

2020/21 Annual Report

The Report can be viewed on the
Shire's website:



www.westonia.wa.gov.au



shire@westonia.wa.gov.au



41 Wolfram Street, Westonia



ACKNOWLEDGEMENT OF COUNTRY

The Shire of Westonia acknowledges the traditional custodians of this land, the Kalaamaya people of the Noongar nation.

We acknowledge the traditional custodians of the land on which the Shire is located and where we conduct our business. We pay our respects to ancestors and Elders, past, present and future



Welcome to the 2020/21 Annual Report

Welcome to the Shire of Westonia's 2020-21 Annual Report, which highlights the Shire's progress against the strategic goals identified in our Strategic Community Plan 2018-2028. Under the Local Government Act 1995 all local governments are required to prepare an annual report at the end of each financial year.

This is to provide information back to the community on the overall health of the organisation.

Copies of this report can be obtained in the following ways:

In person: Collect a hard copy from the Shire administration office or Library

Online: www.westonia.wa.gov.au

Email: shire@westonia.wa.gov.au

Comments:

Council and Shire of Westonia officers are keen for any feedback you may have on the Annual Report. This can be in writing and dropped off at any shire building or emailed to the shire at: shire@westonia.wa.gov.au





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Westonia Discovery

Westonia came into existence with the discovery in 1910 of gold in the area, by a sandalwood cutter named Alfred Weston (May 17, 1876 - September 26, 1924). Initially the area was known as *Weston's Reward* and later as *Westons*.

Alfred David Weston, a sandalwood cutter and part time prospector, the town owes its origin to gold mining. Gold mining is still an important industry in the area, although the shire's primary industry is now wheat and sheep farming. All its streets are named after minerals and the town has preserved a streetscape facade that reflects its Edwardian origins

By 1915 there were two major mines in the area, and the population was in excess of 500. By 1917 the area, by then known as *Westonia*, had a population of more than 2,000. In 1919, low gold prices forced the closure of the mines, and many people left the area.

Westonia was gazetted as a town in February 1926. In 1935 one of the mines reopened, but closed again in 1948, only to be reopened in 1985. The mine then closed once again in 1991. In mid-2009, it was announced that mining would once again commence at Westonia's Edna May Gold Mine, owned and mined by Catalpa Resources. With the first gold pour made in May 2010, coinciding with the centenary of the discovery of gold in the district. In November 2011 the merger of Catalpa Resources and Conquest Mining Limited came the new Controlling Operator Evolution Mining. Then in October 2011 Evolution Mining entered into a binding agreement for the Sale to Ramelius Resources who are still in operation today.

Walking through Westonia is a leap back in time. Established during the gold rush era, the town has restored and rebuilt its fine buildings to create a streetscape straight out of the pioneering era. From the original bank, cafe and green grocer store to the bright red doors on Westonia's fire station, wander through town and imagine life here during the mining boom of the early 1900s.

The township is nestled amid 4,000 hectares of salmon gum, morrell and gimlet woodland, dotted with granite outcrops, as well as remnants of the town's gold mining past.

Hit the four kilometre Woodlands and Wildflowers Heritage Trail to explore the native bushland, taking in Westonia Common woodland and historic points of interest.



Or drive a little way out of town to Boodalin Soak or Sandford Rocks - both are picturesque spots providing the opportunity to explore woodlands, granite outcrops, refreshing pools and diverse native flora.

Time your visit to coincide with spring wildflower season (June to November) and you'll find the arid landscape transformed by a plethora of vibrant wildflowers after replenishing winter rains.

When it's time for refreshments and a rest from exploring this unique outback town and landscape, you'll find everything you need in Westonia, including motel and caravan park accommodation.

CLUB HOTEL.

THE PIONEER HOTEL OF WESTONIA.

FIRST CLASS IN ALL DEPARTMENTS
A NEW BUNGALOW IS IN COURSE
OF ERECTION, AND WHICH WILL
PROVIDE SUPERIOR PRIVATE **ACCOMODATION TO**
TRAVELLERS.
TERMS VERY MODERATE.

Motor Car meets all Trains

WESTONIA CAFÉ.

MRS. M. CARR, PROPRIETRESS.

MEALS 1/6.

BEDS 1/6.

Good Meals and Beds Guaranteed

MOTOR SERVICE.



LEN URWIN.

The Red Flag

Drapery Store

WOLFRAM STREET, WESTONIA

THE RED FLAGS WILL DIRECT YOU.

NO ORDER TOO SMALL

WESTONIAN Print.

NONE TOO LARGE

CARRABIN COFFEE PLACE

CARRABIN.

GOOD ACCOMODATION FOR TRAVELLERS

Motor Car Between WESTONIA and CARRABIN.

HORSES AND TARPS ON HIRE

H. G. JERSOE.

Shire President's Message

On behalf of Council, it gives me great pleasure to present the Shire of Westonia Annual Report for 2020/21

2020 was a year that none of us are ever likely to forget with a global pandemic changing the world, our nation, and our Shire. Our Shire worked very hard to keep our community safe and provided Covid dollars to encourage local spending and Wheatbelt Business Network membership to retail businesses to assist them. It is pleasing to see these initiatives taken up which has brought our community together in support of each other. A very successful "Wessie on the Green" coordinated by our Westonia CRC in partnership with the Shire of Westonia was a fantastic event for our community. We are very lucky to live where we live.

Our Shire has continued to successfully balance the important roles of providing quality and value-for-money services to the Westonia community during these uncertain times of Covid19.

I feel proud to be part of this active and growing community, and immense privilege to lead an organisation of people who work so hard to provide a range of important services to our community. Whether it's supporting our aged residents, or maintaining our roads to help businesses to achieve their goals, or for people to travel safely home to their families every day, we try to balance our community's service needs within our funding budget and according

to our Shire Strategic Plan.

Our Shire is in a sound financial position with good reserve levels and no debt. This healthy cash financial position has been achieved due to diligent financial management and the Council's ability to actively pursue outside money from private works opportunities.

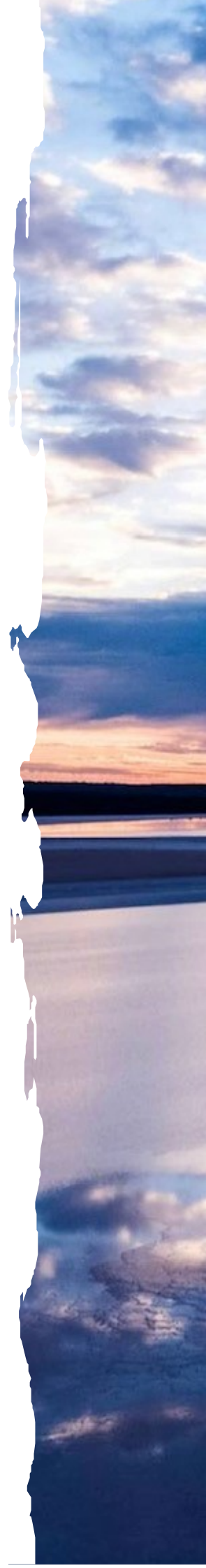
As President, I am grateful for the input and support the community provides, and thank Councillors for their commitment and leadership that allows us to achieve positive outcomes for Westonia.

I acknowledge the effort of Chief Executive Officer Jamie Criddle and his employees for their hard work. We are very lucky to have an excellent workforce and appreciate the pride they show in their work. Our town is looking great, facilities are being maintained and improved, and our roads continue to be the envy of our neighbors. Our goal of making the Shire a great place to live, work, play and visit is being achieved.

This annual report summarises the key achievements of the past year as well as highlighting the resilience, togetherness and positivity of the Council and community when faced with adversity.



Cr Karin Day
Westonia Shire President







A reflection on our Shire

A unique blend of rural, residential, commercial and industrial land.

COVERING AN AREA OF 3,268 SQUARE KILOMETRES, LOCATED IN WESTERN AUSTRALIA'S WHEATBELT, 316KMS EAST OF PERTH, 306 KMS WEST OF KALGOORLIE AND 55KMS EAST OF MERREDIN ON THE WHEATBELT WAY DRIVE TRAIL THE SHIRE OF WESTONIA IS RENOWNED FOR IT'S STUNNING NATURAL WOODLANDS, BREATHTAKING GRANITE OUTCROPS, BEAUTIFUL WILDFLOWERS AND VAST OPEN SKIES

Local industries include Wheat, grain and sheep farming, Gold Mining, Dolomite Mining, Earth Moving, and Heavy Transport Penn Old Club Hotel Museum, and the Wheatbelt Way Drive Trail.

As a snapshot, the Shire manages over 764kms of Unsealed Roads, 121kms of Sealed Roads, gardens, playgrounds and sporting fields.

Shire Attractions include Westonia Facades, Boodalin Soak, Sandford Rock, Elachbutting Rock, Baladjie Rock, Wild Flowers, Woodlands Granite Outcrops, Westonia Common, Historic Westonia Tavern, Rabbit Proof Fence, Old Miners Hall, Golden Pipeline Drive Trail, Hood-

In 2020-2021, the Shire of Westonia balanced its Budget of \$3.6 million to ensure service delivery remained high and the community received value for money.

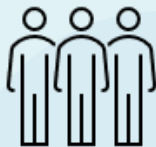
The above snapshot shows how the communities rates are allocated between Program areas.

This is your Shire;

Community statistics

311

People living in the
Shire of Westonia



1 Operational
Gold Mine



46yrs Is
the Median age

\$114m

Gross Regional
Product



\$155,968

Average Income per
Household before Tax



128

Residential Dwellings



316km

East of Perth CBD

92 Dog/Cat
Registrations



13,147

Hectares natural
bushland

3,268km²

Shire Land Area

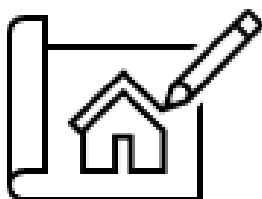


Average
household size

2.7

Building
Permits Issued

12

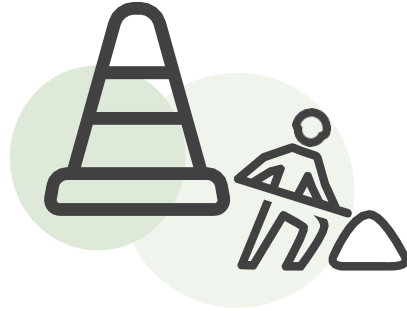


885km

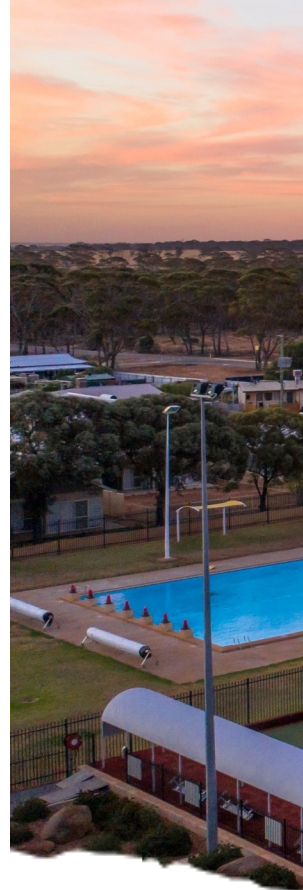
Road Infrastructure



Major projects completed in 2020/21



Learn more about the major projects that occurred in and around the Shire of Westonia.



9 standpipe controllers

George/Boodarockin Standpipe
George/Warrachuppin Standpipe
M40/Boodarockin Standpipe
Walgoolan Townsite Standpipe
Westonia Townsite Standpipe
Carrabin Townsite Standpipe
Cranleigh Standpipe
McPharlin Standpipe
Warralakin Townsite Standpipe

2 scheelite/pyrite subdivision

2 toilet/infrastructure enhancements

Baladjie/Elachbutting Rocks

1 caravan park expansion

3 solar panels

Community Resource Centre
55 Wolfram Street
4 Quartz Street

16 major road upgrades including

Morrison Rd—R2R
Sth Walgoolan Rd —R2R
Rabbit Proof Fence Rd —R2R
Leach Rd Shoulders—R2R
Koorda-Bullfinch Rd (M40) Reconst.
Warralakin Rd
Cement Street
Baladjie Track Formation
Goldfields Floodway
4 Mile Gate Rd
Echo Valley Rd
Masfield Rd
English Rd
Boodarockin Road Floodway
George Rd
Capito Rd



NEW



Where do my rates go?

Where each **\$1** goes for every \$100 spent



\$18.00

on Recreation
& Culture



\$3.00

on Other



\$47.00

on Transport



\$10.00

on Economic Services



\$3.00

on Community
Amenities



\$2.00

on Law, Order &
Public Safety



\$10.00

on Governances



\$2.00

on Health



\$4.00

on Housing



\$1.00

on Education &
Welfare

COVID-19 Response



Shire of Westonia responded to the Covid-19 pandemic quickly as the impact of the health crisis was felt across businesses, families and individuals within the region.

This is a snapshot of the key recovery initiatives undertaken by the Shire of Westonia in response to Covid-19 and in order to give as much assistance to the community as possible.



No Rate Rise

Zero percent (0%) rate increase, essentially a freeze on the rate in the dollar;
Zero percent (0%) increase in Councils fees and charges, (remain as per 2019/20);
2020/2021 Non-payment of rates penalty interest not apply until March 2021;
No Instalment administration fees on all instalment options for 2020/2021;
Instalment interest be reduced to 5% on all instalment options for 2020/2021



Financial Hardship

A financial hardship policy was adopted.



Support Local

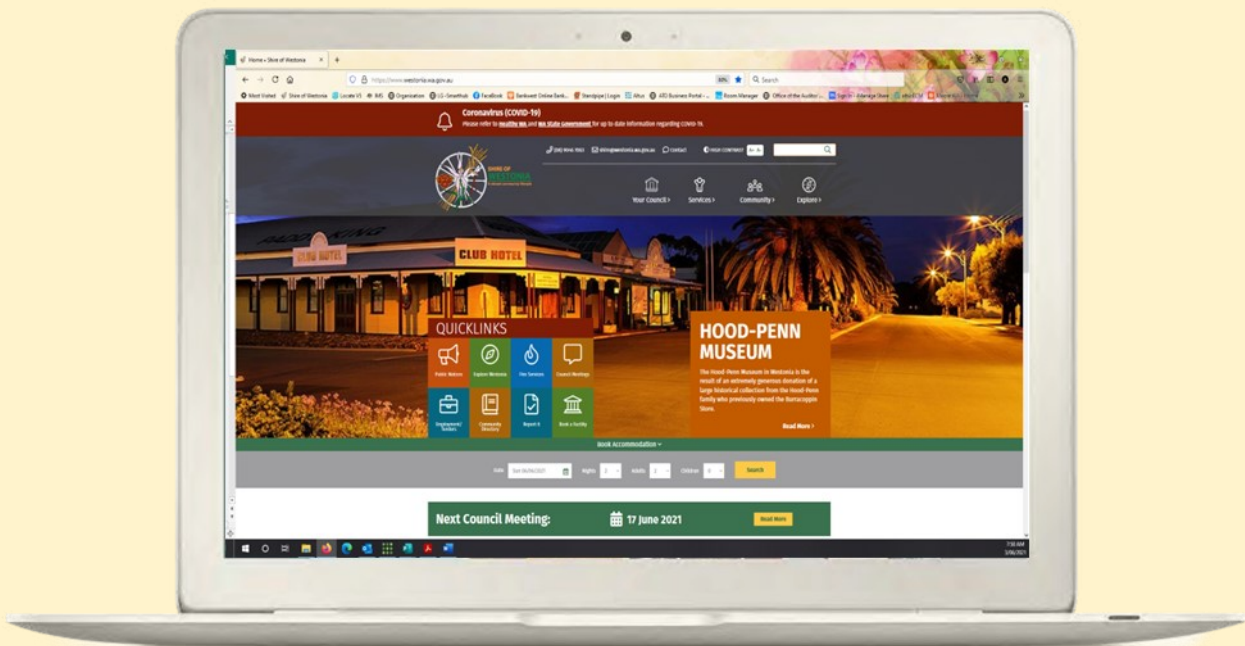
Procurement and payment priority went to local businesses.



Recovery@Wessy COVID-19 Vouchers

Grant five (5) \$10 face value Recovery@Wessy COVID-19 Vouchers for every Elector of the Shire registered with the WA Electoral Commission and on the Shire's Owners and Occupiers Roll





Digital Performance

FOR THE COMMUNITY TO STAY CONNECTED

Our online advertising has helped build our Tourism sector, engage our target markets, learn more about our primary demographic's interests and desires, and more. While all channels experienced significant growth this year, Facebook and Instagram have proven to be most valuable.



WEBSITE

- Page views: 12,052
- Site Sessions: 10,395
- Unique Visitors: 9,178



FACEBOOK

- Reach: 159,220
- Engagement: 79,178
- Followers: 741



INSTAGRAM

- Reach: 76,090
- Impressions: 57,178
- Likes: 1,762

Communication Services



10,722 Emails Processed



62,178 Records Captured







Chief Executive Officer's Message

2020-21 has been a very busy year for the Shire of Westonia. Our Annual Report is the primary means of providing our community with information on the key milestones achieved throughout the year, our major projects, services and facilities as well as important financial data.

Whether it is our community's demographic or our land uses, the Shire of Westonia is one of diversity.

We as a whole are committed to maintaining financial sustainability and has ended the year in a sound financial position with an untied accrued surplus of \$1.4m with cash backed Reserves of \$3.2m and no debt I am pleased to report on the following major projects undertaken in 2020-2021 that have provided new and exciting amenity to the community, based on an annual expenditure of \$3.4m

- 9 x Standpipes Controllers;
- Museum Display Expansion
- Solar Panels at 2 residences; Community Resource Centre;
- Toilet/infrastructure enhancements to Baladjie/Elachbutting Rocks;
- Caravan Park expansion/Redevelopment;
- Scheelite/Pyrite Subdivisions;
- Over \$1.4m worth of road works;

Mentioned above are just a few of the major projects the Shire has completed, continued or embarked on during 2020-21 – all while continuing to provide the facilities and services the community has come to expect from the Shire of Westonia.

This annual report gives a snapshot of what keeps the Shire busy day to day, but only scratches the surface to what our staff give back to our community.

Our Council has provided great leadership throughout this challenging year and I sincerely thank them for the good governance they have provided to our community and their support of our staff.

Finally, Thank you to our staff, who are committed to providing excellent services and facilities to the Westonia Community. Everything we have achieved this year is a credit to their dedication to the Shire and upholding our values.

Respect | Inclusiveness | Fairness and Equity | Communication



Jamie Criddle



Your Council

Council has no operational standing committees however the following portfolios have been issued to Councillors who meet and attend meetings on an as needs basis

SHIRE PRESIDENT

CR KARIN DAY (2023)

Email: cr.day@westonia.wa.gov.au

Portfolio: WEROC, Wheatbelt Communities, WALGA, Community Development, Transport, Development Assessment Panels (proxy), Sport & Recreation

DEPUTY PRESIDENT

CR BILL HUXTABLE (2021)

Email: cr.huxtable@westonia.wa.gov.au

Portfolio: WEROC (proxy), Community Development, Development Assessment Panels, Tourism, WALGA

CR DAIMON GEIER (2021)

Email: cr.daimon.geier@westonia.wa.gov.au

Portfolio: Community Development, Emergency Services, Development Assessment Panel.

CR JOHN JEFFERYS (2021)

Email: cr.jefferys@westonia.wa.gov.au

Portfolio: Transport, Community Development, Development Assessment Panels (proxy)



11+1

COUNCIL MEETINGS
+ SPECIAL MEETING
DURING 2020-21



1

ELECTORS MEETINGS

CR RENAE CORSINI (2023)

Email: cr.corsini@westonia.wa.gov.au

Portfolio: Agriculture, (Inc Eastern Wheatbelt Declared Species Group), Community Development, Sport & Recreation

CR ROSS DELLA BOSCA (2023)

Email: cr.dellabosca@westonia.wa.gov.au

Portfolio: Community Development, Development Assessment Panels, Agriculture, (Inc Eastern Wheatbelt Declared Species Group)

**Note: Year in brackets denotes expiry of election term*

Councillor Expenses

It is important that Councillors can carry out their role without being unduly financially disadvantaged. The Shire's Councillor Allowances, Expenses and Recognition policy outlines what support will be provided by the Shire taking into account the responsibilities and commitment of serving as community representatives.

The policy provides for electronic equipment, training, travel and reimbursement of expenses.

Allowances, expenses and fees paid by the Shire of Westonia to Councillors for the financial year are outlined below

Councillor allowances, expense and fees for financial year 2020/2121

Councillor	Member s Allowances /fees	Travelling Expenses	ICT Expenses	Total
President Cr K. Day	\$9,106.	\$257	\$200	\$9,563
Deputy President B. Huxtable	\$3,553	\$0	\$200	\$3,753
Cr DL. Geier	\$3,553	\$0	\$200	\$3,753
Cr J. Jefferys	\$3,553	\$468	\$200	\$4,221
Cr R. DellaBosca	\$3,553	\$155	\$200	\$3,908
Cr R. Corsini	\$3,553	\$78	\$200	\$3,831

*ICT = Information and communications technology, also referred to as telecommunications allowance

Council Meeting Attendance

Council Meetings are held on the third Thursday of each month with the exception of January. All Council meetings are held in the Westonia Council Chambers located in the Westonia Community Resource Centre, 33 Wolfram Street Westonia.

The Council and Committee meetings are open to the public and there is public question time at the beginning of both Council and Committee meetings at which time the general public may ask questions on any Local Government matter.

Under Chapter 2M of the Corporations Act 2001 states that Councillors' attendance at all Council meetings and Committee meetings which they have been appointed a member, be reported in the Annual Report.

	No. of Meetings To Attend (OCM's/SCM's)	Attended	Apology/LOA	Gender	Linguistic Background	Country of Birth
President Cr K. Day	12	12		Female	English	Aus
Deputy President B. Huxtable	12	9	3	Male	English	Aus
Cr DL. Geier	12	12		Male	English	Aus
Cr J. Jefferys	12	11	1	Male	English	Aus
Cr R. DellaBosca	12	11	1	Male	English	Aus
Cr R. Corsini	12	11	1	Female	English	Aus

Note No Council Member identify as Aboriginal or Torres Strait Islander





Freedom of Information

The Shire of Westonia is responsible for the good governance of the district and carries out functions as required including statutory compliance and provision of facilities and services.

The Council consists of six elected members. The Council meets once each month except January to make decisions relating to the policy and direction of the Shire. All meetings are open to the public and the meeting dates and venues are advertised to the public. Members of the public are able to ask questions during public question time at the commencement of each meeting.

Council maintains records relating to each property within the Shire and also records the function and administration of the Shire including minutes of meetings, financial interests register, register of delegations, rates book, electoral roll, financial statements and local laws.

These documents can be inspected at the Shire Office, Wolfram Street, Westonia, Monday to Friday between the hours of 8.30am and 5.00pm.

Changes to personal information should be made in writing.

Requests for information under the Freedom of Information Act can be sent to the Chief Executive Officer, Shire of Westonia, Wolfram Street, Westonia WA 6423.

The Shire of Westonia received one (1) application under the **Freedom of Information Act 1992**.

Payments to Employees

The Local Government (Administration) Regulations 1996, regulation 19B requires each local government to provide information in its annual report on the following:

The number of employees of the local government entitled to an annual salary of \$100,000 or more;

The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000.

As at 30th June 2021 one employee of the Shire of Westonia was in the annual salary band of \$130,000 - \$140,000.



State Records Act

The State Records Act 2000 requires that the Shire maintains and disposes of all records in the prescribed manner.

Standard 2, Principle 6 – Compliance: Government organisations ensure their employees comply with the record keeping plan.

Rationale:

An organisation and its employees must comply with the organisation's 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 organisation's 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 regarding their compliance with the organisation's record keeping plan.

The Shire of Westonia has complied with items 1 to 4.

Delegation Review

In accordance with Section 5.46 of the *Local Government Act 1995* a review was undertaken of the Shire's Delegations Register during this period, with Council adopting the review at its March 2021 meeting (ref 07/03-21)

Public Interest Disclosures Act 2009

No public interest disclosures were reported to the Shire during the reporting period.



Local Law Review

A review is to be conducted within 8 years from the day each Local Law commenced, or from when a report of a review of the Local Law was accepted under s3.16

Section 3.16 of the Local Government Act requires periodic reviews of Local Laws. A Local Government is to carry out a review of a Local Law to determine whether or not it considers that it should remain unchanged, be repealed or amended.

Council is currently undergoing this review.

Minor Complaints

For the purpose of Section 5.121 of the *Local Government Act 1995* Council must report entries recorded in the Register of Complaints during the financial year.

Council did not receive any complaints during the 2020/21 financial year

Publicly Available Information

Information and documents that are required to be available to the public on the Shire's official website under the LG Act are set out below

Legislative Reference	Description of Information and/or document	Website Page Name
5.55A	Annual Report	Annual Reports
s5.96A(1)(c)	Annual Budget	Budget Reports
s5.96A(1)(d)	List of fees and charges	
s5.96A(1)(e)	Current Plans for the future of the district	Integrated planning and reporting
s5.96A(1)(f)	Confirmed minutes of Council or committee meetings	Council meeting dates, agendas and minutes
s5.96A(1)(g)	Minutes of Electors' meeting	
s5.96A(1)(h)	Notice papers, agendas and reports or other documents relating to council or committee meetings	
s5.89A(5)	Register of gifts	Gift and Travel Contributions Register
5.118(3)	Censure notices in respect of a person who is a council member.	Code of Conduct
5.121(3)	Register of complaints of minor breaches	Register of Complaints



Integrated Planning

The LG Act requires each local government to have an Integrated Planning and Reporting Framework (IPRF), which has three levels of strategic planning, informed and supported by appropriate resourcing and asset management plans.

The key components of the IPRF are:

Strategic Community Plan (Level 1)

Corporate Business Plan (Level 2)

The Annual Report measures our progress against priorities and aspirations that were developed in consultation with the community and documented in the Shires long term vision, the *Strategic Community Plan 2018-2028*.

The Shires *Corporate Business Plan 2019-2023* provides clarity on the initiatives and services that the Shire is planning or implementing over the next five years, with emphasis on the delivery of the strategic priorities outlined in our *Strategic Community Plan 2018-2028*.

Strategic Community Plan (SCP)

The ten-year SCP sets out the vision and direction of the Council, which is informed by community views and aspirations. Through the three themes of **ECONOMIC**, **SOCIAL** and **GOVERNANCE**, the Council determines the strategies that will guide the next level of business planning and priorities.

A copy of the most recent SCP is available on the Shires website.





These two key strategic documents are then underpinned by a number of informing documents including, but not limited to, the Long Term Financial Plan, Asset Management Plans, Workforce Plan and issues or area-specific plans (see figure 1).

Corporate Business Plan (CBP)

The CBP defines four years of priorities, services, projects and actions to be implemented in order to fulfil the SCP. Accompanying resourcing plans ensure funding and human resources are available as needed.

A copy of the most recent CBP is available on the Shires website.



Our Vision

A vibrant community lifestyle



Mission

Provide leadership and direction for the community



Community Strategic Plan

THREE KEY THEMES

The Shire of Westonia's Strategic Community Plan 2018-2028 is the overarching document developed to embody the aspirations and goals of the Westonia community. The themes and goals identified underpin the strategies and outcomes that Council and the Shire of Westonia will be measured against to ensure the future desires of the community are attained. The Strategic Community Plan underwent a major review in April 2019 to obtain new feedback from the Westonia community and set new strategic goals based on that feedback.

THE FOLLOWING KEY THEMES HAVE UNDERPINNED AND GUIDED THE WORK DONE BY THE SHIRE OF WESTONIA OVER THE PAST YEAR...



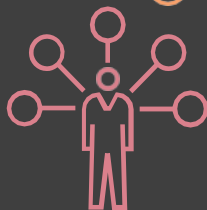
Economic

Support growth and progress, locally and regionally...



Social

Provide community facilities and promote social interaction...



Governance

Continually enhance the Shire's organisational capacity to service the needs of a growing community...

Our Values

The Shire's organisational culture, built on the foundations of our values, distinguishes us and guides our actions to deliver results. The following values help guide our behaviours and provide the boundaries within which our interactions should occur.

Our values are linked to our vision and mission.



Respect

We value people and places and the contribution they make to the Shire.

Inclusiveness

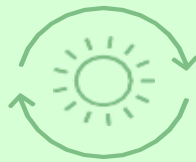
Be receptive, proactive, and responsive.

Fairness and Equity

Provide services for a variety of ages and needs.

Communication

Create opportunities for consultation with the broad community.



ECONOMIC

Diverse businesses, career opportunities and a vibrant community, relaxed lifestyle, distinctive town site and sustainable physical environment are the foundations of our economy. Tourists and visitors are attracted to the Shire throughout the year, tourism activities drive a quality experience and matched with successful events.

OBJECTIVES: Support growth and progress, locally and regionally...

1. Strategy

Efficient transport connectivity in and around our Shire.

1. Continue to utilise our Road Management Plan, which incorporates a road hierarchy, minimum service levels and maintenance policy.
2. RAV Ratings and Shire boundaries are consistent across local government boundaries.
3. Lobby and build enduring partnerships with key Government Departments to improve Great Eastern Hwy.
4. Actively participate in the Secondary Freight Network group.
5. Develop and implement a Road Asset Plan highlighting key funder and strategic partnerships to support sustainability.
6. Develop a Gravel Reserve Policy which identifies future gravel reserves and recognises cost to local government.
7. Educate road users about road safety and driving on gravel roads.
8. Optimal and safe use of our plant and equipment assets.
9. Ensure that appropriate RAV vehicles traverse correct RAV routes.
10. Maintain our airport with a view to improvements to meet commercial and recreational aviation needs.

Outcomes

The road network is safe and efficient
All blackspots are identified and forward to address them occurs
Plant and equipment is replaced when necessary

Consistent network improvement over time

2. Strategy

Facilitate local business retention and growth.

1. Council recognises the opportunity of partnering with Westonia Progress Association, works closely and supports them to help achieve their economic development projects and our strategic goals.
2. Council continue to have a role in facilitating the presence of a Co-op in our community.
3. Enhance local economic activity by supporting the growth of tourism in our Shire and region including applying for funding to improve tourist facilities.
4. Improve our online tourism presence.
5. We forward plan to improve the economic diversity in our community.
6. In partnership with Council, the mine develops long term business plans for current mine assets.
7. Investigate options for multipurpose accommodation if vacancies arise in mine accommodation.

Outcomes

There are improved local economic growth and financial returns through strategic partnerships.
Tourism flows positively in our shire.
Economic diversity grows in our local economy. We have a strong partnership with the mine.

Challenges

- › Ensuring adequate land and infrastructure is made available to support economic development.

- › Shifting from our current reliance on the construction, manufacturing and retail industries.
- › Strengthening employment. Unemployment in the Shire was 7.8% in the Data Obtained from ABS 2016 Census
- › Support the growth of business.
- › Infrastructure that supports industry growth.
- › A strong local economy and access to jobs.
- › Attract new investments, both public and private.
- › Educational and training opportunities that lead to entrepreneurship or employment.

Highlights

- › Upgrades to Road network and improved RAV Status.
- › Successfully prompting and marketing the Shire for Tourism.
- › High Standard of Sealed Roads, (e.g. Construction of Boodarockin Rd, Warrachuppin Rd re-alignment.)
- › Forward planning for plant and equipment replacement.
- › Increased number of online traffic and engagement on our website and social media
- › Place of Destinations—Westonia Caravan Park and Granite Outcrops increases our capacity to educate and enrich the visitor's experience

CSP 2020/2021 Annual action performance

40% of all annual actions aligned to the Economic theme are on Target, 54% are completed and 6% are on hold.



SOCIAL

We have a unique country lifestyle with an exceptionally strong community spirit, pride and sense of ownership. We are welcoming and we have services, infrastructure and development that connects, supports and strengthens our community for the future. Our community is safe and we care for each other.

OBJECTIVES: Provide community facilities and promote social interaction...

3. Strategy

Plan for community growth and changing demographics.

1. Develop the Town Planning Scheme.
2. Plan and develop residential and industrial land.
3. Community safety and ease of access around town is a priority.
4. Our lifestyle, facilities and sense of community is promoted.
5. The CEACA project continues to expand the number of universally designed dwellings in our town.
6. We support our emergency services.
7. We enable visiting health professionals to our community.
8. The Community Resource Centre receives external funding to provide preventative health and community development initiatives to the community.
9. We facilitate healthy and active ageing in place
10. Our cemetery is well presented.

Outcomes

Our Town Planning Scheme is flexible and encourages growth. Our rate base is diversified. Our lifestyle, country hospitality and facilities attract new populations to the Shire. People of all ages have access to local and visiting health, well

being and leisure services and activities

4. Strategy

Our community has the opportunity to be active, socialised and connected.

1. We collaborate and encourage active engagement in local clubs and community initiatives that support a healthy lifestyle.
2. Investigate motor sport opportunities around the Shire.
3. Preserve and celebrate our local history.
4. Support our volunteers and clubs to remain strong, dynamic, and inclusive.
5. Encourage lifelong learning.
6. Children and youth have active and social opportunities.
7. Continue to provide high standard and accessible shire facilities.
8. Retain and expand Westonia's unique tourism experience.

Outcomes

High standard of events and Shire owned facilities.

5. Strategy

Natural spaces are preserved and bring us value.

1. Sustainably manage our reserves and open spaces.
2. Participate in best practice waste management.
3. Work collaboratively to meet legislative compliance with managing weeds and pests as well as our environmental health standards.

4. Investigate renewable energy generation technologies.

Outcomes

We preserve our natural environment. Value is generated from our natural environment.

Challenges

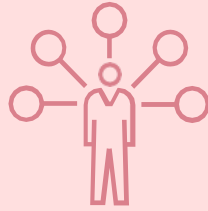
- › Managing natural areas to maintain biodiversity of bushland.
- › Maintaining and improving the Shires service levels within existing resources while servicing an increasing number of residences.
- › Meeting demand for Housing choice and affordability.
- › Ensuring the ongoing provision of high-quality services and facilities for people of all ages.

Highlights

- › Working with Westonia CRC to Achieve community goals.
- › Further Development of the Westonia Town Planning Scheme
- › Diversity of health professionals visiting our Community.
- › Extension to Hood-Penn Museum Continues to grow/ evolve.

CSP 2020/2021 Annual action performance

31% of all annual actions aligned to the Social theme are on Target, 54% are completed and 15% are on hold.



GOVERNANCE

Provide good strategic decision making, governance, leadership and professional management

OBJECTIVES: Continually enhance the Shire's organisational capacity to service the needs of a growing community...

6. Strategy

Be progressive and capture opportunities.

1. Be open to local productivity/ best practice and cost saving opportunities locally and regionally.
2. Investigate joint resourcing and tendering
3. Advocate and develop strong partnerships to benefit our community.
4. Be prepared by forward planning our resources and focusing on continuous improvement.
5. Identify risks and opportunities after the life of the mine.

Outcomes

We remain as an independent local government, with strong partnerships and can continue to conduct our business.

7. Strategy

The community receives services in a timely manner.

1. Meet our legislative and compliance requirements.
2. Work towards optimal management of our assets.
3. Work to develop Councillor and staff skills and experience to provide career and succession opportunities within the Shire.
4. Inside and outside staff are multi skilled to understand the business of local government and provide a seamless service to the community.
5. Communicate and engage with our community regularly.

Outcomes

We provide timely services and facilities Leadership is transparent, accountable and representative.
We have an adaptable workforce.

8. Strategy

Financial resources meet the ongoing needs of the community.

1. Seek external funding for significant capital improvements that deliver upon our strategic objectives.
2. Investigate ways to reduce reliance on operational grants given the current State and Federal Government priorities.

Outcomes

Our resources enable growth.

Challenges

- › Enhancing capability and capacity to detect and manage increase cyber security risks
- › Implementing works plans to ensure that the provisions of new legislations.
- › Meeting raised community expectations.
- › Sustainable revenue and expenditure.
- › Existing and future services funded.

Highlights

- › Working with Others (WERO & CEACA)
- › Good Governance reviewing Corporate documents
- › Reserve allocations continue to

grow, managed with current and future projects

- › Works in the best interest of the community
- › Engages with the community and keeps it informed about decisions and its activities
- › Lobbies and represents the community at all levels of government

CSP 2020/2021 Annual action performance

37% of all annual actions aligned to the Governance theme are on Target, 60% are completed and 3% are on hold.

Workforce

The Shire of Westonia is committed to providing the best services to our community by recruiting and developing employees with the right skills and expertise. The Shire's Workforce Plan, details the workforce type and volume, required to deliver on our strategic and operational objectives. By "getting the right number of people, with the right skills, in the right jobs, at the right time"

56%

Baby boomers

31%

Gen X

11%

Gen Y

2%

Gen Z

3 Casual Staff

13 Full Time Staff

4 Part Time Staff

20

Employees

16 Full Time Equivalent

30% 70%
FEMALE MALE

18

**staff had
skin cancer
assessments**

Awarded the LGIS
Diligence in Safety
Tier 2 Certificate

**6 Staff completed first
attack firefighting
equipment Training**

Admin Staff completed
Altus Procurement (PO)
Training

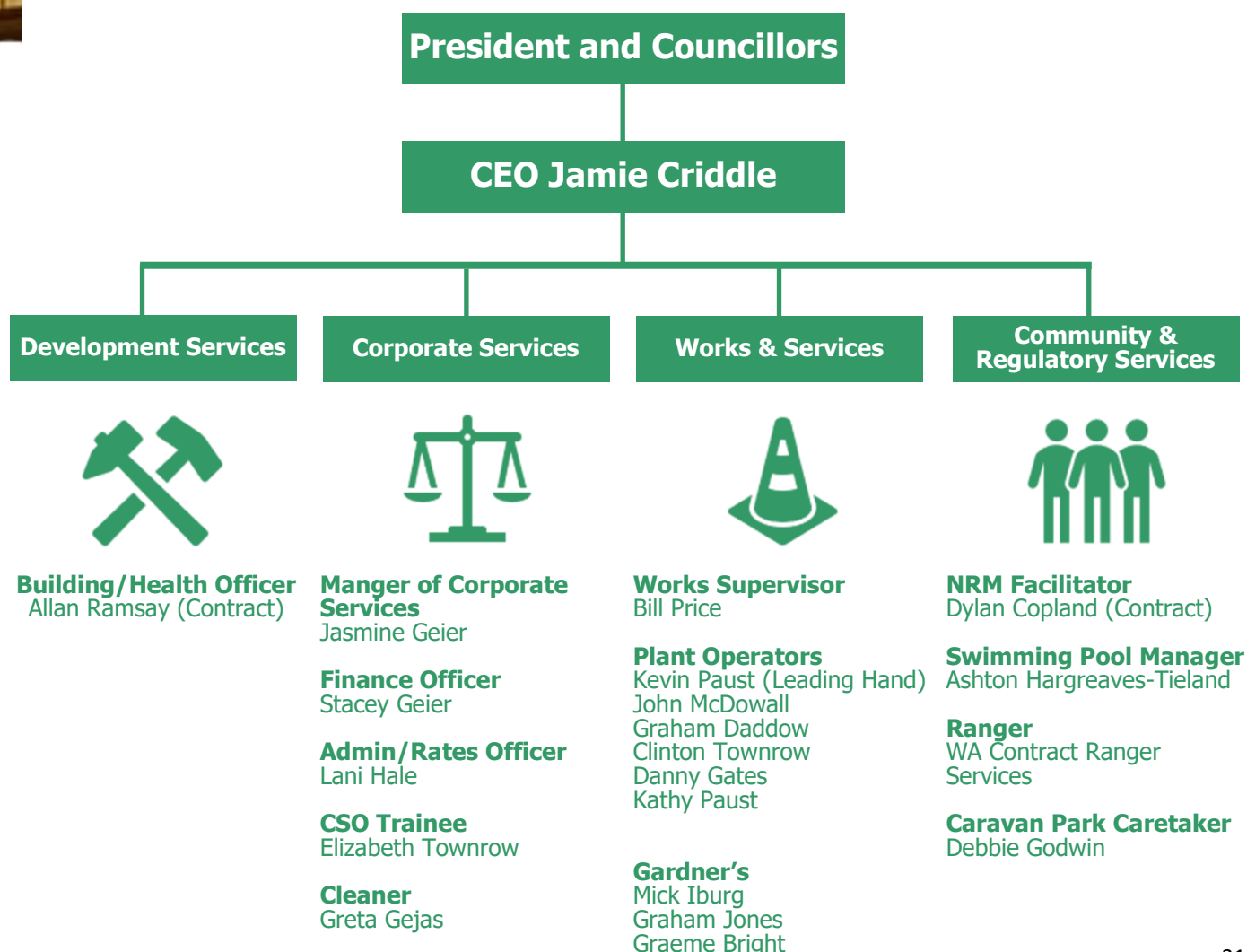
18

**staff
vaccinated
for influenza**

Organisational Structure

The Team and our functional business units

The Chief Executive Officer, Jamie Criddle, is the Shire's most senior officer and provides guidance and direction to staff to ensure that Council's policies and decisions are implemented. The CEO works in close partnership with the Shire President to promote the Shire and to link with the community, tiers of government and business sectors. The overall management of the Shire rests with the CEO who oversees the day-to-day operations while ensuring that Council direction is followed, governance is sound and community outcomes achieved






Disability Services

The Shire of Westonia is committed to ensuring that the community is accessible for people with disabilities, their families and their carers.

People with disabilities who live in country areas should be given the support to remain in the community of their own choice. The Shire of Westonia is committed to consulting with people with disabilities, their families and their carers to ensure that the barriers to access are addressed appropriately. The Disability Services Amendment Act 1999 requires Council to report on its Disability Services Plan achievements within its Annual Report. In June 2017 Council adopted the *Disability Access and Inclusion Plan 2017-2021*.

Many of the outcomes and strategies identified within the plan are being implemented on an ongoing basis or have been fully implemented. Currently the CEO and Building /Health Officer is responsible for the implementation of the principles and projects within the Plan. When Council is addressing the issue of accessibility to Council's facilities and functions it is aware that by providing better access for people with disabilities it is providing better access for the whole community. Work continues to improve footpaths and access ways around the townsite as part of recognising the *Disability Access and Inclusion Plan*.



The Disability Services Commission requires Local Governments to report on the seven outcomes relating to DAIPs to the public annually.

Outcome 1:

People with disability have the same opportunities as other people to access the services of, and participate in any events organised by, a public authority.

Outcome 2:

People with disability have the same opportunities as other people to access buildings and other facilities of a public authority.

Outcome 3:

People with disability have the same opportunity as other people to access information in a format that will enable them to access

Outcome 4:

People with disability receive the same level of service from the employees of a public authority as other people receive from the employees of that public authority.

Outcome 5:

People with disability have the same opportunities as other people to make complaints to a public authority.

Outcome 6:

People with disability have the same opportunities as other people to participate in any public consultation by a public authority.

Outcome 7:

People with disability have the same opportunities as other people to obtain and maintain employment with a public authority.

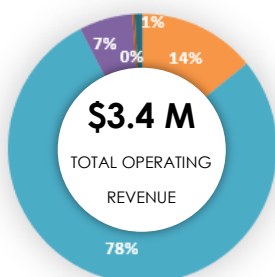
Further information can be obtained by contacting the CEO or the Manager of Corporate Services.



Financial overview

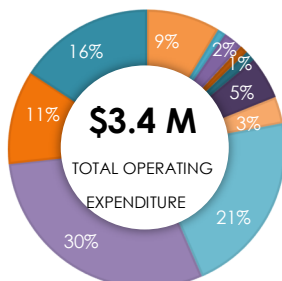
In accordance with the requirements of the Local Government Act 1995 Section 5.53 the Council is required to prepare and include audited financial statements within its Annual Report. Financial statements and notes are presented in Part 2..

REVENUE



RATES	14%
OPERATING GRANTS, SUBSIDIES & CONTRIBUTIONS	78%
FEES AND CHARGES	7%
INTEREST EARNINGS	0%
OTHER REVENUE	1%

EXPENDITURE



GOVERNANCE	9%
GENERAL PURPOSE FUNDING	1%
LAW, ORDER, PUBLIC SAFETY	2%
HEALTH	1%
EDUCATION & WELFARE	1%
HOUSING	5%
COMMUNITY AMENITIES	3%
RECREATION AND CULTURE	21%
TRANSPORT	30%
ECOMOMIC SERVICES	11%
OTHER PROPERTY AND SERVICES	16%



CAPITAL WORKS



2.4 M

ROADS & INFRASTRUCTURE

BUILDING

PLANT & EQUIPMENT

FURNITURE & EQUIPMENT

CAPITAL WORKS FOR 2020/21

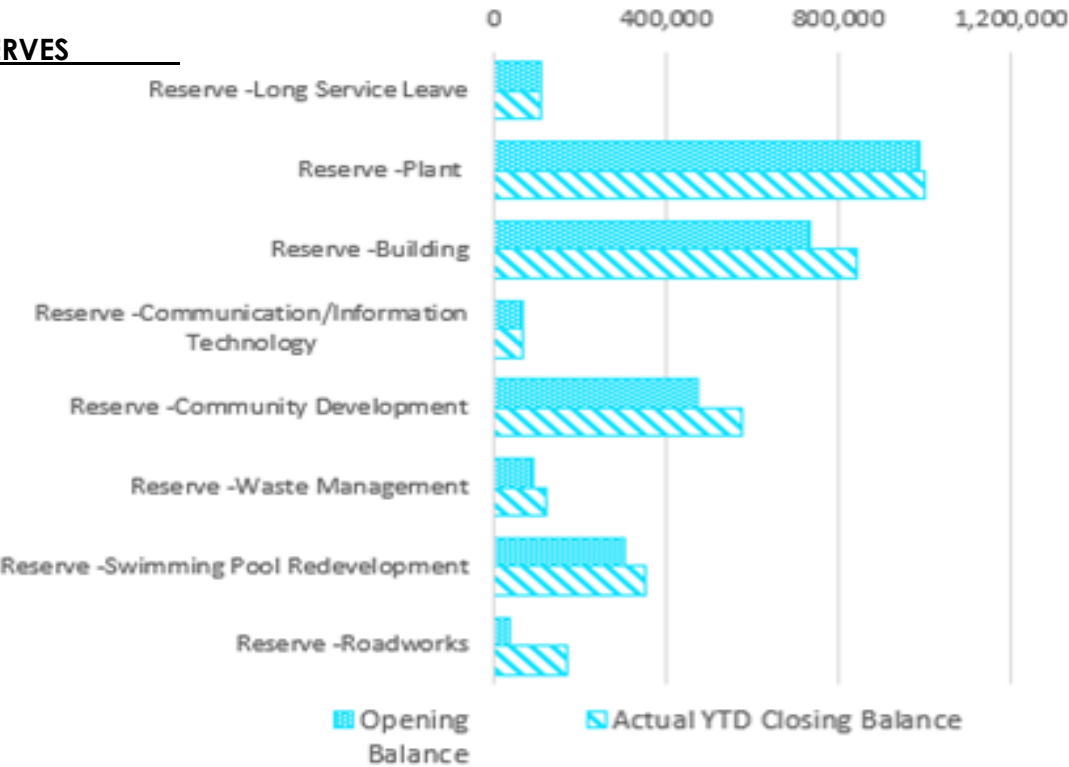
\$1.4M

\$18 K

\$458K

\$564K

CASH BACKED RESERVES





It is Your Shire!

Your Shire is only as good as its people. In Westonia we are lucky to have a wonderful community that supports what we do, is committed to making things better and is passionate about our future.

Community extends to every person, organisation, agency and company that has made varied and valuable contributions to our numerous projects, events, services, and programs in 2020-21.

We would like to thank them, and the many community groups who have worked closely with our staff to create new opportunities and solutions. Council recognises that the resilience and vibrancy of the community is reliant on the strength of its community groups and values their contributions.

To our many funding partners we also extend our gratitude as without their significant financial support much of what we have achieved for our community over the past year would not have been possible.

We are proud of what we have achieved in partnership with our community. Westonia is an amazing Shire to live, work, play and visit.



FINAL SECTION

FINANCE

The final section of this report outlines the Shire of Westonia finances for 2020/2021 and the ways in which we work with our stakeholders. It provides insight into decision making and summarises the sound financial position of Council moving forward.

SHIRE OF WESTONIA
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

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COMMUNITY VISION

The Shire will endeavour to provide the community services and facilities to meet the needs of the members of the community and enable them to enjoy a pleasant and healthy way of life.

Principal place of business:
41 Wolfram Street
Westonia, WA 6423

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

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

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

Signed on the

14th

day of

DECEMBER,

2021



Chief Executive Officer

Jamie Criddle
Name of Chief Executive Officer



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

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
Rates				
Operating grants, subsidies and contributions	23(a)	1,047,659	1,047,650	1,047,957
Fees and charges	2(a)	1,569,374	960,842	1,620,356
Interest earnings	2(a)	491,907	275,150	477,443
Other revenue	2(a)	22,225	18,750	20,059
	2(a)	325,395	66,482	76,935
		3,456,560	2,368,874	3,242,750
Expenses				
Employee costs				
Materials and contracts		(937,459)	(906,478)	(803,516)
Utility charges		(675,922)	(768,811)	(715,336)
Depreciation on non-current assets		(218,731)	(143,450)	(215,591)
Interest expenses	10(b)	(1,460,412)	(1,509,340)	(1,486,616)
Insurance expenses	2(b)	(482)	(482)	(3,580)
Other expenditure		(113,875)	(110,986)	(110,293)
		(79,525)	(42,623)	(51,299)
		(3,486,406)	(3,482,170)	(3,386,231)
		(29,846)	(1,113,296)	(143,481)
Non-operating grants, subsidies and contributions	2(a)	1,078,721	972,647	4,693,487
Profit on asset disposals	10(a)	55,260	0	11,967
(Loss) on asset disposals	10(a)	0	(6,000)	(37,221)
(Loss) on revaluation of plant and equipment	8(a)	0	0	(524,951)
		1,133,981	966,647	4,143,282
Net result for the period		1,104,135	(146,649)	3,999,801
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	11	0	0	(920,289)
Total other comprehensive income for the period		0	0	(920,289)
Total comprehensive income for the period		1,104,135	(146,649)	3,079,512

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



SHIRE OF WESTONIA
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue	2(a)	27	1,150	0
Governance		2,406,423	1,700,167	2,513,222
General purpose funding		36,974	42,400	48,592
Law, order, public safety		4,161	2,000	1,470
Health		13,105	8,750	10,273
Education and welfare		162,785	164,000	154,288
Housing		12,898	10,300	8,444
Community amenities		72,289	145,800	54,858
Recreation and culture		126,323	126,325	55,491
Transport		94,361	68,982	83,034
Economic services		527,214	99,000	313,078
Other property and services		3,456,560	2,368,874	3,242,750
Expenses	2(b)	(279,374)	(350,813)	(310,258)
Governance		(30,942)	(38,500)	(35,148)
General purpose funding		(77,235)	(86,130)	(84,657)
Law, order, public safety		(27,624)	(33,800)	(29,790)
Health		(37,906)	(38,300)	(38,956)
Education and welfare		(154,604)	(166,996)	(132,741)
Housing		(89,869)	(134,266)	(105,925)
Community amenities		(790,378)	(811,898)	(766,101)
Recreation and culture		(1,376,276)	(1,452,935)	(1,367,163)
Transport		(386,250)	(354,050)	(413,348)
Economic services		(235,466)	(14,000)	(98,564)
Other property and services		(3,485,924)	(3,481,688)	(3,382,651)
Finance Costs	2(b)	0	0	(3,108)
Housing		(482)	(482)	(472)
Economic services		(482)	(482)	(3,580)
		(29,846)	(1,113,296)	(143,481)
Non-operating grants, subsidies and contributions	2(a)	1,078,721	972,647	4,693,487
Profit on disposal of assets	10(a)	55,260	0	11,967
(Loss) on disposal of assets	10(a)	0	(6,000)	(37,221)
(Loss) on revaluation of plant and equipment	8(a)	0	0	(524,951)
		1,133,981	966,647	4,143,282
Net result for the period		1,104,135	(146,649)	3,999,801
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Changes in asset revaluation surplus	11	0	0	(920,289)
Total other comprehensive income for the period		0	0	(920,289)
Total comprehensive income for the period		1,104,135	(146,649)	3,079,512

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



SHIRE OF WESTONIA
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

CURRENT ASSETS

Cash and cash equivalents
Trade and other receivables
Other financial assets
Inventories

TOTAL CURRENT ASSETS

NON-CURRENT ASSETS

Inventories
Property, plant and equipment
Infrastructure

TOTAL NON-CURRENT ASSETS

TOTAL ASSETS

CURRENT LIABILITIES

Trade and other payables
Other liabilities
Borrowings
Employee related provisions

TOTAL CURRENT LIABILITIES

NON-CURRENT LIABILITIES

Employee related provisions

TOTAL NON-CURRENT LIABILITIES

TOTAL LIABILITIES

NET ASSETS

EQUITY

Retained surplus
Reserves - cash/financial asset backed
Revaluation surplus

TOTAL EQUITY

NOTE	2021 \$	2020 \$
3	1,408,059	1,446,617
6	257,819	155,236
5(a)	3,230,514	2,795,172
7	7,414	7,884
	4,903,806	4,404,909
7	75,339	76,839
8	10,436,086	10,152,933
9	42,845,436	42,362,456
	53,356,861	52,592,228
	58,260,667	56,997,137
12	200,188	230,997
13	158,369	0
14(a)	0	10,780
15	207,351	174,789
	565,908	416,566
15	37,119	27,066
	37,119	27,066
	603,027	443,632
	57,657,640	56,553,505
	19,939,518	19,270,724
4	3,230,513	2,795,172
11	34,487,609	34,487,609
	57,657,640	56,553,505

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



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

		RESERVES CASH/FINANCIAL		
	NOTE	RETAINED SURPLUS	ASSET BACKED	REVALUATION SURPLUS
		\$	\$	\$
Balance as at 1 July 2019		17,184,956	881,139	35,407,898
Comprehensive income				
Net result for the period		3,999,801	0	0
Other comprehensive income	11	0	0	(920,289)
Total comprehensive income		3,999,801	0	(920,289)
Transfers to reserves	4	(1,914,033)	1,914,033	0
Balance as at 30 June 2020		19,270,724	2,795,172	34,487,609
Comprehensive income				
Net result for the period		1,104,135	0	0
Total comprehensive income		1,104,135	0	0
Transfers to reserves	4	(435,341)	435,341	0
Balance as at 30 June 2021		19,939,518	3,230,513	34,487,609

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

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

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		1,038,592	1,047,650	1,040,602
Operating grants, subsidies and contributions		1,569,374	960,842	1,656,536
Fees and charges		574,279	275,150	477,443
Interest received		22,225	18,750	20,059
Other revenue		325,388	66,482	67,903
		3,529,858	2,368,874	3,262,543
Payments				
Employee costs		(888,825)	(906,478)	(795,323)
Materials and contracts		(710,776)	(768,811)	(699,287)
Utility charges		(218,731)	(143,450)	(215,591)
Interest expenses		(482)	(482)	(3,581)
Insurance paid		(113,875)	(110,986)	(110,293)
Goods and services tax paid		(3,147)	0	2,632
Other expenditure		(79,525)	(42,623)	(51,299)
		(2,015,361)	(1,972,830)	(1,872,742)
Net cash provided by (used in) operating activities	16	1,514,497	396,044	1,389,801
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	8(a)	(999,602)	(955,090)	(798,982)
Payments for construction of infrastructure	9(a)	(1,431,682)	(1,738,500)	(4,278,744)
Non-operating grants, subsidies and contributions		1,064,351	972,647	4,693,487
Proceeds from financial assets at amortised cost - term deposits		(435,342)	0	(2,795,172)
Proceeds from sale of property, plant & equipment	10(a)	260,000	240,000	393,500
Net cash provided by (used in) investment activities		(1,542,275)	(1,480,943)	(2,785,911)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	14(b)	(10,780)	(10,358)	(71,008)
Net cash provided by (used in) financing activities		(10,780)	(10,358)	(71,008)
Net increase (decrease) in cash held		(38,558)	(1,095,257)	(1,467,118)
Cash at beginning of year		1,446,617	4,179,070	2,913,735
Cash and cash equivalents at the end of the year	16	1,408,059	3,083,813	1,446,617

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

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

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	24 (b)	1,170,180	1,354,464	1,860,313
		1,170,180	1,354,464	1,860,313
Revenue from operating activities (excluding rates)				
Governance		27	1,150	0
General purpose funding		1,363,283	657,167	1,469,784
Law, order, public safety		36,974	42,400	48,592
Health		4,161	2,000	1,470
Education and welfare		13,105	8,750	10,273
Housing		162,785	164,000	154,288
Community amenities		12,898	10,300	8,444
Recreation and culture		72,289	145,800	54,858
Transport		146,746	126,325	59,836
Economic services		94,361	68,982	83,034
Other property and services		562,045	99,000	320,701
		2,468,674	1,325,874	2,211,280
Expenditure from operating activities				
Governance		(279,374)	(349,813)	(310,258)
General purpose funding		(30,942)	(38,500)	(35,148)
Law, order, public safety		(77,235)	(86,130)	(84,657)
Health		(27,624)	(33,800)	(29,790)
Education and welfare		(37,906)	(38,300)	(38,956)
Housing		(154,604)	(166,996)	(135,849)
Community amenities		(89,869)	(134,266)	(105,925)
Recreation and culture		(790,378)	(811,898)	(766,101)
Transport		(1,376,275)	(1,456,935)	(1,393,193)
Economic services		(386,732)	(354,532)	(413,820)
Other property and services		(235,464)	(17,000)	(109,751)
		(3,486,403)	(3,488,170)	(3,423,448)
Non-cash amounts excluded from operating activities	24(a)	1,450,477	1,515,340	1,509,220
Amount attributable to operating activities		1,602,928	707,508	2,157,365
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	1,078,721	972,647	4,693,487
Proceeds from disposal of assets	10(a)	260,000	240,000	393,500
Purchase of property, plant and equipment	8(a)	(999,602)	(955,090)	(864,788)
Purchase and construction of infrastructure	9(a)	(1,431,682)	(1,738,500)	(4,278,744)
		(1,092,563)	(1,480,943)	(56,545)
Amount attributable to investing activities		(1,092,563)	(1,480,943)	(56,545)
FINANCING ACTIVITIES				
Repayment of borrowings	14(b)	(10,780)	(10,358)	(71,008)
Transfers to reserves (restricted assets)	4	(435,341)	(521,500)	(1,914,033)
Transfers from reserves (restricted assets)	4	0	292,000	0
Amount attributable to financing activities		(446,121)	(239,858)	(1,985,041)
Surplus/(deficit) before imposition of general rates		64,244	(1,013,293)	115,779
Total amount raised from general rates	23(a)	1,043,140	1,043,000	1,043,439
Surplus/(deficit) after imposition of general rates	24(b)	1,107,384	29,707	1,159,218

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

SHIRE OF WESTONIA
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FOR THE YEAR ENDED 30 JUNE 2021

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

1. BASIS OF PREPARATION

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

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

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 7 to these financial statements.

INITIAL APPLICATION OF ACCOUNTING STANDARDS

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

These were:

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

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

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

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

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

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

CRITICAL ACCOUNTING ESTIMATES

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

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

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

2. REVENUE AND EXPENSES

(a) Grant revenue

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

	2021 Actual \$	2021 Budget \$	2020 Actual (Restated*) \$
Operating grants, subsidies and contributions			
General purpose funding	1,335,819	633,017	1,444,123
Law, order, public safety	35,958	37,500	45,857
Recreation and culture	71,272	144,000	54,330
Transport	126,325	126,325	55,491
Economic services	0	20,000	20,555
	1,569,374	960,842	1,620,356
Non-operating grants, subsidies and contributions			
Recreation and culture	890	0	0
Transport	756,599	704,415	4,687,487
Economic services	321,232	268,232	6,000
	1,078,721	972,647	4,693,487
Total grants, subsidies and contributions	2,648,095	1,933,489	6,313,843
Fees and charges			
Governance	27	150	0
Law, order, public safety	1,016	900	2,734
Health	297	0	0
Education and welfare	11,191	8,000	9,727
Housing	162,785	161,500	153,886
Community amenities	12,898	10,300	8,444
Recreation and culture	1,016	1,800	528
Economic services	94,199	48,500	61,387
Other property and services	208,478	44,000	240,737
	491,907	275,150	477,443

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

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

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

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

Fees and Charges

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

Actual (Restated*) \$4,171,671.00 was reclassified from operating to non-operating grants due to an identified error in presentation. This correction has been updated throughout the financial statements and the 2020 Operation Ratio calculations, see Note 30

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

**Contracts with customers and transfers
for recognisable non-financial assets**

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:

	2021 Actual \$	2021 Budget \$	2020 Actual (Restated*) \$
Operating grants, subsidies and contributions	1,569,374	960,842	1,620,356
Fees and charges	491,907	275,150	477,443
Other revenue	325,395	66,482	76,935
Non-operating grants, subsidies and contributions	1,078,721	972,647	4,693,487
	3,465,397	2,275,121	6,868,221

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:

Revenue from contracts with customers recognised during the year	2,386,676	1,302,474	2,174,734
Revenue from transfers intended for acquiring or constructing recognisable non financial assets during the year	1,078,721	972,647	4,693,487
	3,465,397	2,275,121	6,868,221

Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

Trade and other receivables from contracts with customers	235,860		275,500
Contract liabilities from contracts with customers	0		(80,000)
Financial assets held from transfers for recognisable financial assets	158,369		0
Grant liabilities from transfers for recognisable non financial assets	(158,369)		0

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at 30 June 2021.

Assets associated with contracts with customers were not subject to an impairment charge.

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

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

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

General rates

Other revenue

Reimbursements and recoveries

Interest earnings

Financial assets at amortised cost - self supporting loans

Interest on reserve funds

Rates instalment and penalty interest (refer Note 23(e))

Other interest earnings

	2021 Actual \$	2021 Budget \$	2020 Actual \$
General rates	1,043,140	1,043,000	1,043,439
	1,043,140	1,043,000	1,043,439
Other revenue			
Reimbursements and recoveries	325,395	0	76,935
	325,395	0	76,935
Interest earnings			
Financial assets at amortised cost - self supporting loans	482	482	472
Interest on reserve funds	17,771	15,618	14,033
Rates instalment and penalty interest (refer Note 23(e))	1,734	1,400	1,881
Other interest earnings	2,238	1,250	3,673
	22,225	18,750	20,059

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

Interest earnings (continued)

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

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

2. REVENUE AND EXPENSES (Continued)

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services

Interest expenses (finance costs)

Borrowings

Other expenditure

- Impairment loss on land held for resale
- Sundry expenses

Note	2021 Actual \$	2021 Budget \$	2020 Actual \$
	19,400	19,600	20,000
	980	1,400	800
	20,380	21,000	20,800
14(b)	482	482	3,580
	482	482	3,580
	28,878	0	0
	50,647	42,623	51,299
	79,525	42,623	51,299

SHIRE OF WESTONIA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

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

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

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

3. CASH AND CASH EQUIVALENTS

NOTE	2021	2020
	\$	\$
Cash at bank and on hand	1,408,059	1,446,617
Total cash and cash equivalents	1,408,059	1,446,617

Restrictions

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

- Cash and cash equivalents	200,676	58,338
- Financial assets at amortised cost	3,230,514	2,795,172
	3,431,190	2,853,510

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

Reserves - cash/financial asset backed	4	3,230,514	2,795,172
Grants for transfers for recognisable non financial assets	13	158,369	0
Bonds & Deposits Held	12	42,307	58,338
Total restricted assets		3,431,190	2,853,510

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Restricted assets

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

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

4. RESERVES - CASH/FINANCIAL ASSET BACKED

	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance	2021 Budget Opening Balance	2021 Budget Transfer to	2021 Budget Transfer (from)	2021 Budget Closing Balance	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Reserves cash backed - Long Service Leave Reserve	108,018	685	0	108,703	108,018	2,000	0	110,018	104,901	3,117	0	108,018
(b) Reserves cash backed - Plant Replacement	985,732	13,024	0	998,756	985,732	257,500	(150,000)	1,093,232	331,893	653,839	0	985,732
(c) Reserves cash backed - Building Reserve	736,006	104,822	0	840,828	736,006	55,500	0	791,506	281,522	454,484	0	736,006
(d) Reserves cash backed - Communication/It Reserve	68,147	432	0	68,579	68,147	1,000	0	69,147	27,706	40,441	0	68,147
(e) Reserves cash backed - Community Development Reserve	470,299	103,136	0	573,435	470,299	2,000	(142,000)	330,299	88,883	381,416	0	470,299
(f) Reserves cash backed - Waste Management Reserve	90,970	30,623	0	121,593	90,970	1,000	0	91,970	46,234	44,736	0	90,970
(g) Reserves cash backed - Swimming Pool Reserve	300,000	51,980	0	351,980	300,000	51,500	0	351,500	0	300,000	0	300,000
(h) Reserves cash backed - Roadworks Reserve	36,000	130,639	0	166,639	36,000	151,000	0	187,000	0	36,000	0	36,000
	2,795,172	435,341	0	3,230,513	2,795,172	521,500	(292,000)	3,024,672	881,139	1,914,033	0	2,795,172

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

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Reserves cash backed - Long Service Leave Reserve	Ongoing	- to be used to fund annual and long service leave requirements.
(b) Reserves cash backed - Plant Replacement	Ongoing	- to be used for the purchase of major plant.
(c) Reserves cash backed - Building Reserve	Ongoing	- to be used for the purchase of land and construction of major buildings and facilities.
(d) Reserves cash backed - Communication/It Reserve	Ongoing	- to be used for the purpose of upgrading IT equipment and rebroadcasting equipment.
(e) Reserves cash backed - Community Development Reserve	Ongoing	- to be used for the development of land, buildings and facilities for the community.
(f) Reserves cash backed - Waste Management Reserve	Ongoing	- to be used for ongoing waste management strategies.
(g) Reserves cash backed - Swimming Pool Reserve	Ongoing	- to be used for redevelopment of the Westonia Memorial Swimming Pool.
(h) Reserves cash backed - Roadworks Reserve	Ongoing	- to be used for upgrades/maintenance to Boodarockin Rd and Koorda Bullfinch Rd (M40)

5. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

2021	2020
\$	\$
3,230,514	2,795,172
3,230,514	2,795,172
3,230,514	2,795,172
3,230,514	2,795,172

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 25.

6. TRADE AND OTHER RECEIVABLES

Current

Rates outstanding	
Sundry debtors	
GST receivable	
Allowance for impairment of receivables	
Income Received in Advance	
Loans receivable - clubs/institutions	

2021	2020
\$	\$
20,533	11,466
235,860	125,243
5,061	1,914
(5,257)	(5,114)
1,622	1,622
0	20,105
257,819	155,236

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 14(b) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

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

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 25.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

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

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

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

7. INVENTORIES

Current

Fuel and materials

Non-current

Land held for resale - cost

Cost of acquisition

Development costs

The following movements in inventories occurred during the year:

Balance at beginning of year

Inventories expensed during the year

Inventories sold during the year

Additions to inventory

Balance at end of year

	2021	2020
	\$	\$
	7,414	7,884
	7,414	7,884
	25,960	54,838
	49,379	22,001
	75,339	76,839
	84,723	29,965
	(29,348)	(80)
	(15,076)	(10,968)
	42,454	65,806
	82,753	84,723

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.

8. 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 - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	174,000	8,114,358	8,288,358	615,175	2,940,532	11,844,065
Additions		14,500	14,500	114,783	669,699	798,982
(Disposals)	0	0	0	0	(418,754)	(418,754)
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	0	(350,707)	(569,582)	(920,289)
Revaluation (loss) / reversals transferred to profit or loss	0	0	0	0	(524,951)	(524,951)
Depreciation (expense)		(361,965)	(361,965)	(69,935)	(194,220)	(626,120)
Balance at 30 June 2020	174,000	7,766,893	7,940,893	309,316	1,902,724	10,152,933
Comprises:						
Gross balance amount at 30 June 2020	174,000	8,870,098	9,044,098	540,825	2,418,000	12,002,923
Accumulated depreciation at 30 June 2020	0	(1,103,205)	(1,103,205)	(231,509)	(515,276)	(1,849,990)
Balance at 30 June 2020	174,000	7,766,893	7,940,893	309,316	1,902,724	10,152,933
Additions	0	18,463	18,463	522,380	458,759	999,602
(Disposals)	0	0	0	0	(204,740)	(204,740)
Depreciation (expense)		(327,141)	(327,141)	(41,447)	(143,121)	(511,708)
Balance at 30 June 2021	174,000	7,458,215	7,632,215	790,249	2,013,622	10,436,086
Comprises:						
Gross balance amount at 30 June 2021	174,000	8,864,693	9,038,693	1,063,204	2,653,761	12,755,658
Accumulated depreciation at 30 June 2021	0	(1,406,478)	(1,406,478)	(272,955)	(640,139)	(2,319,572)
Balance at 30 June 2021	174,000	7,458,215	7,632,215	790,249	2,013,622	10,436,086

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market approach using recent observable market data for similar items (Net revaluation method)	Independent Registered Valuer	June 2017	Price per hectare/market borrowing rate
Buildings - specialised	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent Registered Valuer	June 2017	Improvements to land using construction costs and current condition (Level 2) residual values and remaining useful life assessments (Level 3) inputs
(ii) Cost					
Furniture and equipment	3	Cost approach using depreciated replacement cost (Net revaluation method)	Management Valuation	June 2020	Construction/Purchase costs and current condition (Level 2) residual values and remaining useful life assessments (Level 3) inputs.
Plant and equipment	2	Market approach using recent observable market data for similar items (Net revaluation method)	Independent Registered Valuer	June 2020	Price per item
- Independent valuation 2020					

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

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

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

9. 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	Other infrastructure - Footpaths	Other infrastructure - Parks & Ovals	Total Infrastructure
	\$	\$	\$	\$
Balance at 1 July 2019	37,462,128	202,997	1,279,083	38,944,208
Additions	4,258,283	20,461	0	4,278,744
Depreciation (expense)	(815,592)	(10,679)	(34,225)	(860,496)
Balance at 30 June 2020	40,904,819	212,779	1,244,858	42,362,456
Comprises:				
Gross balance at 30 June 2020	43,501,534	247,046	1,346,445	45,095,025
Accumulated depreciation at 30 June 2020	(2,596,715)	(34,267)	(101,587)	(2,732,569)
Balance at 30 June 2020	40,904,819	212,779	1,244,858	42,362,456
Additions	1,431,682	0	0	1,431,682
Depreciation (expense)	(902,723)	(11,755)	(34,225)	(948,703)
Balance at 30 June 2021	41,433,778	201,024	1,210,633	42,845,435
Comprises:				
Gross balance at 30 June 2021	44,933,216	247,047	1,346,445	46,526,708
Accumulated depreciation at 30 June 2021	(3,499,438)	(46,022)	(135,812)	(3,681,272)
Balance at 30 June 2021	41,433,778	201,025	1,210,633	42,845,436

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9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using depreciated replacement cost (Gross revaluation method)	Independent Registered Valuer	June 2018	Construction costs and current condition (Level 2) residual values and remaining useful life assessments (Level 3) inputs.
Other infrastructure - Footpaths	3	Cost approach using depreciated replacement cost (Gross revaluation method)	Independent Registered Valuer	June 2018	Construction costs and current condition (Level 2) residual values and remaining useful life assessments (Level 3) inputs.
Other infrastructure - Parks & Ovals	3	Cost approach using depreciated replacement cost (Net revaluation method)	Independent Registered Valuer	June 2018	Construction/Purchase costs and current condition (Level 2) residual values and remaining useful life assessments (Level 3) inputs.

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

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

10. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

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

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Shire. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

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

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under control prior to 1 July 2019

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

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

Land under roads prior to 1 July 2019

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

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

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

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail. Consequently, any land under roads acquired on or after 1 July 2008 was not included as an asset of the Shire.

Land under roads from 1 July 2019

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

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

Vested improvements from 1 July 2019

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

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10. FIXED ASSETS

(a) Disposals of Assets

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss	2021 Budget Net Book Value	2021 Budget Sale Proceeds	2021 Budget Profit	2021 Budget Loss	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and equipment	204,740	260,000	55,260	0	246,000	240,000	0	(6,000)	418,754	393,500	11,967	(37,221)
	204,740	260,000	55,260	0	246,000	240,000	0	(6,000)	418,754	393,500	11,967	(37,221)

The following assets were disposed of during the year.

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
Plant and Equipment				
Transport				
Toyota Pardo (A509)	50,333	56,000	5,667	0
GTE Semi Side Tipper (A462)	15,246	30,000	14,754	0
Other property and services				
Toyota LC (A508)	62,513	83,000	20,487	0
Toyota LC (A531)	76,648	91,000	14,352	0
	204,740	260,000	55,260	0

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10. FIXED ASSETS

(b) Depreciation

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Buildings - specialised	327,141	394,140	361,965
Furniture and equipment	41,447	64,500	69,935
Plant and equipment	143,121	180,000	194,220
Infrastructure - roads	902,723	825,000	815,592
Other infrastructure - Footpaths	11,755	12,000	10,679
Other infrastructure - Parks & Ovals	34,225	33,700	34,225
	1,460,412	1,509,340	1,486,616

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

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

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

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

Depreciation rates

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

Asset Class	Useful life
Buildings	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years
Right-of-use (buildings)	Based on the remaining lease
Right-of-use (plant and equipment)	Based on the remaining lease
Intangible assets - computer software licence	5 years

Depreciation on revaluation

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

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

Amortisation

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

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

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

11. REVALUATION SURPLUS

	2021 Opening Balance	2021 Closing Balance	2020 Opening Balance	2020 Revaluation (Decrement)	Total Movement on Revaluation	2020 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land	132,242	132,242	132,242	0	0	132,242
Revaluation surplus - Buildings	1,877,619	1,877,619	1,877,619	0	0	1,877,619
Revaluation surplus - Plant & Equipment	0	0	569,582	(569,582)	(569,582)	0
Revaluation surplus - Furniture & Equipment	37,580	37,580	388,287	(350,707)	(350,707)	37,580
Revaluation surplus - Infrastructure - Roads	31,426,257	31,426,257	31,426,257	0	0	31,426,257
Revaluation surplus - Infrastructure - Footpaths	128,196	128,196	128,196	0	0	128,196
Revaluation surplus - Infrastructure - Parks & Ovals	885,715	885,715	885,715	0	0	885,715
	34,487,609	34,487,609	35,407,898	(920,289)	(920,289)	34,487,609

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

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Bonds & Deposits Held
Accrued interest on borrowings
Accrued salaries and wages
GST due to ATO
Trust Liability
Other payables

2021	2020
\$	\$
105,226	124,218
42,307	58,338
2,784	2,784
49,219	43,201
4	3
0	2,453
648	0
200,188	230,997

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

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

Prepaid rates

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

13. OTHER LIABILITIES

Current

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

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

Less than 1 year

2021	2020
\$	\$
158,369	0
158,369	0

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

\$
158,369
158,369

SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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14. INFORMATION ON BORROWINGS

(a) Borrowings

	2021	2020
	\$	\$
Current	0	10,780
Non-current	0	0
	0	10,780

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	Actual Principal 1 July 2020	30 June 2021 Actual Principal repayments	30 June 2021 Actual Interest repayments	30 June 2021 Actual Principal outstanding	Budget Principal 1 July 2020	30 June 2021 Budget New Loans	30 June 2021 Budget Principal repayments	30 June 2021 Budget Interest repayments	30 June 2021 Budget Principal outstanding	Actual Principal 1 July 2019	30 June 2020 Actual Principal repayments	30 June 2020 Actual Interest repayments	30 June 2020 Actual Principal outstanding
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing																
Lifestyle Village	5	WA Treasury	3.17%	0	0	0	0	0	0	0	0	0	66,061	66,061	3,108	0
Self Supporting Loans																
Economic services																
School Bus Loan	6	WA Treasury	3.09%	10,358	10,358	482	(0)	0	0	10,358	482	10,358	15,727	4,947	472	10,780
				10,358	10,358	482	(0)	0	0	10,358	482	10,358	15,727	4,947	472	10,780
				10,358	10,358	482	(0)	0	0	10,358	482	10,358	81,788	71,008	3,580	10,780

* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 6 at amortised cost.
All other loan repayments were financed by general purpose revenue.

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14. INFORMATION ON BORROWINGS (Continued)

	2021	2020
	\$	\$
(c) Undrawn Borrowing Facilities		
Credit Standby Arrangements		
Bank overdraft limit		
Bank overdraft at balance date		
Credit card limit	13,000	13,000
Credit card balance at balance date	0	0
Total amount of credit unused	13,000	13,000
Loan facilities		
Loan facilities - current	0	10,780
Total facilities in use at balance date	0	10,780
Unused loan facilities at balance date	NIL	NIL

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Borrowing costs

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

Risk

Information regarding exposure to risk can be found at Note 25.

15. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

Opening balance at 1 July 2020

Current provisions
Non-current provisions

Additional provision
Amounts used

Balance at 30 June 2021

Comprises

Current
Non-current

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date
More than 12 months from reporting date

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2020			
Current provisions	100,558	74,231	174,789
Non-current provisions	0	27,066	27,066
	100,558	101,297	201,855
Additional provision	84,895	17,048	101,943
Amounts used	(55,927)	(3,401)	(59,328)
Balance at 30 June 2021	129,526	114,944	244,470
Comprises			
Current	129,526	77,825	207,351
Non-current	0	37,119	37,119
	129,526	114,944	244,470
Amounts are expected to be settled on the following basis:			
Less than 12 months after the reporting date	207,351	174,789	
More than 12 months from reporting date	37,119	27,066	
	244,470	201,855	

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

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, 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 are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at

Other long-term employee benefits (Continued)

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

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

Provisions

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

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

16. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Cash and cash equivalents	1,408,059	3,083,813	1,446,617
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	1,104,135	(146,649)	3,999,801
Non-cash flows in Net result:			
Depreciation on non-current assets	1,460,412	1,509,340	1,486,616
(Profit)/loss on sale of asset	(55,260)	6,000	25,254
Loss on revaluation of fixed assets	0	0	524,951
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(102,583)	0	31,455
(Increase)/decrease in inventories	1,970	0	(54,757)
Increase/(decrease) in payables	(30,812)	0	76,669
Increase/(decrease) in employee provisions	42,615	0	0
Increase/(decrease) in other provisions	0	0	(6,703)
Increase/(decrease) in other liabilities	158,369	0	0
Non-operating grants, subsidies and contributions	(1,064,351)	(972,647)	(4,693,487)
Net cash from operating activities	1,514,497	396,044	1,389,801

17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2021	2020
	\$	\$
Governance	21,945	29,768
General purpose funding	284,472	300,645
Law, order, public safety	145,700	2,171,801
Health	31,920	33,440
Education and welfare	268,910	248,398
Housing	2,888,479	2,002,393
Community amenities	1,099,482	607,726
Recreation and culture	2,732,834	2,704,177
Transport	43,383,048	41,502,418
Economic services	2,858,707	2,408,801
Other property and services	991,588	902,924
Unallocated	3,553,582	4,084,646
	58,260,667	56,997,137

18. CONTINGENT ASSETS OR LIABILITIES

The Shire is not aware of any contingent assets or liabilities as at 30 June 2021.

19. CAPITAL COMMITMENTS

The Shire is not aware of any capital commitments as at 30 June 2021.

20. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Elected member Day			
President's annual allowance	5,553	5,589	5,553
Meeting attendance fees	3,553	3,589	3,553
ICT expenses	200	200	200
Travel and accommodation expenses	257	160	0
	9,563	9,538	9,306
Elected member Huxtable			
Meeting attendance fees	3,553	3,589	3,553
ICT expenses	200	200	200
Travel and accommodation expenses	0	160	0
	3,753	3,949	3,753
Elected member Geier			
Meeting attendance fees	3,553	3,589	3,553
ICT expenses	200	200	200
Travel and accommodation expenses	0	160	0
	3,753	3,949	3,753
Elected member Dellabosca			
Meeting attendance fees	3,553	3,589	3,553
ICT expenses	200	200	200
Travel and accommodation expenses	155	200	77
	3,908	3,989	3,830
Elected member Jefferys			
Meeting attendance fees	3,553	3,589	3,553
ICT expenses	200	200	200
Travel and accommodation expenses	468	160	0
	4,221	3,949	3,753
Elected member Corsini			
Meeting attendance fees	3,553	3,589	3,553
ICT expenses	200	200	200
Travel and accommodation expenses	78	160	0
	3,831	3,949	3,753
	29,029	29,323	28,148
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
President's allowance	5,553	5,589	5,553
Meeting attendance fees	21,318	21,534	21,318
ICT expenses	1,200	1,200	1,200
Travel and accommodation expenses	958	1,000	77
	29,029	29,323	28,148

21. RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP) Compensation Disclosure

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

	2021 Actual \$	2020 Actual \$
Short-term employee benefits	369,745	299,784
Post-employment benefits	47,147	31,008
Other long-term benefits	7,969	84,289
	<u>424,861</u>	<u>415,081</u>

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

21. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

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

The following transactions occurred with related parties:

	2021 Actual	2020 Actual
	\$	\$
Purchase of goods and services	191,094	2,308,233
Amounts payable to related parties:		
Trade and other payables	69	0

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

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

iii. Entities subject to significant influence by the Shire

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

22. INVESTMENT IN ASSOCIATE AND JOINT ARRANGEMENTS

(a) Share of joint operations

In 2003/04, Council, in conjunction with the Housing Authority (previously Homewest), entered into a Joint Venture Housing Agreement to construct 3 x 2 bedroom Young Singles and Childless Couples' units on Lot 1, Pyrites Street on Deposited Plan 33835 in Westonia. The terms of the joint arrangement estimated for council to contribute \$28,250 in Land Costs and \$70,000 in cash contribution and construction costs out of a total estimated project cost of \$406,922 which equated to an estimated equity of 24.14%. The actual costs borne by the Council were \$48,508 in land and siteworks, \$60,000 in cash contribution and \$5,786 for additional amenities and landscaping out of a total GST inclusive project cost of \$467,056, which equated to an actual equity of 24.47%. In 2007/2008 Council constructed a patio for the cost of \$8,876 and in 2009/10 a carport for \$9,023.

The agreement with the Housing Authority (previously Homeswest) represents a joint operation and requires the Shire to account for its share of the assets and related liabilities as well as the Shires' share of all expenses and revenue relating to the arrangement. Fair Value assessment of the property was undertaken in 2016/17 along with all other Council Land and Building Assets. The amount shown below is 24.47% of the fair value of \$316,000 and is included in Note 8.

The initial term of the agreement is 25 years, expiring on 28 April 2028.

	2021	2020
	\$	\$
Statement of Financial Position		
Land and Building	77,325	77,325
Less- accumulated depreciation	(23,181)	(5,799)
Total assets	54,144	71,526
Statement of Comprehensive income		
Other revenue	11,050	13,260
Other expenditure	(25,976)	(7,066)
Net result for the period	(14,926)	6,194
Total comprehensive income for the period	(14,926)	6,194

SIGNIFICANT ACCOUNTING POLICIES

Interests in joint arrangements

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

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

Interests in joint arrangements (Continued)

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

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

23. RATING INFORMATION

(a) Rates

RATE TYPE

Differential general rate / general rate

Gross rental valuations

GRV -Residential

GRV- Mining

Unimproved valuations

UV - Rural/Pastoral

UV - Mining

Sub-Total

Minimum payment

Gross rental valuations

GRV -Residential

Unimproved valuations

UV - Rural/Pastoral

UV - Mining

Sub-Total

Total amount raised from general rate

Ex-gratia rates

Totals

	Rate in \$	Number of Properties	2020/21 Actual Rateable Value \$	2020/21 Actual Rate Revenue \$	2020/21 Actual Interim Rates \$	2020/21 Actual Back Rates \$	2020/21 Actual Total Revenue \$	2020/21 Budget Rate Revenue \$	2020/21 Budget Interim Rate \$	2020/21 Budget Back Rate \$	2020/21 Budget Total Revenue \$	2019/20 Actual Total Revenue \$
GRV -Residential	0.072073	49	619,955	44,682	464	0	45,146	44,682	0	0	44,682	44,897
GRV- Mining	0.204953	2	1,305,800	267,628	0	0	267,628	267,628	0	0	267,628	267,628
UV - Rural/Pastoral	0.015922	123	44,798,998	713,290	0	0	713,290	713,290	679	0	713,969	714,126
UV - Mining	0.015922	7	176,245	2,806	0	0	2,806	2,806	0	0	2,806	2,673
Sub-Total		181	46,900,998	1,028,406	464	0	1,028,870	1,028,406	679	0	1,029,085	1,029,324
Minimum payment												
GRV -Residential	355	17	23,722	6,035	0	0	6,035	5,680	0	0	5,680	5,680
UV - Rural/Pastoral	355	17	130,102	6,035	0	0	6,035	6,035	0	0	6,035	6,035
UV - Mining	200	11	41,485	2,200	0	0	2,200	2,200	0	0	2,200	2,400
Sub-Total		45	195,309	14,270	0	0	14,270	13,915	0	0	13,915	14,115
		226	47,096,307	1,042,676	464	0	1,043,140	1,042,321	679	0	1,043,000	1,043,439
							1,043,140				1,043,000	1,043,439
							4,519				4,650	4,519
Totals							1,047,659				1,047,650	1,047,958

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

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

23. RATING INFORMATION (Continued)

(b) Specified Area Rate

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

(c) Service Charges

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

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

No discount on Rates is available.

23. RATING INFORMATION (Continued)

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single full payment	7/09/2020	0.00	0.00%	5.00%
Option Two				
First instalment	7/09/2020	0.00	5.00%	5.00%
Second instalment	11/01/2021	0.00	5.00%	5.00%
Option Three				
First instalment	7/09/2020	0.00	5.00%	5.00%
Second instalment	9/11/2020	0.00	5.00%	5.00%
Third instalment	11/01/2021	0.00	5.00%	5.00%
Fourth instalment	15/03/2021	0.00	5.00%	5.00%
		2021 Actual \$	2021 Budget \$	2020 Actual \$
Interest on instalment plan		1,734	1,400	1,881
Charges on instalment plan		2,238	1,250	3,798
		3,972	2,650	5,679

24. RATE SETTING STATEMENT INFORMATION

		2020/21 Budget	2019/20
	2020/21 (30 June 2021)	(30 June 2021)	(30 June 2020)
Note	Carried Forward)	Carried Forward)	Carried Forward
	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	10(a)	(55,260)	0
Movement in employee benefit provisions (non-current)		10,053	0
Movement of inventory (non-current)		35,272	0
Add: Loss on disposal of assets	10(a)	0	6,000
Add: Depreciation on non-current assets	10(b)	1,460,412	1,509,340
Non cash amounts excluded from operating activities		1,450,477	1,509,220
(b) Surplus/(deficit) after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserves - cash/financial asset backed	4	(3,230,514)	(3,024,672)
Less: Current assets not expected to be received at end of year			
- Loans receivable - Club/Institutions			0
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14(a)	0	63,180
- Employee benefit provisions		0	(174,789)
Total adjustments to net current assets		(3,230,514)	(3,136,281)
Net current assets used in the Rate Setting Statement			
Total current assets		4,903,806	3,226,806
Less: Total current liabilities		(565,908)	(60,817)
Less: Total adjustments to net current assets		(3,230,514)	(3,136,281)
Net current assets used in the Rate Setting Statement		1,107,384	29,708
			1,170,180

25. FINANCIAL RISK MANAGEMENT

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

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

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2021					
Cash and cash equivalents	0.01%	1,408,059	0	1,408,059	0
Financial assets at amortised cost - term deposits	0.40%	3,230,514	3,230,514	0	0
2020					
Cash and cash equivalents	0.01%	1,446,617	0	1,446,617	0
Financial assets at amortised cost	0.95%	2,795,172	2,795,172	0	0

Sensitivity

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

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

2021	2020
\$	\$
14,081	14,466

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 14(b).

25. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

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

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

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

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

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

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

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2021					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	14,540	3,106	1,984	903	20,533
Loss allowance	0	0	0	0	0
30 June 2020					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	7,355	0	0	4,111	11,466
Loss allowance	0	0	0	0	0

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2021					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	73.80%	
Gross carrying amount	201,982	0	26,755	7,123	235,860
Loss allowance	0	0	0	5,257	5,257
30 June 2020					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	68.00%	
Gross carrying amount	117,564	228	0	7,450	125,243
Loss allowance	0	0	0	5,114	5,114

25. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 14(c).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2021					
Payables	200,188	0	0	200,188	200,188
Other liabilities	158,369	0	0	158,369	158,369
	<u>358,557</u>	<u>0</u>	<u>0</u>	<u>358,557</u>	<u>358,557</u>
2020					
Payables	230,997	0	0	230,997	230,997
Borrowings	10,780	0	0	10,780	10,780
	<u>241,777</u>	<u>0</u>	<u>0</u>	<u>241,777</u>	<u>241,777</u>

26. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There were no events occurring after balance date that have a significant effect on the financial statements.

27. TRUST FUNDS

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

	1 July 2020	Amounts Received	Amounts Paid	30 June 2021
	\$	\$	\$	\$
LGMA - Receipts	2,749	2,036	(113)	4,672
Westonia Historical Society	14,803	8,043	(3,702)	19,145
Cemetery Committee	6,405	2,000	0	8,405
	23,957	12,079	(3,814)	32,222

SHIRE OF WESTONIA

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

28. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

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

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

29. ACTIVITIES/PROGRAMS

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

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

30. FINANCIAL RATIOS

	2021 Actual	2020 Actual (Restated*)	2019 Actual
Current ratio	5.74	6.2*	7.12
Asset consumption ratio	0.90	0.92	0.94
Asset renewal funding ratio	0.20	0.2*	0.59
Asset sustainability ratio	0.80	3.15	0.76
Debt service cover ratio	137.11	10.68*	20.02
Operating surplus ratio	0.01	(0.42)*	0.23
Own source revenue coverage ratio	0.56	0.47	0.59

The above ratios are calculated as follows:

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

Actual (Restated*) \$4,171,671.00 was reclassified from operating to non-operating grants due to an identified error in presentation. This correction has been updated throughout the financial statements and the 2020 Operation Ratio calculations, see Note 2(a)



Our Ref: 8389

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WESTONIA WA 6423

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Dear Mr Criddle

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

The Office has completed the audit of the annual financial report for your Shire. In accordance with section 7.12AD (2) of the *Local Government Act 1995*, we enclose the Auditor General's auditor's report, together with the audited annual financial report.

We have also forwarded the reports to the President and the Minister for Local Government, as required by the Act. You are required to publish the annual report, including the auditor's report and the audited financial report, on your Shire's official website within 14 days after the annual report has been accepted by your Council.

Matters of regulatory non-compliance and adverse trends in the financial position are reported on page 2 of the auditor's report.

Management Control Issues

While the result of the audit was satisfactory, we would like to draw your attention to the attached listing of deficiencies in internal control and other matters that were identified during the audit. These matters have been discussed with management and their comments have been included in the attachment.

Please note that the purpose of our audit was to express an opinion on the financial report. The audit included consideration of internal control relevant to the preparation of the financial report in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

An audit is not designed to identify all internal control deficiencies that may require management attention. The matters being reported are limited to those deficiencies that have been identified during the audit that are of sufficient importance to warrant being reported. It is possible that other irregularities and deficiencies may have occurred and not been identified as a result of our audit.

This letter has been provided for the purposes of the Shire and the Minister for Local Government and may not be suitable for other purposes.

We would like to take this opportunity to thank you, the management and the staff of the Shire for their cooperation with the audit team during our audit.

Feel free to contact the undersigned on 6557 7576 if you would like to discuss these matters further.

Yours faithfully

Mikey Fiorucci
Assistant Director
Financial Audit
16 December 2021

Attach



Auditor General

INDEPENDENT AUDITOR'S REPORT 2021 Shire of Westonia

To the Councillors of the Shire of Westonia

Report on the audit of the annual financial report

Opinion

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

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

In my opinion the financial report of the Shire of Westonia:

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

Basis for opinion

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

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

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

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

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

Auditor's responsibility for the audit of the financial report

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

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

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

Report on other legal and regulatory requirements

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

- (i) In my opinion, the following material matter indicates a significant adverse trend in the financial position of the Shire:
 - a) The Asset Renewal Funding Ratio as reported in Note 30 of the annual financial report is below the Department of Local Government, Sport and Cultural Industries' standard of 0.75 for the last three financial years.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the financial report were supported by verifiable information and reasonable assumptions.

Other information

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

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

Matters relating to the electronic publication of the audited financial report

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

Efthalia Samaras
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
16 December 2021