

**ANNUAL REPORT
2021-2022**

Contents

Acknowledgement of Country	3
Shire of Wyalkatchem	4
Purpose of the Annual Report.....	4
President’s Report	5
Chief Executive Officer’s Report.....	7
Councillors.....	13
Organisational Structure as at 30 June 2022	14
Planning for the Future.....	15
Strategic Community Plan	16
Statutory Requirements	19
Councillor Attendance Record FY2021-2022	21
Annual Financial Report	22



Acknowledgement of Country

The Shire of Wyalkatchem acknowledges the traditional owners of the land, the Ballardong people of the Noongar nation, and pay our respects to Elders past, present and emerging.

We recognise the culture of the Noongar people and the unique contribution they make to the region and Australia.

Shire of Wyalkatchem

The Shire of Wyalkatchem is located 194km north-east of Perth. The Shire covers an area of 1,595 square kilometers with the main resident center being the town of Wyalkatchem.

Agriculture accounts for 60% of business in Wyalkatchem, which is reflected in the employment profile of the Shire, with 35% of all employed persons in the Shire working in this industry.

The shire has an estimated resident population of 470 (ABS census 2021).



Shire of Wyalkatchem Statistics	
Distance from Perth	194k
Area	1,595 km ²
Length of Roads	792.3 km
Population	470 (ABS 2021)
Number of Electors	345
Number of Dwellings	314
Total Rates Levied	\$1,348,125
Total Revenue	\$4,162,268
Number of Employees	15 FTE

Purpose of the Annual Report

The Western Australian Local Government Act 1995 requires every local government to produce an Annual Report by 31 December each year. In addition, the Annual Report:

- Is an essential tool to inform the community and key stakeholders about achievements, challenges and future plans;
- Promotes greater community awareness of the Shire's programs and services which contribute to a high quality of life for residents, visitors and stakeholders;
- Demonstrates the Shire's performance against the long-term vision of the Strategic Community Plan, projects and priorities detailed within the Shire's Corporate Business Plan;
- Provides information on about the Shire's organisational performance; and
- Illustrates the Shire's commitment to accountable and transparent government.

This Annual Report can also be viewed on the Shire's website at www.wyalkatchem.wa.gov.au

Shire of Wyalkatchem
 PO Box 224
 27 Flint Street
 Wyalkatchem WA 6485
 Telephone: 08 9681 1166
 Email: general@wyalkatchem.wa.gov.au
 Web: www.wyalkatchem.wa.gov.au

President's Report

In September 2021 the doctor employed to provide GP services to the Wyalkatchem & Koorda communities resigned. This triggered a recruitment effort that unfortunately, continues today. The Shire facilitates the supply of this service and the gap in the availability of a reliable, locally based GP to provide in-person services has weighed heavily on the Wyalkatchem & Koorda communities.



I would like to express my great thanks to Dr Emmanuel Awogun for his continuing efforts to serve our communities through telehealth consultation and his fortnightly visits to provide in-person consultations.

I would also like to thank the Koorda Council and in particular President Jannah Stratford and CEO Darren Simmons for their commitment to our partnership and our recruitment strategy.

We have worked closely with our Koorda colleagues, as well as with Dr Emmanuel Awogun and staff at Rural Health West to find a replacement. I don't believe there is any more we could be doing.

It is possible that the COVID restrictions may have contributed to the difficulties we have faced in recruiting a replacement GP and our ongoing reliance on telehealth services. But ultimately this doesn't explain how more than 100 GP vacancies currently exist across regional WA alone.

The immediate solution requires building the pool of available GP's through a combination of immigration and the training of more local doctors.

The current shortage is exacerbated by the ageing GP workforce and their impending retirements, a situation that will further disadvantage regional locations, such as Wyalkatchem in future years. It is important that actions are put in place now to increase GP immigration & training.

The Shire of Wyalkatchem has participated in a number of roundtable meetings with the Minister for Local Government on this matter and I am hopeful that through Minister Carey's intervention that the pressure on GP recruitment will ease over the next 12 months.

In the meantime, we continue to do everything possible to recruit a GP to serve our community.

Over the last few years our privately-owned caravan park has been closed and this has been a source of substantial community frustration.

There are limits on Council's ability to address this problem but we've been available to support and promote the introduction of new owners at every opportunity. We were therefore delighted when the park was sold to Brendon and Michelle Eaton. Both have been an incredibly welcome addition to our community and we wish them the best of luck in their future efforts to build this business and contribute to the overall prosperity of our town.

One of the shire's leading attractions, the Wyalkatchem CBH Agricultural Museum celebrated 40 years of service to the community on 9 November 2021. The museum was officially opened in 1981 by the Hon H.W. (Mick) Gayfer. The museum showcases an original 1936 K-type storage facility and displays the history of the CBH and grain production in the local area.

My congratulations to Museum President David Holdsworth and his fellow committee members for their continuing commitment to preserving and presenting this important history.

The Shire of Wyalkatchem has maintained its membership of the North Eastern Wheatbelt Regional Organisation of Councils (NEWROC) and has been pleased to support its progress towards development of a subsidiary to enable NEWROC in its own right, to enter supply or service contracts, employ staff & deliver outcomes in its own right. It is hoped that Ministerial approval will be granted in the near future.

NEWROC continued to support the expansion of the Crisp wireless tower network, explored opportunities to secure greater power reliability, enhance waste management and promote regional cooperation.

The Council's support for NEWROC is strategic and enables its member councils to explore service improvements that the councils would otherwise be incapable of pursuing by themselves.

The Council has also maintained its support for the Central East Aged Care Alliance (CEACA) which, is a collaboration of initially, 11 wheatbelt shires. CEACA was formed in 2012 and has constructed and now manages 71 age-appropriate homes. Four of these homes are in Wyalkatchem.

During FY21/22 occupancy has been almost 100% which demonstrates the success of this model and vindicates Wyalkatchem's participation as a member of this partnership. The Wyalkatchem Shire is hopeful of expanding the number of units CEACA has available in Wyalkatchem within the next couple of years.

During 2021 we received the nominations for the Citizens of the Year Awards. Due to COVID restrictions the physical event was delayed, to be held in September 2022. However, let that not affect my ability to recognise the very worthy award winners in this report.

Each year, the Citizen of the Year Awards give Local Governments around the state the opportunity to acknowledge the contribution and celebrate community engagement of people within the community. Congratulations to the following on being nominated for their contribution to Wyalkatchem during 2021;

- Community Citizen of the Year - Rachel Nightingale
- Senior Community Citizen of the Year - Sheryl Wemm
- Young Citizen of the Year - Emily Van Essen
- Active Citizenship Award - Melinda Hutchison & Dianne Davies (Ladies Long Table Lunch)

The contribution of each of these individuals has been significant and I thank each winner again for their commitment to the wellbeing of the community.

This year has seen the Shire induct two new councillors, Christy Petchell and Christopher Loton. Both have made a significant and positive contribution to Council performance since their appointment.

In addition to her contributions to Council, Christy has led the development of a local business network, bringing together local business people to share their challenges and ideas for business and community improvements.

I would also like to acknowledge our longer serving Councillor Deputy President Owen Garner and Councillors Emma Holdsworth, Mischa Stratford and Steve Gamble for their commitment to task and positive contribution to council performance. Their contribution is invaluable and much appreciated.

Finally, to our CEO Peter Klein. I have appreciated Peters efforts to create an inclusive workplace that places a high priority on staff engagement and wellbeing. The cultural improvement is apparent and some excellent achievements were booked during the course of the year. I offer my sincere appreciation to all staff for their contribution to these achievements.

I look forward to a continuation of the improving trend in culture and staff and organisational performance during the financial year 2022/23.

Cr Quentin Davies
President

Chief Executive Officer's Report

This year has again been impacted by disruptions caused by COVID-19 controls including, movement restrictions and isolation requirements followed by a spike of infections after the border reopening on 5 February 2022.

The state and local government's messaging on the importance of vaccination against COVID-19 was effective with vaccination rates in Wyalkatchem being consistently above the state's averages for first, second & booster vaccinations.

Despite this disruption, the Shire has enjoyed a productive year, delivering significant infrastructure and service improvements, a more stable & engaged workforce and stronger linkages with community.

These outcomes have been achieved with significant effort from Shire Staff and in particular I would like to acknowledge the commitment and performance of Works Manager Terry Delane and his leading hands Eric Anderson and Cris Pavasic and their respective teams.

Implementation of the Shire's new Water Security Plan got underway with upgrades to the stormwater catchment. This involved work on a number of fronts including modifications to the intersection of Flint & Gamble Streets, Gamble Street & Railway Tce and along Thurstun St.

This work is already paying dividends ensuring the efficient capture of stormwater from the 2021/22 Autumn and early Winter rains.

Despite average rainfall during 2021, the Town Dam which, irrigates the Recreation Reserve, had insufficient water to last the irrigation season. This deficit highlights the importance of efficient capture of stormwater and the opportunity presented by pumping water to the Town Dam from both the White and Railway Dams.

The Shire's next project, to be supported by a new Department of Water grant will involve the refurbishment of channels directing water to the Railway Dam and the installation of a solar pump to pump water from the White Dam to the Town Dam.

Longer term elements of the Shire's water security plan include;

1. Installing a water pipe to carry water from the Railway Dam to the Town Dam;
2. A suitably sized pump is available to deliver Railway Dam water to the Town Dam;
3. The White Dam pipeline is modified to allow water to be carried between the White Dam & the Museum tanks;
4. A pipeline is established to enable the transfer of water from the Museum tanks to the Pioneer Park tank.
5. A reticulation system is installed to enable Railway Tce and Waterwise gardens to be reticulated from the Museum tanks.
6. A reticulation system is established to enable Pioneer Park gardens to be watered from the Pioneer Park tank.



Main Street Improvements.

Utilising funds from the Federal Government's Local Roads & Community Infrastructure Program, the Shire was able to deliver a much-needed refurbishment of the main street's wheatbelt garden, playground & picnic areas.

Our thanks for Ligna Construction for their contribution to this successful project that included;

Wheatbelt garden;

- Pruning & removal of dead plants
- Reticulation system overhaul
- In-fill planting
- Mulching

Playground upgrade;

- Removal of old plastic play equipment
- Installation of a new timber adventure playground
- Planting of 5 shade trees (Jacarandas)
- Concrete paving
- Installation of a new drinking fountain

The completion of these works has significantly lifted the main street appearance and is contributing to improved services to both locals and tourists.



Railway Tce – Asphalt Works

The main street received a further boost with the delivery of a project to tidy up and reseal the carpark area opposite the Hotel and the area north of the Goods Shed.

The bitumen seal at these locations was breaking up and pot-holed and the asphalt overlay applied by Stirling Asphalt has produced an aesthetic boost to the area.



Regional Waste Management Study and the new Wyalkatchem Tip Cell

Earlier this year NEWROC contracted ASK Waste Management (ASK) to;

- a) undertake detailed financial modelling into converting and expanding the existing Wyalkatchem landfill site into the regional landfill site; and
- b) produce a set of recommendations to guide NEWROC’s implementation of this concept.

The NEWROC preferred option requires participating shires to close their existing landfill sites and establish in their place, transfer stations to receive community and recyclable waste. Household waste from kerb-side collection would be delivered directly to the regional landfill site and so by-pass the transfer station.

The regional landfill site is forecast to receive approximately 4,500t of waste per year.

The Ask report concluded that most landfills in the region are nearing capacity and will require expansion within the foreseeable future. The cost of expanding landfill sites, as a result of current environmental standards is significant and the increasing cost of compliance with best practice operations is driving communities across regional WA towards the establishment of transfer stations.

A further study has determined that the operating life of the Wyalkatchem site as a regional landfill is between 24 & 30 years.

A preliminary business case produced by the Shire of Wyalkatchem for NEWROC, determined that three of seven councils will pay less per year for waste management, two will be marginally worse off (<\$10k) and two will be significantly worse off (>\$20k) but will be receiving a significantly improved waste management service.

No decision has yet been made by Council to commit the Wyalkatchem landfill site to NEWROC shires however, the calculated operating life combined with the cost and service improvement justifies further exploration of this option during 2022/23.

<p>Wyalkatchem Tip – New Cell</p> <p>Due to the existing landfill cell nearing capacity, a new cell was constructed and commissioned during the year.</p> <p>The Council notes community’s dissatisfaction with existing landfill management arrangements including our unsupervised, 24/7 tip access, its alleged use by people from neighbouring shires who do not contribute to running costs and inadequate control over the dumping of oil & chemical containers and some controlled waste products.</p> <p>These concerns may be addressed by the introduction of the regional landfill solution which at best, is a medium-term opportunity.</p> <p>A shorter-term solution is required and this objective will be carried into 2022/23 as a priority project.</p>	
--	--

Recreation Reserve Lighting

Following storm damage to one of four major light towers at the Recreation reserve, the Shire installed a new light pole along with new lights that incorporated LED globes.

The quality of the light produced is considerably better than that produced by the earlier technology.

The reinstatement of this tower was well received by the football club and equally importantly, positions the community to better provide for both the Rodeo (27 August) and the Variety Club visit (2/3 September).

Roadworks

Each year the Shire receives state government road funding under the Regional Road Group program.

The 2021/22 program was valued at \$636,166, which comprises a shire contribution of \$212,055 and a government grant of \$424,111.

The works delivered under this program are summarised in the following table;



ROAD NAME	SLK'S	PROJECT DESCRIPTION	TOTAL ESTIMATED COST (\$)	RRG COMPONENT COST (\$)	MATCHING MUNICIPAL COMPONENT COST (\$)
Tammin / Wyalkatchem Rd	10.60	SLK 10.60 – 17.45 Reseal section.	\$286,440	\$190,960	\$95,480
	- 17.78	SLK 17.45 – 17.78 Reconstruct pavement to achieve a Type 6 standard sealed pavement- 8.0mm seal width and min 10.0m wide carriageway.			
Cunderdin / Wyalkatchem Rd	28.85	Widen shoulders & reconstruct pavement to achieve a Type 6 standard sealed pavement – 8.0m seal width and Min 10.0m wide carriageway.	\$349,726	\$233,151	\$116,575
	- 31.05				
TOTAL PROGRAM COST			\$636,166	\$424,111	\$212,055

In addition, an extensive program of maintaining and in some cases, upgrading the Shire's gravel roads was successfully delivered.

NAB Building

The National Australia Bank closed its doors in Wyalkatchem for the last time on 9 September 2021 and to complete its exit, NAB sought Council's interest in receiving the building as a gift.

The cost implications of receiving this gift (maintenance & capital upkeep & insurances) and implications of receiving a gifted asset on financial performance were assessed before a final decision to accept the gift was made.

The Council plans to make some superficial external improvements to the building but no internal modifications will be pursued until a future community use for the building is identified. Caveats exist on how the building can be used until mid-2027.

Some preliminary discussion on uses for this building include its use as a gallery to display local art, a gymnasium, rooms for allied health services or a youth center.

A Shire process to identify the preferred use for this site will be initiated in 2022/23.

Wyalkatchem Fair

The Wyalkatchem Fair was held on 9 October 2021 and was attended by more than 600 people. The net cost of hosting the Fair to Council was \$42,968.

Although the show bags, food stalls and side-show-alley type activities were popular the crowd was significantly attracted by the monster trucks and motorbikes which, were a huge success. If the Fair is to be repeated a feature activity will be required to repeat the success.



Consideration is being given to hosting this event every second year with the next event potentially being held in 2023/24.

Pioneer Park

The Council is pleased to announce that it has entered into discussions of a Deed of Agreement with a group of active locals, to assist it in the management and maintenance of the Pioneer Park rose gardens. The Council is confident that with on-going community support the Park will flourish.

The Council looks forward to working with the Pioneer Park volunteers and ultimately to healthy, robust Pioneer Park gardens.

Wyalkatchem Welfare Centres

Following the damage caused by Cyclone Seroja throughout the Wheatbelt, the Local Emergency Management Committee requested that the Shire explore if its buildings, identified as potential welfare centers were structurally sound.

In response, the Shire contracted Rite Build Group to inspect and report on the structural integrity of each of these buildings. These buildings included;

- Town Hall;
- Recreation Centre;
- Airport Terminal Building and
- Shire Office

The inspection concluded that upgrades are required to all buildings.

The Local Emergency Management Committee will be giving further consideration to this matter.

Caravan Park

The Wyalkatchem Shire was delighted to welcome the new owners of the Wyalkatchem Traveler's Park Brendan and Michelle Eaton and their efforts in reopening the park on 8 March 2022.

The Traveler's Park plays an important role in the community, attracting and retaining tourists and their support of local businesses and services including the museum and other attractions. It great to see the Park back in action and the Shire stands ready to support the efforts of Brendan & Michelle in growing their business.



Supporting Local Business

A shout out to Councillor Christy Petchell for her initiative in establishing a local network to support and promote local businesses. These meetings are positively impacting business relationships and town culture and she is to be commended on this initiative.

Finally, I wish to thank councillors for their support and their positive and open-minded approach to problem solving and promoting the interest of its community. Much has been achieved during 2021/22.

I would also like to thank our staff again for their commitment to Council & community and I look forward to an equally challenging FY2022/23 where delivered outcomes and our collective wellbeing is taken to the next level.

Peter Klein
Chief Executive Officer

Councillors



Shire President
Cr Quentin Davies
Term Expires 2023
0408 346519
cr.davies@wyalkatchem.wa.gov.au



Shire Deputy President
Cr Owen Garner
Term Expires 2025
0429 825 069
cr.garner@wyalkatchem.wa.gov.au



Cr Emma Holdsworth
Term Expires 2025
0429 015 062
cr.holdsworth@wyalkatchem.wa.gov.au



Cr Mischa Stratford
Term Expires 2023
0438 464 421
cr.stratford@wyalkatchem.wa.gov.au



Cr Stephen Gamble
0427 815 031
Term Expires 2023
cr.gamble@wyalkatchem.wa.gov.au

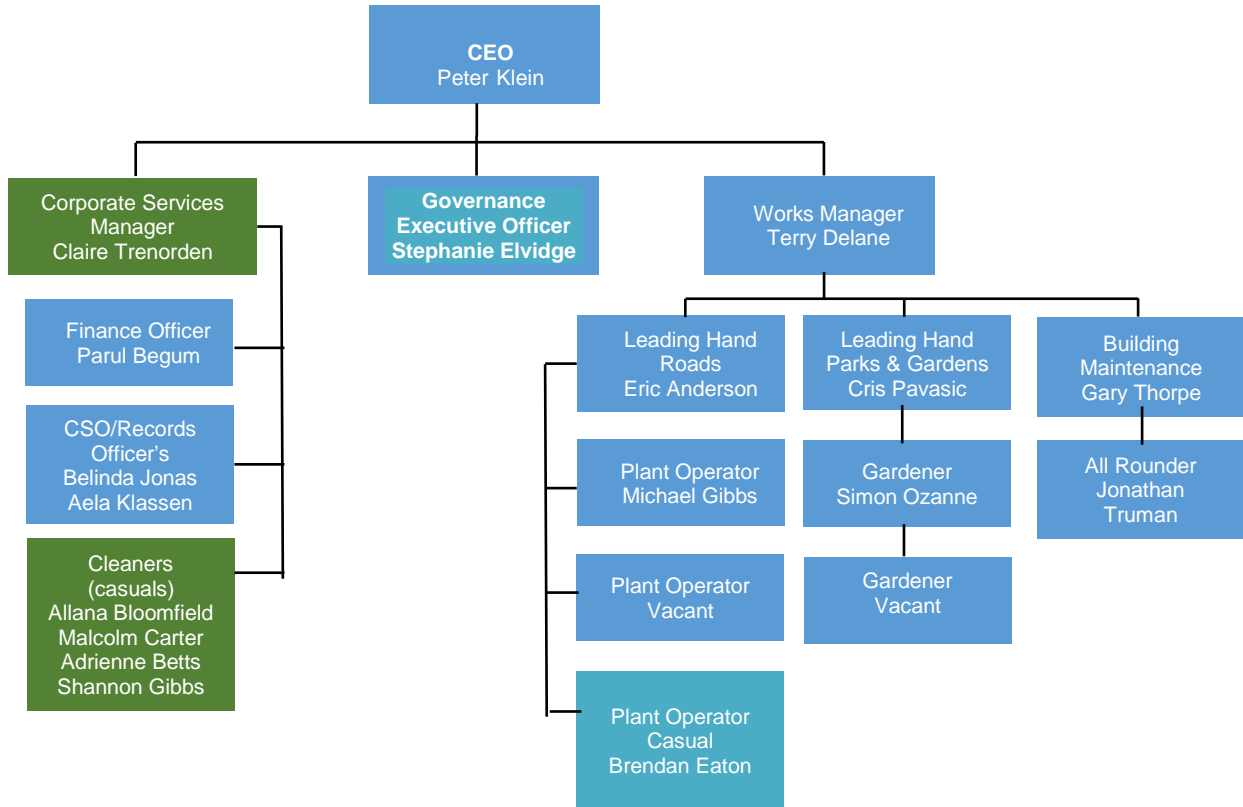


Cr Christy Petchell
0404 121 979
Term Expires 2025
cr.petchell@wyalkatchem.wa.gov.au

Cr Christopher Loton
0451 392 928
Term expires 2025
cr.loton@wyalkatchem.wa.gov.au



Organisational Structure as at 30 June 2022



Legend

- Existing Position
- Part time & casuals Position

Planning for the Future

Integrated Planning and Reporting Framework

All Western Australian local governments are required to prepare a Plan for the Future for their district under Section 5.56(1) of the Local Government Act 1995. The Plan for the Future comprises the following two key strategic documents¹, which a local government is required to have regard for when forming its annual budget.

Strategic Community Plan – adopted 18/02/2021 – Council’s principal 10-year strategy and planning tool. It is the principal guiding document for the remainder of the Shire’s strategic planning as community engagement is central to this Strategic Community Plan.

Corporate Business Plan – Council’s 4-year planning document. The core components of this Corporate Business Plan include a 4-year delivery program, aligned to the Strategic Community Plan and accompanied by 4-year financial projections.

Development of the Strategic Community Plan and Corporate Business Plan is undertaken in accordance with the Integrated Planning and Reporting Framework and Guidelines. An essential element of the Integrated Planning and Reporting process is to enable community members and stakeholders to participate in shaping the future of the community and in identifying issues and solutions. It is designed to articulate the community’s vision, aspirations, outcomes and priorities for the future of the district.

Importantly, the Strategic Community Plan and Corporate Business Plan are informed by several other key plans and processes. The connection between the community and the Shire’s strategic plans, annual budget and corporate documents developed to guide the Shire in delivering services to the community are shown in the diagram below.

Diagram: The Integrated Planning Structure



Strategic Community Plan

Based on consultation with community and Councilor's, the plan sets out the vision for the Shire of Wyalkatchem and captures the community's aspirations and values.

OUR VISION

“To be a socially interactive and inclusive community that embraces our rural character and sense of community”

OUR ASPIRATIONS

- **An inclusive & engaged community that is healthy, safe and active**
- **A diverse and strengthening local economy**
- **Natural & built environments supporting a connected community**
- **Accountable, effective and engaged leaders**



What is the Strategic Community Plan

The Strategic Community Plan is the Shire's long-term plan for the future. It helps Council to ensure that local government service delivery is consistent with and supports the community's aspirations for the Shire.

A strategic objective has been developed for each of four identified key areas of community interest, being Economic; Environmental; Community and Leadership. Desired outcomes have been determined to achieve each of the objectives after considering the Shire's current and future resources, demographic trends and internal and external influences.

The Strategic Community Plan guides decision making through the Corporate Business Plan and Annual Budget. It helps to determine priorities for the delivery of services, projects and programs.

All local governments within Western Australia are required to plan their services using this Framework. The Strategic Community Plan, Corporate Business Plan and Annual Budget form part of the core section of the Shire's Integrated Planning and Reporting Framework. The Shire's Asset Management Plan, Long Term Financial Plan and Workforce Plan are Informing Strategy documents which support the Framework.

The community's aspirations will be achieved by identifying and delivering strategies that are developed to achieve one or more of the following goals;

Goal 1 A safe and healthy community	Goal 7 We have vibrant, active public open spaces and buildings with high levels of utilisation and functionality
Goal 2 An active, engaged and social community	Goal 8 Our built environment responds to the accessibility and connectivity needs of all
Goal 3 A community for all ages	Goal 9 Sustainable management of resources
Goal 4 Increase visitors to our region	Goal 10 Transparent, accountable and effective governance
Goal 5 Growth in business opportunity	Goal 11 Community and customer service focus
Goal 6 Essential services and infrastructure are available to support the community and local economy	Goal 12 Form strategic partnerships and advocate for the community

How the Strategic Community Plan will be used

The Strategic Community Plan outlines how the Shire will, over the long term, work towards a brighter future for the Shire of Wyalkatchem community as it seeks to achieve its vision inspired by the community's aspirations.

Looking to the future, the Strategic Community Plan will influence how the Shire uses its resources to deliver services to the community. The Strategic Community Plan forms the primary driver for all other planning undertaken by the Shire.

The Shire of Wyalkatchem intends to use the Strategic Community Plan in several ways, including:

- Guide Council priority setting and decision making;
- Be a mechanism for the ongoing integration of local planning initiatives;
- Inform the decision making of other agencies and organisations, including community and State Government;
- Provide a rationale to pursue grants and other resources by demonstrating how specific projects align with the aspirations of our community, within the strategic direction of the Shire;
- Inform potential investors and developers of our community's key priorities, and the way we intend to grow and develop;
- Engage local businesses, community groups and residents in various ways to contribute to the Shire's future; and
- Provide a framework for monitoring progress against our vision.

Community Strategic Plan Informs Corporate Business Plan

In conjunction with the adoption of a reviewed Community Strategic Plan, council will also prepare a Corporate Business Plan being a 4-year program on delivery of priorities within the Community Strategic Plan. The Corporate Business Plan will provide strategic direction on the actions required to achieve the Community Strategic Plan. This document will underpin Council's short to medium term direction.

Council will also be developing other informing strategies such as Long-Term Financial Plans, Asset Management Plans and Workforce plans. These documents have a direct link in ensuring that Council has the resources available to achieve its strategic direction.

Corporate Business Plan

Council's Corporate Business Plan was updated during 2020/21 to align with the newly adopted Strategic Community Plan, as well as informing the 2021/2022 budget.

Other Planning Documents

In addition to reviewing Council's Strategic Community Plan and Corporate Business plan, Council is actively progressing a number of informing strategies including, but not limited to: Long Term Financial Plan; Asset Management Plan and Workforce Plan. The development of these documents will occur in 2022 and will align to the reviewed plans.

Statutory Requirements

It is a requirement that the Shire of Wyalkatchem include information regarding the following documents in its Annual Report.

Disability Access and Inclusion Plan

Under the *Disability Services Act 1993 (amended 2004)*, all Western Australian Local Governments are required to develop and implement a Disability Access and Inclusion Plan (DAIP), addressing seven desired outcomes, to be reviewed on an annual basis and reported on to the Disability Services Commission (DSC) by 31 July each year.

Council has an endorsed DAIP which was reviewed in March 2020. Council is required to report on our present activities as they relate to the seven desired DAIP outcomes.

The seven desired outcomes that provide a framework for strategies aimed at improving access and inclusion for people with disabilities. The following strategies are incorporated in Councils implementation plan, subsequent budget and other strategic planning documents.

1. People with disability have equal opportunity to access all events organised by the Shire of Wyalkatchem.
2. People with disability have equal opportunity to access buildings and other Wyalkatchem Shire facilities.
3. People with disability receive the same level and quality of information from the Shire of Wyalkatchem in a format that will enable them to access the information as readily as other people are able to access it.
4. People with disability receive the same level and quality of service from the staff of the Shire of Wyalkatchem as other people receive from the staff of that public authority.
5. People with disability have equal opportunity to lodge complaints to the Shire of Wyalkatchem.
6. People with disability have equal opportunity to access all public consultation events; and
7. People with disability have equal opportunity to obtain & maintain employment with the Shire of Wyalkatchem

The Shire of Wyalkatchem Disability Access and Inclusion Plan will be reviewed in FY2022/2023.

State Records Act

The *State Records Act 2000* requires the Shire to maintain and dispose of all records in the prescribed manner. Principle 6 – Compliance: Government Organisations ensure their employees comply with the record keeping plan.

Rationale:

An organisation and its employees must comply with the organisations record keeping plan. Organisations should develop and implement strategies for ensuring that each employee is aware of the compliance responsibilities.

Minimum Compliance Requirements:

The record keeping plan is to provide evidence to adduce that:

1. The efficiency and effectiveness of the organisations record keeping system is evaluated not less than once every 5 years.
2. The organisation conducts a record keeping training program.
3. The efficiency and effectiveness of the record keeping training program is reviewed from time to time.
4. The organisation's induction program addresses employee roles and responsibilities in regard to their compliance with the organisation's record keeping plan.

The Shire has complied with all items.

Note on Item 1 – The Shire of Wyalkatchem is currently transitioning to an Electronic Records Keeping System. The implementation of the new system has a direct impact on Councils record keeping plan and the internal management of Council’s records and as a result, the record keeping plan will require a major review on full implementation of the new electronic record management system, including procedures and guidance notes.

The Shire has not yet been able to achieve the implementation of the system in this financial year and every effort will be made with archiving and disposal in FY 22/23.

Complaints Register

Section 5.121 of the *Local Government Act 1995* requires the Annual Report to contain details of the entries made in the Complaints Register regarding complaints made about elected members.

There were no complaints lodged against elected members in the year under review.

Freedom of Information

Part 5 of the *Freedom of Information Act 1992* requires an agency such as a local government to prepare and publish an information statement.

The Shire of Wyalkatchem has developed an information statement which can be inspected on the Shire’s website or by contacting the Shire Office.

The Shire of Wyalkatchem did not receive any applications under the *Freedom of Information Act 1992* during the 2021- 2022 financial year.

Employee Remuneration Disclosure

Regulation 19B of the *Local Government (Administration) Regulation 1996* requires the Shire to include the following information in its Annual Report:

- The number of employees of the Shire entitled to an annual salary of \$130,000 or more; and
- The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$130,000.

Set out below, in bands of \$10,000, is the number of employees of the Shire entitled to an annual salary of \$130,000 or more for 2021/2022:

Salary Range

\$ From	\$ To	Number of Employees
130,000	139,999	0
140,000	149,999	1
Total		1

Public Interest Disclosures

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

The Chief Executive Officer has complied with all obligations under the Act including:

- Appointing the Governance Executive Officer as the Public Interest Disclosure officer for the organisation and publishing an internal procedure relating to the Shire’s obligation.

- Providing protection from detrimental action or the threat of detrimental action for an employee of the Shire who makes an appropriate disclosure of public interest information.

National Competition Policy

This policy was introduced by the Commonwealth Government in 1995 to promote competition for the benefit of business, consumers and the economy by removing what was considered to be unnecessary protection of monopolies of markets where competition can be enhanced. It effects local governments as factors such as exemption from company and income tax or possible local regulations and laws may give local government a potential advantage over private contractors.

In respect to Council’s responsibilities under to the National Competition Policy, the Shire reports as follows:

- No business enterprise of the Shire of Wyalkatchem has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or a Public Financial Enterprise.
- Competitive neutrality has not applied to any activities undertaken by the Shire in this reporting period.
- No allegations of non-compliance with the competitive neutrality principles have been made by any private entity.
- The principles of competitive neutrality will be implemented in respect of any relevant activity undertaken during the next financial reporting period.

A further requirement of the National Competition Policy is that all Council Local Laws are reviewed every eight years to determine whether they are in conflict with competitive neutrality and comply with the *Local Government Act 1995*. All local laws are in the process of being reviewed for adoption FY22/23.

Councillor Attendance Record FY2021-2022

ELECTED MEMBERS MEETING ATTENDANCE REGISTER 2021 - 2022																	
ATTENDANCE	JUL 2021 W/SHOP	JUL 2021 OMC	JUL 2021 Special	AUG 2021 W/SHOP	AUG 2021 OMC	AUG 2021 SMC	AUG 2021 ARC	SEP 2021 W/SHOP	SEP 2021 OMC	OCT 2021 W/SHOP	OCT 2021 ARC	OCT 2021 OMC	NOV 2021 W/SHOP	NOV 2021 OMC	DEC 2021 W/SHOP	DEC 2021 OMC	DEC 2021 ARC
Cr Quentin Davies																	
Cr Owen Garner	Apol	Apol															
vacant										Christy Petchell							
Cr Emma Holdsworth																	
Cr Steve Gamble																	
Cr Mischa Stratford																	
ATTENDANCE	FEB 2022 W/SHOP	FEB 2022 OMC	FEB 2022 AGEM	FEB 2022 ARC	MAR 2022 W/SHOP	MAR 2022 OMC	APR 2022 W/SHOP	APR 2022 OMC	MAY 2022 W/SHOP	MAY 2022 ARC	MAY 2022 OMC	JUNE 2022 W/SHOP	JUN 2022 OMC				
Cr Quentin Davies																	
Cr Owen Garner																	
Cr Christy Petchell																	
Cr Emma Holdsworth																	
vacant							Christopher Loton										
Cr Steve Gamble																	
Cr Mischa Stratford												Leave	Leave				

Annual Financial Report

SHIRE OF WYALKATCHEM

FINANCIAL REPORT YEAR ENDED 30TH JUNE 202



SHIRE OF WYALKATCHEM
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

Certification of Financial Report	2
Statement of Comprehensive Income by Nature or Type	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Rate Setting Statement	7
Index of Notes to the Financial Report	8
Independent Auditor's Report	49

The Shire of Wyalkatchem conducts the operations of a local government with the following community vision:

In 2023 Wyalkatchem will be sustainable with growth in population, supporting businesses, services and infrastructure: residents will be healthy, safe and caring, surrounded by welcoming public places and a valued natural and built environment.

Principal place of business:
27 Flint Street
Wyalkatchem WA 6485



**SHIRE OF WYALKATCHEM
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

The attached financial report of the Shire of Wyalkatchem for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the Shire of Wyalkatchem at 30 June 2022 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 11th day of November 2022



Chief Executive Officer

Peter Klein



SHIRE OF WYALKATCHEM
 STATEMENT OF COMPREHENSIVE INCOME
 BY NATURE OR TYPE
 FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
Revenue				
Rates	26(c),2(a)	1,348,125	1,353,953	1,314,471
Operating grants, subsidies and contributions	2(a)	2,550,270	1,014,703	2,199,703
Fees and charges	2(a)	245,975	221,653	231,686
Interest earnings	2(a)	13,823	22,500	21,806
Other revenue	2(a)	4,075	4,600	4,741
		4,162,268	2,617,409	3,772,407
Expenses				
Employee costs		(1,279,564)	(1,377,749)	(1,136,798)
Materials and contracts		(1,471,651)	(1,170,764)	(1,447,054)
Utility charges		(172,262)	(210,004)	(201,571)
Depreciation	9(a)	(1,474,840)	(1,399,341)	(1,416,383)
Finance costs	2(b)	(9,153)	(19,114)	(8,281)
Insurance		(153,432)	(148,308)	(139,708)
Other expenditure	2(b)	(42,309)	(46,135)	(39,705)
		(4,603,211)	(4,371,415)	(4,389,500)
		(440,943)	(1,754,006)	(617,093)
Capital grants, subsidies and contributions	2(a)	1,156,156	1,246,563	717,515
Profit on asset disposals	9(b)	49,505	37,273	108,391
Loss on asset disposals	9(b)	0	0	(3,000)
Fair value adjustments to financial assets at fair value through profit or loss		2,998	0	8,955
		1,208,659	1,283,836	831,861
Net result for the period	25(b)	767,716	(470,170)	214,768
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	0	0	3,788,386
Total other comprehensive income for the period	15	0	0	3,788,386
Total comprehensive income for the period		767,716	(470,170)	4,003,154

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



SHIRE OF WYALKATCHEM
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	NOTE	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	3	2,704,077	4,771,461
Trade and other receivables	5	316,549	141,027
Other financial assets	4(a)	2,958,155	0
Inventories	6	1,375	7,874
TOTAL CURRENT ASSETS		5,980,156	4,920,362
NON-CURRENT ASSETS			
Trade and other receivables	5	24,632	18,722
Other financial assets	4(b)	58,353	55,355
Property, plant and equipment	7	13,628,012	13,751,481
Infrastructure	8	51,067,594	50,354,661
Right-of-use assets	10(a)	1,701	5,076
TOTAL NON-CURRENT ASSETS		64,780,292	64,185,295
TOTAL ASSETS		70,760,448	69,105,657
CURRENT LIABILITIES			
Trade and other payables	11	1,081,911	262,558
Other liabilities	12	358,178	218,089
Lease liabilities	10(b)	1,723	3,412
Borrowings	13	50,192	47,440
Employee related provisions	14	64,992	72,573
TOTAL CURRENT LIABILITIES		1,556,996	604,072
NON-CURRENT LIABILITIES			
Lease liabilities	10(b)	0	1,723
Borrowings	13	53,126	103,318
Employee related provisions	14	26,356	40,290
TOTAL NON-CURRENT LIABILITIES		79,482	145,331
TOTAL LIABILITIES		1,636,478	749,403
NET ASSETS		69,123,970	68,356,254
EQUITY			
Retained surplus		25,119,432	24,751,838
Reserve accounts	29	2,958,155	2,558,033
Revaluation surplus	15	41,046,383	41,046,383
TOTAL EQUITY		69,123,970	68,356,254

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



**SHIRE OF WYALKATCHEM
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2020		24,674,483	2,420,620	37,257,997	64,353,100
Comprehensive income for the period					
Net result for the period		214,768	0	0	214,768
Other comprehensive income for the period	15	0	0	3,788,386	3,788,386
Total comprehensive income for the period		214,768	0	3,788,386	4,003,154
Transfers from reserves	29	40,000	(40,000)	0	0
Transfers to reserves	29	(177,413)	177,413	0	0
Balance as at 30 June 2021		24,751,838	2,558,033	41,046,383	68,356,254
Comprehensive income for the period					
Net result for the period		767,716	0	0	767,716
Total comprehensive income for the period		767,716	0	0	767,716
Transfers from reserves	29	273,800	(273,800)	0	0
Transfers to reserves	29	(673,922)	673,922	0	0
Balance as at 30 June 2022		25,119,432	2,958,155	41,046,383	69,123,970

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



SHIRE OF WYALKATCHEM
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		1,344,386	1,353,953	1,315,592
Operating grants, subsidies and contributions		2,383,441	1,014,703	2,391,759
Fees and charges		277,125	221,653	239,600
Interest received		13,823	22,500	21,806
Goods and services tax received		115,776	250,000	266,015
Other revenue		5,253	4,600	19,587
		4,139,804	2,867,409	4,254,359
Payments				
Employee costs		(1,046,691)	(1,377,749)	(1,148,310)
Materials and contracts		(674,650)	(1,170,764)	(1,343,688)
Utility charges		(172,262)	(210,004)	(201,571)
Finance costs		(8,056)	(19,114)	(8,281)
Insurance paid		(153,432)	(148,308)	(139,708)
Goods and services tax paid		(426,889)	(250,000)	(292,452)
Other expenditure		(21,538)	(46,135)	(39,705)
		(2,503,518)	(3,222,074)	(3,173,715)
Net cash provided by (used in) operating activities	16(b)	1,636,286	(354,665)	1,080,644
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	7(a)	(542,750)	(1,625,000)	(524,605)
Payments for construction of infrastructure	8(a)	(1,608,220)	(1,716,840)	(954,532)
Non-operating grants, subsidies and contributions		1,316,761	1,028,474	717,515
Payments for financial assets at amortised cost		(2,958,155)	0	0
Proceeds from sale of property, plant & equipment	9(b)	139,546	135,000	184,609
Net cash provided by (used in) investing activities		(3,652,818)	(2,178,366)	(577,013)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	28(a)	(47,440)	(79,205)	(44,810)
Payments for principal portion of lease liabilities	28(b)	(3,412)	(3,412)	(3,367)
Proceeds from new borrowings	28(a)	0	1,000,000	0
Net cash provided by (used in) financing activities		(50,852)	917,383	(48,177)
Net increase (decrease) in cash held		(2,067,384)	(1,615,648)	455,454
Cash at beginning of year		4,771,461	4,771,537	4,316,007
Cash and cash equivalents at the end of the year	16(a)	2,704,077	3,155,889	4,771,461

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



SHIRE OF WYALKATCHEM
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
NET CURRENT ASSETS - At start of financial year - surplus/(deficit)	27(b)	1,809,109	1,793,011	1,747,250
OPERATING ACTIVITIES				
Revenue from operating activities (excluding general rate)				
Rates (excluding general rate)	26(b)	8,424	8,424	8,424
Operating grants, subsidies and contributions		2,550,270	1,014,703	2,199,703
Fees and charges		245,975	221,653	231,686
Interest earnings		13,823	22,500	21,806
Other revenue		4,075	4,600	4,741
Profit on asset disposals	9(b)	49,505	37,273	108,391
Fair value adjustments to financial assets at fair value through profit or loss		2,998	0	8,955
		2,875,070	1,309,153	2,583,706
Expenditure from operating activities				
Employee costs		(1,279,564)	(1,377,749)	(1,136,798)
Materials and contracts		(1,471,651)	(1,170,764)	(1,447,054)
Utility charges		(172,262)	(210,004)	(201,571)
Depreciation	9(a)	(1,474,840)	(1,399,341)	(1,416,383)
Finance costs		(9,153)	(19,114)	(8,281)
Insurance		(153,432)	(148,308)	(139,708)
Other expenditure		(42,309)	(46,135)	(39,705)
Loss on asset disposals	9(b)	0	0	(3,000)
		(4,603,211)	(4,371,415)	(4,392,500)
Non-cash amounts excluded from operating activities	27(a)	1,402,493	1,362,068	1,327,209
Amount attributable to operating activities		1,483,461	92,817	1,265,665
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		1,156,156	1,246,563	717,515
Proceeds from disposal of assets	9(b)	139,546	135,000	184,609
Purchase of property, plant and equipment	7(a)	(542,750)	(1,625,000)	(524,605)
Purchase and construction of infrastructure	8(a)	(1,608,220)	(1,716,840)	(954,532)
Amount attributable to investing activities		(855,268)	(1,960,277)	(577,013)
FINANCING ACTIVITIES				
Repayment of borrowings	28(a)	(47,440)	(79,205)	(44,810)
Proceeds from borrowings	28(a)	0	1,000,000	0
Payments for principal portion of lease liabilities	28(b)	(3,412)	(3,412)	(3,367)
Transfers to reserves (restricted assets)	29	(673,922)	(728,168)	(177,413)
Transfers from reserves (restricted assets)	29	273,800	332,716	40,000
Amount attributable to financing activities		(450,974)	521,931	(185,590)
Surplus/(deficit) before imposition of general rates		177,219	447,482	503,062
Total amount raised from general rates	26(a)	1,339,701	1,345,529	1,306,047
Surplus/(deficit) after imposition of general rates	27(b)	1,516,920	1,793,011	1,809,109

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



**SHIRE OF WYALKATCHEM
FOR THE YEAR ENDED 30 JUNE 2022
INDEX OF NOTES TO THE FINANCIAL REPORT**

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	12
Note 4	Other Financial Assets	12
Note 5	Trade and Other Receivables	13
Note 6	Inventories	14
Note 7	Property, Plant and Equipment	15
Note 8	Infrastructure	17
Note 9	Fixed Assets	19
Note 10	Leases	22
Note 11	Trade and Other Payables	23
Note 12	Other Liabilities	24
Note 13	Borrowings	25
Note 14	Employee Related Provisions	26
Note 15	Revaluation Surplus	27
Note 16	Notes to the Statement of Cash Flows	28
Note 17	Contingent Liabilities	29
Note 18	Capital Commitments	29
Note 19	Related Party Transactions	30
Note 20	Joint Arrangements	33
Note 21	Investment in Associates	33
Note 22	Financial Risk Management	34
Note 23	Events Occuring After the End of the Reporting Period	38
Note 24	Other Significant Accounting Policies	39
Note 25	Function and Activity	40
Information required by legislation		
Note 26	Rating Information	43
Note 27	Rate Setting Statement Information	46
Note 28	Borrowing and Lease Liabilities	47
Note 29	Reserve accounts	48

**SHIRE OF WYALKATCHEM
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with the Local Government Act 1995 and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the Local Government Act 1995 read with the Local Government (Financial Management) Regulations 1996 prescribe that the financial report be prepared in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

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

The local government reporting entity

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

Judgements and estimates

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

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

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

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.

- estimation uncertainties made in relation to lease accounting

SHIRE OF WYALKATCHEM
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	When assets are controlled
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	When rates notice is issued
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	On entry or at conclusion of hire
Fees and charges for other goods and services	Cemetery services, library fees, rental income, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	When assets are controlled
Reimbursements	On-charge of expenses and Insurance claims	Single point in time	Payment in arrears for claimable event	None	When claim is agreed

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

Revenue Recognition

Revenue recognised during the year under each basis of recognition by nature or types of goods or services is provided in the table below:

For the year ended 30 June 2022

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates (refer note 26)	0	0	1,348,125	0	1,348,125
Operating grants, subsidies and contributions	2,550,270	0	0	0	2,550,270
Fees and charges	245,975	0	0	0	245,975
Interest earnings	0	0	0	13,823	13,823
Other revenue	4,075	0	0	0	4,075
Non-operating grants, subsidies and contributions	0	1,156,156	0	0	1,156,156
Total	2,800,320	1,156,156	1,348,125	13,823	5,318,424

For the year ended 30 June 2021

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,314,471	0	1,314,471
Operating grants, subsidies and contributions	2,199,703	0	0	0	2,199,703
Fees and charges	231,686	0	0	0	231,686
Interest earnings	0	0	0	21,806	21,806
Other revenue	4,741	0	0	0	4,741
Non-operating grants, subsidies and contributions	0	717,515	0	0	717,515
Total	2,436,130	717,515	1,314,471	21,806	4,489,922

SHIRE OF WYALKATCHEM
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUE AND EXPENSES (Continued)

	Note	2022 Actual	2022 Budget	2021 Actual
Interest earnings				
Interest on reserve funds		4,671	12,500	12,413
Rates instalment and penalty interest (refer Note 26(g))		8,578	9,500	8,916
Other interest earnings		574	500	477
		13,823	22,500	21,806
(b) Expenses				
Auditors remuneration				
- Audit of the Annual Financial Report		29,400	29,000	34,600
- Other services		0	0	1,500
		29,400	29,000	36,100
Finance costs				
Borrowings	28(a)	9,106	19,067	8,190
Lease liabilities	28(b)	47	47	91
		9,153	19,114	8,281
Other expenditure				
Impairment losses on receivables from contracts with customers		20,771	1,000	7,914
Sundry expenses		21,538	45,135	31,791
		42,309	46,135	39,705

SHIRE OF WYALKATCHEM
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Total cash and cash equivalents

Held as
 - Unrestricted cash and cash equivalents
 - Restricted cash and cash equivalents

Note	2022	2021
	\$	\$
	2,704,077	4,771,461
16(a)	2,704,077	4,771,461
	2,704,077	1,995,329
16(a)	0	2,776,132
	2,704,077	4,771,461

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Restricted financial assets

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

Details of restrictions on financial assets can be found at Note 16.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Term deposits

Held as

- Restricted other financial assets at amortised cost

	2022	2021
	\$	\$
	2,958,155	0
	2,958,155	0
16(a)	2,958,155	0
	58,353	55,355

(b) Non-current assets

Financial assets at fair values through other comprehensive income - units in Local Government House Trust

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 24 (i)) due to the observable market rates.

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 22.

**SHIRE OF WYALKATCHEM
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

5. TRADE AND OTHER RECEIVABLES

Current

Rates receivable
Trade and other receivables
GST receivable
Allowance for credit losses of rates receivables
Accrued income

Note	2022	2021
	\$	\$
	71,017	60,955
	148,290	20,852
	125,927	65,238
22(b)	(28,685)	(7,914)
	0	1,896
	316,549	141,027
Non-current		
Pensioner's rates and ESL deferred	24,632	18,722
	24,632	18,722

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 grants, contributions, reimbursements, and goods sold and services performed in the ordinary course of business.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 22.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

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

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

SHIRE OF WYALKATCHEM
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

6. INVENTORIES

Note	2022	2021
	\$	\$
Current		
Fuel and materials	1,375	7,874
	1,375	7,874

The following movements in inventories occurred during the year:

Balance at beginning of year	7,874	3,626
Inventories expensed during the year	(39,025)	(64,173)
Additions to inventory	32,526	68,421
Balance at end of year	1,375	7,874

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.

SHIRE OF WYALKATCHEM
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

7. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Note	Land - freehold land	Buildings - non specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
		\$	\$	\$	\$	\$	\$
Balance at 1 July 2020		625,000	8,334,954	8,959,954	17,986	1,028,173	10,006,113
Additions		0	149,097	149,097	0	375,508	524,605
Disposals		(6,000)	0	(6,000)	0	(73,219)	(79,219)
Revaluation increments / (decrements) transferred to revaluation surplus		(319,000)	4,107,386	3,788,386	0	0	3,788,386
Depreciation	9(a)	0	(220,742)	(220,742)	(17,911)	(289,064)	(527,717)
Transfers		0	39,314	39,314	0	0	39,314
Balance at 30 June 2021		300,000	12,410,008	12,710,008	75	1,041,398	13,751,481
Comprises:							
Gross balance amount at 30 June 2021		300,000	12,410,008	12,710,008	39,573	1,996,802	14,746,383
Accumulated depreciation at 30 June 2021		0	0	0	(39,498)	(955,404)	(994,902)
Balance at 30 June 2021		300,000	12,410,008	12,710,008	75	1,041,398	13,751,481
Additions		187,085	160,859	347,944	19,094	175,712	542,750
Disposals		0	0	0	0	(90,041)	(90,041)
Depreciation	9(a)	0	(337,094)	(337,094)	(75)	(239,009)	(576,178)
Balance at 30 June 2022		487,085	12,233,773	12,720,858	19,094	888,060	13,628,012
Comprises:							
Gross balance amount at 30 June 2022		487,085	12,570,867	13,057,952	58,667	2,010,041	15,126,660
Accumulated depreciation at 30 June 2022		0	(337,094)	(337,094)	(39,573)	(1,121,981)	(1,498,648)
Balance at 30 June 2022		487,085	12,233,773	12,720,858	19,094	888,060	13,628,012

SHIRE OF WYALKATCHEM
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land - freehold land	2	Market approach using recent or estimated observable market data for similar properties	Independent Valuation	June 2021	Price per hectare/market borrowing rate
Buildings - non specialised	2 and 3	Cost approach using current replacement cost (Net Revaluation method)	Independent Valuation	June 2021	Improvements to buildings using construction costs (Level 2) and current condition, residual values and remaining useful life assessments (Level 3) inputs
<p>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.</p> <p>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.</p>					
(ii) Cost					
Furniture and equipment	N/A	Cost	Not Applicable		N/A
Plant and equipment	N/A	Cost	Not Applicable		N/A

SHIRE OF WYALKATCHEM
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

8. INFRASTRUCTURE

(a) Movements in Balances

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

	Note	Infrastructure - roads	Infrastructure - drainage	Infrastructure - foopaths	Infrastructure - parks and ovals	Infrastructure - airport	Infrastructure - other	Total Infrastructure
		\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020		43,957,696	2,273,668	375,168	322,231	1,768,543	1,627,428	50,324,734
Additions		923,376	8,320	0	0	0	22,836	954,532
Depreciation	9(a)	(506,561)	(47,368)	(16,312)	(48,414)	(111,554)	(155,082)	(885,291)
Transfers		0	0	0	0	0	(39,314)	(39,314)
Balance at 30 June 2021		44,374,511	2,234,620	358,856	273,817	1,656,989	1,455,868	50,354,661
Comprises:								
Gross balance at 30 June 2021		45,854,489	2,376,724	407,791	418,300	1,990,762	1,904,847	52,952,913
Accumulated depreciation at 30 June 2021		(1,479,978)	(142,104)	(48,935)	(144,483)	(333,773)	(448,979)	(2,598,252)
Balance at 30 June 2021		44,374,511	2,234,620	358,856	273,817	1,656,989	1,455,868	50,354,661
Additions		787,686	493,985	0	0	13,740	312,809	1,608,220
Depreciation	9(a)	(525,028)	(47,368)	(16,312)	(48,414)	(111,554)	(146,611)	(895,287)
Balance at 30 June 2022		44,637,169	2,681,237	342,544	225,403	1,559,175	1,622,066	51,067,594
Comprises:								
Gross balance at 30 June 2022		46,642,175	2,870,709	407,791	418,300	2,004,502	2,217,656	54,561,133
Accumulated depreciation at 30 June 2022		(2,005,006)	(189,472)	(65,247)	(192,897)	(445,327)	(595,590)	(3,493,539)
Balance at 30 June 2022		44,637,169	2,681,237	342,544	225,403	1,559,175	1,622,066	51,067,594