



# Shire of **Ngaanyatjaraku**

ON A JOURNEY

## **ORDINARY MEETING OF COUNCIL**

### **ATTACHMENTS**

**Tjulyuru Cultural and Civic Centre**

**Warburton Community**

**27 February 2019**

**1.00 pm**



**Shire of Ngaanyatjaraku**  
ON A JOURNEY

**ORDINARY MEETING OF COUNCIL**

**MINUTES**

**Tjulyuru Cultural and Civic Centre  
Warburton Community**

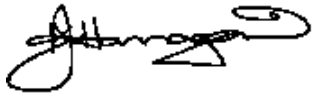
**19 December 2018**

**at**

**1.00 pm**

**SHIRE OF NGAANYATJARRAKU**  
**ORDINARY MEETING OF COUNCIL**

The Acting Chief Executive Officer recommends the endorsement of these minutes at the next Ordinary Meeting of Council.



**Acting Chief Executive Officer**

Date: 20-12-2018

These minutes were confirmed by Council as a true and correct record of proceedings of the Meeting of Council held on the 19 December 2018.

Presiding Member: \_\_\_\_\_ Date:.....

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**1. DECLARATION OF OPENING**

The Presiding Member declared the meeting open at 1.01 pm.

**2. ANNOUNCEMENT OF VISITORS**

The Presiding Member welcomed members of the public to the gallery.

**3. ATTENDANCE**

**3.1 PRESENT**

<b>Elected Members:</b>	President Deputy President Councillor Councillor Councillor	D McLean P Thomas D Frazer J Frazer L West
<b>Staff:</b>	ACEO F&C Coord	K Hannagan (by telephone) G Handy
<b>Guests:</b>		
<b>Members of Public:</b>	There were no members of the public in attendance at the commencement of the meeting.	

**3.2 APOLOGIES**

Cr. A Bates

**3.3 APPROVED LEAVE OF ABSENCE**

**4. PUBLIC QUESTION TIME**

**4.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

**4.2 PUBLIC QUESTION TIME**

**5. APPLICATIONS FOR LEAVE OF ABSENCE**

**6. DECLARATION BY MEMBERS**

**6.1 DUE CONSIDERATION BY COUNCILLORS TO THE AGENDA**

Councillors are requested to give due consideration to all matters contained in the Agenda presently before the meeting.

**6.2 DECLARATIONS OF INTEREST**

**Councillors to Note**

A member who has an Impartiality, Proximity or Financial Interest in any matter to be discussed at a Council or Committee Meeting, that will be attended by the member, must disclose the nature of the interest:

- (a) In a written notice given to the Chief Executive Officer before the Meeting or;
- (b) At the Meeting, immediately before the matter is discussed.

A member, who makes a disclosure in respect to an interest, must not:

- (a) Preside at the part of the Meeting, relating to the matter or;
- (b) Participate in, or be present during any discussion or decision-making procedure relative to the matter, unless to the extent that the disclosing member is allowed to do so under *Section 5.68 or Section 5.69 of the Local Government Act 1995*.

**NOTES ON DECLARING INTERESTS (FOR YOUR GUIDANCE)**

The following notes are a basic guide for Councillors when they are considering whether they have an interest in a matter.

These notes are included in each agenda for the time being so that Councillors may refresh their memory.

1. A Financial Interest requiring disclosure occurs when a Council decision might advantageously or detrimentally affect the Councillor or a person closely associated with the Councillor and is capable of being measure in money terms. There are exceptions in the *Local Government Act 1995* but they should not be relied on without advice, unless the situation is very clear.
2. If a Councillor is a member of an Association (which is a Body Corporate) with not less than 10 members i.e. sporting, social, religious etc), and the Councillor is not a holder of office of profit or a guarantor, and has not leased land to or from the club, i.e., if the Councillor is an ordinary member of the Association, the Councillor has a common and not a financial interest in any matter to that Association.
3. If an interest is shared in common with a significant number of electors or ratepayers, then the obligation to disclose that interest does not arise. Each case needs to be considered.
4. If in doubt declare.
5. As stated in (b) above, if written notice disclosing the interest has not been given to the Chief Executive Officer before the meeting, then it **MUST** be given when the matter arises in the Agenda, and immediately before the matter is discussed.
6. Ordinarily the disclosing Councillor must leave the meeting room before discussion commences. The **only** exceptions are:
  - 6.1 Where the Councillor discloses the **extent** of the interest, and Council carries a motion under *s.5.68(1)(b)(ii) or the Local Government Act*; or
  - 6.2 Where the Minister allows the Councillor to participate under *s.5.69(3) of the Local Government Act*, with or without conditions.

**Declarations of Interest provided:**

Item Number/ Name	Type of Interest	Nature/Extent of Interest

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- 7. ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION**
- 8. PETITIONS, DEPUTATIONS, PRESENTATIONS**
  - 8.1 PETITIONS**
  - 8.2 DEPUTATIONS**
  - 8.3 PRESENTATIONS**
- 9. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**
  - 9.1 MINUTES OF ORDINARY MEETING OF COUNCIL HELD 24 October 2018 (ATT 9.1)**

**Officers Recommendation and Council Resolution**

**Moved: Cr D Frazer**

**Seconded: Cr J Frazer**

**That the Unconfirmed Minutes of the Ordinary Meeting of Council held on 28 November 2018 at the Council Chambers, Tjulyuru Cultural and Civic Centre, Warburton Community (ATTACHMENT 9.1) be confirmed as a true and accurate record.**

**Carried: 5/0**

## 10. CEO REPORTS

### 10.1 PROGRESS ON THE IMPLEMENTATION OF COUNCIL DECISIONS, STATUS REPORT FOR NOVEMBER 2018

<b>FILE REFERENCE:</b>	GV.05
<b>AUTHOR'S NAME AND POSITION:</b>	Kevin Hannagan Acting Chief Executive Officer
<b>NAME OF APPLICANT/RESPONDENT:</b>	Not Applicable
<b>DATE REPORT WRITTEN:</b>	12 December 2018
<b>DISCLOSURE OF INTERESTS:</b>	The author has no financial, proximity or impartiality interests in the proposal.

#### Summary

The purpose of this agenda item is to report back to Council on the progress of the implementation of Council resolutions.

#### Background

The best practice in governance supports the regular review of Council decisions to ensure that they are actioned and implemented in a timely manner.

#### Comment

Wherever possible, Council decisions are implemented as soon as practicable after a Council meeting. However, there are projects or circumstances that mean some decisions take longer to action than others.

Ongoing monthly reports will show the status of Council Resolutions that have not been actioned.

#### Statutory Environment

*Section 2.7 of the Local Government Act 1995 states:*

*“Role of council*

*(1) The council —*

*(a) governs the local government's affairs; and*

*(b) is responsible for the performance of the local government's functions.*

*(2) Without limiting subsection (1), the council is to —*

*(a) oversee the allocation of the local government's finances and resources; and*

*(b) determine the local government's policies.”*

The above section of the Act notwithstanding, there is no specific legal requirement to present such a report to Council or for Council to receive or consider such a report. The decision to have the report in the Council's monthly agenda is entirely Council's prerogative. Staff acknowledge the critical and ongoing nature of the document, in that Council 'speaks by resolution'.

#### Financial Implications

There are no known financial implications for this matter.

#### Strategic Implications

Strategic Community Plan 2016 - 2026

Goal 4, Our Leadership



Outcome 4.2, A capable and compliant local government

**Risk Management**

This item has been evaluated against the Shire of Ngaanyatjaraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is "Low" risk and can be managed by routine procedures, and is unlikely to need specific application of resources.

**Policy Implications**

There are no known policy implications for this matter.

**Attachments**

Attachment 10.1 - Council Resolutions - Status Report to November Council meeting 2018.

**Voting Requirement**

Simple Majority

**Officers Recommendation and Council Resolution**

**Moved: Cr P Thomas**

**Seconded: Cr D Frazer**

**That Council notes the attached Council Resolutions – Status as at November Council meeting 2018 (Attachment 10.1) and this report.**

**Carried: 5/0**

## 10.2 ADMINISTRATIVE COMPLIANCE

<b>FILE REFERENCE:</b>	CS.06
<b>AUTHOR'S NAME AND POSITION:</b>	Kevin Hannagan Acting Chief Executive Officer
<b>NAME OF APPLICANT/RESPONDENT:</b>	Not Applicable
<b>DATE REPORT WRITTEN:</b>	12 December 2018
<b>DISCLOSURE OF INTERESTS:</b>	The author has no financial, proximity or impartiality interests in the proposal.

### Summary

For Council to consider the Monthly Report of outstanding actions to achieve administrative compliance with the Local Government Act 1995 and other projects / tasks.

### Background

The Minister for Local Government appointed an Approved Adviser to work with the Shire to meet the administrative requirements of the Local Government Act 1995. The Approved Advisers' Scope of Work is to "Undertake a review of the Shire's policies, systems and procedures to establish the level of compliance with the legislative provisions of the Local Government Act 1995". The Approved advisor has also requested that other important projects / tasks / actions involving operational matters also be added to the calendar.

### Comment

Shire Staff have compiled for the Approved Adviser and Council a list of tasks to be undertaken, commonly known as a Compliance / Action Calendar.

A copy of the list of tasks is attached for Councillors information. Further monthly reports will be made to Council advising progress against the task 'due dates'.

The Auditors Report for FYE 2017 may be finalised December 2018 and AFS provided to the DLGSCI by end December. The Shire would technically be 'compliant' until the end of December 2018 when the AFS 2017/18 is due.

The main remaining items outstanding to achieve compliance would then be the Annual Reports for 2016/17 & 2017/18 and Audits for 2017/18 Financial Year End. Significant progress is now being made and it is proposed to be compliant by the end of February 2018.

### Statutory Environment

*Local Government Act 1995, various sections*

*Local Government (Financial Management) Regulations 1996, various sections*

*Local Government (Audit) Regulations 1996, various sections*

*Local Government (Administration) Regulations 1996, various sections*

### Financial Implications

The costs associated with the Approved Adviser are to be borne by Council, the Annual Budget takes this into account.

### Strategic Implications

Strategic Community Plan 2016 - 2026

Goal 4, Our Leadership

Outcome 4.2, A capable and compliant local government

**Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is "High" risk and will require excellent controls, managed by senior management / executive and subject to monthly monitoring with specific application of resources.

**Policy Implications**

There are no known Policy implications for this matter.

**Attachments**

Attachment 10.2 - Compliance Action List as at 12 December 2018

**Voting Requirement**

Simple Majority Required.

**Officers Recommendation and Council Resolution**

**Moved: Cr P Thomas**

**Seconded: Cr J Frazer**

**That Council notes Compliance / Action Calendar as at 12 December 2018 (Attachment 10.2) and this Report.**

**Carried: 5/0**

### 10.3 ATTENDANCE BY TELEPHONE CR THOMAS

<b>FILE REFERENCE:</b>	GV.00
<b>AUTHOR'S NAME AND POSITION:</b>	Kevin Hannagan Acting Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	12 December 2018
<b>DISCLOSURE OF INTERESTS:</b>	The author has no financial, proximity or impartiality interests in the proposal.

#### **Summary**

For Council to consider a request from Cr Thomas to attend the next Ordinary meeting of Council by telephone.

#### **Background**

Cr P Thomas has advised that he may not be able to attend the next ordinary meeting of Council in person and has requested Council approval to attend by telephone if necessary.

#### **Comment**

In accordance with Regulation 14A (2) Cr Thomas has only attended by telephone for the August and November 2018 meetings this financial year.

#### **Statutory Environment**

##### ***Local Government Act 1995***

##### ***5.25. Regulations about council and committee meetings and committees***

- (1) *Without limiting the generality of section 9.59, regulations may make provision in relation to —*
  - (a) *the matters to be dealt with at ordinary or at special meetings of councils; and*
  - (b) *the functions of committees or types of committee; and*
  - (ba) *the holding of council or committee meetings by telephone, video conference or other electronic means;*

##### ***Local Government (Administration) Regulations 1996***

##### ***14A. Attendance by telephone etc. (Act s. 5.25 (1) (ba))***

- (1) *A person who is not physically present at a meeting of a council or committee is to be taken to be present at the meeting if —*
  - (a) *the person is simultaneously in audio contact, by telephone or other means of instantaneous communication, with each other person present at the meeting; and*
  - (b) *the person is in a suitable place; and*
  - (c) *the council has approved\* of the arrangement.*
- (2) *A council cannot give approval under sub-regulation (1)(c) if to do so would mean that at more than half of the meetings of the council, or committee, as the case may be, in that financial year, a person who was not physically present was taken to be present in accordance with this regulation.*

(3) *A person referred to in this regulation is no longer to be taken to be present at a meeting if the person ceases to be in instantaneous communication with each other person present at the meeting.*

(4) *In this regulation —*

***suitable place*** means a place that the council has approved\* as a suitable place for the purpose of this regulation and that is located —

(a) *in a townsite or other residential area; and*

(b) *150 km or further from the place at which the meeting is to be held under regulation 12, measured along the shortest road route ordinarily used for travelling;*

***townsite*** has the same meaning given to that term in the Land Administration Act 1997 section 3(1).

*\* Absolute majority required.*

*[Regulation 14A inserted in Gazette 31 Mar 2005 p. 1031.]*

### **Financial Implications**

There are no known financial implications.

### **Strategic Implications**

Strategic Community Plan 2016 - 2026

Goal 4, Our Leadership

Outcome 4.2, A capable and compliant local government

### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjaraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is "Low" risk and can be managed by routine procedures and is unlikely to need specific application of resources.

### **Policy Implications**

There are no known policy implications for this matter.

### **Attachments**

Not applicable

### **Voting Requirement**

Absolute Majority Required.

### **Officers Recommendation and Council Resolution**

**Moved: Cr J Frazer      Seconded: Cr D Frazer**

**That Council approves Cr P Thomas request to attend the next Ordinary Meeting of Council by telephone if need be.**

**Carried: 5/0**

## 10.4 PROPOSED REVOCATION OF MOTION – ADOPTION OF 2018/19 BUDGET

<b>FILE REFERENCE:</b>	FM.05
<b>AUTHOR'S NAME AND POSITION:</b>	Kevin Hannagan Acting Chief Executive Officer
<b>AUTHORISING OFFICER AND POSITION:</b>	Kevin Hannagan Acting Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	30 November 2018
<b>DISCLOSURE OF INTERESTS:</b>	The author and the authorising officer have no financial, proximity or impartiality interests in the proposal.

### Summary

The adopted 2018/19 budget requires revocation and readoption, as the budgeted general rate is beyond the limit set by Section 6.34 of the Local Government Act 1995 due to an error in the determination of the budgeted deficiency.

### Background

The 2018/19 budget was adopted by Council at its Ordinary Meeting held 29th August 2018. Following adoption of the budget, an amendment was recommended to Council and subsequently adopted at its Ordinary Meeting held 19th September 2018. This amendment corrected due dates for the payment of rates by instalments.

Since the adoption of the 2018/19 budget, and the adopted budget amendment, the Department of Local Government, Sport and Community Interests (DLGSCI) has advised that the adopted budget is not compliant, and would require revocation and readoption, once corrected. Subsequently, the adopted 2018/19 budget amendment will also need to be rescinded, which is presented as a separate item for consideration.

### Comment

A budgeted transfer to reserves was omitted in error resulting in an overstatement of the budgeted deficiency. A new budget has been prepared for adoption where the budgeted deficiency is equivalent to the amount to be raised from general rates, which remains unchanged from the general rates adopted at the Ordinary Meeting of Council held 29th August 2018. Subject to the determination by DLGSCI, the rates raised for 2018/19 may be quashed by the State Administrative Tribunal, in which case new rates would be raised in accordance with the budgeted deficiency as defined in the budget to be adopted. The new rates would be raised at the same level as the previously adopted 2018/19 rates.

It is noted that the same error within the Rate Setting Statement was also contained within the 2016/17 and 2017/18 Adopted Budgets. However this was not brought to the Shire's attention by DLGSCI or the Shire's Accounting services provider.

### Statutory Environment

*Section 6.2 (1) of the Local Government Act 1995 requires that a local government is to prepare (in the prescribed manner) and adopt (by absolute majority), between 1 June in a financial year to 31 August in the next financial year, or such extended time as the Minister allows, a budget for its municipal fund for the financial year ending on the 30 June next following that 31 August.*

*Section 5.25 (1)(e) of the Local Government Act 1995 outlines that regulations may make provision in relation to the circumstances and manner in which a decision made at a council or a*

*committee meeting may be revoked or changed (which may differ from the manner in which the decision was made)*

*Regulation 10 of the Local Government (Administration) Regulations 1996 provides that:*

- (1) If a decision has been made at a council or a committee meeting then any motion to revoke or change the decision must be supported —*
  - (a) in the case where an attempt to revoke or change the decision had been made within the previous 3 months but had failed, by an absolute majority; or*
  - (b) in any other case, by at least 1/3 of the number of offices (whether vacant or not) of members of the council or committee, inclusive of the mover.*
- (1a) Notice of a motion to revoke or change a decision referred to in subregulation (1) is to be signed by members of the council or committee numbering at least 1/3 of the number of offices (whether vacant or not) of members of the council or committee, inclusive of the mover.*
- (2) If a decision has been made at a council or a committee meeting then any decision to revoke or change the first mentioned decision must be made —*
  - (a) in the case where the decision to be revoked or changed was required to be made by an absolute majority or by a special majority, by that kind of majority; or*
  - (b) in any other case, by an absolute majority.*
- (3) This regulation does not apply to the change of a decision unless the effect of the change would be that the decision would be revoked or would become substantially different.*

### **Financial Implications**

The adopted budget outlines planned expenditure and revenue and determines the financial parameters for the Shire of Ngaanyatjarraku to operate within for the 2018/19 financial year. The current budget is non-compliant and will need to be readopted once corrected.

### **Strategic Implications**

Strategic Community Plan 2016 - 2026

Goal 4, Our Leadership

Outcome 4.2, A capable and compliant local government

Adoption of statutory compliant budget is required to ensure the general rates raised are compliant with Section 6.34 of the Local Government Act 1995. Adoption of a budget in November following the rescinding of the previous motion will be a breach of Section 6.2 (1) as the budget will not have been adopted prior to the 31 August.

### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is high prior to treatment, the rescinding and re adoption of a statutory compliant budget will reduce the risk to medium.

### **Policy Implications**

There are no known policy implications for this matter

### **Attachments**

Nil

### **Voting Requirement**

Recommendation 1 – 1/3 of number of offices required

Recommendation 2 – Absolute Majority Required

**Officers Recommendation 1 and Council Resolution**

**Moved: Cr D Frazer            Seconded: Cr L West**

**That pursuant to Reg 10(1)(a) of the Local Government (Administration) Regulations 1996, Council agree to consider a rescission of its previous decision at item 10.6 of the minutes of the Ordinary Meeting of Council held 29th August 2018, relating to the adoption of the 2018/19 annual budget.**

**Carried: 5/0**

**Officers Recommendation 2 and Council Resolution**

**Moved: Cr P Thomas            Seconded: Cr D Frazer**

**That pursuant to Reg 10(1)(b) of the Local Government (Administration) Regulations 1996, Council agree to rescind its previous decision at item 10.6 of the minutes of the Ordinary Meeting of Council held 29th August 2018 as presented below:**

**That Council, with respect to the attached 2018/19 Budget (including Fees and Charges), adopts the following:**

**For the purpose of yielding the deficiency disclosed by the proposed Municipal Fund Budget and pursuant to sections 6.32 and 6.35 of the Local Government Act 1995, Council impose the following general and minimum rates on Unimproved Values:**

<b>UV Mining</b>	<b>\$0.2100 in the \$</b>
<b>General Minimum</b>	<b>\$245 per rateable property</b>

**Pursuant to section 6.45 of the Local Government Act 1995 and regulation 64(2) of the Local Government Financial Management Regulations 1996, Council adopt the following due dates for the payment or rates by instalments:**

**Date of issue, 18 September 2018**

**Option 1 (Full Payment)**

**Full amount of rates and charges including arrears, to be paid on or before 31 December 2018 or 35 days after the date of service appearing on the rate notice whichever is the later.**

**Option 2 (Two Instalments)**

**First instalment to be made on or before 31 December 2018 or 35 days after the date of service appearing on the rate notice whichever is later and including all arrears and half the current rates and service charges; and**

**Second instalment to be made on or before 29 February 2019**



**Option 3 (Four Instalments)**

First instalment to be made on or before 27 October 2018 or 35 days after the date of service appearing on the rate notice whichever is later and including all arrears and half the current rates and service charges;

Second instalment to be made on or before 29 December 2018;

Third instalment to be made on or before 2 March 2019; and

Fourth instalment to be made on or before 4 May 2019

Pursuant to section 6.51 (1) and subject to section 6.51(4) of the Local Government Act 1995 and regulation 70 of the Local Government (Financial Management) Regulations 1996, Council adopt an interest rate of 11% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.

**Councillor Allowances**

In accordance with Section 5.98 (1)(b) of the Local Government Act, Local Government (Administration) Regulation 30, Part 2.2 (1) and Part 2.3 (1)(a) of the Determination for Local Government Elected Council Members pursuant to Section 7B of the Salaries and Allowances Act, Councillor meeting attendance fees be set at \$200 per Council meeting, and \$100 per committee meeting.

In accordance with Section 5.98 (1)(b) of the Local Government Act, Local Government (Administration) Regulation 30, Part 2.2 (1) and Part 2.3 (1)(a) of the Determination for Local Government Elected Council Members pursuant to Section 7B of the Salaries and Allowances Act, meeting attendance fees for the Shire President be set at \$400 per Council meeting, and \$100 per committee meeting.

In accordance with Section 5.98(5) of the Local Government Act, Local Government (Administration) Regulation 33, Part 2.2 (1) and Part 3.2 (4) of the Determination for Local Government Elected Council Members pursuant to Section 7B of the Salaries and Allowances Act, the annual allowance for the Shire President remains set at \$4,000.

In accordance with Section 5.98A (1) of the Local Government Act, Local Government (Administration) Regulation 33A, Part 2.2 (1) and Part 3.3 of the Determination for Local Government Elected Council Members pursuant to Section 7B of the Salaries and Allowances Act, the annual allowance for the Deputy Shire President remains set at \$1,000.

In accordance with Regulation 34(5) of the Local Government (Financial Management) Regulation 1996, Council adopt the following materiality thresholds:

<u>Condition</u>	<u>Action</u>
Actual variances to Budget up to 5% of Budget	Don't Report
Actual variances to Budget up to 10% of Budget	Use Management Discretion
Variance exceeding 10% and a greater value than \$20,000	Must Report

Carried: 5/0

## 10.5 PROPOSED REVOCATION OF MOTION – AMENDMENT TO 2018/19 BUDGET

**FILE REFERENCE:** FM.05

**AUTHOR'S NAME AND POSITION:** Kevin Hannagan  
Acting Chief Executive Officer

**DATE REPORT WRITTEN:** 30 November 2018

**DISCLOSURE OF INTERESTS:** The author has no financial, proximity or impartiality interests in the proposal.

### **Summary**

The adopted 2018/19 budget requires revocation and readoption. Subsequently, the adopted 2018/19 budget amendment also needs to be rescinded.

### **Background**

The 2018/19 budget was adopted by Council at its Ordinary Meeting held 29th August 2018. Following adoption of the budget, an amendment was recommended to Council and subsequently adopted at its Ordinary Meeting held 19th September 2018. This amendment corrected due dates for the payment of rates by instalments.

Since the adoption of the 2018/19 budget, and the adopted 2018/19 budget amendment, the Department of Local Government, Sport and Community Interests (DLGSCI) has advised that the adopted budget is not compliant, and would require revocation and readoption, once corrected. Subsequently, the adopted 2018/19 budget amendment will also need to be rescinded.

### **Comment**

A budgeted transfer to reserves was omitted in error resulting in an overstatement of the budgeted deficiency. A new budget has been prepared for adoption where the budgeted deficiency is equivalent to the amount to be raised from general rates, which remains unchanged from the general rates adopted at the Ordinary Meeting of Council held 29th August 2018. The 2018/19 budget requires revocation and readoption resulting in the budget amendment passed at item 10.4 of the minutes of the Ordinary Meeting of Council held 19th September 2018 no longer being valid and also requiring revocation.

It is noted that the same error within the Rate Setting Statement was also contained within the 2016/17 and 2017/18 Adopted Budgets. However this was not brought to the Shire's attention by DLGSCI or the Shire's Accounting services provider.

### **Statutory Environment**

*Section 6.2 of the Local Government Act 1995 requires that a local government is to prepare (in the prescribed manner) and adopt (by absolute majority), between 1 June in a financial year to 31 August in the next financial year, or such extended time as the Minister allows, a budget for its municipal fund for the financial year ending on the 30 June next following that 31 August.*

*Section 6.2 (5)(c) of the Local Government Act 1995 outlines that the regulations may provide for the information to be contained within or to accompany the annual budget. Section 6.45 of the Local Government Act 1995 provides for options for payment of rates and services charges. Regulation 27(c)(i) of the Local Government (Financial Management) Regulations 1996 sets out that the budget is to include the due dates of each instalment under each option for payment of rates and service charges.*

Section 5.25 (1)(e) of the Local Government Act 1995 outlines that regulations may make provision in relation to the circumstances and manner in which a decision made at a council or a committee meeting may be revoked or changed (which may differ from the manner in which the decision was made)

Regulation 10 of the Local Government (Administration) Regulations 1996 provides that:

- (1) If a decision has been made at a council or a committee meeting then any motion to revoke or change the decision must be supported —
  - (a) in the case where an attempt to revoke or change the decision had been made within the previous 3 months but had failed, by an absolute majority; or
  - (b) in any other case, by at least 1/3 of the number of offices (whether vacant or not) of members of the council or committee, inclusive of the mover.
- (1a) Notice of a motion to revoke or change a decision referred to in subregulation (1) is to be signed by members of the council or committee numbering at least 1/3 of the number of offices (whether vacant or not) of members of the council or committee, inclusive of the mover.
- (2) If a decision has been made at a council or a committee meeting then any decision to revoke or change the first mentioned decision must be made —
  - (a) in the case where the decision to be revoked or changed was required to be made by an absolute majority or by a special majority, by that kind of majority; or
  - (b) in any other case, by an absolute majority.
- (3) This regulation does not apply to the change of a decision unless the effect of the change would be that the decision would be revoked or would become substantially different.

### **Financial Implications**

The adopted budget outlines planned expenditure and revenue and determines the financial parameters for the Shire of Ngaanyatjarraku to operate within for the 2018/19 financial year. The current budget is non-compliant and will need to be readopted once corrected.

### **Strategic Implications**

Strategic Community Plan 2016 - 2026

Goal 4, Our Leadership

Outcome 4.2, A capable and compliant local government

Adoption of statutory compliant budget is required to ensure the general rates raised are compliant with Section 6.34 of the Local Government Act 1995. Adoption of a budget in November following the rescinding of the previous motion will be a breach of Section 6.2 (1) as the budget will not have been adopted prior to the 31 August.

### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is high prior to treatment, the rescinding and re adoption of a statutory compliant budget will reduce the risk to medium.

### **Policy Implications**

Not applicable

### **Attachments**

Not applicable

### **Voting Requirement**

Recommendation 1 – 1/3 of number of offices required

Recommendation 2 – Absolute Majority Required

**Officers Recommendation 1 and Council Resolution**

**Moved: Cr D Frazer      Seconded: Cr J Frazer**

**That pursuant to Reg 10(1)(a) of the Local Government (Administration) Regulations 1996, Council agree to consider a rescission of its previous decision at item 10.4 of the minutes of the Ordinary Meeting of Council held 19th September 2018, relating to an amendment to the adopted 2018/19 annual budget.**

**Carried: 5/0**

**Officers Recommendation 2 and Council Resolution**

**Moved: Cr L West      Seconded: Cr D Frazer**

**That pursuant to Reg 10(1)(b) of the Local Government (Administration) Regulations 1996, Council agree to rescind its previous decision at item 10.4 of the minutes of the Ordinary Meeting of Council held 19th September 2018 as presented below:**

**That Council, with respect to the attached 2018/19 Budget and Statutory Budget Notes, amend the Rate Notice issue and instalment dates as follows:**

**Pursuant to section 6.45 of the Local Government Act 1995 and regulation 64(2) of the Local Government Financial Management Regulations 1996, Council adopt the following due dates for the payment of rates by instalments:**

**Date of issue, 21 September 2018**

**Option 1 (Full Payment)**

**Full amount of rates and charges including arrears, to be paid on or before 29 October 2018 or 35 days after the date of service appearing on the rate notice whichever is the later.**

**Option 2 (Two Instalments)**

**First instalment to be made on or before 29 October 2018 or 35 days after the date of service appearing on the rate notice whichever is later and including all arrears and half the current rates and service charges; and**

**Second instalment to be made on or before 4 March 2019**

**Option 3 (Four Instalments)**

**First instalment to be made on or before 29 October 2018 or 35 days after the date of service appearing on the rate notice whichever is later and including all arrears and half the current rates and service charges;**

**Second instalment to be made on or before 28 December 2018;**

**Third instalment to be made on or before 1 March 2019; and**

**Fourth instalment to be made on or before 6 May 2019.**

**Carried: 5/0**

## 10.6 RE-ADOPTION OF 2018/19 BUDGET

<b>FILE REFERENCE:</b>	FM.05
<b>AUTHOR'S NAME AND POSITION:</b>	Kevin Hannagan Acting Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	30 November 2018
<b>DISCLOSURE OF INTERESTS:</b>	The author has no financial, proximity or impartiality interests in the proposal.

### Summary

The adopted 2018/19 budget was determined to be non-compliant, as the budgeted general rate was beyond the limit set by Section 6.34 of the Local Government Act 1995 due to an error in the determination of the budgeted deficiency. The budget has been corrected and is presented for consideration for adoption.

### Background

The 2018/19 budget was adopted by Council at its Ordinary Meeting held 29th August 2018. Following adoption of the budget, an amendment was recommended to Council and subsequently adopted at its Ordinary Meeting held 19th September 2018. This amendment corrected due dates for the payment of rates by instalments.

Since the adoption of the 2018/19 budget, and the adopted budget amendment, the Department of Local Government, Sport and Community Interests (DLGSCI) has advised that the adopted budget is not compliant, and would require revocation and re-adoption, once corrected.

Consideration for the rescission of both the 2018/19 budget and 2018/19 budget amendment have both been presented as separate items for consideration.

### Comment

A budgeted transfer to reserves was omitted in error resulting in an overstatement of the budgeted deficiency. A new budget has been prepared for adoption where the budgeted deficiency is equivalent to the amount to be raised from general rates, which remains unchanged from the general rates adopted at the Ordinary Meeting of Council held 29th August 2018. Subject to the determination by DLGSCI, the rates raised for 2018/19 may be quashed by the State Administrative Tribunal, in which case new rates would be raised in accordance with the budgeted deficiency as defined in the budget to be adopted. The new rates would be raised at the same level as the previously adopted 2018/19 rates.

It is noted that the same error within the Rate Setting Statement was also contained within the 2016/17 and 2017/18 Adopted Budgets. However this was not brought to the Shire's attention by DLGSCI or the Shire's Accounting services provider.

These changes will also impact the first-year budget figures in the Shires adopted Long Term Financial Plan and consequentially the Integrated Strategic Plan. As such the plans will be reviewed to see if the impact warrants changes and re-adoption by Council.

### Statutory Environment

Section 6.2 of the Local Government Act 1995 requires that a local government is to prepare (in the prescribed manner) and adopt (by absolute majority), between 1 June in a financial year to 31 August in the next financial year, or such extended time as the Minister allows, a budget for its municipal fund for the financial year ending on the 30 June next following that 31 August.

Section 6.16 of the Local Government Act 1995 allows a local government to impose and recover a fee or charge for any goods or services it provides or proposes to provide (absolute majority required).

Section 6.51 of the Local Government Act 1995 allows a local government to charge interest on a rate or service charge that remains unpaid after it is due and payable (absolute majority required).

Section 6.32 of the Local Government Act 1995 states that a local government in order to make up the budget deficiency is to impose a general rate on rateable land that may be imposed uniformly or differentially. A local government may also impose a minimum payment (absolute majority required).

Regulation 17 of the Local Government (Financial Management) Regulations 1996 states that a reserve account is to have a title that clearly identifies the purpose for which the money in the account is set aside.

Regulation 23(a) of the Local Government (Financial Management) Regulations 1996 requires the annual budget to include the objects and reasons of any differential rates imposed.

Regulation 26 of the Local Government (Financial Management) Regulations 1996 requires that the annual budget is to include details for each discount, incentive, concession and waiver to be allowed.

Regulation 27 of the Local Government (Financial Management) Regulations 1996 sets out the detail accompanying notes to the budget are to contain.

Regulation 34(5) of the Local Government (Financial Management) Regulations 1996 states that each financial year a local government is to adopt a percentage or value, calculated in accordance with AAS5, to be used in statements of financial activity for reporting material variances.

Regulation 64(2) of the Local Government (Financial Management) Regulations 1996 sets out the local government is to determine the due date of instalments after the first instalment.

Regulation 70 of the Local Government (Financial Management) Regulations 1996 states that the maximum interest rate for overdue rates under section 6.51(1), is 11%.

Section 67 of the Waste Avoidance and Resource Recovery Act 2007 enables a local government to impose an annual charge in respect of premises provided with a waste service by the local government.

Section 5.98 of the Local Government Act 1995 sets out fees etc payable to Council members.

Section 5.98A of the Local Government Act 1995 sets out fees etc payable to sets out allowances payable to deputy Presidents or deputy Mayors.

Section 7B(2) of the Salaries and Allowances Act 1975 requires the Tribunal, at intervals of not more than 12 months, to inquire into and determine –

- the amount of fees to be paid to Council members;
- the amount of expenses to be reimbursed to Council members;
- the amount of allowances to be paid to Council members.

Regulations 30-34AD of the Local Government (Administration) Regulations 1996 set the limits, parameters and types of allowances that can be paid to elected members.

### **Financial Implications**

The adopted budget outlines planned expenditure and revenue and determines the financial parameters for the Shire of Ngaanyatjarraku to operate within for the 2018/19 financial year. The current non-compliant budget has now been corrected and is now presented to Council to be readopted.

### **Strategic Implications**

Strategic Community Plan 2016 - 2026  
Goal 4, Our Leadership  
Outcome 4.2, A capable and compliant local government

Adoption of statutory compliant budget is required to ensure the general rates raised are compliant with Section 6.34 of the Local Government Act 1995. Adoption of a budget in November following the rescinding of the previous motion will be a breach of Section 6.2 (1) as the budget will not have been adopted prior to the 31 August.

### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjaraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is high prior to treatment, the rescinding and re adoption of a statutory compliant budget will reduce the risk to medium.

### **Policy Implications**

Not applicable

### **Attachments**

10.6A – 2018/19 Draft Statutory Budget  
10.6B - 2018/19 Schedule of Fees and Charges

### **Voting Requirement**

Recommendation 1 – Absolute Majority Required  
Recommendation 2 – Absolute Majority Required  
Recommendation 3 – Absolute Majority Required  
Recommendation 4 – Absolute Majority Required  
Recommendation 5 – Absolute Majority Required  
Recommendation 6 – Absolute Majority Required  
Recommendation 7 – Absolute Majority Required  
Recommendation 8 – Absolute Majority Required

### **Officers Recommendation 1 and Council Resolution**

**Moved: Cr P Thomas                      Seconded: Cr D Frazer**

**For the purpose of yielding the deficiency disclosed by the proposed Municipal Fund Budget and pursuant to sections 6.32 and 6.35 of the Local Government Act 1995, Council impose the following general and minimum rates on Unimproved Values:**

<b>UV Mining</b>	<b>\$0.2100 in the \$</b>
<b>General Minimum</b>	<b>\$245 per rateable property</b>

**Carried: 5/0**

**Officers Recommendation 2 and Council Resolution**

**Moved: Cr P Thomas**

**Seconded: Cr D Frazer**

**Pursuant to section 6.45 of the Local Government Act 1995 and regulation 64(2) of the Local Government (Financial Management) Regulations 1996, Council offer the following options for the payment of rates by instalments:**

**Option 1 (Full Payment)**

**Full amount of rates and charges including arrears, to be paid on or before 29 October 2018 or 35 days after the date of service appearing on the rate notice whichever is the later.**

**Option 2 (Two Instalments)**

**First instalment to be made on or before 29 October 2018 or 35 days after the date of service appearing on the rate notice whichever is later and including all arrears and half the current rates and service charges; and**

**Second instalment to be made on or before 4 March 2019**

**Option 3 (Four Instalments)**

**First instalment to be made on or before 29 October 2018 or 35 days after the date of service appearing on the rate notice whichever is later and including all arrears and half the current rates and service charges;**

**Second instalment to be made on or before 28 December 2018;**

**Third instalment to be made on or before 1 March 2019; and**

**Fourth instalment to be made on or before 6 May 2019**

**Carried: 5/0**

**Officers Recommendation 3 and Council Resolution**

**Moved: Cr J Frazer**

**Seconded: Cr L West**

**Pursuant to section 6.51 (1) and subject to section 6.51(4) of the Local Government Act 1995 and regulation 70 of the Local Government (Financial Management) Regulations 1996, Council adopt an interest rate of 11% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.**

**Carried: 5/0**



**Officers Recommendation 4 and Council Resolution**

**Moved: Cr D Frazer      Seconded: Cr J Frazer**

**That Council, in accordance with Section 67 of the Waste Avoidance and Recovery Act 2007, impose the following receptacle charge for 2018/19:**

- **Domestic rubbish removal \$290 (GST Free) per bin; and**
- **Commercial rubbish removal - \$1,100 (GST Free) per service**

**Carried: 5/0**

**Officers Recommendation 5 and Council Resolution**

**Moved: Cr P Thomas      Seconded: Cr L West**

**That Council, in accordance with Section 6.16 of the Local Government Act 1995, adopt the attached Schedule of Fees and Charges as presented in the Budget for the year ending 30 June 2019.**

**Carried: 5/0**

**Officers Recommendation 6 and Council Resolution**

**Moved: Cr P Thomas      Seconded: Cr D Frazer**

**That Council, in accordance with section 6.2 of the Local Government Act 1995, adopt the attached annual Budget for the year ended 30 June 2019.**

**Carried: 5/0**

**Officers Recommendation 7 and Council Resolution**

**Moved: Cr P Thomas      Seconded: Cr J Frazer**

**That Council, in accordance with Regulation 34(5) of the Local Government (Financial Management) Regulation 1996, Council adopt the following materiality thresholds:**

**Condition**

**Action**

**Actual variances to Budget up to 5% of Budget**

**Don't Report**

**Actual variances to Budget up to 10% of Budget**

**Use Management Discretion**

**Variance exceeding 10% and a greater value than \$20,000**

**Must Report**

**Carried: 5/0**

**Officers Recommendation 8 and Council Resolution**

**Moved: Cr L West    Seconded: Cr D Frazer**

**That Council adopt the following Councillor Allowances for the 2018/19 period:**

**In accordance with Section 5.98 (1)(b) of the Local Government Act 1995, Local Government (Administration) Regulation 30, Part 2.2 (1) and Part 2.3 (1)(a) of the Determination for Local Government Elected Council Members pursuant to Section 7B of the Salaries and Allowances Act, Councillor meeting attendance fees be set at \$200 per Council meeting, and \$100 per committee meeting.**

**In accordance with Section 5.98 (1)(b) of the Local Government Act 1995, Local Government (Administration) Regulation 30, Part 2.2 (1) and Part 2.3 (1)(a) of the Determination for Local Government Elected Council Members pursuant to Section 7B of the Salaries and Allowances Act, meeting attendance fees for the Shire President be set at \$400 per Council meeting, and \$100 per committee meeting.**

**In accordance with Section 5.98(5) of the Local Government Act 1995, Local Government (Administration) Regulation 33, Part 2.2 (1) and Part 3.2 (4) of the Determination for Local Government Elected Council Members pursuant to Section 7B of the Salaries and Allowances Act, the annual allowance for the Shire President remains set at \$4,000.**

**In accordance with Section 5.98A (1) of the Local Government Act 1995, Local Government (Administration) Regulation 33A, Part 2.2 (1) and Part 3.3 of the Determination for Local Government Elected Council Members pursuant to Section 7B of the Salaries and Allowances Act, the annual allowance for the Deputy Shire President remains set at \$1,000.**

**Carried: 5/0**

**Council Resolution**

**Moved: Cr P Thomas    Seconded: Cr D Frazer**

**That Council instructs the Chief Executive Officer to advise its Accounting Adviser that the Shire will not be extending contract T02 15/16 Accounting Services beyond the 2018/19 FYE.**

**Carried: 5/0**

**Council Resolution**

**Moved: Cr P Thomas    Seconded: Cr L West**

**That Council instructs the Chief Executive Officer to commence the process of advertising Accounting Services for matters relevant to the 2019/20 FYE in early 2019.**

**Carried: 5/0**

## 11. DEPUTY CEO REPORTS

### 11.1 PAYMENTS LISTING, NOVEMBER 2018

<b>FILE REFERENCE:</b>	FM.07
<b>AUTHOR'S NAME AND POSITION:</b>	Kevin Hannagan Deputy Chief Executive Officer
<b>AUTHORISING OFFICER AND POSITION:</b>	Kevin Hannagan Acting Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	19 November 2018
<b>DISCLOSURE OF INTERESTS:</b>	The author and the authorising officer have no financial, proximity or impartiality interests in the proposal.

#### Summary

For Council to confirm the payment of accounts listed in the Accounts for Payment, November 2018.

#### Background

In accordance with the Local Government (Financial Management) Regulations 1996 the Chief Executive Officer is required to present a list of payments to the Council at the next ordinary meeting of the council after the list is prepared.

#### Comment

The payments made are consistent with previous months.

#### Statutory Environment

*Local Government (Financial Management) Regulations 1996*

- S13. *Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.*
- (1) *If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —*
    - (a) *the payee's name; and*
    - (b) *the amount of the payment; and*
    - (c) *the date of the payment; and*
    - (d) *sufficient information to identify the transaction.*
  - (2) *A list of accounts for approval to be paid is to be prepared each month showing—*
    - (a) *for each account which requires council authorisation in that month —*
      - (i) *the payee's name; and*
      - (ii) *the amount of the payment; and*
      - (iii) *sufficient information to identify the transaction;*  
*and*
      - (b) *the date of the meeting of the council to which the list is to be presented.*
  - (3) *A list prepared under subregulation (1) or (2) is to be —*
    - (a) *presented to the council at the next ordinary meeting of the council after the list is prepared; and*
    - (b) *recorded in the minutes of that meeting.*

**Financial Implications**

The Shire makes annual budget allocations for payment of accounts.

**Strategic Implications**

Strategic Community Plan 2016 - 2026

Goal 4, Our Leadership

Outcome 4.2, A capable and compliant local government

**Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is "Low" risk and can be managed by routine procedures and is unlikely to need specific application of resources.

**Policy Implications**

There are no known policy implications for this matter

**Attachments**

Attachment 11.1 – Payment Listings, November 2018

**Voting Requirement**

Simple Majority Required.

**Officers Recommendation and Council Resolution**

**Moved: Cr P Thomas      Seconded: Cr J Frazer**

**That Council receives the Payment Listings, November 2018 totalling payments of \$798,730.45 as per Attachment 11.1.**

**Carried: 5/0**

## 11.2 COUNCIL INVESTMENTS AS AT 10 DECEMBER 2018

<b>FILE REFERENCE:</b>	FM.04
<b>AUTHOR'S NAME AND POSITION:</b>	Kevin Hannagan Deputy Chief Executive Officer
<b>AUTHORISING OFFICER AND POSITION:</b>	Kevin Hannagan Acting Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	10 December 2018
<b>DISCLOSURE OF INTERESTS:</b>	The author and the authorising officer have no financial, proximity or impartiality interests in the proposal.

### Summary

For Council to be advised of the Shires Municipal Account and Investments as at 10 December 2018.

### Background

To invest the Shire of Ngaanyatjarraku surplus funds with consideration of risk and at the most favourable rate of interest available to it at the time, for that investment type, whilst ensuring that liquidity requirements are being met.

### Comment

Preservation of capital is to be the principal objective with consideration given to liquidity, cash flow requirements and return on investment.

Preservation of capital is the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure security and safeguarding the investment portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters.

The investment portfolio will ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements, as and when they fall due, without incurring significant costs due to the unanticipated sale of an investment.

The investment is expected to achieve a predetermined market average rate of return that takes into account the Shire's risk tolerance. Any additional target set by the Shire will also consider the risk limitation and prudent investment principles.

Council will note that the new Term Deposit for Employee Entitlements Reserve has been set up in the Shire's Westpac Accounts and an initial reserve amount of \$300,000 allocated until the actual 2017/18 entitlements have been Audited and the balance adjusted at the next six monthly maturity interval.

### Statutory Environment

*Local Government Act 1995*

#### *Section 6.14 Power to Invest*

- (1) *Money held in the municipal fund or the trust fund of a local government that is not, for the time being, required by the local government for any other purpose may be invested as trust funds may be invested under the Trustees Act 1962 Part III.*
- (2A) *A local government is to comply with the regulations when investing money referred to in subsection (1).*
- (2) *Regulations in relation to investments by local governments may —*

- (a) *make provision in respect of the investment of money referred to in subsection (1); and*
- [(b) deleted]*
- (c) *prescribe circumstances in which a local government is required to invest money held by it; and*
- (d) *provide for the application of investment earnings; and*
- (e) *generally provide for the management of those investments.*

*Local Government (Financial Management) Regulations 1996*

- 19. *Investments, control procedures for*
  - (1) *A local government is to establish and document internal control procedures to be followed by employees to ensure control over investments.*
  - (2) *The control procedures are to enable the identification of —*
    - (a) *the nature and location of all investments; and*
    - (b) *the transactions related to each investment.*
- 19C. *Investment of money, restrictions on (Act s. 6.14(2)(a))*
  - (1) *In this regulation —*
    - authorised institution means —*
      - (a) *an authorised deposit taking institution as defined in the Banking Act 1959 (Commonwealth) section 5; or*
      - (b) *the Western Australian Treasury Corporation established by the Western Australian Treasury Corporation Act 1986;*
    - foreign currency means a currency except the currency of Australia.*
  - (2) *When investing money under section 6.14(1), a local government may not do any of the following —*
    - (a) *deposit with an institution except an authorised institution;*
    - (b) *deposit for a fixed term of more than 3 years;*
    - (c) *invest in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government;*
    - (d) *invest in bonds with a term to maturity of more than 3 years;*
    - (e) *invest in a foreign currency.*

**Financial Implications**

Not applicable.

**Strategic Implications**

Strategic Community Plan 2016 - 2026

Goal 4, Our Leadership

Outcome 4.2, A capable and compliant local government

**Risk Management**

This item has been evaluated against the Shire of Ngaanyatjaraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is "Low" risk and can be managed by routine procedures and is unlikely to need specific application of resources.

**Policy Implications**

Corporate Policy CS2.7 Investments.

**Attachments**

Attachment 11.2 – Westpac screen print of Municipal and Investment Accounts

**Voting Requirement**

Simple Majority Required.

**Officers Recommendation and Council Resolution**

**Moved: Cr D Frazer      Seconded: Cr L West**

**That the report on Council Investments as at 10 December 2018 be received.**

**Carried: 5/0**

### 11.3 DEBTORS – SUNDRY

<b>FILE REFERENCE:</b>	FM.08
<b>AUTHOR'S NAME AND POSITION:</b>	Kevin Hannagan Deputy Chief Executive Officer
<b>AUTHORISING OFFICER AND POSITION:</b>	Kevin Hannagan Acting Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	13 December 2018
<b>DISCLOSURE OF INTERESTS:</b>	The author and the authorising officer have no financial, proximity or impartiality interests in the proposal.

#### **Summary**

For Council to consider writing-off an irrecoverable sundry debtor for house rental for an Alice Springs builder in December 2014, Debtor Number 235.

#### **Background**

An ongoing review of remaining debtor balances is being undertaken to determine action required to clean up the outstanding debtors.

#### **Comment**

A follow up letter to the last known address has resulted in no response.

As such it is highly unlikely the Shire will be able to recover the debt. Given its small value, it is not cost effective to use a debt collection agency.

#### **Statutory Environment**

*Local Government Act 1995*

##### *6.12. Power to defer, grant discounts, waive or write off debts*

- (1) *Subject to subsection (2) and any other written law, a local government may —*
- (a) *when adopting the annual budget, grant\* a discount or other incentive for the early payment of any amount of money; or*
  - (b) *wave or grant concessions in relation to any amount of money; or*
  - (c) *write off any amount of money,*  
*which is owed to the local government.*

*\* Absolute majority required.*

#### **Financial Implications**

The write-off of the sundry debtor considered irrecoverable will result in an expense to the Shire for the 2018/19 Financial Year End of \$672.00 as at the date of this report.

#### **Strategic Implications**

Strategic Community Plan 2016 - 2026

Goal 4, Our Leadership

Outcome 4.2, A capable and compliant local government

#### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is "Low" risk and can be managed by routine procedures and is unlikely to need specific application of resources.



**Policy Implications**

No policy implications apply in the preparation of the report.

**Attachments**

Not applicable

**Voting Requirement**

Simple Majority Required.

**Officers Recommendation and Council Resolution**

**Moved: Cr P Thomas**

**Seconded: Cr D Frazer**

**That Council approves the write-off the balance of sundry debtor Number 235 of \$672.00.**

**Carried: 5/0**

## **12. EHO & BUILDING SERVICES REPORTS**

### **12.1 ACTION REPORT – ENVIRONMENTAL HEALTH & BUILDING SERVICES**

**FILE REFERENCE:** EM.00

**AUTHOR'S NAME AND POSITION:** Phil Swain  
Principal EHO & Building Officer

**AUTHORISING OFFICER AND POSITION:** Kevin Hannagan  
Acting Chief Executive Officer

**DATE REPORT WRITTEN:** 11 December 2018

**DISCLOSURE OF INTERESTS:** The author and the authorising officer have no financial, proximity or impartiality interests in the proposal.

#### **Summary**

To inform Council of Environmental Health program & Building Services activities and actions through the period on-site November 2018.

#### **Background**

Not applicable

#### **Comment**

Not Applicable

#### **Statutory Environment**

Not applicable

#### **Financial Implications**

No known financial implications for this matter.

#### **Strategic Implications**

Strategic Community Plan 2016 - 2026

Goal 4, Our Leadership

Outcome 4.2, A capable and compliant local government

#### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is "Low" risk and can be managed by routine procedures and is unlikely to need specific application of resources.

#### **Policy Implications**

There are no known policy implications for this matter

#### **Attachments**

Attachment 12.1 – Action Report, EHO / Building Services, November 2018

#### **Voting Requirement**

Simple Majority Required.

**Officers Recommendation and Council Resolution**

**Moved: Cr P Thomas**

**Seconded: Cr J Frazer**

**That Council receives the Action Report, EHO / Building Services for November 2018.**

**Carried: 5/0**

**13. EYP REPORTS**

**14. NEW BUSINESS OF AN URGENT NATURE AS ADMITTED BY DECISION**

**15. CONFIDENTIAL MATTERS**

**16. NEXT MEETING**

Scheduled for Wednesday, 23 January 2019 at the Tjulyuru Cultural and Civic Centre, Warburton Community commencing at 1:00 pm.

**17. CLOSURE OF MEETING**

There being no further business to discuss the Presiding Member closed the meeting at 1.25 pm.

## MOORE STEPHENS

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17 December 2018

Mr K Hannagan  
Acting Chief Executive Officer  
Shire of Ngaanyatjarraku  
PMB 87  
KALGOORLIE WA 6431

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[www.moorestephenswa.com.au](http://www.moorestephenswa.com.au)

Dear Kevin

### **AUDIT OF SHIRE OF NGAANYATJARRAKU FOR THE YEAR ENDED 30 JUNE 2017**

We advise that we have completed the audit of your Shire for the year ended 30<sup>th</sup> June 2017 and enclose our Audit Report and a copy of the Management Report.

A copy of the Audit Report and Management Report has also been sent directly to the Shire President, Cr Damian McLean as is required by the Act.

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

Please contact us if you have any queries.

Yours sincerely



David Tomasi  
Partner  
[Moore Stephens](http://www.moorestephens.com.au)

Encl.

**INDEPENDENT AUDITOR'S REPORT  
TO THE COUNCILLORS OF  
THE SHIRE OF NGAANYATJARRAKU**

**REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

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***Opinion***

We have audited the accompanying financial report of the Shire of Ngaanyatjarraku (the Shire), which comprises the Statement of Financial Position as at 30 June 2017, Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and the Rate Setting Statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement by Acting Chief Executive Officer.

In our opinion, the financial report of the Shire of Ngaanyatjarraku:

- a) is based on proper accounts and reports; and
- b) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2017 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***

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Shire in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Emphasis of Matter – Basis of Preparation***

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

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

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

In preparing the financial report, the Acting 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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE COUNCILLORS OF  
THE SHIRE OF NGAANYATJARRAKU  
(CONTINUED)**

**REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONTINUED)**

*Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives of the 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 our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

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

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

**INDEPENDENT AUDITOR'S REPORT  
TO THE COUNCILLORS OF  
THE SHIRE OF NGAANYATJARRAKU  
(CONTINUED)**

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) The following material matters indicating non-compliance with Part 6 of the *Local Government Act 1995*, the *Local Government (Financial Management) Regulations 1996* or applicable financial controls of any other written law were identified during the course of our audit:
  - i. Creditor and payroll payments only require one authorised signatory for approval and payment. This lack of segregation of duties can pose a major fraud risk to Council. Lack of dual signatory control severely compromises payment security.
  - ii. A number of employees do not have employment contracts. Employment contracts are an important aspect of payroll control as they provide documented evidence of employee pay rates and leave entitlements.
  - iii. The former CEO had not been completing/submitted leave forms. Leave forms are an important aspect of payroll control as they provide documented evidence leave (annual, long service and isolation) has been approved.
- b) All required information and explanations were obtained by us.
- c) All audit procedures were satisfactorily completed in conducting our audit.
- d) In our opinion, the asset consumption ratio included in the annual financial report was supported by verifiable information and reasonable assumptions.
- e) The asset renewal funding ratio was not calculated and consequently, no review was able to be carried out.

**MATTERS RELATING TO THE ELECTRONIC PUBLICATION OF THE AUDITED FINANCIAL REPORT**

This auditor's report relates to the annual financial report of the Shire of Ngaanyatjarraku for the year ended 30 June 2017 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.

MOORE STEPHENS  
CHARTERED ACCOUNTANTS



DAVID TOMASI  
PARTNER

Date: 17 December 2018  
Perth, WA



17 December 2018

The President  
Shire of Ngaanyatjarraku  
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Dear Cr McLean

## **MANAGEMENT REPORT FOR THE YEAR ENDED 30 JUNE 2017**

We advise that we have completed our audit procedures for the year ended 30 June 2017.

We are required under the Local Government Audit Regulations to report certain compliance matters in our audit report. Other matters which arise during the course of our audit that we wish to bring to Council's attention are raised in this management report.

It should be appreciated that our audit procedures are designed primarily to enable us to form an opinion on the financial statements and therefore may not bring to light all weaknesses in systems and procedures which may exist. However, we aim to use our knowledge of the City's organisation gained during our work to make comments and suggestions which, we hope, will be useful to you.

We noted the following matters that we wish to draw to your attention:

### **OWN SOURCE REVENUE COVERAGE RATIO**

This ratio measures the Shire's ability to cover operating expenses from own source revenue. The higher the ratio, the more self-reliant the Shire is.

The Shire's ratio is consistent with the prior year, but has been below the Department of Local Government, Sport and Cultural Industries target level for the last five years.

Whilst this is below the accepted benchmark, given the level of disability of the Shire due to population, size and geographical location, a lower ratio may be acceptable, provided other measures/factors remain strong.

Notwithstanding this, both Council and management will need to consider ways to improve the own source operating position in order to increase the ratio. This includes considering identifying potential new avenues of revenue, and finding the optimum level of the Shire's operating expenses.

### **LACK OF CONTROLS FOR MAKING CREDITOR PAYMENTS**

Creditor and payroll payments only require one authorised signatory for approval and payment. This lack of segregation of duties can pose a major fraud risk to Council. Lack of dual signatory control severely compromises payment security.

We strongly suggest Council review the current controls in place for both creditor and employee payments. Controls should be implemented to minimise the risk of unauthorised transactions.

### **EMPLOYEE RECORDS AND LEAVE FORMS**

We noted during our payroll testing a number of employees do not have employment contracts.

Employment contracts are an important aspect of payroll control as they provide documented evidence of employee pay rates and leave entitlements. Contracts also help to make sure payroll information is updated accurately in the Shire's accounting records.

Whilst we were able to complete alternative audit procedures, we suggest employment contracts are obtained for all current Shire employees.

**LEAVE FORMS**

During employee leave provisions testing we noted the former CEO had not been completing/submitting leave forms.

Leave forms are an important aspect of payroll control as they provide documented evidence leave (annual, long service and isolation) has been approved by management. For the CEO, this approval process should be completed by the Shire President. These forms also help to make sure leave is updated accurately in the Shire's accounting records.

Whilst we were able to complete alternative audit procedures, we suggest a proper leave application process, including the use of leave forms, be implemented and adhered to by all staff.

**ISOLATION LEAVE**

The Shire's provision for isolation leave is not being calculated in accordance with employee contracts.

Whilst not material, we suggest management review the accounting for the Shire's provision for isolation leave so it is consistent with the Shire's employment contracts.

**RATE IN THE DOLLAR**

Rate notices for general and minimum rates were raised based on a rate in the dollar and minimum payment which were not consistent with the adopted Statutory Budget. Added to this, the minutes from the meeting at which the budget was adopted can not be located.

As we are not able to verify the actual rate in the dollar or minimum payment adopted via the Council resolution, we are not able to ascertain if there was any error in the rate in the dollar or minimum payment applied.

If an incorrect rate in the dollar or minimum payment has been applied, the impact on the Shire's revenue would not have been significant.

Nonetheless, if an incorrect rate in the dollar/minimum payment has been used, the rates raised could be deemed to be invalid and this would have other implications.

In future, these factors need to be carefully considered when raising rates and adopting the budget.

It is also imperative, to help ensure compliance with Section 5.22(1) of the Local Government Act, all minutes are properly kept.

We noted no other matters we wish to draw to your attention.

**UNCORRECTED MISSTATEMENT**

We advise there were no uncorrected misstatements noted during the course of the audit.

We take this opportunity to thank the Shire for their assistance provided during the audit.

Should you wish to discuss any matter relating to the audit or any other matter, please do not hesitate to contact us.

Yours faithfully



David Tomasi  
Partner  
Moore Stephens

Encl.

## Council Resolutions – Status

Note: report commenced 14 June 2018 and only resolutions not actioned are reported on.

Meeting Date	Meeting Type	Report Number	Report Title
11 July 2018	OCM	10.2	REVIEW OF 2015/16 INDEPENDENT AUDIT REPORT AND MANAGEMENT REPORT

### Resolution

Part 3. Instructs the Deputy Chief Executive Officer to assume day to day management of the Shire's administration, Act as Chief Executive Officer and:

Part	Status Update	% Complete
a) implement procedures for authorisation and payment of accounts payable (creditors) in consultation with the Shires' Auditor by 31 August 2018;	Westpac Bank Payment Tokens received. Creditors accounting procedures amended.	100%
b) implement procedures for authorisation and payment of payroll (employees) in consultation with the Shires' Auditor by 31 August 2018;	Westpac Bank Payment Tokens received.	100%
c) implement records management procedures in accordance with the Shires' Record Keeping Plan 2016 by 30 September 2018;	IT Systems changed to enable staff to use cloud EDMS & CEO Computer backed up to Shire Server	100%
d) undertake a review of the Shire's current financial management practices by 31 October 2018;	Tender advertised for Compliance services incorporation this item	35%
e) provide the Auditor with balanced accounts and financial report for FYE 2016/17 by 30 July 2018;	Provided 17 August due to delays with balancing accounts	100%
f) achieve significant progress on the 2016/17 Audit by 30 September 2018;	Audited AFS 2016/17 received	100%
g) complete Annual Report 2016/17 by 31 October 2018, and	To January meeting	100%
h) commence the 2017/18 Audit by 1 November 2018.	Commenced January.	20%

Meeting Date	Meeting Type	Report Number	Report Title
24 October 2018	OCM	10.8	PROVISION OF WASTE SERVICES BY NGAANYATJARRA COUNCIL

## Resolution

	<b>Status Update</b>	<b>% Complete</b>
That Council write to the CEO of the Department of Water and Environmental Regulation and request that it issue a waste collection permit to the Ngaanyatjarra Council outlining the reasons why the Shire would cease providing waste services within its district.	Awaiting NG Council letter of agreeance to send with it	95%

## Attachment 10.3

Activity	Description	Legislation	Section	Notes	Responsible Officer	Due Date	Progress as at 19 February 2019
Disability Access and Inclusion Plan Review	Commence Review	Disability Services Act 1993	s29(7)	5-yearly, next due ?	DCS		
Audit 2016/17 Interim	Interim Audit info to be Submitted to Auditor & respond to queries	Local Government Act 1995	s6.4 (3) & s7.12A	Annual	ACEO		Completed
Assessment Notices	Working with Children - Assessment Notices Ensure currency of Assessment Notices for all staff (and volunteers) employed to work with children. Assessment Notice valid for 3-years [s14]	Working With Children (Criminal Record Checking) Act 2004	s22 s23 s24	Annual	F&AC		Completed
Road Traffic Counters	Counters to be used on roads for grant aquital info etc			3 new councters to be commissioned	Works Officer		Completed
Annual Financial Report 2016/17	After the annual financial report has been audited in accordance with the Act the CEO is to sign and append to the report a declaration in the form of Form 1. Send to the Executive Director, DLG within 30 days. Email to <a href="mailto:annualreport@dlgc.wa.gov.au">annualreport@dlgc.wa.gov.au</a>	Local Government (Financial Management) Regulations 1996	Reg51 (1) Reg51 (2)	Annual	ACEO		Completed
Annual Audit Report 2016/17	Annual Audit Report - OCM Report, A local government is to examine the report of the auditor prepared under section 7.9(1), and any report prepared under section 7.9(3) forwarded to it, and is to — (a) determine if any matters raised by the report, or reports, require action to be taken by the local government; and (b) ensure that appropriate action is taken in respect of those matters.	Local Government Act 1995	s7.12A(3)	Annual	ACEO	Dec-17	Feb Council
Audit Actions Report 2016/17	A local government is to — (a) prepare a report on any actions under subsection (3) in respect of an audit conducted in respect of a financial year; and (b) forward a copy of that report to the Minister, by the end of the next financial year, or 6 months after the last report prepared under section 7.9 is received by the local government, whichever is the latest in time.	Local Government Act 1995	s7.12A(4)	Annual	ACEO	Feb-18	
Annual Report 2016/17	Annual Report to be accepted by Council	Local Government Act 1995	s5.53 s5.54	Annual. Adopted by Council by 31 Dec or no later than 2 months after the auditor's report becomes available	ACEO	Dec-17	Feb Council
Annual Report 2016/17	Adoption of Annual Report - Advertise Local Public Notice	Local Government Act 1995	s5.55	Annual	ACEO	Dec-17	Feb Council
Annual Report 2016/17	Post copy of Annual Report DLGSCI Smathub	Local Government Act 1995		Annual	ACEO	Dec-17	After Feb Council
Annual Report 2016/17	A copy of the annual report is to be placed on the Shire's website	Local Government Act 1995		Annual	ACEO	Dec-17	After Feb Council
Public Notice - OCM Calendar	Advertise Ordinary Council Meetings and Committee Meetings for the next 12 Months	Local Government (Administration) Regulations 1996	Reg 12 (1)	Annual November	ACEO	Dec-17	Completed
Annual Auditor Meeting 2017	Local government is to meet with the auditor of the local government at least once in every year.	Local Government Act 1996	s7.12A(2)	Annual after 2015/16 Audit completed	ACEO	Dec-17	Auditor meeting with Council Feb 19
Local Government Grants Commission Return	Annual Return to be Audited and completed September.			2017/18 Due 30 January 2019	ACEO	Jan-19	Completed
Councillor Training	Develop second round Training Plan for Councillors				CEO	Mar-19	Finalise with DLGSC / WALGA for 2019
Organisation Structure	Update Org Structure			Council Report to adopt	ACEO	Mar-19	Update to Feb 19

Strategic Plan / Documents Recommendations	Progress implementation of recommendations from SCP, CBP, LTFFP, AMP, AMIS, NAMA, WFP, RKP, DRP, RMP, LEMA, Reg17, Reg5, Audit Mgmt Letter			As required	DCEO / DCS		Await new DCS to assist
Compliance Audit Return	Due to Audit Meeting Late Feb / Early March Due to OCM March Due to DLG by 31 March	Local Government Act 1995	s7.13(1)(i)	To be done online and signed hard copy to DLG.	CEO	Mar-19	Feb 19 Council
Public Health Plan	Prepare new PHP as per new act.	Public Health Act 2016	s38	Annual	EHO/CEO	Mar-19	
Strategic Community Plan	Commence desktop review Councillors			2nd Year	CEO / DCEO	Mar-18	Completed
Local Emergency Management Arrangements (&LERP)	State Risk Project	Emergency Services Act 2005	s41(1)	Liaise DEMC on local risk workshop	CEO / DCEO	Mar-19	FESA workshop with LEMC 2019
Policy Manual	Policy Manual Review			Major Review Feb/Mar 2019	CEO / DCEO	Apr-19	
CEO Procedures	Procedures Review			Major Review Feb/Mar 2019	CEO / DCEO	Apr-19	
Code of Conduct	Review	Local Government Act 1995	s5.103	Review due 2019	CEO / DCEO	Apr-19	
Customer Service Charter	Review			Biennial	DCEO	Apr-19	
Authorised Officers	Authorised Officers - Purchasing & Requisitions - review listing - remove details of officers who are no longer relevant	Local Government (Financial Management) Regulations 1996	Reg.5	Annual	DCEO/CEO	Apr-19	
Fringe Benefit Tax Return 2019	The FBT return is lodged electronically to the ATO each year in May	FBT		Annual	CEO	May-19	
Performance Review	Completion of CEO & Staff Performance Reviews.	Local Government Act 1995	s5.38	Annual (CEO Oct)	DCEO	Jun-19	
Compliance Audit Report	Compliance Audit Return - update of progress with implementation of remedial Action	Local Government Act 1995	s7.13(1)(i)	As required	CEO	Jul-19	
FOI Annual Statement	FOI Annual Statistical Data - forward to the Commissioner Due July	Freedom of Information Act 1992	s111(3)	Annual	CEO	Jul-19	
Related Party Transactions	New Accounting Standard to be implemented for 2018/19 FYE	Australian Accounting Standards	AASB124	Annual August	CEO	Aug-19	
Financial Interests Register	Review and remove details of officers / elected members who are no longer relevant	Local Government Act 1995	s5.88(3)	Annual. Returns to be kept for further 5 years	DCEO		
Complaints Register	Complaints officer to maintain a register of complaints regarding breaches of the Act.	Local Government Act 1995	s5.121(1)	Update the document when a complaint is received.	CEO		
Delegation Register - Committees / CEO & Employees / Authorised Officers	Delegation Register - Review - OCM Report	Local Government Act 1995	s5.18 s5.46 s9.10 s9.29	Annual	CEO/DCEO		
Business Continuity Disaster Recovery Plan	Review of Plan			Biennial	DCS		
Risk management, internal control and legislative compliance	Commence review	Local Government (Audit) Regulations 1996	Reg. 17	Biennial, due 2019	DCS/CEO	Sep-19	
Financial Management Procedures	CEO to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures	Local Government (Financial Management) Regulations 1996	Reg.5(2)(c)	4-yearly, due 2021	ACEO	Oct-21	

# Annual Report for the year ended 30 June 2017



Shire of **Ngaanyatjaraku**  
ON A JOURNEY



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## Our Vision

### **The Shire of Ngaanyatjarraku – on a journey**

Community engagement has led to the development of four key themes that underpin the development of goals and strategies. The goals and strategies under each theme create the framework for the delivery of sustainable outcomes to achieve our vision.

The four themes include:

- (1) A strong community, respecting our past and building for the future**
- (2) A strong voice representing the interests of the community**
- (3) Building capacity for the future**
- (4) Promote an attractive environment, balancing social and economic needs**



## President's Foreword

The Shire of Ngaanyatjarraku has been working toward achievement of the goals of the community as identified within our Strategic Community Plan. Provision of services and infrastructure and the creation of opportunities to realise these goals continues to be the prime focus of our Council, and it is very positive for the Ngaanyatjarra Lands communities and residents to note our continued progress in these areas. As such, it gives me great pleasure to present the Annual Report for the Shire of Ngaanyatjarraku for the 2016-2017 financial year.

Whilst the Shire has made considerable achievements in line with its strategic goals and our key IPRF plans, there have been significant developments and challenges within the broader State and Commonwealth government policy landscape that have profound consequences for our communities and the residents. Of key note in this area is the Commonwealth's remote 'work for the dole'/income support Community Development Program or CDP, previously known as the Regional Jobs Creation Program, and prior to that the Community Development and Employment Program ('CDEP'). The old CDEP was the primary funding base for all of the very remote and isolated Ngaanyatjarra communities. This provided for a payroll for all types of community work, from which a local deduction from all participants could be made to contribute to the functions of their own community in addition to their rents, essential services and other areas of income management. In addition it allowed for a 14% management support and activity fee to provide for the community administration and delivery of administrative services to the local residents.

The redirection of Ngaanyatjarra people into RJCP and now CDP and the redirection of former CDEP funds to pay for the operations of an ineffectual and unproductive JobActive and 'Work for the Dole' system has starved the local community organisations of funding; audit management letters for these entities always noted that they were 'going concerns' provided they continued to receive annual Commonwealth grant funding as per previous years' terms and conditions. The Commonwealth has attempted to divest itself of responsibility in this area by expecting the WA State to ultimately take its place in providing the monies for this; this has also resulted in the Shire losing over \$330,000 in funds to provide municipal services across the Lands.

It is seriously likely that the result will be a collapse of viability and the dissolution of the Ngaanyatjarra Communities and their regional organization. This is of extreme concern to the Shire. Presently such a scenario is being staved off very expensively by the use of community's own-source non grant income which has been reserved over a long period of time; unfortunately this is in no way sustainable and thus money that should be available for investment in community facilities and economic investment is being burned off in recurrent funding of community management, compliance with statutory obligations and the maintenance of community assets. Unfortunately, the Shire is not in any way in a position to step in and meet all of these needs. Our position is a return to a community based grant wage program with the wage pool available to community participants on the basis of a schedule of eligibility for income support.

I would like to thank our Deputy Shire President Cr. Beverly Thomas and my fellow Councillors for all their support and commitment over the last twelve months, and also all of the Shire staff members for their efforts and dedication to the Shire of Ngaanyatjarraku.

Finally, I also thank Chris Paget, the Shire's long serving CEO who finished with the Shire on 31 August 2018 for his years of service advancing the Shire's needs.

**Cr. John Damian McLean  
PRESIDENT**





## Message from Acting Chief Executive Officer

As Acting CEO I advise that the Shire is working towards compliance with the Local Government Act and various supporting Regulations. The shire has now adopted all elements of the Integrated Planning and Reporting Framework (IPRF) and has invested significant resources to ensure that the plans and documents being produced are as accurate, meaningful and useful as possible. During recent times, more analysis is being undertaken by various Government departments and other agencies into the financial management practices, viability and sustainability of local governments when considering submissions for funding of projects and services.

With increased pressure over limited resources, agencies are placing more consideration to whether funds will achieve good value for money long term, and whether applicants can afford to maintain and sustain the assets for which they are applying for funding. Generally the IPRF documents are referred to in assisting with this consideration and assessment. Given the documented projects that the communities aspire to within the Shire of Ngaanyatjarraku Strategic Community Plan, it is essential that we are considerate of the long term impacts of taking on new projects and that Council is able to maintain a sound financial position whilst also maintaining the appropriate levels of service.

I am pleased to report our good progress in this area to date, which includes participation at a regional level through our membership of GVROC and the Outback Highway Development Council (OHDC). Through the shire's membership and participation in the OHDC significant State and Federal funds are now being allocated to sealing the Great Central Road. The Shire also acknowledges other road funding grant programs such as Roads to Recovery, Aboriginal Access Roads, Regional Road Group and Main Roads WA Direct Grants that enable the Shire to maintain its road network connecting communities and support locations.

Further work will be undertaken in the next financial year to further refine the Shire's Long Term Financial Plan which supports the Strategic Community Plan and Corporate Business Plan.

I would like to thank all of the staff of the Shire for their hard work and support during the year, and the Elected Members for their dedication to their task.

**Kevin Hannagan**  
**Acting Chief Executive Officer**

## Council member information

Councillors have a specific role in relation to developing the local government's vision and long-term goal setting with appropriate key performance indicators (KPIs). These are responsibilities that require specific skills and experience.

The Shire's eight Councillors facilitate the development and implementation of our community's aspirations and goals. The Councillors meet monthly to discuss issues and imperative areas arising in the community along with general council matters.

**Mr (John) Damian McLean**  
 PRESIDENT  
**Mr Andrew Jones**  
 COUNCILLOR  
**Ms Lalla West**  
 COUNCILLOR  
**Mrs Beverley Thomas**  
 COUNCILLOR

**Mr Fred Twine**  
 COUNCILLOR  
**Mr Preston Thomas**  
 COUNCILLOR  
**Mr Alwyn Bates**  
 COUNCILLOR  
**Ms Joylene Frazer**  
 COUNCILLOR

### Shire snapshot

The Shire of Ngaanyatjarraku is responsible for the provision of "mainstream" local government and delivery of services to the ten communities and visitors within its boundaries.

The Shire encompasses an area of 159,948 square kilometres and is located approximately 1,542km from Perth. The region itself is diverse in natural beauty from the magnificent Rawlinson ranges to the red sandy plains of the Gibson Desert.

The Shire is a unique local government in that its community of interest is contained within the traditional lands of the Ngaanyatjarra people of the Central Desert of Western Australia. The 99 year leases held by the Ngaanyatjarra Land Council on behalf of the traditional owners also form the boundaries of the Shire of Ngaanyatjarraku.

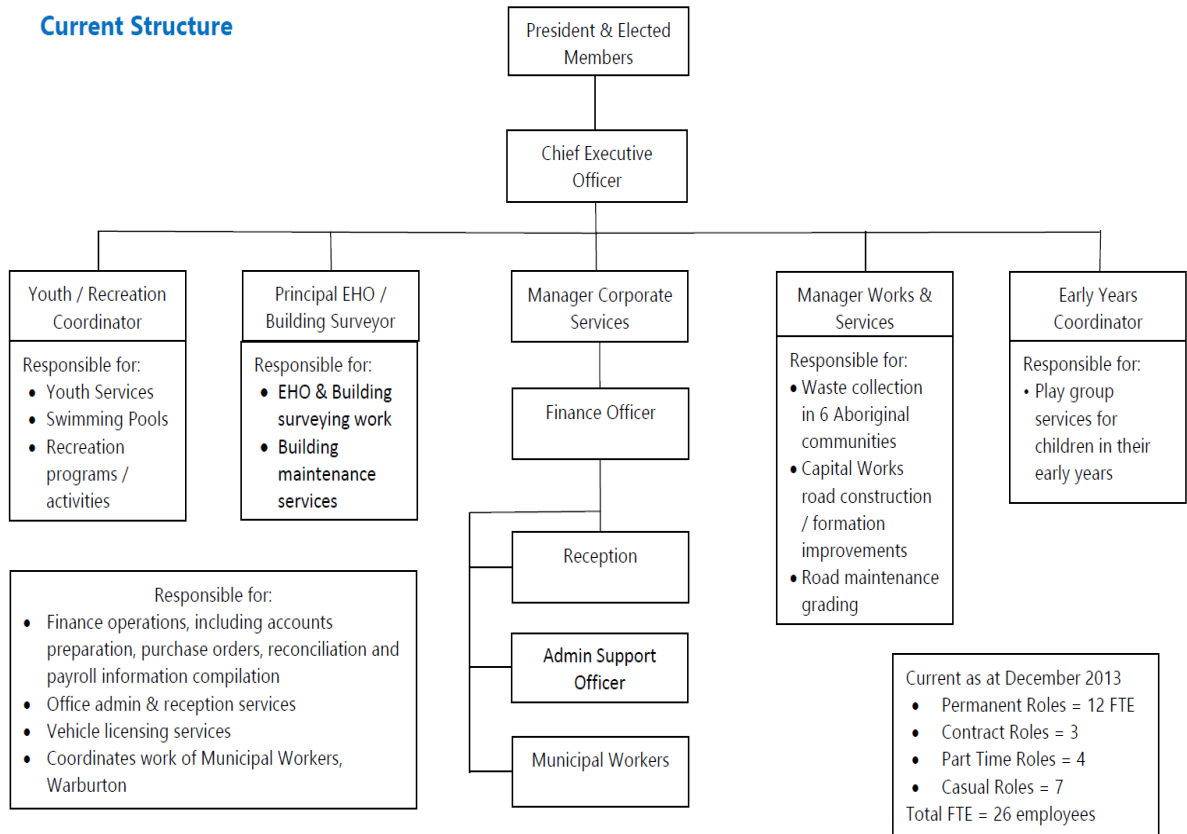
The Shire's main township is Warburton, which is also the largest of the 11 Indigenous communities within the Shire. Warburton is positioned 1,542kms north-east of Perth, 560kms of gravel road north-east of Laverton, 750kms north-east of Kalgoorlie and 1,050kms south-west of Alice Springs. Neighbouring shires include the Shire of Wiluna, Laverton, and East Pilbara. The Shire offices are located in the Tjulyuru Cultural and Civic Centre in Warburton.

In the 2011 local Census the Shire had an estimated residential population of 1,437 people, comprised of 49% male and 51% female residents and there are approximately 509 residential dwellings within the Shire. The Shire has a higher percentage of residents aged between 0-29 years and a lower proportion of residents aged 65+ years compared with the wider Australian population.



## Organisation Structure 2016/17

### 4.1 Current Structure



### Planning & Reporting

In 2011, the Department of Local Government introduced the Integrated Planning and Reporting Framework to encourage a movement towards best practice strategic planning and reporting standards across the Western Australian local government industry.

The Shire of Ngaanyatjarraku is building on a successful history of community engagement to ensure that the community can grow and thrive as a vibrant and attractive place to live, work and visit.

Developing our aspirations and plans for the future will shape the delivery of services to the community and the direction of economic development. This integration of community aspiration and service delivery is called the Integrated Planning and Reporting Framework (IPR). This will ensure that the Shire of Ngaanyatjarraku's policies and services are aligned to the community's aspirations.

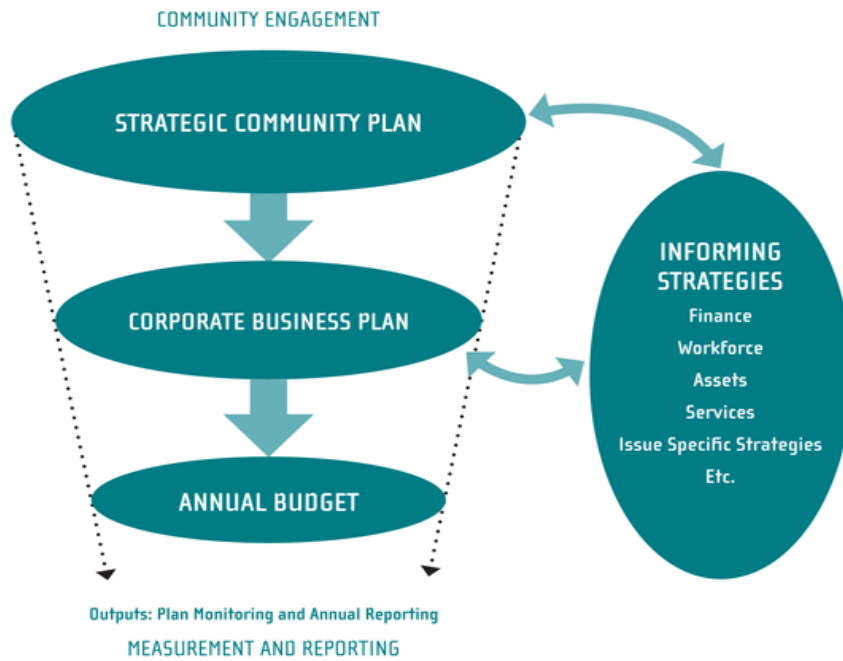
The process, driven by the 10-year Strategic Community Plan will create a 4-year Corporate Business Plan to ensure that we deliver the community's aspirations. This will:

- Strengthen our council's strategic focus; and
- Streamline our reporting processes.

This Strategic Community Plan, which represents the needs and aspirations of the community, has been developed by the Shire's Councillors and sets out the vision for the next 10 years.

The task of turning this vision into a reality rests with Shire's Administration function. They will set out how this will be achieved in a 4-year Corporate Business Plan ("CBP").

Alongside the CBP, the Shire has created a 10-year Long-Term Financial Plan and a 20-year Asset Management Plan and a Workforce Plan which will set out the resources needed to deliver the CBP. Copies of all plans are available on the Shires website.



IPR, Measuring and Reporting Framework

**Statutory Reports**

As a local government authority, the Shire is required to comply with a number of statutory regulations.

PAYMENT TO EMPLOYEES

In accordance with section 5.53 (2)(g) of the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996 reg. 19B*, the following information is provided in relation to annual salaries over \$100,000 paid to employees during the 2016-17 financial year:

Salary Range (\$)	No. of Employees
100,000 – 109,999	1
110,000 – 119,999	0
120,000 – 129,999	0
130,000 – 139,999	1
140,000 – 149,999	0
150,000 – 159,999	0
160,000 – 169,999	0
170,000 – 179,999	1

## DISABILITY ACCESS AND INCLUSION PLAN

In accordance with Section 29 of the Disability Service Act 1993, Local Governments are required to report annually with regard to their Disability Access and Inclusion Plan and provide details addressing the plan's key outcomes within the Annual Report. For 2016-17 the Shire of Ngaanyatjarraku reports as follows:

### Key Outcomes:

1. People with disability have the same opportunities as other people to access the services of, and any events organised by, the relevant public authority.
2. People with disability have the same opportunities as other people to access the buildings and other facilities of the relevant public authority.
3. People with disability receive information from the relevant public authority in a format that will enable them to access the information as readily as other people are able to access it.
4. People with disability receive the same level and quality of service from the staff of the relevant public authority.
5. People with disability have the same opportunities as other people to make complaints to the relevant public authority.
6. People with disability have the same opportunities as other people to participate in any public consultation by the relevant public authority.
7. People with disability have the same opportunities as other people to obtain and maintain employment with a public authority.

The Shire of Ngaanyatjarraku continues to ensure that the above key outcomes are addressed in order to meet the needs of people with disabilities.

The Shire of Ngaanyatjarraku Disability Access and Inclusion Plan 2017-2022 (DAIP) was adopted by Council in 2017.

## COMPETITIVE NEUTRALITY

The Shire of Ngaanyatjarraku is classified as a Category 1 Local Government under the National Competition Policy. This principle deals with ensuring that government business operations have no advantage or disadvantage in comparison with the private sector.

The policy dictates that competitive neutrality should apply to all business activities which generate a user pays income of over \$200,000 unless it can be shown that it is not in the public interest. In this regard, no significant new business activities for the purposes of competitive neutrality were initiated or considered during the year and no noncompliance allegations were made.

## FREEDOM OF INFORMATION

The Shire of Ngaanyatjarraku has a Freedom of Information (FOI) Statement prepared in accordance with the Freedom of Information Act 1992 which is available on the Shire website. It outlines the Shire's functions, the kind of documents held and how the documents can be accessed.

There were no Freedom of Information applications or requests received during the 2016-17 reporting year.

## RECORD KEEPING PLAN

The Shire of Ngaanyatjarraku has prepared a record keeping plan as required by the State Records Act 2000, and the Shire is committed to ensuring its record keeping practices comply with legislation. This plan was submitted to the SRO in December 2015 and approved by the State Records Commission at its meeting held in March 2016 for a five year period to 2020.

Under section 60 of the State Records Act, the State Records Commission monitors the operation of and compliance with the Act and it is a requirement for every local government to comply with the Commission's Standard 2, Principle 6 in an appropriate section within its Annual Report. Accordingly, the Shire reports as follows:

1. The Shire accesses an on-line record keeping training program that allows staff to familiarize themselves with and be aware of their record keeping responsibilities, and to ensure that the record keeping system is being operated in accordance with the revised Shire of Ngaanyatjarraku Record Keeping Plan. Given the very remote and isolated location of this Shire, where and when possible a record keeping specialist/consultant will be engaged to come out to the Shire's main administration office in Warburton to provide on-site training and advice as well as utilizing the assistance and expertise of the staff at Goldfields Records Storage (a GVROC enterprise of which the Shire of

- Ngaanyatjarraku is a partner).
2. The efficiency and effectiveness of the record keeping training program will be reviewed on an ongoing basis and subsequently actioned to ensure its currency and relevance.
  3. The Shire's record keeping induction program is continually improving to ensure employee roles and responsibilities are promoted in accordance and compliance with the Shire of Ngaanyatjarraku Record Keeping Plan.

#### OFFICIAL CONDUCT – COMPLAINTS REGISTER

Pursuant to section 5.121 of the *Local Government Act* 1995, a complaints register has been maintained.

As at the 30<sup>th</sup> June 2017 no complaint had been received, and therefore accordingly there has been no action required to deal with complaints.



*Jackie Kurtjuyinta Giles (Dec.) 2008 'Tjamu Tjamu'*

**SHIRE OF NGAANYATJARRAKU**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

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Principal place of business:  
Address  
Great Central Road  
Warburton Aboriginal  
Community Western Australia.



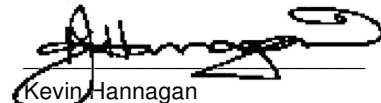
**SHIRE OF NGAANYATJARRAKU  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Shire of Ngaanyatjarraku for the financial year ended 30 June 2017 is based on proper accounts and records to present fairly the financial position of the Shire of Ngaanyatjarraku at 30th June 2017 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 and Australian Accounting Standards.

Signed as authorisation of issue on the 17th day of December 2018



Kevin Hannagan  
Acting Chief Executive Officer

**SHIRE OF NGAANYATJARRAKU**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	2017 \$	2017 Budget \$	2016 \$
<b>Revenue</b>				
Rates	22	217,278	130,425	225,451
Operating grants, subsidies and contributions	29	6,886,960	4,531,945	3,472,664
Fees and charges	28	344,718	259,236	345,712
Interest earnings	2(a)	42,521	28,250	38,909
Other revenue	2(a)	32,167	38,286	24,114
		<u>7,523,644</u>	<u>4,988,142</u>	<u>4,106,850</u>
<b>Expenses</b>				
Employee costs		(2,211,151)	(2,409,855)	(2,196,336)
Materials and contracts		(2,919,426)	(2,577,903)	(2,572,442)
Utility charges		(60,883)	(47,250)	(55,531)
Depreciation on non-current assets	2(a)	(1,536,555)	(706,378)	(1,467,218)
Insurance expenses		(131,041)	(149,262)	(127,357)
Other expenditure		(204,960)	(124,300)	(241,527)
		<u>(7,064,016)</u>	<u>(6,014,948)</u>	<u>(6,660,411)</u>
		459,628	(1,026,806)	(2,553,561)
Non-operating grants, subsidies and contributions	29	2,218,295	4,959,858	2,274,330
Profit on asset disposals	20	9,293	40,724	33,869
(Loss) on asset disposals	20	(404)	0	(6,195)
Fair value adjustments to financial assets at fair value through profit or loss	4	30,934	0	0
<b>Net result</b>		<u><b>2,717,746</b></u>	<u><b>3,973,776</b></u>	<u><b>(251,557)</b></u>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	12	0	0	0
<b>Total other comprehensive income</b>		<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Total comprehensive income</b>		<u><u><b>2,717,746</b></u></u>	<u><u><b>3,973,776</b></u></u>	<u><u><b>(251,557)</b></u></u>

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

**SHIRE OF NGAANYATJARRAKU**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	2017 \$	2017 Budget \$	2016 \$
<b>Revenue</b>				
Governance		2,994	5,250	3,202
General purpose funding		6,158,034	4,006,183	2,718,649
Law, order, public safety		70	350	2,909
Health		106,335	53,976	54,229
Education and welfare		150,016	250,500	131,497
Housing		52,144	17,500	9,100
Community amenities		100,432	319,500	400,929
Recreation and culture		227,291	178,136	281,011
Transport		712,011	142,011	486,234
Economic services		1,615	4,086	6,160
Other property and services		12,702	10,650	12,930
		<u>7,523,644</u>	<u>4,988,142</u>	<u>4,106,850</u>
<b>Expenses</b>				
Governance		(365,439)	(123,498)	(180,440)
General purpose funding		(73,621)	(27,128)	(184,795)
Law, order, public safety		(84,735)	(97,612)	(83,235)
Health		(390,942)	(433,400)	(401,685)
Education and welfare		(947,051)	(1,234,655)	(986,482)
Housing		(267,629)	(524,742)	(263,753)
Community amenities		(567,011)	(671,518)	(525,540)
Recreation and culture		(1,034,182)	(1,196,237)	(920,639)
Transport		(3,160,080)	(1,480,474)	(2,926,637)
Economic services		(143,203)	(234,104)	(156,629)
Other property and services		(30,123)	8,420	(30,576)
		<u>(7,064,016)</u>	<u>(6,014,948)</u>	<u>(6,660,411)</u>
		459,628	(1,026,806)	(2,553,561)
Non-operating grants, subsidies and contributions	29	2,218,295	4,959,858	2,274,330
Profit on disposal of assets	20	9,293	40,724	33,869
(Loss) on disposal of assets	20	(404)	0	(6,195)
Fair value adjustments to financial assets at fair value through profit or loss	4.	30,934	0	0
<b>Net result</b>		<u><b>2,717,746</b></u>	<u><b>3,973,776</b></u>	<u><b>(251,557)</b></u>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	12	0	0	0
<b>Total other comprehensive income</b>		<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Total comprehensive income</b>		<u><u><b>2,717,746</b></u></u>	<u><u><b>3,973,776</b></u></u>	<u><u><b>(251,557)</b></u></u>

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

**SHIRE OF NGAANYATJARRAKU**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE 2017**

	NOTE	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	5,000,613	4,254,106
Investments	4	30,934	0
Trade and other receivables	5	888,660	160,052
Inventories	6	41,862	44,990
<b>TOTAL CURRENT ASSETS</b>		<u>5,962,069</u>	<u>4,459,148</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	8,563,657	8,534,891
Infrastructure	8	100,430,178	98,925,372
<b>TOTAL NON-CURRENT ASSETS</b>		<u>108,993,835</u>	<u>107,460,263</u>
<b>TOTAL ASSETS</b>		<u>114,955,904</u>	<u>111,919,411</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	441,976	177,224
Provisions	10	358,929	293,906
<b>TOTAL CURRENT LIABILITIES</b>		<u>800,905</u>	<u>471,130</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	10	27,249	38,277
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>27,249</u>	<u>38,277</u>
<b>TOTAL LIABILITIES</b>		<u>828,154</u>	<u>509,407</u>
<b>NET ASSETS</b>		<u>114,127,750</u>	<u>111,410,004</u>
<b>EQUITY</b>			
Retained surplus		55,554,662	52,795,576
Reserves - cash backed	11	836,671	878,011
Revaluation surplus	12	57,736,417	57,736,417
<b>TOTAL EQUITY</b>		<u>114,127,750</u>	<u>111,410,004</u>

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

**SHIRE OF NGAANYATJARRAKU  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH/INVESTMENT BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2015</b>		<b>53,072,421</b>	<b>852,723</b>	<b>57,736,417</b>	<b>111,661,561</b>
Comprehensive income					
Net result		(251,557)	0	0	(251,557)
Total comprehensive income		(251,557)	0	0	(251,557)
Transfers from/(to) reserves		(25,288)	25,288	0	0
<b>Balance as at 30 June 2016</b>		<b>52,795,576</b>	<b>878,011</b>	<b>57,736,417</b>	<b>111,410,004</b>
Comprehensive income					
Net result		2,717,746	0	0	2,717,746
Changes on revaluation of assets	12	0	0	0	0
Total comprehensive income		2,717,746	0	0	2,717,746
Transfers from/(to) reserves		41,340	(41,340)	0	0
<b>Balance as at 30 June 2017</b>		<b>55,554,662</b>	<b>836,671</b>	<b>57,736,417</b>	<b>114,127,750</b>

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

**SHIRE OF NGAANYATJARRAKU  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	2017 Actual \$	2017 Budget \$	2016 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		212,801	130,425	222,253
Operating grants, subsidies and contributions		6,207,034	4,531,945	4,095,759
Fees and charges		398,332	259,236	345,192
Interest earnings		42,521	28,250	38,909
Goods and services tax		281,535	0	80,107
Other revenue		32,167	38,286	24,114
		<u>7,174,390</u>	<u>4,988,142</u>	<u>4,806,334</u>
<b>Payments</b>				
Employee costs		(2,090,991)	(2,409,855)	(2,076,860)
Materials and contracts		(2,717,711)	(2,577,903)	(2,649,509)
Utility charges		(60,883)	(47,250)	(55,531)
Insurance expenses		(131,041)	(149,262)	(127,357)
Goods and services tax		(379,354)	0	(122,486)
Other expenditure		(204,960)	(124,300)	(83,376)
		<u>(5,584,940)</u>	<u>(5,308,570)</u>	<u>(5,115,119)</u>
<b>Net cash provided by (used in) operating activities</b>	13(b)	<u>1,589,450</u>	<u>(320,428)</u>	<u>(308,785)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment		(542,602)	(1,684,000)	(339,607)
Payments for construction of infrastructure		(2,625,675)	(4,492,858)	(2,672,461)
Non-operating grants, subsidies and contributions		2,218,295	4,959,858	2,274,330
Proceeds from sale of fixed assets		107,039	0	94,433
<b>Net cash provided by (used in) investment activities</b>		<u>(842,943)</u>	<u>(1,217,000)</u>	<u>(643,305)</u>
<b>Net increase (decrease) in cash held</b>		746,507	(1,537,428)	(952,090)
Cash at beginning of year		4,254,106	4,239,755	5,206,196
<b>Cash and cash equivalents at the end of the year</b>	13(a)	<u>5,000,613</u>	<u>2,702,327</u>	<u>4,254,106</u>

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

**SHIRE OF NGAANYATJARRAKU**  
**RATE SETTING STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

NOTE	2017 Actual \$	2017 Budget \$	2016 Actual \$
<b>Net current assets at start of financial year - surplus/(deficit)</b>	<u>3,110,007</u>	<u>3,315,526</u>	<u>4,867,299</u>
	3,110,007	3,315,526	4,867,299
<b>Revenue from operating activities (excluding rates)</b>			
Governance	2,994	5,250	3,202
General purpose funding	6,005,638	3,875,758	2,558,080
Law, order, public safety	70	350	2,909
Health	107,715	53,976	54,229
Education and welfare	150,016	250,500	131,497
Housing	52,144	17,500	9,100
Community amenities	100,432	319,500	404,020
Recreation and culture	232,674	178,136	311,789
Transport	713,161	182,735	486,234
Economic services	2,995	4,086	6,160
Other property and services	12,702	10,650	12,930
	<u>7,380,541</u>	<u>4,898,441</u>	<u>3,980,150</u>
<b>Expenditure from operating activities</b>			
Governance	(365,439)	(123,498)	(180,440)
General purpose funding	(73,621)	(27,128)	(184,795)
Law, order, public safety	(84,735)	(97,612)	(83,235)
Health	(390,942)	(433,400)	(402,866)
Education and welfare	(947,051)	(1,234,655)	(986,482)
Housing	(267,629)	(524,742)	(263,753)
Community amenities	(567,011)	(671,518)	(525,540)
Recreation and culture	(1,034,182)	(1,196,237)	(920,639)
Transport	(3,160,484)	(1,480,474)	(2,926,637)
Economic services	(143,203)	(234,104)	(156,629)
Other property and services	(30,123)	8,420	(35,590)
	<u>(7,064,420)</u>	<u>(6,014,948)</u>	<u>(6,666,606)</u>
<b>Operating activities excluded from budget</b>			
(Profit) on disposal of assets	20	(9,293)	(40,724)
Loss on disposal of assets	20	404	0
Movement in employee benefit provisions (non-current)		(11,028)	0
Depreciation and amortisation on assets	2(a)	1,536,555	706,378
<b>Amount attributable to operating activities</b>		<u>4,942,766</u>	<u>2,864,673</u>
		4,942,766	2,864,673
<b>INVESTING ACTIVITIES</b>			
Non-operating grants, subsidies and contributions		2,218,295	4,959,858
Proceeds from disposal of assets	20	107,039	0
Purchase of investments		0	0
Purchase of property, plant and equipment	7(b)	(542,602)	(1,684,000)
Purchase and construction of infrastructure	8(b)	(2,625,675)	(4,492,858)
<b>Amount attributable to investing activities</b>		<u>(842,943)</u>	<u>(1,217,000)</u>
		(842,943)	(1,217,000)
<b>FINANCING ACTIVITIES</b>			
Transfers to reserves (restricted assets)	11	(22,160)	(28,000)
Transfers from reserves (restricted assets)	11	63,500	0
<b>Amount attributable to financing activities</b>		<u>41,340</u>	<u>(28,000)</u>
		41,340	(28,000)
<b>Surplus(deficiency) before general rates</b>		<u>4,141,163</u>	<u>1,619,673</u>
		4,141,163	1,619,673
<b>Total amount raised from general rates</b>	22	<u>152,396</u>	<u>130,425</u>
		152,396	130,425
<b>Net current assets at June 30 c/fwd - surplus/(deficit)</b>	23	<u><u>4,293,559</u></u>	<u><u>1,750,098</u></u>
		4,293,559	1,750,098
		<u><u>3,110,007</u></u>	<u><u>4,867,299</u></u>

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

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) 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), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

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

**CRITICAL ACCOUNTING ESTIMATES**

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

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

**THE LOCAL GOVERNMENT REPORTING ENTITY**

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 19 to these financial statements.

**(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) 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 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.



**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(c) Trade and Other Receivables**

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

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

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

**(d) Inventories**

***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 sale***

Land held for development and sale 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. Finance 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 on to the buyer at this point.

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

**(e) Fixed Assets**

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

***Land under control***

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

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

***Initial recognition and measurement between mandatory revaluation dates***

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

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

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(e) Fixed Assets (Continued)**

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

***Revaluation***

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

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

***Land under roads***

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

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

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

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

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

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(e) Fixed Assets (Continued)**

***Depreciation***

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

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

- a) Restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount; or
- b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

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

Buildings	2.00%
Furniture and equipment	25.00%
Plant and equipment	17.50%
Infrastructure, Pavement	4.32%
Infrastructure, Seal	4.30%
Infrastructure, Kerb	4.94%
Infrastructure, Recreation	2.00%

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.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) 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.

***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.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) Fair Value of Assets and Liabilities (Continued)**

**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 an asset at its current service capacity.

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.

**(g) Financial Instruments**

***Initial recognition and measurement***

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

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

***Classification and subsequent measurement***

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

Amortised cost is calculated as:

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

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

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Financial Instruments (Continued)**

***Classification and subsequent measurement (continued)***

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

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

*(ii) Loans and receivables*

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

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

*(iii) Held-to-maturity investments*

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

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

*(iv) Available-for-sale financial assets*

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

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

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

*(v) Financial liabilities*

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

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Financial Instruments (Continued)**

***Impairment***

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

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

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

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

***Derecognition***

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

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.

**(h) Impairment of Assets**

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

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

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

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

**(i) 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.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Employee Benefits**

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other 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 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.

**(k) 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.

**(l) 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.

**(m) Leases**

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

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

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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



**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(n) Investment in Associates**

An associate is an entity over which the Shire has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying 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.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Shire's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Shire and the associate are eliminated to the extent of the Shire's interest in the associate.

When the Shire's share of losses in an associate equals or exceeds its interest in the associate, the Shire discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Shire will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

**(o) 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 venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to note 1(n) for a description of the equity method of accounting.

Joint venture 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. Information about the joint ventures is set out in Note

**(p) Rates, Grants, Donations and Other Contributions**

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

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

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

**(q) 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.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(r) 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 even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the Shire's intentions to release for sale.

**(s) 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.

**(t) 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 statement, 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.

**(u) 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.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) New Accounting Standards and Interpretations for Application in Future Periods**

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

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

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

Notes:

<sup>(1)</sup> Applicable to reporting periods commencing on or after the given date.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

Title	Issued / Compiled	Applicable <sup>(1)</sup>	Impact
(iv) AASB 1058 Income of Not-for-Profit Entities (incorporating AASB 2016-7 and AASB 2016-8)	December 2016	1 January 2019	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> <li>- Assets received below fair value;</li> <li>- Transfers received to acquire or construct non-financial assets;</li> <li>- Grants received;</li> <li>- Prepaid rates;</li> <li>- Leases entered into at below market rates; and</li> <li>- Volunteer services.</li> </ul> <p>Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Shire's operations.</p>

Notes:

<sup>(1)</sup> Applicable to reporting periods commencing on or after the given date.

**(w) Adoption of New and Revised Accounting Standards**

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

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

- (i) AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities

[AASB 10, 124 & 1049]

The objective of this Standard was to extend the scope of AASB 124 *Related Party Disclosures* to include not-for-profit sector entities.

The Standard has had a significant disclosure impact on the financial report of the Shire as both Elected Members and Senior Management are deemed to be Key Management Personnel and resultant disclosures in accordance to AASB 124 have been necessary.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

<b>2. REVENUE AND EXPENSES</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Net Result</b>		
The Net result includes:		
(i) Charging as an expense:		
<b>Auditors remuneration</b>		
- Audit of the Annual Financial Report	31,000	14,200
	<u>31,000</u>	<u>14,200</u>
<b>Depreciation</b>		
Buildings	147,392	147,148
Furniture and equipment	10,951	8,916
Plant and equipment	257,343	252,801
Infrastructure - Roads & Footpaths	1,118,505	1,055,988
Infrastructure - Recreation Assets	2,364	2,365
	<u>1,536,555</u>	<u>1,467,218</u>
(ii) Crediting as revenue:		
<b>Other revenue</b>		
Reimbursements and recoveries	5,853	0
Other	26,314	24,114
	<u>32,167</u>	<u>24,114</u>
	<u>1,568,722</u>	<u>1,491,332</u>
	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Budget</b>
	<b>\$</b>	<b>\$</b>
<b>Interest earnings</b>		
- Reserve funds	21,639	28,000
- Other funds	335	250
Other interest revenue (refer note 27)	20,547	0
	<u>42,521</u>	<u>28,250</u>
	<u>1,611,243</u>	<u>1,519,582</u>

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(b) Statement of Objective**

**COMMUNITY VISION**

The Shire of Ngaanyatjarraku is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

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

**GOVERNANCE**

**Objective:**

To provide a decision-making process for the efficient allocation of scarce resources.

**Activities:**

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**

**Objective:**

To collect revenue to allow for the provision of services.

**Activities:**

Rates, general purpose government grants and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

**Objective:**

To provide services to help ensure a safer and environmentally conscious community.

**Activities:**

Supervision and enforcement of various local laws relating to fire prevention and other aspects of public safety including emergency services.

**HEALTH**

**Objective:**

To provide an operational framework for environmental and community health.

**Activities:**

Inspection of food outlets and their control, provision of meat inspection services, noise control and a waste pick-up service.

**EDUCATION AND WELFARE**

**Objective:**

To provide services to children and youth.

**Activities:**

Maintenance of playgroup centre (early years learning) and operation of youth services.

**HOUSING**

**Objective:**

To provide and maintain staff housing.

**Activities:**

Provision and maintenance of staff housing.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(b) Statement of Objective (Continued)**

**COMMUNITY AMENITIES**

**Objective:**

To provide services required by the community.

**Activities:**

Rubbish collection services, litter control, storm water maintenance and protection of the environment.

**RECREATION AND CULTURE**

**Objective:**

To establish and effectively manage infrastructure and resources which will help the social well being of the community.

**Activities:**

Maintenance of public halls, civic centre, aquatic centre, recreation centres and various sporting facilities. Provision and maintenance of parks and playgrounds. Operation of other cultural facilities.

**TRANSPORT**

**Objective:**

To provide safe, effective and efficient transport services to the community.

**Activities:**

Construction and maintenance of roads, streets, footpaths, depots and traffic control. Cleaning of streets and maintenance of street trees.

**ECONOMIC SERVICES**

**Objective:**

To help promote the shire and it's economic wellbeing.

**Activities:**

Tourism and area promotion, provision of rural services including weed and vermin control. Building control.

**OTHER PROPERTY AND SERVICES**

**Objective:**

To monitor and control council's overheads operating accounts.

**Activities:**

Private works operation, plant repair and operation costs and administrative costs.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(c) Conditions Over Grants/Contributions**

Grant/Contribution	Opening Balance <sup>(1)</sup>	Received <sup>(2)</sup>	Expended <sup>(3)</sup>	Closing Balance <sup>(1)</sup>	Received <sup>(2)</sup>	Expended <sup>(3)</sup>	Closing Balance
	1/07/15	2015/16	2015/16	30/06/16	2016/17	2016/17	30/06/17
	\$	\$	\$	\$	\$	\$	\$
<b>Health</b>							
Environmental Health Program	0	54,229	(54,229)	0	106,335	(106,335)	0
<b>Education and welfare</b>							
DCD/PGWA	0	124,961	(124,961)	0	119,485	(119,485)	0
LSP FaHCSIA	0	0	0	0	18,237	(18,237)	0
RLCIP Grant - Playgroup Early Years Centre Extens.	601,676	0	0	<b>601,676</b>	4,664	(440,138)	<b>166,202</b>
<b>Community amenities</b>							
FaHCSIA - NJCP	0	331,737	(331,737)	0	17,097	(17,097)	0
<b>Transport</b>							
Grants - Direct	0	0	0	0	142,011	(142,011)	0
Govt Grant - Outback Highway	0	1,000,000	(1,000,000)	0	1,200,000	(766,746)	<b>433,254</b>
Govt Grant - Special purpose	0	262,650	(262,650)	0	781,400	(781,400)	0
Govt Grant - Special Projects	0	0	0	0	570,000	(570,000)	0
Govt Grant - Roads to Recovery	0	1,369,415	(1,369,415)	0	236,895	(236,895)	0
<b>Total</b>	<b>601,676</b>	<b>3,142,992</b>	<b>(3,142,992)</b>	<b>601,676</b>	<b>3,196,124</b>	<b>(3,198,344)</b>	<b>599,456</b>

**Notes:**

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

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

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



**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	Note	2017 \$	2016 \$
<b>3. CASH AND CASH EQUIVALENTS</b>			
Unrestricted		3,564,486	2,774,419
Restricted		<u>1,436,127</u>	<u>1,479,687</u>
		<u><u>5,000,613</u></u>	<u><u>4,254,106</u></u>
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Reserves cash backed - Asset Replacement, Acquisition and Development	11	830,071	809,637
Reserves cash backed - Cultural Centre	11	6,600	68,374
Unspent grants	2(c)	<u>599,456</u>	<u>601,676</u>
		<u><u>1,436,127</u></u>	<u><u>1,479,687</u></u>
<b>4. INVESTMENTS</b>			
<b>Financial assets at fair value through profit and loss</b>			
At the beginning of the year		0	0
Initial recognition of investment		<u>30,934</u>	<u>0</u>
At the end of the year		<u><u>30,934</u></u>	<u><u>0</u></u>
<b>5. TRADE AND OTHER RECEIVABLES</b>			
<b>Current</b>			
Rates outstanding		238,664	229,074
Sundry debtors		720,516	45,703
GST receivable		140,198	42,379
Prepayments		527	527
Accrued Income		0	520
Provision for Doubtful Debts		<u>(211,245)</u>	<u>(158,151)</u>
		<u><u>888,660</u></u>	<u><u>160,052</u></u>
Information with respect the impairment or otherwise of the totals of rates outstanding and sundry debtors is as follows:			
<b>Rates outstanding</b>		<u><u>238,664</u></u>	<u><u>229,074</u></u>
Includes:			
Past due and not impaired		27,419	70,923
Impaired		<u>211,245</u>	<u>158,151</u>
<b>Sundry debtors</b>		<u><u>720,516</u></u>	<u><u>45,703</u></u>
Includes:			
Past due and not impaired		719,436	1,822
Impaired		<u>0</u>	<u>0</u>
<b>6. INVENTORIES</b>			
<b>Current</b>			
Fuel and Materials		<u>41,862</u>	<u>44,990</u>
		<u><u>41,862</u></u>	<u><u>44,990</u></u>

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	2017	2016
	\$	\$
<b>7 (a). PROPERTY, PLANT AND EQUIPMENT</b>		
Buildings at:		
- Management valuation 2017 - level 3	8,781,737	8,323,760
Less: accumulated depreciation	<u>(1,236,173)</u>	<u>(1,088,781)</u>
Total buildings	<u>7,545,564</u>	<u>7,234,979</u>
Furniture and equipment at:		
- Management valuation 2016 - level 3	187,611	172,124
Less: accumulated depreciation	<u>(148,191)</u>	<u>(137,240)</u>
	39,420	34,884
Plant and equipment at:		
- Management valuation 2016 - level 3	2,554,944	2,747,877
Less: accumulated depreciation	<u>(1,576,271)</u>	<u>(1,482,849)</u>
	978,673	1,265,028
	<u>8,563,657</u>	<u>8,534,891</u>

The Shire's municipal buildings and residential accommodation reside on land vested in the Ngaanyatjarraku Council. The Ngaanyatjarraku Council lease land to the Shire, so the Shire can fulfil its service obligations and accommodate staff throughout the municipality. The leases are perpetual in nature and involve a peppercorn rate. No land values therefore apply in regards to the Shire's assets.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(b) Movements in Carrying Amounts**

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

	Balance at the Beginning of the Year \$	Additions \$	(Disposals) \$	Revaluation Increments/ (Decrements) Transferred to Revaluation \$	Revaluation (Losses)/ Reversals Through to Profit or Loss \$	Impairment (Losses)/ Reversals \$	Depreciation (Expense) \$	Transfers \$	Carrying Amount at the End of Year \$
Buildings	7,234,979	457,977	0	0	0	0	(147,392)	0	7,545,564
<b>Total buildings</b>	<b>7,234,979</b>	<b>457,977</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(147,392)</b>	<b>0</b>	<b>7,545,564</b>
Furniture and equipment	34,884	15,487	0	0	0	0	(10,951)	0	39,420
Plant and equipment	1,265,028	69,138	(98,150)	0	0	0	(257,343)	0	978,673
<b>Total property, plant and equipment</b>	<b>8,534,891</b>	<b>542,602</b>	<b>(98,150)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(415,686)</b>	<b>0</b>	<b>8,563,657</b>

**SHIRE OF NGAANYATJARRAKU  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(c) Fair Value Measurements**

<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of valuation</b>	<b>Date of last Valuation</b>	<b>Inputs used</b>
<b>Buildings</b>	Level 3	Cost Approach Using Depreciated Replacement Cost	Management Valuation	June 2017	Construction costs based on recent contract prices, current condition, residual values and remaining useful life assessments.
<b>Furniture and equipment</b>	Level 3	Cost Approach Using Depreciated Replacement Cost	Management Valuation	June 2016	Purchase costs of similar assets adjusted for condition and comparability, residual values and remaining useful life assessments.
<b>Plant and equipment</b>	Level 3	Cost Approach Using Depreciated Replacement Cost	Management Valuation	June 2016	Purchase costs of similar assets adjusted for condition and comparability, residual values and remaining useful life assessments.

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.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>8 (a). INFRASTRUCTURE</b>		
Infrastructure - Roads & Footpaths		
- Management valuation 2015 - Level 3	117,802,206	115,176,531
Less: accumulated depreciation	<u>(17,485,418)</u>	<u>(16,366,913)</u>
	<u>100,316,788</u>	<u>98,809,618</u>
Infrastructure - Recreation Assets		
- Management valuation 2015 - level 3	412,993	412,993
Less: accumulated depreciation	<u>(299,603)</u>	<u>(297,239)</u>
	<u>113,390</u>	<u>115,754</u>
	 <u>100,430,178</u>	 <u>98,925,372</u>

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**8. INFRASTRUCTURE (Continued)**

**(b) Movements in Carrying Amounts**

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

	Balance as at the Beginning of the Year	Additions	(Disposals)	Revaluation Increments/ (Decrements) Transferred to Revaluation	Revaluation (Loss)/ Reversal Transferred to Profit or Loss	Impairment (Losses)/ Reversals	Depreciation (Expense)	Transfers	Carrying Amount at the End of the Year
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Infrastructure - Roads & Footpaths	98,809,618	2,625,675	0	0	0	0	(1,118,505)	0	100,316,788
Infrastructure - Recreation Assets	115,754	0	0	0	0	0	(2,364)	0	113,390
<b>Total infrastructure</b>	<b><u>98,925,372</u></b>	<b><u>2,625,675</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>(1,120,869)</u></b>	<b><u>0</u></b>	<b><u>100,430,178</u></b>

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**8. INFRASTRUCTURE (Continued)**

**(c) Fair Value Measurements**

<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of valuation</b>	<b>Date of last Valuation</b>	<b>Inputs used</b>
<b>Infrastructure - Roads &amp; Footpaths</b>	Level 3	Cost Approach Using Depreciated Replacement Cost	Management Valuation	June 2015	Construction costs based on recent contract prices, current condition, residual values and remaining useful life assessments.
<b>Infrastructure - Recreation Assets</b>	Level 3	Cost Approach Using Depreciated Replacement Cost	Management Valuation	June 2015	Construction costs based on recent contract prices, current condition, residual values and remaining useful life assessments.

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

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

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	2017	2016
	\$	\$
<b>9. TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Sundry creditors	265,301	123,594
ATO liabilities	113,141	46,976
Other payables	63,534	6,654
	441,976	177,224

**10. PROVISIONS**

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Provision for Isolation Leave \$	Total \$
<b>Opening balance at 1 July 2016</b>				
Current provisions	164,571	94,726	34,609	293,906
Non-current provisions	0	38,277	0	38,277
	164,571	133,003	34,609	332,183
Additional provision	39,427	38,485	76,306	154,218
Amounts used	(47,085)	0	(53,138)	(100,223)
<b>Balance at 30 June 2017</b>	156,913	171,488	57,777	386,178
<b>Comprises</b>				
Current	156,913	144,239	57,777	358,929
Non-current	0	27,249	0	27,249
	156,913	171,488	57,777	386,178



**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**11. RESERVES - CASH BACKED**

	<b>Actual 2017 Opening Balance \$</b>	<b>Actual 2017 Transfer to \$</b>	<b>Actual 2017 Transfer (from) \$</b>	<b>Actual 2017 Closing Balance \$</b>	<b>Budget 2017 Opening Balance \$</b>	<b>Budget 2017 Transfer to \$</b>	<b>Budget 2017 Transfer (from) \$</b>	<b>Budget 2017 Closing Balance \$</b>	<b>Actual 2016 Opening Balance \$</b>	<b>Actual 2016 Transfer to \$</b>	<b>Actual 2016 Transfer (from) \$</b>	<b>Actual 2016 Closing Balance \$</b>
Reserves cash backed - Asset Replacement, Acquisition and Development	809,637	20,434	0	830,071	809,622	25,819	0	835,441	786,303	23,334	0	809,637
Reserves cash backed - Cultural Centre	68,374	1,726	(63,500)	6,600	68,390	2,181	0	70,571	66,420	1,954	0	68,374
	<u>878,011</u>	<u>22,160</u>	<u>(63,500)</u>	<u>836,671</u>	<u>878,011</u>	<u>28,000</u>	<u>0</u>	<u>906,012</u>	<u>852,723</u>	<u>25,288</u>	<u>0</u>	<u>878,011</u>

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

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

<b>Name of Reserve</b>	<b>Anticipated date of use</b>	<b>Purpose of the reserve</b>
Asset Replacement, Acquisition and Development	Ongoing	To provide and replace the necessary equipment, furniture, plant, buildings and infrastructure comprising of roads, drains, footpaths and recreational reserves.
Cultural Centre	Ongoing	To provide for the successful operation of the Cultural Centre as provided for in clause 8.2 of the management deed between the Shire of Ngaanyatjarraku, Warburton Community Incorporated and the Ngaanyatjarra Council (Aboriginal Corporation), transfers to the reserve represent surplus funds from the day to day operations of the Cultural Centre after deducting costs incurred by the Shire.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**12. REVALUATION SURPLUS**

	2016/17	2016/17	2016/17	2016/17	2016/17	2015/16	2015/16	2015/16	2015/16	2015/16
	Opening	Revaluation	Revaluation	Total	Closing	Opening	Revaluation	Revaluation	Total	Closing
	Balance	Increment	(Decrement)	Movement on	Balance	Balance	Increment	(Decrement)	Movement on	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings	4,052,570	0	0	0	4,052,570	4,052,570	0	0	0	4,052,570
Plant and equipment	190,407	0	0	0	190,407	190,407	0	0	0	190,407
Infrastructure - Roads & Footpaths	53,493,440	0	0	0	53,493,440	53,493,440	0	0	0	53,493,440
	<u>57,736,417</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>57,736,417</u>	<u>57,736,417</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>57,736,417</u>

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

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(a) 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:

	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>Budget</b>	<b>\$</b>
		<b>\$</b>	
Cash and cash equivalents	<u>5,000,613</u>	<u>2,702,327</u>	<u>4,254,106</u>

**(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result**

Net result	2,717,746	3,973,776	(251,557)
Non-cash flows in Net result:			
Depreciation	1,536,555	706,378	1,467,218
(Profit)/Loss on sale of asset	(8,889)	(40,724)	(27,674)
Fair value adjustments to financial assets at fair value through profit or loss	(30,934)	0	0
Changes in assets and liabilities:			
(Increase)/Decrease in receivables	(728,608)	0	735,149
(Increase)/Decrease in inventories	3,128	0	(11,367)
Increase/(Decrease) in payables	264,752	0	(44,427)
Increase/(Decrease) in accrued income	0	0	0
Increase/(Decrease) in provisions	53,995	0	98,203
Grants contributions for the development of assets	<u>(2,218,295)</u>	<u>(4,959,858)</u>	<u>(2,274,330)</u>
Net cash from operating activities	<u>1,589,450</u>	<u>(320,428)</u>	<u>(308,785)</u>

**(c) Undrawn Borrowing Facilities**  
**Credit Standby Arrangements**

	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>Budget</b>	<b>\$</b>
		<b>\$</b>	
Credit card limit	8,000	7,000	8,000
Credit card balance at balance date	<u>(5,415)</u>	<u>0</u>	<u>(3,654)</u>
<b>Total amount of credit unused</b>	<u>2,585</u>	<u>7,000</u>	<u>4,346</u>

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**14. CONTINGENT LIABILITIES**

The Council is not aware of any contingent liability that may arise in relation to the day to day operations and activities of the Shire of Ngaanyatjarraku for the period under review.

**15. CAPITAL AND LEASING COMMITMENTS**

**(a) Operating Lease Commitments**

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

**(b) Capital Expenditure Commitments**

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

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**16. JOINT VENTURE ARRANGEMENTS**

The Shire together with the Shire of Coolgardie, Dundas, Esperance, Laverton, Leonora, Menzies, Ravensthorpe, Kalgoorlie-Boulder and Wiluna have a joint venture arrangement with regards to the provision of a Regional Records Service. The assets included in the joint venture are recorded as one-tenth share as follows:

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Non-current assets</b>		
Land and buildings (FV 2017)	72,500	75,500
Less: accumulated depreciation	0	(3,775)
	<u>72,500</u>	<u>71,725</u>
Furniture & Equipment	8,204	8,204
Less: accumulated depreciation	(902)	0
	<u>7,302</u>	<u>8,204</u>
Plant and equipment	4,182	4,182
Less: accumulated depreciation	(504)	0
	<u>3,678</u>	<u>4,182</u>
Light vehicles	3,200	3,200
Less: accumulated depreciation	(480)	0
	<u>2,720</u>	<u>3,200</u>
<b>Total Assets</b>	<u>86,200</u>	<u>87,311</u>

**17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Governance	117,221	120,408
General purpose funding	0	43,512
Law, order, public safety	10,404	13,202
Health	188,181	247,117
Education and welfare	1,463,249	1,090,641
Housing	4,822,366	4,923,726
Community amenities	246,606	336,064
Recreation and culture	1,593,459	2,468,579
Transport	100,468,840	99,054,575
Economic services	23,399	43,931
Other property and services	60,108	44,990
Unallocated	5,962,071	3,532,666
	<u>114,955,904</u>	<u>111,919,411</u>

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	2017	2016	2015
<b>18. FINANCIAL RATIOS</b>			
Current ratio	5.65	6.32	11.28
Asset sustainability ratio	1.07	1.96	1.70
Debt service cover ratio	N/A	N/A	N/A
Operating surplus ratio	0.81	(3.92)	2.83
Own source revenue coverage ratio	0.09	0.10	0.11
Asset consumption ratio	0.84	0.85	0.73
Asset renewal funding ratio	N/A	N/A	N/A

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

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**18. FINANCIAL RATIOS (Continued)**

**Notes:**

Two of the 2017 ratios disclosed above were distorted by the early receipt of half of the allocation of the 2017-18 Financial Assistance Grant in June 2017.

The early payment of the grant increased operating revenue in 2017 by \$2,022,842.

Two of the 2016 and 2015 ratios disclosed above were distorted by the early receipt of half of the allocation of the 2015-16 Financial Assistance Grant on 30 June 2015.

The early payment of the grant increased operating revenue in 2015 and decreased operating revenue in 2016 by \$1,954,442.

If recognised in the year to which the allocation related, the calculations in the 2017, 2016 and 2015 columns above would be as follows:

	<b>2017</b>	<b>2016</b>	<b>2015</b>
Current ratio	3.13	6.32	6.57
Operating surplus ratio	(2.46)	(0.89)	0.01

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**19. TRUST FUNDS**

Funds over which the Shire has no control:

	1 July 2016 \$	Amounts Received \$	Amounts Paid (\$)	30 June 2017 \$
Licensing	0	35,084	(35,084)	0
	<u>0</u>			<u>0</u>

**20. DISPOSALS OF ASSETS - 2016/17 FINANCIAL YEAR**

The following assets were disposed off during the year.

	Actual Net Book Value \$	Actual Sale Proceeds \$	Actual Profit \$	Actual Loss \$	Budget Net Book Value \$	Budget Sale Proceeds \$	Budget Profit \$	Budget Loss \$
<b>Plant and Equipment</b>								
<b>Health</b>								
2012 Toyota Prado GXL	11,211	12,591	1,380	0	0	0	0	0
<b>Recreation and culture</b>								
Toyota Hilux Ute Dual Cab	9,425	12,273	2,848	0	0	0	0	0
Toyota LC70 Personal Carrier	19,503	22,038	2,535	0	0	0	0	0
<b>Transport</b>								
2012 Toyota Landcruiser	34,123	35,273	1,150	0	0	0	0	0
Nissan Patrol ST Wagon	12,677	12,273	0	(404)	0	40,724	40,724	0
<b>Economic services</b>								
2012 Toyota Prado GXL	11,211	12,591	1,380	0	0	0	0	0
	<u>98,150</u>	<u>107,038</u>	<u>9,293</u>	<u>(404)</u>	<u>0</u>	<u>40,724</u>	<u>40,724</u>	<u>0</u>



**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**21. INFORMATION ON BORROWINGS**

(a) Repayments - Debentures

Council had no borrowings at 30 June 2017.

(b) New Debentures - 2016/17

The Shire did not take up any new debentures during the year ended 30 June 2017.

(c) Unspent Debentures

The Shire did not have any unspent debentures as at 30 June 2017.

(d) Overdraft

No overdraft facilities exist with the local government's bank.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**22. RATING INFORMATION - 2016/17 FINANCIAL YEAR**

<b>RATE TYPE</b>	<b>Rate in \$</b>	<b>Number of Properties</b>	<b>Rateable Value \$</b>	<b>Rate Revenue \$</b>	<b>Interim Rates \$</b>	<b>Back Rates \$</b>	<b>Total Revenue \$</b>	<b>Budget Rate Revenue \$</b>	<b>Budget Interim Rate \$</b>	<b>Budget Back Rate \$</b>	<b>Budget Total Revenue \$</b>
<b>General rate</b>											
<b>Unimproved value valuations</b>											
General Rate UV	0.1900	25	718,474	136,510	14,802	(91)	151,221	130,425	0	0	130,425
<b>Sub-Total</b>		25	718,474	136,510	14,802	(91)	151,221	130,425	0	0	130,425
<b>Minimum payment</b>	<b>Minimum \$</b>										
<b>Unimproved value valuations</b>											
General Rate UV	235	5	4,249	1,175	0	0	1,175	0	0	0	0
<b>Sub-Total</b>		5	4,249	1,175	0	0	1,175	0	0	0	0
		<b>30</b>	<b>722,723</b>	<b>137,685</b>	<b>14,802</b>	<b>(91)</b>	<b>152,396</b>	<b>130,425</b>	<b>0</b>	<b>0</b>	<b>130,425</b>
<b>Total amount raised from general rate</b>							<b>152,396</b>				<b>130,425</b>
Ex-gratia rates							64,882				0
<b>Totals</b>							<u>217,278</u>				<u>130,425</u>

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**23. NET CURRENT ASSETS**

Composition of net current assets

	2017	2017	2016
	(30 June 2017 Carried Forward) \$	(1 July 2016 Brought Forward) \$	(30 June 2016 Carried Forward) \$
<b>Surplus/(Deficit)</b>	<u>4,293,559</u>	<u>3,110,007</u>	<u>3,110,007</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents			
Unrestricted	3,564,486	2,774,419	2,774,419
Restricted	1,436,127	1,479,687	1,479,687
Investments			
Financial assets at fair value through profit and loss	30,934	0	0
Receivables			
Rates outstanding	238,664	229,074	229,074
Sundry debtors	720,516	45,703	45,703
GST receivable	140,198	42,379	42,379
Prepayments	527	527	527
Accrued Income	0	520	520
Provision for Doubtful Debts	(211,245)	(158,151)	(158,151)
Inventories			
Fuel and Materials	41,862	44,990	44,990
<b>LESS: CURRENT LIABILITIES</b>			
Trade and other payables			
Sundry creditors	(265,301)	(123,594)	(123,594)
ATO liabilities	(113,141)	(46,976)	(46,976)
Other payables	(63,534)	(6,654)	(6,654)
Provisions			
Provision for annual leave	(156,913)	(164,571)	(164,571)
Provision fo isolation leave	(57,777)	(34,609)	(34,609)
Provision for long service leave	(144,239)	(94,726)	(94,726)
<b>Unadjusted net current assets</b>	<u><b>5,161,164</b></u>	<u><b>3,988,018</b></u>	<u><b>3,988,018</b></u>
<b>Adjustments</b>			
Less: Reserves - restricted cash	(836,671)	(878,011)	(878,011)
Less: Financial assets at fair value through profit and loss	(30,934)	0	0
<b>Adjusted net current assets - surplus/(deficit)</b>	<u><u><b>4,293,559</b></u></u>	<u><u><b>3,110,007</b></u></u>	<u><u><b>3,110,007</b></u></u>

**Difference**

There was no difference between the surplus/(deficit) 1 July 2016 brought forward position used in the 2017 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2016 audited financial report.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**24. SPECIFIED AREA RATE - 2016/17 FINANCIAL YEAR**

No specified area rates were imposed by the Shire during the year ended 2017.

**25. SERVICE CHARGES - 2016/17 FINANCIAL YEAR**

No service charges were imposed by the Shire during the year ended 2017.

**26. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS  
- 2016/17 FINANCIAL YEAR**

The Council did not offer any discounts, incentives, concessions or waivers.

**27. INTEREST CHARGES AND INSTALMENTS - 2016/17 FINANCIAL YEAR**

	<b>Date Due</b>	<b>Instalment Plan Admin Charge \$</b>	<b>Instalment Plan Interest Rate %</b>	<b>Unpaid Rates Interest Rate %</b>
<b>Instalment Options</b>				
<b>Option One</b>				
Single full payment	31 December 16	0	0.00%	11.00%
<b>Option Two</b>				
First Instalment	31 December 16	0	0.00%	
Second Instalment	28 February 2017	0	0.00%	
<b>Option Three</b>				
First Instalment	31 December 16	0	0.00%	
Second Instalment	28 February 17	0	0.00%	
Third Instalment	30 April 17	0	0.00%	
Fourth Instalment	30 June 17	0	0.00%	
			<b>Revenue \$</b>	<b>Budgeted Revenue \$</b>
Interest on unpaid rates			20,547	0
Interest on instalment plan			0	0
Charges on instalment plan			0	0
			<u>20,547</u>	<u>0</u>

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

<b>28. FEES &amp; CHARGES</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Governance	137	30
Education and welfare	5,916	6,286
Housing	52,144	9,100
Community amenities	83,336	69,192
Recreation and culture	201,570	254,944
Economic services	1,615	6,160
	<u>344,718</u>	<u>345,712</u>

There were no changes during the year to the amount of the fees or charges detailed in the original budget.

**29. GRANT REVENUE**

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

<b>By Nature or Type:</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Operating grants, subsidies and contributions</b>		
Governance	2,858	3,172
General purpose funding	5,898,235	2,459,403
Health	106,335	54,229
Education and welfare	137,722	124,961
Community amenities	17,097	331,737
Transport	712,011	486,234
Other property and services	12,702	12,928
	<u>6,886,960</u>	<u>3,472,664</u>
<b>Non-operating grants, subsidies and contributions</b>		
Transport	2,218,295	2,274,330
	<u>2,218,295</u>	<u>2,274,330</u>
	<u>9,105,255</u>	<u>5,746,994</u>

**30. EMPLOYEE NUMBERS**

The number of full-time equivalent employees at balance date

<u>23</u>	<u>22</u>
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**31. ELECTED MEMBERS REMUNERATION**

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

	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>Budget</b>	<b>\$</b>
Meeting Fees	16,190	24,000	14,805
President's allowance	4,000	4,000	4,000
Deputy President's allowance	1,000	1,000	1,000
Travelling expenses	9,932	20,000	18,099
	<u>31,122</u>	<u>49,000</u>	<u>37,904</u>

**SHIRE OF NGAANYATJARRAKU  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**32. RELATED PARTY TRANSACTIONS**

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

	<b>2017</b>
	<b>\$</b>
The total of remuneration paid to KMP of the Shire during the year are as follows:	
Short-term employee benefits	211,915
Post-employment benefits	30,767
Other long-term benefits	2,487
Termination benefits	0
	<b>245,169</b>
	<b>245,169</b>

**Short-term employee benefits**

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found at Note 31.

**Post-employment benefits**

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

**Other long-term benefits**

These amounts represent long service benefits accruing during the year.

**Termination benefits**

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

**Related Parties**

**The Shire's main related parties are as follows:**

*i. Key management personnel*

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

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

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

*iii. Joint venture entities accounted for under the equity method*

The Shire has one-tenth joint venture arrangement with regards to the provision of a Regional Records Services. The interest in the joint venture entity is accounted for in these financial statements using the equity method of accounting. For details of interests held in joint venture entities, refer to Note 16.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**32. RELATED PARTY TRANSACTIONS (Continued)**

**Transactions with related parties**

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

For the year ended 30 June 2017 there were no transactions with related parties noted.

**33. MAJOR LAND TRANSACTIONS**

The Shire did not participate in any major land transactions during the 2016/2017 financial year.

**34. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

The Shire did not participate in any trading undertakings or major trading undertakings during the 2016/2017 financial year.

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**35. FINANCIAL RISK MANAGEMENT**

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

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

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

*The Shire held the following financial instruments at balance date:*

	<b>Carrying Value</b>		<b>Fair Value</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	\$	\$	\$	\$
<b>Financial assets</b>				
Cash and cash equivalents	5,000,613	4,254,106	5,000,613	4,254,106
Investments	30,934	0	30,934	0
Receivables	888,660	160,052	888,660	160,052
	<u>5,920,207</u>	<u>4,414,158</u>	<u>5,920,207</u>	<u>4,414,158</u>
<b>Financial liabilities</b>				
Payables	441,976	177,224	441,976	177,224
	<u>441,976</u>	<u>177,224</u>	<u>441,976</u>	<u>177,224</u>

Fair value is determined as follows:

- Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.
- Financial assets at fair value through profit and loss - based on quoted market prices at the reporting date or independent valuation.



**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(a) Cash and Cash Equivalents**

**Financial assets at fair value through profit and loss**

The Shire's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). Council has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with investments is price risk - the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

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

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

The Shire manages these risks by diversifying its portfolio and only investing in investments authorised by *Local Government (Financial Management) Regulation 19C*. Council also seeks advice from independent advisers (where considered necessary) before placing any cash and investments.

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Impact of a 10% <sup>(1)</sup> movement in price of investments		
- Equity	3,093	0
- Statement of Comprehensive Income	3,093	0
Impact of a 1% <sup>(1)</sup> movement in interest rates on cash		
- Equity	50,006	42,541
- Statement of Comprehensive Income	50,006	42,541

**Notes:**

<sup>(1)</sup> Sensitivity percentages based on management's expectation of future possible market movements.

**SHIRE OF NGAANYATJARRAKU  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(b) Receivables**

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

The Shire is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

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

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

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

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

	<b>2017</b>	<b>2016</b>
Percentage of rates and annual charges		
- Current	0%	0%
- Overdue	100%	100%
Percentage of other receivables		
- Current	16%	80%
- Overdue	84%	20%

**SHIRE OF NGAANYATJARRAKU**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(c) Payables**

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

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

	<b>Due within 1 year \$</b>	<b>Due between 1 &amp; 5 years \$</b>	<b>Due after 5 years \$</b>	<b>Total contractual cash flows \$</b>	<b>Carrying values \$</b>
<b><u>2017</u></b>					
Payables	441,976	0	0	441,976	441,976
	<u>441,976</u>	<u>0</u>	<u>0</u>	<u>441,976</u>	<u>441,976</u>
<b><u>2016</u></b>					
Payables	177,224	0	0	177,224	177,224
	<u>177,224</u>	<u>0</u>	<u>0</u>	<u>177,224</u>	<u>177,224</u>

**INDEPENDENT AUDITOR'S REPORT  
TO THE COUNCILLORS OF  
THE SHIRE OF NGAANYATJARRAKU**

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**REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

*Opinion*

We have audited the accompanying financial report of the Shire of Ngaanyatjarraku (the Shire), which comprises the Statement of Financial Position as at 30 June 2017, Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and the Rate Setting Statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement by Acting Chief Executive Officer.

In our opinion, the financial report of the Shire of Ngaanyatjarraku:

- a) is based on proper accounts and reports; and
- b) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2017 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*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Shire in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Emphasis of Matter – Basis of Preparation*

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

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

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

In preparing the financial report, the Acting 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE COUNCILLORS OF THE SHIRE OF NGAANYATJARRAKU (CONTINUED)**

### **REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONTINUED)**

#### *Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives of the 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 our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

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

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

**INDEPENDENT AUDITOR'S REPORT  
TO THE COUNCILLORS OF  
THE SHIRE OF NGAANYATJARRAKU  
(CONTINUED)**

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) The following material matters indicating non-compliance with Part 6 of the *Local Government Act 1995*, the *Local Government (Financial Management) Regulations 1996* or applicable financial controls of any other written law were identified during the course of our audit:
  - i. Creditor and payroll payments only require one authorised signatory for approval and payment. This lack of segregation of duties can pose a major fraud risk to Council. Lack of dual signatory control severely compromises payment security.
  - ii. A number of employees do not have employment contracts. Employment contracts are an important aspect of payroll control as they provide documented evidence of employee pay rates and leave entitlements.
  - iii. The former CEO had not been completing/submitted leave forms. Leave forms are an important aspect of payroll control as they provide documented evidence leave (annual, long service and isolation) has been approved.
- b) All required information and explanations were obtained by us.
- c) All audit procedures were satisfactorily completed in conducting our audit.
- d) In our opinion, the asset consumption ratio included in the annual financial report was supported by verifiable information and reasonable assumptions.
- e) The asset renewal funding ratio was not calculated and consequently, no review was able to be carried out.

**MATTERS RELATING TO THE ELECTRONIC PUBLICATION OF THE AUDITED FINANCIAL REPORT**

This auditor's report relates to the annual financial report of the Shire of Ngaanyatjarraku for the year ended 30 June 2017 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.

MOORE STEPHENS  
CHARTERED ACCOUNTANTS



DAVID TOMASI  
PARTNER

Date: 17 December 2018  
Perth, WA

## Attachment 11.1(a)

		December Payments	
Date	Code	Description	Credit
03/12/2018	15	WESTPAC BANK Transaction fees - November 2018	- 46.00
03/12/2018	357	COMMONWEALTH BANK OF AUSTRALIA CBA Merchant & POS fees - November 2018	- 45.17
04/12/2018	15	WESTPAC BANK Credit Card Trans - A/MCS G.Handy + Credit Card Tran - DCEO K Hannagan + Credit Card Trans - Chris Paget	- 2,098.42
06/12/2018	60	MILLY (WARBURTON) STORE Warburton Store	- 3,286.62
06/12/2018	1105	Philip Swain Reimburse taxi fares, airport parking	- 403.57
06/12/2018	2009	URBAN BOX RENOVATIONS Repairs to perimeter fence, EYLC	- 2,650.00
06/12/2018	2027	KALGOORLIE SECURE PARKING Secure parking for EHO Landcruiser KBC591L - 23/11/18 to 6/12/18	- 269.50
06/12/2018	2053	GOLDFIELDS OFF ROAD Service, Parts and repairs EHO Landcruiser	- 1,864.15
06/12/2018	2078	TOWER MEDICAL CENTRE Medical appointments	- 229.64
06/12/2018	217	KEY FACTORS PTY LTD (BREAKAWAY) Roadworks plant hire Jameson - Wanarn	- 132,411.40
06/12/2018	262	Mr C L PAGET relocation costs of CEO	- 743.88
06/12/2018	368	DEPT FOR PLANNING & INFRASTRUCTURE (DPI) DoT Agency transactions 134854-134860	- 892.30
06/12/2018	390	COUNTRY ARTS WA Presenters fees for Sand Tracks 2018	- 2,750.00
06/12/2018	473	PRESTON THOMAS 1st qtr Council Dep President Allowance	- 250.00
06/12/2018	538	PERFECT COMPUTER SOLUTIONS PTY LTD IT assistance + Office Licences	- 1,265.00
06/12/2018	848	DEPT FOR CHILD PROTECTION WWCC application fee Benette Ngwele	- 85.00
06/12/2018	989	ALANA ASHBOTH EYLC & Playgroups travel & accom relief costs	- 1,044.95
06/12/2018	59	WARBURTON ROADHOUSE Warburton Roadhouse (3)	- 5,551.34
06/12/2018	59	WARBURTON ROADHOUSE Warburton Roadhouse	- 7,641.65
06/12/2018	1077	CORE BUSINESS AUSTRALIA Core Business Aust, Youth Serv Review	- 13,723.60
06/12/2018	26	DAMIAN MCLEAN 1st Qtr of Council President Allowance	- 1,000.00
10/12/2018	50	TELSTRA CORPORATION LTD Phone & data charges - November 2018	- 1,819.22
10/12/2018	37	NATS Cooper Tyres	- 2,160.46
10/12/2018	147	AUSTRALIA POST Aust. Post Mail Service	- 16.34
10/12/2018	217	KEY FACTORS PTY LTD (BREAKAWAY) Hire of Graders + Roadworks	- 124,532.10
10/12/2018	579	IBIS STYLES HOTEL KALGOORLIE Accom and Phil Swain 06/12/2018	- 149.00
10/12/2018	785	IT VISION AUSTRALIA PTY LTD ITV monthly accounting services	- 9,543.96
10/12/2018	812	Mrs A L SHINKFIELD Early Years Prog.	- 444.60
10/12/2018	941	NGAANYATJARRA COUNCIL REGIONAL HOUSING PROGRAM - Repairs & Maintenance Resecure flashing and fence	- 308.00
10/12/2018	984	Benette Ngwele Reimburse taxi fares relocation	- 89.88
10/12/2018	995	AuSIL (AUSTRALIAN SOCIETY FOR INDIGENEOUS LANGUANGES INC) Supply 12 books for resale in the Warta Shop - ĩnto Another World and Whitefella Culture	- 97.20
10/12/2018	1023	NATIONAL SAFETY SOLUTIONS P/L PPE for Staff	- 1,090.76
10/12/2018	1601	Marketforce - Vacancy advertsing	- 804.29
10/12/2018	40	NGAANYATJARRA SERVICES (ABORIGINAL CORPORATION) Ngaanyatjarra Services	- 7,036.88
10/12/2018	2035	MICHAEL COOKE Items for Warakurna Unit	- 48.80
10/12/2018	57	WARAKURNA ROADHOUSE Fuel form Warakurna Roadhouse	- 956.93
10/12/2018	58	WARBURTON COMMUNITY INC Contribution to gallery signage	- 2,510.70
10/12/2018	61	WARRUNYINNA STORE Food supplies for the playgroup	- 536.82
10/12/2018	72	BLACKSTONE ENTERPRISES (STORE) Blackstone Early Years Supplies	- 928.13
10/12/2018	95	WARAKURNA STORE Food supplies - youth program	- 181.64
10/12/2018	100	WANARN STORE Fuel for 1EK611	- 287.06
10/12/2018	129	MCLEODS legal advice ILUA & obligation under dog act	- 12,914.00
10/12/2018	2008	MOORE STEPHENS (WA) Pty Ltd Accounting support for 2018/19 Budget re-adoption	- 3,558.50

12/12/2018		Payroll Direct Debit Of Net Pays Payroll Direct Debit Of Net Pays	- 48,238.46
12/12/2018	54	WA SUPER Payroll deductions	- 3,660.42
12/12/2018	2055	BT Super for Life Superannuation contributions	- 305.99
12/12/2018	1034	AUSTRALIAN SUPER Superannuation contributions	- 61.38
12/12/2018	740	HOST PLUS Payroll deductions	- 658.85
12/12/2018	5	BT SUPER Superannuation contributions	- 169.96
12/12/2018	2065	VISION SUPER Superannuation contributions	- 866.40
12/12/2018	1060	HESTA Superannuation contributions	- 208.12
12/12/2018	825	SUNSUPER SOLUTIONS Superannuation contributions	- 198.45
13/12/2018	217	KEY FACTORS PTY LTD (BREAKAWAY) Key Factors Roadworks	- 134,032.80
13/12/2018	155	NGAANYATJARRA COUNCIL (ELEC a/c) Electricity July-Sept.	- 17,031.00
17/12/2018	21	DR ROBERT M IRVING Dog control program in Ng Communities Nov-18	- 15,400.00
17/12/2018	2022	PAXON GROUP Preparation of October 2018 Financial Report Preparation and Lodgement October 2018 BAS	- 1,815.00
17/12/2018	2039	BUILDING COMMISSION Building Services Levy Remittance for 1/8/2018 to 31/12/2018	- 177.08
17/12/2018	2048	KIARA JONES Supplies for Jameson Playgroup	- 453.30
17/12/2018	2097	GREENFIELD TECHNICAL SERVICES Project management of the GCR upgrade	- 2,970.00
17/12/2018	40	NGAANYATJARRA SERVICES (ABORIGINAL CORPORATION) Replace suspension on 1E2J460 Tyre exchange on 1E2J460	- 2,380.44
17/12/2018	579	IBIS STYLES HOTEL KALGOORLIE Accommodation EHO P Swain	- 149.00
17/12/2018	696	CHARTAIR PTY LTD K Hannagan Warburton to Alice Springs 1/12/2018 B Ngwele Alice Springs to Warburton 4/12/2018	- 670.00
17/12/2018	894	BUNNINGS GROUP LTD Locks for Shire Housing Supplies for E/H program	- 944.62
17/12/2018	997	METEX NICKEL PTY LTD Accommodation for Dr Bob Irving & M Cooke Dog Program	- 330.00
17/12/2018	1002	GOLDFIELDS DEANS AUTOGLASS Replace windows in Shire Prado 1EBO496	- 1,195.70
17/12/2018	2009	URBAN BOX RENOVATIONS 2nd payment of 50% quoted for caging Lot 158 and lot 104 Warburton as per quote # 15	- 16,703.50
17/12/2018	2018	LAVERTON SUPPLIES WA Fuel for EHO landcruiser KBC591L	- 197.95
17/12/2018	50	TELSTRA CORPORATION LTD Telstra satellite mobile phone charges	- 175.00
18/12/2018	986	Fleur Mason Supplies for school holiday youth program	- 293.29
19/12/2018	26	DAMIAN MCLEAN Ord Council meeting fee 19 Dec '18	- 400.00
19/12/2018	355	LALLA WEST Ord Council meeting fee 19 Dec '18	- 200.00
19/12/2018	473	PRESTON THOMAS Ord Council meeting fee 19 Dec 18	- 200.00
19/12/2018	1001	Samantha Pielichaty National Police Check	- 52.00
19/12/2018	1004	JOYLENE FRAZER Ord Council meeting fee 19 Dec '18	- 200.00
19/12/2018	2049	DEBRA FRAZER Ord Council meeting fee 19 Dec 18	- 200.00
20/12/2018	37	NATS 205 litre drums for rubbish bins	- 4,350.50
20/12/2018	2078	TOWER MEDICAL CENTRE Medical appointment 14/12/2018	- 139.40
20/12/2018	57	WARAKURNA ROADHOUSE Diesel for Works cruiser 1EKC611	- 244.39
20/12/2018	58	WARBURTON COMMUNITY INC Contribution to Gallery Signage	- 599.50
20/12/2018	217	KEY FACTORS PTY LTD (BREAKAWAY) Roadworks plant hire Jameson - Wanarn	- 127,448.80
20/12/2018	538	PERFECT COMPUTER SOLUTIONS PTY LTD HP i& Computer for Director Corp Serv	- 2,100.00
20/12/2018	830	ROWAN SHINKFIELD Labour charges for construction of cages Lot 255	- 2,364.35
20/12/2018	2008	MOORE STEPHENS (WA) Pty Ltd Final bill for completion of 2016/17 Audit	- 24,378.45
20/12/2018	2018	LAVERTON SUPPLIES WA Diesel for EHO vehicle KBC591L	- 186.97
20/12/2018	2035	MICHAEL COOKE Items for staff housing	- 144.40
26/12/2018		Payroll Direct Debit Of Net Pays Payroll Direct Debit Of Net Pays	- 47,182.76
26/12/2018	54	WA SUPER Payroll deductions	- 3,364.21
26/12/2018	2055	BT Super for Life Superannuation contributions	- 250.70
26/12/2018	1034	AUSTRALIAN SUPER Superannuation contributions	- 61.38
26/12/2018	740	HOST PLUS Payroll deductions	- 886.57
26/12/2018	5	BT SUPER Superannuation contributions	- 169.96
26/12/2018	2065	VISION SUPER Superannuation contributions	- 866.40
26/12/2018	1060	HESTA Superannuation contributions	- 161.87
26/12/2018	825	SUNSUPER SOLUTIONS Superannuation contributions	- 230.75
28/12/2018	57	WARAKURNA ROADHOUSE Warakurna Roadhouse	- 250.00
28/12/2018	999	Emmanuel Ribeiro Accommodation at Laverton	- 135.00
28/12/2018	1000	Alice Crash Repairs Excess due on insurance claim #633624704	- 500.00
			-\$ 814,822.53



## Attachment 11.1(b)

January Payments			
Date	Code	Description	Credit
02/01/2019	15	WESTPAC BANK Transaction fees - December 2018	-47.50
03/01/2019	357	COMMONWEALTH BANK OF AUSTRALIA CBA Merchant & POS fees - December 2018	-36.87
03/01/2019	15	WESTPAC BANK Credit Card Trans - A/MCS G. Handy	-4009.09
04/01/2019	50	TELSTRA CORPORATION LTD Phone & data charges - November 2018	-1805.42
04/01/2019	95	WARAKURNA STORE Cleaning supplies - youth program	-247.80
04/01/2019	147	AUSTRALIA POST Australia Post mail service Charges December 2018	-49.90
04/01/2019	361	PIVOTEL SATELLITE PTY LTD Satphone charges Nov - Dec 2018	-1127.98
04/01/2019	538	PERFECT COMPUTER SOLUTIONS PTY LTD Monthly fee for daily monitoring of shire site	-85.00
04/01/2019	785	ITVISION AUSTRALIA PTY LTD ITV monthly BPMS payroll, financial processing + rates service fee Dec 2018	-9543.96
04/01/2019	1105	Philip Swain National Constructions Code Seminar Lock Repair 1DMW389 Mechanical repairs 1DMW389 Uber from Kallaroo to Perth Airport Uber from kallaroo to Wangara to pick up 1DMW389	-1460.09
04/01/2019	2097	GREENFIELD TECHNICAL SERVICES Site inspection of GCR	-19284.52
04/01/2019	334	STAPLES AUSTRALIA (WINC) Statnery & supplies for Shire office	-958.45
04/01/2019	57	WARAKURNA ROADHOUSE Diesel for works supervisor 1EKC611	-638.65
04/01/2019	59	WARBURTON ROADHOUSE Battery for 1DGQ100	-5253.23
04/01/2019	30	LEONORA ROADHOUSE Diesel 1EBO496 and 1EPU755	-365.65
07/01/2019	825	SUNSUPER SOLUTIONS Sunsuper payments	-429.20
09/01/2019		Payroll Direct Debit Of Net Pays Payroll Direct Debit Of Net Pays	-48112.03
09/01/2019	54	WA SUPER Payroll deductions	-3241.17
09/01/2019	2055	BT Super for Life Superannuation contributions	-326.25
09/01/2019	1034	AUSTRALIAN SUPER Superannuation contributions	-66.76
09/01/2019	740	HOST PLUS Payroll deductions	-1022.20
09/01/2019	5	BT SUPER Superannuation contributions	-107.92
09/01/2019	2065	VISION SUPER Superannuation contributions	-866.40
09/01/2019	1060	HESTA Superannuation contributions	-92.50
09/01/2019	825	SUNSUPER SOLUTIONS Superannuation contributions	-233.21
10/01/2019	58	WARBURTON COMMUNITY INC Petty cash for Shire Office	-400.00
10/01/2019	61	WARRUNYINNA STORE Diesel for Early Years Fortuner Food supplies for the playgroup	-468.90
10/01/2019	129	MCLEODS Review of proposed ILUA	-1379.40
10/01/2019	217	KEY FACTORS PTY LTD (BREAKAWAY) Roadworks plant hire Jameson - Wanarn	-150387.60
10/01/2019	60	MILLY (WARBURTON) STORE Food for EHFSO Trachoma Conference	-294.93
10/01/2019	941	NGAANYATJARRA COUNCIL REGIONAL HOUSING PROGRAM - Repairs & Maintenance Repair door handles units 2/3 CRC	-1921.85
10/01/2019	2080	Geoff Handy Westpac Visa Flight for EHO P Swain Perth - Laverton	-1641.00
18/01/2019	37	NATS Garrison fencing Playgroup Warburton	-15634.32
18/01/2019	2022	PAXON GROUP SON4900 - Bus. Serv. & Taxation Advice	-4537.50
18/01/2019	2098	KERRY FISHER 2 x Phillips Computer Monitors	-598.00
18/01/2019	57	WARAKURNA ROADHOUSE Diesel for 1EJN112	-165.00
18/01/2019	95	WARAKURNA STORE Food supplies for the Commond Ground	-136.41
18/01/2019	155	NGAANYATJARRA COUNCIL (ELEC a/c) Electricity October 2018	-8340.83

18/01/2019	217	KEY FACTORS PTY LTD (BREAKAWAY) Roadworks plant hire Jameson - Wanarn	-127470.20
18/01/2019	241	DESERT INN HOTEL Accommodation K Hannagan 11/01/2018	-110.00
18/01/2019	334	STAPLES AUSTRALIA (WINC) Stationery supplies for Playgroup	-623.17
18/01/2019	726	DIPLOMAT MOTEL Accom and meals rec officer Ben Ngwele	-194.50
18/01/2019	941	NGAANYATJARRA COUNCIL REGIONAL HOUSING PROGRAM - Repairs & Maintenance Replace doors units 12 & 13 CRC	-1759.63
23/01/2019		Payroll Direct Debit Of Net Pays Payroll Direct Debit Of Net Pays	-56547.88
23/01/2019	54	WA SUPER Payroll deductions	-3874.24
23/01/2019	2055	BT Super for Life Superannuation contributions	-351.34
23/01/2019	740	HOST PLUS Payroll deductions	-925.26
23/01/2019	2065	VISION SUPER Superannuation contributions	-866.40
23/01/2019	1060	HESTA Superannuation contributions	-231.24
23/01/2019	825	SUNSUPER SOLUTIONS Superannuation contributions	-230.14
25/01/2019	37	NATS Printer catridges for Shire office printer	-626.62
25/01/2019	40	NGAANYATJARRA SERVICES (ABORIGINAL CORPORATION) Parts and Labour - service on 1EJN112 Oil for service on 1EJN112	-1503.96
25/01/2019	217	KEY FACTORS PTY LTD (BREAKAWAY) Roadworks plant hire Jameson - Wanarn	-134437.60
25/01/2019	696	CHARTAIR PTY LTD Flight Wrb - ASP Rec Officer S Pielichaty	-335.00
25/01/2019	726	DIPLOMAT MOTEL Accom & meals rec Officer S Pielichaty	-185.50
25/01/2019	941	NGAANYATJARRA COUNCIL REGIONAL HOUSING PROGRAM - Repairs & Maintenance Repaired lock unit 8 CRC Warburton	-272.25
31/01/2019	ATO	Australian Taxation Office :	-23375.00
		<b>Month Total</b>	<b>-\$ 639,237.42</b>



SHIRE OF NGAANYATJARRAKU - Business banking

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<p>Municipal Operating Account 036-016 831911</p> <p>\$1,683,671.93</p>	<p>Trust Account 036-016 831946</p> <p>\$0.00</p>	<p>ACEO Kevin Hannagan xxxx xxxx xx18 5736</p> <p>-\$867.56 Available \$4,143.42</p>	<p>F&amp;AS Geoff Handy xxxx xxxx xx90 9334</p> <p>-\$437.12 Available \$2,062.88</p>
<p>Term Deposit Municipal Funds 035-101 424873</p> <p>\$1,000,000.00</p>	<p>Term Deposit Asset Replacement 036-016 140221</p> <p>\$230,283.28</p>	<p>Term Deposit Cultural Centre 036-016 167993</p> <p>\$6,858.40</p>	<p>Term Deposit Employee Reserve 036-125 507918</p> <p>\$300,000.00</p>



**Shire of Ngaanyatjaraku**  
ON A JOURNEY

Shire of Ngaanyatjaraku

Monthly Financial report

For the Period Ending 30 November 2018

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

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# 1 Statement of Financial Activity by Program

STATEMENT OF FINANCIAL ACTIVITY							
Statutory Reporting Program							
For the Period Ended 30 November 2018							
	Note	Original Budget	YTD Budget (a)	YTD Actual (b)	Variance \$ (b)-(a)	Variance % (b)-(a)/(a)	Variance
<b>Operating Revenue</b>		\$	\$	\$	\$	%	
Governance		3,000	1,042	791	(251)	-24%	▼
General Purpose Funding - Rates		255,759	190,877	249,119	58,242	100%	▲
General Purpose Funding - Other		1,503,337	750,667	801,319	50,652	7%	
Law, Order, Public Safety		420	420	408	(12)	-3%	
Health		105,200	40,000	62,837	22,837	100%	▲
Education and Welfare		318,000	81,583	78,635	(2,948)	-4%	
Housing		20,000	5,000	17,265	12,265	245%	▲
Community Amenities		87,000	500	106,152	105,652	21130%	▲
Recreation and Culture		222,307	94,850	127,204	32,354	34%	▲
Transport		1,274,050	709,447	773,853	64,406	9%	
Economic Services		7,000	4,500	8,603	4,103	91%	▲
Other Property and Services		0	0	58,720	58,720	100%	▲
<b>Total Operating Revenue</b>		<b>3,796,073</b>	<b>1,878,886</b>	<b>2,284,905</b>	<b>406,019</b>		
<b>Operating Expense</b>							
Governance		(139,103)	(90,664)	(70,261)	20,403	-23%	▼
General Purpose Funding - Rates		(24,825)	(12,434)	(17,202)	(4,768)	38%	▲
General Purpose Funding - Other		0	0	0	0		
Law, Order, Public Safety		(91,031)	(46,571)	(27,191)	19,380	-42%	▼
Health		(486,746)	(229,821)	(187,503)	42,319	-18%	▼
Education and Welfare		(1,093,416)	(491,813)	(359,363)	132,450	-27%	▼
Housing		(336,166)	(134,198)	(133,842)	356	0%	
Community Amenities		(610,465)	(288,313)	(219,341)	68,972	-24%	▼
Recreation and Culture		(872,684)	(432,919)	(392,013)	40,906	-9%	
Transport		(2,983,961)	(1,598,974)	(1,294,284)	304,690	-19%	▼
Economic Services		(163,128)	(79,427)	(62,639)	16,788	-21%	▼
Other Property and Services		(12,995)	(6,509)	(5,632)	877	-13%	▼
<b>Total Operating Expenditure</b>		<b>(6,814,520)</b>	<b>(3,411,643)</b>	<b>(2,769,271)</b>	<b>642,372</b>		
<b>Funding Balance Adjustments</b>							
Add back Depreciation		1,366,389	569,844	515,228	(54,616)	-10%	
Adjust (Profit)/Loss on Disposal		0	0	25,937	25,937		
<b>Net Cash from Operations</b>		<b>(1,652,058)</b>	<b>(962,913)</b>	<b>56,799</b>	<b>1,019,712</b>		
<b>Capital Revenues</b>							
Grants, Subsidies and Contributions		8,687,675	1,036,000	1,827,124	791,124	76%	▲
Proceeds from Disposal of Assets	3	0	0	0	0		
<b>Total Capital Revenues</b>		<b>8,687,675</b>	<b>1,036,000</b>	<b>1,827,124</b>	<b>791,124</b>		
<b>Capital Expenses</b>							
Land & Buildings	3	(90,000)	(37,500)	(22,657)	14,843	-40%	▼
Furniture and Equipment	3	(5,000)	(2,083)	0	2,083	-100%	▼
Plant & Equipment	3	(233,000)	(97,083)	(63,791)	33,293	-34%	▼
Infrastructure - Roads	3	(9,084,775)	(3,785,323)	(1,518,447)	2,266,876	-60%	▼
<b>Total Capital Expenditure</b>		<b>(9,412,775)</b>	<b>(3,921,990)</b>	<b>(1,604,894)</b>	<b>2,317,095</b>		
<b>Net Cash from Capital Activities</b>		<b>(725,100)</b>	<b>(2,885,990)</b>	<b>222,229</b>	<b>3,108,219</b>		
<b>Financing</b>							
Transfer from Reserves	7	625,253	625,253	625,253	0	0%	▼
Transfer to Reserves	7	(6,047)	(6,047)	(306,183)	(300,136)	4963%	▲
<b>Net Cash from Financing Activities</b>		<b>619,206</b>	<b>619,206</b>	<b>319,070</b>	<b>(300,136)</b>		
<b>Net Operations, Capital &amp; Financing</b>		<b>(1,757,952)</b>	<b>(3,229,697)</b>	<b>598,098</b>	<b>3,827,795</b>		
<b>Opening Funding Surplus (Deficit)</b>	2	<b>3,191,519</b>	<b>3,191,519</b>	<b>3,191,519</b>	<b>0</b>		
<b>Closing Funding Surplus (Deficit)</b>	2	<b>1,433,567</b>	<b>(38,177)</b>	<b>3,789,617</b>	<b>3,827,795</b>		

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold of 10%.

Refer to the attached Explanation of Material Variances Statement for an explanation of the reasons for the variance.

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

## 2 Statement of Financial Activity by Nature or Type

<b>By Nature or Type</b>					
<b>For the Period Ended 30 November 2018</b>					
	Note	Original Budget	YTD Budget (a)	YTD Actual (b)	Variance \$ (b)-(a)
<b>Operating Revenue</b>					
Rates		\$ 255,759	\$ 190,877	\$ 249,119	\$ 58,242
Operating Grants, Subsidies and Contributions		3,185,890	1,575,409	1,744,362	168,953
Fees & Charges		316,840	93,017	224,471	131,454
Interest Earnings		6,497	2,997	7,026	4,029
Other Revenue		31,087	16,586	59,927	43,341
Profit on Disposal of Assets		0	0	0	0
<b>Total Operating Revenue</b>		<b>3,796,073</b>	<b>1,878,886</b>	<b>2,284,905</b>	<b>406,019</b>
<b>Operating Expense</b>					
Employee Costs		(2,709,286)	(1,162,729)	(1,124,780)	37,949
Material and Contracts		(2,403,705)	(1,457,272)	(938,009)	519,263
Utility Charges (Electricity, Gas, Water etc.)		(95,000)	(30,875)	15,442	46,317
Depreciation on Non-current Assets		(1,366,389)	(569,844)	(515,228)	54,616
Insurance Expense		(123,000)	(112,000)	(128,731)	(16,731)
Other Expenditure		(117,140)	(78,923)	(52,029)	26,895
Loss on Asset Disposal		0	0	(25,937)	(25,937)
<b>Total Operating Expenditure</b>		<b>(6,814,520)</b>	<b>(3,411,643)</b>	<b>(2,769,271)</b>	<b>642,372</b>
<b>Funding Balance Adjustments</b>					
Add back Depreciation		1,366,389	569,844	515,228	(54,616)
Adjust (Profit)/Loss on Disposal		0	0	25,937	25,937
<b>Net Cash from Operations</b>		<b>(1,652,058)</b>	<b>(962,913)</b>	<b>56,799</b>	<b>1,019,712</b>
<b>Capital Revenues</b>					
Grants, Subsidies and Contributions		8,687,675	1,036,000	1,827,124	791,124
Proceeds from Disposal of Assets	3	0	0	0	0
<b>Total Capital Revenues</b>		<b>8,687,675</b>	<b>1,036,000</b>	<b>1,827,124</b>	<b>791,124</b>
<b>Capital Expenses</b>					
Land & Buildings	3	(90,000)	(37,500)	(22,657)	14,843
Furniture and Equipment	3	(5,000)	(2,083)	0	2,083
Plant & Equipment	3	(233,000)	(97,083)	(63,791)	33,293
Infrastructure - Roads	3	(9,084,775)	(3,785,323)	(1,518,447)	2,266,876
<b>Total Capital Expenditure</b>		<b>(9,412,775)</b>	<b>(3,921,990)</b>	<b>(1,604,894)</b>	<b>2,317,095</b>
<b>Net Cash from Capital Activities</b>		<b>(725,100)</b>	<b>(2,885,990)</b>	<b>222,229</b>	<b>3,108,219</b>
<b>Financing</b>					
Transfer from Reserves	7	625,253	625,253	625,253	0
Transfer to Reserves	7	(6,047)	(6,047)	(306,183)	(300,136)
<b>Net Cash from Financing Activities</b>		<b>619,206</b>	<b>619,206</b>	<b>319,070</b>	<b>(300,136)</b>
Net Operations, Capital & Financing		(1,757,952)	(3,229,697)	598,098	3,827,795
Opening Funding Surplus (Deficit)	2	3,191,519	3,191,519	3,191,519	0
<b>Closing Funding Surplus (Deficit)</b>	2	<b>1,433,567</b>	<b>(38,177)</b>	<b>3,789,617</b>	<b>3,827,795</b>

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

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## Note 1 Significant Accounting Policies

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### (a) Basis of Accounting

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected noncurrent assets, financial assets and liabilities.

### Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

### (b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 11.

### (c) Rounding Off Figures

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

### (d) Rates, Grants, Donations and Other Contributions

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

### (e) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows

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

### (f) 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 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.

### (g) Trade and Other Receivables

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

### (h) Inventories

#### 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 sale 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. Finance 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 on to the buyer at this point. Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

### (i) Fixed Assets

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



different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

**(j) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life (excluding freehold land) are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Items are depreciated over their useful lived on a reducing balance basis as follows:

Asset	% per annum
Land & Building	2.00%
Furniture & Equipment	25.00%
Plant & Equipment	17.50%
Infrastructure, Formation	0%
Infrastructure, Pavement	4.32%
Infrastructure, Seal	4.30%
Infrastructure, Kerb	4.94%
Infrastructure, Drainage	3.16%
Infrastructure, Recreation	2.00%

**(k) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council 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.

**(l) Employee Benefits**

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

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

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

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

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of

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

**(m) Interest-bearing Loans and Borrowings**

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

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

**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.

**(n) Provisions**

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

**(o) Current and Non-Current Classification**

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

**(p) Nature or Type Classifications**

**Rates**

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

#### **Operating Grants, Subsidies and Contributions**

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

#### **Non-Operating Grants, Subsidies and Contributions**

Amounts received specifically for the acquisition, construction of new or the upgrading of noncurrent assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations. **Profit on Asset Disposal**

Profit on the disposal of assets including gains on the disposal of long term investments.

Losses are disclosed under the expenditure classifications.

#### **Fees and Charges**

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licenses, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

#### **Service Charges**

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

#### **Interest Earnings**

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

#### **Other Revenue / Income**

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

#### **Employee Costs**

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

#### **Materials and Contracts**

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications,

hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

#### **Utilities (Gas, Electricity, Water, etc.)**

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

#### **Insurance**

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

#### **Loss on asset disposal**

Loss on the disposal of fixed assets.

#### **Depreciation on non-current assets**

Depreciation expense raised on all classes of assets.

#### **Interest expenses**

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

#### **Other expenditure**

Statutory fees, taxes, provision for bad debts, member's fees or levies including WA Fire Brigade Levy and State taxes. Donations and subsidies made to community groups.

### **(q) Program Classifications (Function/Activity)**

#### **Governance**

##### **Objective:**

To provide a decision-making process for the efficient allocation of scarce resources.

##### **Activities:**

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**

##### **Objective:**

To collect revenue to allow for the provision of services.

##### **Activities:**

Rates, general purpose government grants and interest revenue.

#### **Law, Order, Public Safety**

##### **Objective:**

To provide services to help ensure a safer and environmentally conscious community.

##### **Activities:**

Supervision and enforcement of various laws relating to fire prevention and other aspects of public safety including emergency services.

#### **Health**

##### **Objective:**

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To provide an operational framework for environmental and community health.

**Activities:**

Inspection of food outlets and their control, provision of meat inspection services, noise control and a waste pick-up service.

**Education and Welfare**

**Objective:**

To provide services to children and youth.

**Activities:**

Maintenance of playgroup centre (early years learning) and operation of youth services.

**Housing**

**Objective:**

To provide and maintain staff housing.

**Activities:**

Provision and maintenance of staff housing.

**Community Amenities**

**Objective:**

To provide services required by the community.

**Activities:**

Rubbish collection services, litter control, storm water maintenance and protection of the environment.

**Recreation and Culture**

**Objective:**

To establish and effectively manage infrastructure and resources which will help the social well-being of the community.

**Activities:**

Maintenance of public halls, civic centres, aquatic centre, recreation centres and various sporting facilities. Provision and maintenance of parks and playgrounds. Operation of other cultural facilities.

**Transport**

**Objective:**

To provide safe, effective and efficient transport services to the community.

**Activities:**

Construction and maintenance of roads, streets, footpaths, depot, and traffic control. Cleaning of streets and maintenance of street trees.

**Economic Services**

**Objective:**

To help promote the shire and its economic wellbeing.

**Activities:**

Tourism and area promotion, provision of rural services including weed and vermin control. Building control.

**Other Property and Services**

**Objective:**

To monitor and control council's overheads operating accounts.

**Activities:**

Private works operation, plant repairs, operation costs and administrative costs.

## Note 2 Net Current Funding Position

### NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY For the Period Ended 30 November 2018

Net Current Assets	Note	30 Jun 2018	YTD 30 Nov 2018
		\$	\$
<b>Current Assets</b>			
Cash Municipal	4	2,317,255	3,634,614
Cash Reserves	4	853,334	540,446
Receivables - Rates	5	41,494	190,269
Receivables - Other	5	1,605,985	360,796
Investments		30,934	30,934
Inventories		72,199	72,199
		4,921,200	4,829,257
<b>Less: Current Liabilities</b>			
Payables	6	(540,615)	(241,371)
Provisions		(335,733)	(257,823)
<b>Less: Cash Reserves</b>	7	(853,334)	(540,446)
<b>Net Current Funding Position</b>		<b>3,191,519</b>	<b>3,789,617</b>

## Note 3 Capital – Acquisitions, Funding and Disposal

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY						
For the Period Ended 30 November 2018						
Summary Capital Acquisitions	YTD Actual New/Upgrade (a)	YTD Actual Renewal Expenditure (b)	Original Budget	YTD Budget (d)	YTD Actual Total (c)=(a)+(b)	Variance (c)-(d)
	\$	\$	\$	\$	\$	\$
Land & Buildings	0	(22,657)	(90,000)	(37,500)	(22,657)	14,843
Furniture & Equipment	0	0	(5,000)	(2,083)	0	2,083
Plant & Equipment	0	(63,791)	(233,000)	(97,083)	(63,791)	33,293
Infrastructure - Roads	0	(1,518,447)	(9,084,775)	(3,785,323)	(1,518,447)	2,266,876
<b>Capital Expenditure Totals</b>	<b>0</b>	<b>(1,604,894)</b>	<b>(9,412,775)</b>	<b>(3,921,990)</b>	<b>(1,604,894)</b>	<b>2,317,095</b>
<b>Capital Acquisitions Funded By</b>						
Capital Grants and Contributions			8,687,675	1,036,000	1,827,124	
Other (Disposals & C/Fwd)			0	0	0	
Council Contribution - Operations			725,100	2,885,990	(222,229)	
<b>Capital Funding Total</b>			<b>9,412,775</b>	<b>3,921,990</b>	<b>1,604,894</b>	
Capital Acquisitions	YTD Actual New/Upgrade	YTD Actual Renewal Expenditure	Original Budget	YTD Budget	YTD Actual Total	Variance (Over)/Under
<b>Land &amp; Building</b>						
EYLC Fencing		0	20,000	8,333	0	8,333
Playgroup/Early Years Learning Centre		0	20,000	8,333	0	8,333
Security upgrade staff housing		22,657	25,000	10,417	22,657	(12,240)
Warbruton Oval Shade Structure		0	25,000	10,417	0	10,417
<b>Land &amp; Building Total</b>	<b>0</b>	<b>22,657</b>	<b>90,000</b>	<b>37,500</b>	<b>22,657</b>	<b>14,843</b>
<b>Furniture &amp; Equipment</b>						
Office Equipment		0	5,000	2,083	0	2,083
<b>Furniture &amp; Equipment Total</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>2,083</b>	<b>0</b>	<b>2,083</b>
<b>Plant &amp; Equipment</b>						
Light Truck		0	20,000	8,333	0	8,333
Vehicle		0	45,000	18,750	0	18,750
Rubbish Truck Warakurna		0	90,000	37,500	0	37,500
Purchase of Vehicle - Toyota PC		63,791	68,000	28,333	63,791	(35,457)
Streetsweeper brush renewal		0	10,000	4,167	0	4,167
<b>Plant &amp; Equipment Total</b>	<b>0</b>	<b>63,791</b>	<b>233,000</b>	<b>97,083</b>	<b>63,791</b>	<b>33,293</b>
<b>Infrastructure - Roads</b>						
Great Central Road - Roads to Recovery		0	3,507,669	1,461,529	0	1,461,529
Great Central Road - MRWA Major		4,589	4,194,106	1,747,544	4,589	1,742,956
Giles Mulga Park RRG		482,846	915,000	381,250	482,846	(101,596)
Jameson Wanam		707,045	0	0	707,045	(707,045)
Warburton Blackstone Road RRG		323,968	468,000	195,000	323,968	(128,968)
<b>Infrastructure Total</b>	<b>0</b>	<b>1,518,447</b>	<b>9,084,775</b>	<b>3,785,323</b>	<b>1,518,447</b>	<b>2,266,876</b>
<b>Grand Total</b>	<b>0</b>	<b>1,604,894</b>	<b>9,412,775</b>	<b>3,921,990</b>	<b>1,604,894</b>	<b>2,317,095</b>

**Note 3 Capital - Acquisitions, Funding and Disposal cont.**

<b>NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY</b>								
<b>For the Period Ended 30 November 2018</b>								
<b>Assets Disposed</b>								
<b>Cost</b>	<b>Accum Depr</b>	<b>Proceeds</b>	<b>Profit (Loss)</b>	<b>Description Disposed Asset</b>	<b>Original Budget Profit/(Loss)</b>	<b>Actual Profit/(Loss)</b>	<b>Variance</b>	<b>Comments</b>
\$	\$	\$	\$	\$	\$	\$	\$	
<b>Furniture and Equipment</b>								
80,782	77,917	0	(2,865)	Obsolete items to write off	0	(2,865)	(2,865)	
<b>Plant &amp; Equipment</b>								
262,647	239,575	0	(23,072)	Obsolete items to write off	0	(23,072)	(23,072)	
<b>343,429</b>	<b>317,492</b>	<b>0</b>	<b>(25,937)</b>		<b>0</b>	<b>(25,937)</b>	<b>(25,937)</b>	

## Note 4 Capital and Investments

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY								
For the Period Ended 30 November 2018								
Bank Accounts	Municipal	Reserves	Trust	Investments	Total Amount	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$	\$	\$	\$	
<b>(a) Cash Deposits</b>								
Municipal Account	3,632,115				3,632,115	Westpac	Variable	Business
Cash Advance	2,500				2,500			
Trust								
<b>(b) Term Deposit</b>								
Reserves		540,446			540,446	Westpac		
<b>Total</b>	<b>3,634,615</b>	<b>540,446</b>	<b>0</b>	<b>0</b>	<b>4,175,060</b>			

\*\*\* Cash and Investments transactions have not been completed. Further information required for term deposit

## Note 5 Receivables

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY									
For the Period Ended 30 November 2018									
Receivables - Rates and other Rates Receivable	YTD 30 Nov 2018	30 Jun 2018	Receivables - General	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$		\$	\$	\$	\$	\$	\$
Opening Arrears Previous Years	41,494	230,941	Receivables - General	0	104,725	32,385	15,907	85,019	238,036
Levied This Year	249,119	237,825	Balances per Trial Balance						
Other Rate Charges	0		Sundry Debtors						122,760
Less Collections to date	(100,344)	(230,407)	Receivables - Other						
Equal Current Outstanding	190,269	238,359	Accruals						
<b>Net Rates Collectable</b>	<b>190,269</b>	<b>238,359</b>	<b>Total Receivables General Outstanding</b>						<b>360,796</b>
% Collected	35%	49%	Amounts shown above include GST (where applicable)						



## Note 6 Payables

<b>NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY</b>						
<b>For the Period Ended 30 November 2018</b>						
<b>Payables</b>	<b>Credit</b>	<b>Current</b>	<b>30 Days</b>	<b>60 Days</b>	<b>90+ Days</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$
Payables - General		0	0	0	12,042	12,042
<b>Balances per Trial Balance</b>						
<b>Sundry Payables</b>						<b>12,042</b>
<b>Payables - Other</b>						
Payroll Payables						0
ATO Liability						192,972
Accrued Expenses						0
Other						36,358
<b>Total Payables - Other</b>						<b>229,330</b>
					<b>Total Payables</b>	<b>241,371</b>
Amounts shown above include GST (where applicable)						

## Note 7 Cash Backed Reserves

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY										
For the Period Ended 30 November 2018										
Reserves	Opening Balance	Original Budget Interest Earned	Actual Interest Earned	Original Budget Transfers In (+)	Actual Transfers In (+)	Original Budget Transfers Out (-)	Actual Transfers Out (-)	Transfer out Reference	Current Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset Replacement/Acquisition Reserve	846,604	6,000	6,183	0	6,183	(625,253)	(625,253)	0	227,351	233,716
Cultural Centre Reserve	6,730	47	0	0	0	0	0	0	6,777	6,730
Employee Entitlement Reserve	0	0	0	0	300,000	0	0	0	0	300,000
	<b>853,334</b>	<b>6,047</b>	<b>6,183</b>	<b>0</b>	<b>306,183</b>	<b>(625,253)</b>	<b>(625,253)</b>	<b>0</b>	<b>234,128</b>	<b>540,446</b>

## Note 8 Rating Information

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY											
For the Period Ended 30 November 2018											
Rate	Rate In	Number of Properties	Rateable Value	YTD Actual				Original Budget			
				Rate Revenue	Interim Rates	Back Rates	Total Revenue	Rate Revenue	Interim Rate	Back Rate	Total Revenue
<b>General Rate</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
UV General Rate	0.210000	34	908,944	249,119	0	0	249,119	190,877	0	0	190,877
<b>Sub-Totals</b>		34	908,944	249,119	0	0	249,119	190,877	0	0	190,877
<b>Mininum Payments</b>	<b>Mininum \$</b>										
UV General Rate	245	0	0	0	0	0	0	0	0	0	0
<b>Sub-Totals</b>		0	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>34</b>	<b>908,944</b>	<b>249,119</b>	<b>0</b>	<b>0</b>	<b>249,119</b>	<b>190,877</b>	<b>0</b>	<b>0</b>	<b>190,877</b>
<b>Discounts on Rates</b>							0				0
<b>Amounts from General Rates</b>							<b>249,119</b>				<b>190,877</b>
Ex-Gratia Rates							0				64,882
							<b>249,119</b>				<b>255,759</b>

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## Note 9 Information on Borrowings

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(a) Debenture Repayments

The Shire does not have any borrowings.

(b) New Debentures

There were not new debentures as at reporting date.

(c) Unspent Debentures

The Shire had no unspent debenture funds as at reporting date.

(d) Overdraft

The shire does not currently have any overdraft facilities set-up.

## Note 10 Grants and Contributions

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY								
For the Period Ended 30 November 2018								
Grants	Grant Provider	2018-19 Original Budget	2018-19 Original Budget		Variations Additions/(Deletions)		Recoup Status	
			Operating	Capital	Operating	Capital	Received	Not Received
	\$	\$	\$	\$	\$	\$	\$	\$
<b>General Purpose Funding</b>								
General Grants (Untied)	WALGGC	1,495,340	1,495,340				794,294	701,047
Governance								
Licensing Commission	DoT	2,500	2,500				791	1,709
Health								
Grant-Environmental Health Program WA Health Dept	DoH	105,000	105,000				62,837	42,163
Education and Welfare								
Grant - DCD		309,000	309,000				77,250	231,750
Grant - Youth Program		0	0				0	0
Community Amenities								
FAHCSIA - NJCP	FAHSCIA	0	0				0	0
Recreation and Culture								
Contributions Bus Hire		0	0				0	0
Contributions and Reimbursements Other	Various	0	0				0	0
Transport								
Grants - Direct	MRWA	141,205	141,205				141,205	0
Grant-Strategic Funds-Outback Way/GCR	MRWA	540,000	540,000				277,000	263,000
Fed, Roads Grant (untied)	MRWA	265,204	265,204				159,208	105,997
Govt Grant - Road to Recovery	Dept of Infrastructure	3,507,669		3,507,669			1,220,324	2,287,345
Govt Grants - Special Purpose	MRWA	986,000		986,000			606,800	379,200
Govt Grant - Outback Highway		4,194,006		4,194,006			0	4,194,006
Govt Grants - Special Purpose		327,641	327,641				196,440	131,201
Other Property and Services								
Reimbursements	Various	0	0				35,338	0
Advertising Rebates	Various	0	0				0	0
		<b>11,873,565</b>	<b>3,185,890</b>	<b>8,687,675</b>	<b>0</b>	<b>0</b>	<b>3,571,486</b>	<b>8,337,417</b>

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## **Note 11 Trust Funds**

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There are no funds held at balance date over which the Shire has no control.

## Note 12 Material Variances

### NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY For the Period Ended 30 November 2018

Details and explanations of the material variances reflected on the Statement of Financial Activity are provided below as required by Local Government (Financial Management) Regulation 34(1) (d). pq Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold of 10%.

Reporting Program	Variance	Variance	Var.	Timing/ Permanent	Explanation of Variance
<b>Operating Revenues</b>	\$	%			
Governance	(251)	-24%	▼	Permanent	DoT Licencing Commission under
General Purpose Funding - Rates	58,242	100%	▲	Timing	
General Purpose Funding - Other	50,652	7%		Timing	
Law, Order, Public Safety	(12)	-3%	▼		
Health	22,837	100%	▲	Timing	
Education and Welfare	(2,948)	-4%			
Housing	12,265	245%	▲	Timing	
Community amenities	105,652	21130%	▲	Timing	Rubbish charges
Recreation and Culture	32,354	34%	▲	Timing	CRC
Transport	64,406	9%			
Economic Services	4,103	91%	▲	Timing	
Other Property and Services	58,720	100%	▲	Permanent	Rbt Workers Comp
<b>Operating Expense</b>					
Governance	20,403	-23%	▼	Timing	
General Purpose Funding - Rates	(4,768)	38%	▲	Permanent	Bad debts
General Purpose Funding - Other	-	0%			
Law, Order, Public Safety	19,380	-42%	▼	Timing	
Health	42,319	-18%	▼	Timing	
Education and Welfare	132,450	-27%	▼	Timing	
Housing	356	0%			
Community Amenities	68,972	-24%	▼	Timing	
Recreation and Culture	40,906	-9%	▼		
Transport	304,690	-19%	▼	Timing	
Economic Services	16,788	-21%	▼	Timing	
Other Property and Services	877	-13%	▼	Timing	
<b>Funding Balance Adjustments</b>					
Add back Depreciation	(54,616)	-10%	▼		
Adjust (Profit)/Loss on Disposal	25,937	0%			
<b>Capital Revenues</b>					
Grants, Subsidies and Contributions	791,124	76%	▲	Timing	
Proceeds from Disposal of Assets	-	0%			
<b>Capital Expenses</b>					
Land & Buildings	14,843	-40%	▼	Timing	Warb Oval Shade
Furniture & Equipment	2,083	-100%	▼	Permanent	Computers now Opex
Plant & Equipment	33,293	-34%	▼	Permanent	Plant not proceeding
Infrastructure - Roads	2,266,876	-60%	▼	Timing	
<b>Financing</b>					
Transfer to Reserves	(300,136)	4963%	▲	Timing	



**Shire of Ngaanyatjaraku**  
ON A JOURNEY

Shire of Ngaanyatjaraku  
Monthly Financial report  
For the Period Ending 31 December 2018

Local Government Act 1995

Local Government (Financial Management) Regulations 1996



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# 1 Statement of Financial Activity by Program

Statutory Reporting Program							
For the Period Ended 31 December 2018							
	Note	Original Budget	YTD Budget (a)	YTD Actual (b)	Variance \$ (b)-(a)	Variance % (b)-(a)/(a)	Variance
<b>Operating Revenue</b>		\$	\$	\$	\$	%	
Governance		3,000	1,250	1,003	(247)	-20%	▼
General Purpose Funding - Rates		255,759	190,877	250,826	59,949	100%	▲
General Purpose Funding - Other		1,503,337	752,667	801,595	48,928	7%	
Law, Order, Public Safety		420	420	408	(12)	-3%	
Health		105,200	40,200	62,837	22,637	100%	▲
Education and Welfare		318,000	159,500	155,932	(3,568)	-2%	
Housing		20,000	10,000	17,265	7,265	73%	▲
Community Amenities		87,000	86,000	106,388	20,388	24%	▲
Recreation and Culture		222,307	111,153	90,811	(20,342)	-18%	▼
Transport		1,274,050	709,447	835,229	125,782	18%	▲
Economic Services		7,000	4,500	9,037	4,537	101%	▲
Other Property and Services		0	0	118,607	118,607	100%	▲
<b>Total Operating Revenue</b>		<b>3,796,073</b>	<b>2,066,014</b>	<b>2,449,940</b>	<b>383,926</b>		
<b>Operating Expense</b>							
Governance		(139,103)	(102,039)	(174,126)	(72,087)	71%	▲
General Purpose Funding - Rates		(24,825)	(14,378)	(17,874)	(3,496)	24%	▲
General Purpose Funding - Other		0	0	0	0		
Law, Order, Public Safety		(91,031)	(49,222)	(41,428)	7,794	-16%	▼
Health		(486,746)	(267,304)	(213,246)	54,058	-20%	▼
Education and Welfare		(1,093,416)	(577,552)	(416,835)	160,717	-28%	▼
Housing		(336,166)	(181,965)	(162,689)	19,276	-11%	▼
Community Amenities		(610,465)	(334,881)	(238,614)	96,267	-29%	▼
Recreation and Culture		(872,684)	(499,713)	(424,740)	74,973	-15%	▼
Transport		(2,983,961)	(1,744,682)	(1,497,366)	247,316	-14%	▼
Economic Services		(163,128)	(89,019)	(66,659)	22,360	-25%	▼
Other Property and Services		(12,995)	(7,526)	(31,585)	(24,059)	320%	▲
<b>Total Operating Expenditure</b>		<b>(6,814,520)</b>	<b>(3,868,281)</b>	<b>(3,285,161)</b>	<b>583,120</b>		
<b>Funding Balance Adjustments</b>							
Add back Depreciation		1,366,389	683,196	619,418	(63,778)	-9%	
Adjust (Profit)/Loss on Disposal		0	0	25,937	25,937		
<b>Net Cash from Operations</b>		<b>(1,652,058)</b>	<b>(1,119,071)</b>	<b>(189,866)</b>	<b>929,205</b>		
<b>Capital Revenues</b>							
Grants, Subsidies and Contributions		8,687,675	3,043,669	1,827,124	(1,216,545)	-40%	▼
Proceeds from Disposal of Assets	3	0	0	0	0		
<b>Total Capital Revenues</b>		<b>8,687,675</b>	<b>3,043,669</b>	<b>1,827,124</b>	<b>(1,216,545)</b>		
<b>Capital Expenses</b>							
Land & Buildings	3	(90,000)	(45,000)	(36,645)	8,355	-19%	▼
Furniture and Equipment	3	(5,000)	(2,500)	0	2,500	-100%	▼
Plant & Equipment	3	(233,000)	(116,500)	(63,791)	52,709	-45%	▼
Infrastructure - Roads	3	(9,084,775)	(4,542,388)	(1,869,986)	2,672,402	-59%	▼
<b>Total Capital Expenditure</b>		<b>(9,412,775)</b>	<b>(4,706,388)</b>	<b>(1,970,421)</b>	<b>2,735,966</b>		
<b>Net Cash from Capital Activities</b>		<b>(725,100)</b>	<b>(1,662,719)</b>	<b>(143,298)</b>	<b>1,519,421</b>		
<b>Financing</b>							
Transfer from Reserves	7	625,253	625,253	625,253	0	0%	▼
Transfer to Reserves	7	(6,047)	(6,047)	(306,183)	(300,136)	4963%	▲
<b>Net Cash from Financing Activities</b>		<b>619,206</b>	<b>619,206</b>	<b>319,070</b>	<b>(300,136)</b>		
Net Operations, Capital & Financing		(1,757,952)	(2,162,584)	(14,094)	2,148,490		
Opening Funding Surplus (Deficit)	2	3,179,099	3,179,099	3,179,099	0		
<b>Closing Funding Surplus (Deficit)</b>	2	<b>1,421,147</b>	<b>1,016,516</b>	<b>3,165,005</b>	<b>2,148,490</b>		

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold of 10%.

Refer to the attached Explanation of Material Variances Statement for an explanation of the reasons for the variance.

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

## 2 Statement of Financial Activity by Nature or Type

<b>By Nature or Type</b>					
<b>For the Period Ended 31 December 2018</b>					
	Note	Original Budget	YTD Budget (a)	YTD Actual (b)	Variance \$ (b)-(a)
<b>Operating Revenue</b>		\$	\$	\$	\$
Rates		255,759	190,877	250,826	59,949
Operating Grants, Subsidies and Contributions		3,185,890	1,652,867	1,822,392	169,525
Fees & Charges		316,840	202,020	187,417	(14,603)
Interest Earnings		6,497	3,497	7,302	3,805
Other Revenue		31,087	16,753	120,627	103,874
Profit on Disposal of Assets		0	0	61,376	61,376
<b>Total Operating Revenue</b>		3,796,073	2,066,014	2,449,940	383,926
<b>Operating Expense</b>					
Employee Costs		(2,709,286)	(1,384,190)	(1,267,591)	116,599
Material and Contracts		(2,403,705)	(1,542,205)	(1,191,373)	350,832
Utility Charges (Electricity, Gas, Water etc.)		(95,000)	(47,000)	3,772	50,772
Depreciation on Non-current Assets		(1,366,389)	(683,196)	(619,418)	63,778
Insurance Expense		(123,000)	(123,000)	(128,731)	(5,731)
Other Expenditure		(117,140)	(88,690)	(55,883)	32,807
Loss on Asset Disposal		0	0	(25,937)	(25,937)
<b>Total Operating Expenditure</b>		(6,814,520)	(3,868,281)	(3,285,161)	583,120
<b>Funding Balance Adjustments</b>					
Add back Depreciation		1,366,389	683,196	619,418	(63,778)
Adjust (Profit)/Loss on Disposal		0	0	25,937	25,937
<b>Net Cash from Operations</b>		(1,652,058)	(1,119,071)	(189,866)	929,205
<b>Capital Revenues</b>					
Grants, Subsidies and Contributions		8,687,675	3,043,669	1,827,124	(1,216,545)
Proceeds from Disposal of Assets	3	0	0	0	0
<b>Total Capital Revenues</b>		8,687,675	3,043,669	1,827,124	(1,216,545)
<b>Capital Expenses</b>					
Land & Buildings	3	(90,000)	(45,000)	(36,645)	8,355
Furniture and Equipment	3	(5,000)	(2,500)	0	2,500
Plant & Equipment	3	(233,000)	(116,500)	(63,791)	52,709
Infrastructure - Roads	3	(9,084,775)	(4,542,388)	(1,869,986)	2,672,402
<b>Total Capital Expenditure</b>		(9,412,775)	(4,706,388)	(1,970,421)	2,735,966
<b>Net Cash from Capital Activities</b>		(725,100)	(1,662,719)	(143,298)	1,519,421
<b>Financing</b>					
Transfer from Reserves	7	625,253	625,253	625,253	0
Transfer to Reserves	7	(6,047)	(6,047)	(306,183)	(300,136)
<b>Net Cash from Financing Activities</b>		619,206	619,206	319,070	(300,136)
Net Operations, Capital & Financing		(1,757,952)	(2,162,584)	(14,094)	2,148,490
Opening Funding Surplus (Deficit)	2	3,179,099	3,179,099	3,179,099	0
<b>Closing Funding Surplus (Deficit)</b>	2	1,421,147	1,016,516	3,165,005	2,148,490

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## Note 1 Significant Accounting Policies

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### (a) Basis of Accounting

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected noncurrent assets, financial assets and liabilities.

### Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

### (b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 11.

### (c) Rounding Off Figures

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

### (d) Rates, Grants, Donations and Other Contributions

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

### (e) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows

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

### (f) 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 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.

### (g) Trade and Other Receivables

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

### (h) Inventories

#### 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 sale 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. Finance 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 on to the buyer at this point. Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

### (i) Fixed Assets

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

different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

**(j) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life (excluding freehold land) are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Items are depreciated over their useful lived on a reducing balance basis as follows:

Asset	% per annum
Land & Building	2.00%
Furniture & Equipment	25.00%
Plant & Equipment	17.50%
Infrastructure, Formation	0%
Infrastructure, Pavement	4.32%
Infrastructure, Seal	4.30%
Infrastructure, Kerb	4.94%
Infrastructure, Drainage	3.16%
Infrastructure, Recreation	2.00%

**(k) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council 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.

**(l) Employee Benefits**

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

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

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

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

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of

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

**(m) Interest-bearing Loans and Borrowings**

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

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

**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.

**(n) Provisions**

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

**(o) Current and Non-Current Classification**

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

**(p) Nature or Type Classifications**

**Rates**

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

#### **Operating Grants, Subsidies and Contributions**

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

#### **Non-Operating Grants, Subsidies and Contributions**

Amounts received specifically for the acquisition, construction of new or the upgrading of noncurrent assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations. **Profit on Asset Disposal**

Profit on the disposal of assets including gains on the disposal of long term investments.

Losses are disclosed under the expenditure classifications.

#### **Fees and Charges**

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licenses, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

#### **Service Charges**

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

#### **Interest Earnings**

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

#### **Other Revenue / Income**

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

#### **Employee Costs**

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

#### **Materials and Contracts**

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications,

hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

#### **Utilities (Gas, Electricity, Water, etc.)**

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

#### **Insurance**

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

#### **Loss on asset disposal**

Loss on the disposal of fixed assets.

#### **Depreciation on non-current assets**

Depreciation expense raised on all classes of assets.

#### **Interest expenses**

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

#### **Other expenditure**

Statutory fees, taxes, provision for bad debts, member's fees or levies including WA Fire Brigade Levy and State taxes. Donations and subsidies made to community groups.

### **(q) Program Classifications (Function/Activity)**

#### **Governance**

##### **Objective:**

To provide a decision-making process for the efficient allocation of scarce resources.

##### **Activities:**

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**

##### **Objective:**

To collect revenue to allow for the provision of services.

##### **Activities:**

Rates, general purpose government grants and interest revenue.

#### **Law, Order, Public Safety**

##### **Objective:**

To provide services to help ensure a safer and environmentally conscious community.

##### **Activities:**

Supervision and enforcement of various laws relating to fire prevention and other aspects of public safety including emergency services.

#### **Health**

##### **Objective:**

---

To provide an operational framework for environmental and community health.

**Activities:**

Inspection of food outlets and their control, provision of meat inspection services, noise control and a waste pick-up service.

**Education and Welfare**

**Objective:**

To provide services to children and youth.

**Activities:**

Maintenance of playgroup centre (early years learning) and operation of youth services.

**Housing**

**Objective:**

To provide and maintain staff housing.

**Activities:**

Provision and maintenance of staff housing.

**Community Amenities**

**Objective:**

To provide services required by the community.

**Activities:**

Rubbish collection services, litter control, storm water maintenance and protection of the environment.

**Recreation and Culture**

**Objective:**

To establish and effectively manage infrastructure and resources which will help the social well-being of the community.

**Activities:**

Maintenance of public halls, civic centres, aquatic centre, recreation centres and various sporting facilities. Provision and maintenance of parks and playgrounds. Operation of other cultural facilities.

**Transport**

**Objective:**

To provide safe, effective and efficient transport services to the community.

**Activities:**

Construction and maintenance of roads, streets, footpaths, depot, and traffic control. Cleaning of streets and maintenance of street trees.

**Economic Services**

**Objective:**

To help promote the shire and its economic wellbeing.

**Activities:**

Tourism and area promotion, provision of rural services including weed and vermin control. Building control.

**Other Property and Services**

**Objective:**

To monitor and control council's overheads operating accounts.

**Activities:**

Private works operation, plant repairs, operation costs and administrative costs.

## Note 2 Net Current Funding Position

### NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY For the Period Ended 31 December 2018

Net Current Assets	Note	30 Jun 2018	YTD 31 Dec 2018
		\$	\$
<b>Current Assets</b>			
Cash Municipal	4	2,317,255	2,983,923
Cash Reserves	4	853,334	540,446
Receivables - Rates	5	41,494	191,976
Receivables - Other	5	1,592,323	419,089
Investments		30,934	30,934
Inventories		72,199	72,199
		4,907,538	4,238,566
<b>Less: Current Liabilities</b>			
Payables	6	(539,373)	(275,293)
Provisions		(335,733)	(257,823)
<b>Less: Cash Reserves</b>	7	(853,334)	(540,446)
<b>Net Current Funding Position</b>		<b>3,179,099</b>	<b>3,165,005</b>



## Note 3 Capital – Acquisitions, Funding and Disposal

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY						
For the Period Ended 31 December 2018						
Summary Capital Acquisitions	YTD Actual New/Upgrade (a)	YTD Actual Renewal Expenditure (b)	Original Budget	YTD Budget (d)	YTD Actual Total (c)=(a)+(b)	Variance (c)-(d)
	\$	\$	\$	\$	\$	\$
Land & Buildings	0	(36,645)	(90,000)	(45,000)	(36,645)	8,355
Furniture & Equipment	0	0	(5,000)	(2,500)	0	2,500
Plant & Equipment	0	(63,791)	(233,000)	(116,500)	(63,791)	52,709
Infrastructure - Roads	0	(1,869,986)	(9,084,775)	(4,542,388)	(1,869,986)	2,672,402
<b>Capital Expenditure Totals</b>	<b>0</b>	<b>(1,970,421)</b>	<b>(9,412,775)</b>	<b>(4,706,388)</b>	<b>(1,970,421)</b>	<b>2,735,966</b>
<b>Capital Acquisitions Funded By</b>						
Capital Grants and Contributions			8,687,675	3,043,669	1,827,124	
Other (Disposals & C/Fwd)			0	0	0	
Council Contribution - Operations			725,100	1,662,719	143,298	
<b>Capital Funding Total</b>			<b>9,412,775</b>	<b>4,706,388</b>	<b>1,970,421</b>	
Capital Acquisitions	YTD Actual New/Upgrade	YTD Actual Renewal Expenditure	Original Budget	YTD Budget	YTD Actual Total	Variance (Over)/Under
<b>Land &amp; Building</b>						
EYLC Fencing		0	20,000	10,000	0	10,000
Playgroup/Early Years Learning Centre		0	20,000	10,000	0	10,000
Security upgrade staff housing		36,645	25,000	12,500	36,645	(24,145)
Warbruton Oval Shade Structure		0	25,000	12,500	0	12,500
<b>Land &amp; Building Total</b>	<b>0</b>	<b>36,645</b>	<b>90,000</b>	<b>45,000</b>	<b>36,645</b>	<b>8,355</b>
<b>Furniture &amp; Equipment</b>						
Office Equipment		0	5,000	2,500	0	2,500
<b>Furniture &amp; Equipment Total</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>2,500</b>	<b>0</b>	<b>2,500</b>
<b>Plant &amp; Equipment</b>						
Light Truck		0	20,000	10,000	0	10,000
Vehicle		0	45,000	22,500	0	22,500
Rubbish Truck Warakurna		0	90,000	45,000	0	45,000
Purchase of Vehicle - Toyota PC		63,791	68,000	34,000	63,791	(29,791)
Streetsweeper brush renewal		0	10,000	5,000	0	5,000
<b>Plant &amp; Equipment Total</b>	<b>0</b>	<b>63,791</b>	<b>233,000</b>	<b>116,500</b>	<b>63,791</b>	<b>52,709</b>
<b>Infrastructure - Roads</b>						
Great Central Road - Roads to Recovery		0	3,507,669	1,753,835	0	1,753,835
Great Central Road - MRWA Major		4,589	4,194,106	2,097,053	4,589	2,092,464
Giles Mulga Park RRG		482,846	915,000	457,500	482,846	(25,346)
Jameson Wanam		1,058,584	0	0	1,058,584	(1,058,584)
Warburton Blackstone Road RRG		323,968	468,000	234,000	323,968	(89,968)
<b>Infrastructure Total</b>	<b>0</b>	<b>1,869,986</b>	<b>9,084,775</b>	<b>4,542,388</b>	<b>1,869,986</b>	<b>2,672,402</b>
<b>Grand Total</b>	<b>0</b>	<b>1,970,421</b>	<b>9,412,775</b>	<b>4,706,388</b>	<b>1,970,421</b>	<b>2,735,966</b>

**Note 3 Capital - Acquisitions, Funding and Disposal cont.**

**For the Period Ended 31 December 2018**

<b>Assets Disposed</b>								
<b>Cost</b>	<b>Accum Depr</b>	<b>Proceeds</b>	<b>Profit (Loss)</b>	<b>Description Disposed Asset</b>	<b>Original Budget Profit/(Loss)</b>	<b>Actual Profit/(Loss)</b>	<b>Variance</b>	<b>Comments</b>
\$	\$	\$	\$	\$	\$	\$	\$	
<b>Furniture and Equipment</b>								
80,782	77,917	0	(2,865)	Obsolete items to write off	0	(2,865)	(2,865)	
<b>Plant &amp; Equipment</b>								
262,647	239,575	0	(23,072)	Obsolete items to write off	0	(23,072)	(23,072)	
<b>343,429</b>	<b>317,492</b>	<b>0</b>	<b>(25,937)</b>		<b>0</b>	<b>(25,937)</b>	<b>(25,937)</b>	

## Note 4 Capital and Investments

### NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY For the Period Ended 31 December 2018

Bank Accounts	Municipal	Reserves	Trust	Investments	Total Amount	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$	\$	\$	\$	
<b>(a) Cash Deposits</b>								
Municipal Account	2,981,424				2,981,424	Westpac	Variable	Business
Cash Advance	2,500				2,500			
Trust								
<b>(b) Term Deposit</b>								
Reserves		540,446			540,446	Westpac		
<b>Total</b>	<b>2,983,924</b>	<b>540,446</b>	<b>0</b>	<b>0</b>	<b>3,524,369</b>			

\*\*\* Cash and Investments transactions have not been completed. Further information required for term deposit

## Note 5 Receivables

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY									
For the Period Ended 31 December 2018									
Receivables - Rates and other Rates Receivable	YTD 31 Dec 2018	30 Jun 2018	Receivables - General	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$		\$	\$	\$	\$	\$	\$
Opening Arrears Previous Years	41,494	230,941	Receivables - General	0	104,725	32,385	15,907	85,019	235,465
Levied This Year	250,826	237,825	Balances per Trial Balance						
Other Rate Charges	0		Sundry Debtors						183,624
Less Collections to date	(100,344)	(230,407)	Receivables - Other						
Equal Current Outstanding	191,976	238,359	Accruals						
<b>Net Rates Collectable</b>	<b>191,976</b>	<b>238,359</b>	<b>Total Receivables General Outstanding</b>						<b>419,089</b>
% Collected	34%	49%	Amounts shown above include GST (where applicable)						

## Note 6 Payables

<b>NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY</b>						
<b>For the Period Ended 31 December 2018</b>						
<b>Payables</b>	<b>Credit</b>	<b>Current</b>	<b>30 Days</b>	<b>60 Days</b>	<b>90+ Days</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$
Payables - General		0	0	0	12,042	12,042
<b>Balances per Trial Balance</b>						
<b>Sundry Payables</b>						<b>12,042</b>
<b>Payables - Other</b>						
Payroll Payables						198
ATO Liability						226,695
Accrued Expenses						0
Other						36,358
<b>Total Payables - Other</b>						<b>263,251</b>
					<b>Total Payables</b>	<b>275,293</b>
Amounts shown above include GST (where applicable)						

## Note 7 Cash Backed Reserves

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY										
For the Period Ended 31 December 2018										
Reserves	Opening Balance	Original Budget Interest Earned	Actual Interest Earned	Original Budget Transfers In (+)	Actual Transfers In (+)	Original Budget Transfers Out (-)	Actual Transfers Out (-)	Transfer out Reference	Current Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset Replacement/Acquisition Reserve	846,604	6,000	6,183	1,613,285	6,183	(625,253)	(625,253)	0	1,840,636	233,716
Cultural Centre Reserve	6,730	47	0	63,500	0	0	0	0	70,277	6,730
Employee Entitlement Reserve	0	0	0	0	300,000	0	0	0	0	300,000
	<b>853,334</b>	<b>6,047</b>	<b>6,183</b>	<b>1,676,785</b>	<b>306,183</b>	<b>(625,253)</b>	<b>(625,253)</b>	<b>0</b>	<b>1,910,913</b>	<b>540,446</b>

## Note 8 Rating Information

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY											
For the Period Ended 31 December 2018											
Rate	Rate In	Number of Properties	Rateable Value	YTD Actual				Original Budget			
				Rate Revenue	Interim Rates	Back Rates	Total Revenue	Rate Revenue	Interim Rate	Back Rate	Total Revenue
General Rate	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
UV General Rate	0.210000	34	908,944	250,826	0	0	250,826	190,877	0	0	190,877
<b>Sub-Totals</b>		34	908,944	250,826	0	0	250,826	190,877	0	0	190,877
<b>Minumum Payments</b>	<b>Minumum \$</b>										
UV General Rate	245	0	0	0	0	0	0	0	0	0	0
<b>Sub-Totals</b>		0	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>34</b>	<b>908,944</b>	<b>250,826</b>	<b>0</b>	<b>0</b>	<b>250,826</b>	<b>190,877</b>	<b>0</b>	<b>0</b>	<b>190,877</b>
<b>Discounts on Rates</b>							0				0
<b>Amounts from General Rates</b>							<b>250,826</b>				<b>190,877</b>
Ex-Gratia Rates							0				64,882
							<b>250,826</b>				<b>255,759</b>

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## Note 9 Information on Borrowings

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(a) Debenture Repayments

The Shire does not have any borrowings.

(b) New Debentures

There were not new debentures as at reporting date.

(c) Unspent Debentures

The Shire had no unspent debenture funds as at reporting date.

(d) Overdraft

The shire does not currently have any overdraft facilities set-up.



## Note 10 Grants and Contributions

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY								
For the Period Ended 31 December 2018								
Grants	Grant Provider	2018-19 Original Budget	2018-19 Original Budget		Variations Additions/(Deletions)		Recoup Status	
			Operating	Capital	Operating	Capital	Received	Not Received
	\$	\$	\$	\$	\$	\$	\$	\$
<b>General Purpose Funding</b>								
General Grants (Untied)	WALGGC	1,495,340	1,495,340				794,294	701,047
<b>Governance</b>								
Licensing Commission	DoT	2,500	2,500				1,003	1,497
<b>Health</b>								
Grant-Environmental Health Program WA Health Dept	DoH	105,000	105,000				62,837	42,163
<b>Education and Welfare</b>								
Grant - DCD		309,000	309,000				154,500	154,500
Grant - Youth Program		0	0				0	0
<b>Community Amenities</b>								
FAHCSIA - NJCP	FAHSCIA	0	0				0	0
<b>Recreation and Culture</b>								
Contributions Bus Hire		0	0				0	0
Contributions and Reimbursements Other	Various	0	0				550	0
<b>Transport</b>								
Grants - Direct	MRWA	141,205	141,205				141,205	0
Grant-Strategic Funds-Outback Way/GCR	MRWA	540,000	540,000				277,000	263,000
Fed, Roads Grant (untied)	MRWA	265,204	265,204				159,208	105,997
Govt Grant - Road to Recovery	Dept of Infrastructure	3,507,669		3,507,669			1,220,324	2,287,345
Govt Grants - Special Purpose	MRWA	986,000		986,000			606,800	379,200
Govt Grant - Outback Highway		4,194,006		4,194,006			0	4,194,006
Govt Grants - Special Purpose		327,641	327,641				196,440	131,201
<b>Other Property and Services</b>								
Reimbursements	Various	0	0				35,338	0
Advertising Rebates	Various	0	0				17	0
		<b>11,873,565</b>	<b>3,185,890</b>	<b>8,687,675</b>	<b>0</b>	<b>0</b>	<b>3,649,516</b>	<b>8,259,954</b>

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## **Note 11 Trust Funds**

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There are no funds held at balance date over which the Shire has no control.

## Note 12 Material Variances

### For the Period Ended 31 December 2018

Details and explanations of the material variances reflected on the Statement of Financial Activity are provided below as required by Local Government (Financial Management) Regulation 34(1) (d). pq Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold of 10%.

Reporting Program	Variance	Variance	Var.	Timing/ Permanent	Explanation of Variance
<b>Operating Revenues</b>	\$	%			
Governance	(247)	-20%	▼	Permanent	DoT Licencing Commission under
General Purpose Funding - Rates	59,949	100%	▲	Timing	
General Purpose Funding - Other	48,928	7%			
Law, Order, Public Safety	(12)	-3%			
Health	22,637	100%	▲	Timing	
Education and Welfare	(3,568)	-2%			
Housing	7,265	73%	▲	Timing	
Community amenities	20,388	24%	▲	Permanent	Review at Budget Review
Recreation and Culture	(20,342)	-18%	▼	Permanent	Review at Budget Review
Transport	125,782	18%	▲	Timing	
Economic Services	4,537	101%	▲	Timing	
Other Property and Services	118,607	100%	▲	Permanent	Workers Comp & Insurance
<b>Operating Expense</b>					
Governance	(72,087)	71%	▲	Timing	Review at Budget Review
General Purpose Funding - Rates	(3,496)	24%	▲	Permanent	Bad debts
General Purpose Funding - Other	-	0%			
Law, Order, Public Safety	7,794	-16%	▼	Timing	
Health	54,058	-20%	▼	Timing	
Education and Welfare	160,717	-28%	▼	Timing	
Housing	19,276	-11%	▼	Timing	
Community Amenities	96,267	-29%	▼	Timing	
Recreation and Culture	74,973	-15%	▼	Timing	
Transport	247,316	-14%	▼	Timing	
Economic Services	22,360	-25%	▼	Timing	
Other Property and Services	(24,059)	320%	▲	Timing	Review at Budget Review
<b>Funding Balance Adjustments</b>					
Add back Depreciation	(63,778)	-9%			
Adjust (Profit)/Loss on Disposal	25,937	0%			
<b>Capital Revenues</b>					
Grants, Subsidies and Contributions	(1,216,545)	-40%	▼	Permanent	Tfr to Laverton, adj Mid Yr Review
Proceeds from Disposal of Assets	-	0%			
<b>Capital Expenses</b>					
Land & Buildings	8,355	-19%	▼	Timing	Warb Oval Shade
Furniture & Equipment	2,500	-100%	▼	Permanent	Computers now Opex
Plant & Equipment	52,709	-45%	▼	Permanent	Plant not proceeding
Infrastructure - Roads	2,672,402	-59%	▼	Permanent	Tfr to Laverton, adj Mid Yr Review
<b>Financing</b>					
Transfer from Reserves	-	0%			
Transfer to Reserves	(300,136)	4963%	▲	Timing	



**Shire of Ngaanyatjaraku**  
ON A JOURNEY

Shire of Ngaanyatjaraku  
Monthly Financial report  
For the Period Ending 31 January 2019

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

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# 1 Statement of Financial Activity by Program

Statutory Reporting Program							
For the Period Ended 31 January 2019							
	Note	Original Budget	YTD Budget (a)	YTD Actual (b)	Variance \$ (b)-(a)	Variance % (b)-(a)/(a)	Variance
<b>Operating Revenue</b>		\$	\$	\$	\$	%	
Governance		3,000	1,458	1,216	(242)	-17%	▼
General Purpose Funding - Rates		255,759	255,759	252,544	(3,215)	-1%	
General Purpose Funding - Other		1,503,337	753,167	804,704	51,537	7%	
Law, Order, Public Safety		420	420	408	(12)	-3%	
Health		105,200	40,200	62,837	22,637	56%	▲
Education and Welfare		318,000	160,167	233,182	73,015	46%	▲
Housing		20,000	10,000	17,265	7,265	73%	▲
Community Amenities		87,000	86,000	105,288	19,288	22%	▲
Recreation and Culture		222,307	130,790	149,018	18,228	14%	▲
Transport		1,274,050	709,447	953,984	244,537	34%	▲
Economic Services		7,000	4,500	9,037	4,537	101%	▲
Other Property and Services		0	0	118,731	118,731	100%	▲
<b>Total Operating Revenue</b>		<b>3,796,073</b>	<b>2,151,908</b>	<b>2,708,214</b>	<b>556,306</b>		
<b>Operating Expense</b>							
Governance		(139,103)	(108,747)	(63,939)	44,808	-41%	▼
General Purpose Funding - Rates		(24,825)	(16,666)	(21,683)	(5,017)	30%	▲
General Purpose Funding - Other		0	0	0	0		
Law, Order, Public Safety		(91,031)	(51,703)	(45,173)	6,530	-13%	▼
Health		(486,746)	(306,239)	(250,419)	55,820	-18%	▼
Education and Welfare		(1,093,416)	(660,393)	(474,995)	185,398	-28%	▼
Housing		(336,166)	(203,412)	(184,809)	18,603	-9%	
Community Amenities		(610,465)	(383,402)	(272,118)	111,284	-29%	▼
Recreation and Culture		(885,884)	(570,674)	(510,487)	60,187	-11%	▼
Transport		(2,983,961)	(1,985,975)	(1,766,323)	219,652	-11%	▼
Economic Services		(163,128)	(114,655)	(79,997)	34,658	-30%	▼
Other Property and Services		(12,995)	(6,509)	(44,902)	(38,393)	590%	▲
<b>Total Operating Expenditure</b>		<b>(6,827,720)</b>	<b>(4,408,375)</b>	<b>(3,714,845)</b>	<b>693,530</b>		
<b>Funding Balance Adjustments</b>							
Add back Depreciation		1,366,389	797,734	723,608	(74,126)	-9%	
Adjust (Profit)/Loss on Disposal		0	0	25,937	25,937		
<b>Net Cash from Operations</b>		<b>(1,665,258)</b>	<b>(1,458,733)</b>	<b>(257,086)</b>	<b>1,201,647</b>		
<b>Capital Revenues</b>							
Grants, Subsidies and Contributions		8,687,675	3,043,669	1,951,924	(1,091,745)	-36%	▼
Proceeds from Disposal of Assets	3	0	0	0	0		
<b>Total Capital Revenues</b>		<b>8,687,675</b>	<b>3,043,669</b>	<b>1,951,924</b>	<b>(1,091,745)</b>		
<b>Capital Expenses</b>							
Land & Buildings	3	(90,000)	(52,500)	(50,858)	1,642	-3%	
Furniture and Equipment	3	(5,000)	(2,917)	0	2,917	-100%	▼
Plant & Equipment	3	(233,000)	(135,917)	(63,791)	72,126	-53%	▼
Infrastructure - Roads	3	(9,084,775)	(5,299,452)	(2,276,634)	3,022,818	-57%	▼
<b>Total Capital Expenditure</b>		<b>(9,412,775)</b>	<b>(5,490,785)</b>	<b>(2,391,283)</b>	<b>3,099,503</b>		
<b>Net Cash from Capital Activities</b>		<b>(725,100)</b>	<b>(2,447,116)</b>	<b>(439,359)</b>	<b>2,007,757</b>		
<b>Financing</b>							
Transfer from Reserves	7	625,253	625,253	625,253	0	0%	
Transfer to Reserves	7	(6,047)	(6,047)	(309,062)	(303,015)	5011%	▲
<b>Net Cash from Financing Activities</b>		<b>619,206</b>	<b>619,206</b>	<b>316,191</b>	<b>(303,015)</b>		
Net Operations, Capital & Financing		(1,771,152)	(3,286,643)	(380,254)	2,906,389		
Opening Funding Surplus (Deficit)	2	3,179,099	3,179,099	3,179,099	0		
<b>Closing Funding Surplus (Deficit)</b>	2	<b>1,407,947</b>	<b>(107,544)</b>	<b>2,798,845</b>	<b>2,906,389</b>		

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold of 10%.  
Refer to the attached Explanation of Material Variances Statement for an explanation of the reasons for the variance.  
This statement is to be read in conjunction with the accompanying financial statements and notes.

## 2 Statement of Financial Activity by Nature or Type

<b>By Nature or Type</b>					
<b>For the Period Ended 31 January 2019</b>					
	Note	Original Budget	YTD Budget (a)	YTD Actual (b)	Variance \$ (b)-(a)
<b>Operating Revenue</b>		\$	\$	\$	\$
Rates		255,759	255,759	252,544	(3,215)
Operating Grants, Subsidies and Contributions		3,185,890	1,653,075	1,990,779	337,704
Fees & Charges		316,840	218,823	243,446	24,623
Interest Earnings		6,497	3,997	10,411	6,414
Other Revenue		31,087	20,254	121,704	101,450
Profit on Disposal of Assets		0	0	89,331	89,331
<b>Total Operating Revenue</b>		3,796,073	2,151,908	2,708,214	556,306
<b>Operating Expense</b>					
Employee Costs		(2,722,486)	(1,603,745)	(1,424,583)	179,162
Material and Contracts		(2,403,705)	(1,743,289)	(1,354,674)	388,615
Utility Charges (Electricity, Gas, Water etc.)		(95,000)	(47,000)	(1,429)	45,571
Depreciation on Non-current Assets		(1,366,389)	(797,734)	(723,608)	74,126
Insurance Expense		(123,000)	(123,000)	(128,731)	(5,731)
Other Expenditure		(117,140)	(93,607)	(55,883)	37,724
Loss on Asset Disposal		0	0	(25,937)	(25,937)
<b>Total Operating Expenditure</b>		(6,827,720)	(4,408,375)	(3,714,845)	693,530
<b>Funding Balance Adjustments</b>					
Add back Depreciation		1,366,389	797,734	723,608	(74,126)
Adjust (Profit)/Loss on Disposal		0	0	25,937	25,937
<b>Net Cash from Operations</b>		(1,665,258)	(1,458,733)	(257,086)	1,201,647
<b>Capital Revenues</b>					
Grants, Subsidies and Contributions		8,687,675	3,043,669	1,951,924	(1,091,745)
Proceeds from Disposal of Assets	3	0	0	0	0
<b>Total Capital Revenues</b>		8,687,675	3,043,669	1,951,924	(1,091,745)
<b>Capital Expenses</b>					
Land & Buildings	3	(90,000)	(52,500)	(50,858)	1,642
Furniture and Equipment	3	(5,000)	(2,917)	0	2,917
Plant & Equipment	3	(233,000)	(135,917)	(63,791)	72,126
Infrastructure - Roads	3	(9,084,775)	(5,299,452)	(2,276,634)	3,022,818
<b>Total Capital Expenditure</b>		(9,412,775)	(5,490,785)	(2,391,283)	3,099,503
<b>Net Cash from Capital Activities</b>		(725,100)	(2,447,116)	(439,359)	2,007,757
<b>Financing</b>					
Transfer from Reserves	7	625,253	625,253	625,253	0
Transfer to Reserves	7	(6,047)	(6,047)	(309,062)	(303,015)
<b>Net Cash from Financing Activities</b>		619,206	619,206	316,191	(303,015)
Net Operations, Capital & Financing		(1,771,152)	(3,286,643)	(380,254)	2,906,389
Opening Funding Surplus (Deficit)	2	3,179,099	3,179,099	3,179,099	0
<b>Closing Funding Surplus (Deficit)</b>	2	1,407,947	(107,544)	2,798,845	2,906,389

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

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## Note 1 Significant Accounting Policies

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### (a) Basis of Accounting

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected noncurrent assets, financial assets and liabilities.

### Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

### (b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 11.

### (c) Rounding Off Figures

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

### (d) Rates, Grants, Donations and Other Contributions

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

### (e) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows

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

### (f) 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 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.

### (g) Trade and Other Receivables

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

### (h) Inventories

#### 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 sale 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. Finance 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 on to the buyer at this point. Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

### (i) Fixed Assets

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



different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

**(j) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life (excluding freehold land) are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Items are depreciated over their useful lived on a reducing balance basis as follows:

Asset	% per annum
Land & Building	2.00%
Furniture & Equipment	25.00%
Plant & Equipment	17.50%
Infrastructure, Formation	0%
Infrastructure, Pavement	4.32%
Infrastructure, Seal	4.30%
Infrastructure, Kerb	4.94%
Infrastructure, Drainage	3.16%
Infrastructure, Recreation	2.00%

**(k) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council 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.

**(l) Employee Benefits**

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

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

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

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

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of

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

**(m) Interest-bearing Loans and Borrowings**

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

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

**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.

**(n) Provisions**

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

**(o) Current and Non-Current Classification**

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

**(p) Nature or Type Classifications**

**Rates**

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

#### **Operating Grants, Subsidies and Contributions**

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

#### **Non-Operating Grants, Subsidies and Contributions**

Amounts received specifically for the acquisition, construction of new or the upgrading of noncurrent assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations. **Profit on Asset Disposal**

Profit on the disposal of assets including gains on the disposal of long term investments.

Losses are disclosed under the expenditure classifications.

#### **Fees and Charges**

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licenses, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

#### **Service Charges**

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

#### **Interest Earnings**

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

#### **Other Revenue / Income**

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

#### **Employee Costs**

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

#### **Materials and Contracts**

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications,

hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

#### **Utilities (Gas, Electricity, Water, etc.)**

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

#### **Insurance**

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

#### **Loss on asset disposal**

Loss on the disposal of fixed assets.

#### **Depreciation on non-current assets**

Depreciation expense raised on all classes of assets.

#### **Interest expenses**

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

#### **Other expenditure**

Statutory fees, taxes, provision for bad debts, member's fees or levies including WA Fire Brigade Levy and State taxes. Donations and subsidies made to community groups.

### **(q) Program Classifications (Function/Activity)**

#### **Governance**

##### **Objective:**

To provide a decision-making process for the efficient allocation of scarce resources.

##### **Activities:**

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**

##### **Objective:**

To collect revenue to allow for the provision of services.

##### **Activities:**

Rates, general purpose government grants and interest revenue.

#### **Law, Order, Public Safety**

##### **Objective:**

To provide services to help ensure a safer and environmentally conscious community.

##### **Activities:**

Supervision and enforcement of various laws relating to fire prevention and other aspects of public safety including emergency services.

#### **Health**

##### **Objective:**

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To provide an operational framework for environmental and community health.

**Activities:**

Inspection of food outlets and their control, provision of meat inspection services, noise control and a waste pick-up service.

**Education and Welfare**

**Objective:**

To provide services to children and youth.

**Activities:**

Maintenance of playgroup centre (early years learning) and operation of youth services.

**Housing**

**Objective:**

To provide and maintain staff housing.

**Activities:**

Provision and maintenance of staff housing.

**Community Amenities**

**Objective:**

To provide services required by the community.

**Activities:**

Rubbish collection services, litter control, storm water maintenance and protection of the environment.

**Recreation and Culture**

**Objective:**

To establish and effectively manage infrastructure and resources which will help the social well-being of the community.

**Activities:**

Maintenance of public halls, civic centres, aquatic centre, recreation centres and various sporting facilities. Provision and maintenance of parks and playgrounds. Operation of other cultural facilities.

**Transport**

**Objective:**

To provide safe, effective and efficient transport services to the community.

**Activities:**

Construction and maintenance of roads, streets, footpaths, depot, and traffic control. Cleaning of streets and maintenance of street trees.

**Economic Services**

**Objective:**

To help promote the shire and its economic wellbeing.

**Activities:**

Tourism and area promotion, provision of rural services including weed and vermin control. Building control.

**Other Property and Services**

**Objective:**

To monitor and control council's overheads operating accounts.

**Activities:**

Private works operation, plant repairs, operation costs and administrative costs.

## Note 2 Net Current Funding Position

For the Period Ended 31 January 2019

Net Current Assets	Note	30 Jun 2018	YTD 31 Jan 2019
		\$	\$
<b>Current Assets</b>			
Cash Municipal	4	2,317,255	2,451,098
Cash Reserves	4	853,334	537,142
Receivables - Rates	5	41,494	191,952
Receivables - Other	5	1,592,323	622,240
Investments		30,934	30,934
Inventories		72,199	72,199
		4,907,538	3,905,564
<b>Less: Current Liabilities</b>			
Payables	6	(539,373)	(311,754)
Provisions		(335,733)	(257,823)
<b>Less: Cash Reserves</b>	7	(853,334)	(537,142)
<b>Net Current Funding Position</b>		<b>3,179,099</b>	<b>2,798,845</b>

## Note 3 Capital – Acquisitions, Funding and Disposal

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY						
For the Period Ended 31 January 2019						
Summary Capital Acquisitions	YTD Actual New/Upgrade (a)	YTD Actual Renewal Expenditure (b)	Original Budget	YTD Budget (d)	YTD Actual Total (c)=(a)+(b)	Variance (c)-(d)
	\$	\$	\$	\$	\$	\$
Land & Buildings	0	(50,858)	(90,000)	(52,500)	(50,858)	1,642
Furniture & Equipment	0	0	(5,000)	(2,917)	0	2,917
Plant & Equipment	0	(63,791)	(233,000)	(135,917)	(63,791)	72,126
Infrastructure - Roads	0	(2,276,634)	(9,084,775)	(5,299,452)	(2,276,634)	3,022,818
<b>Capital Expenditure Totals</b>	<b>0</b>	<b>(2,391,283)</b>	<b>(9,412,775)</b>	<b>(5,490,785)</b>	<b>(2,391,283)</b>	<b>3,099,503</b>
<b>Capital Acquisitions Funded By</b>						
Capital Grants and Contributions			8,687,675	3,043,669	1,951,924	
Other (Disposals & C/Fwd)			0	0	0	
Council Contribution - Operations			725,100	2,447,116	439,359	
<b>Capital Funding Total</b>			<b>9,412,775</b>	<b>5,490,785</b>	<b>2,391,283</b>	
Capital Acquisitions	YTD Actual New/Upgrade	YTD Actual Renewal Expenditure	Original Budget	YTD Budget	YTD Actual Total	Variance (Over)/Under
<b>Land &amp; Building</b>						
EYLC Fencing		0	20,000	11,667	0	11,667
Playgroup/Early Years Learning Centre		0	20,000	11,667	0	11,667
Security upgrade staff housing		36,645	25,000	14,583	36,645	(22,062)
Early Years LC Fencing		14,213	0	0	14,213	(14,213)
Warbruton Oval Shade Structure		0	25,000	14,583	0	14,583
<b>Land &amp; Building Total</b>	<b>0</b>	<b>50,858</b>	<b>90,000</b>	<b>52,500</b>	<b>50,858</b>	<b>1,642</b>
<b>Furniture &amp; Equipment</b>						
Office Equipment		0	5,000	2,917	0	2,917
<b>Furniture &amp; Equipment Total</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>2,917</b>	<b>0</b>	<b>2,917</b>
<b>Plant &amp; Equipment</b>						
Light Truck		0	20,000	11,667	0	11,667
Vehicle		0	45,000	26,250	0	26,250
Rubbish Truck Warakurna		0	90,000	52,500	0	52,500
Purchase of Vehicle - Toyota PC		63,791	68,000	39,667	63,791	(24,124)
Streetsweeper brush renewal		0	10,000	5,833	0	5,833
<b>Plant &amp; Equipment Total</b>	<b>0</b>	<b>63,791</b>	<b>233,000</b>	<b>135,917</b>	<b>63,791</b>	<b>72,126</b>
<b>Infrastructure - Roads</b>						
Great Central Road - Roads to Recovery		0	3,507,669	2,046,140	0	2,046,140
Great Central Road - MRWA Major		22,120	4,194,106	2,446,562	22,120	2,424,442
Giles Mulga Park RRG		482,846	915,000	533,750	482,846	50,904
Jameson Wanam		1,447,700	0	0	1,447,700	(1,447,700)
Warburton Blackstone Road RRG		323,968	468,000	273,000	323,968	(50,968)
<b>Infrastructure Total</b>	<b>0</b>	<b>2,276,634</b>	<b>9,084,775</b>	<b>5,299,452</b>	<b>2,276,634</b>	<b>3,022,818</b>
<b>Grand Total</b>	<b>0</b>	<b>2,391,283</b>	<b>9,412,775</b>	<b>5,490,785</b>	<b>2,391,283</b>	<b>3,099,503</b>

Note 3 Capital - Acquisitions, Funding and Disposal cont.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
For the Period Ended 31 January 2019

Assets Disposed								
Cost	Accum Depr	Proceeds	Profit (Loss)	Description Disposed Asset	Original Budget Profit/(Loss)	Actual Profit/(Loss)	Variance	Comments
\$	\$	\$	\$	\$	\$	\$	\$	
<b>Furniture and Equipment</b>								
80,782	77,917	0	(2,865)	Obsolete items to write off	0	(2,865)	(2,865)	
<b>Plant &amp; Equipment</b>								
262,647	239,575	0	(23,072)	Obsolete items to write off	0	(23,072)	(23,072)	
<b>343,429</b>	<b>317,492</b>	<b>0</b>	<b>(25,937)</b>		<b>0</b>	<b>(25,937)</b>	<b>(25,937)</b>	

## Note 4 Capital and Investments

### NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY For the Period Ended 31 January 2019

Bank Accounts	Municipal	Reserves	Trust	Investments	Total Amount	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$	\$	\$	\$	
<b>(a) Cash Deposits</b>								
Municipal Account	2,448,599				2,448,599	Westpac	Variable	Business
Cash Advance	2,500				2,500			
Trust								
<b>(b) Term Deposit</b>								
Reserves		546,203			546,203	Westpac		
<b>Total</b>	<b>2,451,099</b>	<b>546,203</b>	<b>0</b>	<b>0</b>	<b>2,997,301</b>			

\*\*\* Cash and Investments transactions have not been completed. Further information required for term deposit

## Note 5 Receivables

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY									
For the Period Ended 31 January 2019									
Receivables - Rates and other Rates Receivable	YTD 31 Jan 2019	30 Jun 2018	Receivables - General	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$		\$	\$	\$	\$	\$	\$
Opening Arrears Previous Years	41,494	230,941	Receivables - General	0	384,978	85,425	94,925	40,004	605,332
Levied This Year	252,544	237,825	Balances per Trial Balance						
Other Rate Charges	0		Sundry Debtors						16,908
Less Collections to date	(102,085)	(230,407)	Receivables - Other						
Equal Current Outstanding	191,952	238,359	Accruals						
<b>Net Rates Collectable</b>	<b>191,952</b>	<b>238,359</b>	<b>Total Receivables General Outstanding</b>						<b>622,240</b>
% Collected	35%	49%	Amounts shown above include GST (where applicable)						



## Note 6 Payables

<b>NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY</b>						
<b>For the Period Ended 31 January 2019</b>						
<b>Payables</b>	<b>Credit</b>	<b>Current</b>	<b>30 Days</b>	<b>60 Days</b>	<b>90+ Days</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$
Payables - General		152,513	0	0	12,042	164,554
<b>Balances per Trial Balance</b>						
<b>Sundry Payables</b>						<b>164,554</b>
<b>Payables - Other</b>						
Payroll Payables						0
ATO Liability						110,842
Accrued Expenses						0
Other						36,358
<b>Total Payables - Other</b>						<b>147,200</b>
					<b>Total Payables</b>	<b>311,754</b>
Amounts shown above include GST (where applicable)						

## Note 7 Cash Backed Reserves

For the Period Ended 31 January 2019										
Reserves	Opening Balance	Original Budget Interest Earned	Actual Interest Earned	Original Budget Transfers In (+)	Actual Transfers In (+)	Original Budget Transfers Out (-)	Actual Transfers Out (-)	Transfer out Reference	Current Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset Replacement/Acquisition Reserve	846,604	6,000	8,933	1,613,285	0	(625,253)	(625,253)	0	1,840,636	230,283
Cultural Centre Reserve	6,730	47	129	63,500	0	0	0	0	70,277	6,858
Employee Entitlement Reserve	0	0	0	0	300,000	0	0	0	0	300,000
	<b>853,334</b>	<b>6,047</b>	<b>9,061</b>	<b>1,676,785</b>	<b>300,000</b>	<b>(625,253)</b>	<b>(625,253)</b>	<b>0</b>	<b>1,910,913</b>	<b>537,142</b>

## Note 8 Rating Information

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY											
For the Period Ended 31 January 2019											
Rate	Rate In	Number of Properties	Rateable Value	YTD Actual				Original Budget			
				Rate Revenue	Interim Rates	Back Rates	Total Revenue	Rate Revenue	Interim Rate	Back Rate	Total Revenue
<b>General Rate</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
UV General Rate	0.210000	34	908,944	252,544	0	0	252,544	190,877	0	0	190,877
<b>Sub-Totals</b>		34	908,944	252,544	0	0	252,544	190,877	0	0	190,877
<b>Minumum Payments</b>	<b>Minumum \$</b>										
UV General Rate	245	0	0	0	0	0	0	0	0	0	0
<b>Sub-Totals</b>		0	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>34</b>	<b>908,944</b>	<b>252,544</b>	<b>0</b>	<b>0</b>	<b>252,544</b>	<b>190,877</b>	<b>0</b>	<b>0</b>	<b>190,877</b>
<b>Discounts on Rates</b>							0				0
<b>Amounts from General Rates</b>							<b>252,544</b>				<b>190,877</b>
Ex-Gratia Rates							0				64,882
							<b>252,544</b>				<b>255,759</b>

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## Note 9 Information on Borrowings

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(a) Debenture Repayments

The Shire does not have any borrowings.

(b) New Debentures

There were not new debentures as at reporting date.

(c) Unspent Debentures

The Shire had no unspent debenture funds as at reporting date.

(d) Overdraft

The shire does not currently have any overdraft facilities set-up.

## Note 10 Grants and Contributions

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY								
For the Period Ended 31 January 2019								
Grants	Grant Provider	2018-19 Original Budget	2018-19 Original Budget		Variations Additions/(Deletions)		Recoup Status	
			Operating	Capital	Operating	Capital	Received	Not Received
	\$	\$	\$	\$	\$	\$	\$	\$
<b>General Purpose Funding</b>								
General Grants (Untied)	WALGGC	1,495,340	1,495,340				794,294	701,047
<b>Governance</b>								
Licensing Commission	DoT	2,500	2,500				1,216	1,284
<b>Health</b>								
Grant-Environmental Health Program WA Health Dept	DoH	105,000	105,000				62,837	42,163
<b>Education and Welfare</b>								
Grant - DCD		309,000	309,000				231,750	77,250
Grant - Youth Program		0	0				0	0
<b>Community Amenities</b>								
FAHCSIA - NJCP	FAHSCIA	0	0				0	0
<b>Recreation and Culture</b>								
Contributions Bus Hire		0	0				0	0
Contributions and Reimbursements Other	Various	0	0				550	0
<b>Transport</b>								
Grants - Direct	MRWA	141,205	141,205				141,205	0
Grant-Strategic Funds-Outback Way/GCR	MRWA	540,000	540,000				277,000	263,000
Fed, Roads Grant (untied)	MRWA	265,204	265,204				159,208	105,997
Govt Grant - Road to Recovery	Dept of Infrastructure	3,507,669		3,507,669			1,220,324	2,287,345
Govt Grants - Special Purpose	MRWA	986,000		986,000			731,600	254,400
Govt Grant - Outback Highway		4,194,006		4,194,006			0	4,194,006
Govt Grants - Special Purpose		327,641	327,641				287,241	40,400
<b>Other Property and Services</b>								
Reimbursements	Various	0	0				35,461	0
Advertising Rebates	Various	0	0				17	0
		<b>11,873,565</b>	<b>3,185,890</b>	<b>8,687,675</b>	<b>0</b>	<b>0</b>	<b>3,942,702</b>	<b>7,966,891</b>

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## **Note 11 Trust Funds**

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There are no funds held at balance date over which the Shire has no control.

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**Note 12 Material Variances**

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**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 January 2019**

Details and explanations of the material variances reflected on the Statement of Financial Activity are provided below as required by Local Government (Financial Management) Regulation 34(1) (d). pq Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as the adopted materiality threshold of 10%.

Reporting Program	Variance	Variance	Var.	Timing/ Permanent	Explanation of Variance
	\$	%			
<b>Operating Revenues</b>					
Governance	(242)	-17%	▼	Permanent	DoT Licencing Commission und
General Purpose Funding - Rates	(3,215)	-1%			
General Purpose Funding - Other	51,537	7%			
Law, Order, Public Safety	(12)	-3%			
Health	22,637	56%	▲	Timing	
Education and Welfare	73,015	46%	▲	Timing	
Housing	7,265	73%	▲	Timing	
Community amenities	19,288	22%	▲	Permanent	Review at Budget Review
Recreation and Culture	18,228	14%	▲	Permanent	Review at Budget Review
Transport	244,537	34%	▲	Timing	
Economic Services	4,537	101%	▲	Timing	
Other Property and Services	118,731	100%	▲	Permanent	Workers Comp & Insurance
<b>Operating Expense</b>					
Governance	44,808	-41%	▼	Timing	Review at Budget Review
General Purpose Funding - Rates	(5,017)	30%	▲	Permanent	Bad debts
General Purpose Funding - Other	-	0%			
Law, Order, Public Safety	6,530	-13%	▼	Timing	
Health	55,820	-18%	▼	Timing	
Education and Welfare	185,398	-28%	▼	Timing	
Housing	18,603	-9%			
Community Amenities	111,284	-29%	▼	Timing	
Recreation and Culture	60,187	-11%	▼	Timing	
Transport	219,652	-11%	▼	Timing	
Economic Services	34,658	-30%	▼	Timing	
Other Property and Services	(38,393)	590%	▲	Timing	Review at Budget Review
<b>Funding Balance Adjustments</b>					
Add back Depreciation	(74,126)	-9%			
Adjust (Profit)/Loss on Disposal	25,937	0%			
<b>Capital Revenues</b>					
Grants, Subsidies and Contributions	(1,091,745)	-36%	▼	Permanent	Trf to Laverton, adjust at Budget Review
Proceeds from Disposal of Assets	-	0%			
<b>Capital Expenses</b>					
Land & Buildings	1,642	-3%			
Furniture & Equipment	2,917	-100%	▼	Permanent	Computers now OpEx
Plant & Equipment	72,126	-53%	▼	Permanent	Plant not proceeding Trf to Laverton, adjust at Budget
Infrastructure - Roads	3,022,818	-57%	▼	Permanent	Review & Outback Way under
<b>Financing</b>					
Transfer from Reserves	-	0%			
Transfer to Reserves	(303,015)	5011%	▲	Timing	





## TAX INVOICE

Ngaanyatjarraku, Shire of  
PMB 87  
KALGOORLIE WA 6630

**Invoice Date**  
30 Nov 2018

**Invoice Number**  
INV-0847 J598 Ng Youth Services  
Manager Schedule of Rates Claim 1

**Reference**  
PO16406

**ABN**  
89 154 888 883

Core Business Australia Pty  
Ltd  
PO Box 797  
BUSSELTON WA 6280  
AUSTRALIA

Description	Amount
Client Order No: Job No: J00598 Name: Youth Services Manager Schedule of Rates - November 2018	
Claim 1 as per attached spreadsheet	26,528.52
Subtotal	26,528.52
Total GST 10%	2,652.85
Invoice Total	29,181.37
Total Net Payments	0.00
<b>Amount Due</b>	<b>29,181.37</b>

**Due Date: 14 Feb 2019**

## PAYMENT ADVICE

EFT payments are preferred

**Payments terms are strictly 14 days**

Core Business Australia Pty Ltd  
BSB: 036122

Acc# 501246

**Customer** Ngaanyatjarraku, Shire of  
**Invoice Number** INV-0847 J598 Ng Youth Services  
Manager Schedule of Rates Claim 1

**Amount Due** 29,181.37

**Due Date** 14 Feb 2019

**Amount Enclosed**

Enter the amount you are paying above



# TAX INVOICE

Ngaanyatjarraku, Shire of  
PMB 87  
KALGOORLIE WA 6630

**Invoice Date**  
31 Dec 2018

**Invoice Number**  
INV-0848 J598 Ng Youth Services  
Manager Schedule of Rates Claim 2

Core Business Australia Pty  
Ltd  
PO Box 797  
BUSSELTON WA 6280  
AUSTRALIA

**Reference**  
PO16406

**ABN**  
89 154 888 883

Description	Amount
Client Order No: Job No: J00598 Name: Youth Services Manager Schedule of Rates - December 2018	
Claim 2 as per attached spreadsheet	18,887.41
Subtotal	18,887.41
Total GST 10%	1,888.74
Invoice Total	20,776.15
Total Net Payments	0.00
<b>Amount Due</b>	<b>20,776.15</b>

**Due Date: 14 Feb 2019**

## PAYMENT ADVICE

EFT payments are preferred

**Payments terms are strictly 14 days**

Core Business Australia Pty Ltd  
BSB: 036122

Acc# 501246

**Customer** Ngaanyatjarraku, Shire of  
**Invoice Number** INV-0848 J598 Ng Youth Services  
Manager Schedule of Rates Claim 2

**Amount Due** 20,776.15

**Due Date** 14 Feb 2019

**Amount Enclosed**

Enter the amount you are paying above

# ACTION SHEET

Health & Building Officer – Philip Swain

**Dates on Site: 30th January – 7th February 2019**

**Next site visit: 21st – 28th February 2019**

(Note the HBO has had to put back the January visit to the end of the month due to having surgery in December – A normal schedule of visits will resume as soon as possible)

Date	Subject	Action Taken
January 2019	Aboriginal Environmental Health Worker Programme Report	Administration has agreed to include a monthly summary of activities associated with the AEHW programme. The first summary is attached to this report. <b>Action: PS to include monthly AEHW report with the action sheet for the information of Council each month.</b>
25 January 2019	Building Permit Application Blackstone Consulting Room	I have issued the Building Permit for a new consulting room to be constructed behind the Clinic in Blackstone. The fees have been invoiced and I have commenced lodging the permit on the Building Commission database. <b>Action: PS to progress applications and permit once plumbing details are received.</b>
30 January 2019	Building Permit Application Wanarn Respite Facility	I am progressing a subsequent forward works Building Permit Application for the Wanarn Respite Centre from NCAMS. I have received the septic installation applications for the three (3) proposed buildings, and will have to refer one to the Department of Health for approval. <b>Action: PS to progress applications and permits.</b>
January 2019	Warburton Pool Operation	The Manager advises the pool is operating well and the January samples were again compliant for the pool. <b>Action: Routine monitoring to occur monthly</b>
January 2019	NATSIEH Conference 2019 Perth - Working Group	The working group is meeting via teleconference approximately fortnightly and arrangements are progressing well with a theme, artwork for the merchandise and the venue all being finalised. The registration fee is again to be kept very low to enable as many EHW's as possible to attend. The first call for papers will be issued shortly. It is hoped that the EH Worker Team will present on behalf of the Shire at the conference on local Ngaanyatjarra initiatives. <b>Action: No action pending further meetings.</b>
January 2019	Waste Collection Staffing	The Shire continues to advertise a position at Jameson for a waste collection worker due to the lack of regular refuse collection in the community. A community staff Member is maintaining the service within the community in addition to his maintenance

		<p>role, however there has been no one in the community come forward interested in the position. In Warburton, we have had continued difficulty with a reluctance of people in community to report for work on the refuse vehicle and several workers away from community. The Wanarn waste collection vehicle has been brought to Warburton for repairs after being severely damaged by the former worker. The worker has been charged by Police and the damage is in excess of \$5000. The EHFSO is liaising with the Wanarn CSM to try and appoint a new refuse worker.</p> <p><b>Action: Administration attempting to maintain staff for waste collection in Jameson, Warburton and Wanarn.</b></p>
January 2019	Dog Programme	<p>Following the agreement of the Acting CEO, and with limited funds available, Dr Bob Irving has agreed to visit the "lands" in March "at cost" to conduct a further treatment of the dog population. The associated costs will entail expenditure on actual drug and chemical treatment and Dr Irving's travel costs. Administration will meet with the Department of Health in March to seek additional funding for the EH Worker Programme, including the Dog Health Programme. The Acting CEO has repeatedly approached Ng Council for assistance to fund the dog programme, but to date, no funds have been made available by the Council.</p> <p><b>Action: No further veterinary visits can be arranged until a funding source is found for the programme.</b></p>
January 2019	Warburton College Ablutions	<p>The new universal access ablution facility at the Warburton college is completed. I am awaiting a Certificate of Completion for the works. As a class 10 structure there is no requirement for occupancy certification on this project.</p> <p><b>Action: PS to record and file Completion Certificate when received.</b></p>
January 2019	Blackstone and Warakurna Community Swimming Pools	<p>In January, the CSM at Blackstone made arrangements for a worker to commence the pool operation in that community. As a result, the pool has been able to open through until the Easter School holidays. Samples were submitted and the pool was cleared for opening. The Warakurna pool will not open this season. Discussions with Ng Council regarding this matter are continuing and it is hoped a funding agreement can be reached to open all pools, during the season, next year.</p> <p><b>Action: Pools closed pending staff funding.</b></p>
January 2019	Waste Oil Transportation	<p>I have for some time now had specific concerns regarding the amount of waste oil (200 litre drums) stored in communities and am exploring options to get the product back to Perth for recycling. Most</p>

		<p>waste oil is from the power stations and there are currently thousands of litres in most communities. The Shire of Leonora have a regular collection of their waste oil and have offered to accept the product and crush and dispose of drums for minimal costs. I had previously approached Ng Services for assistance with the waste oil removal but after initial support for the proposal the funding for the same has not been forthcoming. Ng Services have suggested that Housing should pay for the removal and are currently investigating the same. I have discussed with the ACEO with a view to establishing disposal fees for the same and then compelling the removal by Notice or alternatively seeking the assistance of the Department of Water and Environmental Regulation to compel removal utilising the Environmental Protection Act.</p> <p><b>Action: PS awaiting response from Ng Services/Housing regarding removal of waste oil. Failing this PS to initiate fees and charges report and action to compel removal.</b></p>
January 2019	Uninstalled Shade Structure - Warburton	<p>The structure is to be installed near the softball field and children's playground adjacent to the main oval, if funds can be made available in the 2018-19 budget. The structure is quite substantial and my intention at this stage is to have contractors put up the main structure and have EH worker staff and possibly work camp inmates and CDEP customers assist in filling the "gabion" wall (stoned filled metal caged wall) to complete the shade structure as a community project. A budget allocation has been made in the adopted budget. I am seeking final engineering advice for the footings prior to obtaining a Certificate of Design Compliance for the structure. I have referred the existing drawings to another contract Building Surveyor and requested his advice regarding the engineering.</p> <p><b>Action: PS to arrange for issue of approvals and footing installation.</b></p>
5 February 2019	Metals X Camp Food Business Inspection	<p>The routine inspection was carried out with no major issues identified. Some monitoring issues need addressing (temperatures and pest control) and sanitising procedures need to be better implemented. information and advice has been provided.</p> <p><b>Action: No further action pending next routine inspection</b></p>
6 February 2019	Irrunytju Store Wingellina Food Business Inspection	<p>The routine inspection was conducted with the store under new management. The store is currently only selling packaged product. There were minor issues only identified with date marking of some foods and minor maintenance. The community is hoping to refurbish the existing kitchen in the short to medium term.</p>

		<b>Action: No further action pending next routine inspection</b>
6 February 2019	Blackstone Store Papulankutja Food Business Inspection	The routine inspection was conducted with the store under temporary managers and new managers arriving next week. The store is currently only selling packaged product but is in a poor state. I have advised that I will review the situation next month when the new Managers are on site but that an Improvement Notice may be issued. I have referred the matter to the CSM and will liaise with her when I return next month. <b>Action: PS to review condition and cleanliness of store with the new Managers.</b>
Pending	Wild Dog Issues – Cassini Resources Minesite and Warakurna Community	Whilst predominantly a Land Management issue the Shire has been trying to assist with the control of wild dogs at these two locations. In recent months the problems have become substantially worse. It is hoped that Land Management can take the lead on this issue as part of the WA Wild Dog Action Plan and I have forwarded relevant information to Alex Knight. The ACEO has also sought independent legal advice on this matter which confirms that the Shire does not have any real jurisdiction in relation to wild dog control as distinct from Dog Act matters which the Shire could choose to enforce via its own local laws. <b>Action: PS to continue liaison with Land Management and agencies to establish a better wild dog control regime within the Shire</b>
Pending	Blackstone Waste Site relocation	The temporary trench and the previous trench area have been pushed over and cleaned up. Temporary Signage has been installed and final signage is being ordered for the new site. <b>Action: EHFSO to arrange signage for permanent installation now the trench is constructed.</b>
Pending	Community Service Summary – Public Health Plan	I have met with the Consultant in Perth in October and discussed the second draft of the baseline report. The consultant is preparing a final draft document which will present the statistical information in a diagrammatic format to assist readers of the document in understanding the Shire's priority setting, based on the same. <b>Action: Public Health Plan development to be included in the Corporate Business Plan and baseline report to be finalised for submission to Council.</b>
Pending	Swimming Pool Sampling and Procedures	I have reviewed the previous documentation on the pools and located procedure manuals for the Blackstone and Warakurna pools. I will provide updated manuals in conjunction with the Youth Services review and the staffing of community pools being resolved.

		<b>Action: PS to provide updated manuals to pool managers if appointed by communities.</b>
Pending	Car Body Removal – Communities	<p>There are approximately 1800 vehicle bodies in stockpiles at Warburton, Jameson, Blackstone Wingellina, Warakurna and Wanarn. It is hoped that Simsmetal can remove vehicles if transport can be obtained at a viable price. As the vehicles will be removed on behalf of communities any income generated for waste metal will go back to the communities themselves. Any funds generated are likely to be low due to the transport distances involved in removal. I have sought costing from NATS to assist with transportation and am waiting for costings.</p> <p><b>Action: Awaiting transportation quotation from NATS and other transport companies.</b></p>
Pending	Tjukurla Community – Waste Issues – Bin Infrastructure	<p>The EHFSO has confirmed that there are enough bin lids and brackets in stock and is making arrangements to get these to Tjukurla for NG Health staff to install. As before, there is limited ability to get the waste site modified as there is no machinery available in Tjukurla, so I will continue to liaise with the Works Supervisor to make some alterations to the site when equipment allows.</p> <p><b>Action: EHFSO to arrange 20-30 bin lids for installation in Tjukurla. PS to pursue machinery time/budget for waste site improvements.</b></p>
Pending	Warburton Roadhouse – Proposed Caravan Park Extensions	<p>The Permit was issued in late July and all reporting and financial aspects of the application have been addressed.</p> <p><b>Action: PS to liaise with Builder and NCAMS during construction of new facilities.</b></p>
Pending	Container Deposit Legislation	<p>I have attended meetings of a working party on the introduction of Container Deposit Legislation in WA. Due to confusion at DWER I have been put on the working party representing Ngaanyatjarra Council and not the Shire as local government. I have discussed this matter with the Shire President and he will advise the Council, at this stage, and has agreed that I should continue on the working party and report to both the Shire and Ng Council on proceedings. Although the issue is some way off, the Shire and Ngaanyatjarra Council need to plan for the eventuality as there will be infrastructure requirements to provide for the service in 2020.</p> <p><b>Action: PS to attend working party meetings and report the Shire and Ng Council on progress toward the CDS implementation.</b></p>
Pending	Issue of Occupancy Certifications for Buildings approved under	<p>A temporary Occupancy Certificate for the Warburton NG Council Store has been issued. The Store was constructed without compliant toilet facilities and has since had the addition of office space within the stores. Whilst the offices are not of</p>

	the 2011 Building Act and the 2012 Regulations	<p>sufficient size to require dual classification (Class 7 &amp; 5) of the building, they still require the construction of a Universal Access Toilet facility. NCAMS have determined to refurbish the caretaker dwelling directly behind the store to make provision for a UAT, however this will need to be completed within 12 months to maintain the Occupancy Certification.</p> <p><b>Action: PS to liaise with NCAMS regarding the long term resolution of the OC at the Warburton Stores.</b></p>
Pending	Waste Services Warakurna	<p>I have discussed the shortcomings of the Warakurna Landfill with the Works Supervisor and he will endeavour to have machinery divert to modify the trench by lifting the floor by 500mm when the contractors are next in the area.</p> <p><b>Action: PS to liaise with CSM and Elves Brites for machinery time to modify the trench.</b></p>
Pending	Warburton Drainage Issues	<p>Previously I had been unable to locate any surveys of the drainage network, or contour surveys for the settlement. These are needed to develop improvements to the current drainage scheme. This issue has not been progressed since March 2015, but its need has been highlighted with various rain events. The adopted budget includes funding to modify the section of road through the Warburton Community. To do this, a flood study will need to be done first and the ACEO is planning to have the consultants include the community drainage issues in that project. Once this consultancy has reported the Shire will have the information to determine what drainage needs to be modified.</p> <p><b>Action: Awaiting drainage/flood study to determine necessary works.</b></p>
Pending	NATS deliveries to Communities	<p>I have received further complaints from store and Roadhouse Managers regarding the condition of food delivered to communities. I had previously written to NATS and requested that they ensure proper logistics are in place for the cold chain and that temperature records be made available. I am in the process of following this issue up with the Manager at NATS.</p> <p><b>Action: PS to liaise with NATS to ensure food is being properly temperature controlled during transportation and that containers are sealed to prevent dirt and dust contamination.</b></p>
Pending	Trachoma Screening 3-7 September 2018	<p>WA Country Health Service conducted the Trachoma screening for children within Ngaanyatjarra Communities in September. The EH worker team followed up cases and conducting bathroom inspections, providing health hygiene packs and educating residents with the clean faces strong eyes message. Early results suggest that the Trachoma issue is still a substantial problem in the Shire's communities</p>



		<b>Action: PS to report screening results when available.</b>
Pending	New Arts Centre Warakurna	<p>I have provided advice to the community and services regarding a suitable location for the proposed new arts centre. The lots being investigated are Lot 39 and Lot 109 on the Community Layout Plan. Lot 39 is Zoned Community Purposes under the CLP and the proposed use is compatible. Lot 109 is zoned Recreation and the definitions in the CLP suggest such areas should be allocated to active and passive recreation. Given the unusual shape of the lot, the intention was for it to be a vegetation link running through the community areas. The CLP can be amended relatively easily but if Lot 39 is workable it would seem to be the most compatible location without having to resort to amendment.</p> <p><b>Action: Nil pending further progress of the proposal by community.</b></p>
Pending	Multi-Purpose Police Facility Refurbishments	<p>The Shire has received advice regarding refurbishment and the installation of some temporary buildings at the Multi Functional Police Facilities at Blackstone, Warakurna , Warburton, Warburton. The temporary facilities will be utilised for approximately 14 weeks at each site and will require building permits but not issued by the Shire. I have advised the Police Service that the Shire does not have building permit jurisdiction in relation to the proposed building works.</p> <p><b>Action: No further action pending receipt of state government approvals for any relevant works.</b></p>

<b>Municipal Waste Team</b>	<b>Activities</b>	<b>Comment</b>	<b>Staff present on day</b>
1/01/2019	Public Holiday	New Year's Day	none
2/01/2019	No municipal waste staff	Cameron Giles in prison	none
3/01/2019	No municipal waste staff	Brett Collard not in community	none
4/01/2019	Bins emptied on 4th Street, 11th St and 17th St	Toby Moonlight 2-4:30pm	Toby Moonlight
5/01/2019			
6/01/2019			
7/01/2019	Community bins	Toby Moonlight 2-4:30pm	Toby Moonlight
8/01/2019	Bins emptied on 5th Street, 6th St, 9th St and 19th St	Brett Collard not in community	Toby Moonlight
9/01/2019	Tip truck refuelled, Toby Moonlight to use tip truck today to pick up rubbish on 2nd St, 11th St, 15th St and 17th St	Timesheets submitted	Toby Moonlight
10/01/2019	5th, 6th 7th and 19th Street emptied	Toby only	Toby Moonlight
11/01/2019	Area near 14th St cleared of rubbish	Toby only	half day
12/01/2019			
13/01/2019			
14/01/2019	Bins emptied in 2nd St and 17th St	Toby only	MC in Wingellina
15/01/2019	Toby Moonlight repairing second rubbish truck	Toby working with EH workers	EH workers assisting Toby with truck repairs
16/01/2019	Commencement day for Jeff S ; Toby and Jeff on truck together after training by MC	training for Jeff S: tipping the truck	Toby and Jeff on the truck half day today
17/01/2019	Jeff S to sign Letter of Offer, after reading conditions of employment. Toby and Jeff had an incident relating to use of lifter on truck today	Phone call from Brett Collard, he will be in Perth for another 3 weeks	Toby and Jeff on "Green Truck" as main truck at Mechanic

18/01/2019	Jeff S and Toby to use Green Truck until main rubbish truck is repaired	Jeff and Toby	Toby and Jeff on "Green Truck" as main truck at Mechanic
19/01/2019			
20/01/2019			
21/01/2019	Toby requested to work with EHW team for today only, I worked with Jeff on the rubbish truck	Toby working with EHW team	Michael and Jeff on "Green Truck" as main truck at Mechanic
22/01/2019	8:30-8:45am Jeff assisted Garry Proctor with hanging paintings with my permission ; 9 - midday emptying bins at 13th St; FAMS; HACC and Shire Office	Temperature reached 48 degrees today	Limited rubbish collection work due to high temperatures
23/01/2019	Emptying community bins: Pool, Clinic, HACC, Multi Office Complex, community office, Lots 1-6 on 17th St; 14th St; Second St (Elves); 5th and 6th Street	Toby working with EHW team	Manual unloading of Green truck is time consuming
24/01/2019	Emptied bins on 4th St, 5th St, 6th St 19th St, cleared broken branches near street after storm, pickup of branches from Shire Office	Toby working with EHW team	Manual unloading of Green truck takes average 15 minutes to manually unload at tip
25/01/2019	Bins emptied at Pool, Clinic, Store and on streets 7th St, 17th St; PM bin fitted at Multi Office Complex 3 hour job for 2 x persons	Toby working with EH team	Michael and Jeff on "Green Truck" as main truck at Mechanic
26/01/2019			
27/01/2019			
28/01/2019			Public Holiday
29/01/2019	Bins emptied on 2nd, 5th, 10th, 11th, 14th, 15th, 17th St and community bins Community Office, HACC, Store and Clinic	Toby working with EH team	Michael and Jeff on "Green Truck" as main truck at Mechanic
30/01/2019	Bins emptied on 6th St, 7th St, 12th St, 19th St. School bin emptied.	Toby working with EH team	Michael and Jeff on "Green Truck" as main truck at Mechanic

31/01/2019	Checked with Mechanic on progress repairing rubbish trucks. Emptied bins on 3rd St and 4th St. Emptied community bins: Mechanic, HACC, Community Office, Multi Office Complex, School, Clinic and Store (this activity was also listed on EHW activity sheet for this day)	Toby not at work today	Michael and Jeff on "Green Truck" as main truck at Mechanic
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## Activity Report, Early Years Program – February 2019

### Participation data for Semester 2, 2018

#### ❖ IAS KPI Item number 5: Core service provision –

*KPI is set at 11 playgroup sessions per week over approx. 18 weeks of the semester = 198 playgroup sessions.*

#### Number of playgroup sessions for semester 2, 2018:

- Warburton – 76 (Monday to Friday)
- Warakurna – 18 (2 -3 days per week, last session for the facilitator 4/9/18).
- Blackstone – 31 (Mondays and Tuesdays)
- Jameson – 23 (Thursdays and Fridays)

- Total for semester 2: 148 playgroup sessions.

*Notes: Warakurna playgroup was without a staff member from 4/9/18, so there was no playgroup for term 4. In Warburton, there were some weeks with only 4 sessions per week, when Anne was Coordinator of the program and Facilitator of Warburton playgroup.*

#### ❖ IAS KPI Item number 6: Funded positions:

- 3 x full time Early Years program / Playgroup facilitators for Warburton and for Blackstone/ Jameson and for Warakurna, in term 3;
  - 2 x full time in term 4 – without Warakurna position.
- .25 funded by IAS (.75 funded by the Shire): Early Years program Coordinator position

#### ❖ IAS KPI Item 7: Semester 2 Participation numbers:

*(counting each child, adult once during the semester)*

	Number of children	Number of adults	Number of families	Average number of families per session
<b>Warburton</b>	71	114	63	5 -6
<b>Warakurna</b>	16	21	16	3
<b>Blackstone</b>	20	24	18	5
<b>Jameson</b>	25	27	19	5
<b>Semester 2 totals:</b>	<i>132 – 10* = 122 children</i>	<i>186 – 10* = 176 adults</i>	<i>116 – 7* =109 families</i>	

*\*Note: 10 children and 10 adults (from 7 families) participated in more than one community's playgroup during the semester.*

## ACTION SHEET

Acting Youth / Recreation Manager – Mark Weller

**Dates on Site: Various December 2018 – January 2019**

### Key Activities Undertaken

The following key activities were undertaken during the reporting period.

- 1) Review of Youth worker Position Descriptions and update of skills and qualification requirements;
- 2) Travel to each Youth service location (and Wingellina) several times to meet stakeholders and review program quality;
- 3) Liaison with local and other agency stakeholders to discuss the new direction of the program and seek support;
- 4) Liaison with School and Police (WAPOL), plan to deliver breakfast/ literacy program during school holidays;
- 5) Commence leadership program phase 1 – development of Youth team. This included mentoring one of the team members who acted as coordinator for school holiday programs;
- 6) Recruit three new Youth workers (One fulltime and two casuals);
- 7) Delivery of school holiday programs, in Warburton this included:
  - a. 7:30am commencement – Breakfast and literacy program;
  - b. Lunch time session;
  - c. Afternoon session; and
  - d. Evening programs concluding at 10:00pm.
- 8) Delivery of three in-service training days for Youth workers. Topics included:
  - a. Strategic planning for future NG Youth services;
  - b. Coordinating behavioural management across programs so that the same strategies are used in our programs as the schools (reduces confusion for participants);
  - c. Risk assessment across all programs and commencement of development of Job safety analysis;
  - d. Program development (10-week programs rather than day by day programming);
  - e. Debriefing school holiday program – lessons learnt;

### Outcomes

During the next reporting period we intend to implement a new weekly report system which will allow us to gather better data in relation to the Youth program. Statistics will include participation per program, type and duration of activities and a measure of skill development.

Four key measures are available for the recent period. These are both qualitative and quantitative:

#### Measure 1: Increased Programs Offered (Warburton)

Over the school holiday period the Youth program offered activities from 7:30am to 10:00pm. This is a significant increase on the level of service offered by the Shire during previous school holidays.

#### Measure 2: Reduction in Crime (Warburton)

WAPOL statistics indicate that there were 26 burglaries in Warburton from the 15/12/17 to 18/01/18. There were only 3 burglaries from 15/12/18 to 18/01/19. While there could be many reasons for the reduction, anecdotal evidence is that many of the 17/18 burglaries were committed by juvenile offenders and that the interagency cooperation and delivery of the 18/19 summer holiday Youth program contributed to the reduction in Burglaries during this period.

Please note 18/19 figures are subject to verification in accordance with National Crime Recording Standards.

### Measure 3: Improved Staff/ Youth Team Capability

Delivery of the three in-service training sessions has resulted in improving capability for each Youth officer in the areas of behaviour management, programming and risk management. This will in turn lead to better service delivery outcomes within the program.

### Measure 4: Interagency Cooperation

During engagement for the Youth services review a number of agencies reported that they sought greater engagement and cooperation with the Shire.

Written and verbal communication from agencies providing service on the land is that they are very satisfied with the Shires new focus on engagement and working together.

A community and stakeholder survey may be issued in future to measure satisfaction with the Youth program and identify further improvement, or data may be gathered during the Shires regular engagement process occurring around the Strategic Community Plan..

### **Areas for improvement**

The following areas could be improved on in future:

- Youth Sport and Recreation Service to Blackstone and Jameson. Due to a combination of public holidays and staff illness, there was a service outage of several days in Blackstone over the Christmas/ New Years period; One Blackstone staff member has relocated to Warburton and one has resigned. Ben Ngelwe has relocated to Blackstone. We will undertake additional scenario and levels of Service Planning prior to the next school holiday period with the aim of preventing similar outage;
- Service to Wanarn. Services to Wanarn were scheduled to commence in December, however due to the need to utilise Warakurna staff to cover other already open areas, this could not occur. Services to Wanarn are scheduled to commence in the first week of March 2019 as an outreach from Warakurna;and
- Engagement with at risk Youth. Following discussion with the School and WAPOL, a late-night engagement 'Basketball' program was trialed for one week. The aim of this program was for youth workers to engage with youth who do not generally access the program. After one week, the trial was discontinued due to lack of participation. Further measure for engagement with at risk youth will be investigated next reporting period.

### **Planned Activities – Next Reporting Period (Three months)**

Activities planned over the next 3-month period include:

- Hosting a visit to the Lands by Lotterywest to discuss funding opportunities;
- Investigating potential partnerships and operational funding for the Youth program. This includes funding a local leadership program and other improvement initiatives. (there are no guarantees as operational funding is difficult to secure, however this is worth pursuing);
- Commencing development of an interagency Youth strategy with the aim of maximising outcomes and best use of resources for Youth services across the lands;
- Liaison with the Community/ Council with the aim of preparing funding applications to secure capital in future for fit for purpose Youth facilities;
- Continue to develop local team member capability through training and mentoring;
- Develop and implement 'Level of Service' guarantees to inform community members what the program is able to commit to, then achieving these;
- Continue to implement the leadership program. The ultimate aim of this program is that in time local Youth will be trained to become Youth workers; and employment of locals will be at least 50%;
- Implement a structured, skill based, 10-week soccer program across all locations; and

- Commence a second 10-week program based on another activity selected by local Youth.

It is intended that the above activities are commenced in the next three months. Some activities will be longer term and will continue into the next reporting period.

### **Potential Issues**

Due to current levels of uncertainty in relation to Shire financial sustainability (as reported by the CEO in separate agenda items), a Vacant Youth/ Recreation worker position has not been advertised for recruitment.

Some casual cover has been implemented. However given the vacancy (reduction in staff available), we will not be able to ensure levels of service (programs are delivered in accordance with the current roster/ schedule) across all communities (Warburton, Blackstone, Warakurna, Wanarn, Jameson) at all times. Reductions in service (service outages where programs are not delivered on days scheduled) are likely, particularly in smaller communities during non-school holiday periods, while funding options are investigated and solutions implemented. Funding solutions may take up to six months or more.



## Action Report Appendix: Youth Services Review – Service Development Preferred Option Adopted by Council October 2018

### Preferred Option – Staged Service Development

That the Shire continues to manage and proactively develops a Youth Services program with the following features:

- Planning and design of services should be done in a collaborative manner with other agencies. This includes that the Shire offers to coordinate an interagency forum and facilitate development of an interagency Youth plan;
- The Shire collaborate with Community's to develop a facility plan. The Shire assists the Community to upgrade facilities, with the Shires contribution being assisting with scoping and sourcing of capital grants; An initial scope of facilities includes:
  1. A fit for purpose indoor facility in Warburton, Warakurna and Blackstone respectively including:
    - Separate areas for different age groups;
    - Suitable sized indoor court space for basketball and other ball sports;
    - Programable activity space (i.e. art, unstructured recreation and other similar activities);
    - Appropriate amenities.
  2. A fit for purpose outdoor facility in Warburton, Warakurna and Blackstone respectively. Full specifications would be developed during the implementation of recommendations phase of this project;
  3. The Shire initially focuses on enhancing current service delivery (youth activity programs) and due to the scope, cost and funding not currently being defined does not provide 'case management' or 'counselling' services. The demand for, funding and responsible agency for these services will be investigated as part of development of the Interagency Youth Plan;
  4. Service related position descriptions to be reviewed and redefined with updated skill, qualification and experience requirements added. Implementing more appropriate titles to be considered to reduce role confusion;
  5. A structured training program is implemented to provide current workers the opportunity to develop their skills and qualifications;
  6. A new structure of programming is implemented, based on effective programming principles. Key features include:
    - Separation of age groups;
    - Programs and activities are designed to be diverse and engage a range of interests. Programs are variable on a week-by-week basis with the aim of maximising engagement. It would likely be beneficial to retain some elements of this in the program while also adding sequential theme-based activities over an 8-10 week or similar time span. An example would be coordinating age-based soccer programs in all areas, culminating in an intertown competition. Each program would feature skills development sessions, building up over time, and structured games;
    - Programs aimed at recognising and developing potential of participants to become leaders;
    - Programs to foster job ready skills in participants;
    - Fosters activities which are self-sustaining in the long run due to the potential for maximum engagement (i.e. junior sport/ development of sporting leagues/intertown competition);
    - Includes sound role modelling and an intrinsic reward system;
    - Service hours are reviewed with priority on 'high risk' times for anti-social behaviour by youth, providing activities that engage the maximum number of youth possible;
    - A strategic focus on developing the ability of participants to be successful in both the Aboriginal and Non-Aboriginal cultures.
  7. The Shire implements a leadership program with the aim of developing skills to maximise employment of locals (while also encouraging skilled and experienced workers from other areas).