to ratepayer's requests for minor improvements and fault rectification. Requests vary dramatically and can be minor in nature from sweeping a path or an emergency with fallen trees to major road works/ drainage which needs future budget funding.



## **SUMMARY**

The Works and Services Department has delivered some terrific infrastructure projects this financial year, achieved through dedication, commitment, and great teamwork. It has been demonstrated the Shire and its residents are well served by their employees, many of whom go to great lengths to provide services to the public in their role as a Shire employee.

I would also like to express my thanks to all team members within the Works and Services department as well as all the administration staff for their high professional standards and productivity efforts during the 2020/2021 year.

Keith Boase  
**Works and Services Manager**



**Toodyay Bindi Bindi Rd Reconstruction**



**Gillingarra Glentromie Rd Reseal**

## **ENVIRONMENTAL HEALTH, BUILDING AND PLANNING SERVICES**

### **ENVIRONMENTAL HEALTH (applicable to the Shire of Victoria Plains)**

In addition to the usual duties required of the position, significant work was done towards the re-licensing of the Shire's landfills, particularly in respect of the Bolgart site.

The usual duties conducted during the period included:

- Inspection of Food Premises, including stall holders and mobile food vendors
- Ensuring currency of Legislation;
- Attendance as required on recall of food product;
- Inspection and surveillance of the three refuse sites, processing and submitting annual reports to Department of Water and Environmental Regulation, and enforcing any and all restrictions/requirements adhered to those refuse site licenses;
- Caravan Parks and Camping Grounds;
- Other public and private accommodation;
- Public buildings;
- Approval and inspection of effluent disposal systems
- Follow-up of Notifiable Disease Notifications;
- Noise, dust and other health related complaints;
- General advice to the public on matters relating to environmental health;
- Ongoing involvement in COVID management arrangements and onsite premises assessment of COVID compliance.

### **WASTE MANAGEMENT**

#### **Landfill Refuse Sites**

Periodic inspections were carried out at the landfill sites. As part of the licensing conditions for the refuse sites, annual reports were submitted to the Department of Water and Environmental Regulation (DWER) within the specified time frames. Work continues in respect of improving the sites to ensure compliance with the Licences.

#### **Calingiri and Yerecoin Sewerage Systems**

Jet cleaning and CCTV camera work to produce a condition report of both sewerage systems was undertaken and corrective works will be undertaken next financial year to rectify a couple of identified issues.

### **FOOD PREMISES**

All food premises within the Shire were inspected throughout the year at regular intervals on a risk assessment basis frequency and, where required, work requests were issued for premises to be brought into compliance with the Food Standards Code.

All premises remained in compliance with some minor items requiring attention from time to time.



## **ON-SITE EFFLUENT DISPOSAL SYSTEMS**

Several on site effluent disposal systems were approved during the year. These approvals included assessment of the sites to ensure suitability of the approved systems to the areas of installation and inspections where practical of the installations.

All systems were installed in accordance with the approvals.

Gordon Houston  
**Environmental Health Consultant**

## **BUILDING**

The Shire's building surveyor undertakes the following tasks:

- Assessment of Building Applications for compliance with the National Construction Code of Australia and relevant Australian Standards;
- Issue of Certificate of Design Compliance for Class 1 & 10 buildings;
- Process and issue of Building Permits;
- Process and issue of Demolition Permits;
- Monitoring the handling and disposal of any Asbestos Containing Materials and the compliance with the ACM Handling and Disposal Code;
- Initial and periodic compliance inspections of private swimming pools barrier fencing, gates and access points in townsites;
- Inspection and maintenance of Shire controlled and owned buildings when required.
- Maintain close liaison with builders, architects/draftsmen and owner builders to ensure a satisfactory standard of building construction and compliance with the Building Code of Australia, is maintained; and
- Any other relevant building matter required to be attended to by Council staff.

The Shire's Building Services has continued to receive and process building permit applications once they have received R Code or Local Town Planning Scheme compliance certification, within the mandatory period.

### **Building Control**

The number of approvals and the value of these approvals, are not available for the 2020/2021 Annual Report

## **LOCAL PLANNING SCHEME**

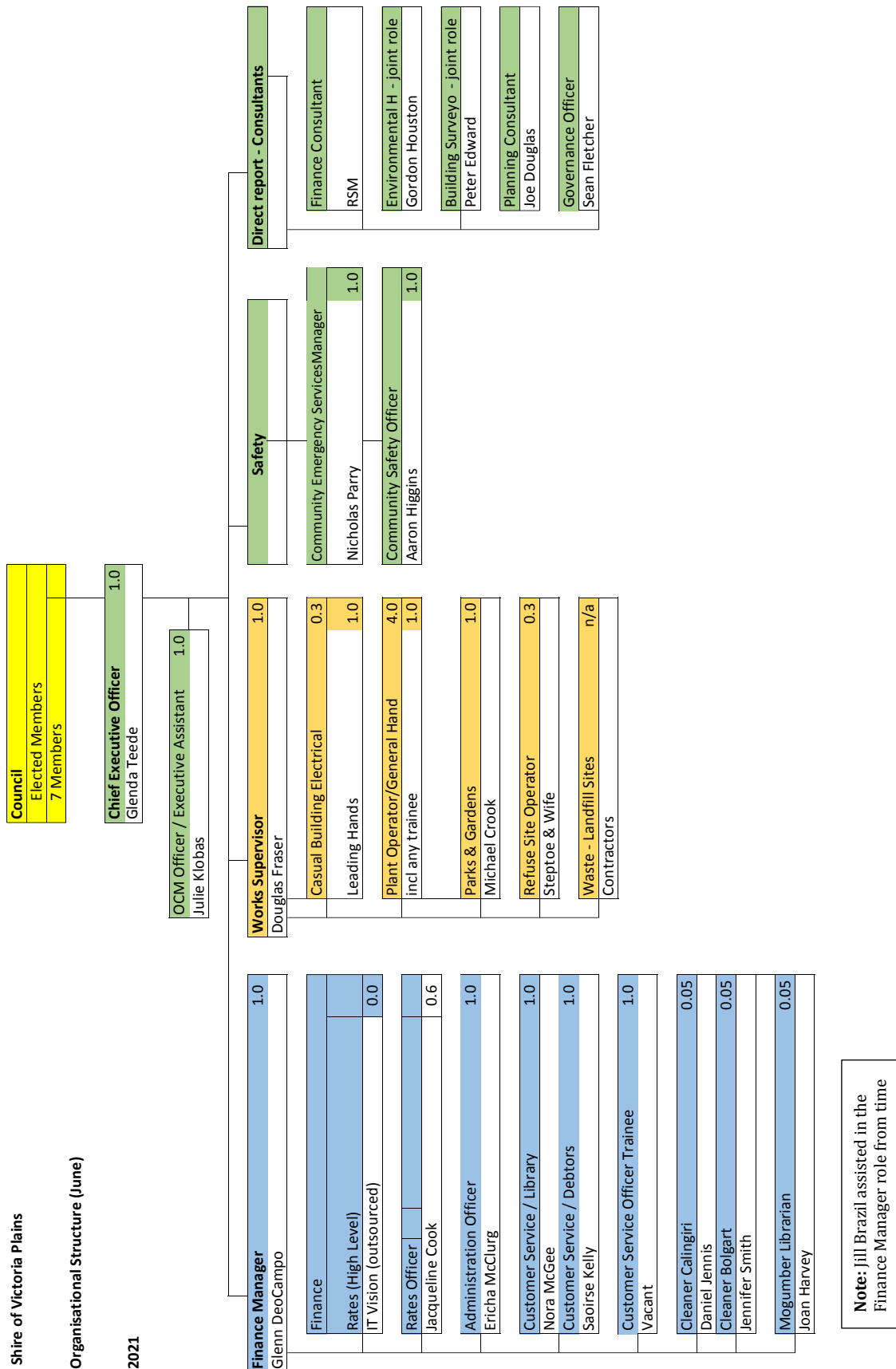
The Shire's consultant town planner finalised the proposed Omnibus Amendment to Local Planning Scheme No.5 to address a number of issues that have arisen and changes that have occurred since the Scheme was first approved and gazetted in March 2012. The amendment has been approved by the Minister for Planning and now has full legal effect.

The Shire's local planning policies are being reviewed and a suite of new policies will be prepared for consideration by Council and public advertising thereafter for a minimum period of 30 days. Public advertising will also be undertaken to provide opportunity for the local community to provide feedback and comment on the proposed policies before any decision is made by Council regarding their final adoption.

Compliance with all relevant town planning requirements is proving to be a significant issue throughout the Shire and has been the focus of much of the work undertaken by the Shire's town planner over the past twelve (12) months.

The Shire's town planner will continue assisting the Shire Administration, local businesses and community members with any town planning and development related matters and will assess and provide recommendations to the Shire's Chief Executive Officer and Council in respect of any rezoning, subdivision and/or development applications received.

# SHIRE'S ORGANISATIONAL CHART



## EMPLOYEE REMUNERATION

The *Local Government (Administration) Regulations 1996* r.19B requires that employee remuneration in specific bands be reported.

The Shire's executive remuneration is assessed against skills, qualifications, experience and the responsibilities of the position.

The figures below represent a cash base salary but do not include vehicle allowances, non-monetary benefits such as professional memberships or superannuation in accordance with policy.

Salary Band	30 June 2018	30 June 2019	30 June 2020	30 June 2021
\$120,001 - \$130,000				
\$130,001 - \$140,000	1	1	1	1

## OTHER MATTERS OF GOVERNANCE – STATUTORY REPORTING

### PUBLIC INTEREST DISCLOSURES (PIDs)

The Shire is required to complete the Public Sector Commission's Integrity & Conduct Survey each year. This covers the annual reporting responsibilities under the *Public Interest Disclosure Act 2003*. The survey assists the PSC in monitoring ethical trends and building capacity through strengthening organizational structure, leadership and systems, and policies and processes, as part of its oversight of minor misconduct functions under the *Corruption, Crime and Misconduct Act 2003*.

The Shire of Victoria Plains did conduct the annual PID survey for 2021. There were no public interest disclosures during 2020/2021.

### NATIONAL COMPETITION POLICY (NCP)

The Shire is required to report its progress in implementing the National Competition Policy in their annual report. There are a number of specific requirements placed on local government in the areas of competitive neutrality, legislation review and structural reform.

#### Competitive Neutrality

The principle of competitive neutrality is that government business should not enjoy a competitive advantage or disadvantage, simply as a result of their public sector ownership. For local government this relates to user-pays income of over \$200,000.

In accordance with the Shire's responsibilities under Clause 7 of the statement relating to competitive neutrality, the Shire of Victoria Plains has reviewed its activities in line with advice from the Department of Local Government Circular

No 806 and has found that none of its activities are “Significant Business Activity” for competitive neutrality requirements.

The Shire of Victoria Plains did not privatise any activities in 2020/2021 and so consequently there were no obligations to report in this area.

### **Legislative Review**

The Shire is required to assess which of its local laws might impact on competition and conduct a review to determine how restrictive practices might be overcome.

There were no new local laws created in 2020/2021. The next review required by the Local Government Act of the Shire’s local laws is due in 2024. Accordingly, there has been no impact on NCP requirements.

## **RECORD KEEPING PLAN – COMPLIANCE REPORT**

In line with Section 19 of the *State Records Act 2000*, local governments are required to have a Record Keeping Plan that is approved by the State Records Office (SRO). The plan applies to employees, councillors, and contractors.

The Record Keeping Plan is the primary means of providing evidence of compliance with the Act and the implementation of best practice record keeping in the organisation. In line with Section 17 of the Act, the Shire, councillors, and staff are legally required to comply with the actions listed in the plan.

The Shire is committed to the management of records in accordance with legislative requirements and best practice.

The Recordkeeping Plan was reviewed in the second half of 2020/2021 and the review report will be submitted to the State Records Commission in November 2021.

### **Evaluation of Recordkeeping Systems**

Evaluation of the shire’s recordkeeping system was undertaken in 2020/2021. This resulted in several changes to processes to improve recordkeeping and reduce the amount of information stored outside of the recordkeeping system.

### **Recordkeeping Training Program**

The Shire of Victoria Plains implemented the use of SynergySoft Central Records to capture their records and staff were provided with informal training from an external Records Consultant and one on one instruction by request.

### **Evaluation of the Recordkeeping Training Program**

The shire’s training recordkeeping program commenced with an audit due in March 2022 regarding the successful registration of records.

### **Recordkeeping Induction Program**



The recordkeeping Induction program has yet to be implemented to new staff. This will be commencing the second quarter of 2022 and will be provided to all new staff within three months of commencement. The program will include training manuals, face to face training and online training on a as needs basis.

## **FREEDOM OF INFORMATION (FOI)**

A copy of the current statement is available on our website: [www.victoriaplains.wa.gov.au](http://www.victoriaplains.wa.gov.au). We confirm that the Shire complies with the relevant legislation and welcomes FOI enquiries.

The Shire of Victoria Plains received four FOI applications during 2020/2021.



**The New Limestone Wall & Centenary Roses at the Anzac Memorial**

## DISABILITIES ACCESS AND INCLUSION PLAN (DAIP)

The Disability Services Act 1993 s.29 requires the Shire to report on implementation of their Disability Access Inclusion Plan. Further, the Disability Services Regulations require that the report contain information on –

- a) progress made by the Shire and any agents and contractors in achieving the desired outcomes; and
- b) the strategies implemented to inform its agents and contractors of its Disability Access and Inclusion Plan.

The Shire's Disability Access Inclusion Plan (DAIP) 2015–2020 outlines the strategies and actions the Shire undertakes in working towards ensuring access and inclusion for all community members.

The DAIP comprises seven outcome areas which identify and address barriers that may prevent people with disability from accessing and enjoying the services, programs and facilities the Shire provides.

Strategy	
Outcome	Time
<b>1. People with disability have the same opportunities as other people to access the services of and any events organised by, the Shire of Victoria Plains</b>	
1.1. Disability planning is used in all new buildings	Ongoing
1.2. Develop links with other strategies, agencies and frameworks	Ongoing
1.3. Additional Public Toilet facilities for people with disability to be made available	Ongoing
1.4. Parking spaces for people with disability to be allocated at key access positions at Shire offices	Ongoing
1.5. Update refuse services to include specialised rubbish collection services if required	As required
1.6. Procedures for monitoring effectiveness, including Staff training to ensure awareness of the DAIP requirements	Ongoing
1.7. Procedural changes to include disability planning in new buildings	Ongoing
<b>2. People with disability will have the same opportunities as other people to access the buildings and other facilities of the Shire of Victoria Plains</b>	
2.1. Monitor Shires Access Plan to ensure it incorporates all planned activities and functions throughout the Shire	ongoing
2.2. New buildings to include disability and inclusion consideration at design stage	Ongoing
2.3. Develop link with other strategies and frameworks	Ongoing
2.4. Update Refuse Service to include specialised rubbish collection services	As required
2.5. Procedures for monitoring effectiveness	Ongoing
2.6. Disability Access Audit Report on Shire buildings	June 2011

<b>3. People with disability receive information from the Shire of Victoria Plains in a format that will enable them to access the information as readily as other people are able to access it</b>	
3.1. CD Disc containing council information on request	As required
3.2. Large print shire info on request	As required
3.3. Inform staff of DAIP requirements	Ongoing
<b>4. People with disability receive the same level and quality of service from the staff of the Shire of Victoria Plains as other people receive from the staff of the Shire of Victoria Plains</b>	
4.1. Allocate Duties, Responsibilities and accountability for DAIP	Ongoing
4.2. Deliver DAIP awareness training including disability communication training	Ongoing
4.3. Develop training matrix to include refresher training for DAIP	Ongoing
<b>5. People with disability have the same opportunity as other people to make complaints to the Shire of Victoria Plains</b>	
5.1. Ensure complaints procedure and outcome satisfaction form is made available in large print and CD	As required
5.2. Ensure staff who manage complaints procedure are aware of responsibilities and new procedures	Ongoing
5.3. Develop training matrix to include refresher training for DAIP	Ongoing
<b>6. People with disability have the same opportunities as other people to participate in consultation with the Shire of Victoria Plains</b>	
6.1. Invitation to people with disability to have a say in planning	Oct 2011
6.2. Invitation to be an ongoing disability community representative	Oct 2011
<b>7. People with disability have the same opportunities as other people to obtain and maintain employment with the Shire of Victoria Plains</b>	
7.1. People with disability are encouraged to apply for positions with the Shire	Ongoing

As per the activity in the 2019-2020 report, many tasks were on-going in nature. No priority issues were identified and no specific actions were required or undertaken.

It was planned for the DAIP to be reviewed during 2019/2020. However, this did not occur. It was anticipated that the review would be held in the second half of 2020/2021 with input, feedback and contributions from the community will be sought. A community working group did meet in May 2021. However, due to key staff changes and the impact of new reforms under the Local Government Act, the Shire lacked resources to continue the review process. It is hoped that it will be completed by 30 June 2022

The Shire's DAIP is posted on our website, together with an Accessibility Notice.



## SHIRE FACILITIES



**New Shade Sails at Bolgart**

### **Shire Library**

28 Cavell Street, Calingiri

Phone: (08) 9628 7004

Fax: (08) 9628 7008

Email: [reception@victoriaplains.wa.gov.au](mailto:reception@victoriaplains.wa.gov.au)

### **Calingiri Recreational Hall**

Yulgering Road, Calingiri

Phone: (08) 9628 7004

Fax: (08) 9628 7008

Email: [reception@victoriaplains.wa.gov.au](mailto:reception@victoriaplains.wa.gov.au)

### **Calingiri Sports Pavilion**

Renovated and refurbished in 2012.

Contact the Shire for further details on 9628 7004

### **Bolgart Hall (includes the library)**

George Street, Bolgart

For information or bookings contact: Nancy Holmes 9627 5135 or the Shire on 9628 7004.

Email: [bolgartlibrary@victoriaplains.wa.gov.au](mailto:bolgartlibrary@victoriaplains.wa.gov.au)

**Yerecoin Hall**

Miling Road, Yerecoin

For information and bookings contact - Yerecoin Traders 9654 6015

**Piawaning Hall**

Toodyay Bindi Bindi Road, Piawaning

For information or bookings contact – Kerry Smith 0429 109 094

**Mogumber Hall**

Bindoon Moora Road, Mogumber

For information or bookings contact - Tania Menzies (Mogumber Progress Association Treasurer & Bookings) 0408 515 037

**Mogumber Library (Old School Building)**

Mogumber Yarrawindah Road

Mogumber WA 6506

Ph: 9651 9015

**Gillingarra Recreation Hall**

Bindoon Moora Road, Gillingarra

For information or bookings contact - Gillingarra Sport and Recreation Club,  
President: Jenny Kelly on 0427 765 805 or email: [eogsrc@gmail.com](mailto:eogsrc@gmail.com)

**Refuse (Landfill) Sites:**

The Shire operates three Category 64 Putrescible landfill sites:

- Bolgart (Licence L6956/1997/11)
- Calingiri – Crown Reserve 34141 Calingiri-Goomalling Rd (Licence L6955/1997/11)
- Mogumber – Reserve 8588 Bindoon-Moora Rd (Licence L7011/1997/11)



## REPORT AGAINST THE PROGRESS OF THE STRATEGIC COMMUNITY PLAN & CORPORATE BUSINESS PLAN

### INTRODUCTION

Local governments are required to plan for the future of their districts. Amongst other things this entails implementing Integrated Planning and Reporting that includes preparation of a strategic community plan to cover at least 10 financial years.

The strategic community plan (SCP) as the plan for the future then ‘feeds into’ a corporate business plan. The SCP sets out where the community wants to go. The supporting Corporate Business Plan and associated documents such as the long term financial plan (LTFP), the asset management plans (AMP) and workforce plans set out how the Shire will help get there. The annual budget allocates funds towards those various goals and plans.

To meet the requirements of Integrated Planning and Reporting, the Shire has the following plans in place:

Plan in Place	Date Adopted	Comment
Strategic Community Plan	18 March 2018	Next plan due March 2022
Corporate Business Plan	12 August 2019	Next Plan due August 2023
Strategic Resource Plan	12 August 2019	Contains LTFP and AMP
Work Force Plan	12 August 2019	Next Plan due August 2023

The *Local Government Act 1995* s.5.53(2) requires that the annual report is to contain:

(e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year.



## Modification of Plans

In accordance with the *Local Government (Administration) Regulations 1996* r.19CA it is noted that:

- a. No modifications were made to the Strategic Community Plan during 2019/2020; and
- b. A new Corporate Business Plan was adopted on 12 August 2019.

## Strategic Community Plan (SCP)

The current SCP was adopted on 28 March 2018, following extensive consultation in the community and public meetings in the towns during 2017. The SCP identified the following as community priorities:

Priority Areas		Measuring our Success
Community	to enhance and improve a sense of community in the Shire	
1.1	Better publicise upcoming events and activities in the Shire	• Development and implementation of a Shire recreation plan
1.2	Improve aged care and support	
1.3	Promote community health and wellbeing	
1.4	Support sporting, volunteer and community groups	
1.5	Increase community activities	
1.6	Develop new/ reuse existing community facilities	
Economic	to improve and add to local economic development and activity	
2.1	Examine opportunities to diversify the local economy through initiatives such as tourism	• Development and implementation of a Shire economic plan and associated activities
2.2	Improve tourist/ caravan park accommodation	
2.3	Improve community connectivity	
2.4	Initiatives to reverse ageing population	
2.5	Art installations to support marketing of localities	
2.6	Review land supply in town sites	
2.7	Create a regional brand that encompasses all towns	
2.8	Develop a business and industry attraction strategy	
Environment	to protect or improve the natural environment	
3.1	Undertake initiatives to improve recycling	• Establishment of initiatives such as small scale grants to undertake projects aimed at improvement or protection of environment, and a review of recycling activities and implement changes that are useful and affordable
3.2	Support environmental sustainability initiatives and community forums	

**Infrastructure** *to maintain or add to the stock of infrastructure used by the community to go about daily life*

4.1	Undertake town beautification programs	● <i>Extent to which the Asset Management Plan is implemented</i>
4.2	Improve utilities (power, water, etc)	
4.3	Maintain/ improve community facilities to an agreed standard	
4.4	Develop a process to deal with miscellaneous works requests	● <i>Implementation of system to deal with minor works requests</i>
4.5	Improve facilities for trucks and drivers	
4.6	Instigate a road verge maintenance program	

**Civic Leadership** *to better allocate scarce resources and effectively interact with the community*

5.1	Implement measures to improve relationship and communication between Council and community	● <i>Implementation of initiatives to better connect Council with the community and associated matters.</i>
5.2	Improve elected member performance	
5.3	Develop an advocacy and lobbying capacity	
5.4	Measures to improve organisational efficiency	

### Status of the Measures of Success

The measures of success pick a key outcome (measure) for each priority area (objective) to show overall progress made against the strategies/actions that underpin the outcome.

#### SoVP CBP Measures of Success 2020 - 2021

Priority Area	Descriptor	Measure	Status	Comment
<b>Community</b>	To enhance and improve a sense of community in the Shire	Development and implementation of a Shire recreation plan		Shire Recreation Plan not commenced due to lack of budgeted resources.
<b>Economic</b>	To improve and add to local economic development and activity	Development and implementation of a Shire economic plan and associated activities		Shire Economic Plan not commenced due to lack of budgeted resources. However, the review of Town Planning Scheme was completed. Now waiting on the sign off by the Minister for Planning.
<b>Environment</b>	To protect or improve the natural environment	Establishment of initiatives such as small scale grants to undertake projects aimed at improvement or protection of environment, and a review of recycling activities and implement changes that are useful and affordable		The Container Deposit Scheme commenced during 2020/2021. Moora Tip offered to do a pick up recycling at Yerecoin and Piawaning. Awaiting further information regarding liability and risk. Improvements to Drum Muster relies on community groups undertaking this program - expect to finalise 2021/2022.
<b>Infrastructure</b>	To maintain or add to the stock of infrastructure used by the community to go about daily life	Extent to which the Asset Management Plan is implemented		Funding approved under LRCIP for additional Yerecoin sewer inspection hatches. Community facilities and transport infrastructure were impacted by changes to key staff, insufficient staffing numbers, and claims for funding not submitted on time. Discussions were held with Council during 2021-2022 Budget workshops re resourcing (Works Crew and key Plant - Grader and Roller)
		Implementation of system to deal with minor works requests		Works request system was implemented in 2020/2021
<b>Civic Leadership</b>	To better allocate scarce resources and effectively interact with the community	Implementation of initiatives to better connect Council with the community and associated matters		Shire has successfully continued participating in key stakeholder meetings and advocacy. Improvements to Integrated Planning and Reporting continued. Interim Community Engagement strategy/policy developed Permanent policy will be carried forward for 2021/2022

#### Legend

Off-track	?
Monitor	0 - 49% completed
On-track	50 - 69% completed
Deferred	70 - 100% completed
Other	date
	Other factors impacting

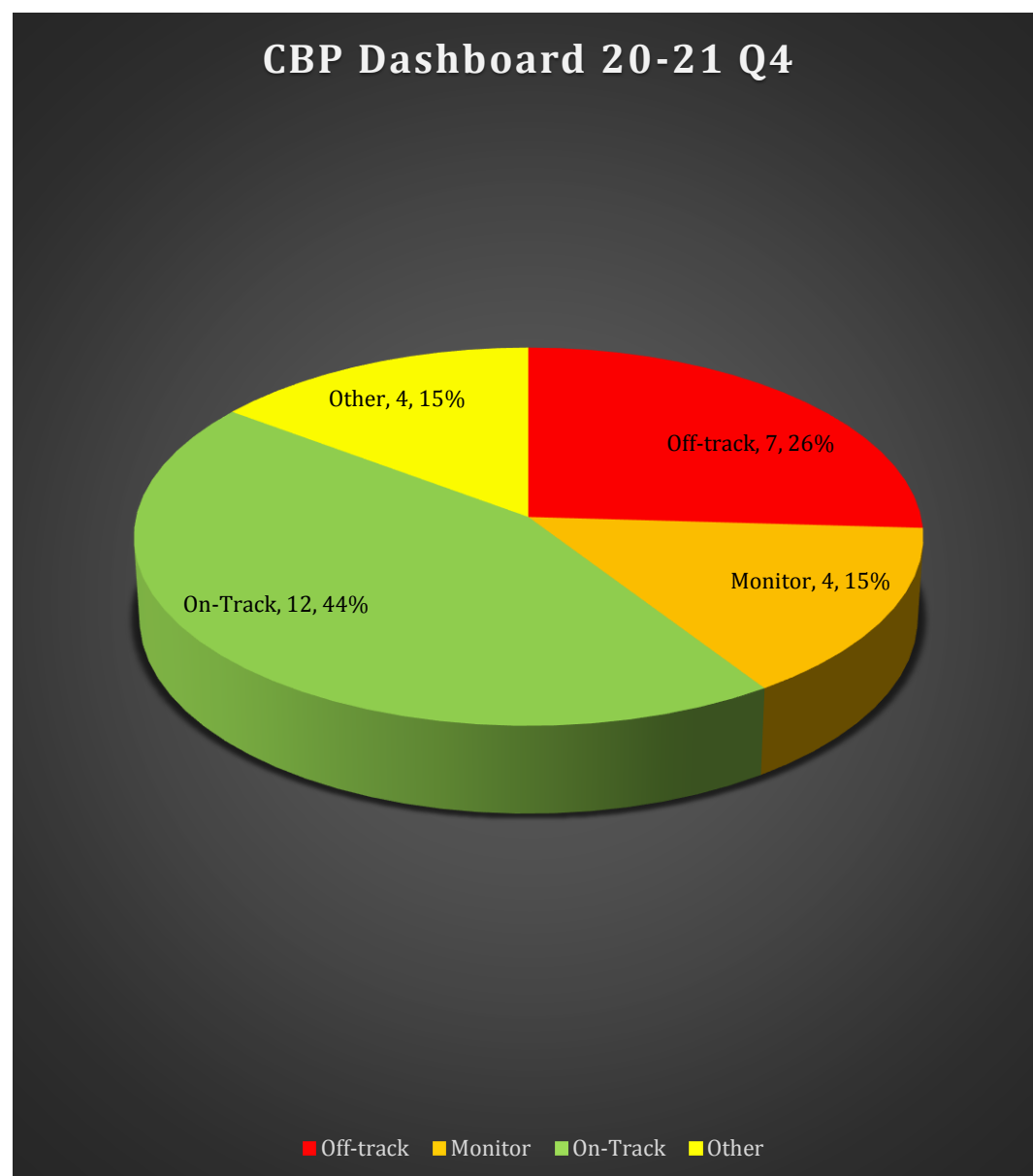
Indicates lack of staff resource in this area.

Road block could be due to funding revoked or deferred, inadequate resources available, other priorities take over, natural event, or is not due to start at the moment  
 Project is progressing adequately, staff need to ensure it does not fall into "off track"  
 The desired range when adequate resourcing is available for an action (key project, facility or service)  
 Sometimes, project funding is not available until a later date, or has been withdrawn or the matter is outside the Shire's resourcing and so on  
 Disruption has occurred due to changes in key staff, difficulties in sorting key funding and so on

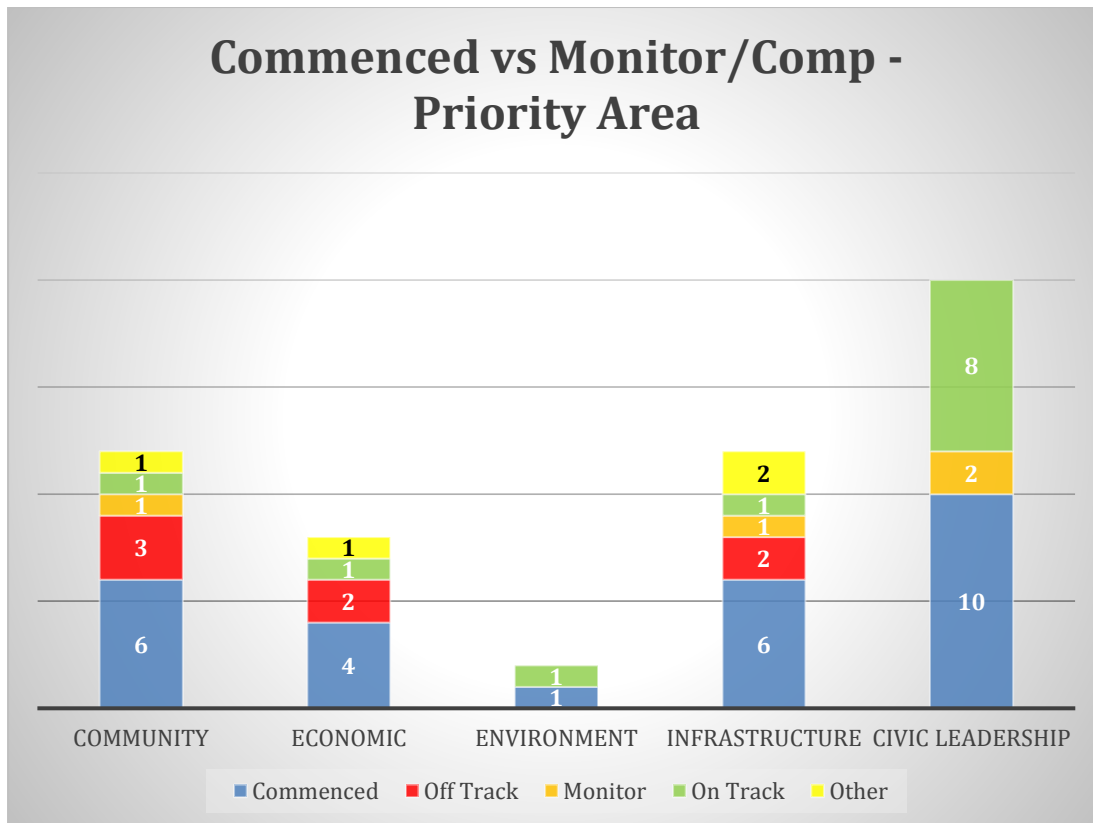
The table shows that the actions which underpin the Community Outcome and Economic Outcome regarding the need for a Shire Recreation Plan and Economic Plan were not commenced due to a lack of budgeted resources. However, the review of the Town Planning Scheme was completed. The need for such plans will be revisited during the next major review of the Strategic Community Plan. The Shire has had success regarding the environmental, infrastructure and leadership measures.

## Corporate Business Plan

A key improvement regarding the CBP process was the implementation of a level of reporting during October 2020 that allows the Shire to show in a clear way the strategic objectives achieved, progressed or impacted by external factors. In terms of actions achieved in 2020/2021, a summary is shown in the following graphics:



**Graphic 1 – Actions Ontrack, Monitored and Off Track**



**Graphic 2 – Breakdown By Priority Area of Total Actions Commenced vs On-track, Monitored, Off-track**

Graphic 2 demonstrates Civic Leadership is the Shire’s most successful priority area (PA). The majority of actions have been achieved in this area. However, the process to develop the next Disability Access and Inclusion Plan is held up due to the change in EHO in June/July 2021. Staff training outcomes were static. The OSH training for OSH representatives did not occur in the June Quarter.

Regarding the Infrastructure PA, improvements have continued through the fourth quarter including funding approved under Local Roads and Community Infrastructure Fund for additional sewerage inspection hatches at Yerecoin. However, the yellow flag indicates that in the June Quarter, community facilities and transport infrastructure were impacted by changes to key staff, insufficient staffing numbers, and claims for funding not submitted on time. Discussions have been held with Council during 2021-2022 Budget workshops re resourcing (Works Crew and key Plant).

Recycling program recognises introduction of the Container Deposit Scheme. Moora Tip has offered to do a pick up recycling at Yerecoin and Piawaning. Awaiting further information regarding liability and risk. Improvements to Drum Muster relies on community groups undertaking this program.

The dominance of the red flags in the Community and Economic PA’s indicate that many of these actions (at least half) are impacted by COVID and lack of resources.



Priority Area	Strategy	Action	Who	Cost	Q1	Q2	Q3	Q4	Completed %	Comment
Community	1.1 Better publicise upcoming events and activities in the Shire	1.1.1 Continue to actively engage with the community using multiple platforms	CEO							Completed Yr1. Includes community newsletter, Shire Facebook Page. Evolving on a regular basis
	1.2 Improve aged care and support	1.2.1 Advocate for improved aged care and support services and facilities	CEO						0	Plan for 2021/2022 regarding an advocacy strategy
	1.3 Promote community health and wellbeing	1.3.1 Continue to apply for and facilitate community health and wellbeing grants	?						0	Yrs 1 & 2 Impacted by COVID-19 and lack of resources in this area
		1.3.2 Encourage community participation in community groups and events	?	\$39,000					25	Impacted by COVID-19 and lack of resources in this area. Mogumber NYE Rodeo cancelled. Piawaning Expo proceeding September 2021 in conjunction with SoVP 150 Celebrations
	1.4 Support sporting, volunteer and community groups	1.4.1 Support community groups with grant applications	?						0	Yrs 1 & 2 Impacted by COVID-19 and lack of resources in this area
		1.4.2 Support community groups in facilitating community events	?						0	Impacted by COVID-19 and lack of resources in this area
		1.4.3 Advocate for funding for multi-use collocated facilities	CEO						0	Not commenced. See 1.6.1. Reallocated to commence Yr 4
	1.5 Increase community activities	1.5.1 Celebrate community achievements and host community events and functions	Offm						50	Australia Day held in Bolgart, Anzac Day did not proceed for 2021 - due to COVID Lockdown 2. Thank a Volunteer impacted by COVID-19 and lack of resources in this area.
		1.5.2 Promote community based activities	?						12.5	Impacted by COVID-19 - See 1.3.2. Piawaning Expo - 100?
	1.6 Develop new/reuse existing community facilities	1.6.1 Advocate for funding for multi-use collocated facilities	CEO	??					0	See 1.4.3. Not commenced. Recreation Plan required first - 2021/2022 (Yr3)?
		1.6.2 Construct multi-use collocated facilities	CEO						0	Not commenced. See 1.6.1
		1.6.3 Maintain and improve community facilities in line with asset management planning	MWS	Halls \$115,000 Recreation \$436,000					50	This will take the MWS at least six months before the requirements of the AMP can be assessed and appropriate action plans put in place. <b>March</b> Quarter: Routine maintenance work undertaken including repairs to reticulation. Electrical works undertaken in Roads Board Building. <b>June</b> Quarter: Impacted by changes to key staff, insufficient staffing numbers. Discussions held re resourcing

Economic	2.1	Examine opportunities to diversify the local economy through initiatives such as tourism	2.1.1	Promote local facilities and attractions	CEO									Planned for 2021/2022. There is a lack of resources in this area to undertake promotion regarding this action
	2.2	Improve tourist/ caravan park accommodation	2.2.1	Investigate upgrade options for tourist accommodation sites within the district	?									Plan for 2021/2022 including economic development plan. There is a lack of resources in this area to carry out such an investigation and level of planning
			2.2.2	Improve accommodation facilities in line with asset management planning and annual budget	MWS	\$62,000								The MWS has not had a chance to look at the AMPs. Work is carried out on a reactive basis at present. <b>March Quarter:</b> Gutters cleaned out, roofing screws to staff housing replaced. Soakwells to facilities to be replaced in 2021/2022. <b>June Quarter:</b> Impacted by changes to key staff, insufficient staffing numbers. Discussions held re resourcing
	2.3	Improve community connectivity	2.3.1	Advocate for improved telecommunications services	CEO									Matter for commencement in 2021/2022 (Yr3)
	2.4	Initiatives to reverse ageing population	2.4.1	Promote local facilities, attractions and events	?									Not commenced. Impacted by lack of resources in this area. Commence Yr 3
	2.5	Art installations to support marketing of localities	2.5.1	Investigate opportunities to increase public art, promoting local attractions	?									Not commenced. Impacted by lack of resources in this area. Commence Yr 3
	2.6	Review land supply in town sites	2.6.1	Review Town Planning Scheme	TP									<b>Omnibus amendments.</b> Omnibus approved August OCM 2020. Initially were waiting on final approval by Minister, which was not to occur before March 2021 State Election. <b>New LPS</b> WAPC has developed a new LPS instead at no cost in line with the new model as of 15/02/21. This means Shire does not need to review its LPS for a further 5 years and is a significant saving for the Shire. Joe Douglas currently reviewing draft LPS
	2.7	Create a regional brand that encompasses all towns	2.7.1	Investigate regional branding development	CEO									Conduct in conjunction with AROC?
			2.7.2	Participate in regional marketing events and initiatives	CEO									Conduct in conjunction with AROC?
	2.8	Develop a business and industry attraction strategy	2.8.1	Develop a business and industry attraction strategy	CEO									Planned for 2022/2023 (Yr3). Resources needed to develop strategy

Environment	3.1	Undertake initiatives to improve recycling	3.1.1	Expand recycling program	EHO						90	Container Deposit Scheme commenced 1 October 2020. Community Groups can access Donation Points - Community provided with information. Moora Tip has offered to do a pick up at Yerecoin and Planwanning. Awaiting further information regarding liability and risk. Plan other initiatives for 2021/2022 onwards?
	3.2	Support environmental sustainability initiatives and community forums	3.2.1	Work with stakeholders and community to promote initiatives to reduce environmental impact	EHO						0	Planned to commence 2021/2022
	4.1	Undertake town beautification programs	4.1.1	Develop a townscape and signage plan	MWS						0	Planned for 2021/2022. SP and CEO met with Progress Association heads to discuss signage required. Also discussed at LRCG
	4.2	Improve utilities (power, water, etc)	4.2.1	Continue to lobby for appropriate power and water supplies	CEO						25	Evaluate 2020/2021. Issues identified with Planwanning/Gillingara Water Standpipe - are swipecrads required? Standpipe funding submitted LRCIP. Funding for Stage 2 received. Discussion at July Briefing Session re AROC Water Plan - Melissa Price
Infrastructure			4.2.2	Develop sewerage asset management plan	EHO	\$40,000 \$50,000					50	High pressure cleaning and CCTV inspection completed (\$40,000). Funding for Yerecoin inspection hatches submitted and approved (\$50,000). Quotes now due April 2021. EHO has completed requirements except for Sewerage Financial Hardship Policy - Licence due for renewal 28 April 2021. Council at the June 2021 OCM endorsed deferral of the licence. Council endorsed the completion of the Sewerage Scheme Asset Management Plan after the LRP funded works are completed. ERA Exemption expires May 2022.
	4.3	Maintain/ improve community facilities to an agreed standard	4.3.1	Enhance and maintain Shire controlled facilities in line with asset management plans	MWS						50	Office recarpeted (safety) and repainted. <b>June Quarter:</b> Impacted by changes to key staff, insufficient staffing numbers. Discussions held re resourcing
	4.4	Develop a process to deal with miscellaneous works requests	4.4.1	Respond to requests in line with asset management plans	MWS	\$4,500					75	Rebranded to customer service request system. A register has been established and the customer request form uploaded to the Shire's website. Request for Customer Service Module has been submitted to the Budget Review
	4.5	Improve facilities for trucks and drivers	4.5.1	Maintain and where possible improve facilities for trucks and drivers (include in town planning scheme review)	MWS						25	What
	4.6	Instigate a road verge maintenance program	4.6.1	Continue to provide transport infrastructure in line with asset management plans	MWS	C \$4.66M O \$4.09M					75	<b>September Quarter</b> Full circuit of maintenance grading completed. Some drainage and culvert work completed. Bolgart West seal & widening 1.2km completed. 2km shoulder and road damage repairs undertaken. Works on SE Yerecoin Rd commenced. <b>December Quarter</b> Yerecoin South East Rd complete. Bolgart West Rd complete. <b>March Quarter:</b> Mogumber Yarrawindah upgrade completed to final seal (to occur April 2021). <b>June Quarter:</b> Impacted by changes to key staff, insufficient staffing numbers, and claims for funding not submitted on time. Discussions held with Council during 2021-2022 Budget workshops re resourcing (Works Crew and key Plant)

Civic Leadership	5.1	Implement measures to improve relationship and communication between Council and community	5.1.1	Develop a communications strategy/policy	CEO	\$10,000					Specification drafted to develop strategy/policy. Interim Engagement Policy adopted March 2021 OCM AI so see 1.1.1. Bi-monthly newsletters initially issued during first part of the pandemic. Facebook posts have increased and providing greater range of information. eMeeting protocols for Council meetings still in place due to the pandemic. Public attendance at OCMs recommenced June 2021.
			5.1.2	Continue to actively engage with the community	CEO						See 1.1.1. Shire President and CEO have engaged with community extensively regarding COVID-19 and recently with Progress Associations. Interim Engagement Policy adopted at March 2021 OCM
	5.2	Improve elected member performance	5.2.1	Support and facilitate ongoing relevant training and development	Council	\$15,000					EMs attended EM Essentials training late September and in October. Advice provided to February 2021 Briefing Session re latest changes to the LG Act including EM Code of Conduct and Interim Staff Code of Conduct. WALGA Webinar obtained as induction training on new EM Code of Conduct (Access in Q1 2021-2022)
	5.3	Develop an advocacy and lobbying capacity	5.3.1	Participation in Regional, State and Council boards / bodies	CEO/SP/ Council						Shire actively participates in Zone, AROC, RRG, SRRG
	5.4	Measures to improve organisational efficiency	5.4.1	Review, update and maintain strategic and operational plans	CEO	\$5,000					CBP Action Plan implemented September OCM 2020. Quarterly reporting to Council in place. <b>March Quarter:</b> Council adopted the process to conduct the development of the next Disability Access Inclusion Plan and the next Major Strategic Review (4 yearly) of the Strategic Community Plan along with the adoption of the Interim Engagement Policy.
			5.4.2	Maintain accountability and financial responsibility in accordance with Long Term Financial Plan	ORM						RSM assists as follows: 2020/2021 Budget adopted; 2019/2020 annual financial statements completed and adopted March 2021 OCM, the 2020/2021 Budget Review completed Feb 2021 OCM.
			5.4.3	Maintain controls to promote a high level of legislative compliance throughout the organisation	GO						Significant matters re 2019/2020 Audit addressed and report submitted to Audit Committee, Council and the Minister. Compliance Calendar introduced in August 2020. Staff were programmed each month regarding compliance matters until Q3. Changes in staff has caused disruption to its effectiveness. Internal Audits commenced Feb 2021. However, further audits delayed due to lack of time. Audit Committee terms of reference redrafted and adopted at October OCM 2020. Better Practice Improvement Plan nearing completion. CAR 2020 completed. Internal audits for Feb 2021 completed. The Public Information Disclosure (PID) process was implemented. Key changes to the Local Government Act regarding a new Code of Conduct for Elected Members and a separate Code of Conduct for Employees were also undertaken.
			5.4.4	Support and facilitate ongoing relevant training and capacity building for staff	CEO/ MFA/ MWS	Admin \$9,000 Outside \$8,000					Training for Admin staff has been ongoing and has included on-the-job re debtors/creditors, Transport Licensing for CSOs, Bendigo Bank training and one on one records training. Council election training provided for March 2021 extraordinary election. Training matrix to be established for Outside Crew.
			5.4.5	Maximise operational efficiencies whilst maintaining appropriate controls	CEO/ Ofm/ MWS	\$75,000					Difficult to quantify in current form. However, a key efficiency and control is the Record Keeping Improvement Project: File list developed, verifying of records is underway, one on one training has occurred, hardcopy files implemented on an as needs basis, the review of the current RKP is nearly completed. The Reg 17 Review and Financial Systems Management Review did not occur in June Quarter (Q4)
			5.4.6	Continue to provide regulatory services (including health/building inspections, ranger services)	CEO	Program Budget					Appropriate resources in place re EHO re environmental health and building (staff 20/21), TP and Ranger Services (currently outsourced services)



## **KEY INITIATIVES 2021/2022**

During 2021/2022, it is expected that the Shire will deliver the following:

### **Community**

The Shire will finalise the communications strategy/policy.

### **Economic**

The Shire will continue to review its building assets.

### **Environment**

The Shire will revisit the Drum Muster Scheme.

### **Infrastructure**

The Shire will continue the Wheatbelt Secondary Freight Network (WSFN) full projects under the WSFN:

- Mogumber-Yarawindah Road Reconstruction Project;
- Calingiri-New Norcia Road and Toodyay-Bindi Bindi Road Intersection Project.

### **Civic Leadership**

There are a number of key outcomes to be achieved including the Shire to:

- Continuation regarding the roll out of the new Local Government Act;
- Continue active participation at the Zone, AROC, Regional Road Group;
- Continue improvements to its compliance regime and records.

## **CAPITAL PROGRAM 2020/2021**

The Shire once again received key funding to assist it progress the Capital Program. However, some of these activities were underspent due to impacts resulting from turnover in key staff positions and the impact of flooding throughout the District.

Details regarding key capital items achieved are provided in the report by the Manager Works and Services.



**Final sealing of Yerecoin SE Rd for 2km after Reconstruction in early November 2020**

The Shire of Victoria 2020 – 2021 Annual Report was prepared by Sean Fletcher from the Shire's Governance Section. All queries regarding the Annual Report can be directed to the Shire's CEO.

**AUDITOR'S REPORT (OPINION)**

**AUDITED ANNUAL FINANCIAL STATEMENTS**

**(ANNUAL FINANCIAL REPORT)**



## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2021 Shire of Victoria Plains

To the Councillors of the Shire of Victoria Plains

## Report on the audit of the annual financial report

### Opinion

I have audited the financial report of the Shire of Victoria Plains (Shire) which comprises:

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

In my opinion the financial report of the Shire of Victoria Plains:

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

### Basis for opinion

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

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

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

In preparing the financial report, the CEO is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and



using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

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

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

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

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

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

### **Report on other legal and regulatory requirements**

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

- (i) In my opinion, the following material matter indicates a significant adverse trend in the financial position of the Shire:
  - a) The Operating Surplus Ratio reported in Note 34 of the annual financial report is below the Department of Local Government, Sport and Cultural Industries' standard for the last three financial years.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the financial report were supported by verifiable information and reasonable assumptions.

### **Other information**

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

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

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

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

Grant Robinson  
Assistant Auditor General Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
23 March 2022

**SHIRE OF VICTORIA PLAINS**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**COMMUNITY VISION**

Our Vision Statement is an expression of what we aspire to ensure the Shire of Victoria Plains is like for people who live here in the future:

**The Shire of Victoria Plains**  
**Many Localities**  
**One Perfect Lifestyle**  
**A Place to Grow**

Principal place of business:  
28 Cavell Street  
CALINGIRI WA 6569

**SHIRE OF VICTORIA PLAINS  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

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

Signed on the 23<sup>rd</sup> day of MARCH 2022

  
\_\_\_\_\_  
Chief Executive Officer

Glenda Teede  
\_\_\_\_\_  
Name of Chief Executive Officer





SHIRE OF VICTORIA PLAINS  
STATEMENT OF COMPREHENSIVE INCOME  
BY NATURE OR TYPE  
FOR THE YEAR ENDED 30 JUNE 2021

	NOTES	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Revenue</b>				
Rates	28(a)	2,777,989	2,771,017	2,591,359
Operating grants, subsidies and contributions	2(a)	1,428,127	766,375	1,356,137
Fees and charges	2(a)	209,802	192,160	198,311
Interest earnings	2(a)	25,643	31,217	31,945
Other revenue	2(a)	112,977	80,910	86,690
		<u>4,554,538</u>	<u>3,841,679</u>	<u>4,264,441</u>
<b>Expenses</b>				
Employee costs		(1,352,580)	(1,361,068)	(1,515,810)
Materials and contracts		(1,757,364)	(1,827,466)	(1,783,969)
Utility charges		(97,610)	(111,690)	(127,492)
Depreciation on non-current assets	11(d)	(3,922,601)	(3,895,420)	(3,910,775)
Interest expenses	2(b)	(11,056)	(13,014)	(14,207)
Insurance expenses		(142,398)	(129,020)	(128,102)
Other expenditure		(73,036)	(124,815)	(95,356)
		<u>(7,356,645)</u>	<u>(7,462,493)</u>	<u>(7,575,711)</u>
		<u>(2,802,107)</u>	<u>(3,620,814)</u>	<u>(3,311,270)</u>
Non-operating grants, subsidies and contributions	2(a)	1,879,646	3,526,055	1,186,184
Profit on asset disposals	11(a)	28,055	32,400	-
Loss on asset disposals	11(a)	-	-	(53,760)
Fair value adjustments to financial assets at fair value through profit or loss		-	-	864
		<u>1,907,701</u>	<u>3,558,455</u>	<u>1,133,288</u>
Net result for the period		<u>(894,406)</u>	<u>(62,359)</u>	<u>(2,177,981)</u>
Total comprehensive income for the period		<u>(894,406)</u>	<u>(62,359)</u>	<u>(2,177,981)</u>

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



William Buck Audit (WA) Pty Ltd

**SHIRE OF VICTORIA PLAINS  
STATEMENT OF COMPREHENSIVE INCOME  
BY PROGRAM  
FOR THE YEAR ENDED 30 JUNE 2021**

	NOTES	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Revenue</b>	<b>2(a)</b>			
Governance		30,000	11,850	36,544
General purpose funding		3,994,604	3,358,186	3,766,273
Law, order, public safety		87,503	62,200	61,934
Health		238	6,270	4,015
Education and welfare		-	630	628
Housing		62,076	80,400	84,593
Community amenities		99,537	93,070	91,370
Recreation and culture		14,613	21,937	19,232
Transport		196,636	148,666	137,789
Economic services		36,695	28,100	26,814
Other property and services		32,636	30,370	35,250
		<u>4,554,538</u>	<u>3,841,679</u>	<u>4,264,441</u>
<b>Expenses</b>	<b>2(b)</b>			
Governance		(532,702)	(515,803)	(483,234)
General purpose funding		(429,755)	(441,770)	(376,087)
Law, order, public safety		(288,869)	(362,705)	(329,032)
Health		(131,498)	(135,475)	(150,846)
Education and welfare		(4,211)	(45,495)	(33,793)
Housing		(229,065)	(234,229)	(268,428)
Community amenities		(543,885)	(585,189)	(497,526)
Recreation and culture		(634,217)	(700,785)	(766,768)
Transport		(4,324,630)	(4,291,739)	(4,449,049)
Economic services		(197,507)	(131,779)	(165,449)
Other property and services		(29,450)	(4,510)	(41,291)
		<u>(7,345,589)</u>	<u>(7,449,479)</u>	<u>(7,561,503)</u>
<b>Finance Costs</b>	<b>2(b)</b>			
Governance		(1,201)	-	-
Recreation and culture		(8,802)	(11,014)	(10,661)
Economic services		(3,053)	(2,000)	(3,547)
		<u>(11,056)</u>	<u>(13,014)</u>	<u>(14,207)</u>
		<u>(2,802,107)</u>	<u>(3,620,814)</u>	<u>(3,311,269)</u>
Non-operating grants, subsidies and contributions	2(a)	1,879,646	3,526,055	1,186,184
Profit on disposal of assets	11(a)	28,055	32,400	-
Loss on disposal of assets	11(a)	-	-	(53,760)
Fair value adjustments to financial assets at fair value through profit or loss		-	-	864
		<u>1,907,701</u>	<u>3,558,455</u>	<u>1,133,288</u>
<b>Net result for the period</b>		<u>(894,406)</u>	<u>(62,359)</u>	<u>(2,177,981)</u>
<b>Total comprehensive income for the period</b>		<u>(894,406)</u>	<u>(62,359)</u>	<u>(2,177,981)</u>

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



William Buck Audit (WA) Pty Ltd

SHIRE OF VICTORIA PLAINS  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2021

	NOTES	2021 \$	2020 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	2,281,843	1,474,231
Trade and other receivables	5	87,641	99,683
Other financial assets	6(a)	20,762	19,432
Inventories	7	31,155	21,331
Contract assets	2(a)	129,267	-
Other assets	8	205	13,848
<b>TOTAL CURRENT ASSETS</b>		<b>2,550,873</b>	<b>1,628,525</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	12,856	12,856
Other financial assets	6(b)	215,906	237,536
Property, plant and equipment	9	9,695,536	9,826,121
Infrastructure	10	113,723,936	115,192,300
<b>TOTAL NON-CURRENT ASSETS</b>		<b>123,648,234</b>	<b>125,268,813</b>
<b>TOTAL ASSETS</b>		<b>126,199,107</b>	<b>126,897,338</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	707,520	424,665
Contract liabilities	14	234,327	209,544
Borrowings	15(a)	59,932	58,336
Employee related provisions	16	155,729	218,195
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,157,508</b>	<b>910,740</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	15(a)	246,615	306,285
Employee related provisions	16	41,962	32,885
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>288,577</b>	<b>339,170</b>
<b>TOTAL LIABILITIES</b>		<b>1,446,085</b>	<b>1,249,910</b>
<b>NET ASSETS</b>		<b>124,753,022</b>	<b>125,647,428</b>
<b>EQUITY</b>			
Retained surplus		18,210,163	19,078,456
Reserves - cash backed	4	538,866	564,979
Revaluation surplus	12	106,003,993	106,003,993
<b>TOTAL EQUITY</b>		<b>124,753,022</b>	<b>125,647,428</b>

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



William Buck Audit (WA) Pty Ltd

SHIRE OF VICTORIA PLAINS  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2021

	NOTES	RETAINED SURPLUS	RESERVES CASH BACKED	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
Balance as at 1 July 2019		21,351,299	470,117	106,003,993	127,825,409
Comprehensive income					
Net result for the period		(2,177,981)	-	-	(2,177,981)
Total comprehensive income for the period		(2,177,981)	-	-	(2,177,981)
Transfers from reserves	4	440,948	(440,946)	-	-
Transfers to reserves	4	(535,808)	535,808	-	-
Balance as at 30 June 2020		19,078,456	564,979	106,003,993	125,647,428
Balance at 1 July 2020		19,078,456	564,979	106,003,993	125,647,428
Comprehensive income					
Net result for the period		(894,406)	-	-	(894,406)
Total comprehensive income for the period		(894,406)	-	-	(894,406)
Transfers from reserves	4	27,604	(27,604)	-	-
Transfers to reserves	4	(1,491)	1,491	-	-
Balance as at 30 June 2021		18,210,163	538,866	106,003,993	124,753,022

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

William Buck Audit (WA) Pty Ltd



SHIRE OF VICTORIA PLAINS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2021

	NOTES	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		2,746,255	2,771,017	2,589,896
Operating grants, subsidies and contributions		1,480,848	766,375	1,633,521
Fees and charges		80,888	192,160	198,311
Interest received		25,643	31,217	31,845
Goods and services tax received		7,745	50,183	280,570
Other revenue		112,977	80,910	86,689
		<u>4,454,536</u>	<u>3,891,862</u>	<u>4,820,932</u>
<b>Payments</b>				
Employee costs		(1,385,387)	(1,361,068)	(1,458,315)
Materials and contracts		(1,483,712)	(1,827,466)	(1,833,882)
Utility charges		(97,610)	(111,690)	(127,492)
Interest expenses		(12,109)	(13,014)	(14,933)
Insurance paid		(142,398)	(129,020)	(128,102)
Goods and services tax paid		-	(286,258)	(193,510)
Other expenditure		(73,036)	(124,815)	(95,356)
		<u>(3,194,252)</u>	<u>(3,853,331)</u>	<u>(3,851,590)</u>
Net cash provided by / (used in) operating activities	17	<u>1,260,284</u>	<u>38,531</u>	<u>969,342</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	9(a)	(293,902)	(268,600)	(34,135)
Payments for construction of infrastructure	10(a)	(2,079,559)	(3,973,900)	(1,520,576)
Non-operating grants, subsidies and contributions	2(a)	1,879,848	3,526,055	1,186,184
Proceeds from financial assets at amortised cost - self supporting loans	15(b)	20,300	19,544	18,521
Proceeds from sale of property, plant & equipment	11(a)	77,864	82,300	70,909
Net cash provided by / (used in) investment activities		<u>(395,651)</u>	<u>(614,601)</u>	<u>(279,097)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	15(b)	(57,021)	(56,264)	(53,972)
Net cash provided by / (used in) financing activities		<u>(57,021)</u>	<u>(56,264)</u>	<u>(53,972)</u>
Net increase / (decrease) in cash held		807,612	(632,334)	636,273
Cash at beginning of year		1,474,231	1,449,354	837,958
Cash and cash equivalents at the end of the year	17	<u>2,281,843</u>	<u>817,020</u>	<u>1,474,231</u>

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

William Buck Audit (WA) Pty Ltd



SHIRE OF VICTORIA PLAINS  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2021

	NOTES	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>OPERATING ACTIVITIES</b>				
Net current assets at start of financial year - surplus/(deficit)	29 (b)	191,710	359,029	20,590
		191,710	359,029	20,590
<b>Revenue from operating activities (excluding rates)</b>				
Governance		30,000	11,850	36,544
General purpose funding		1,297,188	663,169	1,251,521
Law, order, public safety		87,503	62,200	61,934
Health		238	6,270	4,015
Education and welfare		-	630	628
Housing		62,076	80,400	84,593
Community amenities		99,537	93,070	91,370
Recreation and culture		14,613	21,937	19,232
Transport		224,891	181,066	137,789
Economic services		36,695	28,100	26,814
Other property and services		32,636	30,370	35,250
		1,885,175	1,179,062	1,749,690
<b>Expenditure from operating activities</b>				
Governance		(533,903)	(515,803)	(483,234)
General purpose funding		(429,755)	(441,770)	(376,087)
Law, order, public safety		(288,669)	(362,705)	(329,032)
Health		(131,498)	(135,475)	(150,846)
Education and welfare		(4,211)	(45,495)	(33,793)
Housing		(229,085)	(234,229)	(268,428)
Community amenities		(543,885)	(585,189)	(497,526)
Recreation and culture		(841,019)	(711,799)	(777,429)
Transport		(4,324,630)	(4,291,739)	(4,502,809)
Economic services		(200,560)	(133,779)	(168,995)
Other property and services		(29,450)	(4,510)	(41,291)
		(7,356,645)	(7,462,493)	(7,629,470)
Non-cash amounts excluded from operating activities	29(a)	3,902,570	3,863,020	3,963,216
Amount attributable to operating activities		(1,377,190)	(2,061,382)	(1,895,974)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions	2(a)	1,879,846	3,526,055	1,186,184
Proceeds from disposal of assets	11(a)	77,864	82,300	70,909
Proceeds from financial assets at amortised cost - self supporting loans	15(b)	20,300	19,544	18,521
Purchase of property, plant and equipment	9(a)	(293,902)	(268,600)	(34,135)
Purchase and construction of infrastructure	10(a)	(2,079,559)	(3,973,900)	(1,520,576)
		(395,651)	(614,601)	(279,097)
Amount attributable to Investing activities		(395,651)	(614,601)	(279,097)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	15(b)	(57,021)	(56,264)	(53,972)
Transfers to reserves (restricted assets)	4	(1,491)	(2,770)	(535,808)
Transfers from reserves (restricted assets)	4	27,804	40,000	440,946
Amount attributable to financing activities		(30,908)	(19,034)	(148,834)
Surplus/(deficit) before imposition of general rates		(1,803,749)	(2,695,017)	(2,323,905)
Total amount raised from general rates	28(a)	2,697,418	2,695,017	2,515,615
Surplus/(deficit) after imposition of general rates	29(b)	893,669	-	191,710

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

**SHIRE OF VICTORIA PLAINS**  
**INDEX OF NOTES TO THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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# SHIRE OF VICTORIA PLAINS

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2021

#### 1. BASIS OF PREPARATION

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

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

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

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

#### THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

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

#### INITIAL APPLICATION OF ACCOUNTING STANDARDS

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

These were:

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

The adoption of these standards had no material impact on the financial report.

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

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

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

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

#### CRITICAL ACCOUNTING ESTIMATES

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

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

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- Employee provisions
- Depreciation on non-current assets
- Other financial assets
- Property, Plant and Equipment
- Infrastructure

**SHIRE OF VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**2. REVENUE AND EXPENSES**

**(a) Grant revenue**

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

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
<b>Operating grants, subsidies and contributions</b>			
Governance	-	30,000	30,193
General purpose funding	1,186,404	542,489	1,136,516
Law, order, public safety	83,098	55,350	56,828
Education and welfare	-	530	528
Recreation and culture	2,107	-	-
Transport	158,518	138,006	132,072
	<u>1,428,127</u>	<u>766,375</u>	<u>1,356,137</u>
<b>Non-operating grants, subsidies and contributions</b>			
Transport	1,879,646	3,526,055	1,186,184
	<u>1,879,646</u>	<u>3,526,055</u>	<u>1,186,184</u>
<b>Total grants, subsidies and contributions</b>	<u>3,307,773</u>	<u>4,292,430</u>	<u>2,542,321</u>
<b>Fees and charges</b>			
Governance	2,849	3,190	3,764
General purpose funding	3,649	3,760	3,193
Law, order, public safety	2,819	2,890	2,893
Health	590	1,420	1,416
Education and welfare	-	100	100
Housing	59,023	72,520	78,266
Community amenities	99,802	86,320	86,316
Recreation and culture	6,637	6,450	6,839
Transport	15,549	-	-
Economic services	17,986	9,930	9,940
Other property and services	898	5,580	5,584
	<u>209,802</u>	<u>192,160</u>	<u>198,311</u>

There were no changes to the amounts of fees or charges detailed in the original budget.

**SIGNIFICANT ACCOUNTING POLICIES**

**Grants, subsidies and contributions**

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

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

**Fees and Charges**

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

**SHIRE OF VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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

(a) Revenue (Continued)	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Contracts with customers and transfers for recognisable non-financial assets</b> Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:			
Operating grants, subsidies and contributions	1,428,127	766,375	1,356,137
Fees and charges	209,802	192,160	198,311
Other revenue	76,547	68,550	86,690
Non-operating grants, subsidies and contributions	1,879,646	3,526,055	1,186,184
	<u>3,594,122</u>	<u>4,553,140</u>	<u>2,827,322</u>
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:			
Revenue from contracts with customers included as a contract liability at the start of the period	209,544	-	9,286
Revenue recognised in the current period from performance obligations satisfied in previous periods	-	-	-
Revenue from contracts with customers recognised during the year	1,504,932	1,027,085	275,714
Revenue from transfers intended for acquiring or constructing recognisable non financial assets held as a liability at the start of the period	24,783	24,783	1,186,184
Revenue from transfers intended for acquiring or constructing recognisable non-financial assets during the year	1,854,863	3,501,272	1,356,137
	<u>3,594,122</u>	<u>4,553,140</u>	<u>2,827,322</u>
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	23,244	-	72,132
Contract assets	129,267	-	-
Contract liabilities from contracts with customers	(234,327)	-	(209,544)

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at 30 June 2021. Assets associated with contracts with customers were not subject to an impairment charge. Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'. Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met. Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less. Consideration from contracts with customers is included in the transaction price. Performance obligations in relation to contract liabilities from transfers for recognisable non-financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.



**SHIRE OF VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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

**(a) Revenue (Continued)**

**Revenue from statutory requirements**

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

	2021 Actual \$	2021 Budget \$	2020 Actual \$
General rates	2,697,418	2,695,017	2,515,616
Statutory permits and licences	3,369	4,310	1,416
Fines	160	-	-
	<u>2,700,947</u>	<u>2,699,327</u>	<u>2,517,032</u>
<b>Other revenue</b>			
Reimbursements and recoveries	36,430	12,360	11,539
Other	76,547	68,550	75,151
	<u>112,977</u>	<u>80,910</u>	<u>86,690</u>
<b>Interest earnings</b>			
Financial assets at amortised cost - self supporting loans	4,957	7,417	7,427
Interest on reserve funds	1,077	2,770	3,369
Rates instalment and penalty interest (refer Note 28(e))	14,828	13,820	13,820
Other interest earnings	4,781	7,210	7,329
	<u>25,643</u>	<u>31,217</u>	<u>31,945</u>

**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.

**(b) Expenses**

**Auditors remuneration**

**Audit services**

**Other services**

Note	2021 Actual \$	2021 Budget \$	2020 Actual \$
	27,500	30,000	27,000
	-	-	1,226
	<u>27,500</u>	<u>30,000</u>	<u>28,226</u>
<b>Interest expenses (finance costs)</b>			
Borrowings	9,853	13,014	14,207
Overdraft	1,203	-	-
	<u>11,056</u>	<u>13,014</u>	<u>14,207</u>
<b>Other expenditure</b>			
Impairment loss / (writeback) on trade and other receivables	433	-	(30,557)
Sundry expenses	72,603	124,815	125,913
	<u>73,036</u>	<u>124,815</u>	<u>95,356</u>

# SHIRE OF VICTORIA PLAINS

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2021

#### 2. REVENUE AND EXPENSES

##### REVENUE RECOGNITION POLICY

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

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

**SHIRE OF VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**3. CASH AND CASH EQUIVALENTS**

	NOTE	2021 \$	2020 \$
Cash at bank and on hand		2,281,843	1,474,231
<b>Total cash and cash equivalents</b>		<b>2,281,843</b>	<b>1,474,231</b>

**Restrictions**

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

Cash and cash equivalents		800,319	790,239
		<b>800,319</b>	<b>790,239</b>

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

Reserves - cash backed	4	538,866	564,979
Contract liabilities from contracts with customers	14	234,327	209,544
Bonds and deposits held		27,126	15,716
<b>Total restricted assets</b>		<b>800,319</b>	<b>790,239</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value 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 Shire due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.



**SHIRE OF VICTORIA PLAINS  
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FOR THE YEAR ENDED 30 JUNE 2021**

**4. RESERVES - CASH BACKED**

	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance	2021 Budget Opening Balance	2021 Budget Transfer to	2021 Budget Transfer (from)	2021 Budget Closing Balance	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Long service leave	4,464	13	-	4,477	4,463	28	-	4,491	4,437	27	-	4,464
(b) Plant	66,111	164	-	66,275	50,102	305	-	50,407	49,808	16,303	-	66,111
(c) Housing	98,536	140	-	98,676	22,532	139	-	22,671	22,400	76,136	-	98,536
(d) Sewerage scheme - Calligiri	56,977	169	-	57,146	56,966	332	-	57,298	77,578	345	(20,946)	56,977
(e) Sewerage scheme - Yerecoin	21,074	63	-	21,137	21,069	111	-	21,180	-	21,074	-	21,074
(f) Refuse site maintenance	280,681	832	(27,604)	253,909	280,627	1,634	(40,000)	242,261	278,983	1,698	-	280,681
(g) Building maintenance	15,124	45	-	15,169	15,121	83	-	15,204	15,032	92	-	15,124
(h) Infrastructure	14,623	43	-	14,666	14,621	83	-	14,704	14,535	88	-	14,623
(i) Gymnasium	7,389	22	-	7,411	7,388	55	-	7,443	7,344	45	-	7,389
(j) Mogumber - Yarawindah road	-	-	-	-	-	-	-	-	-	-	(420,000)	-
	564,979	1,491	(27,604)	538,866	472,889	2,770	(40,000)	435,659	470,117	535,808	(440,946)	564,979

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

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

<b>Name of Reserve</b>	<b>Anticipated date of Use</b>	<b>Purpose of the reserve</b>
(a) Long service leave	Ongoing	to be used to fund annual and long service leave requirements.
(b) Plant	Ongoing	to be used for the purchase of major plant.
(c) Housing	Ongoing	to be used for the procurement of staff housing.
(d) Sewerage scheme - Calligiri	Ongoing	to be used to maintain and improve the Calligiri sewerage scheme.
(e) Sewerage scheme - Yerecoin	Ongoing	to be used to maintain and improve the Yerecoin sewerage scheme.
(f) Refuse site maintenance	Ongoing	to be used to fund future refuse site development.
(g) Building maintenance	Ongoing	to be used for the long term maintenance of shire buildings.
(h) Infrastructure	Ongoing	to be used for future infrastructure development to ensure long term Shire sustainability.
(i) Gymnasium	Ongoing	to be used for future purchases and replacement of gymnasium equipment.
(j) Mogumber - Yarawindah road	Completed	to be used for the Mogumber - Yarawindah road project.

The reserves are not expected to be used within a set period and further transfers to the reserve accounts are expected as funds are utilised.

**SHIRE OF VICTORIA PLAINS**  
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**5. TRADE AND OTHER RECEIVABLES**

	2021	2020
	\$	\$
<b>Current</b>		
Rates receivable	45,618	21,444
Trade and other receivables	23,244	72,132
GST receivable	-	7,745
ATO Receivable	20,850	-
Allowance for impairment of receivables	(2,071)	(1,638)
	87,641	99,683
<b>Non-current</b>		
Pensioner's rates and ESL deferred	12,856	12,856
	12,856	12,856
<b>Movement of allowance for impairment of receivables</b>		
Opening balance	1,638	32,195
Additions	433	762
Reversal	-	(31,319)
Closing balance	2,071	1,638

**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 30.

**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 VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**6. OTHER FINANCIAL ASSETS**

	2021	2020
	\$	\$
(a) Current assets		
Financial assets at amortised cost	20,762	19,432
	20,762	19,432
Other financial assets at amortised cost		
Self supporting loans	20,762	19,432
	20,762	19,432
(b) Non-current assets		
Other financial assets at amortised cost	162,491	184,121
Financial assets at fair value through profit and loss	53,415	53,415
	215,906	237,536
Financial assets at amortised cost		
Self supporting loans	162,491	184,121
	162,491	184,121
Financial assets at fair values through profit or loss		
Units in local government house trust	53,415	53,415
	53,415	53,415

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 15(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.

**Impairment and risk**

Information regarding impairment and exposure to risk can be found at Note 30.

**SHIRE OF VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**7. INVENTORIES**

	2021	2020
	\$	\$
<b>Current</b>		
Fuel and materials	31,155	21,331
	<u>31,155</u>	<u>21,331</u>

The following movements in inventories occurred during the year:

Balance at beginning of year	21,331	33,416
Inventories expensed during the year	(142,652)	(141,971)
Additions to inventory	152,476	129,886
Balance at end of year	<u>31,155</u>	<u>21,331</u>

**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.

**8. OTHER ASSETS**

	2021	2020
	\$	\$
<b>Other assets - current</b>		
Accrued income - interest receivable	205	4,324
Accrued income - self supporting loan receivable	-	9,524
	<u>205</u>	<u>13,848</u>

**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 VICTORIA PLAINS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

**9. PROPERTY, PLANT AND EQUIPMENT**

**(a) Movements in Balances**

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

	Land - freehold land	Buildings - non- specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Motor vehicles	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>As at 1 July 2019</b>									
Gross balance at 1 July 2019	1,054,500	1,002,856	6,077,221	7,080,077	8,134,577	114,309	1,226,212	1,081,951	10,557,049
Accumulated depreciation at 1 July 2019	-	(43,390)	(213,963)	(257,353)	(257,353)	-	-	-	(257,353)
Balance at 1 July 2019	1,054,500	959,466	5,863,258	6,822,724	7,877,224	114,309	1,226,212	1,081,951	10,299,696
Additions	-	-	34,135	34,135	34,135	-	-	-	34,135
Disposals	(30,000)	(94,669)	-	(94,669)	(124,669)	-	-	-	(124,669)
Depreciation expense	-	(19,388)	(122,564)	(141,952)	(141,952)	(22,849)	(127,368)	(90,872)	(383,041)
Balance at 30 June 2020	1,024,500	845,409	5,774,829	6,620,238	7,644,738	91,460	1,098,844	991,079	9,826,121
<b>Comprises:</b>									
Gross balance at 30 June 2020	1,024,500	902,856	6,111,356	7,014,212	8,038,712	114,309	1,226,212	1,081,951	10,461,184
Accumulated depreciation at 30 June 2020	-	(57,447)	(336,527)	(393,974)	(393,974)	(22,849)	(127,368)	(90,872)	(635,063)
Balance at 30 June 2020	1,024,500	845,409	5,774,829	6,620,238	7,644,738	91,460	1,098,844	991,079	9,826,121
Additions	-	3,682	33,239	36,921	36,921	85,744	-	171,237	293,902
Disposals	-	-	-	-	-	-	-	(49,809)	(49,809)
Depreciation expense	-	(18,057)	(123,029)	(141,086)	(141,086)	(21,780)	(120,469)	(91,343)	(374,678)
Balance at 30 June 2021	1,024,500	831,034	5,685,039	6,516,073	7,540,573	155,424	978,375	1,021,164	9,695,536
<b>Comprises:</b>									
Gross balance at 30 June 2021	1,024,500	906,537	6,144,595	7,051,132	8,075,632	200,053	1,226,212	1,172,187	10,674,084
Accumulated depreciation at 30 June 2021	0	(75,503)	(459,556)	(535,059)	(535,059)	(44,629)	(247,837)	(151,023)	(978,548)
Balance at 30 June 2021	1,024,500	831,034	5,685,039	6,516,073	7,540,573	155,424	978,375	1,021,164	9,695,536



**SHIRE OF VICTORIA PLAINS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

**9. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(b) Carrying Value Measurements**

<b>(i) Fair Value</b>	<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
<b>Land and buildings</b>						
Land - freehold land		2	Sales comparison approach and cost approach	Independent Registered valuers	June 2017	Price per hectare
Land - freehold land		3	Improvements to land valued using cost approach using depreciated replacement cost	Independent Registered valuers	June 2017	Improvement to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - non-specialised		2	Market approach using recent observable market data for similar properties	Independent Registered valuers	June 2017	Price per square metre
Buildings - specialised		3	Improvements to land valued using cost approach using depreciated replacement cost	Independent Registered valuers	June 2017	Improvement to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>(ii) Cost</b>						
Furniture and equipment			Cost	Cost		Purchase cost
Plant and equipment			Cost	Cost		Purchase cost
Motor vehicles			Cost	Cost		Purchase cost

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

**SHIRE OF VICTORIA PLAINS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**10. INFRASTRUCTURE**

**(a) Movements in Balances**

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

	Infrastructure - roads \$	Infrastructure - footpaths \$	Infrastructure - other \$	Infrastructure - bridges \$	Works in progress \$	Total Infrastructure \$
<b>As at 1 July 2019</b>						
Gross balance at 1 July 2019	153,265,164	899,241	6,246,096	7,176,074	-	167,586,575
Accumulated depreciation at 1 July 2019	(41,877,932)	(246,671)	(3,421,466)	(4,841,048)	-	(50,387,117)
<b>Balance at 1 July 2019</b>	<b>111,387,232</b>	<b>652,570</b>	<b>2,824,630</b>	<b>2,335,026</b>	<b>-</b>	<b>117,199,458</b>
<b>Additions</b>	<b>774,009</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>746,567</b>	<b>1,520,576</b>
<b>Depreciation expense</b>	<b>(3,181,426)</b>	<b>(11,240)</b>	<b>(215,942)</b>	<b>(119,126)</b>	<b>-</b>	<b>(3,527,734)</b>
<b>Balance at 30 June 2020</b>	<b>108,979,815</b>	<b>641,330</b>	<b>2,608,688</b>	<b>2,215,900</b>	<b>746,567</b>	<b>115,192,300</b>
<b>Comprises:</b>						
Gross balance at 30 June 2020	154,039,173	899,241	6,246,096	7,176,074	746,567	169,107,151
Accumulated depreciation at 30 June 2020	(45,059,358)	(257,911)	(3,637,408)	(4,960,174)	-	(53,914,851)
<b>Balance at 30 June 2020</b>	<b>108,979,815</b>	<b>641,330</b>	<b>2,608,688</b>	<b>2,215,900</b>	<b>746,567</b>	<b>115,192,300</b>
<b>Additions</b>	<b>1,956,978</b>	<b>97,058</b>	<b>25,163</b>	<b>360</b>	<b>-</b>	<b>2,079,559</b>
<b>Depreciation expense</b>	<b>(3,201,059)</b>	<b>(11,400)</b>	<b>(216,337)</b>	<b>(119,127)</b>	<b>-</b>	<b>(3,547,923)</b>
<b>Transfers</b>	<b>746,567</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(746,567)</b>	<b>-</b>
<b>Balance at 30 June 2021</b>	<b>108,482,301</b>	<b>726,988</b>	<b>2,417,514</b>	<b>2,097,133</b>	<b>-</b>	<b>113,723,936</b>
<b>Comprises:</b>						
Gross balance at 30 June 2021	156,742,718	996,299	6,271,259	7,176,434	-	171,186,710
Accumulated depreciation at 30 June 2021	(48,260,417)	(269,311)	(3,853,745)	(5,079,301)	-	(57,462,774)
<b>Balance at 30 June 2021</b>	<b>108,482,301</b>	<b>726,988</b>	<b>2,417,514</b>	<b>2,097,133</b>	<b>-</b>	<b>113,723,936</b>



**SHIRE OF VICTORIA PLAINS  
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**10. INFRASTRUCTURE (Continued)**

**(b) Carrying Value Measurements**

<b>(i) Fair Value</b>	<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
	Infrastructure - roads	<b>3</b>	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	<b>3</b>	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	<b>3</b>	Cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - bridges	<b>3</b>	Cost approach using depreciated replacement cost	Independent registered valuers	June 2017	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 VICTORIA PLAINS

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2021

#### 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.

##### AUSTRALIAN ACCOUNTING STANDARDS

###### Revaluation (Continued)

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

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

##### AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

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

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

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

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

**SHIRE OF VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**11. FIXED ASSETS**

**(a) Disposals of Assets**

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss	2021 Budget Net Book Value	2021 Budget Sale Proceeds	2021 Budget Profit	2021 Budget Loss	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	-	-	-	-	-	-	-	-	30,000	30,000	-	-
Buildings - non-specialised	-	-	-	-	-	-	-	-	94,669	40,909	-	(53,760)
Plant and equipment	-	-	-	-	3,200	4,100	900	-	-	-	-	-
Motor vehicles	49,809	77,864	28,055	-	46,700	78,200	31,500	-	-	-	-	-
	49,809	77,864	28,055	-	49,900	82,300	32,400	-	124,669	70,909	-	(53,760)

The following assets were disposed of during the year.

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$
Plant and Equipment				
Transport				
Mitsubishi ASX LS 2WD - CDO	6,691	12,272	5,581	-
Toyota Prado 3.0L Turbo Diesel	21,740	29,682	7,942	-
Toyota Prado 2017 - CEO	21,378	35,910	14,532	-
	49,809	77,864	28,055	-

**(b) Fully Depreciated Assets in Use**

The gross carrying value of assets held by the Shire which are currently in use yet fully depreciated are shown in the table below.

	2021	2020
	\$	\$
Infrastructure - other	10,500	-
	10,500	-

**(c) Temporarily Idle Assets**

The Shire did not hold any temporarily idle or retired from active use assets not classified as held for sale at balance date.



**SHIRE OF VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**11. FIXED ASSETS**

**(d) Depreciation**

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Buildings - non-specialised	18,057	19,423	19,388
Buildings - specialised	123,029	122,782	122,564
Furniture and equipment	21,780	23,253	22,849
Plant and equipment	120,469	127,594	127,368
Motor vehicles	91,343	91,034	90,872
Infrastructure - roads	3,201,059	3,171,340	3,181,426
Infrastructure - footpaths	11,400	11,260	11,240
Infrastructure - other	216,337	216,326	215,942
Infrastructure - bridges	119,127	112,408	119,126
	3,922,601	3,895,420	3,910,775

**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	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets:	
- formation	not depreciated
- pavement	100 years
seal:	
- bituminous seals	15 to 20 years
- asphalt surfaces	20 years
Gravel roads:	
- formation	not depreciated
- pavement	50 years
Formed roads (unsealed):	
- formation	not depreciated
- pavement	50 years
Footpaths - slab	40 to 60 years
Sewerage piping	80 years
Water supply piping and drainage systems	17 to 90 years
Bridges	60 years
Other infrastructure	15 to 80 years

**Depreciation on revaluation**

When an item of property, plant and equipment is revalued, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For property, plant and equipment, the gross carrying amount is restated by reference to observable market data. For infrastructure, the gross carrying amount is 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.



SHIRE OF VICTORIA PLAINS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021

12. REVALUATION SURPLUS

	2021 Opening Balance	2021 Change in Accounting Policy	2021 Revaluation Increment	2021 Revaluation (Decrement)	Total Movement on Revaluation	2021 Closing Balance	2020 Opening Balance	2020 Change in Accounting Policy	2020 Revaluation Increment	2020 Revaluation (Decrement)	Total Movement on Revaluation	2020 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land and buildings	4,648,657	-	-	-	-	4,648,657	4,648,657	-	-	-	-	4,648,657
Furniture and equipment	-	-	-	-	-	-	77,975	(77,975)	-	-	-	-
Plant and equipment	-	-	-	-	-	-	315,111	(315,111)	-	-	-	-
Roads	96,047,491	-	-	-	-	96,047,491	96,047,491	-	-	-	-	96,047,491
Footpaths	418,387	-	-	-	-	418,387	418,387	-	-	-	-	418,387
Other	3,530,935	-	-	-	-	3,530,935	3,530,935	-	-	-	-	3,530,935
Bridges	1,358,523	-	-	-	-	1,358,523	1,358,523	-	-	-	-	1,358,523
	106,003,993	-	-	-	-	106,003,993	106,397,079	(393,086)	-	-	-	106,003,993

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 VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**13. TRADE AND OTHER PAYABLES**

**Current**

Sundry creditors  
 Prepaid rates  
 Accrued salaries and wages  
 ATO liabilities  
 Bonds and deposits held  
 Accrued expenditure

2021	2020
\$	\$
588,045	338,705
25,654	33,214
23,384	18,574
15,811	39
27,126	15,716
27,500	18,417
707,520	424,665

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other payables**

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

**Prepaid rates**

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

**14. CONTRACT LIABILITIES**

**Current**

Contract liabilities

2021	2020
\$	\$
234,327	209,544
234,327	209,544

Performance obligations for each type of liability are expected to be recognised as revenue in accordance with the following time bands:

Less than 1 year

Contract liabilities	Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity
\$	\$
234,327	-
234,327	-

**SIGNIFICANT ACCOUNTING POLICIES**

**Contract liabilities**

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

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

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

**Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity**

Grant liabilities represent the Shire's performance obligations to construct recognisable non-financial assets to identified specifications which are yet to be satisfied.

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

# SHIRE OF VICTORIA PLAINS

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2021

#### 15. INFORMATION ON BORROWINGS

		2021		2020													
		\$		\$													
(a) Borrowings																	
Current		59,932		59,336													
Non-current		246,615		305,285													
		306,547		364,621													
(b) Repayments - Borrowings																	
Particulars	Loan Number	Institution	Interest Rate	30-Jun-21		30 June 2021		30 June 2021		30 June 2021		30 June 2021		30 June 2020		30 June 2020	
				Actual	Interest expense	Principal	Actual	Actual	Interest	Principal	Budget	Budget	Actual	Actual	Interest	Principal	Actual
Recreation and culture Calligini Sports Pavilion Plawanning Water Supply	82	WATC	4.48%	40,508	1,731	(19,892)	(1,844)	20,703	(1,937)	20,584	59,459	2,433	(18,838)	(2,546)	40,508	(2,546)	
				119,572	2,454	(17,029)	(3,052)	101,945	(3,660)	(17,029)	(3,660)	101,580	136,360	3,372	(16,613)	(3,547)	119,572
	84	WATC	2.49%	160,080	4,185	(36,721)	(4,866)	122,648	(5,597)	122,164	195,819	5,805	(35,451)	(6,093)	150,080	(6,093)	
Self Supporting Loans Recreation and culture Calligini Football Club	83	WATC	2.68%	204,541	4,615	(20,300)	(4,957)	183,899	(7,417)	184,009	223,500	7,676	(18,521)	(8,114)	204,541	(8,114)	
				204,541	4,615	(20,300)	(4,957)	183,899	(7,417)	(19,544)	(7,417)	184,009	223,500	7,676	(18,521)	(8,114)	204,541
				364,621	8,800	(57,021)	(9,853)	305,547	(13,014)	306,173	419,319	13,481	(53,972)	(14,207)	354,621	(14,207)	

\* WA Treasury Corporation

\* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 6 as other financial assets at amortised cost.

All other loan repayments were financed by general purpose revenue.

**SHIRE OF VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**15. INFORMATION ON BORROWINGS (Continued)**

**(c) New Borrowings - 2020/21**

There were no new loan borrowings during the 2020/21 financial year.

	2021	2020
	\$	\$
<b>(c) Undrawn Borrowing Facilities</b>		
<b>Credit Standby Arrangements</b>		
Bank overdraft limit	300,000	300,000
Bank overdraft at balance date	-	-
Credit card limit	15,000	20,000
Credit card balance at balance date	(1,659)	(1,011)
<b>Total amount of credit unused</b>	<b>313,341</b>	<b>318,989</b>
 <b>Loan facilities</b>		
Loan facilities - current	59,932	58,336
Loan facilities - non-current	246,615	306,285
<b>Total facilities in use at balance date</b>	<b>306,547</b>	<b>364,621</b>
 <b>Unused loan facilities at balance date</b>	<b>NIL</b>	<b>NIL</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Borrowing costs**

Borrowing costs are recognised as an expense when incurred.

**Risk**

Information regarding exposure to risk can be found at Note 30.



**SHIRE OF VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**16. EMPLOYEE RELATED PROVISIONS**

**(a) Employee Related Provisions**

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2020			
Current	131,244	86,951	218,195
Non-current	-	32,885	32,885
	131,244	119,836	251,080
Movement in provision	(12,559)	(40,830)	(53,389)
Balance at 30 June 2021	118,685	79,006	197,691
Comprises			
Current	118,685	37,044	155,729
Non-current	-	41,962	41,962
	118,685	79,006	197,691
	2021	2020	
	\$	\$	
Amounts are expected to be settled on the following basis:			
Less than 12 months after the reporting date	105,161	140,051	
More than 12 months from reporting date	100,361	111,029	
Expected reimbursements from other WA local governments	(7,831)	-	
	197,691	251,080	

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

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

**SIGNIFICANT ACCOUNTING POLICIES**

**Employee benefits**

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

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

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

**SHIRE OF VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**17. NOTES TO THE STATEMENT OF CASH FLOWS**

**Reconciliation of Cash**

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, and bank overdrafts.

	<b>Notes</b>	<b>2021 Actual \$</b>	<b>2021 Budget \$</b>	<b>2020 Actual \$</b>
Cash and cash equivalents	3	2,281,843	817,020	1,474,231
<b>Reconciliation of Net Result to Cash Provided By Operating Activities</b>				
Net result for the period		(894,406)	(62,359)	(2,177,981)
<b>Non-cash items:</b>				
Adjustments to fair value of financial assets at fair value through profit and loss		-	-	(864)
Depreciation on non-current assets		3,922,601	3,895,420	3,910,775
(Profit)/loss on sale of asset		(28,055)	(32,400)	53,760
<b>Changes in assets and liabilities:</b>				
(Increase)/decrease in trade and other receivables		12,042	50,183	358,455
(Increase)/decrease in other financial assets		13,643	-	(8,505)
(Increase)/decrease in inventories		(9,824)	-	12,085
(Increase)/decrease in contract assets		(129,267)	-	-
Increase/(decrease) in trade and other payables		282,855	(286,258)	(240,243)
Increase/(decrease) in employee related provisions		(53,389)	-	-
Increase/(decrease) in accrued interest		(1,053)	-	(727)
Increase/(decrease) in other provisions		-	-	48,514
Increase/(decrease) in other liabilities		24,783	-	200,257
Non-operating grants, subsidies and contributions		(1,879,646)	(3,526,055)	(1,186,184)
<b>Net cash provided by operating activities</b>		<b>1,260,284</b>	<b>38,531</b>	<b>969,342</b>

**SHIRE OF VICTORIA PLAINS**  
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**18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY**

	2021	2020
	\$	\$
Governance	58,679	34,300
General purpose funding	2,332,839	1,432,383
Law, order, public safety	803,070	838,380
Education and welfare	6,320	7,146
Housing	2,166,259	2,202,833
Community amenities	2,281,647	2,406,021
Recreation and culture	4,673,375	4,871,234
Transport	112,314,191	113,497,981
Economic services	177,944	186,089
Other property and services	1,384,783	1,420,971
	<u>126,199,107</u>	<u>126,897,338</u>

**19. CONTINGENT LIABILITIES**

The Shire operates three refuse sites:

- Bolgart Refuse Site (Licence L6956/1997/11)
- Calingiri Refuse Site Crown Reserve 34141 Calingiri-Goomalling Rd (Licence L6955/1997/11)
- Mogumber Refuse Site Crown Reserve 8588 Bindoon-Moora Rd (Licence L7011/1997/11)

All three of the above sites are Category 64 Putrescible landfill sites (PLS).

The Shire may need to rehabilitate these refuse sites after closure. The rehabilitation cost will be determined once the post-closure rehabilitation plans are prepared.



SHIRE OF VICTORIA PLAINS  
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20. ELECTED MEMBERS REMUNERATION

	2021 Actual \$	2021 Budget \$	2020 Actual \$
<b>Cr. Pauline Bantock</b>			
President's annual allowance	6,500	6,500	5,281
Meeting attendance fees	7,500	7,500	7,500
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	-	783	2,463
	15,000	15,783	16,244
<b>Cr. David Lovelock</b>			
Deputy President's annual allowance	1,625	1,625	2,844
Meeting attendance fees	7,500	7,500	7,500
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	-	783	-
	10,125	10,908	11,344
<b>Cr. Stephanie Penn</b>			
Meeting attendance fees	7,500	7,500	7,500
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	-	783	1,555
	8,500	9,283	10,055
<b>Cr. Neville Clarke</b>			
Meeting attendance fees	7,500	7,500	7,500
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	-	783	528
	8,500	9,283	9,028
<b>Cr. Jaymie King</b>			
Meeting attendance fees	7,500	7,500	7,500
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	-	783	-
	8,500	9,283	8,500
<b>Cr. Jim Kelley</b>			
Meeting attendance fees	7,500	7,500	5,625
Annual allowance for ICT expenses	1,000	1,000	750
Travel and accommodation expenses	191	782	984
	8,691	9,282	7,359
<b>Cr. Jacqueline Corless-Crowther</b>			
Meeting attendance fees	3,125	7,500	7,500
Annual allowance for ICT expenses	500	1,000	1,000
Travel and accommodation expenses	-	782	-
	3,625	9,282	8,500
<b>Cr. Andrew Broadhurst</b>			
Meeting attendance fees	1,875	-	1,875
Annual allowance for ICT expenses	250	-	250
Travel and accommodation expenses	-	-	299
	2,125	-	2,424
<b>Cr. Gary O'Brien</b>			
Meeting attendance fees	3,750	-	-
Annual allowance for ICT expenses	500	-	-
	4,250	-	-
	69,316	73,104	73,454



SHIRE OF VICTORIA PLAINS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
<b>20. ELECTED MEMBERS REMUNERATION (Continued)</b>			
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
President's allowance	6,500	6,500	5,281
Deputy President's allowance	1,625	1,625	2,844
Meeting attendance fees	53,750	52,500	52,500
Annual allowance for ICT expenses	7,250	7,000	7,000
Travel and accommodation expenses	191	5,479	5,829
	<b>69,316</b>	<b>73,104</b>	<b>73,454</b>

**SHIRE OF VICTORIA PLAINS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**21. RELATED PARTY TRANSACTIONS**

**Key Management Personnel (KMP) Compensation Disclosure**

	2021 Actual	2020 Actual
The total of remuneration paid to KMP of the Shire during the year are as follows:	\$	\$
Short-term employee benefits	305,742	354,384
Post-employment benefits	43,521	46,326
Other long-term benefits	15,514	6,546
	364,777	407,255

**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.

**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.

	2021 Actual	2020 Actual
The following transactions occurred with related parties:	\$	\$
Purchase of goods and services	-	3,810

**Related Parties**

The Shire's main related parties are as follows:

**i. Key management personnel**

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

**ii. Other Related Parties**

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

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

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

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

**SHIRE OF VICTORIA PLAINS**  
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**22. JOINT ARRANGEMENTS**

**(a) Share of joint operations**

The following investments have been classified as Joint Operations.

**(i) Calingiri - Lot 23 and 24 Harrington Street**

The Shire entered into a Joint Arrangement with Homeswest on 17 December 1999. The purpose of the arrangement was for the construction of four aged persons units in Calingiri.

Financial Contributions	Shire	Homeswest	Total	Interests
	\$	\$	\$	%
Land Contribution	26,318	-	26,318	18.98%
Construction Costs	80,273	455,097	535,370	81.02%
	106,591	455,097	561,688	100%

**(ii) Bolgart - Lot 184 and 191 George Street**

The Shire entered into a Joint Arrangement with Homeswest on 21 February 2006. The purpose of the arrangement was for the construction of two aged persons units in Bolgart.

Financial Contributions	Shire	Homeswest	Total	Interests
	\$	\$	\$	%
Land Contribution	11,858	1,771	13,629	18.00%
Construction Costs	44,500	258,145	302,645	82.00%
	56,358	259,916	316,274	100%
Total Financial Contribution	162,949	715,013	877,962	

**(b) Joint Arrangement Information**

**(i) Non-current Assets**

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Land and Buildings	242,500	225,523	242,500
Accumulated Depreciation	(21,547)	(21,547)	(17,247)
	220,953	203,976	225,253

**(ii) Statement of Comprehensive Income**

Revenue			
Fees and Charges	22,603	31,790	31,781
Expenses			
Employee Costs	(7,761)	(3,550)	(1,577)
Materials and Contracts	(9,193)	(1,010)	(1,118)
Insurance	(7,209)	(2,772)	(2,771)
Utilities	(11,032)	-	-
Depreciation	(4,300)	(4,300)	(4,300)
	(16,892)	20,158	22,015

**SIGNIFICANT ACCOUNTING POLICIES**

**Interests in joint arrangements**

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

Separate joint arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method. The equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire's share of net assets of the associate. In addition, the Shire's share of the profit or loss of the associate is included in the Shire's profit or loss.

**Interests in joint arrangements (Continued)**

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

SHIRE OF VICTORIA PLAINS  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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23. MAJOR LAND TRANSACTIONS

The Shire did not have any major land transactions at the reporting date.

24. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

The Shire did not have any trading undertakings or major trading undertakings at the reporting date.

25. TRUST FUNDS

There are no funds held at the balance date which are required to be held in the trust fund.

26. EVENTS OCCURING AFTER THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Shire.

27. CAPITAL COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects

Payable:

- not later than one year

2021	2020
\$	\$
-	-
-	-
-	-



## SHIRE OF VICTORIA PLAINS

## 28. RATING INFORMATION

## (a) Rates

RATE TYPE		2020/21 Actual	2020/21 Rate	2020/21 Interim Rates	2020/21 Actual	2020/21 Back Rates	2020/21 Actual	2020/21 Total Revenue	2020/21 Budget Rate	2020/21 Budget Interim Rate	2020/21 Budget Back Rate	2020/21 Budget Total Revenue	2019/20 Actual Total Revenue
Differential general rate / general rate		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Gross rental valuations													
General GRV	0.110042	162	1,790,738	197,057	-	-	-	197,057	197,056	-	-	197,056	189,312
Unimproved valuations													
General UV	0.007333	327	332,062,500	2,435,014	(1,242)	961	2,434,733	2,434,733	2,434,677	-	-	2,434,677	2,267,596
Sub-Total		489	333,853,238	2,632,071	(1,242)	961	2,631,790	2,631,733	2,631,733	-	-	2,631,733	2,456,908
Minimum payment													
	\$												
Gross rental valuations													
General GRV	454	66	93,142	29,964	-	-	29,964	29,964	29,964	-	-	29,964	28,392
Unimproved valuations													
General UV	595	58	2,111,235	34,510	1,154	-	35,664	33,320	33,320	-	-	33,320	30,316
Sub-Total		124	2,204,377	64,474	1,154	-	65,628	63,284	63,284	-	-	63,284	58,708
Total amount raised from general rate		613	336,057,615	2,696,545	(88)	961	2,697,418	2,695,017	2,695,017	-	-	2,695,017	2,515,616
Ex-gratia rates							80,571	76,000	76,000			76,000	75,744
Totals							2,777,989	2,771,017	2,771,017			2,771,017	2,591,359

## 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 VICTORIA PLAINS  
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28. RATING INFORMATION (Continued)

(b) Specified Area Rate

No specified area rates were imposed by the Shire during the year ended 30 June 2021.

(c) Service Charges

No service charges were imposed by the Shire during the year ended 30 June 2021.

Rates Discounts

No rates discount was offered by the Shire during the year ended 30 June 2021.

(d) Waivers or Concessions

No waivers or concessions were offered by the Shire during the year ended 30 June 2021.

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
<b>Option One</b>				
Single full payment	02-Sep-20	-	-	8.00%
<b>Option Two</b>				
First instalment	02-Sep-20	-	-	8.00%
Second instalment	04-Nov-20	6.00	5.50%	8.00%
Third instalment	06-Jan-21	6.00	5.50%	8.00%
Fourth instalment	10-Mar-21	6.00	5.50%	8.00%
		<b>2021 Actual</b>	<b>2021 Budget</b>	<b>2020 Actual</b>
		\$	\$	\$
Interest on unpaid rates		4,744	5,080	5,078
Interest on instalment plan		10,084	8,550	8,549
Interest on ESL penalty		149	190	193
Charges on instalment plan		2,436	2,400	2,400
		<b>17,413</b>	<b>16,220</b>	<b>16,220</b>

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**29. RATE SETTING STATEMENT INFORMATION**

		2020/21 Budget	2020/21	2019/20
	2020/21 (30 June 2021)	2020/21 (30 June 2021)	2020/21 (1 July 2020)	2019/20 (30 June 2020)
NOTES	Carried Forward)	Carried Forward)	Brought Forward)	Carried Forward)
	\$	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals	11(a)	(28,055)	(32,400)	-
Less: Fair value adjustments to financial assets at fair value through profit and loss		-	(864)	(864)
Movement in employee benefit provisions (non-current)		9,077	(2,638)	(2,638)
Add / (Less): Reclassification of accrued interest on borrowings		(1,053)	2,183	-
Add: Loss on disposal of assets	11(a)	-	53,760	53,760
Add: Depreciation on non-current assets	11(d)	3,922,601	3,895,420	3,910,775
<b>Non cash amounts excluded from operating activities</b>		<b>3,902,570</b>	<b>3,963,216</b>	<b>3,961,033</b>
<b>(b) Surplus/(deficit) after imposition of general rates</b>				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
<b>Adjustments to net current assets</b>				
Less: Reserves - cash backed	4	(538,866)	(435,659)	(564,979)
Less: Financial assets at amortised cost - self supporting loans	6(a)	(20,762)	(19,544)	(19,432)
Add: Current liabilities not expected to be cleared at end of year - Current portion of borrowings	15(a)	59,932	56,264	56,153
<b>Total adjustments to net current assets</b>		<b>(499,696)</b>	<b>(398,939)</b>	<b>(528,258)</b>
<b>Net current assets used in the Rate Setting Statement</b>				
Total current assets		2,550,873	966,827	1,628,525
Less: Total current liabilities		(1,157,508)	(567,888)	(910,740)
Less: Total adjustments to net current assets		(499,696)	(398,939)	(528,258)
<b>Net current assets used in the Rate Setting Statement</b>		<b>893,669</b>	<b>191,710</b>	<b>189,527</b>

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**30. 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.

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

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

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

**(a) Interest rate risk**

**Cash and cash equivalents**

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

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

	<b>Weighted Average Interest Rate</b>	<b>Carrying Amounts</b>	<b>Fixed Interest Rate</b>	<b>Variable Interest Rate</b>	<b>Non Interest Bearing</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2021</b>	<b>0.05%</b>	<b>2,281,843</b>	<b>612,083</b>	<b>1,669,170</b>	<b>590</b>
<b>2020</b>					
Cash and cash equivalents	0.22%	1,474,231	410,025	1,063,616	590

**Sensitivity analysis**

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

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% movement in interest rates on profit and loss and equity*	16,692	10,636

\* 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 15(b).



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30. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

**Trade and Other Receivables**

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

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2020 or 1 July 2021 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

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

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
<b>30 June 2021</b>					
Rates receivable					
Expected credit loss	4.03%	4.03%	4.03%	4.03%	
Gross carrying amount	13,799	9,766	7,237	14,816	45,618
Loss allowance	556	394	292	596	1,838
<b>30 June 2020</b>					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	7.63%	
Gross carrying amount	320	17,637	6,364	9,978	34,300
Loss allowance	-	-	-	762	762

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2021</b>					
Trade and other receivables					
Expected credit loss	1.00%	1.00%	1.00%	1.00%	
Gross carrying amount	9,645	598	40	12,961	23,244
Loss allowance	97	6	-	130	233
<b>30 June 2020</b>					
Trade and other receivables					
Expected credit loss	0.52%	0.00%	0.00%	100.00%	
Gross carrying amount	71,556	74	-	502	72,132
Loss allowance	374	-	-	502	876

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**30. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk (Continued)**

**Contract Assets**

The Shire's contract assets represent work completed, which have not been invoiced at year end. This is due to the Shire not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The Shire applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Shire has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

**(c) Liquidity risk**

**Payables and borrowings**

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 15(c).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
<u>2021</u>	\$	\$	\$	\$	\$
Trade and other payables	707,520	-	-	707,520	707,520
Borrowings	66,692	217,132	51,695	335,519	306,547
Contract liabilities	234,327	-	-	234,327	234,327
	1,008,539	217,132	51,695	1,277,366	1,248,394
<u>2020</u>					
Trade and other payables	426,809	-	-	426,809	426,809
Borrowings	66,755	248,348	87,171	402,274	364,621
	493,564	248,348	87,171	829,083	791,430

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31. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

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

(a) AASB 1059 Service Concession Arrangements: Grantors

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

The Shire has considered the requirements of AASB 1059 *Service Concession Arrangements: Grantors* and confirms that the Shire has no existing arrangements that fall within the scope of this standard.



# SHIRE OF VICTORIA PLAINS

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2021

#### 32. OTHER SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

##### c) Rounding off figures

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

##### d) Comparative figures

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

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

##### e) Budget comparative figures

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

##### f) Superannuation

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

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

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

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

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

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

##### h) Fair value hierarchy

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

##### Level 1

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

##### Level 2

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

##### Level 3

Measurements based on unobservable inputs for the asset or liability.

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

##### Valuation techniques

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

##### Market approach

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

##### Income approach

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

##### Cost approach

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

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

##### i) Impairment of assets

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

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

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

For non-cash generating specialised assets that are measured under the revaluation model such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116 31 applies and revaluations need only be made with sufficient regularity to ensure the carrying value does not differ materially from that which would be determined using fair value at the end of the reporting period.



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**33. ACTIVITIES/PROGRAMS**

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

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

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34. FINANCIAL RATIOS

	2021 Actual	2020 Actual	2019 Actual
Current ratio	1.96	0.94	0.99
Asset consumption ratio	0.68	0.70	0.72
Asset renewal funding ratio	0.51	0.96	1.12
Asset sustainability ratio	0.50	0.35	0.86
Debt service cover ratio	17.34	8.23	(8.54)
Operating surplus ratio	(0.90)	(1.16)	(1.60)
Own source revenue coverage ratio	0.42	0.38	0.34

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