



Shire of  
**Wyalkatchem**



*Annual  
Report*  
2022-2023



## **Acknowledgement of Country**

**The Shire of Wyalkatchem acknowledges the traditional Custodians 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.**

# Contents

<b>Shire of Wyalkatchem</b>	<b>4</b>
Shire of Wyalkatchem Statistics	4
Acknowledgement of Diversity	4
<b>Purpose of the Annual Report</b>	<b>5</b>
<b>President's Report</b>	<b>6</b>
<b>CEO's Report</b>	<b>8</b>
<b>Councillors</b>	<b>10</b>
Councillor Attendance Record	11
<b>Organisational Structure</b>	<b>11</b>
<b>Report on Operations</b>	<b>12</b>
Infrastructure	12
<b>Planning for the Future</b>	<b>26</b>
Integrated Planning and Reporting Framework	26
<b>Strategic Community Plan</b>	<b>27</b>
Our Vision	27
Our Aspirations	27
What is the Strategic Community Plan	28
<b>Statutory Requirements</b>	<b>30</b>
<b>Financial Report for the year ended 30th June 2023</b>	<b>33</b>

# 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 <sup>2</sup>
 Length of Roads	792.3 km
 Population	470 (ABS 2021)
 Number of Electors	370
 Number of Dwellings	314
 Total Rates Levied	\$1,493,713
 Total Revenue	\$6,053,119
 Number of Employees	18 FTE

## Acknowledgement of Diversity

Shire of Wyalkatchem acknowledges that the diversity of our residents is what makes our community unique. Diversity can be reflected in a number of ways, including:

 ethnicity and race


 age and generation


 language

 socioeconomic status

 gender

 disability

 sexual orientation

 religion, faith and other beliefs

# 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](http://www.wyalkatchem.wa.gov.au)



# President's Report

I have great pleasure in presenting the Shire of Wyalkatchem's Annual Report for 2022- 2023, a year of change and progress. Before I review the Council's achievements, I'd like to reflect upon the contribution made to the Wyalkatchem community by David Holdsworth who was accepted as the fifth Freeman of the Shire in March this year.

These awards are not given out lightly and David's generous support of the community makes him a truly worthy recipient of this award. Even after 50 years of giving, David continues to selflessly contribute to the Wyalkatchem community. He has been a local business owner for over 45 years, has generously supported local sporting clubs, provided community leadership in many ways; including for the airport upgrade project, as Chairman of the Wyalkatchem Business Community, the WA and Australian Bulk Fertiliser Services Association and currently as President of the Wyalkatchem CBH Museum.

David is a wonderful role model for our community, and we congratulate him on his contribution and his elevation to Freeman of the Shire of Wyalkatchem.

I would also like to acknowledge the efforts of Dr Emmanuel Awogun, our colleagues Jannah Stratford and Darren Simmons from the Koorda Shire and our CEO Peter Klein for their successful effort in recruiting and retaining a new doctor.

The availability of a local GP service consistently ranks as one of our community's highest priorities. After a 15 month, COVID-19 affected recruitment effort we were incredibly pleased to welcome Dr Michael Cudjoe to Wyalkatchem in November 2022. I also wish to express my appreciation for the patience our community demonstrated during this period.

Since his arrival, Dr Cudjoe has impressed with his caring nature and his thoroughness. This is now reflected in the number of consultations he performs each day.

During the recruitment period, Dr Emmanuel worked tirelessly to provide a combination of telehealth and in-person GP services from the Medical Centre. This extended period without a GP has served to highlight the importance of the Shires of Wyalkatchem and Koorda working together to offer and provide a sustainable

package that ensures the long-term services of a GP in our communities.

It's generally recognised that aged care services across Australia need redesign. In Wyalkatchem, the issues are amplified due to our steadily aging population and our relative remoteness from providers who deliver aged care to Wheatbelt communities.

ABS census records show that between 2016 and 2021 the median age of Wyalkatchem Shire residents increased from 52 to 55 whereas, over this same period, the median age of all Australians was unchanged at 38. In the absence of new industry to attract a younger workforce, the Wyalkatchem community's age is expected to continue its trajectory and if so, by the next census in 2026 we can expect the median age of Wyalkatchem residents to increase to about 58 and demand for aged care services to increase even further.

The Council has identified that the provision of reliable and affordable in-home aged care is essential to keeping our existing residents in place, here in Wyalkatchem. The provision of effective local aged care services by local providers is a model that Council considers best positions our community to achieve this outcome.

The Community Resource Centre is exploring the introduction of this model which will draw on the latent capacity of local residents who are capable of providing local aged care support.

Through the model being developed, the purpose is to ensure all Wyalkatchem residents can simply access the care they need to live an active, self-determined and meaningful life in a safe and caring environment that allows for dignified living in old age.

The Shire's involvement with both the Central East Accommodation and Care Alliance (CEACA) and North East Wheatbelt Regional Organisation of Councils (NEWROC) allows the Council to influence broader,

more strategic issues affecting the region. In the absence of our involvement in these organisations, it is unlikely we would get a seat at the table, let alone an opportunity to influence the outcomes these organisations have delivered.

CEACA has constructed 71 independent living units across 11 Shires, including four units in Wyalkatchem. Across their portfolio, CEACA has enjoyed close enough to 100% occupancy of its units, which has provided encouragement for CEACA to investigate the construction of additional units.

The Shire of Wyalkatchem has nominated the construction of another four units in Wyalkatchem and early stage planning for their delivery is underway.

Similarly, since its establishment in 1994 NEWROC has presented a united voice advocating, promoting and marketing member communities as great places to live, work and invest.

Members of NEWROC include the Shires of Wyalkatchem, Dowerin, Koorda, Trayning, Mount Marshall, Nungarin and Mukinbudin. The NEWROC is committed to retaining and growing our population through successful and collaborative partnerships, promoting and engaging in civic leadership and investment into member communities.

During this year, NEWROC has expanded its wireless tower network into neighbouring shires, advanced consideration of a regional landfill, advocated against the ban on live sheep exports and State electoral boundary changes and has promoted the development of a regional subsidiary to support future investments.

I acknowledge the commitment and outcomes delivered by the NEWROC Executive Officer Caroline Robinson and strongly support the Wyalkatchem Shire's ongoing involvement in both NEWROC and CEACA.

An annual highlight are our community awards which provide an important opportunity to recognise skilful and/or selfless contributions by community members that promote the wellbeing of our community as a whole.

The Community Event of the Year winner is the inaugural Wyalkatchem Rodeo, and this gave the community the opportunity to recognise Sergeant James Gault. Not only did James provide leadership, he demonstrated a willingness to get involved at all levels and was one of the first to put his hand up when volunteer effort was required.

The Community Citizen of the Year is Jay Hammond. Jay is a tireless worker and over the last seven years, has been the Chairperson for the Wyalkatchem Street John Subcentre. Jay is organized and very highly regarded for consistently prioritizing the needs of the community above his own personal needs and is a very worthy winner of this award.

The Senior Community Citizen of the Year is Shirley Maitland. Shirley has spent her life volunteering and helping others, guiding and encouraging voluntary effort to the benefit of our community. Shirley has been commended for her recent efforts in establishing and coordinating a volunteer group to re-establish and maintain the Pioneer Park rose garden.

Finally, my sincerest thanks to our CEO Peter Klein for his counsel and leadership of our organisation. To all staff and my fellow Councillors, I would like to thank you for another productive year. Thank you to rate payers and residents for your support as we work towards providing modern, fit for purpose infrastructure and opportunities to promote an inclusive and engaged community.

**Quentin Davies**  
**President**





# CEO's Report

During 2022/23 the Western Australian community finally broke free of COVID-19 controls and our approach to work has very quickly normalized. I thank our staff and the broader Wyalkatchem community for their cooperation during the control period.

Creating a safe workplace and a culture of safety awareness is a key objective of the Council.

During 2022/23, a comprehensive review of Council's Drug and Alcohol and Fitness for Duty policies were undertaken to facilitate the introduction of random drug and alcohol testing. These tests supplement daily declarations by operational staff that they are fit for duty and random testing is identified as an important messaging and verification tool.

To comply with the new Fit for Work Policy, all staff are required to actively manage their prescription and over-the-counter medicines. Our objective is to increase staff consciousness of the impact drugs can have on their awareness and their ability to perform their work functions effectively and safely.

I would like to thank staff and councillors for their cooperation with the implementation of this important policy.

On 30 June 2023, the Council reported a cash surplus of \$2.1M, up from an opening balance of \$1.5M with the difference principally relating to the early receipt of Federal Assistance Grant funding.

Total operating revenue was \$4.796M and operating expenses totaled \$4.546M. Total capital expenditure was \$1.874M comprising expenditure on roads, new Recreation Reserve reticulation, upgrading Lady Novar and the former NAB building, Ashelford Park construction and completion of the stormwater drainage program.

The Council is currently carrying negligible debt and the debt that does exist is associated with the construction of 43 and 45 Wilson Street and this debt is scheduled for repayment, in full, next financial year.

Also, during the year, the Federal Minister for Employment and Workplace Relations, the Hon Tony Burke, endorsed the declaration that Local Governments







named in the *Industrial Relations (General) Regulations 1997 (WA)* are not national system employers for the purpose of the *Fair Work Act 2009 (Cth) (FW Act)*. This endorsement was made under s.14(4)(a) of the FW Act on 6 December 2022 and was registered on the Federal Register of Legislation on 20 December 2022.

The Shire of Wyalkatchem is named in the *Industrial Relations (General) Regulations 1997 (WA)* and this means, Shire of Wyalkatchem employees transitioned to the State industrial relations (IR) system on 1 January 2023.

However, arrangements are in place that allow the Federal *Local Government Industry Award 2020 (LGIA)* to transfer to the State IR system. Under the State system the transferred Award is subject to the *Minimum Conditions of Employment Act 1993 (WA)* and will remain current until 1 January 2025.

The implications on conditions of employment beyond 1 January 2025 are being investigated.

In an effort to bolster the Shire's contribution to creating a more engaged and inclusive community, a new Community Development Officer position was approved and filled. The priorities for this position are to complete

preparation of a Youth Plan, a Seniors Engagement Plan and an Inclusion Plan and to deliver initiatives identified in the plans to achieve the Council's community engagement objectives.

In addition, to more efficiently deliver and manage the administration of capital and major maintenance projects, Jennie Gorham was appointed into the role of Works Administrator. Jennie's task is to support the Works Manager, ensure compliance with safety and governance processes and to liaise with operating teams to support their day to day operations.

Finally, I wish to thank the President Quentin Davies and Councillors for their support during the year and for the continuation of their positive and open-minded approach to problem solving and promoting the interest of our community. Much has been achieved during 2022/23.

I would also like to thank our staff again for their commitment to Council and community and I look forward to an equally challenging 2023/24 during which we will deliver value to the community and consolidate on the recent gains we have achieved.

**Peter Klein**  
Chief Executive Officer

# Councillors



**Shire President**  
**Cr Quentin Davies**  
*Term Expires 2023*  
0408 346 519  
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**  
*Term Expires 2023*  
0427 815 031  
cr.gamble@wyalkatchem.wa.gov.au



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



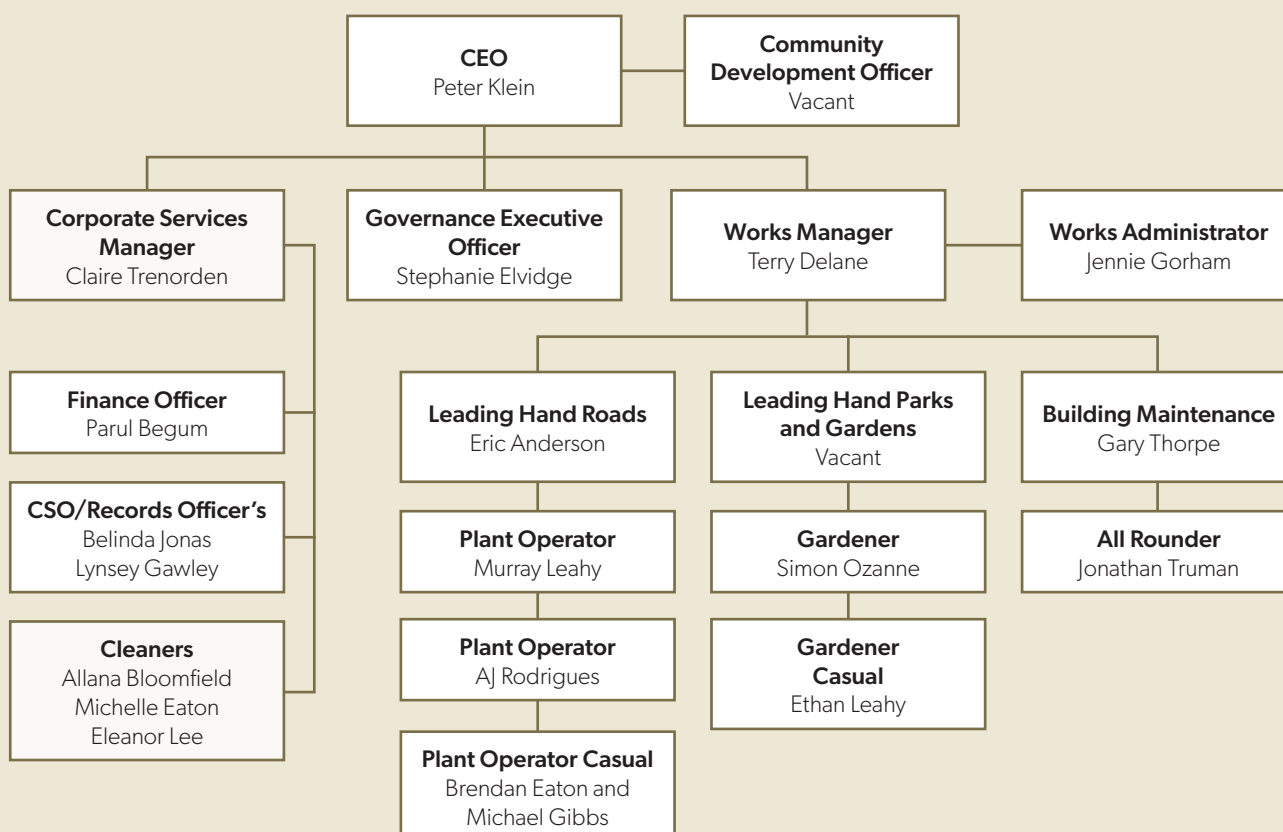
**Cr Christopher Loton**  
*Term expires 2025*  
0451 392 928  
cr.loton@wyalkatchem.wa.gov.au

## Councillor Attendance Record

OMC Attendance	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Cr Quentin Davies	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Cr Owen Garner	✗	✗	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Cr Emma Holdsworth	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Cr Mischa Stratford	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Cr Stephen Gamble	✓	✗	✓	✓	✓	✓	-	✓	✓	✗	✓	✓
Cr Christy Petchell	✓	✗	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Cr Christopher Loton	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✗	✓

Workshop Attendance	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Cr Quentin Davies	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Cr Owen Garner	✗	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Cr Emma Holdsworth	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Cr Mischa Stratford	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Cr Stephen Gamble	✓	✗	✓	✓	✓	✓	-	✗	✗	✗	✓	✓
Cr Christy Petchell	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Cr Christopher Loton	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓

## Organisational Structure as at 30 June 2023





# Report on Operations

## Infrastructure

### Thurstun Street Stormwater Drainage

Works to improve drainage at the Thurstun Street / Railway Terrace intersection were completed during the year.

These works were funded with a Federal Government grant via the Local Roads and Community Infrastructure Program and were delivered by Digga Civil.

The works involved upgrading an existing culvert across the bottom of Thurstun Street, rock pitching and drain shaping. This will address the puddles that form at this intersection and improve the visual outlook for those entering town from the west.

Council noted the inconvenience caused by road closures required to deliver these works and appreciated the community's tolerance of this inconvenience during the construction period.



## Road Upgrades

Capital road works and road maintenance services combine to be the Council's largest single investment category. The Council's capital road works program is funded through the Regional Road Group Program (\$635,070) and the Roads to Recovery Program (\$571,268).

Allocation of the Regional Road Group revenue was as follows;

Road	SLK's	Length	Total (\$)	Shire	RRG
Wylie North	1.45 - 4.75	3.30kms	\$564,345	\$188,119	\$376,226
Cunderdin Rd	24.18 - 26.16	1.98kms	\$70,725	\$23,575	\$47,150
Total		5.28kms	\$635,070	\$211,694	\$423,376

### Cunderdin Rd

The section between SLK 24.18 – 26.16 was widened and primersealed under the FY21 RRG Program.

During FY23 this section was treated with a single 10mm coat of cutback bitumen seal, to complete the works.

The Roads to Recovery revenue was allocated as follows;

1. Elsegood Road – widen and seal two crests and reconstruct shoulders (\$487,462)
2. Koorda Road – asphalt upgrade, SLK 19.25 – 19.35 (\$78,757) and
3. McNee Road – complete re-sheeting works, FY22 carryover (\$5,049)

Council's objective is to provide safe, fit for purpose roads that effectively serve the Wyalkatchem and broader communities and the investments described above have substantially assisted the Council to deliver on this objective.

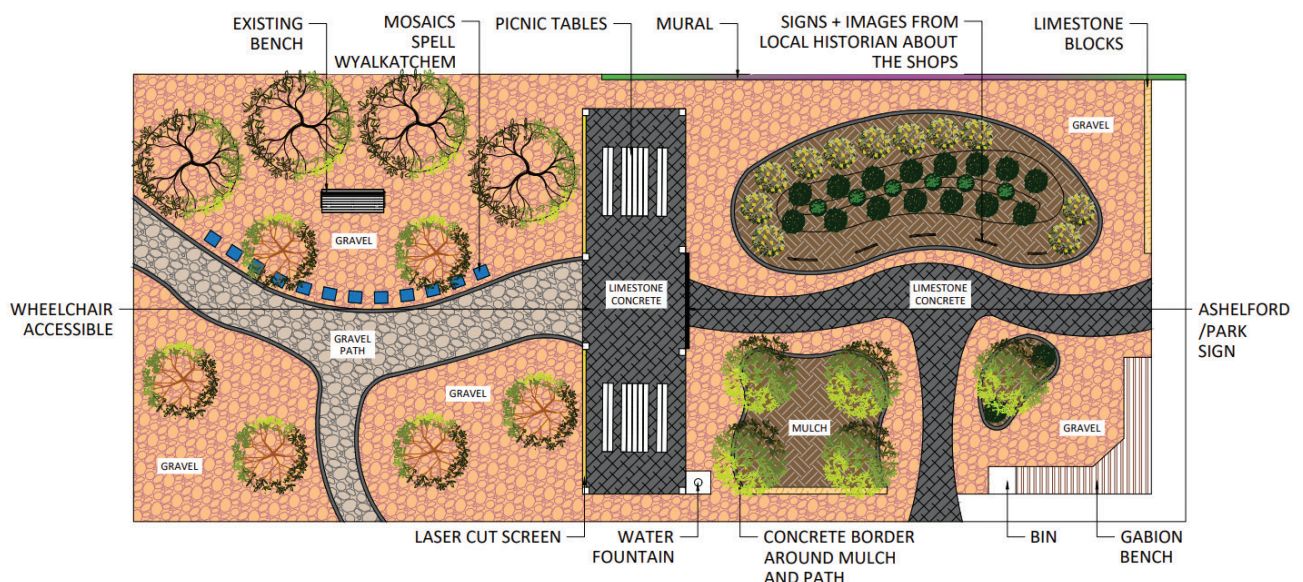
### Ashelford Park

Childscapes Constructions was commissioned to deliver a concept design to convert the Water Wise Garden into a more modern and functional space.

This follows the Council negotiating the transfer of this site from Jimmy, Wayne and Mark Ashelford to the Council to enable this development to happen. Our thanks to the brothers for agreeing to the transfer on the condition that the area be developed as a public space in memory of their father Ian Ashelford who worked for the Shire for over 40 years.

The objectives for the site's development, which in future will be known as Ashelford Park, were as follows;

1. Design to have a low maintenance requirement, but still be aesthetically pleasing
2. Minimal viewing interference of mural
3. To include picnic tables, with shelter
4. Limestone wall/s or similar included to host the recognition of Ian Ashelford and potentially, community history elements



## Wyalkatchem North Rd

Work on the Wylie North Road between SLK 1.45 to 4.75 will comprise the following;

- Clear vegetation from the road verge
- Widen pavement from 8m to 10m
- Apply a two coat 14/10 primerseal and deliver a minimum seal width of 7.6m
- Extend 3 reinforced concrete pipe culverts
- Install new guideposts and signage

## Pool Upgrade

The Shire has developed a scope of works to deliver a major upgrade to the Wyalkatchem Swimming Pool to address pool leakage, plant room reliability and pool aesthetics. The identified scope of works is identified as follows;

### 1. Toddler Pool

- a. Introduce a separate, stand-alone filtration system for the toddler pool
- b. Drain the toddler pool, prepare surfaces, repaint, upgrade expansion gap treatments, as necessary and undertake other agreed repairs.

### 2. Main Pool

- a. Drain the main pool, prepare surfaces, repaint, upgrade expansion gap treatments, as necessary and undertake other agreed repairs
- b. Upgrade gutters, pipes, balance tanks, sand filter and plant room equipment to
  - eliminate water leaks and
  - achieve reliable filtration system operation.

The objective of this work is to renew pool equipment to achieve a reliable 20 years of operating life.

An application to the Department of Local Government, Sport and Cultural Industry's Community Sporting and Recreation Facilities Fund (CSRFF) has been submitted and a response to this application is due in December 2023. If successful, the plan is to supplement this grant with other grant funding received by Council under the Federal Government's Local Roads and Community Infrastructure Program and/or with reserve funds held by Council.

The works to upgrade the pool are planned to commence from 1 April 2024.

## Wheatbelt Secondary Freight Network

The Wheatbelt Secondary Freight Network (WSFN) is a regional strategy to improve road freight safety and efficiency across the key transport routes that support the region's major industries.

A jointly funded Program between the 42 Wheatbelt local governments and the State and Commonwealth Governments, the collaboration will see 4400km of high priority routes upgraded in a rolling program.

The Koorda Road is a priority 2 road and a 4 year, \$7M upgrade is planned under this program. Delivery of this upgrade is scheduled to commence in 2025/26 but is currently subject to the Federal Government making an additional funding pledge to this program.

This work is impacting on current investment decisions by the Shire in the Koorda Road as it tries to minimise the investment of its own funds on this road in the short term. The Council's intention is to invest to maintain road safety but is unlikely to invest in any road upgrades until funding through the WSFN is clearer.

## Practice Cricket Wicket Relocation

The provision of fit-for-purpose amenities is essential for the attraction of players and the retention of our West Yorkrakine Cricket Club.

The previous practice cricket wickets were run down, are potentially dangerous and require upgrading.

In addition, in their current location the wickets interfere with the optimal lay-out for the rodeo arena.

In consultation with the cricket club, an application to the State Government's Community Sporting and Recreation Facilities Fund was submitted but was unsuccessful.

The wickets have been removed but a further funding application is planned in the near term to ensure replacement facilities are provided.



## CBH – Storage Expansion and Accommodation

### Storage

Council has been advocating, on behalf of its farming community for an expansion of CBH’s grain storage facilities at Wyalkatchem.

Council has determined that expansion of the storage capacity at the Wyalkatchem siding is not part of CBH current five-year network investment plan. However, although the plan is updated annually the Council has been given no indication that Wyalkatchem storage expansion is likely to be added to the investment plan anytime soon.

It appears the availability of a suitable expansion site is limiting CBH’s capacity to progress expansion plans for Wyalkatchem.

In the meantime, there is an opportunity for growers and the Council to work together to identify a potential site/s for presentation to CBH.

### Accommodation

Investment in accommodation for CBH workers at Wyalkatchem is in the current five-year investment plan.

An expansion of this capacity is currently scheduled for the tail end of its five-year planning cycle, but this could be fast-tracked if land availability can be resolved. A number of options are being explored and the Council is hopeful the site can be settled in the near future.

Engagement with CBH on this matter has been positive and productive.

## Growing Regions Grant Program

The Federal Government has recently launched the \$600M Growing Regions Grant Program. This program will provide grants of between \$500,000 and \$15M to local government and not for profit organisations with successful applicants receiving between 50 and 70% of the capital cost of their nominated project.

The funds will be distributed over two funding rounds of \$300M each and Round 1 opened on 5 July 2023. There is a two-stage application process. Under stage 1, applicants are required to submit

- Expressions of Interest which will be assessed to ensure projects meet eligibility requirements, project readiness and program suitability and are aligned with regional priorities for the area.
- Expressions of Interest that are assessed as meeting requirements and approved to proceed will be invited to submit a full application (Stage Two).

Shire management is positioning the Wyalkatchem Council to make or participate in two applications;

- a. Housing for hospital staff
- b. Additional CEACA independent living units.





### Hospital Staff Accommodation

The Shire of Wyalkatchem has joined six other Wheatbelt Shires to make a joint application to the Federal Government's Growing Regions Grant Program, to assist with the funding of accommodation to support hospital staff.

Under this grant program, if successful, the Council will receive 70% of the estimated cost of the development as a grant. It is assumed the balance will be borrowed from the WA Treasury Corporation or drawn from the Hospital (Elsegood) Reserve and recovered via rental payments to be made by WACHS.

The total joint application is for \$11.1M.

For Wyalkatchem the estimated cost of the development is \$1,679,910 which would comprise \$1.175M grant from Growing Regions, combined with a Council contribution of \$503,973.

The Shire's position is that its debt must be fully recovered during the initial term of the lease but is ambivalent about the length of the lease term (i.e. would accept 10, 15 or 20 years).

However, WACHS is committed to the Department of Communities' Government Regional Officer Housing (GROH) model which permits a maximum lease term of 10 years, but which prescribes a lease fee calculated based on a 25-year payback period.

If accepted these conditions would place Council at significant financial risk because on lease termination a majority of the principal would remain unpaid and if the lease was not renewed, or renewed but on less favourable terms, then ratepayers would be left to make up any funding shortfall, which the Council considers to be unacceptable.

This matter has slowed the rate of advancement of this project but because improved hospital staff accommodation is clearly required, efforts are on-going to reach agreement on more acceptable terms to underpin the Council's future investment.

If successful, delivery is expected in FY25, and the funding arrangement will be subject to finalisation under the Council's 2024/25 budget.

### CEACA – Independent Living Units

Central East Accommodation and Care Alliance (CEACA) is also preparing to apply to the Growing Regions Grant Program, for the construction, in Wyalkatchem, of additional independent living units.

The Shire of Wyalkatchem has tentatively requested the construction of an additional four units by CEACA.

While it is unlikely CEACA would have any difficulty in leasing four new units in Wyalkatchem, CEACA is expected to require the Council to make a funding contribution. This contribution is aimed at helping to fund the gap between total construction cost and the grant amount. It also demonstrates our commitment to the initiative and strengthens the business case.

CEACA has not advised the amount of the contribution they are expecting Councils to make but, as this is an important input to the business case, I would expect CEACA will ask the Council to make a pledge to inform the drafting of a full application. This will be required under stage two of the application process.

Sites to accommodate these additional four units are currently under investigation.



## Governance

### Local Laws

The *Local Government Act 1995* enables Western Australian local governments to make local laws considered necessary for the good government of their districts.

Local Laws must be reviewed at least every eight years.

During the year, the Wyalkatchem Shire invited community comment on its local laws but received no responses.

Many of the Shire's Local Laws were not contemporary and as a result, management delivered a significant overhaul of these laws to remove those that are no longer relevant, introduce new laws that will benefit our community and review and upgrade the balance.

Regulating and Licensing of  
Hawkers and Stallholders

2 July 1926, p1327

In addition, the Shire has initiated the introduction of.

- a. a Bush Fire Brigades Local law under s42 of the *Bush Fires Act 1954*; and
- b. a Cats local law under the *Cat Act 2011* to regulate the number of cats that can be kept without the need for a permit.

It is expected these laws will be gazetted early next financial year.

**The changes now proposed are summarised in the following table;**

Local law	Gazettal and amendment dates	Comments and possible outcome
Health Local Laws 2002	3 May 2002, p2221	Still current, no change recommended.
Standing Orders	2 Feb 1999, p 352	Replace with a WA Local Government Association (WALGA) model
Dogs	21 March 1986, p1226-29	
22 July 1988, p2517	Replace with WALGA model	
Fencing	29 October 1982, p4353	Still current, no change recommended.
Pest Plants	26 Feb 1982, p678	Still current, no change recommended.
Reserves - Control and Management of Recreation Centre - (15004)	4 Mar 1977, p721	Repeal and deal with via a new Public Places and Local Government Property Local Law
Hall Shire - Control and Management of	3 Oct 1975, p3804	Repeal and deal with via a new Public Places and Local Government Property Local Law
Old Refrigerators and Cabinets - Draft Model By-Law No. 8	21 Feb 1963, p696	Repeal
Management of Wyalkatchem War Memorial Aquatic Centre	12 Dec 1961, p3632	Repeal and deal with via a new Public Places and Local Government Property Local Law
Hawker's Licence	1 May 1931, p1156	Repeal and deal with via a new Public Places and Local Government Property Local Law

## Multiple Dwellings

The Shire's Town Planning Scheme No 4, prohibits the construction of multiple dwellings in a single lot within the rural zone. This condition is aimed at protecting the Shire from the emergence of satellite "towns" that may require the replication of services and so add to the cost burden on Council.

However, given the declining trend in the Shire's population and the wish of some within the farming community to have their adult children and/or workers co-locating within a rural lot, Council has initiated a review of this condition based on the recommendation that multiple dwellings on a rural lot should be permitted subject to Council approval.

Consultation with the community on this initiative is underway and subject to a favourable outcome, multiple dwellings on a rural lot are expected to become a possibility next year.

## LEMA Review

The State Emergency Management Committee (SEMC) is the peak body for Western Australia's emergency management arrangements.

A District Emergency Management Committee (DEMC) is established for each of the 11 WA Emergency Management Districts, which is responsible for developing and maintaining emergency management for the district. In addition, Local Governments are required to establish one or more Local Emergency Management Committees (LEMCs) to ensure that Local Emergency Management Arrangements (LEMA) are developed and maintained.

All Local Governments are required to review their LEMA:

- every five years
- after a significant emergency incident, and
- after exercising their LEMA on an annual basis.

In 2019, the SEMC identified a trend of Local Governments with LEMA overdue for review. WALGA responded to this by informing SEMC of the key challenges Local Governments face in fulfilling their emergency management obligations including:

- a lack of clarity around their emergency management roles and responsibilities,
- a lack of financial and human resources, and
- a misalignment between emergency management and the day-to-day business of Local Government.

WALGA proposed that there was an opportunity to improve the LEMA model to make it more fit-for-purpose and suitable for Local Governments of different sizes with varying capability. Based on this advice, SEMC approved a LEMA Review using a sector-led approach. The LEMA Review officially commenced in March 2022 and aims to:

- develop fit-for-purpose LEMA,
- streamline LEMA processes,
- encourage currency, and
- support Local Governments who lack emergency management resources.

A final LEMA Improvement Plan is scheduled for release in early 2023/24.





## Services

### Aged Care Services

It is generally recognised that aged care services across Australia need redesign and in Wyalkatchem, the issues that lead to this conclusion are all amplified due to our steadily aging population and our relative remoteness from providers who deliver aged care to Wheatbelt communities.

ABS census records show that between 2016 and 2021 the median age of Wyalkatchem Shire residents increased from 52 to 55 whereas, over this same period, the median age of all Australians was unchanged at 38. In the absence of new industry to attract a younger workforce, the Wyalkatchem community's age is expected to continue its trajectory and if so, by the next census in 2026 we can expect the median age of Wyalkatchem residents to increase to about 58 and demand for aged care services to increase further.

The 2021 census data shows that 43% of Wyalkatchem residents are aged over 60.

The Council has therefore resolved that it is imperative, that as a community all options are explored to keep our existing residents in place. The provision of effective local aged care services is considered key to achieving this outcome.

Through the model being developed, our purpose is to ensure all Wyalkatchem residents can simply access the care they need to live an active, self-determined and meaningful life in a safe and caring environment that allows for dignified living in old age.

### General Practitioner Recruitment

Some members of Council joined the CEO in participating in a roundtable meeting convened by the Local Government Minister to report back on actions the government has taken in response to an earlier meeting.

This discussion was focused on how to work around procurement policy requirements where an incumbent GP is willing to have his tenure extended.

While having a streamlined GP procurement process is important, it is insignificant when compared to the problem of there being too few GP's available for recruitment into regional WA. Rural Health West currently has on its books over 100 GP vacancies in regional WA alone and this number continues to grow.

The immediate solution requires building the pool of available GPs through the training of more local doctors and immigration. This 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 and training.

Another challenge for rural locations such as Wyalkatchem, is that the GP is working alone. The lack of in-person mentoring at small rural practices is managed by the medical registration board who require rural GPs to have extensive experience and training before they will be registered and approved to practice in rural locations.

This requirement further reduces the available pool of potential GP candidates. The Wyalkatchem Shire believes the rural GP registration requirements should be reviewed and that alternate mentoring arrangements e.g. through WACH, should be explored to enable less experienced GP to provide rural services and to increase the pool of potential candidates.

In summary, following this roundtable meeting the Wyalkatchem Shire wrote to the Local Government Minister, John Carey's office requesting that he

1. Lobby the Federal Government to make the immigration of trained GP's easier and faster
2. Increase the number Australian students studying medicine
3. Enable less experienced GPs to provide rural services by changing registration and mentoring arrangements
4. Introduce incentives for doctors to work in rural locations e.g. escalating Medicare rebate.

## Waste Management

Improved control over dumping at the Wyalkatchem tip is required.

As the tip is unmanned and unmonitored, there continues to be indiscriminate and thoughtless dumping of waste. This creates a nuisance for other tip users, provides a justified opportunity for community complaint and imposes a clean-up cost on Council.

In addition, because waste is not regularly covered, fugitive litter is a constant problem.

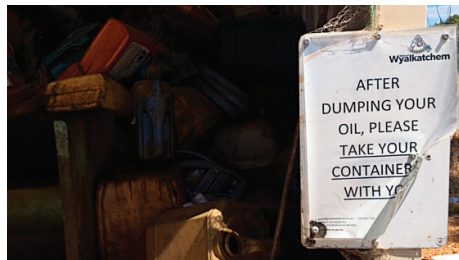
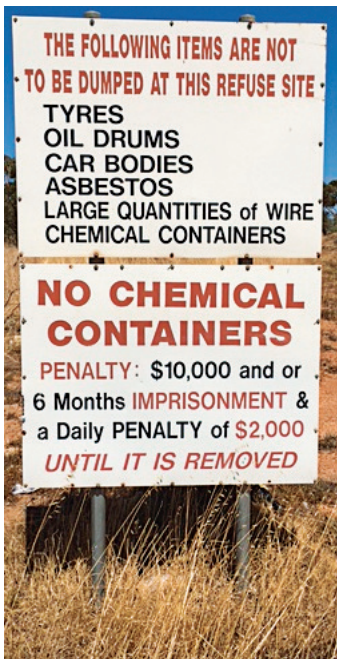
Unfortunately, some tip users disregard the rules imposed, particularly in respect to the dumping of tyres, oil drums and wire, as the following photos demonstrate.

In addition, the site hosts specific stockpiles for green-waste and steel products yet people regularly dump products incompatible with these heaps.

For example, as the following photos show - general waste is dumped on the green waste heap and plastic products and mattresses are dumped in the steel heap.

Finally, rubbish is regularly dumped at the entrance to the tip-face which makes it difficult for others to do the right thing.

Improving tip management is under consideration and will be the subject to community consultation in the near future.



## Regional Landfill

Many regional shires are facing the same problems as Wyalkatchem with the management and appropriate use of unmaned landfills by their users. This has encouraged the North East Wheatbelt Regional Organisation of Councils (NEWROC) to explore the establishment of a landfill to support the Shires of Wyalkatchem, Trayning, Koorda, Nungarin, Mt Marshall, Mukinbudin and Dowerin,

A report by Ask Waste Management identified the Wyalkatchem landfill site as the site offering the most promising opportunity. Before commencing a detailed due diligence on the Wyalkatchem site, it was determined that it's operating life should be calculated to inform if in fact this was a viable regional solution. An operating life of 15+ years was anecdotally nominated as the trigger to pursue this option.

Marty Grant was contracted earlier this year to drill 15 boreholes within the site to a depth of 3m, to provide data to enable the operating life to be calculated. Using this information, Ask Waste Management reported on 12 September 2022 that the site offers a 20 to 25-year operating life.

Wyalkatchem Shire management subsequently sought DWER approval to clear native vegetation from the site and DWER has responded indicating that the areas shaded red in the following map are worthy of protection due to the value of the remnant native vegetation it supports.

Wyalkatchem Shire management is concerned that due to the cost of off-sets specified by DWER, a sole reliance on the Wyalkatchem site risks significant delays to project implementation. As a result, each NEWROC member has agreed to research and identify a potential site within their respective shires that meet the following criteria;

- a. >500m from wetlands or estuaries,
- b. >500m from private water bores and,
- c. >500m from any Special Control Areas and
- d. DCBA Regional Parks must not exist within in the plan area.

Providing the landfill task is kept to <5,000t/year, for an alternate site that is free of native vegetation, NEWROC can apply for a Category 89 Rural Landfill which, could be delivered at a relatively low cost given its achievable approvals hurdle.

This work is on-going.

This finding by DWER doesn't preclude the Shire's ability to clear some or all of this area shaded red, but the viability of doing so is impacted by DWER's requirement that we revegetate other degraded areas, yet to be identified.





### Bush Fire Brigade Services

Under the new WHS legislation local governments are liable for the safety of those responding to a bushfire.

The Shire's liability is managed by taking certain steps and in particular the steps taken include;

1. Provision of training to volunteers
2. Provision of PPE
3. Development of safe work procedures
4. Assessing and understanding fire response risk and how to mitigate it.

Wyalkatchem Shire has determined that the minimum training expectation for all registered BFB volunteers is completion of the Bushfire Safety Awareness course offered by DFES. In addition, training in Firefighting Skills is recommended but is not essential.

Volunteers previously registered who have not completed the Bushfire Safety Awareness course have been removed from the register and will not qualify to receive any Shire issued PPE.

### Future Bush Fire Brigade Controls

The Shire of Wyalkatchem wrote to the DFES Commissioner on 10 March 2022 formally requesting that the three shire BFB be transferred to DFES.

The Commissioner responded advising that DFES supports a LG initiated transition of brigades but not before all transitional issues were identified and resolved so that the standard of service was not compromised. In his response he identified the following issues as

requiring resolution before a transition could occur:

- a. resources required to manage the volunteers
- b. roles and responsibilities of the CBFCO and
- c. transfer of assets and fleet.

Subsequent to this correspondence, a meeting with the DFES Commissioner and Assistant Commissioner was held in the Wyalkatchem Shire Chambers on Friday 7 October 2022.

Key outcomes of this meeting are summarised, as follows;

- a. The legislation does not currently allow DFES to assume management and control of Bush Fire Brigades
- b. The proposed consolidation of emergency management acts, including the Bush Fires Act will enable the future transfer of Bush Fire Brigades
- c. The DFES budget will not allow a Community Emergency Services Manager (CESM) to be stationed in the NE Wheatbelt, the demand for services provided by CESM's far outstrips their current supply
- d. Shire of Wyalkatchem to lobby for
  - Legislation to be included in the consolidated Emergency Management Act to facilitate the transfer of BFB to DFES
  - In the short term, for the DFES budget to be increased to enable the placement of a CESM within the NE Wheatbelt

This work is on-going.

## Events

### Inaugural Rodeo

The first ever, Wyalkatchem Rodeo was held on 27 August 2022 and exceeded the expectations of event organisers, visitors and locals.

Approximately 2,000 people attended the rodeo and judging by the support it received, the Wyalkatchem community is well positioned for this to become an annual event.

The Shire staff did a superb job in preparing the townsite and Recreation Reserve for the rodeo. Our thanks to Terry Delane, Shire Works Manager and his roads and parks and garden teams ably led by Eric Anderson and Cris Pavisic for all the work they did to make the event a success.

The administration team who coordinated signage, ordering of goods, liaison with Double Barrel, volunteers and staff were exceptional.

Thanks to Allana Bloomfield, Shannon Gibbs, Lee Jones, Tania Ratima and Adrienne Betts for their wonderful cleaning efforts.

Our thanks also to our local police Sergeant James Gaunt, for initially floating the idea to host a rodeo and for his enthusiasm and commitment to its delivery.

Many locals, in addition to Shire staff, also contributed to making this a successful event and the Shire would like to acknowledge the following contributions;

- David and Emma Holdsworth, DandD Transport for their support in providing equipment to help with set-up (telehandler, forklifts and truck for carting arena sand)
- Mark Ward – for providing access to his property and supply of arena sand
- Matt Pickering (DND Transport) - arena sand transport
- Nathan Garn – supply of loader
- Anthony Ryan - supply of hay for seating
- Graham Dickson - supply of water troughs
- Colin Hutchinson – supply of water truck
- Quatermain family - supply of cattle ramp
- Chris Loton, Paul Trenorden, Roger Ugle, Sergeant James Gaunt – for assistance in constructing the arena
- The Men’s Shed – for supply of recycling bins and wood containers
- Wyalkatchem Rotary Club - for supply of breakfast (Saturday and Sunday Morning)

From any number of perspectives, the event was a terrific success.

1. It bought the community together
2. Created a new sense of purpose
3. Provided opportunity for voluntary effort which, is an essential ingredient to a cohesive community
4. Locals willingly volunteered their time and equipment
5. It created opportunity for local business – Travellers Park, pub and roadhouse in particular were able to capitalise
6. It created an opportunity to positively promote Wyalkatchem.

Finally, I'd like to acknowledge the contribution of Double Barrel Entertainment for agreeing to bring the rodeo to Wyalkatchem and for their professional, no fuss approach to delivering the event.





### Arts Show

The Community Resource Centre (CRC) are to be congratulated for hosting their annual art show that was held over the weekend of 16/17 September 2022.

This event builds on the contribution the CRC makes to local art through its popular Sunday Arts Group and it plays an important role in lifting the profile of our many local talented artists and in enhancing the engagement and inclusiveness of our community.

To support this annual event the Shire sponsored the \$600 Judges Choice Award. We hope the CRC can keep this event going and that it becomes a must attend event on the Wheatbelt's annual events calendar.

### Australia Day Celebration

Approximately 70 people attended the Australia Day event that was held at the Recreation Centre on 26 January 2023.

Our thanks to Rotary for organising and catering for the event which, was very well received.

## Culture

### Diversity – Aboriginal Community Engagement

According to the 2021 census 6.5% of Wyalkatchem's residents identify as being indigenous.

The Shire aspires to facilitate an active, engaged and social community (goal 2) and to promote improved community communications and engagement (goal 10).

To promote delivery of these goals the Council has adopted during 2022/23, an Acknowledgement and Welcome to Country Policy.

This is the first step in the promotion of cultural awareness and subsequent steps may include;

### 1. Cultural awareness training

- Bus tour to visit and discuss significant local sites
- Sharing bush tucker
- Discussion sessions.

### 2. Engage with the Ballardong regional Corporation to build awareness of the

- Voice to Parliament
- SW native title claim

### 3. NAIDOC Week (2 to 8 July) and Reconciliation Week (27 May to 3 June)

Initiatives to create an inclusive environment, build cultural awareness and contribute to the reconciliation effort.

## Environment

### Cities Power Partnership - Membership

The Shire of Wyalkatchem officially became a member of the Cities Power Partnership on 8 February 2023. As a condition of our membership, the Council is required to identify five objectives that it has committed to delivering, and will report annually on progress made on achieving those objectives.

The Cities Power Partnership is a free national program run by the Climate Council and specifically aims to provide local governments with the tools, knowledge and connections to take meaningful action on climate change and capitalise on the global shift to a clean economy.

It is Australia's largest local government climate program with over 145-member councils representing over 60 per cent of Australia's population.

The partnership runs regular webinars to showcase the best climate action initiatives being implement across the





country. There is no cost to being a member other than the cost of completing an annual survey.

In July this year, the WA State Government released a Climate Adaption Strategy. This strategy makes the following points

- The science is clear. WA's climate has changed, and further change is inevitable.
- Across Australia since 1910, the temperature has increased by an average of 1.4 degrees
- Since 1970, rainfall May to September in WA's South West has declined by 19%
- Extreme weather events are expected to increase in intensity and frequency
- A comprehensive response to climate change must include measures to reduce emissions, and measures to adapt and build resilience

The State's climate change vision is:

**Western Australia's communities, environment and economy are resilient and continuously adapting to climate change in a forward looking, fair and collaborative manner.**

A condition of our Shire becoming a member of Cities Power Partnership, is that five action pledges are made across the areas of renewable energy, energy efficiency, sustainable transport, collaboration and advocacy.

The Council's five pledges are;

1. Explore the installation of solar panels and a battery at the Wyalkatchem Swimming Pool to reduce Council's carbon footprint and expenditure on power consumption.
2. Partner with the Wyalkatchem DHS to develop a tree planting plan to improve the townsite's green canopy and our community's hot weather resilience.

3. Link Railway Dam to Town Dam by pipe and pump to maintain green spaces at our Recreation Reserve, even during drought conditions.
4. Reticulate Railway Tce gardens from rainwater captured in Museum water-tanks to improve our water sustainability and reduce water consumption charges.
5. Investigate if it is appropriate for Council to commit to WALGA's Climate Change Declaration to demonstrate community leadership in addressing the cause and effect of climate change.

#### **Delivery of October 2023 Council Election**

On 10 February 2023 the Minister for Local Government wrote to Councils confirming that the reforms to the Local Government Act will introduce optional preferential voting (OPV) for all October 2023 local government elections.

In addition to the introduction of OPV, the electoral reforms will also allow;

- a vacancy that occurs within 12 months of an election, being filled by the next highest polling candidate; and
- the timeframe for vacancies remaining unfilled prior to an election will be extended.

The Minister for Local Government strongly encouraged local governments to commence early planning and to decide on whether to appoint the WA Electoral Commission to conduct their election.

Management sought quotes from the WA Electoral Commission for assistance in conducting the election and subsequently the WA Electoral Commission was contracted by the Council to run a postal ballot at a cost of \$12,500.

# 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 documents, 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. The Plan will be reviewed in 2024.

**Corporate Business Plan** – Council’s four-year planning document. The core components of this Corporate Business Plan include a four-year delivery program, aligned to the Strategic Community Plan and accompanied by 4-year financial projections. This plan will be reviewed following the review of the Strategic Community Plan.

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 and engaged community that is healthy, safe and active
- A diverse and strengthening local economy
- Natural and 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;**

1

A safe and healthy community

7

We have vibrant, active public open spaces and buildings with high levels of utilisation and functionality

2

An active, engaged and social community

8

Our built environment responds to the accessibility and connectivity needs of all

3

A community for all ages

9

Sustainable management of resources

4

Increase visitors to our region

10

Transparent, accountable and effective governance

5

Growth in business opportunity

11

Community and customer service focus

6

Essential services and infrastructure are available to support the community and local economy

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 four-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 and will undergo a full review in 2024.

## 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 2022/2023 budget.

Council will review the Corporate Business Plan following the review of the Community Strategic Plan review in 2024.

## 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 - 2024 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 2024)*, 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 and maintain employment with the Shire of Wyalkatchem.

The Shire of Wyalkatchem Disability Access and Inclusion Plan will be reviewed in FY2023/2024.



## 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 though significant effort was made with archiving and disposal of records in FY 22/23.

## 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	0
150,000	160,000	1
<b>Total</b>		<b>1</b>

## 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.



## 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 2022- 2023 financial year.

## 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 were reviewed and are now pending the outcome from the Joint Standing Commission on Delegated Authority.





# *Annual Financial Report*

For the year ended 30th June 2023

## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Contents

<b>Statement by the CEO</b>	<b>35</b>
<b>Statement of Comprehensive Income</b>	<b>36</b>
<b>Statement of Financial Position</b>	<b>37</b>
<b>Statement of Changes in Equity</b>	<b>38</b>
<b>Statement of Cash Flows</b>	<b>39</b>
<b>Statement of Financial Activity</b>	<b>40</b>
<b>Notes to and Forming Part of the Financial Report</b>	<b>41</b>
<b>Independent Auditors Report</b>	<b>70</b>

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

In 2024 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

**FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023**

**Statement by the CEO**

**SHIRE OF WYALKATCHEM  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

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

**STATEMENT BY CEO**

The accompanying financial report of the Shire of Wyalkatchem has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the

30<sup>th</sup> day of NOVEMBER, 2023

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

Peter Klein  
\_\_\_\_\_  
Name of Chief Executive Officer



## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Statement of Comprehensive Income

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
<b>Revenue</b>				
Rates	2(a),23	1,409,058	1,403,239	1,348,125
Grants, subsidies and contributions	2(a)	2,954,981	701,555	2,550,270
Fees and charges	2(a)	270,788	225,234	245,975
Interest revenue	2(a)	161,732	14,450	13,823
Other revenue	2(a)	77	1,550	4,075
		4,796,636	2,346,028	4,162,268
<b>Expenses</b>				
Employee costs	2(b)	(1,419,223)	(1,588,104)	(1,279,564)
Materials and contracts		(1,394,934)	(1,180,264)	(1,471,651)
Utility charges		(175,131)	(182,962)	(172,262)
Depreciation	9(a)	(1,350,202)	(1,480,574)	(1,474,840)
Finance costs	2(b)	(4,341)	(10,894)	(9,153)
Insurance		(155,323)	(170,786)	(153,432)
Other expenditure	2(b)	(50,103)	(51,047)	(42,309)
		(4,549,257)	(4,664,631)	(4,603,211)
		247,379	(2,318,603)	(440,943)
Capital grants, subsidies and contributions	2(a)	1,253,719	1,964,480	1,156,156
Profit on asset disposals		0	136,670	49,505
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	2,764	0	2,998
		1,256,483	2,101,150	1,208,659
<b>Net result for the period</b>		<b>1,503,862</b>	<b>(217,453)</b>	<b>767,716</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	4,308,287	0	0
<b>Total other comprehensive income for the period</b>		<b>4,308,287</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>5,812,149</b>	<b>(217,453)</b>	<b>767,716</b>

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



## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Statement of Financial Position

AS AT 30 JUNE 2023

	NOTE	2023	2022
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	2,581,554	2,704,077
Trade and other receivables	5	339,845	316,549
Other financial assets	4(a)	3,230,306	2,958,155
Inventories	6	5,168	1,375
<b>TOTAL CURRENT ASSETS</b>		<b>6,156,873</b>	<b>5,980,156</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	29,739	24,632
Other financial assets	4(b)	61,117	58,353
Property, plant and equipment	7	13,446,168	13,628,012
Infrastructure	8	56,079,907	51,067,594
Right-of-use assets	10(a)	0	1,701
<b>TOTAL NON-CURRENT ASSETS</b>		<b>69,616,931</b>	<b>64,780,292</b>
<b>TOTAL ASSETS</b>		<b>75,773,804</b>	<b>70,760,448</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	419,875	1,081,911
Other liabilities	12	236,238	358,178
Lease liabilities	10(b)	0	1,723
Borrowings	13	53,126	50,192
Employee related provisions	14	88,414	64,992
<b>TOTAL CURRENT LIABILITIES</b>		<b>797,653</b>	<b>1,556,996</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	13	0	53,126
Employee related provisions	14	40,032	26,356
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>40,032</b>	<b>79,482</b>
<b>TOTAL LIABILITIES</b>		<b>837,685</b>	<b>1,636,478</b>
<b>NET ASSETS</b>		<b>74,936,119</b>	<b>69,123,970</b>
<b>EQUITY</b>			
Retained surplus		26,351,143	25,119,432
Reserve accounts	26	3,230,306	2,958,155
Revaluation surplus	15	45,354,670	41,046,383
<b>TOTAL EQUITY</b>		<b>74,936,119</b>	<b>69,123,970</b>

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



## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Statement of Changes in Equity

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2021</b>		<b>24,751,838</b>	<b>2,558,033</b>	<b>41,046,383</b>	<b>68,356,254</b>
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 reserve accounts	26	273,800	(273,800)	0	0
Transfers to reserve accounts	26	(673,922)	673,922	0	0
<b>Balance as at 30 June 2022</b>		<b>25,119,432</b>	<b>2,958,155</b>	<b>41,046,383</b>	<b>69,123,970</b>
Comprehensive income for the period					
Net result for the period		1,503,862	0	0	1,503,862
Other comprehensive income for the period	15	0	0	4,308,287	4,308,287
Total comprehensive income for the period		1,503,862	0	4,308,287	5,812,149
Transfers from reserve accounts	26	22,500	(22,500)	0	0
Transfers to reserve accounts	26	(294,651)	294,651	0	0
<b>Balance as at 30 June 2023</b>		<b>26,351,143</b>	<b>3,230,306</b>	<b>45,354,670</b>	<b>74,936,119</b>

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



## Statement of Cash Flows

NOTE	2023 Actual \$	2022 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
Rates	1,400,394	1,344,386
Grants, subsidies and contributions	2,874,148	2,383,441
Fees and charges	270,788	277,125
Interest revenue	139,642	13,823
Goods and services tax received	66,182	115,776
Other revenue	77	5,253
	4,751,231	4,139,804
<b>Payments</b>		
Employee costs	(1,114,916)	(1,046,691)
Materials and contracts	(2,093,643)	(674,650)
Utility charges	(175,131)	(172,262)
Finance costs	(5,252)	(8,056)
Insurance paid	(155,323)	(153,432)
Goods and services tax paid	(216,416)	(426,889)
Other expenditure	(50,103)	(21,538)
	(3,810,784)	(2,503,518)
<b>Net cash provided by (used in) operating activities</b>	940,447	1,636,286
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for financial assets at amortised cost	0	(2,958,155)
Payments for purchase of property, plant & equipment	7(a) (345,289)	(542,750)
Payments for construction of infrastructure	8(a) (1,525,394)	(1,608,220)
Capital grants, subsidies and contributions	1,131,779	1,316,761
Proceeds for financial assets at amortised cost	(272,151)	0
Proceeds from sale of property, plant & equipment	0	139,546
<b>Net cash provided by (used in) investing activities</b>	(1,011,055)	(3,652,818)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	25(a) (50,192)	(47,440)
Payments for principal portion of lease liabilities	25(b) (1,723)	(3,412)
<b>Net cash provided by (used In) financing activities</b>	(51,915)	(50,852)
<b>Net increase (decrease) in cash held</b>	(122,523)	(2,067,384)
Cash at beginning of year	2,704,077	4,771,461
<b>Cash and cash equivalents at the end of the year</b>	2,581,554	2,704,077

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



## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Statement of Financial Activity

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
General rates net of Ex-gratia Rates	23	1,398,670	1,394,462	1,339,701
Ex-gratia Rates	23	10,388	8,777	8,424
Grants, subsidies and contributions		2,954,981	701,555	2,550,270
Fees and charges		270,788	225,234	245,975
Interest revenue		161,732	14,450	13,823
Other revenue		77	1,550	4,075
Profit on asset disposals		0	136,670	49,505
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	2,764	0	2,998
		4,799,400	2,482,698	4,214,771
<b>Expenditure from operating activities</b>				
Employee costs		(1,419,223)	(1,588,104)	(1,279,564)
Materials and contracts		(1,394,934)	(1,180,264)	(1,471,651)
Utility charges		(175,131)	(182,962)	(172,262)
Depreciation		(1,350,202)	(1,480,574)	(1,474,840)
Finance costs		(4,341)	(10,894)	(9,153)
Insurance		(155,323)	(170,786)	(153,432)
Other expenditure		(50,103)	(51,047)	(42,309)
		(4,549,257)	(4,664,631)	(4,603,211)
Non-cash amounts excluded from operating activities	24(a)	1,356,007	1,343,904	1,402,493
<b>Amount attributable to operating activities</b>		1,606,150	(838,029)	1,014,053
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions		1,253,719	1,964,480	1,156,156
Proceeds from disposal of assets		0	176,500	139,546
		1,253,719	2,140,980	1,295,702
<b>Outflows from investing activities</b>				
Purchase of property, plant and equipment	7(a)	(345,289)	(925,355)	(542,750)
Purchase and construction of infrastructure	8(a)	(1,525,394)	(2,116,174)	(1,608,220)
		(1,870,683)	(3,041,529)	(2,150,970)
<b>Amount attributable to investing activities</b>		(616,964)	(900,549)	(855,268)
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Proceeds from borrowings	25(a)	0	310,000	0
Transfers from reserve accounts	26	22,500	195,000	273,800
		22,500	505,000	273,800
<b>Outflows from financing activities</b>				
Repayment of borrowings	25(a)	(50,192)	(78,737)	(47,440)
Payments for principal portion of lease liabilities	25(b)	(1,723)	(1,722)	(3,412)
Transfers to reserve accounts	26	(294,651)	(206,000)	(673,922)
		(346,566)	(286,459)	(724,774)
<b>Amount attributable to financing activities</b>		(324,066)	218,541	(450,974)
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>		1,516,920	1,520,037	1,809,109
Amount attributable to operating activities		1,606,150	(838,029)	1,014,053
Amount attributable to investing activities		(616,964)	(900,549)	(855,268)
Amount attributable to financing activities		(324,066)	218,541	(450,974)
<b>Surplus or deficit after imposition of general rates</b>	24(b)	<b>2,182,040</b>	<b>0</b>	<b>1,516,920</b>

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





# FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

## Notes to and Forming Part of the Financial Report

### 1. BASIS OF PREPARATION

The financial report of the Shire of Wyalkatchem which is a Class 4 local government 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 except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

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

#### Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date
- AASB 2021-7a Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]
- AASB 2022-3 Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15

These amendments have no material impact on the current annual financial report

#### New accounting standards for application in future years

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

- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards
- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

The amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified. Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Notes to and Forming Part of the Financial Report

## 2. REVENUE AND EXPENSES

### (a) Revenue

#### Contracts with customers

Recognition of revenue is dependent 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
Grants, subsidies and contributions	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
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - 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
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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 of goods or services is provided in the table below:

#### For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,409,058	0	1,409,058
Grants, subsidies and contributions	2,938,260	0	0	16,721	2,954,981
Fees and charges	270,788	0	0	0	270,788
Interest revenue	0	0	0	161,732	161,732
Other revenue	77	0	0	0	77
Capital grants, subsidies and contributions	0	1,253,719	0	0	1,253,719
<b>Total</b>	<b>3,209,125</b>	<b>1,253,719</b>	<b>1,409,058</b>	<b>178,453</b>	<b>6,050,355</b>

#### For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,348,125	0	1,348,125
Grants, subsidies and contributions	2,550,270	0	0	0	2,550,270
Fees and charges	245,975	0	0	0	245,975
Interest revenue	0	0	0	13,823	13,823
Other revenue	4,075	0	0	0	4,075
Capital grants, subsidies and contributions	0	1,156,156	0	0	1,156,156
<b>Total</b>	<b>2,800,320</b>	<b>1,156,156</b>	<b>1,348,125</b>	<b>13,823</b>	<b>5,318,424</b>

## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Notes to and Forming Part of the Financial Report

### 2. REVENUE AND EXPENSES (Continued)

#### (a) Revenue (Continued)

Note	2023 Actual \$	2022 Actual \$
<b>Interest revenue</b>		
Interest on reserve account funds	116,740	4,671
Trade and other receivables overdue interest	44,992	8,578
Other interest revenue	0	574
	161,732	13,823
The 2023 original budget estimate in relation to: Trade and other receivables overdue interest was \$8,250.		
<b>Fees and charges relating to rates receivable</b>		
Charges on instalment plan	900	950
The 2023 original budget estimate in relation to: Charges on instalment plan was \$950.		
<b>(b) Expenses</b>		
<b>Auditors remuneration</b>		
- Audit of the Annual Financial Report	30,400	27,100
- Other services – grant acquittals	2,000	2,300
	32,400	29,400
<b>Employee Costs</b>		
Employee benefit costs	1,258,787	1,169,656
Other employee costs	160,436	109,908
	1,419,223	1,279,564
<b>Finance costs</b>		
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	4,341	9,153
Sundry expenses	50,103	42,309

## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Notes to and Forming Part of the Financial Report

### 3. CASH AND CASH EQUIVALENTS

Note	2023 \$	2022 \$
Cash at bank and on hand	2,581,554	2,704,077
<b>Total cash and cash equivalents</b>	<b>2,581,554</b>	<b>2,704,077</b>
Held as		
- Unrestricted cash and cash equivalents	2,345,316	2,704,077
- Restricted cash and cash equivalents	236,238	0
	<b>2,581,554</b>	<b>2,704,077</b>

#### SIGNIFICANT ACCOUNTING POLICIES

##### Cash and cash equivalents

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

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 reserve accounts, 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 and for which no liability has been recognised.

### 4. OTHER FINANCIAL ASSETS

	2023 \$	2022 \$
<b>(a) Current assets</b>		
Financial assets at amortised cost	3,230,306	2,958,155
	<b>3,230,306</b>	<b>2,958,155</b>
<b>Other financial assets at amortised cost</b>		
Term deposits	3,230,306	2,958,155
	<b>3,230,306</b>	<b>2,958,155</b>
Held as		
- Restricted other financial assets at amortised cost	3,230,306	2,958,155
	<b>3,230,306</b>	<b>2,958,155</b>
<b>(b) Non-current assets</b>		
Financial assets at fair value through profit or loss	61,117	58,353
	<b>61,117</b>	<b>58,353</b>
<b>Financial assets at fair value through profit or loss</b>		
Units in Local Government House Trust - opening balance	58,353	55,355
Movement attributable to fair value increment	2,764	2,998
Units in Local Government House Trust - closing balance	<b>61,117</b>	<b>58,353</b>

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 25(a) as self supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

#### 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 22 (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 or loss

The Shire has elected to classify the following financial assets at fair value through profit or 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 elected to recognise as fair value gains and losses through profit or loss.

## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Notes to and Forming Part of the Financial Report

### 2. REVENUE AND EXPENSES (Continued)

#### (a) Revenue (Continued)

Note	2023 Actual \$	2022 Actual \$
<b>Interest revenue</b>		
Interest on reserve account funds	116,740	4,671
Trade and other receivables overdue interest	44,992	8,578
Other interest revenue	0	574
	161,732	13,823

The 2023 original budget estimate in relation to:  
Trade and other receivables overdue interest was \$8,250.

#### **Fees and charges relating to rates receivable**

Charges on instalment plan	900	950
----------------------------	-----	-----

The 2023 original budget estimate in relation to:  
Charges on instalment plan was \$950.

#### (b) Expenses

##### **Auditors remuneration**

- Audit of the Annual Financial Report	30,400	27,100
- Other services – grant acquittals	2,000	2,300
	32,400	29,400

##### **Employee Costs**

Employee benefit costs	1,258,787	1,169,656
Other employee costs	160,436	109,908
	1,419,223	1,279,564

##### **Finance costs**

Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	4,341	9,153
Sundry expenses	50,103	42,309

## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Notes to and Forming Part of the Financial Report

### 6. INVENTORIES

Note	2023	2022
<b>Current</b>	\$	\$
Fuel and materials	5,168	1,375
The following movements in inventories occurred during the year:		
<b>Balance at beginning of year</b>	1,375	7,874
Movement during the year	3,793	(6,499)
<b>Balance at end of year</b>	5,168	1,375

#### SIGNIFICANT ACCOUNTING POLICIES

##### General

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

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

##### Land held for resale

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

##### Land held for resale (Continued)

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

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

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

## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Notes to and Forming Part of the Financial Report

### 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.

	Land	Buildings - non- specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$		\$	\$	\$
<b>Balance at 1 July 2021</b>	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	0	(337,094)	(337,094)	(75)	(239,009)	(576,178)
<b>Balance at 30 June 2022</b>	487,085	12,233,773	12,720,858	19,094	888,060	13,628,012
<b>Comprises:</b>						
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)
<b>Balance at 30 June 2022</b>	487,085	12,233,773	12,720,858	19,094	888,060	13,628,012
Additions	6,709	184,650	191,359	0	153,930	345,289
Depreciation	0	(340,312)	(340,312)	(3,819)	(183,002)	(527,133)
<b>Balance at 30 June 2023</b>	493,794	12,078,111	12,571,905	15,275	858,988	13,446,168
<b>Comprises:</b>						
Gross balance amount at 30 June 2023	493,794	12,755,517	13,249,311	58,667	2,163,970	15,471,948
Accumulated depreciation at 30 June 2023	0	(677,406)	(677,406)	(43,392)	(1,304,982)	(2,025,780)
<b>Balance at 30 June 2023</b>	493,794	12,078,111	12,571,905	15,275	858,988	13,446,168

# Notes to and Forming Part of the Financial Report

## 7. PROPERTY, PLANT AND EQUIPMENT (Continued)

### (b) Carrying Value Measurements

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>Land and buildings</b>						
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 & 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						
<b>Furniture and equipment</b>		N/A	Cost	Not Applicable		N/A
<b>Plant and equipment</b>		N/A	Cost	Not Applicable		N/A



# Notes to and Forming Part of the Financial Report

## 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.

	Infrastructure - roads	Infrastructure - drainage	Infrastructure - footpaths	Infrastructure - parks and ovals	Infrastructure - other	Infrastructure - airport	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2021</b>	44,374,511	2,234,620	358,856	273,817	1,455,868	1,656,989	50,354,661
Additions	787,686	493,985			312,809	13,740	1,608,220
Depreciation	(525,028)	(47,368)	(16,312)	(48,414)	(146,611)	(111,554)	(895,287)
<b>Balance at 30 June 2022</b>	44,637,169	2,681,237	342,544	225,403	1,622,066	1,559,175	51,067,594
<b>Comprises:</b>							
Gross balance at 30 June 2022	46,642,175	2,870,709	407,791	418,300	2,217,656	2,004,502	54,561,133
Accumulated depreciation at 30 June 2022	(2,005,006)	(189,472)	(65,247)	(192,897)	(595,590)	(445,327)	(3,493,539)
<b>Balance at 30 June 2022</b>	44,637,169	2,681,237	342,544	225,403	1,622,066	1,559,175	51,067,594
Additions	1,213,414	56,550	0	211,886	43,544	0	1,525,394
Revaluation increments / (decrements) transferred to revaluation surplus	(914,470)	3,906,161	110,273	842,898	367,137	(3,712)	4,308,287
Depreciation	(540,782)	(57,414)	(16,312)	(48,414)	(46,617)	(111,829)	(821,368)
<b>Balance at 30 June 2023</b>	44,395,331	6,586,534	436,505	1,231,773	1,986,130	1,443,634	56,079,907
<b>Comprises:</b>							
Gross balance at 30 June 2023	69,104,051	12,161,198	813,066	2,009,091	5,155,988	2,193,877	91,437,271
Accumulated depreciation at 30 June 2023	(24,708,720)	(5,574,664)	(376,561)	(777,318)	(3,169,858)	(750,243)	(35,357,364)
<b>Balance at 30 June 2023</b>	44,395,331	6,586,534	436,505	1,231,773	1,986,130	1,443,634	56,079,907

# Notes to and Forming Part of the Financial Report

## 8. INFRASTRUCTURE (Continued)

### (b) Carrying Value Measurements

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
	Infrastructure - roads	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - drainage	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - footpaths	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - parks and ovals	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - other	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - airport	3	Cost approach using current replacement cost	Independent Valuation	June 2023	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.

**FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023**  
**Notes to and Forming Part of the Financial Report**

**9. FIXED ASSETS**

**(a) Depreciation**

**Depreciation rates**

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

<b>Asset Class</b>	<b>Useful life</b>
Buildings - non-specialised	12 to 50 years
Furniture and equipment	2 to 5 years
Plant and equipment	3 to 16 years
Infrastructure - roads	15 to 50 years
Infrastructure - drainage	50 years
Infrastructure - footpaths	25 years
Infrastructure - parks and ovals	6 to 12 years
Infrastructure - other	15 to 50 years
Infrastructure - kerbing	30 years

	<b>Note</b>	<b>2023 Actual</b>	<b>2022 Actual</b>
Buildings - non specialised	7(a)	340,312	337,094
Furniture and equipment	7(a)	3,819	75
Plant and equipment	7(a)	183,002	239,009
Infrastructure - roads	8(a)	540,782	525,028
Infrastructure - drainage	8(a)	57,414	47,368
Infrastructure - footpaths	8(a)	16,312	16,312
Infrastructure - parks and ovals	8(a)	48,414	48,414
Infrastructure - other	8(a)	46,617	146,611
Infrastructure - airport	8(a)	111,829	111,554
Right of use assets - furniture & equipment	10(a)	1,701	3,375
		1,350,202	1,474,840

## Notes to and Forming Part of the Financial Report

### 9. FIXED ASSETS (Continued)

#### 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 any accumulated depreciation and impairment losses.

##### Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost, the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

##### Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

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

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

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

Individual assets that are land, buildings, infrastructure and investment properties acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, 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 revaluation date consistent with *Financial Management Regulation 17A(4)*.

##### Revaluation

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

At the end of each period, the carrying amount for each asset class is reviewed and, where appropriate, the fair value is updated to reflect current market conditions consistent with *Financial Management Regulation 17A(2)* which requires land, buildings infrastructure, investment properties and vested improvements to be shown at fair value.

##### Revaluation (continued)

For property, plant and equipment and infrastructure, increases in the carrying amount arising on revaluation of asset classes 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. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

##### Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

##### Depreciation on revaluation

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

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

##### Amortisation

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

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

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 9(a).

##### Impairment

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 or losses on disposal

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.

# FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

## Notes to and Forming Part of the Financial Report

### 10. LEASES

#### (a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.	Note	Right-of-use assets - furniture and equipment \$	Right-of-use assets Total \$
<b>Balance at 1 July 2021</b>		5,076	5,076
Depreciation		(3,375)	(3,375)
<b>Balance at 30 June 2022</b>		1,701	1,701
Gross balance amount at 30 June 2022		11,826	11,826
Accumulated depreciation at 30 June 2022		(10,125)	(10,125)
<b>Balance at 30 June 2022</b>		1,701	1,701
Depreciation		(1,701)	(1,701)
<b>Balance at 30 June 2023</b>		0	0
Gross balance amount at 30 June 2023		11,826	11,826
Accumulated depreciation at 30 June 2023		(11,826)	(11,826)

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:

	2023 Actual \$	2022 Actual \$
Depreciation on right-of-use assets	(1,701)	(3,375)
Finance charge on lease liabilities	(7)	(47)
<b>Total amount recognised in the statement of comprehensive income</b>	(1,708)	(3,422)
Total cash outflow from leases	(1,730)	(3,459)

#### (b) Lease Liabilities

Current	25(b)	0	1,723
---------	-------	---	-------

#### Secured liabilities and assets pledged as security

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

#### SIGNIFICANT ACCOUNTING POLICIES

##### Leases

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

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

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

Details of individual lease liabilities required by regulations are provided at Note 25(b).

##### Right-of-use assets - measurement

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 9 under revaluation for details on the significant accounting policies applying to vested improvements.

##### Right-of-use assets - depreciation

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

## Notes to and Forming Part of the Financial Report

### 11. TRADE AND OTHER PAYABLES

**Current**

Sundry creditors  
 Prepaid rates  
 Accrued payroll liabilities  
 ATO liabilities  
 Bonds and deposits held  
 Accrued interest on loans

	2023	2022
	\$	\$
	336,888	985,085
	14,671	33,023
	36,508	22,863
	21,940	31,142
	8,909	7,928
	959	1,870
	419,875	1,081,911

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

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 any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

**Prepaid rates**

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

**FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023**  
**Notes to and Forming Part of the Financial Report**

**12. OTHER LIABILITIES**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Current</b>		
Capital grant/contributions liabilities	236,238	358,178
<b>Reconciliation of changes in capital grant/contribution liabilities</b>		
Opening balance	358,178	218,089
Additions	59,573	358,178
Revenue from capital grant/contributions held as a liability at the start of the period	(181,513)	(218,089)
	236,238	358,178
<b>Expected satisfaction of capital grant/contribution liabilities</b>		
Less than 1 year	236,238	358,178

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

**SIGNIFICANT ACCOUNTING POLICIES**

**Contract liabilities**

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

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

**Capital grant/contribution liabilities**

Capital grant/contribution liabilities represent the Shire's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Notes to and Forming Part of the Financial Report

### 13. BORROWINGS

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
<b>Secured</b>		\$	\$	\$	\$	\$	\$
Bank loans		53,126	0	53,126	50,192	53,126	103,318
<b>Total secured borrowings</b>	25(a)	53,126	0	53,126	50,192	53,126	103,318

#### Secured liabilities and assets pledged as security

Bank loans are secured by a floating charge over the assets of the Shire of Wyalkatchem.

The Shire of Wyalkatchem has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 years.

#### SIGNIFICANT ACCOUNTING POLICIES

##### Borrowing costs

The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

##### Risk

Details of individual borrowings required by regulations are provided at Note 25(a).



# FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

## Notes to and Forming Part of the Financial Report

### 14. EMPLOYEE RELATED PROVISIONS

#### Employee Related Provisions

	2023	2022
	\$	\$
<b>Current provisions</b>		
<b>Employee benefit provisions</b>		
Annual leave	88,414	48,976
Long service leave	0	16,016
<b>Total current employee related provisions</b>	88,414	64,992
<b>Non-current provisions</b>		
<b>Employee benefit provisions</b>		
Long service leave	40,032	26,356
<b>Total non-current employee related provisions</b>	40,032	26,356
<b>Total employee related provisions</b>	128,446	91,348

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

#### SIGNIFICANT ACCOUNTING POLICIES

##### Employee benefits

The Shire's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

##### Short-term employee benefits

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

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Notes to and Forming Part of the Financial Report

### 15. REVALUATION SURPLUS

	<b>2023 Opening Balance</b>	<b>Total Movement on Revaluation</b>	<b>2023 Closing Balance</b>	<b>2022 Opening Balance</b>	<b>2022 Closing Balance</b>
	\$	\$	\$	\$	\$
Buildings - non-specialised	7,592,300	0	7,592,300	7,592,300	7,592,300
Furniture and equipment	1,825	0	1,825	1,825	1,825
Plant and equipment	77,020	0	77,020	77,020	77,020
Infrastructure - roads	29,108,543	(914,470)	28,194,073	29,108,543	29,108,543
Infrastructure - drainage	2,272,115	3,906,161	6,178,276	2,272,115	2,272,115
Infrastructure - footpaths	233,186	110,273	343,459	233,186	233,186
Infrastructure - parks and ovals	344,502	866,737	1,211,239	344,502	344,502
Infrastructure - other	1,416,892	339,586	1,756,478	1,416,892	1,416,892
	<b>41,046,383</b>	<b>4,308,287</b>	<b>45,354,670</b>	<b>41,046,383</b>	<b>41,046,383</b>

**FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023**  
**Notes to and Forming Part of the Financial Report**

**16. RESTRICTIONS OVER FINANCIAL ASSETS**

	Note	2023 Actual \$	2022 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	236,238	3,316,333
- Financial assets at amortised cost	4	3,230,306	
		3,466,544	3,316,333
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	26	3,230,306	2,958,155
Capital grant liabilities	12	236,238	358,178
<b>Total restricted financial assets</b>		3,466,544	3,316,333

**17. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS**

Bank overdraft limit		250,000	250,000
Credit card limit		13,000	13,000
Credit card balance at balance date		(10,589)	(2,688)
<b>Total amount of credit unused</b>		252,411	260,312
<b>Loan facilities</b>			
Loan facilities - current		53,126	50,192
Loan facilities - non-current		0	53,126
<b>Total facilities in use at balance date</b>		53,126	103,318
<b>Unused loan facilities at balance date</b>		0	0

## Notes to and Forming Part of the Financial Report

### 18. CONTINGENT LIABILITIES

The Shire operates a single landfill in Cemetery Road, Wyalkatchem, which receives all of the kerbside and general waste generated by the community. This site was registered with the Department of Environment Protection, Water and Rivers Commission on 10 June 2003. The closest property to the landfill is 2.5km away.

The landfill site covers a total area of 35ha and the current use space is about 8,000m<sup>2</sup> with approximately 50,000m<sup>2</sup> available for future expansion.

At the current rate of waste disposal the site has a remaining life of 25 years.

The Shire is currently drafting its landfill closure plan which, once complete, will inform the scale of the Council's rehabilitation liability and annual allocation to its Waste Management Reserve.

The Shire is currently unaware of the extent of contamination, if any, at the site.

The Waste Management Reserve (Note 26) currently has a balance of \$111,395 with a further \$207 budgeted to be transferred into this reserve in financial year 2024.

### 19. CAPITAL COMMITMENTS

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	345,054	397,981
- plant & equipment purchases	193,463	18,709
	538,517	416,690
Payable:		
- not later than one year	538,517	416,690

# FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

## Notes to and Forming Part of the Financial Report

### 20. RELATED PARTY TRANSACTIONS

#### (a) Elected Member Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.

Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
President's annual allowance	6,303	6,303	6,090
President's meeting attendance fees	4,961	4,961	4,793
President's other expenses	1,291	1,429	0
President's annual allowance for ICT expenses	563	563	544
President's travel and accommodation expenses	776	286	
	13,894	13,542	11,427
Deputy President's annual allowance	1,576	1,576	1,523
Deputy President's meeting attendance fees	4,961	4,961	4,793
Deputy President's other expenses	1,491	1,429	0
Deputy President's annual allowance for ICT expenses	563	563	544
Deputy President's travel and accommodation expenses	399	286	
	8,990	8,815	6,860
All other council member's meeting attendance fees	24,805	24,805	19,172
All other council member's expenses	4,218	7,142	0
All other council member's annual allowance for ICT expenses	2,815	2,815	2,176
All other council member's travel and accommodation expenses	1,982	1,428	0
	33,820	36,190	21,348
20(b)	56,704	58,547	39,635

#### (b) Key Management Personnel (KMP) Compensation

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

Note	2023 Actual \$	2022 Actual \$
Short-term employee benefits	366,517	386,468
Post-employment benefits	42,081	42,716
Employee - other long-term benefits	5,975	3,648
Employee - termination benefits	0	8,574
Council member costs	56,704	39,635
	471,277	481,041

##### *Short-term employee benefits*

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

##### *Post-employment benefits*

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

##### *Other long-term benefits*

These amounts represent annual leave and long service leave entitlements 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).

##### *Council member costs*

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Notes to and Forming Part of the Financial Report

### 20. RELATED PARTY TRANSACTIONS

#### 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 guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	<b>2023 Actual</b>	<b>2022 Actual</b>
	\$	\$
Purchase of goods and services	53,355	25,483

#### 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 council member, are considered key management personnel and are detailed in Notes 20(a) and 20(b)

##### *ii. Other Related Parties*

During the previous year, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement process.

The contract involved roadworks in the Shire, and amounted to \$265,941 in the current year (\$369,871 in the prior year).

Short-term employee benefits related to an associate person of the CEO who was employed by the Shire under normal employment terms and conditions.

Outside of normal citizen type transactions with the Shire, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

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

There were no such entities requiring disclosure during the current or previous year.

**FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023**  
**Notes to and Forming Part of the Financial Report**

**21. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

There have been no material events after the reporting period which would affect the financial report of the Shire for the year ended 30th June 2023 or which would require a separate disclosure.

# Notes to and Forming Part of the Financial Report

## 22. 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 report 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) Interest revenue

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

### i) 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.

#### j) Impairment of assets

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

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

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





## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Notes to and Forming Part of the Financial Report

### 24. DETERMINATION OF SURPLUS OR DEFICIT

Note	2022/23	2022/23	2021/22
	(30 June 2023 Carried Forward) \$	Budget (30 June 2023 Carried Forward) \$	(30 June 2022 Carried Forward) \$
<b>(a) Non-cash amounts excluded from operating activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to operating activities</b>			
	Less: Profit on asset disposals	0	(49,505)
	Less: Fair value adjustments to financial assets at fair value through profit or loss	(2,764)	(2,998)
9(a)	Add: Depreciation	1,350,202	1,474,840
	Non-cash movements in non-current assets and liabilities:		
	Pensioner deferred rates	(5,107)	(5,910)
	Employee benefit provisions	13,676	(13,934)
	<b>Non-cash amounts excluded from operating activities</b>	<b>1,356,007</b>	<b>1,402,493</b>
<b>(b) Surplus or deficit after imposition of general rates</b>			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
<b>Adjustments to net current assets</b>			
26	Less: Reserve accounts	(3,230,306)	(2,958,155)
	Add: Current liabilities not expected to be cleared at end of year		
13	- Current portion of borrowings	53,126	50,192
10(b)	- Current portion of lease liabilities	0	1,723
	<b>Total adjustments to net current assets</b>	<b>(3,177,180)</b>	<b>(2,906,240)</b>
<b>Net current assets used in the Statement of Financial Activity</b>			
	Total current assets	6,156,873	5,980,156
	Less: Total current liabilities	(797,653)	(1,556,996)
	Less: Total adjustments to net current assets	(3,177,180)	(2,906,240)
	<b>Surplus or deficit after imposition of general rates</b>	<b>2,182,040</b>	<b>1,516,920</b>

Notes to and Forming Part of the Financial Report

25. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual				Principal at 30 June 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	Budget			Principal at 30 June 2023
		Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022					Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	
43 & 45 Wilson Street		81,319	0	(25,300)	56,019	0	(27,061)	28,958	56,631	0	0	(27,061)	29,570
CRC Building		69,439	0	(22,140)	47,299	0	(23,131)	24,168	46,005	0	0	(23,131)	22,874
8 wheel prime mover		0	0	0	0	0	0	0	0	310,000	0	(28,545)	281,455
<b>Total</b>		<b>150,758</b>	<b>0</b>	<b>(47,440)</b>	<b>103,318</b>	<b>0</b>	<b>(50,192)</b>	<b>53,126</b>	<b>102,636</b>	<b>310,000</b>	<b>(78,737)</b>	<b>333,899</b>	
<b>Borrowing Finance Cost Payments</b>													
Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022	Budget for year ending 30 June 2022				
43 & 45 Wilson Street		68	NAB	6.89%	23/02/2024	(2,750)	(3,403)	(6,528)	(6,528)				
CRC Building		73	WATC*	4.43%	02/04/2024	(1,584)	(1,842)	(2,578)	(2,578)				
8 wheel prime mover			WATC*	1.91%	N/A	0	(5,642)	0	0				
<b>Total Finance Cost Payments</b>						<b>(4,334)</b>	<b>(10,887)</b>	<b>(9,106)</b>	<b>(9,106)</b>				

\* WA Treasury Corporation

Notes to and Forming Part of the Financial Report

25. BORROWING AND LEASE LIABILITIES (Continued)

Purpose	Note	Actual				Budget				
		Principal at 1 July 2021	New Leases During 2021-22	Principal at 30 June 2022	Principal Repayments During 2021-22	Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	
Fuji Photocopier	10(b)	5,135	0	1,723	(3,412)	1,723	0	(1,723)	0	
<b>Total Lease Liabilities</b>		<b>5,135</b>	<b>0</b>	<b>1,723</b>	<b>(3,412)</b>	<b>1,723</b>	<b>0</b>	<b>(1,723)</b>	<b>0</b>	
<b>Lease Finance Cost Payments</b>										
Purpose	Note	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2022	Budget for year ending 30 June 2022	Lease Term	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023
Fuji Photocopier		C5077C3721	Fuji Xerox	3.00%	Dec-22	\$ (47)	\$ (47)	60 months	\$ (6)	\$ (6)
<b>Total Finance Cost Payments</b>						<b>\$ (47)</b>	<b>\$ (47)</b>		<b>\$ (6)</b>	<b>\$ (6)</b>

Notes to and Forming Part of the Financial Report

	2023		2023		2023		2023		2023		2022		2022		
	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Budget Opening Balance	Budget Transfer to	Budget Transfer (from)	Budget Closing Balance	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance
<b>Restricted by council</b>															
(a) Leave reserve	20,000	640	0	20,000	41	0	20,041	0	20,000	0	20,000	0	20,000	0	20,000
(b) Building Reserve	321,275	10,280	0	321,275	651	0	321,926	300,659	20,616	0	321,275	0	321,275	0	321,275
(c) Waste Management Reserve	107,941	3,454	0	107,941	219	0	108,160	57,555	50,386	0	107,941	0	107,941	0	107,941
(d) Plant & Equipment Reserve	455,568	214,576	(22,500)	647,644	200,924	(195,000)	461,492	225,425	230,143	0	455,568	0	455,568	0	455,568
(e) Community Bus Reserve	83,165	2,661	0	85,826	169	0	83,334	82,611	554	0	83,165	0	83,165	0	83,165
(f) Government Joint Venture Housing Reserve	11	0	0	11	0	0	0	18,508	33	(18,530)	11	0	11	0	11
(g) Sport & Recreation Facilities Reserve	327,872	10,491	0	338,363	665	0	328,548	176,686	151,186	0	327,872	0	327,872	0	327,872
(h) Community Development Reserve	513,283	16,423	0	529,706	1,041	0	514,481	320,272	193,011	0	513,283	0	513,283	0	513,283
(i) Community Health Reserve	1,085,443	34,731	0	1,120,174	2,202	0	1,087,645	1,078,205	7,238	0	1,085,443	0	1,085,443	0	1,085,443
(j) Airport Development Reserve	43,440	1,390	0	44,830	88	0	43,528	43,150	290	0	43,440	0	43,440	0	43,440
(k) Depot Reserve	157	5	0	162	0	0	0	254,962	465	(255,270)	157	0	157	0	157
	2,958,155	294,651	(22,500)	3,230,306	206,000	(195,000)	2,969,155	2,558,033	673,922	(273,800)	2,958,155	0	2,958,155	0	2,958,155

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

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

Name of reserve account Restricted by council	Anticipated date of use	Purpose of the reserve account
(a) Leave reserve	Ongoing	To be used to fund annual and long service leave requirements
(b) Building Reserve	Ongoing	To be used for the continual upgrade and maintenance of council's buildings within the Shire of Wyalkatchem
(c) Waste Management Reserve	Ongoing	To be used for the continual upgrade and expansion of the Wyalkatchem Waste Disposal Site
(d) Plant & Equipment Reserve	Ongoing	To be used for the continual purchase of Major Plant items
(e) Community Bus Reserve	Ongoing	To be used to fund the continual purchase of a community bus
(f) Government Joint Venture Housing Reserve	Ongoing	To be used for the long term maintenance and upgrades of the joint venture housing
(g) Sport & Recreation Facilities Reserve	Ongoing	To be used for the continual upgrade and/or maintenance of various Sport & Recreation facilities in Wyalkatchem
(h) Community Development Reserve	Ongoing	To be used for the continual upgrade and/or development of various community facilities in Wyalkatchem
(i) Community Health Reserve	Ongoing	To be used for the continual upgrade of medical facilities and funding of health services within the Shire of Wyalkatchem
(j) Airport Development Reserve	Ongoing	To be used for the long term maintenance, upgrades, development and/or expansion of the Wyalkatchem Airport
(k) Depot Reserve	Ongoing	To be used for the continual upgrade and expansion of the Wyalkatchem Depot

# Independent Auditors Report



## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2023 Shire of Wyalkatchem

To the Council of the Shire of Wyalkatchem

#### Opinion

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

- the Statement of Financial Position as at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Activity for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2023 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, the 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 below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial report and my auditor's report.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

## Independent Auditors Report

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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

The Chief Executive Officer (CEO) of the Shire is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the Shire's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

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

### Auditor's responsibilities for the audit of the financial report

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

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

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

### My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## FINANCIAL REPORT YEAR ENDED 30TH JUNE 2023

# Independent Auditors Report

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

This auditor's report relates to the financial report of the Shire of Wyalkatchem for the year ended 30 June 2023 included in the annual report 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. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.



Patrick Arulsingham  
Senior Director Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
30 November 2023



**This page has been left intentionally blank**

**This page has been left intentionally blank**





Shire of  
**Wyalkatchem**



**E** [general@wyalkatchem.wa.gov.au](mailto:general@wyalkatchem.wa.gov.au)

**P** (08) 9681 1166

**A** 27 Flint Street and Honour Ave  
PO Box 224 Wyalkatchem WA 6485

**[wyalkatchem.wa.gov.au](http://wyalkatchem.wa.gov.au)**