



ATTACHMENTS

Ordinary Council Meeting

27 March 2019

DISCLAIMER:

Any recommendations contained in this document are officers' recommendations only and should not be acted upon until Council has resolved to adopt those recommendations.

The resolutions of Council should be confirmed by perusing the minutes of the Council meeting at which these recommendations were considered. Resolutions are not considered final until the minutes of the meeting are confirmed or advised in writing by the CEO or authorised person.

Members of the public should also note that they act at their own risk if they enact any resolution prior to receiving official written notification of Council's decision.

Please note that meetings are recorded for minute taking purposes.

CEO UPDATE

15 February 2019 until 15 March 2019

Meetings attended include

Date	Organisation / Person Met With	Reason for Meeting
18 February 2019	LGIS Vic Plains Insurance Pre-renewal Meeting	Review of Insurance matters.
19 February 2019	LEMC Meeting	Review of new committee.
19 February 2019	IPR Project Meeting	Pre-feasibility
21 February 2019	Local Government Bushfire Risk Planning Coordinator position and role	Review
22 February 2019	SoVP Tool Box Meeting	OHS
22 February 2019	HWL Meeting	EBA
25 February 2019	Wheatbelt North Regional Road Group Meeting	Roads
26 February 2019	Suicide Prevention Participant Group Meeting	Community
27 February 2019	Traineeship Presentation	Apprenticeship Support Australia
27 February 2019	Presentation by Joe Douglas (SoVP Planner).	Overview of Planning for the Shire.
28 February 2019	ANZAC Day Committee Meeting	Anzac Day - 2020
5 March 2019	HWL	Various
8 March 2019	CEO Connections	Local Govt. Inquiries.
11 March 2019	AROC President's Meeting	
12 March 2019	SAT Hearing	Kelly matter.
13 March 2019	Chiara Acciano - LGIS	Incident Investigation Training and Safety Representative Introduction Training.
15 March 2019	Water Corporation Meeting	AGM

MATTERS FOR NOTING

- Annual Report preparation
- Budget finalisation 2019-2020
- Traineeship onboarding.

Longer term issues to attend to

- Finalising refurbishment of Calingiri gym
- Finalising EBA

MONTH AHEAD

Meetings to be attended

- AROC Meeting
- Local Government Professionals
- WALGA Zone meeting
- Discover Golden Horizons Meeting
- LEMC
- Civic Legal
- Castledine Gregory Lawyers
- Wheatbelt North Regional Road Group Moora Subgroup Meeting

USE OF COMMON SEAL

Nil

ATTACHMENTS

- Traineeship Presentation notes – Peter Lowen
- SoVP Planner notes – Joe Douglas

Glenda Teede
CEO

15 March 2019

3.2 Financial Consultant – Bob Waddell

MONTH PAST – to 12th MARCH 2019

General activities

- The annual budget review has been carried out over the last couple of weeks and nears completion. It is expected that the annual budget review will be presented to Council at the March Ordinary Council meeting.
- The Capex Tracker to the end of February has been prepared with the assistance of the Works Supervisor and is presented with this briefing update for Council consideration.
- General Accounting Assistance has been provided over the month of January and February.

Meetings attended

- Nil.

STAFF MOVEMENTS

- No major staff movements have occurred in the Finance area since the last briefing.

MATTERS FOR NOTING

- The Audit Report and Management Letter have been received from the Shire's auditors. The content of these documents will be presented to Council by the Shire's auditors at the March Ordinary Council meeting.
- The RTR bridge works have been completed and expected to come in under budget. The funding associated with this underspend will be applied to another bridge project yet to be determined.
- The third quarterly financial assistance grants instalment of \$139,286.75 has been received during the month of February.
- Cash receipts of \$2,343,369 have been received for Rates and Rubbish Charges as of 28st February 2019. This represents 93.64% of Rates and Rubbish Debts levied in 18/19.
- \$500,000 has been transferred to 90-day term deposit at 2.30% and a further \$500,000 has been transferred to a 90-day term deposit at 2.00%.

MONTH/S AHEAD – MARCH/APRIL 2019

General activities

- The Annual Budget Review will be finalised and presented to the March Ordinary Council Meeting.
- The Annual Budget will be prepared over the next few months.

Meetings to be attended

- Will attend the March Ordinary Council Meeting.

3.5 Community Development Officer Report

Submitted by Jacqui Graham for month: March 2019

GRANTS & PROJECTS:

APPLICATIONS:

1. 'The WRAP'

Application completed – NOT SUBMITTED.

The 'Aus Sport' grant funding was specifically targeted towards sport/ recreation. 'The WRAP' project was initially developed to promote and support 'general wellbeing' (health, emotional, social) of all SOVP residents.

Alternative funding has been identified that will allow for the development and implementation of community based projects (including 'The Wrap') and will serve to achieve strategic objectives.

2. 'Plain Proud Program'

The Concept:

'Plain Proud' is proposed as a practical way to:

- Share information, resources and knowledge;
- Encourage community participation and engagement;
- Achieve a sense of connectedness; and
- Inspire the development and maintenance of community spirit and pride.

An application is being prepared for submission to the 'Strengthening Rural Communities – Small and Vital' grant round offered by the 'Foundation of Rural and Regional Renewal'. Funds are being sought to establish an SOVP community reference group to:

1. Support and guide community groups at the local town level;
2. Determine 'whole of community' priorities;
3. Promote and encourage collaborative processes to achieve outcomes;
4. Assist in the identification and completion of suitable funding applications;
5. Provide information on other opportunities or resources available to improve/enhance community services and structures; and
6. Communicate directly with the Shire Council and Council staff to improve 'Council/ Community' connection.

SOVP Progress Associations have been approached and have expressed a willingness to participate in the program. The first phase of the 'Plain Proud Program' will focus on creating a core representative group to act as a reference point and information portal both for the community and the Council.

APPLICATION DUE: 26 March 2019

REPORTS & ACQUITTALS:

UPDATE: 'Thank a Volunteer Day'

The quote provided for the original commemorative plaque exceeded the available budget. Alternative options are currently being considered.

ACTIVE/ ONGOING:

1. 'Suicide Prevention Project' – Extension

The 'Suicide Prevention Project' group have met on two separate occasions. The group has agreed:

1. To form a 'Community Wellbeing' group to promote awareness and provide crisis intervention/ personal support in relation to: suicide and self-harm; domestic violence; road trauma; and alcohol and other drug issues.
2. A three-tiered intervention approach is proposed with formal processes and procedures to be developed.
2. Support other community groups (ex. Age Friendly, Youth) to inform the development the SOVP's 'Public Health Plan'.

Activities scheduled for the upcoming months include:

- An 'ASIST' refresher for past participants – Tuesday 26th March 2019;
- Full 'ASIST' training for SOVP residents in the West/ East Ward regions – Monday 8th and Tuesday 10th April 2019;
- Organise and host a family friendly community event with attendees from various emergency/ crisis/ health organisations to distribute resources and speak with community members – date and venue to be confirmed;
- An invitation to 'Regional Mens Health' to undertake a 'Quick Pit Stop' at the Shire Dept – date to be confirmed;
- An invitation to 'Holyoake' to assist the group to formulate a 'Community Wellbeing Plan'.

Consideration has been given to group name and promotion and marketing options and will be further explored once the core group has been created.

Project Extension Approved Period: 1 February 2019 – 25 April 2019

2. 'Regional Aged Care Accommodation Program' – Ongoing.

UNSUCCESSFUL:

Nil for this period.

REQUESTS FOR PROJECT SUPPORT/ FUNDING:

'Bolgart Sports Club' - Reticulation for sports grounds.

Update: Submission to be made through Community Budget.

'Piawaning Expo' – Provided draft for 'Youth Participation Grant Program' (Murals on CBH receival storage site).

COMMUNITY GROUP INTERACTION/ ACTIVITIES:

'Piawaning Expo Inc'

Regularly receiving progress updates from President David Hall.

'Yerecoin Progress Association'

Received Meeting Minutes. Responded advising of Community Budget funding available for hall improvements.

'Bolgart Progress Association'

Received Meeting Minutes.

'Yerecoin Progress Association'

Received Meeting Minutes.

'Yerecoin Tennis Club'

Received progress update and invitation to attend official Court opening, Saturday 9th March 2019.

Grants/ Funding Opportunities

Information regarding multiple grant/ funding opportunities have been forwarded and shared with relevant community groups including: Community and Youth Participation Grants; Sports achievers grants and subsidies; Agriculture and Aquaculture, etc.

PROPOSED COMMUNITY ACTIVITY:

- Contact made with Calingiri Primary School to conduct a joint road safety project with students – Setting up of old tennis courts as roads and introducing common road signs and signals.
- Easter School Holiday program – Discussions with Calingiri Progress Association re: possible Easter egg hunt in the park.

ACTIVITY PROMOTION:

PLEASE NOTE:

Activities are promoted in all or most of the following ways:

Flyers, Facebook, Shire Community Notice Board, emails (including to Councillors and local community groups), discussions with community groups and members and related documents placed in Shire Administration foyer.

Shire Activities and Events:

'Community Budget Program 2019/2020

Applications Close: 28th March 2019

Continued posting on Facebook and still available on Website.

Contact with multiple community groups via phone and email to promote program and motivate responses.

<p>'Clean Up Australia Day' Sunday 3rd March 2019 Removed from Newsletter</p>
<p>'ANZAC Day' Newsletter</p>

PLEASE NOTE: 6 community development related pieces were submitted for the March newsletter.

COMMUNITY/ PUBLIC EVENTS:

'ANZAC Day 2019'

Date: Thursday 25th April 2019

- Initial meeting with ANZAC Day Committee President, Garry McGill.
- Creation of promotional newsletter.
- Compilation of Meeting Minutes – 28th February 2019.

'Clean up Australia Day'

Date: Sunday 3 March 2019

- Promoted via Facebook and advised of rubbish collection packs for collection from Shire.

FUTURE EVENTS:

'National Families Week'

Date: 15th – 21st May 2019

- Propose to collaborate with school and/ or community groups to conduct a 'family friendly' activity (ex. BBQ in the park).

'Ride for Telethon'

Date: October 2019

- Organise and promote community fund raising activities to support riders participating in Telethon ride from Bolgart to Telethon.

BUDGET & FINANCIAL:

- Budget monitoring and management in conjunction with CEO and Finance Officer.

PUBLIC ENQUIRIES:

- Response to Meals on Wheels not being delivered in SOVP.
- Provided contact number for Elder Abuse Hotline.

WEBSITE & SOCIAL MEDIA:

- Maintaining Facebook presence including posting updates and responding to comments.
- Introduction of 'VP VIP' to acknowledge contributions made by community members.
- Posted 'Community Grants Project 2019/ 2020' application document and promotion on Website.

DELEGATED TASKS:

'Disability Access and Inclusion Plan 2016':

- Review commenced – New template document had to be created.

'Municipal Inventory of Heritage Places':

- Review to be conducted 2019.
- Incomplete register requiring significant research and data recording.

'Age Friendly Community Plan':

- Research conducted in relation to aged care support services in the SOVP.
- Summary to be presented to 'Age Friendly Community Plan' Tuesday 19th March 2019 for direction.

GENERAL:

- Prepared for and participated in Probationary Review.
- Participated in training to complete administrative monthly cash count.
- Reviewed and contributed to Job Description – Community Development Officer.
- Participation in team meetings.
- Member of the Shire's Occupational Health and Safety team.

STRATEGIC/ FORWARD PLANNING:

- Continued contact and communication with CEO.

REQUIRES ATTENTION:

OVERDUE: ACTION REQUIRED:

'Well-Being Matters Project' - The report has been commenced and all 3 activity facilitators/trainers have been contacted for their comments, observations and recommendations. Though attendance was sporadic and only low regular numbers were recorded, the feedback suggests that the project aim was achieved (ie. To improve mobility, well-being and to promote social interaction for seniors). The budget is yet to be finalised with one substantial invoice to be received. At this point in time, the \$6100 allocated budget has been overspent by \$2655.95.

NOTE: The final acquittal and report for this project is due on or prior to 28 February 2019.

END OF REPORT

3.6 GOVERNANCE UPDATE

February 2019

General activities –

- Compliance Audit Return 2018 preparation
- Building Condition Survey - I
 - o Liaison with Talis Consulting
- Integrated Planning –
 - o Liaison with Moore Stephens
 - Workforce,
 - Strategic Resources (combined Asset Management and Long Term Financial),
 - Corporate Business Plan
- Business Continuity Plan
 - o In progress
- Freedom of Information statement and forms –
 - o Annual review and public accessibility required by FOI Act
- Risk Management Review commenced – ref Audit Reg 17
- Discussions with staff –
 - o EHO, Financial Consultant – Sewerage schemes asset management planning
- Planner – discussion re Scheme, Planning Policy, applications etc
- Review of required registers commenced, continued or finalised, including –
 - o Tenders
 - o Financial Interests and Disclosures
 - o Statutory Complaints
 - o Gifts and Travel Contributions
 - o Owners and Occupiers – for postal voting and absentee electors
- Annual Report
 - o in progress
 - o Unable to fully complete until auditors report available
 - received 27 February 2019
- New Norcia Emergency Services lease extension
 - o Currently with Monchorum for signing
 - o Still awaiting response from St John Ambulance head office
 - no issues anticipated, just need conformation
- Mogumber Reserve Ethnological Survey –
 - o Review in detail and report to Council
- Matters as directed by CEO

Meetings attended –

- 18 February– Briefing Forum, Governance etc in Calingiri
- 20 February – integrated planning telephone conference , Moore Stephens
- 27 February – Audit Committee Meeting
Council Meeting, Governance etc in Calingiri

MATTERS FOR NOTING / DISCUSSION

1. Longer term issues to address –
 - a) Committee Terms of Reference – prior to October elections
 - b) Audit Committee – implement role as per Council Terms of Reference and under Local Government Act and Regulations
 - c) Leases for property management
 - o To bring into compliance over time with Local Government Act s.5.1.(4)6 and 5.17(1)(c)(i)
 - d) Continue with development of required Registers for compliance with various legislation
2. Waste Local Law
 - Advice received from Dept of Water and Environmental Regulation
 - A number of issues identified by them
 - Several matters being challenged as being incorrect or at Council's discretion
 - Will have to re-start process as it has taken so long

MONTH AHEAD

General activities –

- a) Priority tasks –
 - o Compliance Audit Return 2018 – finalise and lodge by 31 March
 - o Annual Report – finalise
 - o Review, report, update of matters –
 - DLG Better Practice Review
 - Moore Stephens Compliance and Controls Review – in compliance with Audit Reg r.17
 - o Election candidate gift / contributions –
 - Forms and information to be prepared and put on website
 - Register of declarations is required to be published on website
- b) Policy Manual –
 - continue evaluation of Policy Manual 2017
 - further development of Policy Manual 2018
- c) Continue review of documentation for legislative compliance –
 - Forms, Delegations, Policy, operating documents etc
- d) FOI processes – finalise
 - Required by FOI Act
- e) Election preparations –
 - Various matters remain Shire responsibility, including –
 - o Electoral gifts/contributions register –
 - must be completed by all candidates who have nominated
 - applies from 6 months **before** the election day, ie prior to 19 October
 - intending candidates therefore need to keep records of gifts or contributions from 19 April at the latest
 - declarations must be lodged within 10 days of nomination or receipt of gift if after nomination
 - gift declaration period closes 3 days **after** the election

- Owners and occupiers roll –
 - Required by Regulations
 - Some claims valid for 4 years, some for duration of ownership etc
 - Has not been kept to date
 - Advertising of enrolment to be carried out
 - Enrolments after closing date are not considered
- Clarification of staff roles –
 - CEO does not appoint electoral staff, nor has responsibility for any electoral function (as distinct from administrative function)
 - Electoral Commissioner appoints the Returning Officer who then makes all subsequent electoral appointments
- Generally, public electoral actions do not need to commence prior to early August
- Currently, shire responsibilities are on track
- f) Matters as directed by CEO

Meetings to be attended –

18 March – Briefing Forum in Calingiri

20 March – Risk management meeting with senior staff in Calingiri (ref: Audit Reg r.17)

27 March – Council Meeting in Calingiri

Others subject to CEO instruction/direction

Niel Mitchell
Governance

13 March 2018

ITEM	MATTER	STATUS	COMMENT
1.	<p>██████████ v Shire of Victoria Plains – Refusal of building permit applications for ██████████ & request for interim order that the Shire be barred from enforcing the agreement reached to remove the three unauthorised buildings currently located on ██████████ pending resolution of the appeal.</p>	<p>Directions hearing held at SAT on ██████████. Shire was represented by Castledine Gregory Law and Mediation (Solicitors) with the Shire’s CEO in attendance. Outcomes from proceedings unknown at the time of writing this report. CEO will provide a status update at the Briefing Forum including options available to the Shire to issue a directions notice to ██████████ to remove the unauthorised buildings from ██████████ and pursue separate prosecution action for unlawful development.</p>	<p>Building permit applications for single dwellings on each of Lots ██████████ were refused by the Shire on 26 February 2019 on the basis that a development application for each lot is required to be submitted to and approved by Council in the first instance given that each proposal is not compliant with the deemed-to-comply requirements of the Residential Design Codes as they apply to paved and drained vehicle access and various other matters. ██████████ have lodged an application to ██████████ seeking a review of the Shire’s decision.</p>
2.	<p>Application for Council’s Development Approval – ██████████</p>	<p>On hold pending receipt of the required development application fee.</p>	<p>A development application has been submitted seeking Council’s approval for the ██████████ however the required development application fee has not yet been paid. The applicant has been notified of the fee payable and that formal processing is unable to commence until payment has been received</p>
3.	<p>Deed of Agreement with Gold Pass Investments Pty Ltd – Boshack Camping Grounds, Bolgart.</p>	<p>Deed of agreement to ensure the landowner brings the camping grounds development into compliance with all regulatory requirements by 31 December 2019 has now been executed and is in legal effect.</p>	<p>The landowner is currently working closely with the Shire’s Building Surveyor/EHO, a private building surveyor and structural engineer to finalise preparation of the building permit required to be submitted to the Shire by 15 March 2019.</p>
4.	<p>WAPC Refusal of Subdivision Application for Lot 27248 Bindi Bindi-Toodyay Road, Bolgart & Applicant’s Reconsideration Request (Landowners: J McGill & Seaport Holdings Pty Ltd).</p>	<p>On hold pending a decision by the landowners regarding the preparation and lodgement of a development application with the Shire seeking Council’s approval for the establishment of a new intensive agricultural pursuit on the land. The</p>	<p>The WAPC recently refused a subdivision application to subdivide Lot 27248 Bindi Bindi-Toodyay Road, Bolgart into two (2) lots ranging in size from 448 Ha to 585 Ha on various grounds. An application seeking the WAPC’s</p>

		<p>application is required to clearly demonstrate the land is suitable and capable of accommodating one or more bona fide intensive agricultural activities prior to the issuance of any subdivision approval by the WAPC.</p>	<p>reconsideration of its original decision has been submitted by the landowners. That application is now on hold given the WAPC's advice that the local government will need to consider and approve a development application for the establishment of a new intensive agricultural pursuit on the land before the reconsideration request can be determined.</p>
5.	<p>Review of the Shire's local planning framework including Local Planning Strategy, Local Planning Scheme No.5 and all associated local planning policies.</p>	<p>Existing documents and plans currently being scrutinised to determine their suitability in the context of current planning issues and development pressures.</p>	<p>An informal report will be prepared and presented to Council for consideration and discussion as soon as possible.</p>



SHIRE OF VICTORIA PLAINS
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 28 February 2019

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

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**MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

KEY INFORMATION

Items of Significance

The material variance adopted by the Shire of Victoria Plains for the 2018/19 year is \$10,000 and 10%. The following selected items have been highlighted due to the amount of the variance to the budget or due to the nature of the revenue/expenditure. A full listing and explanation of all items considered of significant/material variance is disclosed in Note 2.

	% Collected / Completed	Amended Annual Budget	Amended YTD Budget	YTD Actual	Variance (Under)/Over
Significant Projects					
Toodyay-Bindi Bindi Road 2017-18	30%	637,410	212,468	193,849	18,619
Moore River Bridge Repairs (2017-18)	0%	445,942	148,646	0	148,646
Yerecoin SE Road (2018-19)	20%	174,020	174,020	35,660	138,360
AG Lime Roads Project Development & Management	160%	85,703	85,703	137,187	(51,484)
AG Lime - Calingiri / New Norcia Road	40%	1,030,000	824,000	409,408	414,592
AG Lime - Mogumber West Rd	6%	525,000	420,000	30,435	389,565
AG Lime - Calingiri / Goomalling Road	0%	420,000	140,000	0	140,000
Grants, Subsidies and Contributions					
Operating Grants, Subsidies and Contributions	96%	598,487	457,283	572,935	115,652
Non-operating Grants, Subsidies and Contributions	25%	3,135,051	2,179,561	788,138	(1,391,423)
	36%	3,733,538	2,636,844	1,361,073	(1,275,771)
Rates Levied	99%	2,517,266	2,517,266	2,496,418	(20,848)

% Compares current ytd actuals to annual budget

Financial Position		Current Year	
		Prior Year 28 February 2018	28 February 2019
Adjusted Net Current Assets	115%	\$ 887,313	\$ 1,024,060
Cash and Equivalent - Unrestricted	97%	\$ 1,226,749	\$ 1,195,885
Cash and Equivalent - Restricted	501%	\$ 106,736	\$ 534,847
Receivables - Rates	80%	\$ 198,035	\$ 159,225
Receivables - Other	208%	\$ 255,854	\$ 532,795
Payables	1336%	\$ 57,985	\$ 774,611

% Compares current ytd actuals to prior year actuals at the same time

Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2019

INFORMATION

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 28 February 2019
Prepared by: Bob Waddell (Local Government Consultant)
Reviewed by: Bob Waddell (Local Government Consultant)

BASIS OF PREPARATION

REPORT PURPOSE

This report is prepared to meet the requirements of Local Government (Financial Management) Regulations 1996, Regulation 34. Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

BASIS OF ACCOUNTING

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also 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 Council controls resources to carry on its functions have been included in this statement. 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 statement, but a separate statement of those monies appears at Note 12.

SIGNIFICANT ACCOUNTING POLICES

GOODS AND SERVICES TAX

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.

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.

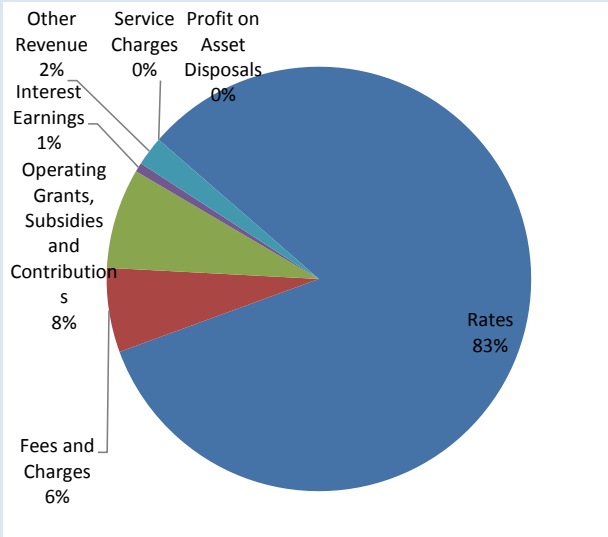
ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

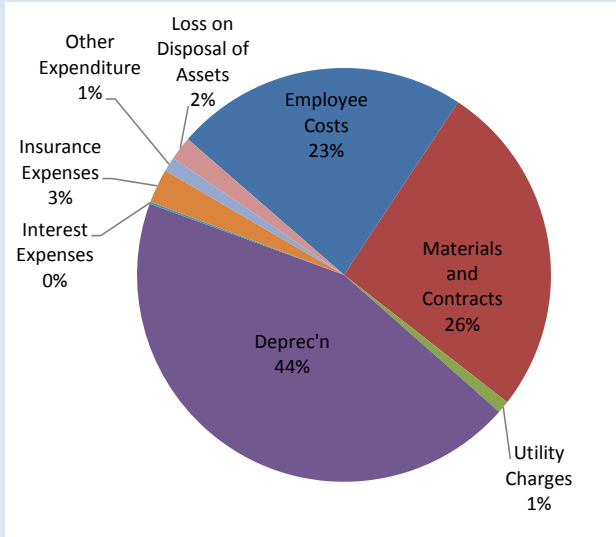
**MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

SUMMARY GRAPHS

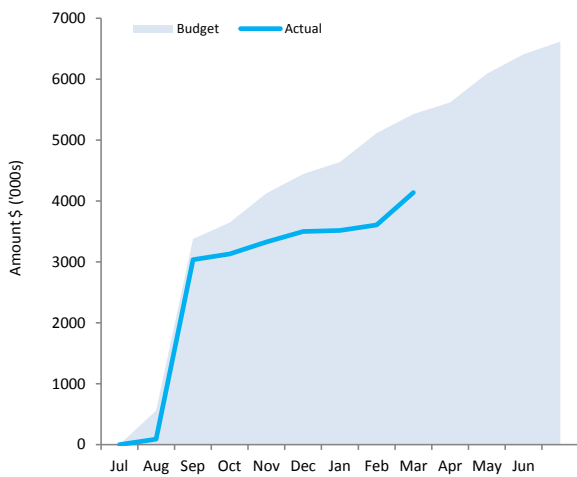
OPERATING REVENUE



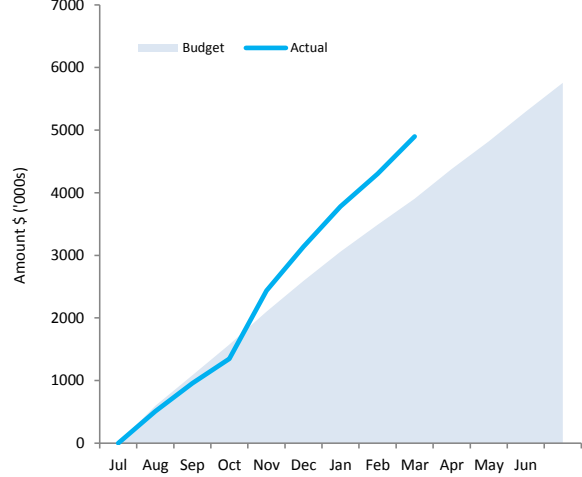
OPERATING EXPENSES



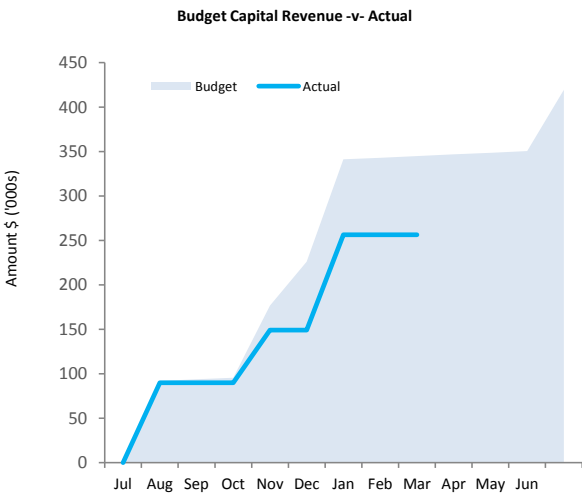
Budget Operating Revenues -v- Actual



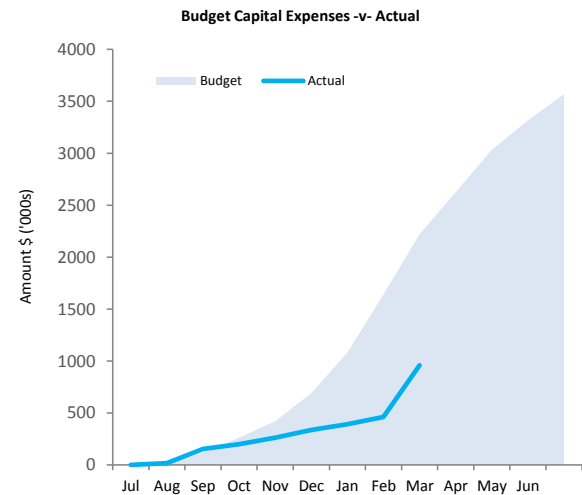
Budget Operating Expenses -v- YTD Actual



CAPITAL REVENUE



CAPITAL EXPENSES



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

**KEY TERMS AND DESCRIPTIONS
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

STATUTORY REPORTING PROGRAMS

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

PROGRAM NAME	OBJECTIVE	ACTIVITIES
GOVERNANCE	To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.
GENERAL PURPOSE FUNDING	To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY	To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
HEALTH	To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
EDUCATION AND WELFARE	To provide services to disadvantaged persons, the elderly, children and youth.	Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.
HOUSING	To provide and maintain housing.	Provision and maintenance of residents housing.
COMMUNITY AMENITIES	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.
RECREATION AND CULTURE	To establish and effectively manage infrastructure and resource which will help the social well being 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.
TRANSPORT	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.
ECONOMIC SERVICES	To help promote the City 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.
OTHER PROPERTY AND SERVICES	To monitor and control City overheads operating accounts.	Private works operation, plant repair and operation costs and engineering operation costs.

STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019

STATUTORY REPORTING PROGRAMS

	Note	Adopted Annual Budget	Amended Annual Budget (d)	Amended YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var. ▲▼	Significant Var. \$
		\$	\$	\$	\$	\$	%		
Opening Funding Surplus(Deficit)	1	335,505	229,463	229,463	229,463	0	0%		
Revenue from operating activities									
Governance		5,724	5,724	3,796	2,286	(1,510)	(40%)	▼	
General Purpose Funding - Rates	5	2,517,266	2,517,266	2,517,266	2,496,418	(20,848)	(1%)	▼	
General Purpose Funding - Other		515,497	515,497	381,872	439,876	58,004	15%	▲	S
Law, Order and Public Safety		65,691	65,691	40,216	41,738	1,522	4%	▲	
Health		5,638	5,638	3,752	1,879	(1,873)	(50%)	▼	
Education and Welfare		5,000	5,000	3,328	3,083	(245)	(7%)	▼	
Housing		91,243	91,243	60,508	64,485	3,977	7%	▲	
Community Amenities		83,301	83,301	79,125	75,392	(3,733)	(5%)	▼	
Recreation and Culture		43,080	43,080	31,197	31,288	91	0%	▲	
Transport		83,426	83,426	80,873	125,269	44,396	55%	▲	S
Economic Services		33,887	33,887	22,568	26,200	3,632	16%	▲	
Other Property and Services		31,855	31,855	21,224	42,250	21,026	99%	▲	S
		3,481,608	3,481,608	3,245,725	3,350,164				
Expenditure from operating activities									
Governance		(505,006)	(505,006)	(353,524)	(325,032)	28,492	8%	▲	
General Purpose Funding		(348,880)	(348,880)	(232,568)	(246,165)	(13,597)	(6%)	▼	
Law, Order and Public Safety		(296,833)	(296,833)	(197,486)	(230,622)	(33,136)	(17%)	▼	S
Health		(144,599)	(144,599)	(96,368)	(103,019)	(6,651)	(7%)	▼	
Education and Welfare		(104,687)	(104,687)	(80,183)	(61,805)	18,378	23%	▲	S
Housing		(226,694)	(226,694)	(165,233)	(152,979)	12,254	7%	▲	
Community Amenities		(445,706)	(445,706)	(289,715)	(338,085)	(48,370)	(17%)	▼	S
Recreation and Culture		(514,421)	(514,421)	(341,244)	(428,463)	(87,219)	(26%)	▼	S
Transport		(2,964,012)	(2,964,012)	(1,993,049)	(2,834,273)	(841,224)	(42%)	▼	S
Economic Services		(194,483)	(194,483)	(129,798)	(135,106)	(5,308)	(4%)	▼	
Other Property and Services		(10,000)	(10,000)	(25,252)	(42,596)	(17,344)	(69%)	▼	S
		(5,755,321)	(5,755,321)	(3,904,420)	(4,898,146)				
Operating activities excluded from budget									
Add back Depreciation		1,869,194	1,869,194	1,246,096	2,158,668	912,572	73%	▲	S
Adjust (Profit)/Loss on Asset Disposal	6	46,686	46,686	47,328	90,025	42,697	90%	▲	S
Movement in Leave Reserve (Added Back)		0	0	0	0	0			
Movement in Deferred Pensioner Rates/ESL		0	0	0	0	0			
Movement in Employee Benefit Provisions		0	0	0	0	0			
Rounding Adjustments		0	0	0	0	0			
Loss on Asset Revaluation		0	0	0	0	0			
Adjustment in Fixed Assets		0	0	0	0	0			
Amount attributable to operating activities		(357,833)	(357,833)	634,729	700,711				
Investing Activities									
Non-operating Grants, Subsidies and Contributions	10	3,135,051	3,135,051	2,179,561	788,138	(1,391,423)	(64%)	▼	S
Proceeds from Disposal of Assets	6	214,500	214,500	214,500	166,338	(48,163)	(22%)	▼	S
Land Held for Resale	7	0	0	0	0	0			
Land and Buildings	7	(100,795)	(100,795)	(97,419)	(57,810)	39,609	41%	▲	S
Construction other than Buildings	7	0	0	0	0	0			
Plant and Equipment	7	(30,000)	(30,000)	(30,000)	0	30,000	100%	▲	S
Motor Vehicles	7	0	0	0	0	0			
Furniture and Equipment	7	(57,220)	(57,220)	(49,719)	(56,061)	(6,342)	(13%)	▼	
Infrastructure Assets - Roads	7	(3,318,075)	(3,318,075)	(2,004,837)	(806,539)	1,198,298	60%	▲	S
Infrastructure Assets - Footpaths	7	0	0	0	0	0			
Infrastructure Assets - Other	7	0	0	0	0	0			
Amount attributable to investing activities		(156,539)	(156,539)	212,086	34,066				
Financing Activities									
Proceeds from New Debentures		0	0	0	0	0			
Proceeds from Advances		0	0	0	0	0			
Self-Supporting Loan Principal		16,815	16,815	8,407	8,407	0	0%		
Transfer from Reserves	9	204,880	204,880	130,340	90,000	(40,340)	(31%)	▼	S
Advances to Community Groups		0	0	0	0	0			
Repayment of Debentures	8	(61,335)	(61,335)	(38,769)	(38,587)	182	0%	▲	
Transfer to Reserves	9	0	0	0	0	0			
Amount attributable to financing activities		160,360	160,360	99,978	59,820				
Closing Funding Surplus(Deficit)	1	(18,507)	(124,548)	1,176,256	1,024,060				

KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 2 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2018/19 year is \$10,000 and 10%.

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

KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 28 FEBRUARY 2019

NATURE OR TYPE DESCRIPTIONS

REVENUE

RATES

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on instalments, interest on arrears and service charges.

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

PROFIT ON ASSET DISPOSAL

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

FEES AND CHARGES

Revenues (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. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

EXPENSES

EMPLOYEE COSTS

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019

BY NATURE OR TYPE

	Note	Adopted Annual Budget	Amended Annual Budget	Amended YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var. ▲▼	Significant Var. \$
		\$	\$	\$	\$	\$	%		
Opening Funding Surplus (Deficit)	1	335,505	229,463	229,463	229,463	0	0%		
Revenue from operating activities									
Rates	5	2,517,266	2,517,266	2,517,266	2,496,418	(20,848)	(1%)	▼	
Operating Grants, Subsidies and Contributions	10	598,487	598,487	457,283	572,935	115,652	25%	▲	\$
Fees and Charges		219,775	219,775	170,893	193,009	22,116	13%	▲	\$
Service Charges		0	0	0	0	0			
Interest Earnings		52,036	52,036	32,673	21,150	(11,523)	(35%)	▼	\$
Other Revenue		92,130	92,130	66,338	66,652	314	0%	▲	
Profit on Disposal of Assets	6	1,914	1,914	1,272	0	(1,272)	(100%)	▼	
		3,481,608	3,481,608	3,245,725	3,350,164				
Expenditure from operating activities									
Employee Costs		(1,573,068)	(1,573,068)	(1,050,516)	(1,121,614)	(71,098)	(7%)	▼	
Materials and Contracts		(1,862,534)	(1,862,534)	(1,245,630)	(1,286,122)	(40,492)	(3%)	▼	
Utility Charges		(99,802)	(99,802)	(69,852)	(47,223)	22,629	32%	▲	\$
Depreciation on Non-Current Assets		(1,869,194)	(1,869,194)	(1,246,096)	(2,158,668)	(912,572)	(73%)	▼	\$
Interest Expenses		(23,121)	(23,121)	(11,336)	(8,455)	2,881	25%	▲	
Insurance Expenses		(127,161)	(127,161)	(126,804)	(130,047)	(3,243)	(3%)	▼	
Other Expenditure		(151,841)	(151,841)	(105,586)	(55,991)	49,595	47%	▲	\$
Loss on Disposal of Assets	6	(48,600)	(48,600)	(48,600)	(90,025)	(41,425)	(85%)	▼	\$
Loss FV Valuation of Assets		0	0	0	0	0			
		(5,755,321)	(5,755,321)	(3,904,420)	(4,898,146)				
Operating activities excluded from budget									
Add back Depreciation		1,869,194	1,869,194	1,246,096	2,158,668	912,572	73%	▲	\$
Adjust (Profit)/Loss on Asset Disposal	6	46,686	46,686	47,328	90,025	42,697	90%	▲	\$
Movement in Leave Reserve (Added Back)		0	0	0	0	0			
Movement in Deferred Pensioner Rates/ESL		0	0	0	0	0			
Movement in Employee Benefit Provisions		0	0	0	0	0			
Rounding Adjustments		0	0	0	0	0			
Loss on Asset Revaluation		0	0	0	0	0			
Adjustment in Fixed Assets		0	0	0	0	0			
Amount attributable to operating activities		(357,833)	(357,833)	634,729	700,711				
Investing activities									
Non-Operating Grants, Subsidies and Contributions	10	3,135,051	3,135,051	2,179,561	788,138	(1,391,423)	(64%)	▼	\$
Proceeds from Disposal of Assets	6	214,500	214,500	214,500	166,338	(48,163)	(22%)	▼	\$
Land Held for Resale	7	0	0	0	0	0			
Land and Buildings	7	(100,795)	(100,795)	(97,419)	(57,810)	39,609	41%	▲	\$
Construction other than Buildings	7	0	0	0	0	0			
Plant and Equipment	7	(30,000)	(30,000)	(30,000)	0	30,000	100%	▲	\$
Motor Vehicles	7	0	0	0	0	0			
Furniture and Equipment	7	(57,220)	(57,220)	(49,719)	(56,061)	(6,342)	(13%)	▼	
Infrastructure Assets - Roads	7	(3,318,075)	(3,318,075)	(2,004,837)	(806,539)	1,198,298	60%	▲	\$
Infrastructure Assets - Footpaths	7	0	0	0	0	0			
Infrastructure Assets - Other	7	0	0	0	0	0			
Amount attributable to investing activities		(156,539)	(156,539)	212,086	34,066				
Financing Activities									
Proceeds from New Debentures		0	0	0	0	0			
Proceeds from Advances		0	0	0	0	0			
Self-Supporting Loan Principal		16,815	16,815	8,407	8,407	0	0%		
Transfer from Reserves	9	204,880	204,880	130,340	90,000	(40,340)	(31%)	▼	\$
Advances to Community Groups		0	0	0	0	0			
Repayment of Debentures	8	(61,335)	(61,335)	(38,769)	(38,587)	182	0%	▲	
Transfer to Reserves	9	0	0	0	0	0			
Amount attributable to financing activities		160,360	160,360	99,978	59,820				
Closing Funding Surplus (Deficit)	1	(18,507)	(124,548)	1,176,256	1,024,060				

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 2 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2018/19 year is \$10,000 and 10%.

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

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

**NOTE 1(a)
NET CURRENT ASSETS**

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non current based on Council's intentions to release for sale.

EMPLOYEE BENEFITS

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries, Annual Leave and Long Service Leave
(Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the City has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the City expects to pay and includes related on-costs.

(ii) Annual Leave and Long Service Leave
(Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the City does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

PROVISIONS

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

INVENTORIES

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.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

**OPERATING ACTIVITIES
NOTE 1(b)
ADJUSTED NET CURRENT ASSETS**

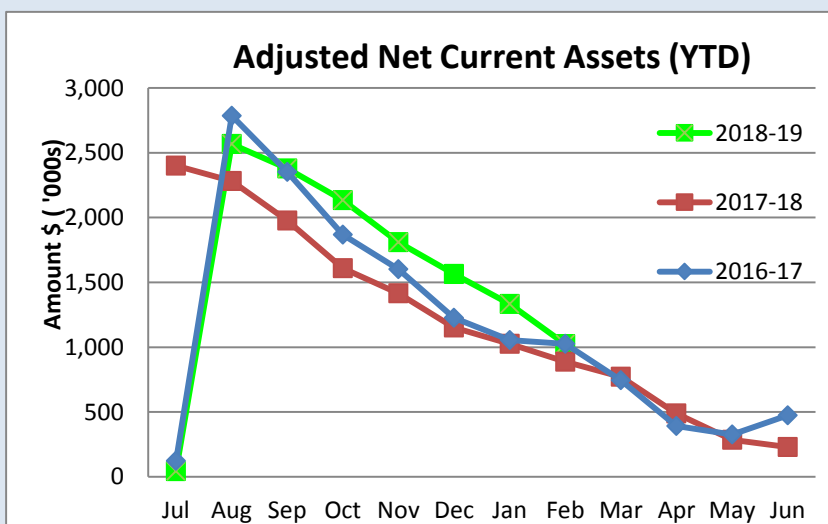
Adjusted Net Current Assets	Note	Last Years Closing 30/06/2018	This Time Last Year 28/02/2018	Year to Date Actual 28/02/2019
		\$	\$	\$
Current Assets				
Cash Unrestricted	3	467,726	1,226,749	1,195,885
Cash Restricted - Reserves	3	624,847	106,736	534,847
Receivables - Rates	4	27,348	198,035	159,225
Receivables - Other	4	294,147	255,854	532,795
Inventories		40,612	32,899	47,711
		<u>1,454,681</u>	<u>1,820,272</u>	<u>2,470,463</u>
Less: Current Liabilities				
Payables		(461,328)	(57,985)	(774,611)
Loan Liability		(61,335)	(21,469)	(22,747)
Provisions		(136,945)	(144,031)	(136,945)
		<u>(659,608)</u>	<u>(223,485)</u>	<u>(934,303)</u>
Less: Cash Reserves	9	(624,847)	(732,499)	(534,847)
Add Back: Component of Leave Liability not Required to be funded		0	0	0
Add Back: Current Loan Liability		61,335	21,469	22,747
Adjustment for Trust Transactions Within Muni		(2,098)	1,555	(0)
Net Current Funding Position		229,463	887,313	1,024,060

SIGNIFICANT ACCOUNTING POLICIES

Please see Note 1(a) for information on significant accounting policies relating to Net Current Assets.

KEY INFORMATION

The amount of the adjusted net current assets at the end of the period represents the actual surplus (or deficit if the figure is a negative) as presented on the Rate Setting Statement.



This Year YTD
Surplus(Deficit)
\$1.02 M
Last Year YTD
Surplus(Deficit)
\$.89 M

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019

NOTE 2
EXPLANATION OF SIGNIFICANT VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.
The material variance adopted by Council for the 2018/19 year is \$10,000 and 10%.

Reporting Program	Var. \$	Var. %	Significant		Timing/ Permanent	Explanation of Variance
			Var. ▲▼	Var. \$		
Revenue from operating activities	\$	%				
General Purpose Funding - Other	58,004	15%	▲	\$	Permanent	YTD FAG's are in excess of budget.
Transport	44,396	55%	▲	\$	Permanent	The full allocation of the MRWA direct road grant has been restored after being cut in 17/18. This has resulted in additional funds of approximately \$45k being received in 18/19.
Other Property and Services	21,026	99%	▲	\$	Permanent	Private works income coming in better than budgeted (see operating expenditure).
Expenditure from operating activities						
Law, Order and Public Safety	(33,136)	(17%)	▼	\$	Timing	Expenditure relating to the ranger is being charged solely to this Program whereas it was budgeted to be allocated across this Program and some others.
Education and Welfare	18,378	23%	▲	\$	Timing	Timing of expenditure
Community Amenities	(48,370)	(17%)	▼	\$	Permanent	Tip maintenance in over budget due to the Shire stock piling future cover materials for the three tips.
Recreation and Culture	(87,219)	(26%)	▼	\$	Permanent	Permanent - Depreciation expenditure on recreation infrastructure assets has increased post fair valuation of assets as at 30 June 2018. The remaining variance relates to timing of expenditure.
Transport	(841,224)	(42%)	▼	\$	Permanent	Depreciation expenditure on transport infrastructure assets has increased post fair valuation of assets as at 30 June 2018.
Other Property and Services	(17,344)	(69%)	▼	\$	Permanent	Private works expenditure is coming in higher than budgeted (see operating revenue).
Investing Activities						
Non-operating Grants, Subsidies and Contributions	(1,391,423)	(64%)	▼	\$	Timing	Actual income coming in later than budgeted expectation for RTR, RRG and AGLIME funding.
Proceeds from Disposal of Assets	(48,163)	(22%)	▼	\$	Permanent	Proceeds from the disposal of the Volvo Backhoe and Cat Grader came in less than budgeted.
Land and Buildings	39,609	41%	▲	\$	Timing	Timing of recognition of expenditure on staff housing capital expenditure.
Plant and Equipment	30,000	100%	▲	\$	Timing	Timing of recognition of expenditure for the purchase of the Torrow mower.
Infrastructure Assets - Roads	1,198,298	60%	▲	\$	Permanent	Works on the RTR Yerecoin SE Rd and works on AGLIME funded works behind budget at this point in time.
Financing Activities						
Transfer from Reserves	(40,340)	(31%)	▼	\$	Timing	Transfers from reserves not required yet
Reporting Nature or Type	Var. \$	Var. %	Significant		Timing/ Permanent	Explanation of Variance
			Var. ▲▼	Var. \$		
Revenue from operating activities	\$	%				
Operating Grants, Subsidies and Contributions	115,652	25%	▲	\$	Permanent	The full allocation of the MRWA direct road grant has been restored after being cut in 17/18. This has resulted in additional funds of approximately \$45k being received in 18/19. FAG's are coming in higher than budgeted to the value of \$73k.
Fees and Charges	22,116	13%	▲	\$	Permanent	Private works income coming in better than budgeted.
Interest Earnings	(11,523)	(35%)	▼	\$	Timing	Interest on Term Deposits to be recognised on maturity.
Expenditure from operating activities						
Utility Charges	22,629	32%	▲	\$	Timing	Utility charges coming in behind budget phasing of expenditure.
Depreciation on Non-Current Assets	(912,572)	(73%)	▼	\$	Permanent	Depreciation expense substantially higher following the fair value valuation of the Shire's infrastructure assets.
Other Expenditure	49,595	47%	▲	\$	Timing	Public relations expenses are coming coming in behind budget phasing of expenditure as is expenditure relating to community development grants.
Loss on Disposal of Assets	(41,425)	(85%)	▼	\$	Permanent	Losses from the disposal of the Volvo Backhoe and Cat Grader came in higher than budgeted.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019

OPERATING ACTIVITIES
NOTE 3
CASH AND INVESTMENTS

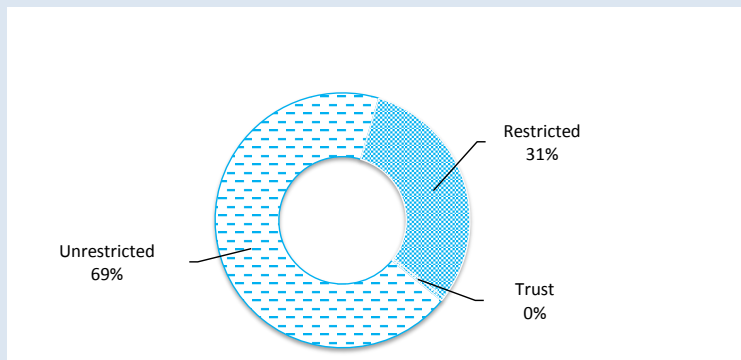
	Unrestricted	Restricted	Trust	Total Amount	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$			
Cash on Hand							
Petty Cash Float	590			590	N/A	Nil	On Hand
At Call Deposits							
Municipal Funds Bank A/c	191,718			191,718	Bendigo	0.00%	At Call
Reserve Funds Bank Account		426,841		426,841	Bendigo	2.00%	19/06/2018
Trust Bank Account			8,551	8,551	Bendigo	0.00%	At Call
Term Deposits							
Municipal Savings Bank Account	3,577			3,577	Bendigo	1.25%	At Call
Municipal Term Deposit 30 Days (Bendigo)	0			0			
Municipal Term Deposit 3mths (Bendigo 1)	500,000			500,000	Bendigo	2.30%	26/03/2019
Municipal Term Deposit 3mths (Bendigo 2)	500,000			500,000	Bendigo	2.00%	16/04/2019
Reserves - Term Deposit		108,007		108,007	Bendigo	2.00%	5/09/2018
Total	1,195,885	534,847	8,551	1,739,283			

SIGNIFICANT ACCOUNTING POLICIES

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

KEY INFORMATION

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



Total Cash	Unrestricted
\$1.74 M	\$.53 M

NB: Council's overdraft facility has not been utilised in this month.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019

OPERATING ACTIVITIES
NOTE 4
RECEIVABLES

Receivables - Rates & Rubbish	30 June 2018	28 Feb 19
	\$	\$
Opening Arrears Previous Years	58,397	37,107
Levied this year	2,367,642	2,475,245
Less Collections to date	(2,388,933)	(2,343,369)
Equals Current Outstanding	37,107	168,983
Net Rates Collectable	37,107	168,983
% Collected	98.47%	93.27%

Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$
Receivables - General	415,896	24,004	792	4,507	445,199
Percentage	93%	5%	0%	1%	
Balance per Trial Balance					
Sundry Debtors					442,855
Receivables - Other					98,348
Total Receivables General Outstanding					541,203

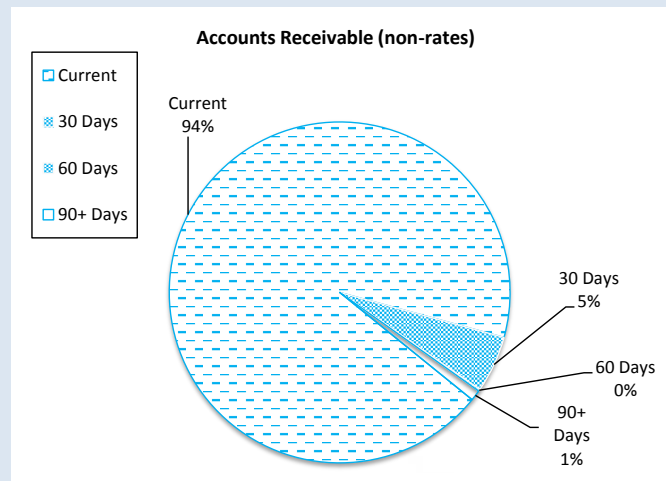
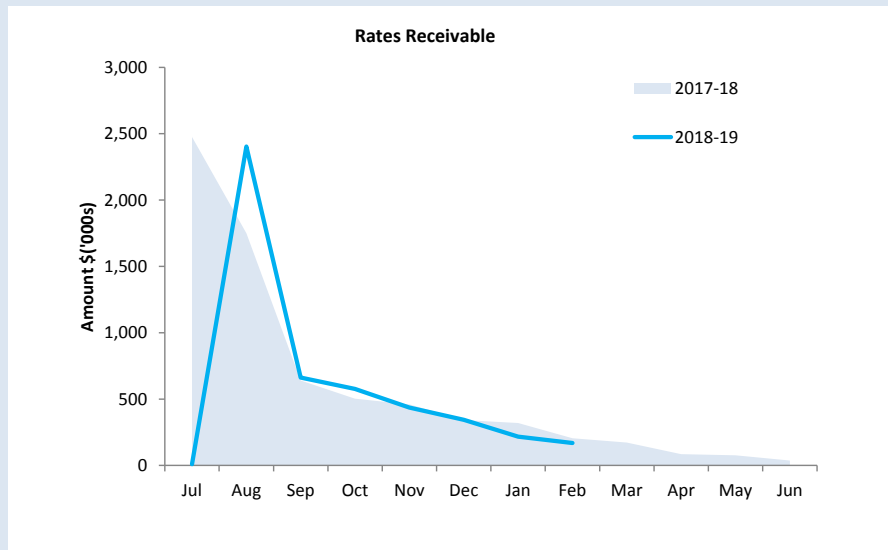
Amounts shown above include GST (where applicable)

KEY INFORMATION

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.

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.



Debtors Due
\$541,203
Over 30 Days
7%
Over 90 Days
1%

Collected	Rates Due
93%	\$168,983

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019

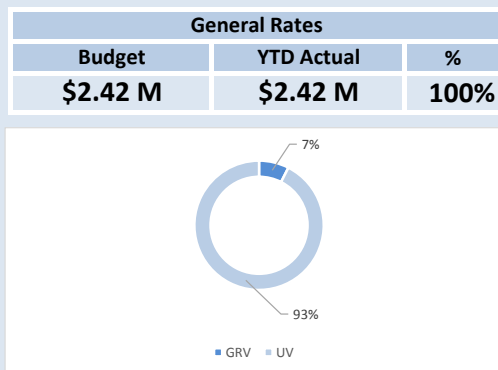
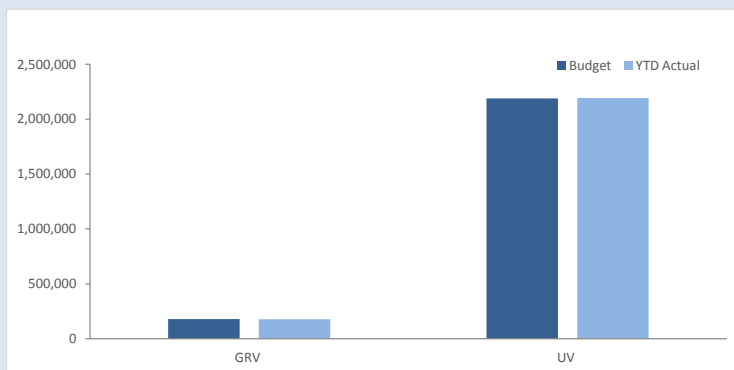
OPERATING ACTIVITIES
NOTE 5
RATE REVENUE

RATE TYPE	Amended Budget							YTD Actual			
	Rate in \$	Number of Properties	Rateable Value	Rate Revenue \$	Interim Rate \$	Back Rate \$	Total Revenue \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$
General Rate											
GRV	10.1086	160	1,776,674	179,597	0	0	179,597	179,597	(1,558)	(420)	177,619
UV	0.6883	306	318,010,000	2,188,863	0	0	2,188,863	2,188,863	3,326	(51)	2,192,138
Sub-Totals		466	319,786,674	2,368,460	0	0	2,368,460	2,368,460	1,768	(471)	2,369,757
Minimum Payment	\$										
GRV	420.00	72	93,787	30,240	0	0	30,240	30,240	0	0	30,240
UV	550.00	42	1,299,241	23,100	0	0	23,100	23,100	0	0	23,100
Sub-Totals		114	1,393,028	53,340	0	0	53,340	53,340	0	0	53,340
		580	321,179,702	2,421,800	0	0	2,421,800	2,421,800	1,768	(471)	2,423,097
Discounts							0				0
Concession							0				0
Amount from General Rates							2,421,800				2,423,097
Ex-Gratia Rates							95,466				73,321
Movement in Excess Rates							0				0
Specified Area Rates							0				0
Totals							2,517,266				2,496,418

SIGNIFICANT ACCOUNTING POLICIES

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

KEY INFORMATION

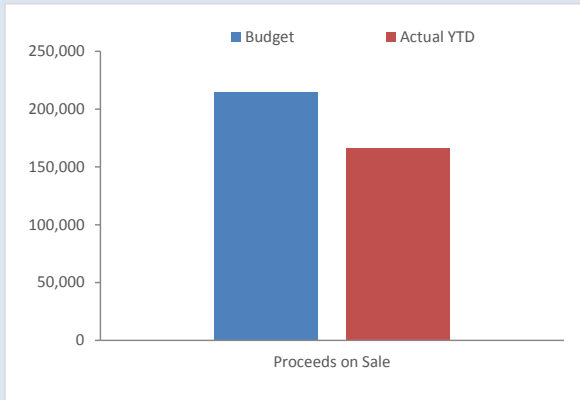


NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019

OPERATING ACTIVITIES
NOTE 6
DISPOSAL OF ASSETS

Asset Number	Asset Description	Amended Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and Equipment								
PE097	Toro Z580D 25hp Ride On Mower	2,586	4,500	1,914					
PE080	PGR9 Cat Grader 120 M Series	164,000	145,000		(19,000)	161,837	107,225		(54,612)
PE113	Volvo BL71B Backhoe Loader	94,600	65,000		(29,600)	94,525	59,113		(35,413)
		261,186	214,500	1,914	(48,600)	256,362	166,338	0	(90,025)

KEY INFORMATION



Proceeds on Sale		
Budget	YTD Actual	%
\$214,500	\$166,338	78%

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

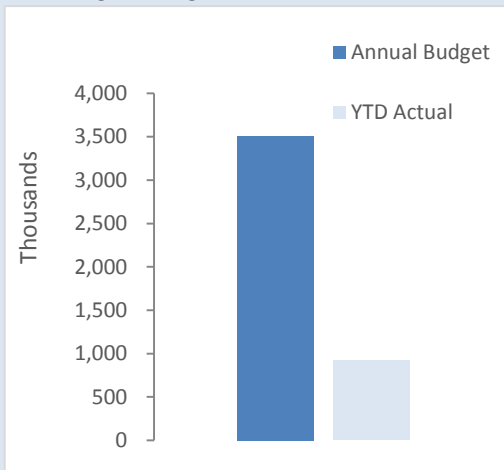
**INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS**

Capital Acquisitions	Adopted	Amended		YTD Actual Total	YTD Budget Variance
	Annual Budget	YTD Budget	Annual Budget		
	\$	\$	\$	\$	\$
Land Held for Resale	0	0	0	0	0
Land and Buildings	100,795	97,419	100,795	57,810	(39,609)
Construction other than Buildings	0	0	0	0	0
Plant and Equipment	30,000	30,000	30,000	0	(30,000)
Motor Vehicles	0	0	0	0	0
Furniture and Equipment	57,220	49,719	57,220	56,061	6,342
Infrastructure Assets - Roads	3,318,075	2,004,837	3,318,075	806,539	(1,198,298)
Infrastructure Assets - Footpaths	0	0	0	0	0
Infrastructure Assets - Other	0	0	0	0	0
Capital Expenditure Totals	3,506,090	2,181,975	3,506,090	920,409	(1,261,566)
Capital acquisitions funded by:					
	\$	\$	\$	\$	\$
Capital Grants and Contributions	3,135,051	2,179,561	3,135,051	788,138	(1,391,423)
Borrowings	0	0	0	0	0
Other (Disposals & C/Fwd)	214,500	214,500	214,500	166,338	(48,163)
Council contribution - Cash Backed Reserves					
Various Reserves		130,340	164,533	90,000	(40,340)
Council contribution - operations		(342,426)	(7,994)	(124,066)	218,360
Capital Funding Total		2,181,975	3,506,090	920,409	(1,261,566)

SIGNIFICANT ACCOUNTING POLICIES

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

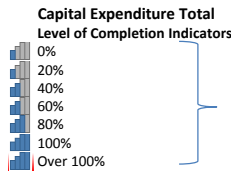
KEY INFORMATION



Acquisitions	Annual Budget	YTD Actual	% Spent
	\$3.51 M	\$0.92 M	26%
Capital Grant	Annual Budget	YTD Actual	% Received
	\$3.14 M	\$0.79 M	25%

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019

INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS (CONTINUED)



Percentage YTD Actual to Annual Budget
Expenditure over budget highlighted in red.

% of

Completion Level of completion indicator, please see table at the top of this note for further detail.

Assets	Account Number	Job Number	Adopted	Amended		Total YTD	Variance (Under)/Over	
			Annual Budget	Annual Budget	YTD Budget			
			\$	\$	\$	\$	\$	
Buildings								
Governance								
0.44	Admin Office Upgrade	40052	(27,295)	(27,295)	(27,294)	(12,043)	15,251	
	Total - Governance		(27,295)	(27,295)	(27,294)	(12,043)	15,251	
Housing								
0.64	12 Harrington St - Upgrade	40064	(15,000)	(15,000)	(15,000)	(9,647)	5,353	
0.00	44 Edmonds Street - Housing upgrade	40110	(5,000)	(5,000)	(5,000)	0	5,000	
	Total - Housing		(20,000)	(20,000)	(20,000)	(9,647)	10,353	
Recreation And Culture								
0.94	Calingiri Recreation Centre Capital	40129	(13,500)	(13,500)	(10,125)	(12,755)	(2,630)	
	Total - Recreation And Culture		(13,500)	(13,500)	(10,125)	(12,755)	(2,630)	
Other Property & Services								
0.58	Depot Office Upgrade	40063	(40,000)	(40,000)	(40,000)	(23,365)	16,635	
0.58	Total - Other Property & Services		(40,000)	(40,000)	(40,000)	(23,365)	16,635	
0.57	Total - Buildings		(100,795)	(100,795)	(97,419)	(57,810)	39,609	
Plant & Equipment								
Transport								
0.00	Purchase Ride on Mower - 2018/19	40041	(30,000)	(30,000)	(30,000)	0	30,000	
	Total - Transport		(30,000)	(30,000)	(30,000)	0	30,000	
0.00	Total - Plant & Equipment		(30,000)	(30,000)	(30,000)	0	30,000	
Furniture & Equipment								
Governance								
1.11	Furn & Equip - Chambers	40031	(7,220)	(7,220)	(7,219)	(8,019)	(800)	
0.96	Computing Upgrade software & hardware	40069	(50,000)	(50,000)	(42,500)	(48,042)	(5,542)	
	Total - Governance		(57,220)	(57,220)	(49,719)	(56,061)	(6,342)	
0.98	Total - Furniture & Equipment		(57,220)	(57,220)	(49,719)	(56,061)	(6,342)	
Roads								
Transport								
0.30	Toodyay-Bindi Bindi Road 2018-19	40022	RR0035	(637,410)	(637,410)	(212,468)	(193,849)	18,619
0.00	Moore River Bridge Repairs (2017-18)	40024	R2R024	(445,942)	(445,942)	(148,646)	0	148,646
0.20	Yerecoin SE Road (2018-19)	40024	R2R025	(174,020)	(174,020)	(174,020)	(35,660)	138,360
1.60	AG Lime Roads Project Development & Management	40025	AG0000	(85,703)	(85,703)	(85,703)	(137,187)	(51,484)
0.40	AG Lime - Calingiri / New Norcia Road	40025	AG0008	(1,030,000)	(1,030,000)	(824,000)	(409,408)	414,592
0.06	AG Lime - Mogumber West Rd	40025	AG0023	(525,000)	(525,000)	(420,000)	(30,435)	389,565
0.00	AG Lime - Calingiri / Goomalling Road	40025	AG0123	(420,000)	(420,000)	(140,000)	0	140,000
	Total - Transport			(3,318,075)	(3,318,075)	(2,004,837)	(806,539)	1,198,298
0.24	Total - Roads			(3,318,075)	(3,318,075)	(2,004,837)	(806,539)	1,198,298
0.26	Grand Total			(3,506,090)	(3,506,090)	(2,181,975)	(920,409)	1,261,566

Information on Borrowings	01 Jul 2018	New Loans			Principal Repayments			Principal Outstanding			Interest & Guarantee Fee Repayments		
		Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget
Community Amenities		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Loan 72 Drought Proofing Callingiri	10,291	0	0	0	5,062	10,291	10,291	5,229	0	0	257	589	589
Recreation and Culture													
Loan 82 Callingiri Sports Pavilion	77,136	0	0	0	8,911	18,022	18,022	68,225	59,114	59,114	1,551	3,826	3,826
Economic Services													
Loan 84 Piawaning Water Supply	151,429	0	0	0	16,207	16,207	16,207	135,222	135,222	135,222	2,911	4,720	4,720
	238,856	0	0	0	30,180	44,520	44,520	208,676	194,336	194,336	4,720	9,135	9,135
Self supporting loans													
Recreation and Culture													
Loan 83 Callingiri Football Club *	239,177	0	0	0	8,407	16,815	16,815	230,770	222,362	222,362	3,735	11,986	11,986
	239,177	0	0	0	8,407	16,815	16,815	230,770	222,362	222,362	3,735	11,986	11,986
	478,033	0	0	0	38,587	61,335	61,335	439,446	416,698	416,698	8,455	21,121	21,121

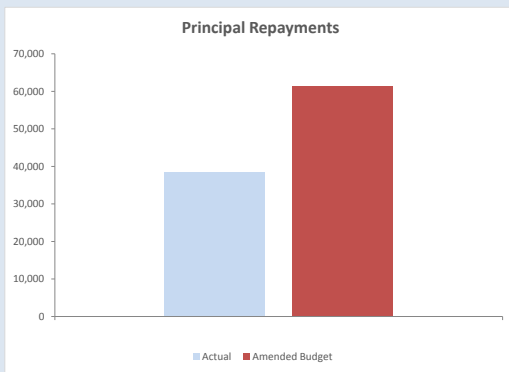
* These loans are self supporting loans.
All other debenture repayments were financed by general purpose revenue.

SIGNIFICANT ACCOUNTING POLICIES

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.



Principal Repayments	\$38,587
Interest Earned	\$21,150
Reserves Bal	\$.53 M
Interest Expense	\$8,455
Loans Due	\$.44 M

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

**OPERATING ACTIVITIES
NOTE 9
CASH BACKED RESEVES**

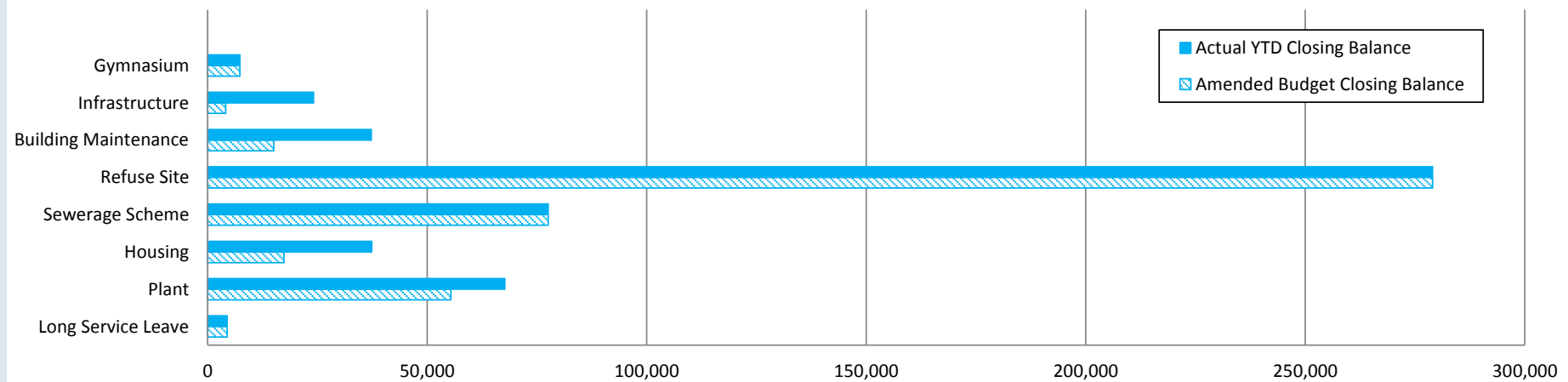
Cash Backed Reserve

Reserve Name	Opening Balance	Amended Budget Interest Earned	Actual Interest Earned	Amended Budget Transfers In (+)	Actual Transfers In (+)	Amended Budget Transfers Out (-)	Actual Transfers Out (-)	Amended Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Long Service Leave	4,437	0	0	0	0	0	0	4,437	4,437
Plant	67,678	0	0	0	0	(12,273)	0	55,405	67,678
Housing	37,400	0	0	0	0	(20,000)	0	17,400	37,400
Sewerage Scheme	77,578	0	0	0	0	0	0	77,578	77,578
Refuse Site	278,982	0	0	0	0	0	0	278,982	278,982
Building Maintenance	77,292	0	0	0	0	(62,260)	(40,000)	15,032	37,292
Infrastructure	74,135	0	0	0	0	(70,000)	(50,000)	4,135	24,135
Gymnasium	7,345	0	0	0	0	0	0	7,345	7,345
	624,847	0	0	0	0	(164,533)	(90,000)	460,314	534,847

KEY INFORMATION

Reserve interest is being retained in Municipal Funds per the 18/19 adopted budget.

Note 9 - Year To Date Reserve Balance to End of Year Estimate



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 28 February 2019

NOTE 10
GRANTS AND CONTRIBUTIONS

Grants and Contributions	Grant Provider	Amended		Adopted		Variance (Under)/Over
		Annual Budget	YTD Budget	Annual Budget	YTD Actual	
Operating grants, subsidies and contributions						
General Purpose Funding						
Grants Commission - General	WALGGC	224,312	168,234	224,312	231,392	63,158
Grants Commission - Local Roads	WALGGC	234,536	175,902	234,536	186,468	10,566
Law, Order & Public Safety						
Grant - ESL BFB Operating Grant	Dept of Fire & Emergency Service	53,830	30,682	53,830	26,915	(3,767)
Contribution - DFES Commission on ESL Levy	Dept of Fire & Emergency Service	4,000	2,664	4,000	4,000	1,336
Education & Welfare						
Contributions to Community Development Programs	Community contributions	5,000	3,328	5,000	949	(2,379)
Transport						
Contribution - Street Lighting	Main Roads WA	1,000	664	1,000	0	(664)
Grant - Direct Road	Main Roads WA	75,809	75,809	75,809	123,211	47,402
Operating grants, subsidies and contributions Total		598,487	457,283	598,487	572,935	115,652
Non-operating grants, subsidies and contributions						
Transport						
Grant - Regional Road Group - Road Projects	Main Roads WA	424,936	318,702	424,936	0	(318,702)
Grant - Roads to Recovery	Dept of Infrastructure	649,412	487,059	649,412	179,450	(307,609)
Grant - Ag-Lime Project	Main Roads WA	2,060,703	1,373,800	2,060,703	608,688	(765,112)
Non-operating grants, subsidies and contributions Total		3,135,051	2,179,561	3,135,051	788,138	-1,391,423
		3,733,538	2,636,844	3,733,538	1,361,073	-1,275,771

KEY INFORMATION

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

**NOTE 11
TRUST FUND**

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

Description	Opening Balance 01 Jul 2018	Amount Received	Amount Paid	Closing Balance 28 Feb 2019
	\$	\$	\$	\$
BCITF	2,252.00	2,756.18	(4,366.18)	642.00
BSL	3,318.30	2,889.61	(3,928.36)	2,279.55
Community Bus	0.00	0.00	0.00	0.00
Central Midlands Vroc	0.00	0.00	0.00	0.00
Gym Key Bond	862.00	0.00	0.00	862.00
Housing Bonds	0.00	150.00	0.00	150.00
Hall & Hall Key Bond	740.00	997.00	(240.00)	1,497.00
Vehicle Licensing	2,097.70	150,006.85	(152,104.55)	0.00
Councillor Nomination Bonds	0.00	0.00	0.00	0.00
Other Trust Items	1,537.76	105.00	(100.00)	1,542.76
Tip Key Bond	1,538.00	40.00	0.00	1,578.00
	12,345.76	156,944.64	(160,739.09)	8,551.31

KEY INFORMATION

**Shire of Victoria Plains
Creditor & Payroll Payments for the Month of February 2019**

Chq/EFT	Date	Name	Description	Invoice	Total Amount
EFT7384	07/02/2019		Maintenance parts (wiper refill and blade, filter) for Nissan ute and 4x4		311.37
EFT7385	07/02/2019		Sweep streets in Calingiri, Bolgart, and Yerecoin-January 2019		1,270.50
EFT7386	07/02/2019		Purchase of filter sediment - micron for Piawaning water supply		550.00
EFT7387	07/02/2019		Monthly gas cylinder service charges - January 2019 at Depot		43.60
EFT7388	07/02/2019		Reimbursement for keys cut - Administration Office		60.00
EFT7389	07/02/2019		Vehicle service and safety check for Toyota Prado - Works Manager vehicle, and purchase of parts for small plant		496.14
EFT7390	07/02/2019		Consultancy fee on aboriginal ethnographic survey for Mogumber reserve		7,920.00
EFT7391	07/02/2019		Legal advice re: easement		726.00
EFT7392	07/02/2019		New rim for Volvo loader		1,313.95
EFT7393	07/02/2019		Monthly charges - newspapers, milk, fuel, postage & stamps		369.68
EFT7394	07/02/2019		Monthly copier reading - December 2018 - Admin office		1,329.93
EFT7395	07/02/2019		Local government standards panel sitting fees for 2017/2018		4,485.80
EFT7396	07/02/2019		Installation of UPS units plus switch gear and program codes at Calingiri Recreation Centre		561.00
EFT7397	07/02/2019		Legal advice on termination of enterprise agreement		1,943.70
EFT7398	07/02/2019		Replaced float valve between toilet blocks at Mogumber		552.95
EFT7399	07/02/2019		Reimbursement for mileage - Australia Day		110.00
EFT7400	07/02/2019		Tyre repair - Nissan cab ute		35.00
EFT7401	07/02/2019		SLIP subscription Services and land packages, and valuations charges		2,488.60
EFT7402	07/02/2019		Advert - local government notice on proposed permanent road closures - redundant section of Great Northern Highway net of early payment discount		215.49
EFT7403	07/02/2019		Executive Assistant meals and accommodation from 21-24 January 2019		410.10
EFT7404	07/02/2019		Purchase of counter desk calendar, stamp and protector sheets - Office		39.56
EFT7405	07/02/2019		Provision of services on the following:		4,331.47
			<i>Cleaning service at Bolgart hall & toilets 28/01/19 to 04/02/2019</i>	77.00	
			<i>Cleaning services at Bolgart hall and toilets 28/01/19 to 04/02/19</i>	231.00	
			<i>Tips management from 28/01/2019 to 10/02/2019 - Bolgart and Calingiri</i>	2,868.47	
			<i>Cleaning services to various Shire's facilities from 28/01/19 to 10/02/2019</i>	1,155.00	
EFT7406	07/02/2019		Environmental health and building surveying services for the month of January 2019		7,799.00
EFT7407	07/02/2019		Purchase of bar oil for chainsaws - maintenance		68.13
EFT7408	07/02/2019		Name bar for Community development officer		45.87
EFT7409	07/02/2019		Freight charges		113.33
EFT7410	07/02/2019		Bush Fire Brigade protective uniforms (jackets, trousers, boots, gloves, cargo		2,338.77
EFT7411	07/02/2019		Purchase of parts for road broom.		60.50
EFT7412	07/02/2019		Major service Hino 300 long crew truck		3,492.75
EFT7413	07/02/2019		NBN wireless services for February 2019		577.50
EFT7414	14/02/2019		Payroll deductions		56.12
EFT7415	14/02/2019		Assistance with 17/18 annual financial report, annual report, monthly		2,310.00
EFT7416	14/02/2019		Purchase of materials for depot building and aged person units:		1,161.68
			<i>Materials for building work at Aged person Unit</i>	466.64	
			<i>Depot Building - plaster boards and pine structural</i>	411.37	
			<i>Depot building - slider door wheels</i>	64.13	
			<i>Paints for Depot</i>	219.54	
EFT7417	14/02/2019		Vehicle service - Nissan Navarra 4x4 and Isuzu D Max 4x4		714.07
EFT7418	14/02/2019		Legal advice on the following:		10,123.66
			<i>Mogumber reserve - Aboriginal heritage</i>	5,484.16	
			<i>Easement</i>	3,235.90	
			<i>General legal advice</i>	629.20	
			<i>Conduct complaint</i>	774.40	
EFT7419	14/02/2019		Monthly purchases - Milk, coffee,sugar, petrol, biscuits, depot		900.23
EFT7420	14/02/2019		Payroll deductions		154.93
EFT7421	14/02/2019		Legal advice - review of deed of agreement in relation to Boshack Development Bolgart		1,293.60
EFT7422	14/02/2019		Purchase of 5 ton of cold mix asphalt - Bitumen maintenance		990.00
EFT7423	14/02/2019		Repairs of the following Shire's facilities:		2,479.40
			<i>Mogumber hall - floor and kitchen entrance</i>	977.90	
			<i>Depot - painting and fit skirting</i>	962.50	

**Shire of Victoria Plains
Creditor & Payroll Payments for the Month of February 2019**

Chq/EFT	Date	Name	Description	Invoice	Total Amount
			<i>Bolgart Aged person unit- repairs timber frames - carport and pvc</i>	539.00	
EFT7424	14/02/2019		Vehicle maintenance - bend front axel and wheel alignment for Mitsubishi		489.62
EFT7425	14/02/2019		canter top		450.00
			Trainership fee for December 2018-- Depot staff		
EFT7426	14/02/2019		Executive Assistant-meals and accommodation from 29-30 January 2019		265.95
EFT7427	14/02/2019		License renewal for public perofrmance of protected sound		268.17
			recordings/public exhibition of music videos		
EFT7428	14/02/2019		Upgrade of Shire housing 12 Harrington St - bathroom and laundry		7,150.00
EFT7429	14/02/2019		Provision of services:		27,695.30
			<i>Aglime Route 2 project - provision of geotechnical sampling and</i>		
			<i>laboratory materials testing services and reporting - 1 November 2018 to</i>		
			<i>24 January 2019</i>	2,598.47	
			<i>Regional Road Group Project - provision of engineering, road design, and</i>		
			<i>construction management services for Toodyay-Bindi bindi road - Bolgart</i>		
			<i>from 29/11/18 to 24/01/19</i>	25,096.83	
EFT7430	14/02/2019		Renovation of Ovals football, and mower repairs		10,758.00
			<i>Renovation of Ovals football</i>	6,655.00	
			<i>Repairs of Kubota tractor and supreme mower</i>	4,103.00	
EFT7431	14/02/2019		Maintenance parts for multi-tyred roller		408.67
EFT7432	14/02/2019		Wiper blade refills for Hino 9 tonne tip truck		22.20
EFT7433	14/02/2019		WALGA conference - Future of LG Forum" registration - CEO"		65.00
EFT7434	14/02/2019		Purchase of 3 pressure gauges for Town reticulation		80.75
EFT7435	14/02/2019		Renewal of membership - for Ranger		50.00
EFT7436	14/02/2019		Maintenance parts for Caterpillar wheel loader		1,549.21
			Purchase of Narva cable ties for traffic sign and control equipment, and		
EFT7437	14/02/2019		battery for airwell pump at Piawaning		100.46
EFT7438	14/02/2019		Cancelled		-
EFT7439	21/02/2019		GPS monitoring of fleet services - February 2019		374.00
			Assistance with preparation of capex tracker and briefing session, monthly		
EFT7440	21/02/2019		statements, annual budget review, rates and general accounting		3,366.00
EFT7441	21/02/2019		Catering services for Australia day, and Library services for January 2019		584.42
EFT7442	21/02/2019		Refund for money received		650.00
			Plug metal and socket for water tanker and deck trailer, and Lens cleaning		
EFT7443	21/02/2019		wipe for Depot		51.22
EFT7444	21/02/2019		Panic Exit Device and Exit Device lever handle for Piawanning hall		1,121.73
EFT7445	21/02/2019		Refund of credit - overpayment of advertising Sept 2018 newsletter		35.00
EFT7446	21/02/2019		Monthly service reading - Admin photocopier		210.35
EFT7447	21/02/2019		Town planning consultancy services during December 2018 and January		3,741.14
EFT7448	21/02/2019		Fuel meter for Hino 300 long crew truck		462.00
EFT7449	21/02/2019		Pest control - FMCA Talstra insecticide, Surefire spectrum		1,210.00
EFT7450	21/02/2019		Refund for drinks and water - Bush Fire Brigade		120.00
EFT7451	21/02/2019		Supply and install FDA lumina vinyl - carpet replacement at Aged person		3,023.00
EFT7452	21/02/2019		Meals and accommodation:		465.45
			<i>Executive assistant- meal and accommodation 12-13 Feb 2019</i>	221.45	
			<i>Meals for Fire Brigade volunteer on 15 Feb 2019</i>	244.00	
EFT7453	21/02/2019		Purchase of stationery(paper, notes, arch file), biscuits for council		678.60
EFT7454	21/02/2019		meeting, and water bottle.		4,138.97
			Provision of services:		
			<i>Cleaning services of various Shire's facilities from 11/02/2019 to</i>	1,155.00	
			<i>Tip management fortnightly from 11/02/2019 to 24/02/2019</i>	2,868.47	
			<i>Cleaning services of Bolgart Hall and toilets</i>	115.50	
EFT7455	21/02/2019		Signage and guidepost		1,171.50
			Consulting work discussion and checked various road issues,travel		
EFT7456	21/02/2019		included		2,515.30
			Diesel for Mogumber Gillingarra fire truck from 01 Jan 2019 to 15 March		
EFT7457	21/02/2019		2019		518.85
			Community Emergency Services expense for the quarter ending 31		
EFT7458	21/02/2019		December 2018		5,099.89
EFT7459	21/02/2019		Freight cost - Depot		48.03
EFT7460	21/02/2019		Depot staff uniforms		425.89
EFT7461	21/02/2019		Fuel cap, lube and oil filter kit for Hino 9tonne tip truck		371.47
EFT7462	21/02/2019		Maintenance parts for Caterpillar wheel loader		2,369.80
EFT7463	21/02/2019		Purchased of trio hinge butt for Mogumber hall		23.40
EFT7464	21/02/2019		Payroll deductions		25,574.00
EFT7465	26/02/2019		Refund of deposited monies of \$1300 exc application fees for Lot 10 & 12		1,104.60
EFT7466	26/02/2019		Payroll deductions		154.93
EFT7467	28/02/2019		Repairs of Calingiri public toilets and depot plant and equipment		258.00
EFT7468	28/02/2019		Sweep streets in Calingiri, Bolgart and Yerecoin		1,149.50

Shire of Victoria Plains
Creditor & Payroll Payments for the Month of February 2019

Chq/EFT	Date	Name	Description	Invoice	Total Amount
EFT7469	28/02/2019		Hire of slasher for Mogumber town		165.00
EFT7470	28/02/2019		Assistance on general administration issues, annual budget review, and FY19/20 annual budget		2,646.60
EFT7471	28/02/2019		Clothesline for Aged Person unit - Bolgart		173.00
EFT7472	28/02/2019		Purchase of batteries for 13 tonne 6 wheel tip truck		581.90
EFT7473	28/02/2019		Purchase of Rimula diesel oil - Depot stocks		790.00
EFT7474	28/02/2019		Fire truck faults diagnosis - Yerecoin, Calingiri, Bolgart		1,382.73
EFT7475	28/02/2019		License renewal - Rapid license for traffic signs and control		412.50
EFT7476	28/02/2019		Purchase of sanitary items (toilet supplies) for Shire's facilities		446.33
EFT7477	28/02/2019		Meals and accommodation - Executive Assistant from 18/02/19 to 22/2/19		422.90
EFT7478	28/02/2019		Stationery - Pilot super grip bros plus delivery		233.43
EFT7479	28/02/2019		Piawaning hall - replaced kitchen sink/cupboard		1,381.00
EFT7480	28/02/2019		Signage and guidepost - black on orange reflective, tags to suit and ring brackets		1,171.50
EFT7481	28/02/2019		Hired Drain machine plus labour for Bolgart caravan park		407.00
EFT7482	28/02/2019		Cleaning services - toilets at Gillingarra		140.00
EFT7483	28/02/2019		Depot staff uniform		215.41
EFT7484	28/02/2019		Purchase of tube and tubing push fit for water tanker		122.06
EFT7485	28/02/2019		Purchase of cover screw cap and airbag for multi-tyred roller		89.31
EFT7486	28/02/2019		Purchase of starter for depot's small plant and equipment		55.85
EFT7487	28/02/2019		Purchase of solenoid valve with flow for Calingiri Sports ground (oval)		178.70
EFT7488	28/02/2019		Oil waste disposal - administration and compliance fee		16.50
EFT7489	28/02/2019		Maintenance and repairs:		3,997.16
			<i>Bobcat loader - checked over machine, pressure cleaned, and fuel sender</i>	402.88	
			<i>Boggie dolly - changed out rubbed hoses, changed leaking drain port on</i>	408.93	
			<i>Nissan cab ute - checked airconditioner, and removed filter</i>	169.13	
			<i>Caterpillar excavator - checked engine overheat problem, and auto greaser</i>	378.13	
			<i>9 tonne Hino tip truck - changed out headlight lens, removed bumper,</i>	273.63	
			<i>Hino 9 tonne tip truck - checked cab mounts and front suspension</i>	169.13	
			<i>Nissan Cab ute-replaced both ends on grease hose reel and fitted new</i>	496.65	
			<i>Trailer transport mower - gouged out cracks in drawbar and installed fish</i>	418.00	
			<i>Caterpillar grader - blown hydraulic hose, removed, and installed new</i>	470.80	
			<i>9 tonne tip truck - changed out battery isolator, checked operation</i>	182.88	
			<i>Depot small plant - Changed drive belts on compactor plate</i>	104.50	
			<i>Water tank - pulled down and unseized all pivots, welded broken eye and</i>	522.50	
EFT7490	28/02/2019		IT Computing and support services		1,675.30
			Total Electronic Fund Transfer (EFT) payments		191,318.93
12211	07/02/2019		Driver license renewal - Depot staff		29.90
12212	14/02/2019		Petty cash recoup - parking fees, Suicide prevention, Australia day, driver's license renewal, water consumption		377.25
12213	21/02/2019		Mail relay and hosting email protection recurring for the period 31/01/2019 to 31/01/2020		184.00
12214	26/02/2019		Building permit application fee Lot 10 & 12 - balance of refund		195.40
			Total Cheque payments		786.55
DD10872.4	21/02/2019		Rent for week 21/01/19 - 27a Mofflin St - Finance Manager		230.00
DD10882.1	05/02/2019		Transport Licensing Transactions - 22 Jan-25 Jan 2019		4,525.40
DD10891.1	06/02/2019		Superannuation contributions		4,188.54
DD10891.2	06/02/2019		Superannuation contributions		222.63
DD10891.3	06/02/2019		Superannuation contributions		539.22
DD10891.4	06/02/2019		Superannuation contributions		281.49
DD10891.5	06/02/2019		Superannuation contributions		842.99
DD10891.6	06/02/2019		Superannuation contributions		551.04
DD10891.7	06/02/2019		Superannuation contributions		166.16
DD10891.8	06/02/2019		Superannuation contributions		192.85
DD10891.9	06/02/2019		Superannuation contributions		396.78
DD10893.1	08/02/2019		Transport Licensing Transactions 28 Jan-31 Jan 19		
DD10900.1	13/02/2019		Transport Licensing Transactions - 01 Feb-08 Feb 19		4,579.50
DD10911.1	15/02/2019		Credit card charges - subscription (Safety culture), office cabinets, book, Flux for ipads, bank fees, and depot maintenance supplies		596.55
DD10911.2	01/02/2019		Internet services for Mogumber and Bolgart - February 2019		79.98
DD10911.3	04/02/2019		Rent for week 04.02.19 - 27a Mofflin St - Finance Manager		230.00
DD10911.4	10/02/2019		Phone charges - Fire prevention		12.20
DD10911.5	11/02/2019		Rent for week 11.02.19 - 27a Mofflin St - Finance Manager		230.00
DD10911.6	07/02/2019		Electricity charges from 15 November 2018 to 16 January 2019 - Bolgart		499.20
DD10911.7	05/02/2019		Mobile charges - January 2019		616.03
DD10911.8	14/02/2019		Telephone charges - January 2019		1,111.52

**Shire of Victoria Plains
Creditor & Payroll Payments for the Month of February 2019**

Chq/EFT	Date	Name	Description	Invoice Total Amount
DD10915.1	20/02/2019		Superannuation contributions	4,129.53
DD10915.2	20/02/2019		Superannuation contributions	227.33
DD10915.3	20/02/2019		Superannuation contributions	641.56
DD10915.4	20/02/2019		Superannuation contributions	263.08
DD10915.5	20/02/2019		Superannuation contributions	842.99
DD10915.6	20/02/2019		Superannuation contributions	498.96
DD10915.7	20/02/2019		Superannuation contributions	200.64
DD10915.8	20/02/2019		Superannuation contributions	192.85
DD10915.9	20/02/2019		Superannuation contributions	456.36
DD10917.1	21/02/2019		Transport Licensing Transactions - 11 Feb 19 - 15 Feb 19	4,920.45
DD10924.1	28/02/2019		Transport Licensing Transactions - 19 Feb -25 Feb 19	2,594.85
DD10891.10	06/02/2019		Superannuation contributions	223.22
DD10915.10	20/02/2019		Superannuation contributions	149.76
DD10941.1	22/02/2019		Streetlights - electricity charges from 02 January 2019 to 01 February 2019	1,370.65
DD10941.2	25/02/2019		Housing Weekly rental 25.02.19 - 27a Mofflin St - Finance Manager	230.00
DD10941.4	14/02/2019		Fuel card charges for the month of January 2019	658.50
DD Bank	28/02/2019		Bank fees and charges - February 2018	72.02
Total Direct Debit payments				37,764.83
EFT	07/02/2019		Payroll Ending 06 February 2019	45,389.96
EFT	20/02/2019		Payroll Ending 20 February 2019	44,898.01
				90,287.97
Total Municipal Account				320,158.28
199	18/02/2019		BCITF - Dec 18-Jan 19	61.75
200	18/02/2019		BSL - Dec 18-Jan 19	283.25
201	18/02/2019		BCITF/ BSL Agency fee - Dec 18-Jan 19	33.25
Total Trust payments				378.25
TOTAL ACCOUNTS PAID FOR THE MONTH OF DECEMBER 2018				320,536.53

STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2019

	Note	Adopted Annual Budget	Amended Annual Budget (d)	Amended YTD Budget (a)	YTD Actual (b)	Forecast Actual (e)	Var. \$ (e)-(d)	Var. % (d)/(d)	Var. ▲▼	Significant Var. \$
Opening Funding Surplus(Deficit)	1	\$ 335,505	\$ 229,463	\$ 229,463	\$ 229,463	\$ 229,463	\$ 0	0%		
Revenue from operating activities										
Governance		5,724	5,724	5,724	2,618	3,849	(1,875)	(33%)	▼	
General Purpose Funding - Rates	5	2,517,266	2,517,266	2,517,266	2,496,418	2,496,321	(20,945)	(1%)	▼	
General Purpose Funding - Other		515,497	515,497	515,497	439,937	599,146	83,649	16%	▲	
Law, Order and Public Safety		65,691	65,691	65,691	41,739	70,139	4,448	7%	▲	
Health		5,638	5,638	5,638	1,879	2,575	(3,063)	(54%)	▼	
Education and Welfare		5,000	5,000	5,000	3,083	11,000	6,000	120%	▲	
Housing		91,243	91,243	91,243	68,955	97,424	6,181	7%	▲	
Community Amenities		83,301	83,301	83,301	75,814	78,334	(4,967)	(6%)	▼	
Recreation and Culture		43,080	43,080	43,080	31,331	43,957	877	2%	▲	
Transport		83,426	83,426	83,426	125,269	128,181	44,755	54%	▲	\$
Economic Services		33,887	33,887	33,887	27,814	35,811	1,924	6%	▲	
Other Property and Services		31,855	31,855	31,855	54,886	62,734	30,879	97%	▲	\$
		3,481,608	3,481,608	3,481,608	3,369,744	3,629,472				
Expenditure from operating activities										
Governance		(505,006)	(505,006)	(505,006)	(388,140)	(529,502)	(24,496)	5%	▼	
General Purpose Funding		(348,880)	(348,880)	(348,880)	(246,165)	(356,619)	(7,739)	2%	▼	
Law, Order and Public Safety		(296,833)	(296,833)	(296,833)	(235,689)	(346,821)	(49,988)	17%	▼	
Health		(144,599)	(144,599)	(144,599)	(103,019)	(154,408)	(9,809)	7%	▼	
Education and Welfare		(104,687)	(104,687)	(104,687)	(64,260)	(113,872)	(9,185)	9%	▼	
Housing		(226,694)	(226,694)	(226,694)	(161,769)	(222,739)	3,956	(2%)	▲	
Community Amenities		(445,706)	(445,706)	(445,706)	(352,391)	(494,728)	(49,022)	11%	▼	
Recreation and Culture		(514,421)	(514,421)	(514,421)	(436,267)	(622,519)	(108,098)	21%	▼	
Transport		(2,964,012)	(2,964,012)	(2,964,012)	(2,894,130)	(4,271,713)	(1,307,701)	44%	▼	
Economic Services		(194,483)	(194,483)	(194,483)	(136,729)	(196,218)	(1,736)	1%	▼	
Other Property and Services		(10,000)	(10,000)	(10,000)	(14,601)	(34,000)	(24,000)	240%	▼	
		(5,755,321)	(5,755,321)	(5,755,321)	(5,033,160)	(7,343,139)				
Operating activities excluded from budget										
Add back Depreciation		1,869,194	1,869,194	1,869,194	2,158,668	3,275,108	1,405,914	75%	▲	\$
Adjust (Profit)/Loss on Asset Disposal	6	46,686	46,686	46,686	90,025	88,520	41,834	90%	▲	\$
Movement in Leave Reserve (Added Back)		0	0	0	0	0	0			
Movement in Deferred Pensioner Rates/ESL		0	0	0	0	0	0			
Movement in Employee Benefit Provisions		0	0	0	0	0	0			
Rounding Adjustments		0	0	0	0	0	0			
Loss on Asset Revaluation		0	0	0	0	0	0			
Adjustment in Fixed Assets		0	0	0	0	0	0			
Amount attributable to operating activities		(357,833)	(357,833)	(357,833)	585,277	(350,040)				
Investing Activities										
Non-operating Grants, Subsidies and Contributions	10	3,135,051	3,135,051	3,135,051	1,598,048	3,182,839	47,788	2%	▲	
Proceeds from Disposal of Assets	6	214,500	214,500	214,500	166,338	170,429	(44,072)	(21%)	▼	\$
Land Held for Resale	7	0	0	0	0	0	0			
Land and Buildings	7	(100,795)	(100,795)	(100,795)	(66,880)	(133,813)	(33,018)	33%	▼	
Construction other than Buildings	7	0	0	0	0	0	0			
Plant and Equipment	7	(30,000)	(30,000)	(30,000)	0	(16,364)	13,636	(45%)	▲	\$
Motor Vehicles	7	0	0	0	0	0	0			
Furniture and Equipment	7	(57,220)	(57,220)	(57,220)	(73,788)	(58,019)	(799)	1%	▼	
Infrastructure Assets - Roads	7	(3,318,075)	(3,318,075)	(3,318,075)	(806,539)	(3,365,863)	(47,788)	1%	▼	
Infrastructure Assets - Footpaths	7	0	0	0	0	0	0			
Infrastructure Assets - Other	7	0	0	0	0	0	0			
Amount attributable to investing activities		(156,539)	(156,539)	(156,539)	817,179	(220,792)				
Financing Activities										
Proceeds from New Debentures		0	0	0	0	0	0			
Proceeds from Advances		0	0	0	0	0	0			
Self-Supporting Loan Principal		16,815	16,815	16,815	8,407	16,815	0	0%		
Transfer from Reserves	9	204,880	204,880	204,880	90,000	164,533	(40,347)	(20%)	▼	\$
Advances to Community Groups		0	0	0	0	0	0			
Repayment of Debentures	8	(61,335)	(61,335)	(61,335)	(38,587)	(61,335)	0	0%		
Transfer to Reserves	9	0	0	0	0	0	0			
Amount attributable to financing activities		160,360	160,360	160,360	59,820	120,013				
Closing Funding Surplus(Deficit)	1	(18,507)	(124,548)	(124,548)	1,691,739	(221,355)				

KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 2 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2018/19 year is \$10,000 and 10%.

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

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2019

OPERATING ACTIVITIES
NOTE 1(b)
ADJUSTED NET CURRENT ASSETS

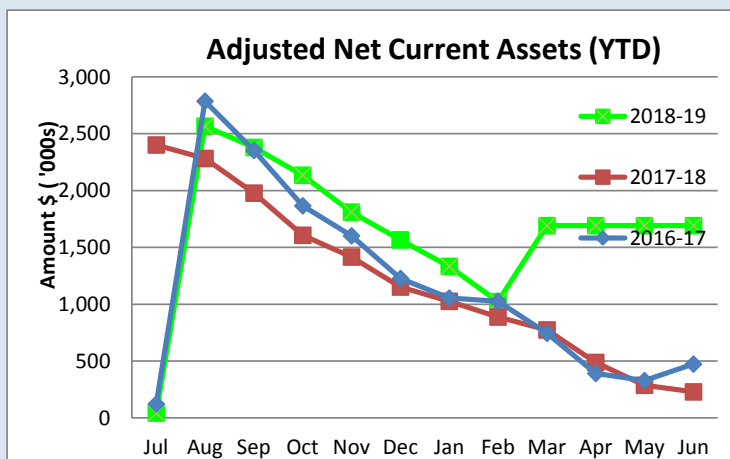
Adjusted Net Current Assets	Note	Last Years Closing 30/06/2018	This Time Last Year 30/06/2018	Year to Date Actual 30/06/2019	Forecast 30/06/2019
		\$	\$	\$	\$
Current Assets					
Cash Unrestricted	3	467,726	467,726	1,700,612	33,645
Cash Restricted - Reserves	3	624,847	624,847	534,847	460,314
Receivables - Rates	4	27,348	27,348	73,359	50,000
Receivables - Other	4	294,147	294,147	499,460	260,000
Inventories		40,612	40,612	47,711	15,000
		1,454,681	1,454,681	2,855,990	818,959
Less: Current Liabilities					
Payables		(461,328)	(461,328)	(446,609)	(450,000)
Loan Liability		(61,335)	(61,335)	(22,747)	(58,000)
Provisions		(136,945)	(136,945)	(136,945)	(130,000)
		(659,608)	(659,608)	(606,301)	(638,000)
Less: Cash Reserves	9	(624,847)	(624,847)	(534,847)	(460,314)
Add Back: Component of Leave Liability not Required to be funded		0	0	0	0
Add Back: Current Loan Liability		61,335	61,335	22,747	58,000
Adjustment for Trust Transactions Within Muni		(2,098)	(2,098)	(45,850)	0
Net Current Funding Position		229,463	229,463	1,691,739	(221,355)

SIGNIFICANT ACCOUNTING POLICIES

Please see Note 1(a) for information on significant accounting policies relating to Net Current Assets.

KEY INFORMATION

The amount of the adjusted net current assets at the end of the period represents the actual surplus (or deficit if the figure is a negative) as presented on the Rate Setting Statement.



**This Year YTD
Surplus(Deficit)
\$1.69 M**

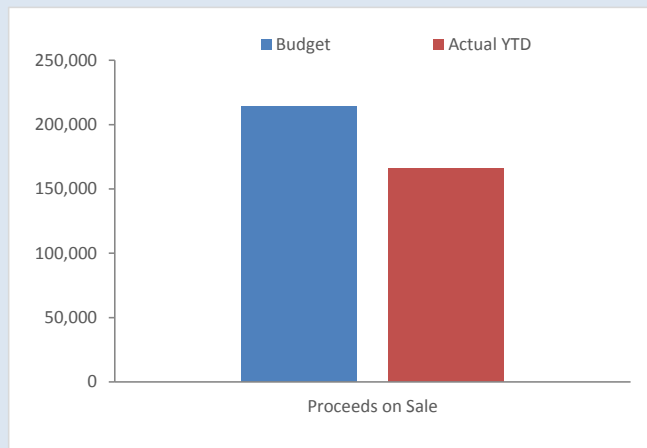
**Last Year YTD
Surplus(Deficit)
\$.23 M**

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2019**

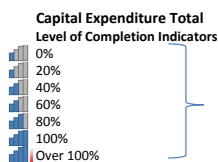
**OPERATING ACTIVITIES
NOTE 6
DISPOSAL OF ASSETS**

Asset Number	Asset Description	Amended Budget				YTD Actual				Forecast Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment													
PE097	Toro Z580D 25hp Ride On Mower	2,586	4,500	1,914						2,586	4,091	1,505	
PE080	PGR9 Cat Grader 120 M Series	164,000	145,000		(19,000)	161,837	107,225		(54,612)	161,837	107,225		(54,612)
PE113	Volvo BL71B Backhoe Loader	94,600	65,000		(29,600)	94,525	59,113		(35,413)	94,525	59,113		(35,413)
		261,186	214,500	1,914	(48,600)	256,362	166,338	0	(90,025)	258,948	170,429	1,505	(90,025)

KEY INFORMATION



Proceeds on Sale		
Budget	YTD Actual	%
\$214,500	\$166,338	78%



Percentage YTD Actual to Annual Budget
 Expenditure over budget highlighted in red.

Completion % of	Level of completion indicator, please see table at the top of this note for further detail.	Adopted		Amended		Total YTD	Total Forecast	Variance (Under)/Over
		Account Number	Job Number	Annual Budget	Annual Budget			
	Assets			\$	\$	\$	\$	\$
	Buildings							
	Governance							
0.44	Admin Office Upgrade	40052		(27,295)	(27,295)	(27,295)	(12,043)	15,252
	Total - Governance			(27,295)	(27,295)	(27,295)	(12,043)	15,252
	Housing							
0.64	12 Harrington St - Upgrade	40064		(15,000)	(15,000)	(15,000)	(9,647)	5,353
0.00	44 Edmonds Street - Housing upgrade	40110		(5,000)	(5,000)	(5,000)	0	5,000
	Total - Housing			(20,000)	(20,000)	(20,000)	(9,647)	10,353
	Recreation And Culture							
1.62	Calingiri Recreation Centre Capital	40129		(13,500)	(13,500)	(13,500)	(21,825)	(8,325)
	Total - Recreation And Culture			(13,500)	(13,500)	(13,500)	(21,825)	(8,325)
	Other Property & Services							
0.58	Depot Office Upgrade	40063		(40,000)	(40,000)	(40,000)	(23,365)	16,635
0.58	Total - Other Property & Services			(40,000)	(40,000)	(40,000)	(23,365)	16,635
0.66	Total - Buildings			(100,795)	(100,795)	(100,795)	(66,880)	33,915
	Plant & Equipment							
	Transport							
0.00	Purchase Ride on Mower - 2018/19	40041		(30,000)	(30,000)	(30,000)	0	30,000
	Total - Transport			(30,000)	(30,000)	(30,000)	0	30,000
0.00	Total - Plant & Equipment			(30,000)	(30,000)	(30,000)	0	30,000
	Furniture & Equipment							
	Governance							
1.11	Furn & Equip - Chambers	40031		(7,220)	(7,220)	(7,220)	(8,019)	(799)
1.32	Computing Upgrade software & hardware	40069		(50,000)	(50,000)	(50,000)	(65,769)	(15,769)
	Total - Governance			(57,220)	(57,220)	(57,220)	(73,788)	(16,568)
1.29	Total - Furniture & Equipment			(57,220)	(57,220)	(57,220)	(73,788)	(16,568)
	Roads							
	Transport							
0.30	Toodyay-Bindi Bindi Road 2018-19	40022	RR0035	(637,410)	(637,410)	(637,410)	(193,849)	443,561
0.00	Moore River Bridge Repairs (2017-18)	40024	R2R024	(445,942)	(445,942)	(445,942)	0	445,942
0.20	Yerecoin SE Road (2018-19)	40024	R2R025	(174,020)	(174,020)	(174,020)	(35,660)	138,360
1.60	AG Lime Roads Project Development & Management	40025	AG0000	(85,703)	(85,703)	(85,703)	(137,187)	(51,484)
0.40	AG Lime - Calingiri / New Norcia Road	40025	AG0008	(1,030,000)	(1,030,000)	(1,030,000)	(409,408)	620,592
0.06	AG Lime - Mogumber West Rd	40025	AG0023	(525,000)	(525,000)	(525,000)	(30,435)	494,565
0.00	AG Lime - Calingiri / Goomalling Road	40025	AG0123	(420,000)	(420,000)	(420,000)	0	420,000
	Total - Transport			(3,318,075)	(3,318,075)	(3,318,075)	(806,539)	2,511,536
0.24	Total - Roads			(3,318,075)	(3,318,075)	(3,318,075)	(806,539)	2,511,536
0.27	Grand Total			(3,506,090)	(3,506,090)	(3,506,090)	(947,206)	2,558,884

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2019

FINANCING ACTIVITIES
NOTE 8
BORROWINGS

Information on Borrowings	01 Jul 2018	New Loans				Principal Repayments				Principal Outstanding				Interest & Guarantee Fee Repayments			
		Actual	Amended Budget	Adopted Budget	Forecast Actual	Actual	Amended Budget	Adopted Budget	Forecast Actual	Actual	Amended Budget	Adopted Budget	Forecast Actual	Actual	Amended Budget	Adopted Budget	Forecast Actual
Community Amenities		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Loan 72 Drought Proofing Calingiri	10,291	0	0	0	0	5,062	10,291	10,291	10,291	5,229	0	0	0	257	589	589	589
Recreation and Culture																	
Loan 82 Calingiri Sports Pavilion	77,136	0	0	0	0	8,911	18,022	18,022	18,022	68,225	59,114	59,114	59,114	1,551	3,826	3,826	3,826
Economic Services																	
Loan 84 Piawaning Water Supply	151,429	0	0	0	0	16,207	16,207	16,207	16,207	135,222	135,222	135,222	135,222	2,911	4,720	4,720	4,720
	238,856	0	0	0	0	30,180	44,520	44,520	44,520	208,676	194,336	194,336	194,336	4,720	9,135	9,135	9,135
Self supporting loans																	
Recreation and Culture																	
Loan 83 Calingiri Football Club *	239,177	0	0	0	0	8,407	16,815	16,815	16,815	230,770	222,362	222,362	222,362	3,735	11,986	11,986	11,986
	239,177	0	0	0	0	8,407	16,815	16,815	16,815	230,770	222,362	222,362	222,362	3,735	11,986	11,986	11,986
	478,033	0	0	0	0	38,587	61,335	61,335	61,335	439,446	416,698	416,698	416,698	8,455	21,121	21,121	21,121

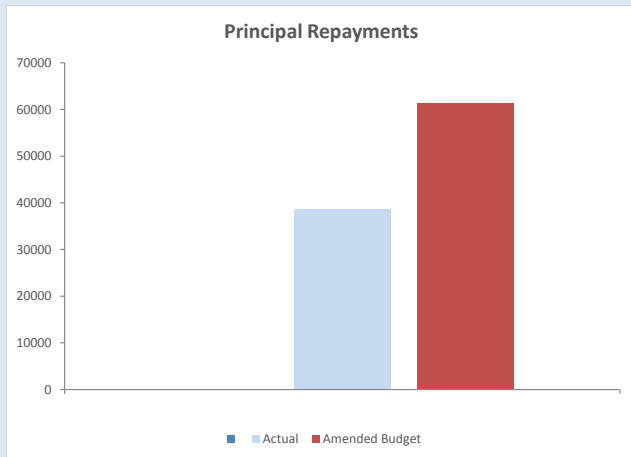
* These loans are self supporting loans.
All other debenture repayments were financed by general purpose revenue.

SIGNIFICANT ACCOUNTING POLICIES

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.



Principal Repayments	\$38,587
Interest Earned	\$21,157
Reserves Bal	\$.53 M
Interest Expense	\$8,455
Loans Due	\$.44 M



Department of
Local Government, Sport
and Cultural Industries

Victoria Plains - Compliance Audit Return 2018

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of section of relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2018.	N/A		Niel Mitchell
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2018.	N/A		Niel Mitchell
3	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2018.	N/A		Niel Mitchell
4	s3.59(4)	Has the local government given Statewide public notice of each proposal to commence a major trading undertaking or enter into a major land transaction for 2018.	N/A		Niel Mitchell
5	s3.59(5)	Did the Council, during 2018, resolve to proceed with each major land transaction or trading undertaking by absolute majority.	N/A		Niel Mitchell



Delegation of Power / Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority.	N/A	No delegations made to committees	Niel Mitchell
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing.	N/A		Niel Mitchell
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17.	N/A		Niel Mitchell
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations.	N/A		Niel Mitchell
5	s5.18	Has Council reviewed delegations to its committees in the 2017/2018 financial year.	N/A		Niel Mitchell
6	s5.42(1),5.43 Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act.	Yes		Niel Mitchell
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority.	Yes		Niel Mitchell
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing.	Yes		Niel Mitchell
9	s5.44(2)	Were all delegations by the CEO to any employee in writing.	Yes		Niel Mitchell
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority.	Yes		Niel Mitchell
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees.	Yes		Niel Mitchell
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2017/2018 financial year.	Yes		Niel Mitchell
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required.	Yes		Niel Mitchell

Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68).	Yes		Niel Mitchell
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings.	N/A		Niel Mitchell



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

No	Reference	Question	Response	Comments	Respondent
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made.	Yes		Niel Mitchell
4	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day.	N/A		Niel Mitchell
5	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day.	Yes		Niel Mitchell
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2018.	Yes		Niel Mitchell
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2018.	Yes		Niel Mitchell
8	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return.	Yes		Niel Mitchell
9	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76	Yes		Niel Mitchell
10	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28.	Yes		Niel Mitchell
11	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76.	Yes		Niel Mitchell
12	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee.	Yes		Niel Mitchell
13	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes.	Yes		Niel Mitchell
14	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report.	N/A		Niel Mitchell



Department of
Local Government, Sport
and Cultural Industries

No	Reference	Question	Response	Comments	Respondent
15	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee.	N/A		Niel Mitchell
16	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees.	Yes		Niel Mitchell

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5)).	Yes		Niel Mitchell
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property.	N/A		Niel Mitchell

Finance

No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act.	Yes		Niel Mitchell
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority.	N/A	No delegation made	Niel Mitchell
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor.	Yes		Niel Mitchell
4	s7.3, 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council.	Yes		Niel Mitchell
5	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2018 received by the local government within 30 days of completion of the audit.	Yes	Received 27 Feb 2019	Niel Mitchell
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2018 received by the local government by 31 December 2018.	No	Final audit visit made in January 2019	Niel Mitchell
7	S7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9(1) of the Act required action to be taken by the local government, was that action undertaken.	N/A		Niel Mitchell



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No	Reference	Question	Response	Comments	Respondent
8	S7.12A (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9 (1) of the Act) required action to be taken by the local government, was a report prepared on any actions undertaken.	N/A		Niel Mitchell
9	S7.12A (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9 (1) of the Act) required action to be taken by the local government, was a copy of the report forwarded to the Minister by the end of the financial year or 6 months after the last report prepared under s7.9 was received by the local government whichever was the latest in time.	N/A		Niel Mitchell
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit.	Yes		Niel Mitchell
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit.	Yes		Niel Mitchell
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit.	Yes		Niel Mitchell
13	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor.	Yes		Niel Mitchell
14	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor.	Yes		Niel Mitchell
15	Audit Reg 17	Has the CEO reviewed the appropriateness and effectiveness of the local government's systems and procedures in accordance with regulation 17 of the Local Government (Audit) Regulations 1996.	No		Niel Mitchell
16	Audit Reg 17	If the CEO has not undertaken a review in accordance with regulation 17 of the Local Government (Audit) Regulations 1996, is a review proposed and when.	Yes	by Dec 2019	Niel Mitchell



Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
1	s5.56 Admin Reg 19DA (6)	Has the local government adopted a Corporate Business Plan. If Yes, please provide adoption date of the most recent Plan in Comments. This question is optional, answer N/A if you choose not to respond.	N/A		Niel Mitchell
2	s5.56 Admin Reg 19DA (6)	Has the local government adopted a modification to the most recent Corporate Business Plan. If Yes, please provide adoption date in Comments. This question is optional, answer N/A if you choose not to respond.	N/A		Niel Mitchell
3	s5.56 Admin Reg 19C (7)	Has the local government adopted a Strategic Community Plan. If Yes, please provide adoption date of the most recent Plan in Comments. This question is optional, answer N/A if you choose not to respond.	Yes	31 January 2018	Niel Mitchell
4	s5.56 Admin Reg 19C (7)	Has the local government adopted a modification to the most recent Strategic Community Plan. If Yes, please provide adoption date in Comments. This question is optional, answer N/A if you choose not to respond.	No		Niel Mitchell
5	S5.56	Has the local government adopted an Asset Management Plan. If Yes, in Comments please provide date of the most recent Plan, plus if adopted or endorsed by Council the date of adoption or endorsement. This question is optional, answer N/A if you choose not to respond.	N/A		Niel Mitchell
6	S5.56	Has the local government adopted a Long Term Financial Plan. If Yes, in Comments please provide date of the most recent Plan, plus if adopted or endorsed by Council the date of adoption or endorsement. This question is optional, answer N/A if you choose not to respond.	N/A		Niel Mitchell
7	S5.56	Has the local government adopted a Workforce Plan. If Yes, in Comments please provide date of the most recent Plan plus if adopted or endorsed by Council the date of adoption or endorsement. This question is optional, answer N/A if you choose not to respond.	N/A		Niel Mitchell



Department of
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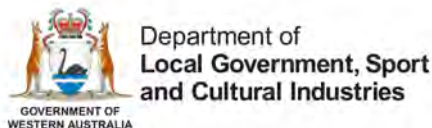
Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised.	N/A		Niel Mitchell
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A.	N/A		Niel Mitchell
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4).	N/A		Niel Mitchell
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only).	N/A		Niel Mitchell
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee.	N/A		Niel Mitchell



Department of
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Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer.	N/A	CEO is complaints officer	Niel Mitchell
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c).	Yes		Niel Mitchell
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made.	Yes		Niel Mitchell
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint.	Yes		Niel Mitchell
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred.	Yes		Niel Mitchell
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b) or (c).	Yes		Niel Mitchell

Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2)).	Yes		Niel Mitchell
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract.	Yes		Niel Mitchell
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice.	Yes		Niel Mitchell
4	F&G Reg 14 & 15	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16.	Yes		Niel Mitchell



No	Reference	Question	Response	Comments	Respondent
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation.	Yes		Niel Mitchell
6	F&G Reg 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Reg 16.	Yes		Niel Mitchell
7	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender.	Yes		Niel Mitchell
8	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria.	Yes		Niel Mitchell
9	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17.	Yes		Niel Mitchell
10	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted.	Yes		Niel Mitchell
11	F&G Reg 21 & 22	Did the local governments's advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22.	N/A	No EOI called	Niel Mitchell
12	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice.	N/A		Niel Mitchell
13	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services.	N/A		Niel Mitchell
14	F&G Reg 24	Was each person who submitted an expression of interest, given a notice in writing in accordance with Functions & General Regulation 24.	N/A		Niel Mitchell
15	F&G Reg 24AD(2)	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice.	N/A	No Panel established	Niel Mitchell
16	F&G Reg 24AD(4) & 24AE	Did the local government's advertising and panel documentation comply with F&G Regs 24AD(4) & 24AE.	N/A		Niel Mitchell



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

No	Reference	Question	Response	Comments	Respondent
17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16 as if the reference in that regulation to a tender were a reference to a panel application.	N/A		Niel Mitchell
18	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application, notice of the variation.	N/A		Niel Mitchell
19	F&G Reg 24AH(1)	Did the local government reject the applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time specified in the invitation for applications.	N/A		Niel Mitchell
20	F&G Reg 24AH(3)	In relation to the applications that were not rejected, did the local government assess which application (s) to accept and which application(s) were most advantageous to the local government to accept, by means of written evaluation criteria.	N/A		Niel Mitchell
21	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers, comply with the requirements of F&G Reg 24AG.	N/A		Niel Mitchell
22	F&G Reg 24AI	Did the local government send each person who submitted an application, written notice advising if the person's application was accepted and they are to be part of a panel of pre-qualified suppliers, or, that the application was not accepted.	N/A		Niel Mitchell
23	F&G Reg 24E	Where the local government gave a regional price preference in relation to a tender process, did the local government comply with the requirements of F&G Reg 24E in relation to the preparation of a regional price preference policy (only if a policy had not been previously adopted by Council).	N/A	No preference applied to any tender	Niel Mitchell
24	F&G Reg 24F	Did the local government comply with the requirements of F&G Reg 24F in relation to an adopted regional price preference policy.	Yes		Niel Mitchell
25	F&G Reg 11A	Does the local government have a current purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$150,000 or less.	Yes		Niel Mitchell



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

I certify this Compliance Audit return has been adopted by Council at its meeting on _____

Signed Mayor / President, Victoria Plains

Signed CEO, Victoria Plains



Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS, REGISTERED COMPANY
AUDITORS AND REGISTERED SMSF AUDITORS

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11 March 2019

Ms Glenda Teede
Chief Executive Officer
Shire of Victoria Plains
28 Cavell Street
Calingiri WA 6569

Dear Ms Teede

MANAGEMENT LETTER

We have completed our final audit for the year ended 30 June 2018 and report on matters which came to our notice during the audit.

It must be appreciated that the matters dealt with in this letter came to our notice during the conduct of our normal audit procedures which are designed primarily with a view to the expression of our opinion on the accounts of the company. Our comments cannot be expected to include all possible improvements in internal control which a more extensive special examination might develop.

During this audit, we noted the following matters which we believe needs to be brought to your attention.

Financial Ratios

We noted during our audit that the basic standard was not achieved for the operating surplus ratio. This indicates that the Shire may not be able to cover its operational costs and have revenues available for capital funding or other purposes. We acknowledge that this financial ratio did not meet the basic standard due to the relatively high level of grants being classified as non-operating revenues as is often the case with regional local governments, and that this ratio has significantly improved since the prior year.

We recommend that the Shire examine potential financial weaknesses and risks and take the necessary steps to rectify or mitigate these issues for the purpose of improving the Shire's financial position.

Management response

The Shire is aware that this ratio can be best improved by improving its own source operating revenue. In the 18/19 budget, the Shire increased its Rates and Fees and Charges by 4%. It is hoped that this will further improve this ratio.



Stale Cheques

We noted during our audit one stale cheque (cheque number 170) older than six months totaling \$200.00 in the 30 June 2018 Trust bank reconciliation.

We recommend that this cheque be cancelled and reissued. If the payee cannot be found the monies should be forwarded to the 'Unclaimed Monies' section of the State Treasury.

Management Response

This cheque has been cancelled and reissued in March 2019 as per the recommendation of the auditor.

We would like to take this opportunity to thank your staff for the assistance provided during the course of the audit.

Should you have any queries regarding any of the above, please do not hesitate to contact our office.

Yours faithfully

ANDERSON MUNRO & WYLLIE

BILLY-JOE THOMAS
Director



SHIRE OF VICTORIA PLAINS

Annual Report

1 July 2017 – 30 June 2018

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DRAFT

1 PRESIDENT'S REPORT

The 2017/18 shire reporting year was a busy one, with some notable achievements, however a number of projects were not able to be completed in this budget year.

Making a major structural change, Council after consultation with electors, accepted the majority opinion of electors and reduced council membership from nine to seven councillors at the October 2017 election. Four wards were retained and in those wards where voting was required to elect councillors a very high portion of the electors cast a vote.. Indeed, it was pleasing to witness such high interest in the democratic process. Your council now has a gender representation of four women and three men, reflecting a widespread community desire for more women in positions of influence.

Both Council and I as President, wish to acknowledge and thank those councillors who retired at the last election for the services they gave to the people of the Shire over a number of years.

Governance issues generally took considerable attention of council and staff during the year. Council chose to put extra resources into updating the Shires Policies and Local Laws while continuing to direct funds to maintaining and improving assets as well as limited budget funds would responsibly allow.

Notable events and projects for the year included –

- the well attended ANZAC day service to remember and honour the 100 years since the end of World War 1;
- progress with new aged housing facilities in Calingiri and Bolgart;
- establishment of the first parts of the Mogumber chicken farm;
- opening of the New Norcia bypass and the realignment of that section of the Calingiri -New Norcia road;
- continued upgrades of sections of the Toodyay-Bindi road.; and
- agreement with CBH on the expansion of the Calingiri bin facilities.

Your Deputy President Cr. Bantock and I attended the National Local Government Convention in Canberra which gave us an opportunity to lobby politicians on issues of relevance to our Shire.

We welcome our new Works and Services Manager, Bob Edwards, and other new staff while wishing those who left us future success and satisfaction in their futures.

I take this opportunity to thank all Councillors for their input representing the interests of the shire residents and thank all staff for their efforts towards the Shire's ongoing success and sustainability.

David Lovelock
President

2 CHIEF EXECUTIVE OFFICER'S REPORT

As the Shire continues to grow, upgrading and developing new infrastructure has been a key priority.

Overall financial position

The Shire is remaining steady with the budget remaining in the black.

Due in part to the challenges of increasing reporting requirements, the services of an experienced local government finance consultant were engaged during the year resulting in improved reporting and compliance.

Example capital works

Some of the major capital works for the year included –

- Roads-
 - Toodyay-Bindi Bindi Road had two kilometres reconstructed, sealed and white-lined.
 - Yerecoin South East had four kilometres of shoulder reconstructed and five hundred metres of deep drainage installed and pavement reconstruction.
 - Konnongorring West had three kilometres of gravel sheeting applied.
 - Boxhall Road had three kilometres of gravel sheeting applied.
 - Erickson Road had two kilometres of gravel sheeting applied
 - Golf Course Road had three kilometres of gravel sheeting applied.
 - Mogumber-Yarawindah Road received edge break repairs and line-marking.
 - Mofflin Street, Calingiri had a concrete footpath installed.
- Building-
 - Two aged accommodation units were built at Bolgart.
 - Two aged accommodation units were built at Calingiri.
 - Upgrade works at Shire residence in Calingiri.
 - An air-conditioner unit was upgraded at the Shire Administration building at Calingiri.
 - Computer up-grades of hardware and software at Calingiri administration.
 - OH&S up-grades of office furniture and equipment.
- Plant and Vehicle Replacement
 - A 9,000 litre steel water tank was refurbished.
 - Fitting of a custom- built body to the Shire Rangers vehicle.
- Community Facilities-
 - There has been some disability access upgrade to public buildings.

All throughout our Shire, the past year has seen notable development of the Muchea Bypass which is on track, and will have significant flow on effects for the Shire including improved safety, productivity and growth opportunities for the Shire.

The Calingiri Sport and Recreational Centre is currently being refurbished and apart from the health and social benefits of this facility, it will provide employment and training opportunities for the community.

Further, the Shire continues to prioritise investment in its Road Program and continues to advocate for funding in this area.

To better service the growth of the District, the Shire has improved services within the 2017/18 financial year including –

- Agricultural Lime route upgrades.
- Development within the areas of waste and recycling.

Legislative Review

A range of matters were addressed during the year, including the following.

a) Integrated planning

A Strategic Community Plan 2017/18 to 2027/28 was developed after community consultation. The Shire aims to expand and develop a range of recreation, cultural and sporting facilities to enhance the liveability of the Region.

b) Local laws

The Local Government Act requires a review of all local laws every 8 years. The review was completed in late 2017, and Council resolved to repeal a number of outdated laws which were no longer relevant, and to instead adopt a series of new local laws reflecting changed circumstances and the current legislative environment.

The statutory process is quite long, and while most have now been completed, several remain underway or require further revision before adoption and application.

c) Review of legislation

Two significant events occurred during the year –

- i) the Government announced a detailed review of the Local Government Act. While this will take several years before coming into effect, the impacts of it are likely to be significant; and
- ii) the second raft of provisions of the Public Health Act 2016, replacing the Health Act 1911, came into effect. This new Act impacts the Shire administratively, and will impact the community on a practical level in time, once the new Regulations are proclaimed.

Conclusion

We continue to update systems within the Shire administration in an effort to improve efficiencies to residents. As always, there are challenges balancing the needs of the community, the requirements of different localities, turnover of staff and the ever-increasing demands of reporting and compliance.

Finally, I extend my thanks to all staff for their continued efforts.

Glenda Teede

Chief Executive Officer

3 OVERVIEW – PLAN FOR THE FUTURE

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

3.1 **Modification of Plans**

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

- a) a new Strategic Community Plan was adopted on 28 March 2018; and
- b) no modifications to the Corporate Business Plan were made.

3.2 **Strategic Community Plan**

A new Strategic Community Plan was adopted in March 2018, following extensive consultation in the community and public meetings in the towns.

The SCP identified the following as community priorities –

1.	Community – to enhance and improve a sense of community in the Shire
1.1	Better publicise upcoming events and activities in the Shire
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
2.	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
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
3.	Environment – to protect or improve the natural environment
3.1	Undertake initiatives to improve recycling
3.2	Support environmental sustainability initiatives and community forums
4.	Infrastructure – to maintain / add to infrastructure used by the community
4.1	Undertake town beautification programs
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
4.5	Improve facilities for trucks and drivers
4.6	Instigate a road verge maintenance program

5.	Civic leadership – to better allocate scarce resources and effectively interact with the community
5.1	Measures to improve relationship and communication between Council and community
5.2	Improve elected member performance
5.3	Develop an advocacy and lobbying capacity
5.4	Measures to improve organisational efficiency

Most of the matter identified are operational improvements, and undergo continual assessment. A number of specific matter are noted in relation to these priorities –

1.6 – Calingiri Gym

The squash courts were assessed by Local Government Insurance Service as not meeting required standards, and accordingly were closed, pending repair and are being re-purposed for use as part of the gym area.

3.1 – Recycling

Options for recycling continue to be explored. Given the international situation with closure of markets for materials to be recycled, and the absence of facilities in Western Australia, the cost of recycling many materials continues to increase.

4.5 – Major works on the agricultural lime works continues, and Council, in recent times, has agreed to participate in the development of a business case for the investment of \$500 million into the routes.

In addition, realignment of the New Norcia-Calingiri Road will assist with entry and exit to the Calingiri CBH facilities and stacking distance for trucks between the railway line and the Bindi Bindi-Toodyay Road.

5.1 – As noted by the President, the numbers of councillors was reduced from 9 to 7 at the local government election held in October 2017.

Measures to improve organisational efficiency included contracts for service with a number of specialist providers in environmental health, building, finance, governance.

3.3 Corporate Business Plan

The last detailed review of the Corporate Business Plan was adopted for the 2027-2017 year, and consequently is now out-of-step with the Strategic Community Plan.

A detailed revision of the Corporate Business Plan is programmed for early 2019.

From the current Corporate Business Plan –

Goals and Outcomes	Status
1. Growth	
1.1. Facilitate land release	<ul style="list-style-type: none"> a) Working towards feasibility report for proposed Bolgart industrial area b) Land release and use subject to WA Planning Commission Policy and Guidelines c) Local Planning Scheme may require amendment to suit changed conditions and expectations
1.2. Promote sustainable management of the environment	<ul style="list-style-type: none"> a) For future consideration b) To be referenced in Planning Policies to be developed
1.3. Promote sustainable water management	<ul style="list-style-type: none"> a) Monthly salinity testing in Bolgart and Mogumber for analysis b) Options for emergency water supplies at Mogumber c) Constant testing of water quality at Piawanning desalination plant

2. Community	
2.1. Promote and develop health and education	<ul style="list-style-type: none"> a) Support of physical and mental health initiatives b) Support of physical activities classes etc c) Maintenance of Calingiri Gym d) Support of Suicide Prevention Advisory Group
2.2. Promote community prosperity	On-going efforts
2.3. Promote community enrichment	<ul style="list-style-type: none"> a) Annual community grants program for local organisations b) Continuing upgrade of children's playgrounds c) Support of community events and initiatives
3. Shire Infrastructure	
3.1. Sustainable management of Shire infrastructure	<ul style="list-style-type: none"> a) Maintenance, upgrade, construction of roads b) Roads condition survey for asset management purposes c) 10 year roads program to be developed and considered in Annual Budgets
3.2. Achieve sustainable waste management	<ul style="list-style-type: none"> a) On-going investigation for waste management b) Participation in Avon Regional Organisation of Council s joint waste tender proposed
3.3. Sustainable management of community buildings	<ul style="list-style-type: none"> a) Maintenance, upgrade, renewal of buildings b) Buildings condition survey to be carried out c) 10 year buildings program to be developed and considered in Annual Budgets
4. Governance	
4.1. Strong financial management	<ul style="list-style-type: none"> a) Buildings and road data to be incorporated into – <ul style="list-style-type: none"> - asset management planning - long term financial plans (minimum of 15 years) b) Consultant engaged to improve compliance and reporting
4.2. Excellence in human resources management	On-going development of administrative processes
4.3. Full compliance with statutory requirements	<ul style="list-style-type: none"> a) Compliant Delegations Register finalised b) Compliant Policy Manual under development c) Local laws review completed and resolutions implemented d) On-going development and improvement of compliance efforts
4.4. Promote and develop advocacy	On-going efforts
4.5. Pursue and develop innovative solutions	<ul style="list-style-type: none"> a) Resource sharing and joint arrangements – <ul style="list-style-type: none"> - Bolgart and Calingiri aged housing units – in cooperation with Toodyay and Goomalling - Regional waste tender planned – in cooperation with other members of Avon Regional Organisation of Councils b) Consultant engaged to improve compliance and reporting
4.6. Strong administrative service and facilities	On-going development of administrative processes
4.7. Pursue development of excellent communication services	<p>On-going development of processes with focus on –</p> <ul style="list-style-type: none"> - website - newsletter - Facebook

4 STATUTORY MATTERS

4.1 Disability Services Act 1993

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
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	
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
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	
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
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	
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

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	
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
5. People with disability have the same opportunity as other people to make complaints to the Shire of Victoria Plains	
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
6. People with disability have the same opportunities as other people to participate in consultation with the Shire of Victoria Plains	
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
7. People with disability have the same opportunities as other people to obtain and maintain employment with the Shire of Victoria Plains	
7.1. People with disability are encouraged to apply for positions with the Shire	Ongoing

During 2017-2018, many tasks were on-going in nature. No priority issues were identified and no specific actions were required or undertaken.

It is planned that the DAIP will be reviewed during 2019/2020. Input, feedback and contributions from the community will be sought.

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

4.2 Formal complaints of breach

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
1	Training

4.3 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 2017
\$120,001 - \$130,000		1
\$130,001 - \$140,000	1	1

4.4 Modification of statutory plans

The *Local Government (Administration) Regulations* r.19CA requires that information concerning modification of planning for the future be disclosed –

a) Strategic Community Plan

A new Strategic Business Plan was developed and adopted after extensive community consultation, and adopted in January 2018 for the 10 year period 2017/2018 to 2027/2028.

b) Corporate Business Plan

The Corporate Business Plan adopted for the period 2016/2017 to 2019/2020 remains unmodified.

A full review of the CBP is proposed in 2018/2019, and will involve the following plans being reviewed and likely replaced –

- Workforce Plan
- Asset Management Plans
- Long Term Financial Plan

4.5 Legislative Review

All Local Governments are required to assess which of their local laws might impact on competition and conduct a review of each to determine how any restrictive practices might be overcome. The annual report is to include a statement of which local laws have been reviewed, the conclusions of those reviews and a forward strategy for all local laws still to be reviewed.

All of the Shire of Victoria Plains Local Laws were reviewed within this period and Council adopted an action plan on progressing these matters.

For a list of the new Local Laws please refer to the Shire of Victoria Plains website or the Department of Local Government, Sporting and Cultural Industries website.

The actions for local laws during the year were –

Local law reviewed	Decision	New local law	Date published in Government Gazette
Long Service Leave Local Law 1951	Repeal	None	29 August 2017
Motels Local Law 1960	Repeal	None	29 August 2017
Keeping of Bees 1966	Repeal	None	29 August 2017
Speed of Vehicles Local Law 1968	Repeal	None	29 August 2017
Fire Control Local Law 1998	Repeal	None	29 August 2017
N/A	N/A	Bush Fire Brigades Local Law 2017	29 August 2017
Dogs Local Law 1987	Replace	Dogs Local Law 2018	6 March 2018
N/A	N/A	Fencing Local Law 2018	6 March 2018

Cemetery Local Law 1998	Replace	Cemeteries Local Law 2018	4 September 2018
Extractive Industries Local Law 1988	Replace	Extractive Industries Local Law 2018	4 September 2018
Pipes and Pipelines Beneath Roads and Footpaths 1958	Repeal	Public Places and Local Government Property Local Law 2018	4 September 2018
Prevention of Damage to Streets 1965	Repeal		
Removal and Disposal of Obstructing Animals or Vehicles 1969	Repeal		
Standing Orders Local Law 1997	Repeal	Meeting Procedures Local Law 2018	26 October 2018
Health Local Law 2003	Continue	N/A	N/A

The following proposed local laws remain under review –

- Amenity dealing with animals, environment and nuisance matters;
- Waste – domestic collection matters, management of refuse sites etc.

The next review required by the LG Act is due in 2024.

4.6 Other Matters

4.6.1 Record Keeping

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. It is planned that the Shire's Record Keeping Plan will be reviewed in 2018/2019.

4.6.2 Public Interest Disclosure

In accordance with the Public Interest Disclosure Act 2003, there are provisions to make disclosures under that Act. The procedures set out the processes in respect to protected disclosures generally, to protect people from reprisal for making protected disclosures, and to provide guidance on investigations.

In the 2017/2018 financial year, no disclosures relating to improper conduct were made to the Shire and therefore no disclosures were referred.

4.6.3 Freedom of Information Act 1992

The Shire of Victoria Plains is subject to the provisions of the Freedom of Information (FOI) Act 1992, which gives individuals and organisations a general right of access to information held by the Shire. The Act also provides the right of appeal in relation to decisions made by the Shire to refuse access to information applied for under the Act.

The Shire did not receive any FOI applications in the 2017/2018 financial year.

5 ANNUAL FINANCIAL REPORT

DRAFT

SHIRE OF VICTORIA PLAINS
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

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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 30TH JUNE 2018**

*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 2018 is based on proper accounts and records to present fairly the financial position of the Shire of Victoria Plains at 30 June 2018 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 25th day of February 2019



Chief Executive Officer

Glenda Teede

Name of Chief Executive Officer

DRAFT

**STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue				
Rates	24(a)	2,387,518	2,328,653	2,334,698
Operating grants, subsidies and contributions	2	1,180,050	503,373	1,576,655
Fees and charges	2	212,602	153,065	222,386
Interest earnings	2(a)	47,130	123,000	84,853
Other revenue	2(a)	166,429	116,357	107,827
		3,993,729	3,224,448	4,326,419
Expenses				
Employee costs		(1,611,616)	(1,459,493)	(1,475,286)
Materials and contracts		(1,750,000)	(1,287,322)	(1,165,962)
Utility charges		(109,076)	(84,850)	(77,019)
Depreciation on non-current assets	10(b)	(1,896,036)	(1,944,577)	(1,801,324)
Interest expenses	2(a)	(20,653)	(22,066)	(21,413)
Insurance expenses		(126,717)	(203,379)	(187,746)
Other expenditure		(153,704)	(358,600)	(382,005)
		(5,667,802)	(5,360,287)	(5,110,755)
		(1,674,073)	(2,135,839)	(784,336)
Non-operating grants, subsidies and contributions	2	1,928,541	2,259,693	1,218,177
Profit on asset disposals	10(a)	16,508	3,000	3,528
(Loss) on asset disposals	10(a)	(27,124)	(22,000)	(61,433)
Net result		243,852	104,854	375,936
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	11	17,276,442	0	177,649
Total other comprehensive income		17,276,442	0	177,649
Total comprehensive income		17,520,294	104,854	553,585

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

**STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue				
	2(a)			
Governance		(785)	1,808	7,597
General purpose funding		3,466,978	2,890,744	3,880,591
Law, order, public safety		64,588	43,236	70,237
Health		6,747	2,263	3,205
Education and welfare		33,675	0	1,093
Housing		68,963	124,154	94,318
Community amenities		98,717	73,232	107,594
Recreation and culture		30,848	21,035	36,652
Transport		80,457	4,878	(4,728)
Economic services		42,378	28,718	37,210
Other property and services		101,163	34,380	92,650
		3,993,729	3,224,448	4,326,419
Expenses				
	2(a)			
Governance		(506,332)	(475,767)	(441,898)
General purpose funding		(353,550)	(308,057)	(286,531)
Law, order, public safety		(294,175)	(295,665)	(230,296)
Health		(140,232)	(150,664)	(107,706)
Education and welfare		(55,118)	(48,038)	(38,409)
Housing		(290,720)	(194,686)	(233,807)
Community amenities		(392,888)	(434,191)	(424,461)
Recreation and culture		(550,185)	(606,311)	(625,230)
Transport		(2,848,916)	(2,597,789)	(2,534,682)
Economic services		(203,407)	(211,550)	(145,295)
Other property and services		(11,626)	(15,503)	(21,028)
		(5,647,149)	(5,338,221)	(5,089,343)
Finance Costs				
	2(a)			
Housing		0	0	(154)
Community amenities		(1,085)	(5,222)	(1,642)
Recreation and culture		(15,100)	(16,844)	(16,034)
Economic services		(4,468)	0	(3,582)
		(20,653)	(22,066)	(21,412)
		(1,674,073)	(2,135,839)	(784,336)
Non-operating grants, subsidies and contributions	2	1,928,541	2,259,693	1,218,177
Profit on disposal of assets	10(a)	16,508	3,000	3,528
(Loss) on disposal of assets	10(a)	(27,124)	(22,000)	(61,433)
		1,917,925	2,240,693	1,160,272
		243,852	104,854	375,936
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	11	17,276,442	0	177,649
Total other comprehensive income		17,276,442	0	177,649
Total comprehensive income		17,520,294	104,854	553,585

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2018**

	NOTE	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	3	1,090,475	1,279,074
Trade and other receivables	6	320,665	553,112
Inventories	7	40,612	41,242
TOTAL CURRENT ASSETS		1,451,752	1,873,428
NON-CURRENT ASSETS			
Other receivables	6	232,119	246,948
Investments	4	52,551	0
Property, plant and equipment	8	11,534,856	12,652,969
Infrastructure	9	117,233,320	98,345,403
TOTAL NON-CURRENT ASSETS		129,052,846	111,245,320
TOTAL ASSETS		130,504,598	113,118,748
CURRENT LIABILITIES			
Trade and other payables	12	443,682	517,138
Current portion of long term borrowings	13(a)	61,335	58,691
Provisions	14	136,945	144,031
TOTAL CURRENT LIABILITIES		641,962	719,860
NON-CURRENT LIABILITIES			
Long term borrowings	13(a)	416,698	478,577
Provisions	14	28,459	23,128
TOTAL NON-CURRENT LIABILITIES		445,157	501,705
TOTAL LIABILITIES		1,087,119	1,221,565
NET ASSETS		129,417,479	111,897,184
EQUITY			
Retained surplus		22,329,228	21,989,545
Reserves - cash backed	5	624,847	720,678
Revaluation surplus	11	106,463,404	89,186,962
TOTAL EQUITY		129,417,479	111,897,184

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	RESERVES			TOTAL EQUITY
		RETAINED SURPLUS	CASH/INVESTMENT BACKED	REVALUATION SURPLUS	
		\$	\$	\$	\$
Balance as at 1 July 2016		21,419,565	914,722	89,009,313	111,343,599
Comprehensive income					
Net result		375,936	0	0	375,936
Changes on revaluation of assets	11	0	0	177,649	177,649
Total comprehensive income		375,936	0	177,649	553,585
Transfers from/(to) reserves		194,044	(194,044)	0	0
Balance as at 30 June 2017		21,989,545	720,678	89,186,962	111,897,184
Comprehensive income					
Net result		243,852	0	0	243,852
Changes on revaluation of assets	11	0	0	17,276,442	17,276,442
Total comprehensive income		243,852	0	17,276,442	17,520,294
Transfers from/(to) reserves		95,831	(95,831)	0	0
Balance as at 30 June 2018		22,329,228	624,847	106,463,404	129,417,479

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		2,422,261	2,328,653	2,355,734
Operating grants, subsidies and contributions		1,167,281	712,373	1,296,510
Fees and charges		211,351	153,065	222,386
Interest earnings		231,047	123,000	84,853
Goods and services tax		306,641	10,000	40,006
Other revenue		166,429	116,357	107,827
		4,505,010	3,443,448	4,107,316
Payments				
Employee costs		(1,589,694)	(1,439,493)	(1,556,399)
Materials and contracts		(1,846,286)	(1,337,322)	(864,566)
Utility charges		(109,076)	(84,850)	(77,019)
Interest expenses		(20,870)	(22,066)	(19,942)
Insurance expenses		(126,717)	(203,379)	(187,746)
Goods and services tax		(282,252)	0	0
Other expenditure		(153,704)	(358,600)	(382,186)
		(4,128,599)	(3,445,710)	(3,087,858)
Net cash provided by (used in) operating activities	15	376,411	(2,262)	1,019,458
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment		(1,489,003)	(1,352,700)	(856,986)
Payments for construction of infrastructure		(1,076,523)	(1,512,533)	(1,819,993)
Non-operating grants, subsidies and contributions		1,928,541	2,259,693	1,218,177
Proceeds from sale of fixed assets		112,963	291,500	311,632
Net cash provided by (used in) investment activities		(524,022)	(314,040)	(1,147,170)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of long term borrowings		(59,235)	(58,691)	(49,036)
Proceeds from self supporting loans		18,247	15,993	14,031
Proceeds from new long term borrowings		0	0	175,000
Net cash provided by (used in) financing activities		(40,988)	(42,698)	139,995
Net increase (decrease) in cash held		(188,599)	(359,000)	12,284
Cash at beginning of year		1,279,074	1,345,047	1,266,790
Cash and cash equivalents at the end of the year	15	1,090,475	986,047	1,279,074

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

**RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)				
		474,406	639,000	290,100
		474,406	639,000	290,100
Revenue from operating activities (excluding rates)				
Governance		8,003	4,808	7,597
General purpose funding		1,149,504	562,091	1,610,592
Law, order, public safety		64,588	43,236	70,237
Health		6,747	2,263	3,205
Education and welfare		33,675	0	1,093
Housing		68,963	124,154	94,318
Community amenities		98,717	73,232	107,594
Recreation and culture		30,848	21,035	36,652
Transport		88,177	4,878	(4,728)
Economic services		42,378	28,718	37,210
Other property and services		101,163	34,380	96,175
		1,692,763	898,795	2,059,945
Expenditure from operating activities				
Governance		(506,332)	(475,767)	(466,239)
General purpose funding		(353,550)	(308,057)	(286,531)
Law, order, public safety		(321,299)	(295,665)	(230,296)
Health		(140,232)	(150,664)	(107,706)
Education and welfare		(55,118)	(48,038)	(38,409)
Housing		(290,720)	(194,686)	(233,961)
Community amenities		(393,973)	(439,413)	(426,103)
Recreation and culture		(565,285)	(623,155)	(641,264)
Transport		(2,848,916)	(2,612,789)	(2,560,230)
Economic services		(207,875)	(211,550)	(148,877)
Other property and services		(11,626)	(22,503)	(32,572)
		(5,694,926)	(5,382,287)	(5,172,188)
Operating activities excluded				
(Profit) on disposal of assets	10(a)	(16,508)	(3,000)	(3,528)
Loss on disposal of assets	10(a)	27,124	22,000	61,433
Movement in deferred pensioner rates (non-current)		(3,058)	0	(2,199)
Movement in employee benefit provisions (non-current)		5,331	0	(17,171)
Depreciation and amortisation on assets	10(b)	1,896,036	1,944,577	1,801,324
Amount attributable to operating activities		(1,618,832)	(1,880,915)	(982,284)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		1,928,541	2,259,693	1,218,177
Proceeds from disposal of assets	10(a)	112,963	291,500	311,455
Purchase of property, plant and equipment	8(b)	(1,489,003)	(1,352,700)	(856,986)
Purchase and construction of infrastructure	9(b)	(1,076,523)	(1,512,533)	(1,819,993)
Amount attributable to investing activities		(524,022)	(314,040)	(1,147,347)
FINANCING ACTIVITIES				
Repayment of long term borrowings	13(a)	(59,235)	(58,691)	(49,036)
Proceeds from new long term borrowings	13(b)	0	0	175,000
Proceeds from self supporting loans	13(a)	18,247	15,993	14,031
Transfers to reserves (restricted assets)	5	(14,169)	(91,000)	(18,716)
Transfers from reserves (restricted assets)	5	110,000	0	212,760
Amount attributable to financing activities		54,843	(133,698)	334,039
Surplus(deficiency) before general rates		(2,088,011)	(2,328,653)	(1,795,592)
Total amount raised from general rates	24	2,317,474	2,328,653	2,269,999
Net current assets at June 30 c/fwd - surplus/(deficit)	25	229,463	0	474,406

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

1. BASIS OF PREPARATION

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

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

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

Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

CRITICAL ACCOUNTING ESTIMATES

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 27 to these financial statements.

**AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY
Land under roads**

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

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

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

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

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

**NON-CURRENT FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2018**

2. REVENUE AND EXPENSES

(a) Revenue

Other revenue

Reimbursements and recoveries
 Other

Fees and Charges

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

	2018	2017
	Actual	Actual
	\$	\$
	97,233	0
	69,196	107,827
	166,429	107,827
	4,073	3,277
	9,818	2,852
	4,058	3,553
	3,472	644
	59,864	57,444
	87,478	104,702
	8,619	6,527
	40	0
	24,784	21,702
	10,396	21,685
	212,602	222,386

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Grant Revenue

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

	2018	2017
	\$	\$
Operating grants, subsidies and contributions		
Governance	0	1,336
General purpose funding	1,023,394	1,481,116
Law, order, public safety	52,525	61,647
Education and welfare	30,918	820
Community amenities	0	955
Recreation and culture	0	12,687
Transport	73,213	0
Other property and services	0	18,094
	1,180,050	1,576,655
Non-operating grants, subsidies and contributions		
Law, order, public safety	367,351	0
Education and welfare	0	64,299
Housing	677,241	20,000
Recreation and culture	0	1,133,878
Transport	883,949	0
	1,928,541	1,218,177
Total grants, subsidies and contributions	3,108,591	2,794,832

SIGNIFICANT ACCOUNTING POLICIES

Grants, Donations and Other Contributions

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

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

Grants, Donations and Other Contributions (Continued)

a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 23. That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current period.

Interest earnings

- Loans receivable - clubs/institutions
- Reserve funds
- Other funds
Other interest revenue (refer note 24(e))

	2018	2018	2017
	Actual	Budget	Actual
	\$	\$	\$
- Loans receivable - clubs/institutions	11,067	13,000	0
- Reserve funds	11,108	16,000	18,023
- Other funds	6,552	82,000	44,109
Other interest revenue (refer note 24(e))	18,403	12,000	22,721
	47,130	123,000	84,853

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2018**

2. REVENUE AND EXPENSES (Continued)

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other Audit Services

Interest expenses (finance costs)

Long term borrowings (refer Note 13(a))

	2018	2017
	\$	\$
	15,294	11,404
	1,375	0
	16,669	11,404
	20,653	21,413

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2018**

3. CASH AND CASH EQUIVALENTS

NOTE	2018	2017
	\$	\$
Unrestricted	439,678	558,396
Restricted	650,797	720,678
	1,090,475	1,279,074
The following restrictions have been imposed by regulations or other externally imposed requirements:		
Long Service Leave Reserve	5	28,843
Plant Reserve	5	66,264
Housing Reserve	5	70,966
Sewerage Scheme Reserve	5	76,096
Refuse Site Reserve	5	273,653
Building Maintenance Reserve	5	75,815
Infrastructure Reserve	5	121,837
Gymnasium Reserve	5	7,204
Unspent grants	23	0
	650,797	720,678

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 cash equivalents (Continued)

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.

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4. INVESTMENTS

Non-current

Available for sale financial assets

Investment in WALGA Local Government House Trust *

2018
\$
52,551
52,551

* Investment in WALGA Local Government House Trust

This note discloses the Equity the Shire has in the Local Government House Trust as a consequence of a contribution towards the cost of purchasing Local Government House. The total contribution by all Councils towards the cost of the WALGA building was \$582,000. There are 620 units in the Local Government House Unit Trust, 3 of which are held by the Shire of Victoria Plains.

The Shire has capitalised its share in the Local Government House Trust for the first time this year based on the trust's 30 June 2018 audited financial statements.

SIGNIFICANT ACCOUNTING POLICIES

Classification and subsequent measurement

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

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

(ii) Held-to-maturity investments

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

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

(iii) Available-for-sale financial assets

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

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

Impairment

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

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

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

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment (Continued)

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

Initial recognition and measurement

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

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

Classification and subsequent measurement

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

Amortised cost is calculated as:

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

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

Derecognition

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

NOTES TO THE FINANCIAL STATEMENTS OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

5. RESERVES - CASH BACKED

	2018 Actual Opening Balance	2018 Actual Transfer to	2018 Actual Transfer (from)	2018 Actual	2018 Budget Opening Balance	2018 Budget Transfer to	2018 Budget Transfer (from)	2018 Budget Closing Balance	2017 Actual Opening Balance	2017 Actual Transfer to	2017 Actual Transfer (from)	2017 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Long Service Leave Reserve	28,843	594	(25,000)	4,437	28,419	600	0	29,019	77,267	1,577	(50,000)	28,844
Plant Reserve	66,264	1,414	0	67,678	65,545	77,178	0	142,723	150,944	3,080	(87,760)	66,264
Housing Reserve	70,966	1,434	(35,000)	37,400	70,063	1,480	0	71,543	142,742	3,224	(75,000)	70,966
Sewerage Scheme Reserve	76,096	1,482	0	77,578	76,218	1,610	0	77,828	74,574	1,522	0	76,096
Refuse Site Reserve	273,653	5,330	0	278,983	273,830	5,786	0	279,616	267,922	5,730	0	273,652
Building Maintenance Reserve	75,815	1,477	0	77,292	75,837	1,602	0	77,439	74,201	1,614	0	75,815
Infrastructure Reserve	121,837	2,298	(50,000)	74,135	122,658	2,592	0	125,250	120,012	1,825	0	121,837
Gymnasium Reserve	7,204	140	0	7,344	7,216	152	0	7,368	7,060	144	0	7,204
	720,678	14,169	(110,000)	624,847	719,786	91,000	0	810,786	914,722	18,716	(212,760)	720,678

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

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
Long Service Leave Reserve	Ongoing	To be used to fund annual and long service leave requirements.
Plant Reserve	Ongoing	To be used for the purchase of major plant.
Housing Reserve	Ongoing	To be used in the procurement of staff housing.
Sewerage Scheme Reserve	Ongoing	To be used to maintain and improve the Calingiri sewerage system.
Refuse Site Reserve	Ongoing	To be used to fund future refuse site development.
Building Maintenance Reserve	Ongoing	To be used for long term maintenance of Shire buildings.
Infrastructure Reserve	Ongoing	To be used for future infrastructure development to ensure long term Shire sustainability.
Gymnasium Reserve	Ongoing	To be used for future purchases and replacement of gymnasium equipment.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

6. TRADE AND OTHER RECEIVABLES

Current

	2018	2017
	\$	\$
Rates outstanding	27,350	61,081
Sundry debtors	226,083	210,812
GST receivable	45,194	69,583
Loans receivable - clubs/institutions	16,815	17,175
ESL Receivable	0	4,070
Accrued Income	6,474	190,391
Provision for doubtful debts	(1,251)	0
	320,665	553,112

Non-current

Rates outstanding - pensioners	9,757	6,699
Loans receivable - clubs/institutions	222,362	240,249
	232,119	246,948

Information with respect the impairment or otherwise of the totals of rates outstanding and sundry debtors is as follows:

Rates outstanding

Includes:

Past due and not impaired	37,107	67,780
Impaired	0	0

Sundry debtors

Includes:

Past due and not impaired	9,061	21,041
Impaired	1,250	0

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.

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

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

Classification and subsequent measurement

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

7. INVENTORIES

Current

Fuel and materials

2018	2017
\$	\$
40,612	41,242
40,612	41,242

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.

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

8 (a). PROPERTY, PLANT AND EQUIPMENT

	2018	2017
	\$	\$
Land and buildings		
Land - freehold land at:		
- Independent valuation 2017 - level 2	440,000	440,000
- Independent valuation 2017 - level 3	382,000	382,000
- Independent valuation 2018 - level 2	232,500	0
	<u>1,054,500</u>	<u>822,000</u>
Total land	1,054,500	822,000
Buildings - non-specialised at:		
- Independent valuation 2017 - level 2	970,000	1,615,000
- Additions after valuation - cost	16,279	0
Less: accumulated depreciation	(19,400)	0
	<u>966,879</u>	<u>1,615,000</u>
Buildings - specialised at:		
- Independent valuation 2017 - level 3	4,980,102	4,980,102
- Additions after valuation - cost	1,009,647	0
Less: accumulated depreciation	(100,278)	0
	<u>5,889,471</u>	<u>4,980,102</u>
Total buildings	6,856,350	6,595,102
Total land and buildings	<u>7,910,850</u>	<u>7,417,102</u>
Furniture and equipment at:		
- Independent valuation 2016 - level 3	187,461	187,461
- Additions after valuation - cost	47,000	47,000
Less: accumulated depreciation	(67,543)	(29,554)
	<u>166,918</u>	<u>204,907</u>
Plant and equipment at:		
- Independent valuation 2016 - level 3	1,535,429	1,549,384
- Additions after valuation - cost	455,760	427,277
Less: accumulated depreciation	(343,103)	(156,749)
	<u>1,648,086</u>	<u>1,819,912</u>
Motor Vehicles at:		
- Independent valuation 2016 - level 3	1,376,086	1,518,151
- Additions after valuation - cost	650,930	220,220
Less: accumulated depreciation	(218,014)	(114,817)
	<u>1,809,002</u>	<u>1,623,554</u>
Construction other than Buildings at:		
- Independent valuation 2015 - level 3	0	1,725,778
Less: accumulated depreciation	0	(138,284)
	<u>0</u>	<u>1,587,494</u>
Total property, plant and equipment	<u>11,534,856</u>	<u>12,652,969</u>

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Movements in Carrying Amounts

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

	Land - freehold land	Total land	Buildings - non- specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Motor Vehicles	Construction other than Buildings	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	1,136,000	1,136,000	1,634,024	4,980,102	6,614,126	7,750,126	187,461	1,592,384	1,815,151	1,656,636	13,001,758
Additions	0	0	109,018	0	109,018	109,018	47,000	427,277	273,691	0	856,986
(Disposals)	0	0	0	0	0	0	0	(43,000)	(350,471)	0	(393,471)
Revaluation increments/ (decrements) transferred to revaluation surplus	(314,000)	(314,000)	0	0	0	(314,000)	0	0	0	0	(314,000)
Depreciation (expense)	0	0	(128,042)	0	(128,042)	(128,042)	(29,554)	(156,749)	(114,817)	(69,142)	(498,304)
Carrying amount at 30 June 2017	822,000	822,000	1,615,000	4,980,102	6,595,102	7,417,102	204,907	1,819,912	1,623,554	1,587,494	12,652,969
Additions	0	0	16,279	997,546	1,013,825	1,013,825	0	28,483	430,710	15,985	1,489,003
(Disposals)	0	0	0	0	0	0	0	(1,152)	(122,427)	0	(123,579)
Revaluation increments/ (decrements) transferred to revaluation surplus	232,500	232,500	(632,101)	0	(632,101)	(399,601)	0	0	0	0	(399,601)
Depreciation (expense)	0	0	(32,299)	(100,278)	(132,577)	(132,577)	(37,989)	(186,642)	(135,350)	(69,142)	(561,700)
Transfers	0	0	0	12,101	12,101	12,101	0	(12,515)	12,515	(1,534,337)	(1,522,236)
Carrying amount at 30 June 2018	1,054,500	1,054,500	966,879	5,889,471	6,856,350	7,910,850	166,918	1,648,086	1,809,002	0	11,534,856

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land - freehold land	2	Sales comparison approach and cost approach	Independent Registered valuers	June 2017	Price per hectare
Land - freehold land	2	Sales comparison approach and cost approach	Independent Registered valuers	June 2018	Price per hectare
Land - freehold land	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - non-specialised	2	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	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Furniture and equipment	3	Cost approach using depreciated replacement cost	Independent Registered valuers	June 2016	Residual values and remaining useful life assessments
Plant and equipment	3	Cost approach using depreciated replacement cost	Independent Registered valuers	June 2016	Residual values and remaining useful life assessments
Motor Vehicles	3	Cost approach using depreciated replacement cost	Independent Registered valuers	June 2016	Residual values and remaining useful life assessments
Construction other than Buildings	3	Cost approach using depreciated replacement cost	Independent Registered valuers	June 2015	Improvements to buildings using construction costs and current condition, residual values and remaining useful life assessments (Level 3) inputs

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

9 (a). INFRASTRUCTURE

	2018	2017
	\$	\$
Infrastructure - Roads		
- Management valuation 2015 - level 3	0	91,031,759
- Management valuation 2018 - level 3	150,189,096	0
- Additions after valuation - cost	0	3,198,641
Less: accumulated depreciation	(38,744,786)	(2,870,044)
	<u>111,444,310</u>	<u>91,360,356</u>
Infrastructure - Footpaths		
- Management valuation 2015 - level 3	0	447,999
- Management valuation 2018 - level 3	899,241	0
- Additions after valuation - cost	0	93,286
Less: accumulated depreciation	(235,431)	(28,219)
	<u>663,810</u>	<u>513,066</u>
Infrastructure - Other		
- Management valuation 2015 - level 3	0	6,327,839
- Independent valuation 2018 - level 3	6,211,100	0
- Additions after valuation - cost	0	404,158
Less: accumulated depreciation	(3,198,400)	(260,016)
	<u>3,012,700</u>	<u>6,471,981</u>
Infrastructure - Bridges		
- Independent valuation 2018 - level 3	6,840,000	0
Less: accumulated depreciation	(4,727,500)	0
	<u>2,112,500</u>	<u>0</u>
Total infrastructure	<u>117,233,320</u>	<u>98,345,403</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

9. INFRASTRUCTURE (Continued)

(b) Movements in Carrying Amounts

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

	Infrastructure - Roads	Infrastructure - Footpaths	Infrastructure - Other	Infrastructure - Bridges	Total Infrastructure
	\$	\$	\$	\$	\$
Balance at 1 July 2016	90,951,446	479,203	6,373,666	0	97,804,315
Additions	1,540,639	48,642	230,712	0	1,819,993
Depreciation (expense)	(1,131,729)	(14,779)	(132,397)	0	(1,278,905)
Carrying amount at 30 June 2017	91,360,356	513,066	6,471,981	0	98,345,403
Additions	1,053,225	23,300	0	0	1,076,525
Revaluation increments/ (decrements) transferred to revaluation surplus	17,278,790	143,682	335,155	(134,135)	17,623,492
Depreciation (expense)	(1,173,811)	(16,238)	(144,287)	0	(1,334,336)
Transfers	2,925,750	0	(3,650,149)	2,246,635	1,522,236
Carrying amount at 30 June 2018	111,444,310	663,810	3,012,700	2,112,500	117,233,320

9. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

10. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

Revaluation

The fair value of fixed assets is determined at least every three years in accordance with the regulatory framework. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

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

Land under control

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

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

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10. FIXED ASSETS (Continued)

(a) Disposals of Assets

The following assets were disposed of during the year.

	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit	Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment/Motor Vehicles								
Governance								
2016 Toyota Prado VX	50,386	56,364	5,978	0	48,000	50,000	2,000	0
2016 Subaru Outback 3.6R	28,099	30,909	2,810	0	31,500	32,500	1,000	0
Law, order, public safety								
PFT11 Isuzu Fire Tender - Bolgart	43,942	16,818	0	(27,124)	0	0	0	0
Transport								
PTK17 - Hino 9 Tonne Tip Truck with Drop Sides	0	0	0	0	40,000	75,000	35,000	0
PGR9 Cat Grader 120 M Series	0	0	0	0	170,000	120,000	0	(50,000)
Toro Z580D 25hp Ride On Mower	0	0	0	0	4,000	4,000	0	0
Tree Lopper (Woodanilling) - TP1	1,152	8,872	7,720	0	0	0	0	0
Other property and services								
Nissan D40 RX King Cab Ute	0	0	0	0	17,000	10,000	0	(7,000)
	123,579	112,963	16,508	(27,124)	310,500	291,500	38,000	(57,000)

(b) Depreciation

	2018	2017
	\$	\$
Buildings - non-specialised	32,299	128,042
Buildings - specialised	100,278	0
Furniture and equipment	37,989	29,554
Plant and equipment	186,642	156,749
Motor Vehicles	135,350	114,817
Construction other than Buildings	69,142	69,142
Infrastructure - Roads	1,173,811	1,131,729
Infrastructure - Footpaths	16,238	14,779
Infrastructure - Other	144,287	132,397
	1,896,036	1,777,209

10. FIXED ASSETS (Continued)

(b) Depreciation (Continued)

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.

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

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

Depreciation rates

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

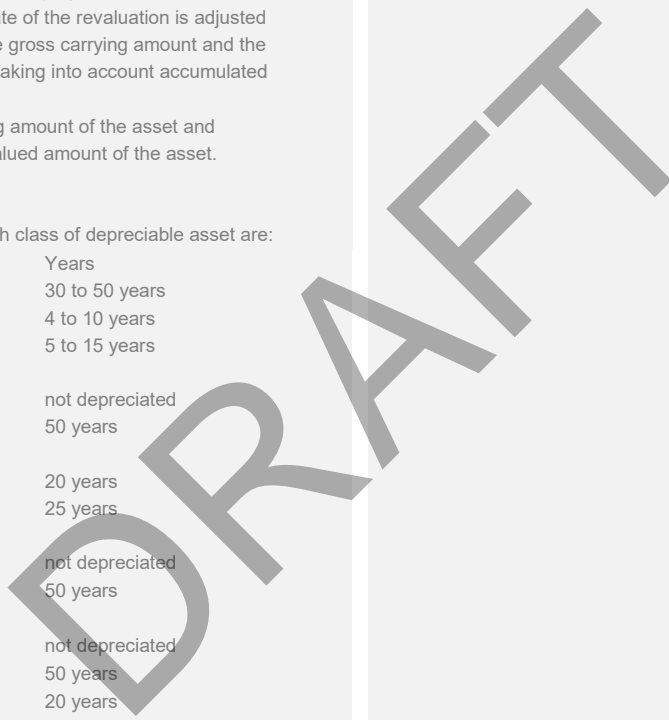
Asset	Years
Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets formation pavement seal	not depreciated
bituminous seals	50 years
asphalt surfaces	20 years
Gravel Roads formation pavement	25 years
Formed roads (unsealed) formation pavement	not depreciated
Footpaths - slab	50 years
Sewerage piping	20 years
Water supply piping and drainage systems	100 years
	75 years

Depreciation (Continued)

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.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

11. REVALUATION SURPLUS

	2018	2018	2018	2018	2018	2017	2017	2017	2017	2017
	Opening	Revaluation	Revaluation	Total	2018	Opening	Revaluation	Revaluation	Total	2017
	Balance	Increment	(Decrement)	Movement on	Closing	Balance	Increment	(Decrement)	Movement on	Closing
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land and buildings	5,048,258	0	(399,601)	(399,601)	4,648,657	4,870,609	491,649	(314,000)	177,649	5,048,258
Revaluation surplus - Furniture and equipment	27,899	0	0	0	27,899	27,899	0	0	0	27,899
Revaluation surplus - Plant and equipment	262,556	0	0	0	262,556	262,556	0	0	0	262,556
Revaluation surplus - Motor vehicles	116,405	0	0	0	116,405	116,405	0	0	0	116,405
Revaluation surplus - Investment in Local Govt House Trust	0	0	52,551	52,551	52,551	0	0	0	0	0
Revaluation surplus - Infrastructure - Roads	78,768,701	17,278,790	0	17,278,790	96,047,491	78,768,701	0	0	0	78,768,701
Revaluation surplus - Infrastructure - Footpaths	274,705	143,682	0	143,682	418,387	274,705	0	0	0	274,705
Revaluation surplus - Infrastructure - Other	3,195,780	335,155	0	335,155	3,530,935	3,195,780	0	0	0	3,195,780
Revaluation surplus - Infrastructure - Bridges	1,492,658	0	(134,135)	(134,135)	1,358,523	1,492,658	0	0	0	1,492,658
	89,186,962	17,757,627	(481,185)	17,276,442	106,463,404	89,009,313	491,649	(314,000)	177,649	89,186,962

Movements on revaluation of fixed assets are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2018**

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors	342,063	504,309
Accrued interest on long term borrowings	3,665	3,882
Accrued salaries and wages	9,504	4,099
Accrued expenditure	18,272	0
ATO liabilities	70,178	0
Payroll Creditors	0	4,848
	443,682	517,138

	2018	2017
	\$	\$
	342,063	504,309
	3,665	3,882
	9,504	4,099
	18,272	0
	70,178	0
	0	4,848
	443,682	517,138

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

Trade and other payables (Continued)

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

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13. INFORMATION ON BORROWINGS

(a) Repayments - Borrowings

Particulars	Principal 1 July 2017	New Loans	Principal Repayments		Principal 30 June 2018		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$	\$	\$
Community amenities								
LOAN 72 Droughtproofing Calingiri	19,938	0	9,646	9,646	10,292	10,292	1,085	1,156
Recreation and culture								
LOAN 82 Calingiri Sports Pavilion	94,376	0	17,241	17,241	77,135	77,135	9,221	4,037
Economic services								
LOAN 84 Piawaning Water Supply	167,240	0	15,811	15,811	151,429	151,429	4,468	4,066
	281,554	0	42,698	42,698	238,856	238,856	14,774	9,259

Particulars	Principal 1 July 2017	New Loans	Principal Repayments		Principal 30 June 2018		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$	\$	\$
Self Supporting Loans								
Recreation and culture								
LOAN 83 Calingiri Football Club	255,714	0	16,537	15,993	239,177	239,721	5,879	12,807
	255,714	0	16,537	15,993	239,177	239,721	5,879	12,807
	537,268	0	59,235	58,691	478,033	478,577	20,653	22,066

Self supporting loans are financed by payments from third parties.
 All other loan repayments were financed by general purpose revenue.

Borrowings

	2018	2017
	\$	\$
Current	61,335	58,691
Non-current	416,698	478,577
	478,033	537,268

(b) New Borrowings - 2017/18

There were no new loan borrowing during the 2017/18 financial year.

(c) Unspent Borrowings

There were no unspent loan borrowing during the 2017/18 financial year.

(d) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit	0	0
Bank overdraft at balance date	0	0
Credit card limit	20,000	20,000
Credit card balance at balance date	(2,996)	(12)
Total amount of credit unused	17,004	19,988

Loan facilities

Loan facilities - current	61,335	58,691
Loan facilities - non-current	416,698	478,577
Total facilities in use at balance date	478,033	537,268

Unused loan facilities at balance date

	2018	2017
	\$	\$
	0	0
	0	0
	20,000	20,000
	(2,996)	(12)
	17,004	19,988
	61,335	58,691
	416,698	478,577
	478,033	537,268
	NIL	NIL

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Borrowing costs

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2018**

14. PROVISIONS

Opening balance at 1 July 2017

Current provisions
 Non-current provisions

Additional provision
 Amounts used

Balance at 30 June 2018

Comprises

Current
 Non-current

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Current provisions	59,291	84,740	144,031
Non-current provisions	0	23,128	23,128
	59,291	107,868	167,159
Additional provision	21,272	24,368	45,640
Amounts used	(9,543)	(37,852)	(47,395)
Balance at 30 June 2018	71,020	94,384	165,404
Comprises			
Current	71,020	65,925	136,945
Non-current	0	28,459	28,459
	71,020	94,384	165,404

(a) Annual leave liabilities: Assessments indicate that actual settlements of the liabilities is expected to occur as follows:

	2018	2017
	\$	\$
Within 12 months of the end date of the reporting period	60,963	59,291
More than 12 months after the end of the reporting period	10,057	0
	71,020	59,291

(b) Long service leave liabilities: Assessments indicate that actual settlements of the liabilities is expected to occur as follows:

	2018	2017
	\$	\$
Within 12 months of the end date of the reporting period	38,913	30,621
More than 12 months after the end of the reporting period	55,471	77,247
	94,384	107,868

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

Other long-term employee benefits (Continued)

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

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

Provisions

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

15. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Cash and cash equivalents	1,090,475	986,047	1,279,074

**Reconciliation of Net Cash Provided By
Operating Activities to Net Result**

Net result	243,852	104,854	375,936
Non-cash flows in Net result:			
Depreciation	1,896,036	1,944,577	1,801,324
(Profit)/loss on sale of asset	10,616	19,000	57,905
Changes in assets and liabilities:			
(Increase)/decrease in receivables	229,029	219,000	(219,103)
(Increase)/decrease in inventories	630	0	485
Increase/(decrease) in payables	(73,456)	(50,000)	263,068
Increase/(decrease) in provisions	(1,755)	20,000	(41,981)
Grants contributions for the development of assets	(1,928,541)	(2,259,693)	(1,218,177)
Net cash from operating activities	376,411	(2,262)	1,019,458

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2018**

16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2018	2017
	\$	\$
Governance	930,735	473,856
General purpose funding	37,107	67,779
Law, order, public safety	163,661	177,800
Education and welfare	34,750	10,150
Housing	2,378,206	1,803,297
Community amenities	2,602,014	2,179,293
Recreation and culture	5,214,677	4,986,189
Transport	115,213,096	97,169,420
Economic services	202,380	206,951
Other property and services	3,453,510	3,877,903
Unallocated	274,462	2,166,110
	130,504,598	113,118,748

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

17. CONTINGENT LIABILITIES

The Shire is not aware of any contingent liabilities as at 30 June 2018.

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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30TH JUNE 2018

18. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

The Shire did not have any future capital expenditure commitments at the reporting date

(b) Operating Lease Commitments

The Shire did not have any future operating lease commitments at the reporting date.

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

Leases (Continued)

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term.

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

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2018**

19. JOINT ARRANGEMENTS

The Shire together with Homeswest have a joint venture agreement with regards to the provision of two aged persons units in Bolgart and four aged persons units in Calingiri.

The only assets are the land and buildings. Council's twenty five per cent (25%) share of these assets is included in the Property, Plant & Equipment as follows:-

Non-current assets

Land and buildings
 Less: accumulated depreciation

	2018	2017
	\$	\$
	242,500	225,765
	(4,300)	(16,566)
	238,200	209,199

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. Refer to note 29 for a description of the equity method of accounting.

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.



**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

20. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

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

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Meeting Fees	57,500	67,500	65,313
President's allowance	6,500	6,500	6,500
Deputy President's allowance	1,625	1,625	1,625
Travelling expenses	10,122	4,000	15,699
Telecommunications allowance	10,257	15,000	8,954
	86,004	94,625	98,091

Key Management Personnel (KMP) Compensation Disclosure

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

	2018 \$	2017 \$
Short-term employee benefits	290,093	93,858
Post-employment benefits	37,476	13,805
Other long-term benefits	1,177	0
Termination benefits	32,692	62,214
	361,438	169,877

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

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

Transactions with related parties

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

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

The following transactions occurred with related parties:

	2018 \$	2017 \$
Purchase of goods and services	148,780	24,127
Amounts payable to related parties:		
Trade and other payables	16,618	1,226

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Entities subject to significant influence by the Shire

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

iii. Joint venture entities accounted for under the proportionate consolidation method

The Shire has a one-third interest in an environmental health and building service. The interest in the joint venture entity is accounted for in these financial statements using the proportionate consolidation method of accounting. For details of interests held in joint venture entities, refer to Note 19.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

21. MAJOR LAND TRANSACTIONS

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

22. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

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

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

23. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening Balance ⁽¹⁾ 1/07/16	Received ⁽²⁾ 2016/17	Expended ⁽³⁾ 2016/17	Closing Balance ⁽¹⁾ 30/06/17	Received ⁽²⁾ 2017/18	Expended ⁽³⁾ 2017/18	Closing Balance 30/06/18
	\$	\$	\$	\$	\$	\$	\$
Education and welfare							
Dept of Health - Suicide Prevention Grant	0	0	0	0	20,000	0	20,000
Dept of Local Government & Communities - Well Being Matters Grant	0	0	0	0	6,100	(150)	5,950
Total	0	0	0	0	26,100	(150)	25,950

Notes:

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

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

24. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
Differential general rate / general rate											
Gross rental valuations											
General GRV	0.093242	289	1,833,532	170,962	125	0	171,087	170,962	0	0	170,962
Unimproved valuations											
General UV	0.006969	220	300,951,500	2,097,331	(6,920)	(4,384)	2,086,027	2,097,331	0	0	2,097,331
Sub-Total		509	302,785,032	2,268,293	(6,795)	(4,384)	2,257,114	2,268,293	0	0	2,268,293
Minimum payment											
Gross rental valuations											
General GRV	420	73	92,528	30,660	0	0	30,660	30,660	0	0	30,660
Unimproved valuations											
General UV	550	54	1,426,958	29,700	0	0	29,700	29,700	0	0	29,700
Sub-Total		127	1,519,486	60,360	0	0	60,360	60,360	0	0	60,360
		636	304,304,518	2,328,653	(6,795)	(4,384)	2,317,474	2,328,653	0	0	2,328,653
Total amount raised from general rate							2,317,474				2,328,653
Ex-gratia rates							70,044				65,000
Totals							2,387,518				2,393,653

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

24. RATING INFORMATION (Continued)

(b) Specified Area Rate

No specified area rates were imposed by the Shire during the year ended 30 June 2018.

(c) Service Charges

No service charges were imposed by the Shire during the year ended 30 June 2018.

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

Rates Discounts

No rates discount was offered Shire during the year ended 30 June 2018.

Waivers or Concessions

No waivers or concessions were offered Shire during the year ended 30 June 2018.

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
Option One				
Single full payment	8-Sep-17			11.00%
Option Two				
First instalment	8-Sep-17			11.00%
Second instalment	8-Dec-17	4.50	5.50%	11.00%
Third instalment	9-Feb-18	4.50	5.50%	11.00%
Fourth instalment	9-Apr-18	4.50	5.50%	11.00%

	2018	2018 Budget
	\$	\$
Interest on unpaid rates	12,182	5,000
Interest on instalment plan	6,221	7,000
Charges on instalment plan	1,719	2,000
	20,122	14,000

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

25. NET CURRENT ASSETS

Composition of net current assets for
the purposes of the Rate Setting Statement

	2018 (30 June 2018 Carried Forward)	2018 (1 July 2017 Brought Forward)	2017 (30 June 2017 Carried Forward)
	\$	\$	\$
Surplus/(Deficit) 1 July 17 brought forward	229,463	474,406	474,406
CURRENT ASSETS			
Cash and cash equivalents			
Unrestricted	439,678	558,396	558,396
Restricted	650,797	720,678	720,678
Receivables			
Rates outstanding	27,350	61,081	61,081
Sundry debtors	226,083	210,812	210,812
GST receivable	45,194	69,583	69,583
Loans receivable - clubs/institutions	16,815	17,175	17,175
ESL Receivable	0	4,070	4,070
Accrued Income	6,474	190,391	190,391
Provision for doubtful debts	(1,251)	0	0
Inventories			
Fuel and materials	40,612	41,242	41,242
LESS: CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(342,063)	(504,309)	(504,309)
Accrued interest on long term borrowings	(3,665)	(3,882)	(3,882)
Accrued salaries and wages	(9,504)	(4,099)	(4,099)
Accrued expenditure	(18,272)	0	0
ATO liabilities	(70,178)	0	0
Payroll Creditors	0	(4,848)	(4,848)
Current portion of long term borrowings	(61,335)	(58,691)	(58,691)
Provisions			
Provision for annual leave	(71,020)	(59,291)	(59,291)
Provision for long service leave	(65,925)	(84,740)	(84,740)
Unadjusted net current assets	809,790	1,153,568	1,153,568
Adjustments			
Less: Reserves - restricted cash	(624,847)	(720,678)	(720,678)
Less: Loans receivable - clubs/institutions	(16,815)	(17,175)	(17,175)
Add: Current portion of long term borrowings	61,335	58,691	58,691
Adjusted net current assets - surplus/(deficit)	229,463	474,406	474,406

Difference

There was no difference between the surplus/(deficit) 1 July 2017 brought forward position used in the 2018 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2017 audited financial report.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2018**

26. FINANCIAL RISK MANAGEMENT

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

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

Financial risk management is carried out by the finance area under policies approved by the Council.

The Shire held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2018	2017	2018	2017
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	1,090,475	1,279,074	1,090,475	1,279,074
Receivables	552,784	800,060	552,784	800,060
	1,643,259	2,079,134	1,643,259	2,079,134
Financial liabilities				
Payables	443,682	517,138	443,682	517,138
Borrowings	478,033	537,268	515,441	581,752
	921,715	1,054,406	959,123	1,098,890

Fair value is determined as follows:

Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.

Borrowings, held to maturity investments, estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2018**

26. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

The Shire’s objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash portfolio. Council has an Investment Policy and the Policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

Cash is subject to interest rate risk - the risk that movements in interest rates could affect returns.

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

The Shire manages these risks by diversifying its portfolio and only investing in investments authorised by Local Government (Financial Management) Regulation 19C.

	2018	2017
Impact of a 1% ⁽¹⁾ movement in interest rates on cash	\$	\$
- Equity	13,975	15,872
- Statement of Comprehensive Income	13,975	15,872

Notes:

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2018**

26. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

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

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

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

The Shire makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

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

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

	2018	2017
	%	%
Percentage of rates and annual charges		
- Current	0%	0%
- Overdue	100%	100%
Percentage of other receivables		
- Current	99%	94%
- Overdue	1%	6%

26. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables and borrowings

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

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2018					
Payables	443,682	0	0	443,682	443,682
Borrowings	80,853	258,832	242,374	582,059	478,033
	524,535	258,832	242,374	1,025,741	921,715
2017					
Payables	517,138	0	0	517,138	517,138
Borrowings	80,853	269,633	312,425	662,911	537,268
	597,991	269,633	312,425	1,180,049	1,054,406

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

Year ended 30 June 2018	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
Borrowings								
Fixed rate								
Long term borrowings	20,292	0	0	77,136	0	390,605	488,033	3.96%
Weighted average Effective interest rate	6.58%			4.48%		3.78%		
Year ended 30 June 2017								
Borrowings								
Fixed rate								
Long term borrowings	0	19,937	0	0	20,584	497,276	537,797	2.72%
Weighted average Effective interest rate		6.58%			4.48%	2.49%		

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2018**

27. TRUST FUNDS

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

	1 July 2017	Amounts Received	Amounts Paid	30 June 2018
	\$	\$	\$	\$
BCITF	953	7,470	(6,171)	2,252
BSL	2,420	12,643	(11,745)	3,318
Gym Key Bonds	642	260	(40)	862
Hall Bonds	540	400	(200)	740
Tip Key Bonds	1,438	100	0	1,538
Transport Licencing	1	307,917	(305,820)	2,098
Other	1,387	640	(489)	1,538
	<u>7,381</u>			<u>12,346</u>

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28. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS

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

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

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

Notes:

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

28. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS (Continued)

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

Notes:

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

Adoption of New and Revised Accounting Standards

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

Whilst many reflected consequential changes associate with the amendment of existing standards, the only new standard with material application is as follows:

- | | |
|---|----------------|
| (i) AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities | 1 January 2017 |
| (ii) AASB 2016-7 Amendments to Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities | 1 January 2017 |

29. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

30. ACTIVITIES/PROGRAMS

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

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

PROGRAM NAME	OBJECTIVE	ACTIVITIES
GOVERNANCE	To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.
GENERAL PURPOSE FUNDING	To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY	To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
HEALTH	To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance
EDUCATION AND WELFARE	To provide services to disadvantaged persons, the elderly, children and youth.	Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services
HOUSING	To provide and maintain housing.	Provision and maintenance of elderly residents housing.
COMMUNITY AMENITIES	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.
RECREATION AND CULTURE	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.
TRANSPORT	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.

OTHER PROPERTY AND SERVICES

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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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

31. FINANCIAL RATIOS

	2018	2017	2016
Current ratio	1.26	1.67	1.85
Asset consumption ratio	0.68	0.97	0.98
Asset renewal funding ratio	0.84	0.94	1.03
Asset sustainability ratio	0.71	1.25	0.80
Debt service cover ratio	2.90	13.92	4.48
Operating surplus ratio	(0.60)	(0.32)	(0.86)
Own source revenue coverage ratio	0.50	0.51	0.46

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	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

Notes:

Three of the ratios disclosed above were distorted by the early receipt of Financial Assistance Grants.

	2017/18	2016/17	2015/16
	\$	\$	\$
Amount of Financial Assistance Grant received during the year relating to the subsequent year.	541,869	519,192	0
Amount of Financial Assistance Grant received in prior year relating to current year.	519,192	0	484,619

If the events detailed above did not occur, the impacted ratios in the 2018, 2017 and 2016 columns above would be as follows:

	2018	2017	2016
Current ratio	1.22	0.91	3.14
Debt service cover ratio	2.62	6.47	(0.67)
Operating surplus ratio	(0.60)	(0.51)	(0.67)

6 AUDITOR'S REPORT

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Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS, REGISTERED COMPANY
AUDITORS AND REGISTERED SMSF AUDITORS

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**INDEPENDENT AUDITOR'S REPORT
To the Electors of the Shire of Victoria Plains**

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the **Shire of Victoria Plains** which comprises the Statement of Financial Position as at 30 June 2018, 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, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

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

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the **Shire** for the year ended 30 June 2018 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 for the Audit of the Financial Report* section of my report. I am independent of the **Shire** in accordance with the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to 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.

Emphasis of Matter – Basis of Accounting

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

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

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

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



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

Auditor's Responsibility for the Audit of 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.

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

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

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

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 matters indicate significant adverse trends in the financial position of the **Shire**:
 - a. The Operating Surplus ratio has been below the DLGSCI standard for the past three years.



- (ii) No instances of material non-compliance with Part 6 of the *Local Government Act 1995*, the *Local Government (Financial Management) Regulations 1996* or applicable financial controls of any other written law were identified during the course of my audit;
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.
- (v) In my opinion, the asset consumption ratio and the asset renewal ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the **Shire of Victoria Plains** for the year ended 30 June 2018 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.

BILLY-JOE THOMAS
DIRECTOR
Joondalup, Western Australia
25th February 2019

ANDERSON MUNRO & WYLLIE
CHARTERED ACCOUNTANTS

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