



SHIRE of WYNDHAM | EAST KIMBERLEY

ANNUAL REPORT

2015 | 2016

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I am proud to present the Shire of Wyndham East Kimberley's 2015/16 Annual Report for the year ended 30 June 2016. This report summarises the Shire's performance against the Strategic Community Plan 2012-2022.

The below major projects were identified in the 2014/15 Annual Report and delivered in 2015/16

- Lily Creek Lagoon boat ramp upgrade
- Investigation and designs for the reseal of Wyndham airport runway and taxiways
- Road reseal programme and footpath upgrade for Wyndham.
- Recreation Space Strategy adopted at the March 2016 Ordinary Council Meeting
- Kununurra Aquatic Facility Preliminary Business Case endorsed by Council at the July 2015 Ordinary Council meeting
- Implementation of a 12-month trial of a Takeaway Alcohol Management System (TAMS)

The below major projects have been budgeted for in 2016/17

- Trails Master Plan - funds from the Foreshore Reserve along with funds from an external grant will see the development of a Trails Master Plan. The Trails Master Plan will set out the range of improvements required on existing trails within the Shire and identify future trails, from which residents and visitors can enjoy the Shire's renowned natural, built and cultural assets.
- Implementation of four-year project to improve drainage on Nutwood Crescent and Rosewood Street, Kununurra
- Parking / safety improvements Mangaloo Street
- Coolibah Drive and Ironwood Drive Path improvements
- Wyndham airport upgrades
- Lily Creek boat ramp car park and lighting upgrade
- East Kimberley Regional Airport car park study and upgrade

15/16 Budget Adoption - August

The 15/16 budget saw the recoup of the \$500k budget deficit from the previous financial year through due diligence and accountability allowing the organisation to move towards financial sustainability. The 16/17 financial year is commencing in a more positive light than previous years.

2015/16 saw a new look Council with the election of five new Councillors with the focus remaining on strong community engagement. Council is committed to engaging with the

community on issues that affect them. The Shire will continue to listen, liaise and support the community as we continue to deliver on our strategic priorities.

The Shire regularly invites public comment on matters affecting the community such as:

- Council policies
- Corporate Business Plan
- Draft East Lily Creek Structure Plans
- Draft Local Planning Strategy
- Ivanhoe Crossing Opening
- Local Law Review

In accordance with the State Government's Integrated Planning and Reporting Framework, the Shire's Corporate Business Plan was adopted at the September 2015 Ordinary Council Meeting. The Corporate Business Plan 2015 – 2019 details the services, operations and projects the Shire will deliver within a four-year period, including the processes for delivering these and the costs involved. The plan aligns with the Strategic Community Plan 2012 - 2022 and the 2015/16 Budget, and will be reviewed annually.

The Shire has made significant progress for the region in 2015/16. By continuing to maintain and create infrastructure and engaging with our community we will be well placed to meet the growth period ahead of us. As Shire President I take my responsibility to listen and represent the community very seriously. We are a stronger community when we work together.

I would like to thank my fellow Councillors for their support and commitment to the Shire of Wyndham East Kimberley. I would also like to thank the Chief Executive Officer, Mr Carl Askew his Executive Team and employees for their dedication to providing services and delivering major projects to the municipality.

Regards

A handwritten signature in black ink, appearing to read 'J. Parker', written in a cursive style.

Cr Jane Parker, Shire President



The 2015/16 financial year has been a busy, but productive year for the Shire's Administration. Although it has been a challenging year, there have been many successes. There has been much change, particularly with Council Elected Members and administration staff, but we have also had a number of significant projects progress or be successfully completed. On the whole, the year has seen us diligently working to our goal to serve the community to the best of our collective abilities. It has

been, once again, a privilege to lead this team. Below are a few key areas that have seen progress and completion throughout the 2015/16 year.

Strategic Planning

The Shire has successfully worked to complete its new Local Planning Strategy (LPS) and Planning Scheme (No 9) and in February 2016 received authority from the West Australian Planning Commission to advertise for public comment. Council should be in a position to adopt its new Scheme and Strategy by the end of 2016. In addition, the Shire has also advertised Structure Plans for both the East Lily Creek and Kununurra Civic Precinct.

Our LPS is Council's primary strategic planning framework which guides land use planning over the next 5 – 10 years. During 2017 we will also have the opportunity to work in partnership with the State Government and the Kununurra community to develop and deliver a Growth Plan for the region. It will deliver long term economic benefits which will drive investment, employment and population growth. At the same time, we will also review our own Strategic Community Plan.

Communications

Once again, the Shire has worked at keeping the community informed throughout the year. We have achieved this in a variety of ways, aiming to be as flexible as possible in how our community wishes to stay informed. Some examples of these efforts include;

- SWEK news – This column appears fortnightly in the Echo;
- Local and statutory advertisements;
- Media statements – when the need has arisen Media Statements have been issued directly from the Council and CEO's Office;
- SWEK Website – our website is a constantly updated point of contact for our community
- SWEK Facebook page – which is monitored regularly;
- Admin and Library noticeboards – These hold regularly updated information;
- General Correspondence – Letters received from community.

Of course, we are always happy to welcome face to face conversation at one of our Administration Centres. In addition, where possible, we have also undertaken community engagement specifically for individual projects and issues, none more important than our Budget and Corporate Business Plan consultation.

Elections and Council

One of the anticipated events of 2015/16 was the biannual local government elections. In October 2015 the Shire swore in a new Council for SWEK, including Cr Jane Parker as Shire President. At that election Cr's John Moulden (Shire President), Raymond (Spike) Dessert (Deputy Shire President), Glen Taylor, Don Learbuch and Gary King departed and Councillors Naomi Perry, Simone Rushby, Alma Petherick and Emily Bolto joined Council for the first time, with Cr Parker returning after a short break. I would like to take this opportunity to thank all outgoing Councillors for their commitment and service to their community and welcome the new Council.

During the year a number of issues arose within the Council which detracted from its ability to work as a cohesive team and this was recognised by the Minister for Local Government in May 2015 with the issuing of our first Show Cause Notice, and the ordering of mandatory mediation as an opportunity to resolve issues and move forward.

Unfortunately, the proposed mediation program, approved by the Director General of the DLGC, was not successful and was subsequently withdrawn by the Minister who then issued a second Show Cause Notice to the Council. In September 2016 a number of Councillors resigned and the Minister subsequently declared all positions vacant and appointed a Commissioner to the Shire until the ordinary elections in October 2017.

Shire Operations

I commend the town maintenance staff in both Wyndham and Kununurra for their efforts in maintaining both towns to such a high standard. These staff quietly and efficiently go about their work keeping the parks and gardens presentable, undertaking maintenance and repairs to Shire infrastructure and removing rubbish and litter from our streets and public places. The details of some significant achievements in this area will be outlined in the infrastructure section of this report.

Administration

The organisational structure of the Shire reflects a local government that is responsible for a significant and diverse regional area, with all the challenges of working in a remote part of Western Australia and trying climatic conditions. Quality people are a critical component of any business success and workforce turnover is always a challenge. Whilst we have said farewell to a number of good people we have also welcomed new faces to the SWEK team ready to take up the challenge.

Council has recognised the need to have quality people within the organisation and this year has resourced the Shire in the critical areas of Strategic Planning, Governance and Risk, and Procurement/Tendering. In addition, they have flagged future needs in Asset and Financial Management. We look forward to their contribution and efforts in maintaining and improving our services to residents, ratepayers and visitors.

Financial and Asset Management are critical areas for the future of the Shire and in 2016/17 the Administration will be hiring experienced professionals from these disciplines to assist us in developing and maintaining both long term financial and asset plans which will allow us to focus on priority projects and our long term sustainability.

In 2015/16 the Shire continued its focus on governance and compliance with a comprehensive review of all existing policies. This was a very big task that has ensured that our policies are up-to-date, relevant and useful. Also, the development of new policies and

organisational directives in line with the recommendations of the DLGC's Probity Compliance Audit took place. This was also a big task, but has culminated in the completion of all compliance concerns raised in the Probity report – a huge success for the Shire's Administration Team.

Monthly Ordinary Council Meetings and a number of Special Council meetings took place throughout the year, as well as a number of Audit (Finance and Risk) Committee meetings and Briefing sessions. This resulted in approximately three hundred reports to Council and a significant number of Council decisions (resolutions) and actions for the Administration to implement. This is a significant amount of work, and I will take the time to thank the staff that have tirelessly researched written and advised on each of these reports to Council.

In addition, the Shire continues to be involved with a significant number of committees, some of which are statutory requirements, others are in-house and assist with the decision-making of Council. Other committees relate to external stakeholders, including the West Australian Local Government Association Kimberley Zone and Regional Collaborative Group. The Administration supports Council and individual elected members on the majority of these committees and community bodies.

Budget

This year, commencing in February 2016 with our midyear budget review, Council and staff were involved in the many stages of preparing our budget. The annual budget process is significant in terms of its importance and also the time and resources required to be committed to the process to ensure accuracy and timeliness. This year was different to previous years and included significantly more consultation and engagement with the community both in regard to rating, our Corporate Business Plan and Budget. Council achieved this by undertaking a number of workshops and briefings plus formal reports. This led to significant community engagement in June, acknowledgement of the many community submissions and adoption of its rating model in July 2016, and finally adoption of the budget in September 2016 inclusive of a modest rates increase of 1.3%.

Future Projects

In the 2016/17 year we anticipate further exciting projects, including;

- Working in partnership with the State Government on a Regional Growth Centre Development Plan
- Finalisation of our Local Planning Strategy and Scheme
- Review and Development of a Long Term (10 Year) Financial Plan and Asset Management Plan
- Securing funding for the East Kimberley Regional Airport runway extension
- Advancing works on Lake Argyle Road, Nutwood Crescent and Rosewood Avenue
- Development of our Recreation Space Strategy and Walk Trails Master Plan
- Working with the East Kimberley Marketing Group to investigate and trial direct flights between Melbourne and Kununurra during the 2017 dry season.

As your CEO I would like to express my appreciation to the Shire President, Councillors, the Commissioner and staff for their support throughout 2015/16. It is with great pride that I list the achievements in this report – evidence of our collective effort and skillsets. Not only have we maintained our duty of compliance with all statutory obligations required under legislation throughout the year, we have excelled in additional ventures that benefit the

community as a whole. I would also like to acknowledge the many volunteers for their commitment and efforts to improve our community. I look forward to working with our professional and committed team of staff in the 2016/17 financial year to continue to deliver high quality services to the SWEK community.

Regards

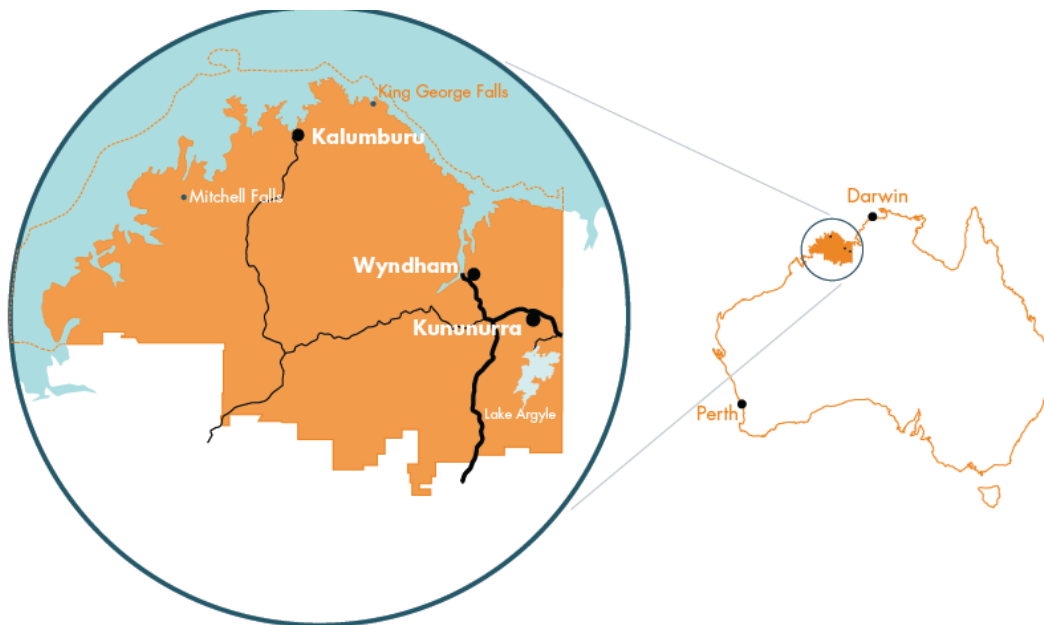
A handwritten signature in black ink, appearing to read 'Carl Askew', written in a cursive style.

Carl Askew, Chief Executive Officer

3 INTRODUCTION

3.1 About Us

The Shire of Wyndham East Kimberley is located in the ruggedly picturesque and sparsely populated north east corner of WA, stretching from the Northern Territory border to the northern most tip of Western Australia (WA). It includes the towns of Kununurra and Wyndham, the township of Kalumburu, over 40 Indigenous communities and a number of small settlements and station homesteads.



The Shire's land area covers 121,000 square kilometres and is one of the four local governments in the Kimberley region. Its population, according to 2011 census data, is 7,799 and 38 percent of Shire residents identify as Indigenous.

HISTORY

Kununurra

Kununurra was formed in the early 1960s to service the construction of the Ord Irrigation Scheme. The town has seen the transformation of ancient river plains into one of the most diverse and productive agricultural areas in Australia. Harnessing the mighty Ord River opened up the area to horticulture, aquaculture, eco-tourism and agri-tourism. From its beginnings as a service town for workers, Kununurra has grown to a population of 6,952 (Australian Bureau of Statistics 2011 Census) and is home to most of the Shire's population.

Wyndham

Wyndham is the second largest town in the Shire and is the most northern town in Western Australia. The population of Wyndham stands at around 850 today, but was once a bustling town, with the arrival of news of gold discoveries at Halls Creek. The Wyndham Port was first established at the base of the Bastion Range in the 1880s and today it provides for the state ship service, the import of fuel, ammonium nitrate and general freight and the export of live cattle, iron ore and nickel.

About the Organisation

The Shire of Wyndham East Kimberley operates under the provisions of the *Local Government Act 1995* (as amended) and associated regulations and is the statutory organisation responsible to the ratepayers and residents within the Shire.

Shire of Wyndham East Kimberley

PO Box 614
Kununurra WA 6743

Email | mail@swek.wa.gov.au
Website | www.swek.wa.gov.au

Shire Offices and Chambers

Kununurra Office

20 Coolibah Drive
Kununurra WA 6743
Ph (08) 9168 4100
Fax (08) 9168 1798

Wyndham Office

Koolama Street
Wyndham WA 6740
Ph (08) 9161 1002
Fax (08) 9161 1295

Office Hours: Monday to Friday 8:00am - 4:00pm

Shire Statistics

Distance from Perth: 3,215 km
Area: 121,189 square km
Length of sealed roads: 249 km
Length of unsealed roads: 1086 km
Population: 6,952 (Australian Bureau of Statistics 2011 Census)
Number of Electors: 3,614 (2015 Electoral Roll)
Total number of Full Time Employees (FTE's): 89.23

Suburbs and Localities

Wyndham, Kununurra (including Hidden Valley, Lakeside, Weaber Plain Road, Packsaddle Road, River Farm Road, Valentine Falls, Ord Irrigation Area and Crossing Falls), Lake Argyle, and Kalumburu.

Significant Local Events

Kimberley Moon Experience, Lake Argyle Swim, Barramundi Concert, Kununurra Agricultural Show, Kimberley Writers Festival, The Gibb Challenge, Ord River Dragon Boat Marathon, Kununurra Rodeo, Kununurra and Wyndham Races, Stars on the Bastion, and Dam 2 Dam.

Local Industry

Tourism, Agriculture, Aquaculture, Mining, and Wyndham Port facilities.

Tourist Attractions

Carboyd Ranges, Celebrity Tree Park, Cockburn Ranges, Drysdale River National Park, Emma Gorge, Five Rivers Lookout (the Bastion), Gibb River Road, The Grotto, Ivanhoe Crossing, Kelly's Knob walking track and lookout, Kununurra Diversion Dam/Lake Kununurra, Lake Argyle, Lily Lagoons, Mirima National Park, Mitchell Plateau, Ord River Irrigation Area, Ord River, Parry's Lagoon Nature Reserve, Pentecost River, Ragged Range, Wyndham Community Fishing Jetty, Zebedee Springs.

Vision

For the East Kimberley to be a thriving community with opportunities for all.

Mission

To enable the East Kimberley to develop in a manner that will achieve social, cultural, economic and environmental benefits for all.

4 COUNCILLORS

Council is responsible for the stewardship and corporate governance of the organisation.










The 9 Elected Members are the elected representatives of all residents and ratepayers across the Shire. They are responsible for providing leadership and guidance, facilitating communication between community and Council, determining Council policy, governing finances and setting the strategic direction of the organisation.

Shire President Jane Parker has served two terms as Councillor, originally from 2005 to 2013 and was then re-elected at the 2015 ordinary election and elected unopposed to the position of Shire president.

Deputy Shire President Keith Wright has also served on Council on four separate occasions, originally from 1972 to 1974, again from 1976 to 1978, then from 1990 to 2011 and re-elected at the October 2013 ordinary election and elected unopposed to Deputy Shire President after the October 2015 election.

Councillors Sophie Cooke, Beau Robinson and Darren Spackman were elected at the 2013 Ordinary Election

Councillors Simone Rushby, Naomi Perry, Alma Petherick and Emily Bolto were elected at the 2015 Ordinary Election.

Jane Parker Shire President	Cr Keith Wright Deputy Shire President	Cr Sophie Cooke
		
T 0407 473 287 E jane.parker@swek.wa.gov.au	T 0427 633 455 E keith.wright@swek.wa.gov.au	T 0407 344 399 E sophie.cooke@swek.wa.gov.au
Cr Beau Robinson	Cr Darren Spackman	Cr Simone Rushby
		
T 0438 550 235 E beau.robinson@swek.wa.gov.au	T 0418 681 100 E darren.spackman@swek.wa.gov.au	T 0457 638 479 E simone.rushby@swek.wa.gov.au
Cr Naomi Perry	Cr Alma Petherick	Cr Emily Bolto
		
T 0400 699 696 E naomi.perry@swek.wa.gov.au	T 0437 814 680 E alma.petherick@swek.wa.gov.au	T 0400 352 149 E Emily.bolto@swek.wa.gov.au

5 COUNCIL

5.1 Council Elections

Local Government Elections are held every two years, with the next election occurring in October 2017. Voting in local Council elections is open to any person registered on the State Electoral Roll for that local government. Any eligible elector can nominate for election with no requirement for a candidate to belong to a political party or other organisation. Councillors are voted in for a 4 year term.

5.2 The Role of the President and Councillors

The role of the Shire President is to:

- Preside at Council Meetings in accordance the *Local Government Act 1995*;
- Provide leadership and guidance to the community;
- Carry out civic and ceremonial duties
- Speak on behalf of the local government; and
- Liaise with the Chief Executive Officer and the local government on the performance of its functions

Elected Members make decisions relating to the whole of the local government by considering the views of the community. They also work together with the community, the Chief Executive Officer and the Council Administration to set the strategic direction of the Shire. The specific role of Councillors as determined by the *Local Government Act 1995* is to:

- Represent the interests of electors, ratepayers and residents of the district;
- Provide leadership and guidance to the community in the district;
- Facilitate communication between the community and the Council; and
- Participate in the local government's decision-making processes at Council and Committee Meetings.

5.3 Elected Member Conduct

Section 5.121 of the Local Government Act 1995 requires a local government to maintain a register of complaints that result in an action under Section 5.110(6) (b) or (c) of the Local Government Act 1995.

There were 11 breaches reported to the Local Government Standards Panel during 2015/16.

5.4 Code of Conduct

The Shire's Code of Conduct for Council Members, Committee Members and Employees is adapted from the Western Australian Local Government Association 'Model Code of Conduct' and provides consistent guidelines for an acceptable standard of professional conduct. The Code addresses the broader issue of ethical responsibility and encourages greater transparency and accountability.

5.5 Council Meetings

The Council of the Shire of Wyndham East Kimberley consists of nine Councillors sitting as one body, with the Shire President as presiding member. Council is the policy and decision making body for the Shire and meets once per month. The Chief Executive Officer and the Director from each of the Shire's four directorates also attend Council Meetings to assist the Councillors with information as required.

Members of the public are welcome to attend Council Meetings and have an opportunity to ask questions during public question time.

All Council Minutes are available in the publications section of the Shire's website.

5.5.1 Councillor Meeting Attendance

2015 Election - outgoing Councillors meeting attendance from July 2015 to September 2015

Councillor	Council Meeting Type		
	Ordinary Council Meetings Attended	Special Council Meetings Attended	Total Meetings Held
Cr John Moulden	3	1	4
Cr Raymond (Spike) Dessert	2	1	
Cr Don Learbuch	3		
Cr Glenn Taylor	3		
Cr Gary King	2	1	

Existing Councillors from July 2015 to June 2016

Councillor	Council Meeting Type		
	Ordinary Council Meetings Attended	Special Council Meetings Attended	Total Meetings Held
Cr Keith Wright	10	6	19
Cr Beau Robinson	12	6	
Cr Darren Spackman	12	6	
Cr Sophie Cooke	11	5	

2015 Election - incoming Councillors from October 2015 to June 2016

Councillor	Council Meeting Type		
	Ordinary Council Meetings Attended	Special Council Meetings Attended	Total Meetings Held
Cr Jane Parker	8	5	14
Cr Simone Rushby	9	3	
Cr Naomi Perry	8	4	
Cr Alma Petherick	9	2	
Cr Emily Bolto	8	4	

Council Committees

Council operated eight Committees during the year. Other than the Audit (Finance and Risk) Committee which has been delegated by the Council to meet annually with the Shire of Wyndham East Kimberley's auditors, all remaining Committees have neither delegations nor decision making authority.

5.5.2 Audit (Finance and Risk) Committee

Each local government is required to have an Audit Committee to exercise the powers and discharge the duties conferred on it. The Council's Audit (Finance and Risk) Committee's Terms of Reference as endorsed by the Council outlines the duties and responsibilities of the Committee. In addition to this legislated purpose, the Audit (Finance and Risk) Committee provides guidance and assistance to the Council in relation to:

- Financial Management
- Risk Management
- Internal Controls
- Legislative Compliance
- Internal and external audit planning and reporting.

The Audit (Finance and Risk) Committee representatives were Cr Simone Rushby, (Chairperson), Cr Beau Robinson, Cr Naomi Perry and Cr A Petherick.

5.5.3 CEO Review and Selection Panel

The CEO is employed by the Council and the performance of the CEO is to be reviewed at least once in relation to every year of employment. Division 4 of the *Local Government Act 1995* s5.36 gives guidance to Councillors on the employment of a CEO and s5.38 indicates that an annual review must take place.

The CEO Review and Selection Panel representatives were Cr Jane Parker (Chairperson), Cr Sophie Cooke, Cr Keith Wright.

5.5.4 Local Emergency Management Committee (LEMC)

The LEMC is established by the respective local government and operates under the provision of the *Emergency Management Act 2005* to plan on behalf of the community. This is a representative committee to provide a network of skills, knowledge and advice to assist the local government in ensuring that the local emergency management arrangements are established for its area.

The LEMC representative was Cr Darren Spackman.

5.5.5 Bush Fire Advisory Committee (BFAC)

The function of the Bush Fire Advisory Committee (BFAC) is to provide support and guidance to Bush Fire Brigades in the Shire. It does this in collaboration with DFES and the Department of Parks & Wildlife. The BFAC meets to discuss operational and command and control issues, advise on matters relating to prosecutions under the *Bush Fires Act 1954*, and generally ensure coordination and cooperation between the brigades, agencies and the Shire in relation to the preparation of firebreaks and other preventative measures, and in the preparedness of each organisation to deal with bush fire incidents.

The BFAC representative was Cr Darren Spackman.

5.5.6 Kununurra Community and School Library

The Kununurra Community and School Library Committee provides advice on policy with respect to the running of the jointly managed facility.

The Library representative was Cr Sophie Cooke.

5.5.7 Community and Civic Events

The Community and Civic Events Committee has the role of overseeing Shire community and civic events within the municipality such as Australia Day and Australian Citizenship ceremonies. There are several other significant events that occur such as the Ord Valley Muster, Stars on the Bastion and Anzac Day that may require Council support or may have community and civic impacts.

The Community and Civic Events representatives were Cr Jane Parker and Cr Keith Wright.

5.5.8 Disability Access and Inclusion Planning

Under the Disability Services Act 1993 the Shire must have and maintain a Disability Access and Inclusion Plan. The objective of the Committee is to oversee and advise on the implementation, review and evaluation of this plan. The committee meets annually to conduct this internal evaluation. The Plan must be formally reviewed and revised every five years with the most recent review taking place in 2014.

The Disability Access and Inclusion Planning representatives were Cr Beau Robinson and Cr Alma Petherick.

5.5.9 Lake Kununurra Foreshore Reference Committee

The Lake Kununurra Foreshore Reference Committee was endorsed at the 21 February 2012 Ordinary Council Meeting. The purpose of the committee is to implement the Lake

Kununurra Foreshore and Aquatic Use Plan (adopted by Council on 16 August 2011) to ensure a coordinated approach to the management of Lake Kununurra and its foreshore.

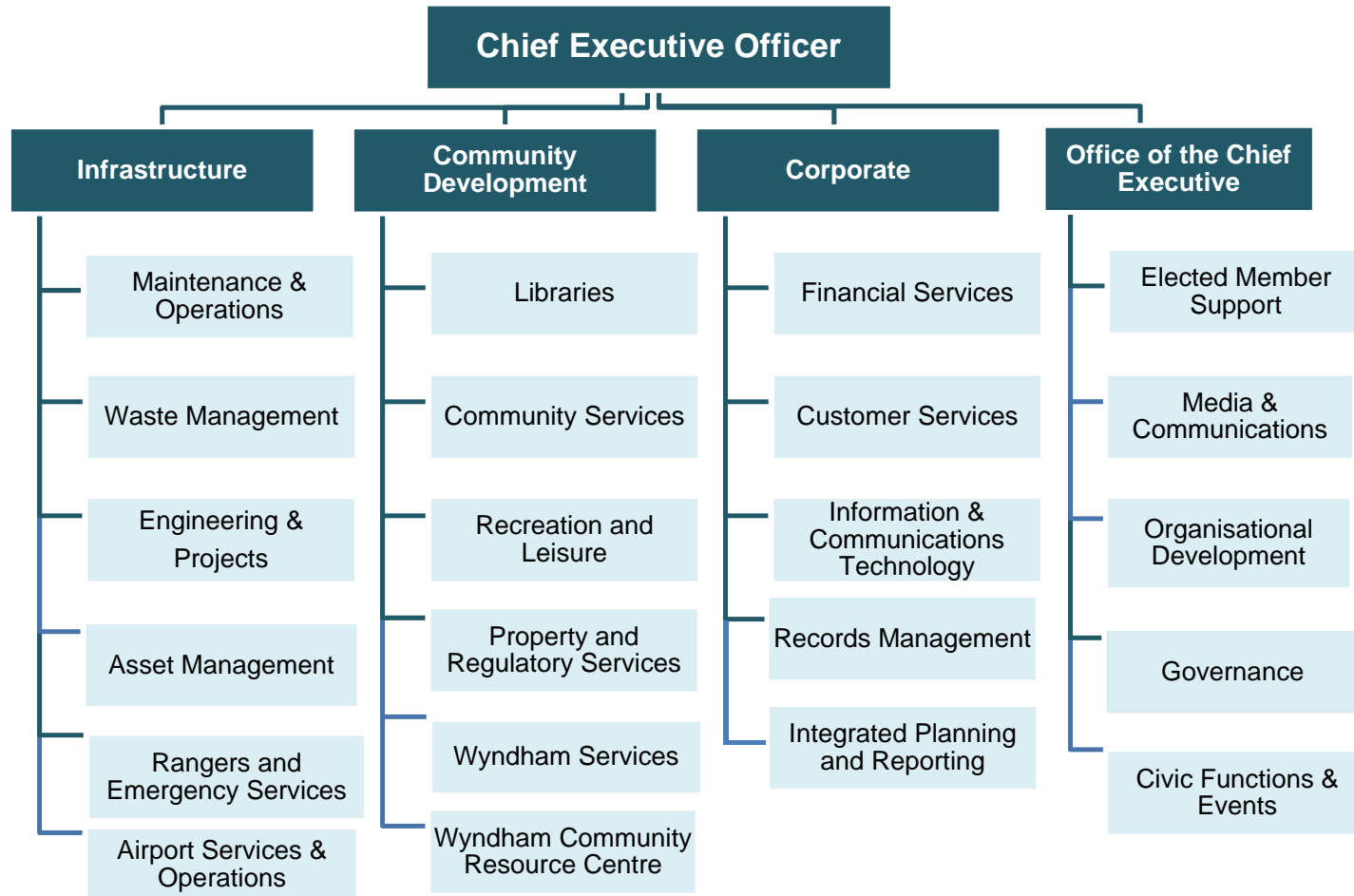
The Lake Kununurra Foreshore Reference Committee representatives were Cr Darren Spackman and Cr Alma Petherick.

5.5.10 Other Council Representation on Committees

Council was also represented on the following committees not administered by the Shire:

- Development Assessment Panels (DAP's) – Cr Beau Robinson and Cr Keith Wright
- WALGA Kimberley Zone / Regional Collaborative Group – Cr Jane Parker, Cr Keith Wright and the Chief Executive Officer
- Kimberley Regional Road Group – Cr Keith Wright
- North Kimberley Land Care District Council (LCDC) – Cr Emily Bolto
- SWEK RoadWise Committee – Cr Simone Rushby and Cr Darren Spackman
- Kununurra Visitor Centre - Cr Naomi Perry
- Kununurra and Wyndham Alcohol Accord – Cr Emily Bolto and Cr Simone Rushby
- Community Resource Centre – Cr Jane Parker
- East Kimberley Marketing Group – Cr Naomi Perry
- Australian Airport Association (AAA)- Chief Executive Officer
- Ord Valley Events Board – Chief Executive Officer

6 ORGANISATIONAL STRUCTURE (AS AT JUNE 2016)



6.1 Directorate Summary

Office of the Chief Executive CEO, Mr Carl Askew	Corporate Director, Ms Natalie Octoman	Community Development Director, Ms Louise Gee	Infrastructure Director, Mr David Klye
<ul style="list-style-type: none"> ▪ Elected Member Support & Secretariat ▪ Governance Administration & Compliance ▪ Media and Corporate Communications ▪ Economic Development ▪ Human Resources ▪ Occupational Health and Safety ▪ Civic Functions and Events 	<ul style="list-style-type: none"> ▪ Information and Communications Technology ▪ Finance ▪ Customer Services ▪ Records ▪ Integrated Planning and Reporting 	<ul style="list-style-type: none"> ▪ Libraries ▪ Strategic Community Planning ▪ Disability Access ▪ Youth Services ▪ Leisure Facility Management ▪ Recreation Services and Programs ▪ Property and Regulatory Services Administration ▪ Buildings Applications and Permits ▪ Land Use Planning ▪ Property and Facility Maintenance ▪ Environmental Health Services ▪ Wyndham Area Services ▪ Wyndham Community Resource Centre 	<ul style="list-style-type: none"> ▪ Ranger Services ▪ Emergency Services ▪ Asset Management ▪ Engineering and Project Delivery ▪ Depot Services ▪ Plant and Equipment ▪ Roads and Bridges ▪ Footpaths, Trails and Cycle ways ▪ Drainage Systems ▪ Parks, Ovals and Reserves ▪ Waste Management ▪ Airport Operations

6.2 Staff Summary

	2011/ 12	2012/ 13	2013/ 14	2014/ 15	2015/ 16
Number of Full Time Staff	89	107	88	75	77*
*Represents the full time staff employed as at 30 June 2016. This figure does not include vacant positions.					
Total Number of Staff	111	125	138	125	120*
*Represents the number of current employees across all employment categories including full time, contract, part-time, fixed term and casual.					
% Male Staff	52%	52%	50%	49%	52.5%
% Female Staff	48%	48%	50%	51%	47.5%
% Indigenous Staff	8%	8%	11%	5%	6%
Trainees/Student placements	2	2	1	1	1
Staff Turnover	37%	32%	34%	51%*	42%*
% of Staff Engaged in Training	95%	76%	73%	40%	63%
% Staff Engaged in Professional Development	30%	26%	17%	10%	11%

*Breakdown of staff turnover for 2015/16:

Employee initiated – resignation, retirement, abandonment of employment	34	28%
Employer initiated – dismissal, redundancy, expiry of fixed term contracts, termination of casuals	16	13%

*Staff turnover by employment categories

Casual staff	29	24%
Permanent staff (Full time and Part-time)	16	13%
Contract staff	6	5%

The number of employees with salaries over \$100,000 for the year 2015-2016 is reflected in the below tables:

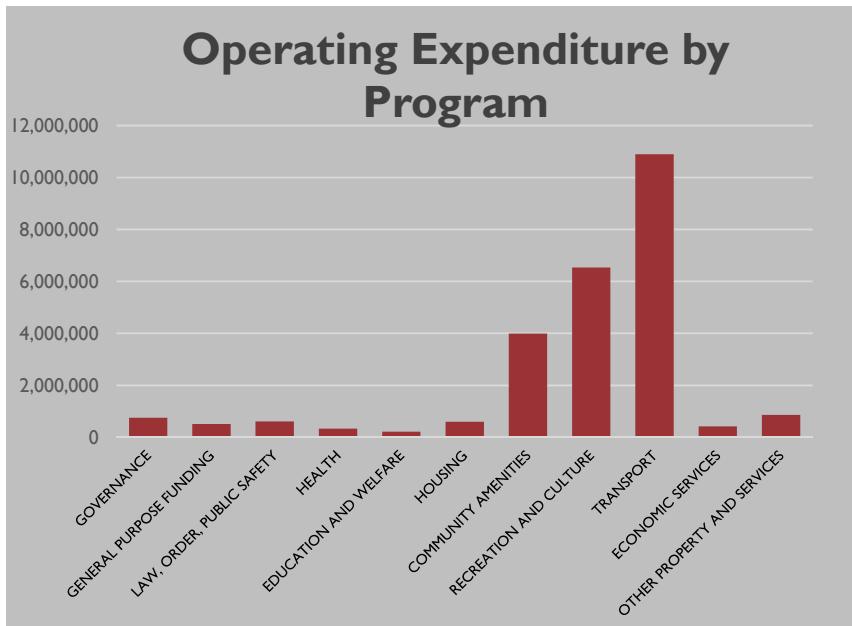
\$100,000	\$110,000	\$120,000	\$130,000	\$140,000	\$150,000	\$160,000	\$170,000	\$180,000
–	–	–	–	–	–	–	–	–
\$109,999	\$119,999	\$129,999	\$139,999	\$149,999	\$159,999	\$169,999	\$179,999	\$189,999
6	3	1	2	0	0	0	1	2

\$190,000	\$200,000	\$210,000	\$220,000	\$230,000	\$240,000	\$250,000
–	–	–	–	–	–	–
\$199,999	\$209,999	\$219,999	\$229,999	\$239,999	\$249,999	\$259,999
0	0	0	0	0	0	1

7 FINANCIAL PERFORMANCE AT A GLANCE

7.1 Operating Snapshot 2015/16

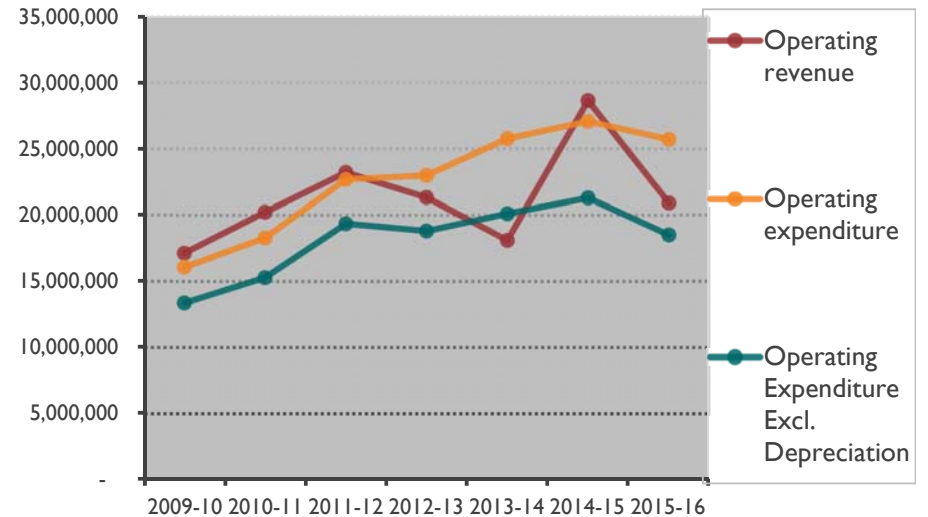
The Shire of Wyndham East Kimberley's 89.23 FTE's delivered services and programs to the community through 11 main program areas and a budget of approximately \$24.8 million and actual expenditure approximately \$25.8 million during 2015-2016.



The most significant program expenditure was transport representing spending of 42.4% or \$10.9 million. This signifies a decrease of \$0.244 million from the 2014/15 Financial year. The major components of this program are the operations of the East Kimberley Regional Airport, Wyndham Airport and maintenance of rural and urban roads.

The second most significant source of expenditure was the Recreation and Culture Program which consumed 25.4% or \$6.5 million of the total expenditure. This is an increase of \$0.478 million from the 2014/15 expenditure. The major components of this program are the operations of Kununurra Leisure Centre, Wyndham Swimming Pool, Wyndham Youth and Recreation Centre, two Libraries, Public Halls, maintenance of Parks and Reserves, including their respective buildings.

Operating Position



The Shire has been successful in reducing the rate of growth of operating expenditure given the significant decisions the Council made during the 2015-16 Budget setting process.

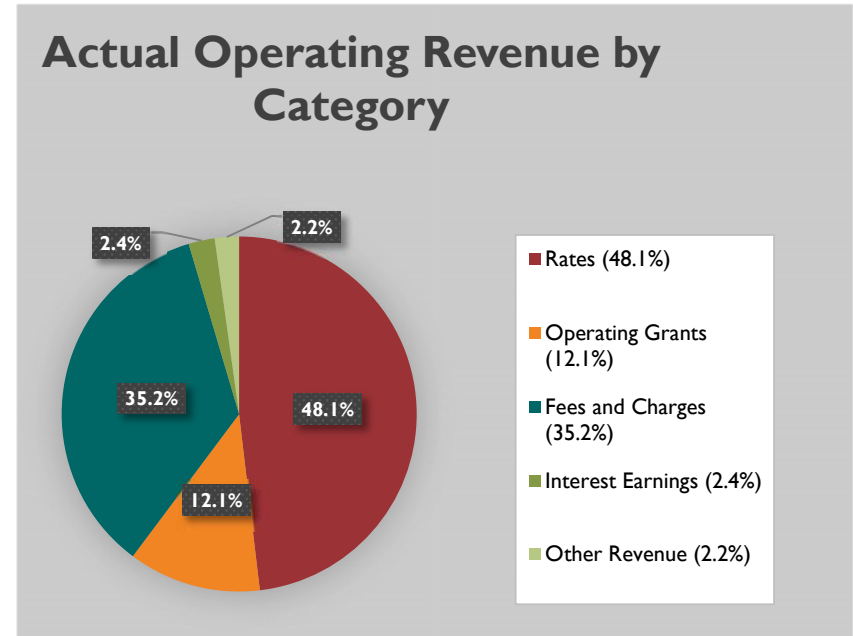
The Shire's revenue is derived from various sources including Rates, Operating Grants, Subsidies & Contributions, Fees and Charges, Interest Earnings and Other Revenue. A breakdown is shown below:

Operating Revenue By Category	2013/14 Actual \$ 000	2014/15 Actual \$ 000	2015/16 Actual \$ 000
Rates	7,596	9,255	10,074
Operating Grants, Subsidies, Contributions	2,211	11,201	2,528
Fees and Charges	7,245	7,139	7,369
Interest Earnings	494	440	496
Other Revenue	567	620	463
Total	18,113	28,655	20,929

The Shire has reflected a steady increase in the categories of Rates, Fees and Charges and Interest Earning. Total Operating Revenue for the 2015/16 financial year net result recorded a 26% decrease from 2014/15 and was in line with budget. The significant decrease in Operating Grants, Subsidies and Contributions relates to an early receipt of the Financial Assistance Grants (FAGS) revenue in 2015

and decreased operating revenue in 2016 by \$1.84 million and WANDRRA grant of \$4.07 million for flood damage repair expenses.

The graph below indicates the operating revenue by Category.



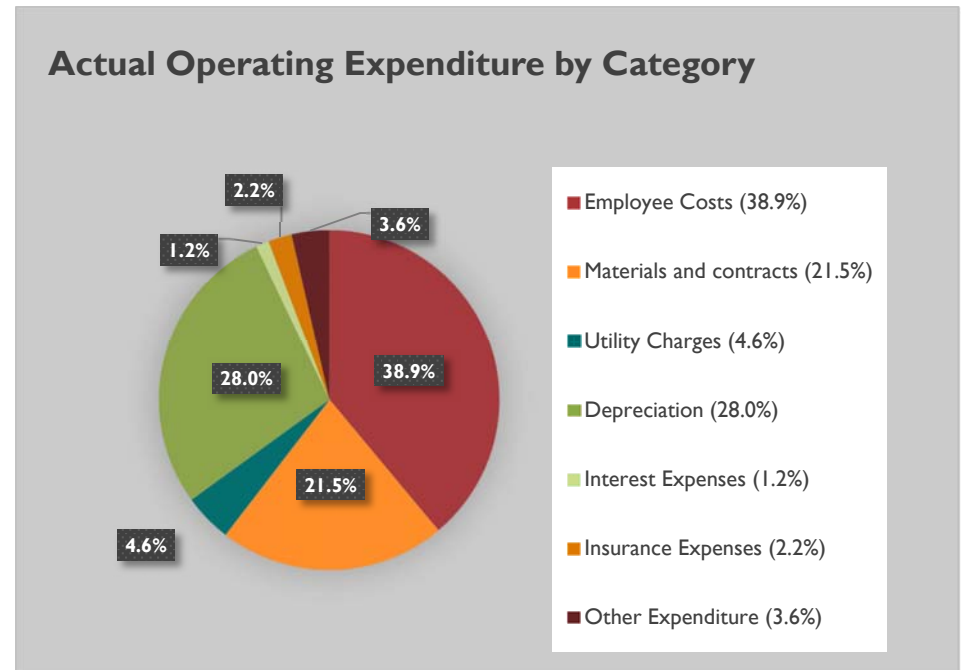
Operating expenses consist of Employee Costs, Materials & Contracts, Utilities, Depreciation, Interest Expense, Insurance and Other Expenditure, a breakdown of which is shown below:

Operating Expenditure By Category	2013/14 Actual \$ 000	2014/15 Actual \$ 000	2015/16 Actual \$ 000
Employee Costs	10,481	10,219	10,008
Materials and contracts	6,893	8,342	5,529
Utility Charges	1,136	1,070	1,176
Depreciation	5,649	5,776	7,187
Interest Expenses	259	306	321
Insurance Expenses	467	633	574
Other Expenditure	2,509	735	916
Total	27,394	27,082	25,712

The total operating expenditure was \$25.7 million which was a decrease of 5% from the previous year actual. There is significant decrease in particular categories of Employee Costs, Materials and Contracts, Utilities and Insurance.

The Shire reflects a significant increase in the amount of depreciation expense from \$5.776 million in 2015 to \$7.187 million in 2016. This increase in depreciation is attributed to the revaluation of infrastructure assets conducted during the year ended 30 June 2015 which resulted in a significantly higher depreciation (24.4%) asset base.

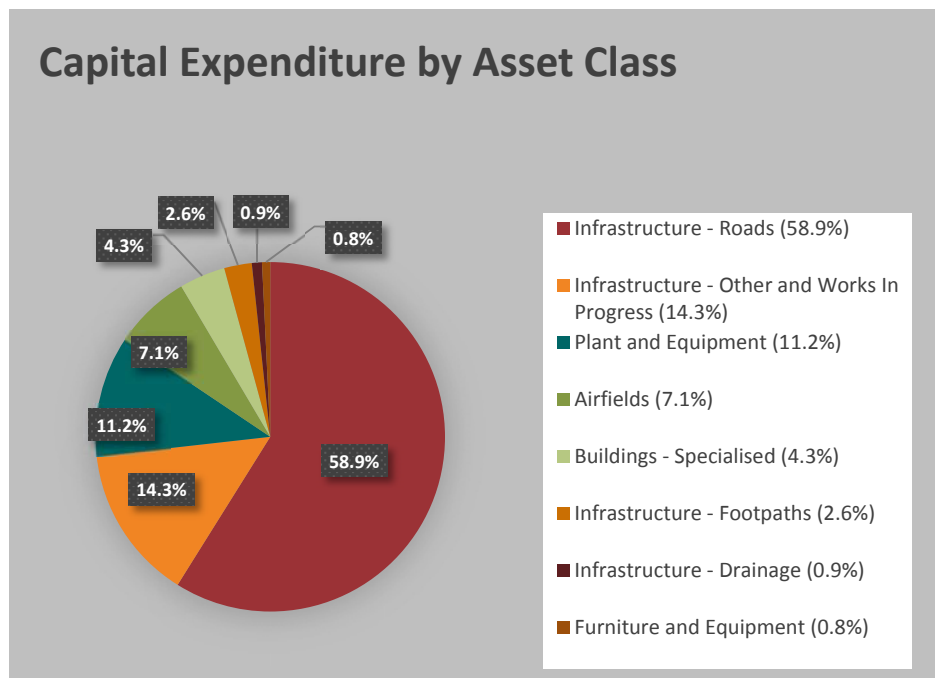
The graph below indicates the operating expenses by Category.



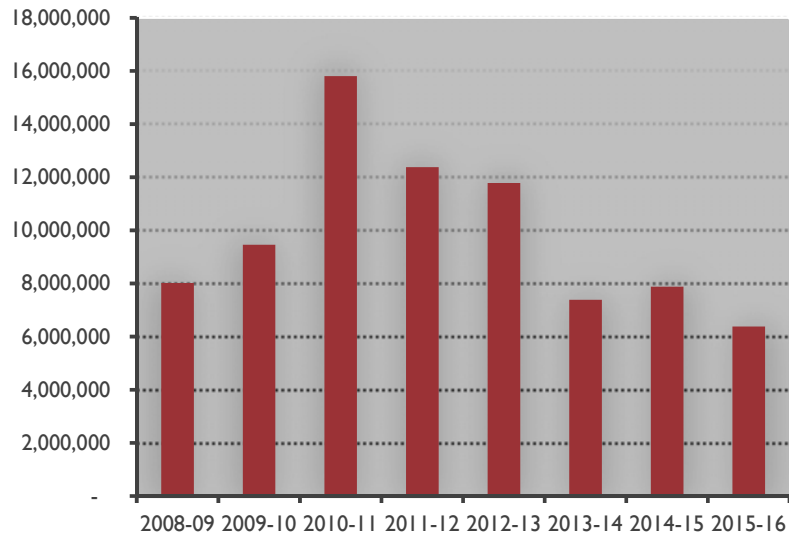
7.2 Capital Snapshot 2015/16

While capital expenditure has slowed significantly, it is reflective of the economic downturn, reduced funding available across the Kimberley (and the State) and also the tightening of the Shire's available expenditure. It also signifies a higher level of importance now being placed on the maintenance of the Shire's current assets, rather than developing new assets at this point in time.

The following chart shows the breakdown of capital expenditure by asset class.



Capital Expenditure



The actual expenditure relating to the capital works program for 2015/16 is \$6.38 million. This program includes Infrastructure Roads, Bridges, Footpath and Drainage of \$4.93 million Plant and Equipment of \$0.677 million, Airfields of \$0.452 million, Land and Buildings of \$0.271 million and Furniture and Equipment of \$0.048 million.

This report summarises the Shire of Wyndham East Kimberley's progress during the 2015 - 2016 financial year toward attaining the goals, strategies and outcomes set out in the Shire's Strategic Community Plan 2012-2022.

8.1 Strategic Community Plan 2012 – 2022, Goal 1

Strong leadership and governance that underpins a more strategic approach to community engagement, regional development and organisational sustainability.

8.1.1 Media

The Shire uses a range of media and communications channels to engage with the local community such as media releases, paid advertisements, fortnightly edition of 'SWEK news' in the local newspaper, paid advertising, public notices, the Shire's website and Facebook page.

The Shire values the importance of a positive relationship with local and national media and seeks to maintain this relationship in an efficient manner. The Shire has assisted journalists with media enquiries in the areas of Governance, Environment, Infrastructure and Events.

The Shire's website and Facebook page are important resources for providing information to the community and encouraging community engagement.

In 2015-2016 169 items of information were disseminated to the community via media channels.

8.1.2 Australia Day

The Shire organised and co-ordinated a highly successful Australia Day celebration with an estimated 400 people attending either Swim Beach in Kununurra or the lawns of the Shire office in Wyndham. Activities and entertainment included a free breakfast barbeque with the assistance of Rotary, a performance by Monsoon Night Belly dancers, citizenship ceremony, affirmation ceremony, flag raising ceremony, baby tree ceremony, bouncing castle and face painting for kids with tea and coffee supplied by the Country Women's Association and best dressed prizes. Community feedback was positive with many commenting that they enjoyed the morning.



Australia Day celebrations at Swim Beach, Kununurra

8.1.3 Citizenship Ceremonies

During 2015 - 2016 the Shire conducted five Citizenship Ceremonies at which 30 people became Australian Citizens. The participants were from countries including South Africa, The Philippines, Irish Republic, Britain, Sri Lanka, Germany, India, China, Netherlands and Taiwan.



Citizenship Ceremony, 15 May 2016

8.1.4 Community Engagement, Events and Activities

NAIDOC Week

NAIDOC Week celebrations are held across Australia each July to celebrate the history, culture and achievements of Aboriginal and Torres Strait Islander people. The national NAIDOC theme for 2015 was "We all Stand on Sacred Land: Learn, Respect and Celebrate". The Shire of Wyndham East Kimberley provided support along with many local organisations to offer an opportunity for both the Kununurra and Wyndham communities to participate in a range of activities throughout the week to celebrate and support the local Aboriginal and Torres Strait Islander community.

Light the Night Kununurra

On Friday 6 November the Shire of Wyndham East Kimberley provided support to organise the 2015 Light the Night event at the Kununurra Town Oval to raise awareness and funds to support the many Australian families living with blood cancer. Supporting the Leukaemia Foundation, the event was a big success with a great crowd joining the oval walk with illuminated lanterns to show their support and touching stories by those that have been affected by blood cancer. Proceeds from the lantern sales and sausage sizzle, and the generous donations from locals went directly to the Leukaemia Foundation.

Seniors Week

In recognition of Seniors Week 2015 the Shire, in conjunction with the Kununurra and Wyndham Community Resource Centres, held a morning tea for seniors in both towns on Monday 9 November. The event was a chance for local seniors to get together and included presentations from local youth on how to use current technology such as Facebook and Skype. Opportunities were offered for the seniors to register for further sessions on technology. The event would not have been possible without grant funding from COTA WA, Lotterywest and the Department of Local Government and Communities.

International Day of People with Disabilities

In celebration of International Day of People with Disabilities 2015, an event was held at the Kununurra Leisure Centre on 3 December which included information, exhibitions and speeches by local people with disability. The event was supported by Disability Services Commission, Kimberley Individual & Family Support Association, Life without Barriers, Shire of Wyndham East Kimberley, Kimberley TAFE, Kimberley Aged Care and Allied Health.

Thank a Volunteer Day

More than 90 volunteers were recognised on Friday 4 December at a special “Thank a Volunteer Day” breakfasts at Celebrity Tree Park Kununurra and the Wyndham Shire Office gardens. The Shire together with the Wyndham and Kununurra Community Resource Centres held the events to show appreciation for the support and contribution volunteers give to the community. The events were a great success with the volunteers, many of which volunteer for multiple organisations, were presented with certificates of appreciation and discount cards sponsored by local businesses before enjoying breakfast. The event was sponsored through a grant from the Department of Local Government and Communities, with water donated by the Water Corporation.



Banners in the Terrace Competition

The 'Banners in the Terrace Competition' is an annual exhibition of banners along St Georges and Adelaide Terraces in Perth allowing communities and regions throughout Western Australia to represent themselves to thousands of people travelling along these routes each day. The Shire have been involved in the project since 2011. This year the banner was created by Kununurra District High School's junior primary students and will be displayed along the Terraces from 24 July to 6 August 2016.

Working in Partnership Group

From July to December 2015 the Shire continued to contribute to and support the East Kimberley Working in Partnership (WiP) Group. The WiP is a collective of State, Federal and Local Government agencies and not-for profit organisations that work together to identify common issues and trends and to create strategies around key outcomes to improve service delivery, service planning, and better use of resources around human services.

In 2016 the WA Government commenced a Regional Services Reform initiative and given the synergies between this and the Working in Partnership Group, the WiP was wound up in December 2015.

8.1.5 Integrated Planning and Reporting Framework

Strategic Community Plan

The Shire continued to deliver on the Strategic Community Plan 2012-2022.

Corporate Business Plan

The Corporate Business Plan is a rolling four year plan 2012-2016 and identifies the services, activities and projects and their resourcing requirements to deliver on the strategies and outcomes of the Strategic Community Plan. This plan directly informed the annual budget.

Informing Plans

There are a number of informing strategies that form part of the Integrated Planning and Reporting Framework. These include the Asset Management Plan, Workforce Plan, Long Term Financial Plan, ICT Plan and Risk Register. Many of these informing strategies will be reviewed in the next financial year.

8.1.6 Council Policies and Governance

During 2015-2016 the Shire continued to focus on governance and compliance. Existing policies were reviewed and new policies were developed before December 2015 in line with the recommendations of the 2014 Department of Local Government and Communities Probity Compliance Audit Report

8.1.7 ICT (Information & Communication Technology)

A number of initiatives were completed during 2015/16 to provide organisational productivity enhancements and process modernisation.

Council meetings are now facilitated via Tablet PC's (Android or iPad), negating the requirement to print, at times, 600 pages per participant. Printing costs have significantly decreased whilst affording Elected Members and the Shire's Executive, the convenience of viewing and electronically annotating agendas and associated content, being images, plans, and even video.

Paper-based employee leave forms were replaced with an internal online leave portal. This system negates the need to re-type forms whilst providing a one-stop facility to lodge annual leave, carry out respective approvals, forecast team availability schedules, and all employees can easily view a live balance of their leave entitlements.

A dynamic electronic employee presence (in/out board) system was deployed to replace the existing limited solution. Personnel location, status, and availability information is at the fingertips of the entire organisation which saves valuable time when contacting Shire Officers whilst customers and colleagues are either calling or attending Reception in person.

Once connected to the Internet, any modern organisation is subject to malicious attack initiated from a global origin. A network vulnerability assessment was commissioned in order to ascertain the level of resilience of outward facing systems during an attempted hacking or exploitation event; the subsequent report was favourable.

Kununurra Leisure Centre: Membership and booking system upgrade.

This new system replaced a soon to be discontinued software suite and provides modern features such as a public portal for online enrolment and venue bookings, plus enhanced back-office administration capabilities.

Main Administration Office: Sustainable power supply for both business-as-usual and emergency response conditions.

To mitigate the impact of electricity supply failure, assets have been procured in the form of a building generator along with an upgraded battery backup unit for the ICT Server Room.

The new systems automatically come online and run all lighting, air-conditioning, and ICT systems including the Shire telephone system 24/7.

The bulk of preparatory work was completed during 2015/16 for the Geospatial Information System (GIS) upgrade for provision of a public web portal.

The Shire's GIS system, similar to Google Maps but integrated with many other internal information systems, will be upgraded during July 2016; With a new public portal going live during quarter 2, 2017. This will make a great deal of useful information available for the benefit of residents and visitors.

8.1.8 Records Management

The Shire continued its commitment to recordkeeping, in accordance with legislative requirements.

The Shire's current Recordkeeping Plan 2012 (RKP) outlines the process for management and disposal of records in accordance with the *State Records Act 2000* and is approved by the State Records Commission to 30 August 2017, prior to which it will formally be reviewed.

In 2015-2016, there will be an increased focus on system improvements; particularly around recording and moving toward digitisation where possible.

8.1.9 Procurement and Contract Management

The new position of Senior Procurement and Contracts Officer was filled in late January 2016, with the role enhancing probity controls within the Shire.

Since commencing, the role has categorised procurement risk; standardised the Shire's procurement and contract processes; developed standardised documentation for procurement and contract management and has integrated the Shire's contractual documentation with the Australian Standards for Conditions of Contract. Additionally, the draft Regional Price Preference Policy has been produced for public comment and the Shire's Purchasing Policy has been amended to align with recent legislation changes.

Planned for 2016/17 includes the consideration and potential application of the draft Regional Price Preference Policy to all quotes and tenders above \$10,000; a move to an eProcurement system for quoting and tendering requirements; electronic efficiencies around contract execution and internal procurement processes; and lastly the development of an annual procurement plan for the implementation of the Shire's 2016/17 budget.

8.1.10 Freedom of Information

Objective

To make readily available to the public in accordance with the *Freedom of Information Act 1992* information sought as soon as practicable.

Policy

The Shire will provide a general right of access to documents and records of the Shire in accordance with the provisions of the *Freedom of Information Act 1992*, section 5.94 of the *Local Government Act 1995*, the *Local Government (Administration) Regulations 1996* and the guidelines in the policy.

1. The Director Corporate Services is appointed as "FOI Co-ordinator" and "Decision Maker" and is authorised to make decisions regarding access to information.
2. The Chief Executive Officer is the "Internal Review Officer" appointed to review an application should the applicant be dissatisfied with the result.
3. Procedures for determining access, exemptions, personal information and review of the preparation of information statements shall be in accordance with the Freedom of Information implementation guidelines prepared by the Office of the Information Commissioner.

4. The Shire shall apply fees and charges applicable under the Act and as published in the Government gazette from time to time.

In complying with the *Freedom of Information Act 1992* a comprehensive Information Statement will be developed during 2015-2016. The Information Statement aims to improve community awareness of how information can be sought from the Shire, along with providing a clear outline of the step-by-step processes involved in processing an application, including a simple process flowchart and a revised application form. This will be a document that is reviewed and published on the website annually.

8.1.11 Freedom of Information Act 1992

In accordance with section 10(1) of the *Freedom of Information Act 1992*, members of the public have the right to access records (which are not otherwise exempt) held by the State and local government agencies. The 2014-2015 financial year resulted in a significant increase in the number of applications received and time allocated to the process.

The Shire received two Freedom of Information Applications for the 2015/16 Financial Year.

8.2 Strategic Community Plan 2012 – 2022, Goal 2

Greater returns from regional investment to ensure sustainable provision of appropriate physical and social infrastructure.

8.2.1 Community Grants

Community Grants were available to not for profit and local organisations for projects that benefit the local community. The two types of grants available were Annual Grants and Quick Grants.

Annual Grants

The Annual Community Grant Scheme offered not-for-profit organisations within the community the opportunity to receive financial and in-kind support for amounts over \$1,000. In 2015 – 2016, \$83,046 was allocated and is reflected in the following table:

Organisation	Project	Amount
Wunan Foundation Inc.	East Kimberley Aboriginal Achievement Awards 2015	\$7,500
Kimberley Action Sports Incorporated	2015 Lake Argyle Adventure Race	\$3,500
Lake Argyle Swim Incorporated	2016 Lake Argyle Swim	\$15,000
Kununurra Water Ski Club	Maintenance Equipment & Reticulation Upgrade	\$4,246
Kununurra Netball Association	North West Championships	\$2,500
Kununurra Agricultural Society	Kununurra Showgrounds Economic Sustainability	\$5,000
Ord Valley Events	Ord Valley Muster	\$22,500
Kununurra District High School	Tournament of Minds	\$2,500
Ord Valley CWA	Ord Valley CWA Bushdance 2016	\$1,000
Wyndham Community Events	Stars on the Bastion	\$15,000
St Joseph's Primary School Wyndham	Community Partnership Celebration	\$800
Kimberley Action Sports Inc	Lake Argyle Adventure Race 2016	\$3,500
Total amount		\$83,046

Quick Grants

The Quick Grant program provided financial and in-kind support to local organisations and projects which benefited the local community and provided up to \$500 per organisation per financial year. The following community groups were successful in receiving Community Quick Grants in 2015 - 2016, with a total amount of \$7,767.00 being allocated:

Organisation	Project	Amount
Kimberley Group Training Inc	Administration Assistant	\$500
Kununurra Softball Association	40 th Anniversary North West Carnival	\$500
Kununurra Tennis Association	Kununurra Junior Tennis Championships	\$467
Kununurra Swim Club	Purchase of Equipment	\$500
Kununurra Toy & Puzzle Library	Alterations & Upgrading of New Venue	\$500
Wyndham Early Learning Activity Centre (WELA)	WELA Families Christmas Party	\$500
Save the Children Australia	Save the Children Kids Christmas Party	\$500
Kununurra Visitor Centre	Paint & Painting Equipment	\$500
Kununurra Neighbourhood House	2016 International Women's Day Event	\$500
Returned Services League Wyndham Sub-branch	2016 ANZAC Day Dawn Service Wyndham	\$300
Kununurra Chamber of Commerce and Industry	Public Forum	\$500
Kununurra Returned Services League Sub-branch	2016 ANZAC Day Sawn Service & Town Parade	\$500
Neems to Go - Kimberley	De-Neem De-Kimberley D-Day	\$500
SAFE Kununurra	Resources for Information Sessions	\$500
Youth with a Mission Kununurra	Street Chaplain Patrol	\$500
Total amount		\$7,767

8.2.2 Building Services

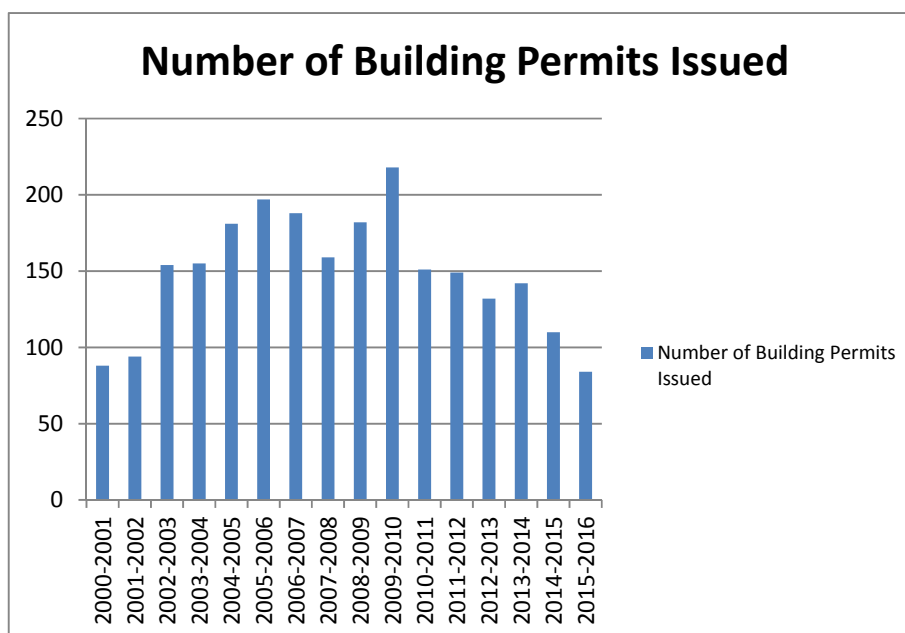
The construction value of the 84 Building Permits issued by the Shire for the 2015 - 2016 year was \$10,919,797.

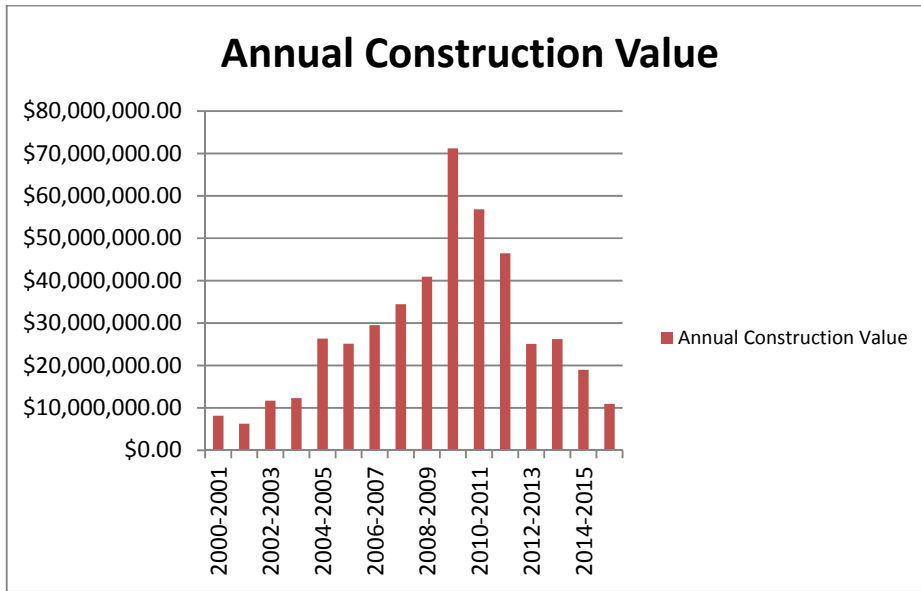
2015-2016					KUNUNURRA			WYNDHAM			ABORIGINAL RESERVES/ COMMUNITIES			
MONTH	TOTAL CONSTRUCTION VALUE \$	No of BUILDING PERMITS ISSUED	ACKNOWLEDGEMENT OF EXISTING	REMOTE/ PASTORAL BUILDINGS	COMMERCIAL/ INDUSTRIAL	OUT BUILDINGS, POOLS & ADDITIONS	NEW DWELLINGS	COMMERCIAL/ INDUSTRIAL	OUT BUILDINGS, POOLS & ADDITIONS	NEW DWELLINGS	COMMERCIAL/ INDUSTRIAL	OUT BUILDINGS, POOLS & ADDITIONS	NEW DWELLINGS	SWEK Quarterly Permit Totals
JULY	822,500	9	1	0	3	4	1	0	0	0	0	0	0	
AUGUST	333,000	4	2	0	1	1	0	0	0	0	0	0	0	22
SEPTEMBER	1,659,675	9	0	1	3	4	1	0	0	0	0	0	0	
OCTOBER	282,000	8	0	0	2	6	0	0	0	0	0	0	0	
NOVEMBER	1,499,681	9	0	0	0	3	4	0	1	0	1	0	0	17
DECEMBER	0	0	0	0	0	0	0	0	0	0	0	0	0	
JANUARY	220,950	4	0	1	0	3	0	0	0	0	0	0	0	
FEBRUARY	1,090,228	8	0	1	2	3	1	0	1	0	0	0	0	22
MARCH	2,806,641	10	0	1	6	2	0	0	1	0	0	0	0	
APRIL	855,500	6	0	0	3	1	2	0	0	0	0	0	0	
MAY	1,046,105	10	0	1	3	4	1	0	1	0	0	0	0	23
JUNE	302,517	7	0	0	2	4	0	0	0	0	1	0	0	
TOTALS	10,918,797	84	3	5	25	35	10	0	4	0	2	0	0	

In comparison with the figures for 2014 -2015, and previous years, the construction values and number of permits have decreased.

The downturn within the construction industry appears consistent with the decrease in construction figures experiences by other regional local authorities.

This is reflected in the following figures and tables.





Number of Building Permits Issued

Building Permits issued by Shire of Wyndham East Kimberley statistics 2000 – 2001 to 2015 – 2016 showing new dwelling units & location:

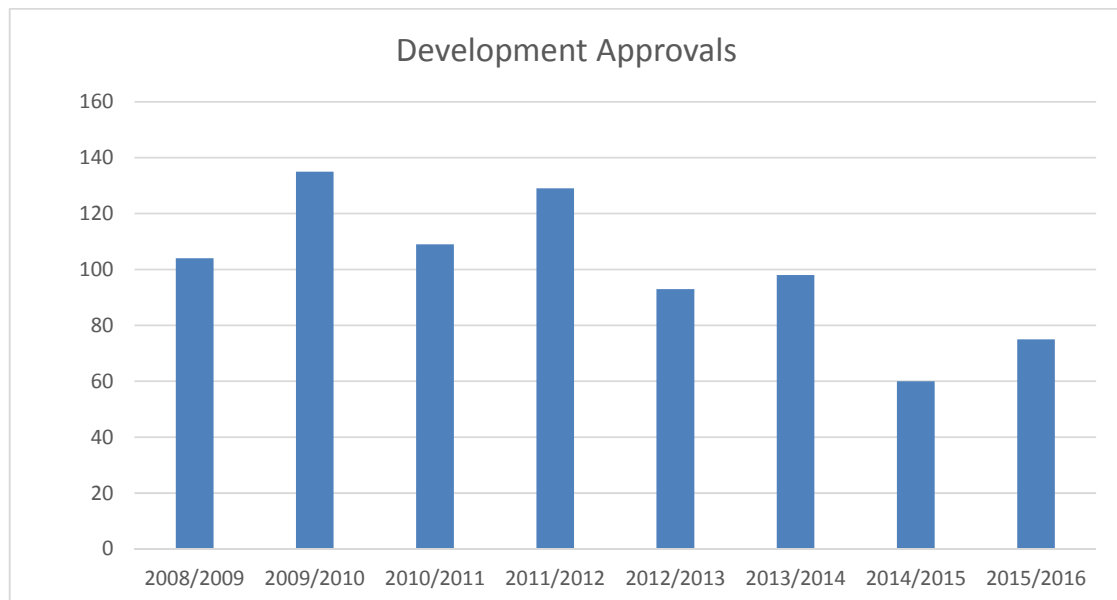
Financial Year	Number of Building Permits Issued	Annual Construction Value	New Dwelling Units Kununurra	New Dwelling Units Wyndham	New Dwelling Units Aboriginal Communities	Total Dwellings
2000-2001	88	\$8,173,121	10	2	19	31
2001-2002	94	\$6,233,174	16	1	7	24
2002-2003	154	\$11,679,506	13	3	18	34
2003-2004	155	\$12,294,189	19	4	15	38
2004-2005	181	\$26,321,945	45	4	25	74
2005-2006	197	\$25,119,699	68	2	8	78
2006-2007	188	\$29,491,996	56	5	6	67
2007-2008	159	\$34,438,418	41	1	27	69
2008-2009	182	\$40,925,702	50	16	3	69

2009-2010	218	\$71,203,364	139	18	0	157
2010-2011	151	\$56,822,612	28	1	0	29
2011-2012	149	\$46,421,179	40	4	11	55
2012-2013	132	\$25,092,177	32	0	6	38
2013-2014	142	\$26,229,325	32	3	2	37
2014-2015	110	\$19,005,346	31	0	0	31
2015-2016	84	\$10,918,797	10	0	0	10

Whilst the numbers of building permits issued for dwellings by the Shire of Wyndham East Kimberley is down, it is to be noted that twenty (20) dwelling units were constructed within Kununurra on behalf of Department of Housing, with the permits being issued by the State Permit Authority.

Planning Approvals

75 Development Applications were processed in 2015-2016. This is a slight increase from the number of approvals granted in the previous financial year, however is still below previous annual figures since 2008-2009.



The majority of planning approvals issued (92%) were for use and development within Kununurra and surrounds, and approximately 50% of the total approvals issued were of a commercial or industrial nature.

44% of the total planning approvals issued were for residential use and development, with a quarter of these approvals being for home based business approvals.

Number of Planning Approvals Issued

Planning approvals issued by Shire of Wyndham East Kimberley 2015 – 2016 showing nature, and month of approval, and location:

2015/2016		KUNUNURRA				WYNDHAM			LAKE ARGYLE
MONTH	NO. OF APPROVALS	COMMERCIAL /INDUSTRIAL	RESIDENTIAL	HOME BASED BUSINESSES	COMMUNITY	COMMERCIAL /INDUSTRIAL	RESIDENTIAL	COMMUNITY	COMMERCIAL /INDUSTRIAL
JULY	5	2	3	-	-	-	-	-	-
AUGUST	7	4	2	-	-	-	-	1	-
SEPTEMBER	18	4	3	11	-	-	-	-	-
OCTOBER	8	3	3	-	-	-	2	-	-
NOVEMBER	1	1	-	-	-	-	-	-	-
DECEMBER	6	5	1	-	-	-	-	-	-
JANUARY	0	-	-	-	-	-	-	-	-
FEBRUARY	3	-	2	-	-	-	-	1	-
MARCH	4	1	1	-	2	-	-	-	-
APRIL	10	8	1	-	-	-	-	-	1
MAY	7	5	1	-	-	1	-	-	-
JUNE	6	3	3	-	-	-	-	-	-
TOTAL	75	36	20	11	2	1	2	2	1

8.2.3 Business Case and Draft Structure Plans for an Aquatic and Leisure Facility

An Aquatic and Leisure Facility Development Preliminary Business Case was prepared to consider multiple sites for a new or redeveloped aquatic and leisure centre in response to the requirement to replace the Kununurra swimming pool which is failing. The preliminary business plan, which recommends the development of a new aquatic and leisure centre at East Lily Creek, was endorsed by Council at the July 2015 Ordinary Council Meeting. The Shire has submitted grant applications to assist in funding recommended preliminary works.

This project also included the preparation of two structure plans following on from the outcomes of the business case, to provide direction for the relocation of the Kununurra Leisure Centre to East Lily Creek and future redevelopment of the current Leisure Centre site and extended Kununurra Civic Centre precinct. Preliminary draft structure plans for East Lily Creek and the Kununurra Civic Centre were prepared and presented to Council, stakeholders and to the community through a Community Open House held in October 2014, to obtain early community and stakeholder feedback on the preliminary plans. The draft structure plans have been refined based on feedback from Council, Shire Officers, LandCorp and community, and the outcomes of the draft business case, and the key recommendations are:

- Provide land for residential development to accommodate the proposed increase in population (East Lily Creek)
- Provide facilities and services within the community to cater for the growing population including a potential local primary school, local shops and recreational parks (East Lily Creek)
- Designate land to accommodate the relocation of the existing Kununurra Leisure Centre (East Lily Creek)
- A progressively staged development of the precinct to consolidate town centre activities, provide for enhanced community activity and better utilise or redevelop areas of underutilised space (Kununurra Civic Precinct)
- Implementation actions to be progressed to ensure that the precinct is 'development ready' regardless of development staging, so that the Shire can be responsive to changes in growth as they occur (Kununurra Civic Precinct)

Formal public notice of the Kununurra Civic Precinct Structure Plan and East Lily Creek Structure Plan will be undertaken in 2016/17.



View of the current Kununurra Leisure Centre and surrounding town site

8.2.4 Local Planning Strategy and Local Planning Scheme

In February 2016, the Western Australian Planning Commission authorised the draft Shire of Wyndham East Kimberley Local Planning Strategy and draft Shire of Wyndham East Kimberley Local Planning Scheme No. 9 to be advertised for public comment.

The draft Local Planning Strategy provides the future strategic vision and aspirations for growth and development across the Shire for the next 5 – 10 years, and informs the draft Local Planning Scheme, which is a regulatory planning document intended to guide and control land use and development within the Shire.

The draft Local Planning Strategy has been developed based on community consultation, alongside consideration of the broader state and regional planning framework, and the demographic profile and evolving characteristics of the Shire of Wyndham East Kimberley's population, housing, economy, employment, environment and cultural heritage.

The draft Local Planning Scheme has been prepared in accordance with the *Planning and Development (Local Planning Schemes) Regulations 2015*, incorporating recommendations from the draft Local Planning Strategy, and will result in an updated planning scheme that encompasses the whole Shire.

The draft documents were available for public inspection from the 10 March 2016 to 10 June 2016, to ensure and encourage the community as a whole the opportunity to provide input.

Council will consider and propose modifications to the draft documents in light of the submissions received from various government agencies, stakeholders, landowners and residents, prior to adoption.

The draft Local Planning Strategy and draft Local Planning Scheme No. 9 are due for completion in 2016-2017.

8.2.5 Recreation Space Strategy

The Shire of Wyndham East Kimberley Recreation Space Strategy (initially titled Play Space Plan) was adopted by Council in March 2016. The Strategy provides a strategic approach to the provision and management of recreation spaces within the Shire. This, in turn will assist in managing community expectations about recreation space service provision, identifying future recreation space projects, and a strong case for any funding requests for these projects. With the Strategy and guidelines adopted, an action plan will be developed in 2016-17 detailing specific recommended actions regarding existing recreation spaces within the Shire.

8.2.6 East Kimberley Regional Airport

Projects and works undertaken at the East Kimberley Regional Airport during 2015/16 included:

- A prefeasibility study on the scope to accommodate larger aircraft with an increased range of destinations. This study identified the opportunities to extend the current runway by 601m to 2,430m together with strengthening works to the taxiways and aprons.
- The biannual Airport Emergency Plan Field Exercise was conducted on 28 November 2015. Known as 'Red Moon' the scenario was based on a commercial aircraft crashing on the runway when landing. This tested the multi-agency procedures; provided familiarization with the airfield; and verified the effectiveness of the current plan and responsibilities. There was attendance by all key agencies through full time officers and volunteers.
- Replacement of a section Terminal flooring due to poor adhesion of flooring tiles near the screening area. The work undertaken in June provides a seamless match to the existing flooring.
- Programmed replacement of Perimeter Security Fencing continued during the year with provision of higher fence and new access gate to the western Hangar precinct.
- Investigations were undertaken of the Terminal Car Park to improve traffic circulation, pedestrian movement, capacity of utility services and quality of sealing. Improvement works are anticipated to be undertaken in 2016-17.
- Continued monitoring and crack patching of taxiway and apron surfaces.
- Further monitoring and maintenance has been undertaken of the soil depressions known as Gilgai's. They can form quickly in the clay soils and pose a risk in the airstrip areas adjoining the sealed runway.



East Kimberley Regional Airport Apron

The Airport Café lease at East Kimberley Regional Airport was re-advertised in late 2015 following the departure of the previous tenant. Management of the Café has subsequently passed to Kimberley Group Training in an innovative arrangement that provides for the rotation of staff to gain experience in hospitality and then potentially transfer to work in one of a range of local businesses.



East Kimberley Regional Airport Regulatory and Compliance Activities

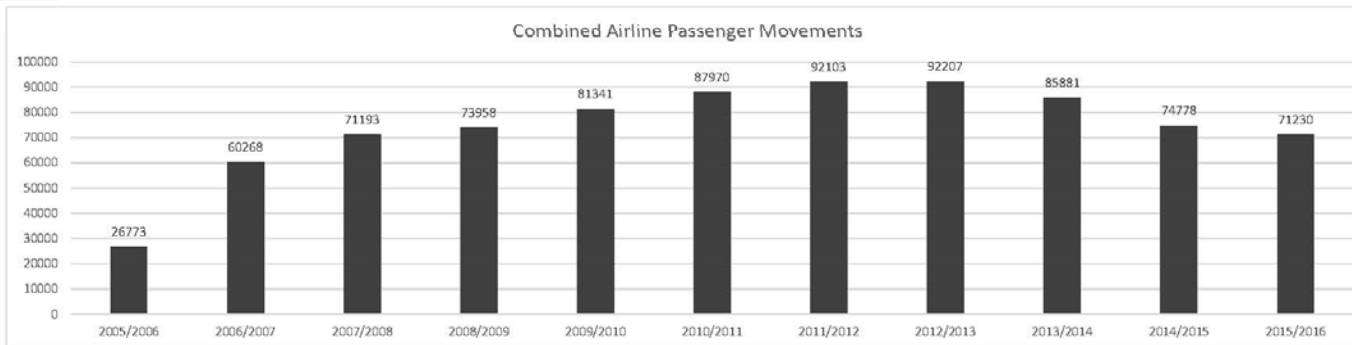
The regulatory and compliance activities at both airports were wide ranging and included:

- July 2015 – EKRA Civil Aviation Safety Authority Audit
- July 2015 – Wyndham Aerodrome Civil Aviation Safety Audit
- November 2015 – Annual EKRA Electrical Technical Inspection
- November 2015 - Airport Emergency Exercise “Red Moon”
- March 2016 – Annual EKRA Aerodrome Technical Inspection
- March 2016 – Annual Wyndham Aerodrome Safety Inspection
- June - July 2016 – Office of Transport Security EKRA Transport Security Program Audit and Systems Tests during 2015/16
- Meetings – Aerodrome Emergency Committee, Safety Management Committee and Aerodrome Security Committee

East Kimberley Regional Airport Passenger Numbers and Aircraft Landings

East Kimberley Regional Airport Airline Passenger Movements											
Combined Airline Passenger Movements											
Month	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
July	0	6442	7379	7795	9094	9254	9973	10113	10232	8593	7440
August	0	6566	7193	7590	8247	9174	9272	9378	8954	7764	7000
September	0	5818	7059	6713	7872	8384	8258	8738	8685	7045	6289
October	0	5780	6188	6132	6655	7797	8395	8266	8882	6509	5715
November	0	4021	4738	5050	5550	6040	6605	6732	5847	5595	5238
December	0	3265	4514	4595	4970	5677	6231	5798	5452	5077	4876
January	3017	3182	3709	4421	4617	5075	5367	5255	4676	4232	4314
February	2991	3010	4182	4515	4540	4844	5342	5063	4748	4403	4153
March	3726	4065	5230	4890	5924	6295	6364	6117	5546	5076	4811
April	4787	5260	6574	6679	6858	8082	8176	7951	7034	6140	6649
May	6520	5939	7624	8302	8763	8997	8727	10123	7947	7169	7778
June	5732	6920	6803	7276	8251	8351	9393	8673	7878	7175	6969
Total	26773	60268	71193	73958	81341	87970	92103	92207	85881	74778	71230
Percentage Change from Previous Year	N/A	N/A	118.13%	103.88%	109.98%	108.15%	104.70%	100.11%	93.14%	87.07%	95.26%

The airline passenger numbers are summarized in this table which illustrates a minor but trending decline in total numbers over the last three years. This has previously reflected the completion of major capital projects relating to the Ord Scheme and more recently the reduced resources sector activity with several projects being placed on hold. It is anticipated that passenger numbers will increase in coming years through the regions long-term economic growth.

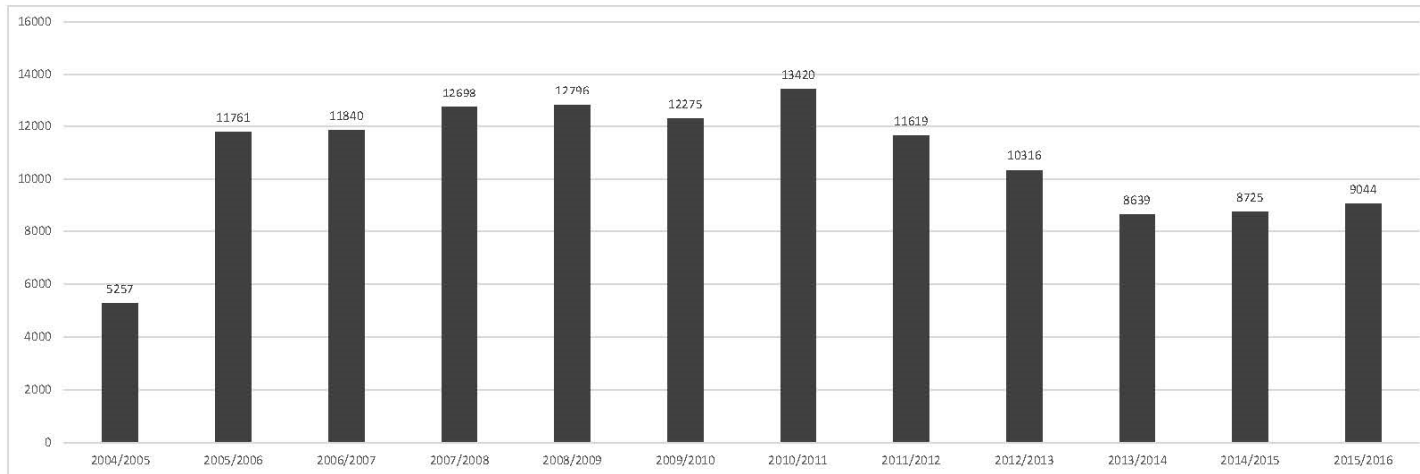


Aircraft landings for 2015/16 at 9044 are higher than the two previous years with a similar peak during the dry season from May – August.

East Kimberley Regional Airport & Wyndham Airport Aircraft Movements (Landings)

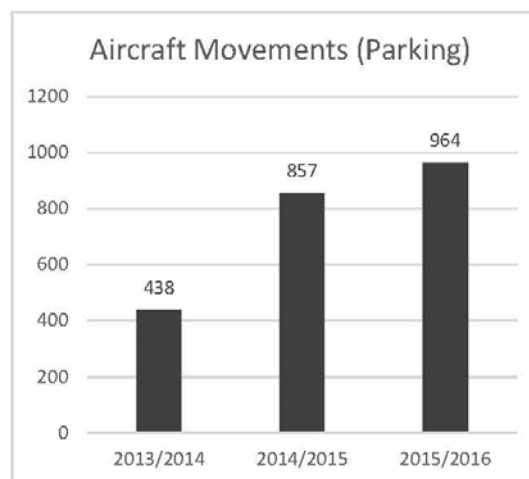
Combined Aircraft Movements (Landings)

Month	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
July	0	1677	1617	1844	1840	1738	1806	1843	1384	1302	1084	1118
August	0	1526	1499	1727	1592	1599	1616	1633	972	1077	945	1113
September	0	1091	1167	1166	1344	1244	1232	1108	1041	819	750	804
October	0	886	934	933	960	946	1007	616	846	664	663	610
November	0	595	738	729	699	658	738	725	689	485	479	444
December	0	485	326	602	614	490	560	616	560	426	461	443
January	443	472	505	563	550	439	458	497	517	370	432	365
February	396	550	551	596	601	557	581	545	540	502	544	461
March	685	791	718	722	757	812	998	696	718	440	563	609
April	991	896	917	899	1069	909	1143	960	891	683	771	846
May	1261	1379	1373	1458	1312	1339	1633	1097	1059	928	922	1132
June	1481	1413	1495	1459	1458	1544	1648	1283	1099	943	1111	1099
Total	5257	11761	11840	12698	12796	12275	13420	11619	10316	8639	8725	9044
Percentage Change from Previous Year	N/A	N/A	100.67%	107.25%	100.77%	95.93%	109.33%	86.58%	88.79%	83.74%	101.00%	103.66%



Aircraft parking numbers relate to the number of visiting plane overnights at the Airport. There was an increase in numbers during the period compared to the previous year. A major peak was evident during the dry season from May – August.

East Kimberley Regional Airport Aircraft Movements (Parking)			
Aircraft Movements (Parking)			
Month	2013/2014	2014/2015	2015/2016
July	0	83	178
August	71	61	140
September	50	37	40
October	20	20	60
November	18	14	55
December	5	77	49
January	50	74	41
February	22	73	22
March	30	83	46
April	58	98	84
May	63	101	125
June	51	136	124
Total	438	857	964
Pecntage Change from Previous Year	N/A	195.66%	112.49%



East Kimberley Regional Airport Runway Upgrade

In 2015-16 the final runway grooving took place following the runway asphalt overlay undertaken in 2014/15. The grooved runway provides skid resistance for aircraft when landing. The final product is an improved, smoother more uniform surface that complies with current aviation standards. The asphalt overlay has also increased structural strength which will enable larger aircraft to operate all year round for many years to come.



Runway grooving



Finished Runway

Wyndham Airport

Investigations were completed on condition assessment of the sealed runway, taxiways and apron at Wyndham Airport. A specification was subsequently prepared for the reseal of both the runway and taxiways together with a finishing coat to the Wyndham apron.

These works totaling some \$300,000 are to be undertaken with a reseal of a number of town roads, which can provide economies of scale. The resealing works are scheduled to be completed in July 2016.

8.2.7 Asset Maintenance and Management Plan

During 2015/16 the Shire of Wyndham East Kimberley undertook a fair value assessment of all classes of its assets. This process ensured a fair value price was assigned to each asset. The work included field work using the Road Asset and Maintenance Management Software (RAMMS) mobile field device (Pocket RAMMS). The Shire is a leader in the use of the RAMMS mobile field device, being selected as one of the first to trial the system in Western Australia.

Other activities included;

- Ongoing capturing and recording of asset information for culverts, drainage, signage, pavements, footpaths, jetties and boat ramps, kerbing, airports and buildings and other infrastructure assets using the pocket RAMMS system.
- Continued capturing and recording of asset information for our remote roads .e.g. Duncan Road, King River Road, Parry's Creek Road, Kalumburu Road, Carlton

Hill Road, Port Warrender Road. These are some of most remote roads in Australia and present some unique challenges to the Shire.

- Continuation of traffic counts using both the Sierzega radar system and metrocount systems on our urban and remote rural roads. Traffic counts are needed for road funding and grants, as well as to gain a better understanding of the traffic types and volumes utilising the Shire's sealed and unsealed road network and their impact on road condition.
- Conducting required annual playground and bridge inspections.

8.2.8 Roads

Major road projects undertaken during 2015-16 included installation of new footpaths and renewal of damaged footpaths in Wyndham to improve footpath connectivity.

Improvements to kerbing in Kununurra. Re-sheeting (a new gravel surface) to a 2.5 km section of Carlton Hill Road and maintenance grading to most of the Shire's 1000 km of gravel roads. Many of the Shire's rural sealed roads receiving shoulder grading attention.

A significant renewal program was completed on Kalumburu Road with about 12.6 km of road formation construction completed and about 11.3 km of re-sheeting and the construction of 19 new floodways to improve the wet weather performance of the road and allow the road to be opened earlier following the wet season.



Installation of footpaths – Wyndham



Replacement of damaged kerb – Kununurra



Re-sheeting – Carlton Hill Road

8.2.9 Stormwater Management Strategy

A meeting of key local stakeholder organisations was held to discuss solutions to flooding issues to minimise the risk of flooding to Kununurra. A copy of the OIC scoping study report was received from the consultants which has provided a number of recommendations to move the investigation forward.

8.2.10 Disability Access and Inclusion Plan

Under the Disability Services Act 1993 the Shire must have and maintain a Disability Access and Inclusion Plan. The objective of the Committee is to oversee and advise on the implementation, review and evaluation of this plan. The committee meets annually to conduct this internal evaluation. The Plan must be formally reviewed and revised every five years with the most recent full review taking place in 2014. The Disability Access and Inclusion Planning representatives were Cr Beau Robinson and Cr Alma Petherick.

8.2.11 Libraries

In 2015/16 44,900 items were loaned from the Kununurra Community and School Library. We welcomed 750 new members and we shared Storytime and Rhymetime with more than 2800 parents and pre-schoolers joining us for stories, songs, crafts and dancing.

The 10th Kimberley Writers Festival was a fabulously successful weekend for everyone involved. Highlights of the weekend were the Brunch Cruise down to Echo Point on the Ord and the Sharing our Stories session held in Mirima with Peter Brandy and June Gregory sharing their personal stories through speech and song.

Children's Book Week was once again celebrated throughout the Shire with sessions held in Wyndham, Kalumburu and Kununurra and included students from many schools further afield. Raewyn Caisley was our visiting author and she had the students writing some fabulous stories about their place.



Children's Book Week in Kalumburu

Wyndham Library

This past year, although the Wyndham Library's membership remains constant the number of items taken out by members has increased by one third from the previous year, from 1,425 to 1,892.

On Wednesday 25 May the Wyndham Community Resource Centre and Wyndham Library combined to host National Simultaneous Story time. This fun Australian Library and Information Organisation event brings together children all over Australia to read the same book at the same time in their local libraries. This year's book, "I Got This Hat", an illustrated poem by Jol and Kate Temple, was read by Sheridan Vince.

After the reading children from Wyndham Early Learning Activity centre as well as Grades 1 and 2 from St Joseph's School and the Wyndham District High School were invited to wear and share stories about their favourite hat. The event closed with everyone learning to dance the "Mexican Hat Dance". ***Hip hip hurra!***



Children learning the Mexican Hat Dance

8.2.12 Childcare

The Shire was advised in January 2016 that lessees of the Wyndham Childcare facility were seeking alternative options as the existing long day care model was not viable. As no viable options were able to be put in place, the service ceased in April 2016. The Shire and One Tree Community Services are currently working with the community on an opportunity to sublease the service and are hopeful a childcare service can recommence in Wyndham in 2016/17.

The Shire continues to administer the lease for the Ewin Early Learning Centre.

8.2.13 Youth Services

The Shire, with support of funding from the Department for Child Protection and Family Support, provided services for young people aged 10 to 24 in Wyndham. The service operated with a single full time officer operating from the Ted Birch Memorial Youth and Recreation Centre. Regular programs include a teen girls group, art / design, chill zone, dancing, activities at the pool and sports programs. The Shire also continued to support community partners in the provision of services including Wyndham Police and Partners in the running of monthly Blue Light Disco's.

In Kununurra, 2015/16 saw the commencement of a lease for the Kununurra Youth Hub with Save the Children. This lease enables the Hub to be managed and operated from the centre resulting in greater utilisation and easier processes for users of the facility. This lease has also resulted in a significant reduction in the cost of this facility to the Shire.

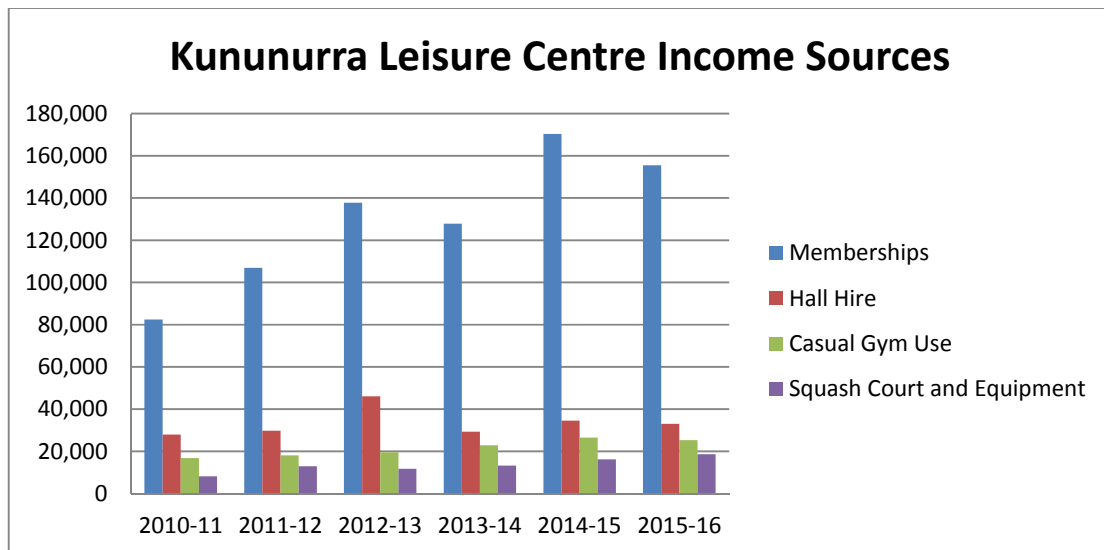
8.2.14 Recreation and Leisure

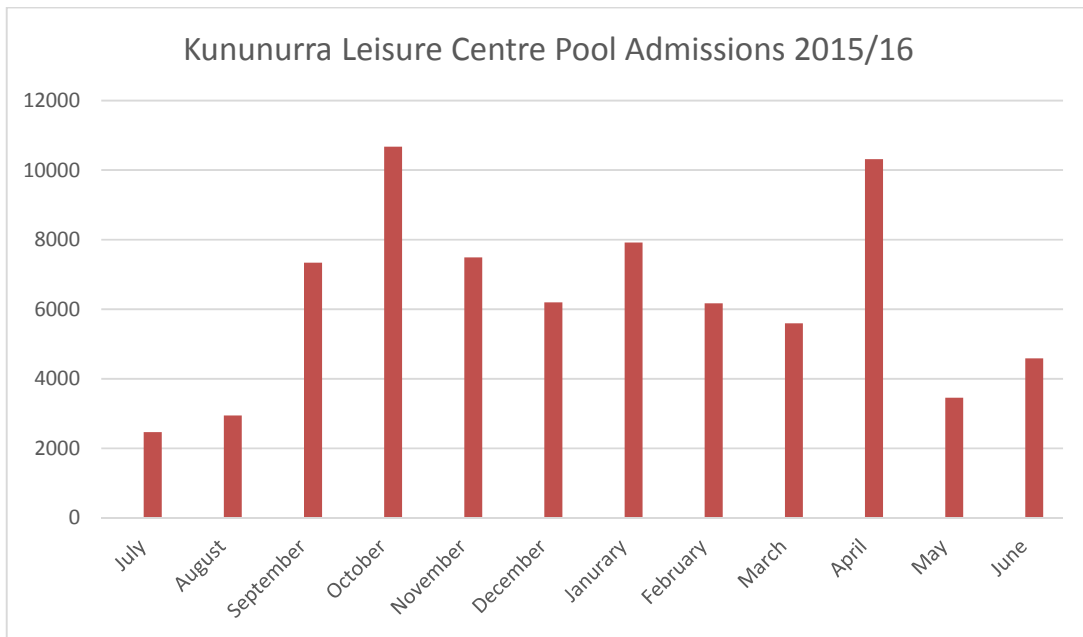
The Kununurra Leisure Centre hosted a number of School Holiday programs throughout 2015/16 financial year. Programs included pool based activities during Term 3 2015, a total of 83 children registered for the program and enjoyed games such as inflatable races.

The Shire, in partnership with the Kununurra Police also offered several free discos throughout the school holiday period with 200 + participants attending the February event.

With the stability of the staffing team ensuring qualified staff were consistently available, services such as group fitness classes, gym memberships and pool attendance have remained steady throughout the year.

Clients utilising personal training options at the gym have increased slightly and despite the turnover of some casual group instructors, group fitness numbers continue to increase from previous years.





The Shire was successful in obtaining \$64,000 from the Department of Sport and Recreation Community Pools Revitalisation Program. The program was established to assist regional and remote community pools with maintenance and upgrades.

The program assisted with general pool maintenance at both facilities, purchase of a new pool cleaner and various other pool items

The funding also allowed for the removal of the Kununurra Leisure Centre adventure pool slide platform as the platform had deteriorated and was no longer usable.



Removal of adventure pool platform

Swim School Program

The Swim School Program is provided in both Kununurra and Wyndham to enhance a child's swimming and survival skills. The 8-week program caters for participants from infants to level 8

Term 4, 2015

Kununurra Leisure Centre – 64 participants

Wyndham Swimming Pool – No sessions due to no qualified instructors.

Term 1, 2016

Kununurra Leisure Centre – 141 participants

Wyndham Swimming Pool – 21 participants

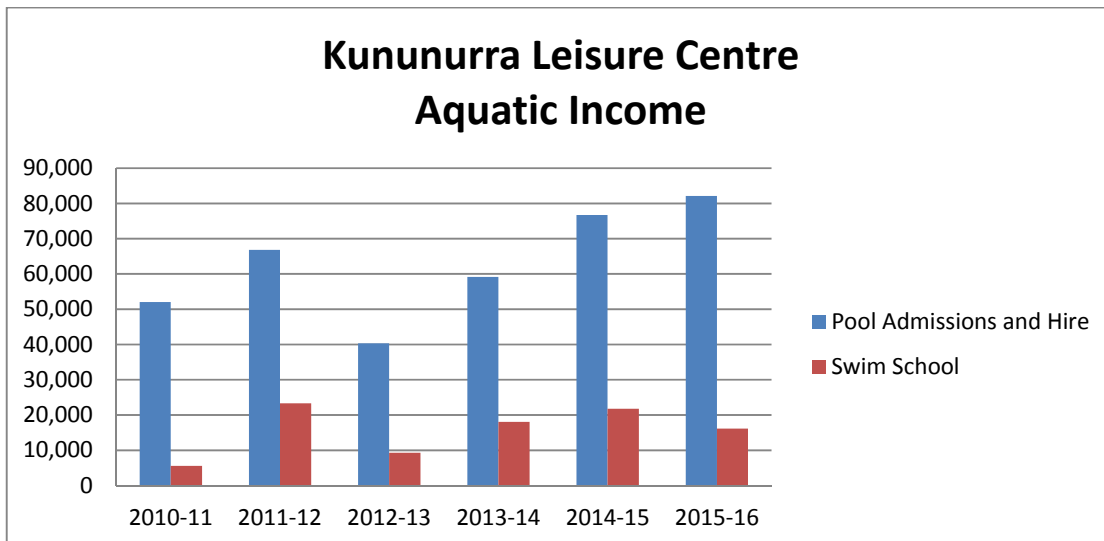
Swim for Fruit Program

Kids from 5-17 years were able to participate in the Swim for Fruit program at the Kununurra Leisure Centre and Wyndham Swimming Pool during the school holidays.

The Shire, together with Healthway and Royal Life Saving Society WA (RLSSWA) encouraged local children to participate in the lap swimming program. The program was an incentive based program and the local children were rewarded for their efforts. After each session the children were given a healthy afternoon tea and after a prescribed amount of laps, the children were also eligible to earn incentive prizes that included goggles, Royal Life Saving Society Swim and Survive packs, t-shirts and flippers.

The program continues to be well represented by the community with a total of 43 children participating at the Kununurra Leisure Centre and a further 32 children participating at the Wyndham Swimming Pool.





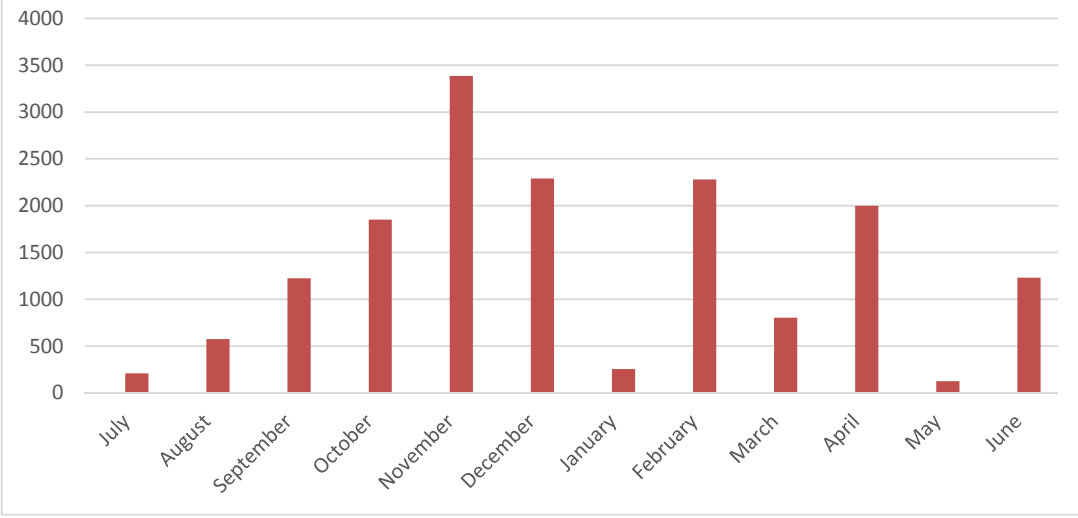
Wyndham Swimming Pool

The Wyndham swimming pool was again well utilised. Attendance followed the pattern of usage of high attendance during the build-up months, steady attendance during the wet season and low use during the colder months.

As mentioned above, the Wyndham pool was able to offer a Swim School during term 1 2016 however the ability to provide this service is limited by the availability of qualified instructors



Wyndham Swimming Pool Admission Income 2015/16

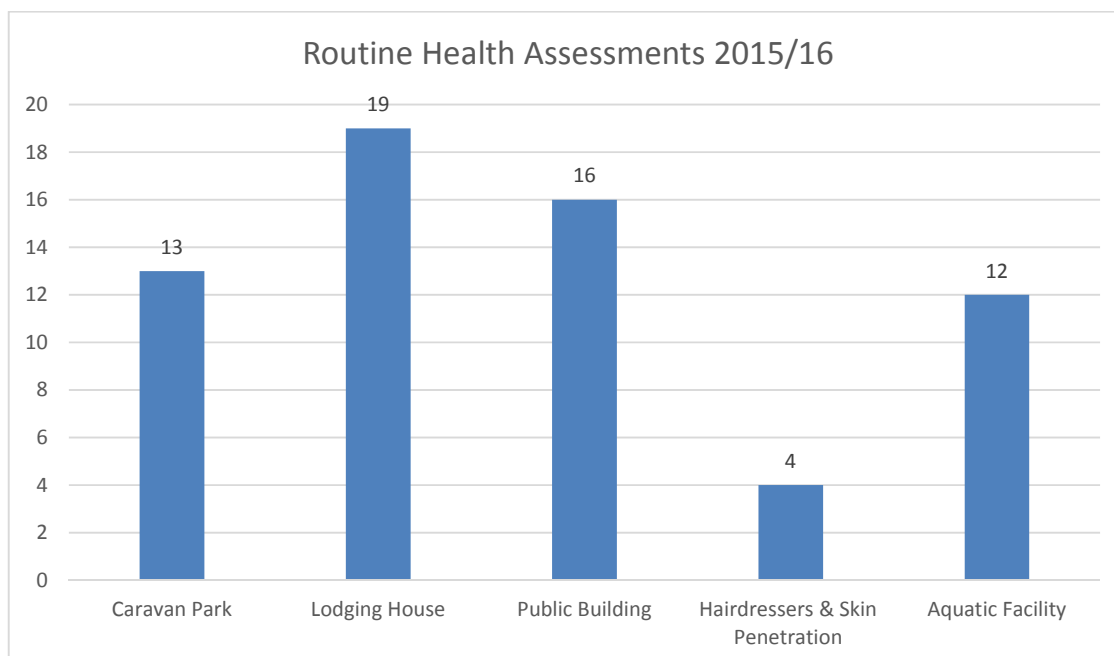


8.2.15 Environmental Health Services

The Shire's Environmental Health Service is responsible for monitoring aspects of the natural and built environment that may affect human health. This includes administering the Health Act 1911, the Food Act 2008 and the Caravan Parks and Camping Grounds Act 1995 and subsidiary legislation.

Premises bound by the Health Act 1911 includes lodging houses, public buildings, beauty and skin penetration establishments and public swimming pools. These premises were subject to their annual inspections to ensure health and safety standards were maintained. A total of 64 annual inspections were conducted in 2015-2016 to ensure compliance with the relevant legislation.

Routine Health Assessments

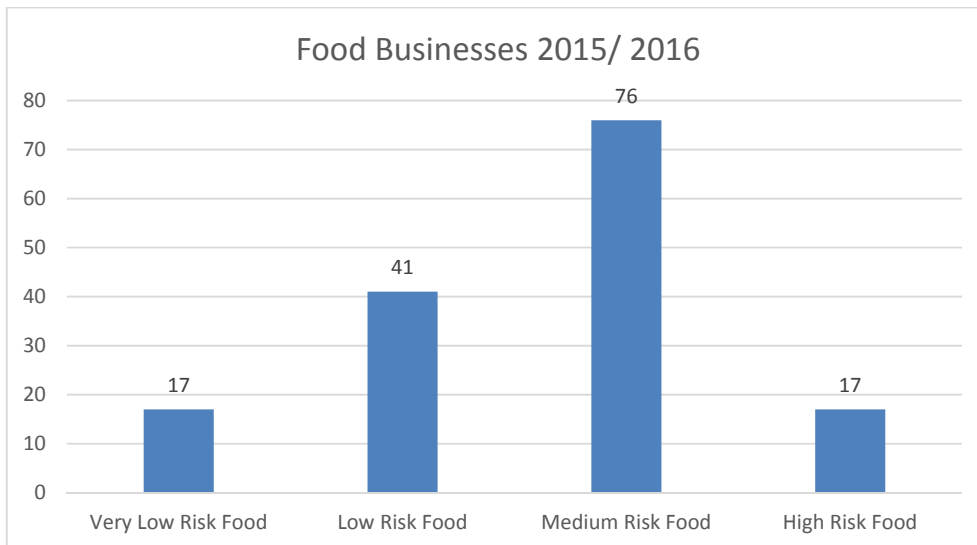


Food Safety Assessments

Food businesses are bound by the Food Act 2008 and given a risk classification which determines their inspection frequency. There are 151 registered food businesses within the Shire, the majority of which are classified as medium risk. In 2015-2016 a total of 137 inspections were conducted to monitor food safety and hygiene in local food businesses.

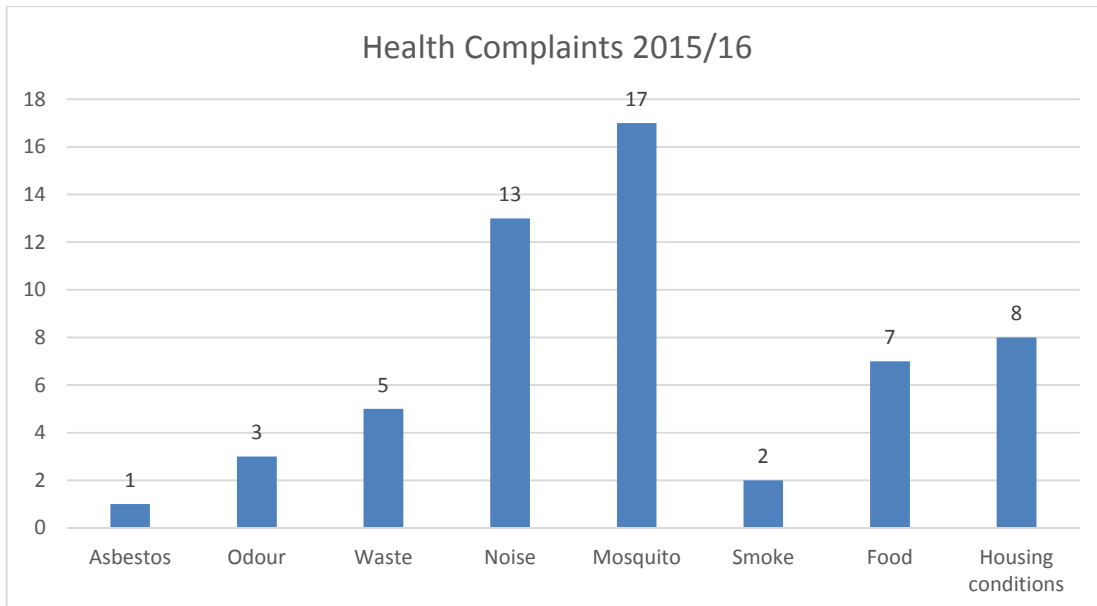
The Shire also monitored food recalls to ensure local food businesses were alerted to any recalls which affected them. A total of 42 food recalls affected West Australian food businesses in 2015/16.

To assist food business to meet their obligations under the food standards code the Shire provides free online "I'm Alert" food safety training for food handlers. The free training was accessed by the public 123 times in 2015/16.



Health Complaints Received

A total of 56 health complaints were investigated in 2015-2016, most of which were regarding mosquitoes and noise.

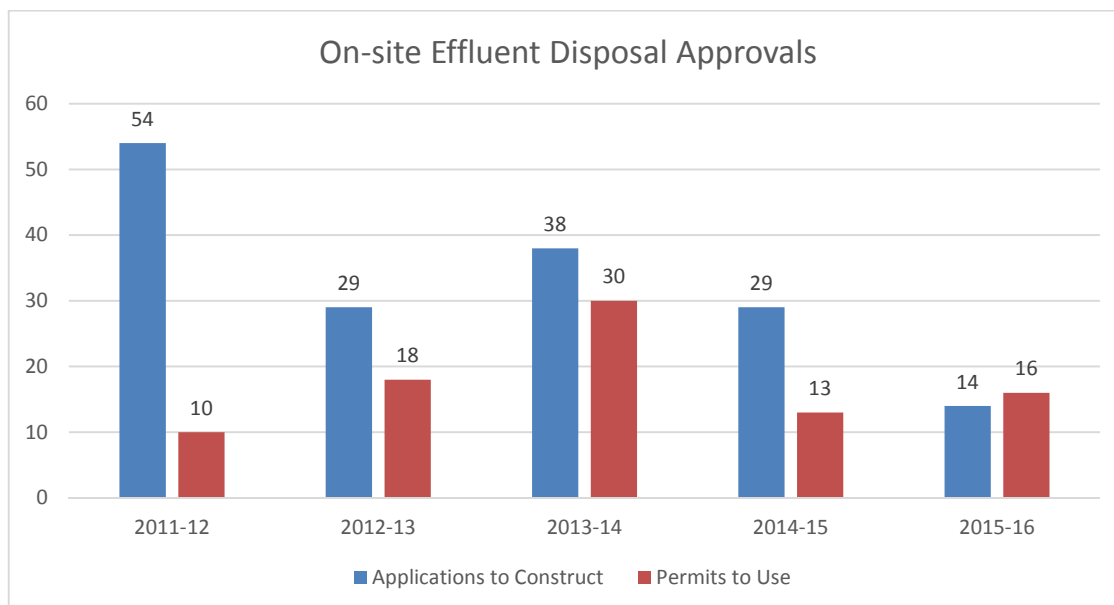


Public Swimming Pool Sampling

In accordance with the Health (Aquatic Facilities) Regulations 2007, the Shire samples all public swimming pools each month. Samples were sent to Perth for microbiological analysis. In the 2015/16 financial year, 15 re-samples were taken in response to unsatisfactory microbiological results requiring corrective action. This included eight samples positive for *Pseudomonas aeruginosa*, five samples positive for *Thermophilic naegleria* and two samples positive for *Escherichia coli*.

On-Site Effluent Disposal Approvals

Properties which cannot be connected to a reticulated sewer must install septic systems for the on-site treatment and disposal of effluent. Under the Health Act 1911, these septic systems require approval prior to installation. Installed systems were inspected and issued with a permit to use prior to being commissioned. In 2015/16, the Shire issued 14 new approvals to construct and 16 permits to use.

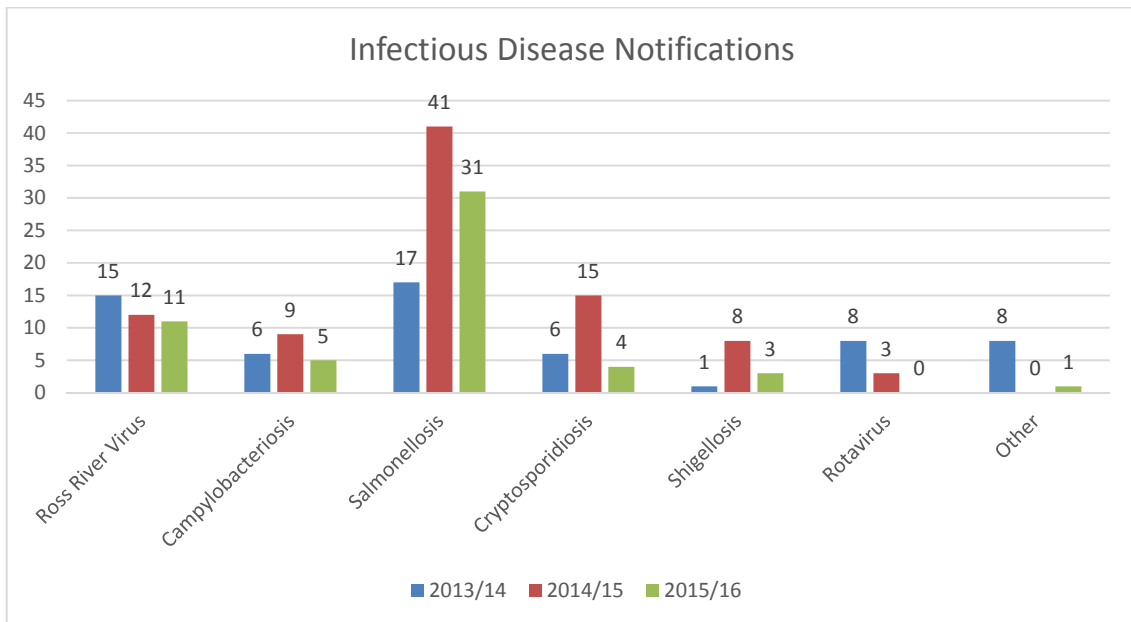


Public Events

The Shire also ensure that Public events held within the area pose minimal risk to public health and safety and are operated to a standard consistent with the Department of Health Guidelines for Concerts, Events and Organised Gatherings 2009. In 2015/2016, 60 event applications were received and assessed for health and safety issues. For larger high risk events, site visits were conducted before the event to ensure these health and safety standards were being met.

Infectious Disease Notifications

Infectious disease levels in the Shire were monitored and if necessary investigated to prevent further infections. In 2015/16, the Shire experienced a lower rate of infectious disease levels as compared to 2014/15. However, the Shire continued to experience a higher rate of *Salmonellosis* compared to 2013/14, the cause of which was unknown. The number of Ross River and Rotavirus cases have decreased compared to previous years.



Mosquito Management

Contiguous Local Authority Group (CLAG) funding

In the 2015/2016 financial year, the Shire received its first allocation of funding under the CLAG scheme from the WA Department of Health. The funding was used to purchase chemicals, equipment and public education materials. The equipment and chemicals were used to treat mosquito breeding areas in Kununurra and Wyndham. The funding also allowed the Shire to bring in a consultant medical entomologist in September 2015. The consultant provided guidance and assistance to Shire staff in ground surveillance exercises to locate mosquito breeding sites in Wyndham and Kununurra. The consultant carried out an overall review on the Shire’s mosquito management activities. The results and recommendations of this report have been incorporated into the Shire’s draft Mosquito Management Plan.



Draft Mosquito Management Plan

In May 2016, Council endorsed the Draft Mosquito Management Plan for public comment. The draft Mosquito Management Plan (MMP) outlines the Shire's mosquito management activities and includes guidance to staff and information to the public on when and why control activities, including mosquito fogging, are conducted. The goal of the draft Mosquito Management Plan is to reduce nuisance and disease risk associated with mosquito populations by committing to environmentally and financially sustainable mosquito management practices. The Draft Plan was advertised for public comment that closed on 15 July 2016. All comments received will be considered by Council prior to adoption of the final Plan.

Sentinel Chicken

The Shire continued to participate in the Sentinel Chicken Surveillance program run by the Department of Health in 2015/2016. The program is used to provide an early warning of an increased level of mosquito-borne virus activity. There is currently one flock of chickens in Kununurra and one flock in Wyndham. Blood samples are taken from the chickens fortnightly in the wet season and monthly in the dry season. Samples are sent to the PathWest laboratory in Perth for analysis. Detection of virus in the chickens will trigger increased public awareness activities and liaison with the Department of Health regarding appropriate control actions.

Funding Initiative for Mosquito Management in Western Australia (FIMMWA trapping project)

The Shire also participated in a FIMMWA mosquito trapping project with the Department of Health that ran from November 2015 until May 2016. As part of this project, mosquito traps were set in Wyndham and Kununurra at fixed locations. The mosquitoes caught in these traps were counted and identified to species. Based on the species identified, decisions were made by the Shire in consultation with the Department of Health to effectively target relevant species of mosquitoes and their breeding sites.



Fight the Bite Program

The Shire had an increased focus on education and awareness programs with the introduction of the WA Department of Health's 'Fight the Bite' campaign. Information stalls were held at local events with merchandise to give away, to encourage people to 'Fight the Bite'. The Fight the Bite campaign (Healthy WA) is aimed at reducing mosquito-borne diseases that afflict individuals, communities and the healthcare system. The three central messages are to: cover up, repel (use repellent) and clean up areas around the home where mosquitoes can breed. This information was also made available to the public through pamphlets sent out to personal mailboxes and advertised in the Kimberley Echo, on the Waringarri Radio, Shire Website and Facebook page.

8.3 Strategic Community Plan 2012 – 2022, Goal 3

Protection and enhancement of lifestyle values, community facilities and the environment to provide safe and inviting communities.

8.3.1 KidSport Program

The Kidsport program, provided in partnership with the Department of Sport and Recreation, continues to be well utilised by the registered sporting groups within the Shire. Kidsport enables eligible Western Australian children aged 5-18 years to participate in community sport and recreation by offering them financial assistance towards club fees.

Funded - \$11,248

Approximate Vouchers validated – 100

Top Five Sports – Kununurra Netball Association, Kununurra Junior Football Association, Kununurra Soccer Association, Kununurra Taekwondo Association and Crows Football Club.

Registered with a Club Before – Yes 63%, No 37% with 78% being Indigenous decent.

8.3.2 Waste Management Strategy

The implementation of the Waste Management Strategy has resulted in significant improvements to the Shire's waste services and infrastructure. The Strategy is key to providing sustainable, best practice waste services for the community and visitors.

The Shire aims to minimise the environmental impacts from waste disposal and ensure compliance with regulatory requirements. Waste services are managed to ensure a financially sustainable service based on the 'producer pays' principal. Continued improvements at the Kununurra landfill included addressing outstanding legacy issues, progressively capping and rehabilitating the site, commissioning of new liquid waste ponds and maintaining best practice operations to ensure the community has a facility to dispose of the waste generated by its residents, businesses and visitors.

8.3.3 Landfill and Waste / Litter Management / Depot Operations

The continued implementation of the Waste Management Strategy included:

- The purchase and use of new temporary landfill covers to increase the volume of waste that can go into each cell by reducing the volume of soil used for daily cover of the landfill; and
- Continued management of the Wyndham Landfill to achieve its maximum life.



New temporary landfill covers in use at the Kununurra landfill site

The Shire continued to address litter issues by undertaking litter patrols and litter pickups via a contractor and the Shire's own workforce. Key locations were identified for additional pickups including Whitegum Park and the Ivanhoe Crossing Truck Stop.

An unauthorised green waste dumping point was cleaned up and secured further improving the Shire's management of waste.

New Wyndham Depot Shed

Following a fire in 2014/15 that destroyed the Wyndham depot shed, a new shed was constructed in 2015/16. The new shed has been completed and is being utilised by staff, the new shed includes functional areas to ensure appropriate Occupational Safety and Health measures are maintained.



New Wyndham depot shed

Depot Operations

2015/16 saw the operational workforce undertake a number of activities on behalf of the Shire. Specific responsibilities include:

- Preparing the town for the Ord Valley Muster, Stars on the Bastion and other community and sporting events;
- Maintaining the Shire's many gravel and sealed roads;
- Repairing sections of the drainage systems in Kununurra and Wyndham;
- Maintaining the Shire's stormwater drainage system;
- Removing graffiti from key icons and community buildings;
- Repairs to reticulation in both Kununurra and Wyndham; and
- Maintenance to the Shire's parks, gardens and playgrounds.



Maintaining Parks and Gardens

8.3.4 Ranger Services

Ranger Services continued to deliver improved service to the community throughout the 2015/16 financial year. Key activities included:

- A number of abandoned vehicles were identified and removed from around the towns. This resulted in a number of cars being impounded and subsequently returned to registered owners or held over for disposal;
- Animal Management continued to be a focus for the ranger team as two key projects were undertaken this year. The first centred around managing stray and wandering dog and cats across the Shire. The second involved a project to improve the Animal Management Facility with new concreting completed in 2015/16 and new roofing to be finalised in early 2016/17;
- A partnership with Save Animals From Euthanasia has continued to rehome animals that were lost, healthy and not able to be returned to their owners. In 2015/16 more than 58 dogs have been rehomed in this process;
- Illegal campers were again a focus throughout the tourist season with many being asked to move on. Community intelligence was critical in the identification of key sites to patrol and enforce;
- Ranger Services have continued their litter and rubbish management efforts with the identification, monitoring and enforcement of domestic dumping within the Shire;
- This year saw the continued trial of the management of the Bush Fire Brigades by DFES;
- A rejuvenated Local Emergency Management Committee and Bush Fire Advisory Committee saw the development and adoption of new formalised Local Emergency Management Arrangements and a Local Recovery Plan for the Shire. It is anticipated that 2016/17 will see the further promotion of interagency cooperation;
- Key partnerships were developed in relation to the management of road closures; and
- Continued involvement with DFES in maintaining fire breaks and response to bushfires.



Controlled burn at East Kimberley Regional Airport

The Shire received a Local Government Emergency Services Grant in 2014/15 for the installation of two new fire sheds for the Crossing Falls and Ivanhoe Bush Fire Brigades. These new sheds were delivered in 2015/16 and are located on Crossing Falls and Weaber Plain Roads respectively. These sheds are a significant improvement on their predecessors and are larger and allow for the housing of two vehicles and include better facilities for members, which can also operate as incident response locations and are a welcome addition to the communities that they serve.



New Fire Shed

The Shire also received a new appliance under these grants in 2015/16 with the arrival of the new fire truck for the Shire to be housed at the Ivanhoe Bush Fire Brigade. The 4:4 Broadacre is an improvement on the previous light tankers and allows for 4000L of water to be carried on a 4WD truck and has the latest safety features to ensure fire fighter safety. It is specifically designed to combat bushfires.



In mid-2015/16, the Shire received a grant for the construction of an SES Training Tower. The training tower was constructed and installed at the DFES Co-location facility and will be used by the Kununurra SES to assist in their training and preparedness to perform difficult descent rescues.

2015/16 also saw the Shire implement the Fines Enforcement Registry (FER) to follow up on unpaid fines issued by Ranger Services. The Fines Enforcement Registry (FER) provides an effective, enforceable follow-up system for unpaid fines. The FER is administered by the Attorney General's Office (Court Administration) and ensures that fines are paid by using its ability to cancel driving licences and vehicle registrations to encourage payment.

8.3.5 Pool Assessments

Inspections for swimming pool security compliance (minimum four-year interval) were undertaken in compliance with the Building Regulations 2012. The requirements for pool fencing security in Western Australia was brought into compliance with the requirements of the National Construction Code (Building Code of Australia) and AS 1926.1-2012 Pool Barriers and AS 1926.2-2007 Barrier Locations in May 2016.

Statistics of Inspections undertaken in 2015/16 and the 2012 to 2016 pool inspection program are as follows:

	Number of Pools Kununurra	Number of Pools Wyndham	TOTALS
Compliant	157	4	161
Non-Compliant	26	2	28
Yet to be Inspected	71	2	73
TOTALS	254	8	262

8.3.6 Lily Creek Boat Ramp

In 2014/15 funding was received to redevelop the Lily Creek Lagoon Boat Launching Facility.

A scope of works was developed that included:

- Reconstructed boat ramp
- Two finger jetties
- Additional trailer parking facilities
- Public lighting upgrades

The boat launching facility project expenditure is being undertaken in three phases with the first two phases now completed:

- Phase one, Engineering design;
- Phase two, the construction of the boat ramp and two finger jetties; and
- Phase three, the construction of the additional trailer parking facilities and public lighting upgrades.

The construction of the additional trailer parking facilities and public lighting upgrades works will be completed in 2016/17.



Lily Creek Boat Ramp

SHIRE OF WYNDHAM EAST KIMBERLEY
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

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Principal place of business:
20 Coolibah Drive
PO Box 614
Kununurra WA 6743

SHIRE OF WYNDHAM EAST KIMBERLEY
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire being the annual financial report and other information for the financial year ended 30 June 2016 are in my opinion properly drawn up to present fairly the financial position of the Shire at 30th June 2016 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed as authorisation of issue on the 5TH day of DECEMBER 2016



Carl Askew
Chief Executive Officer

SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2016

	NOTE	2016 \$	2016 Budget \$	2015 \$
Revenue				
Rates	23	10,073,680	9,951,565	9,255,496
Operating grants, subsidies and contributions	30	2,528,250	2,701,382	11,200,814
Fees and charges	29	7,368,881	7,691,734	7,139,078
Interest earnings	2(a)	495,731	395,557	440,012
Other revenue	2(a)	462,692	225,876	619,567
		<u>20,929,234</u>	<u>20,966,114</u>	<u>28,654,967</u>
Expenses				
Employee costs		(10,008,428)	(10,462,339)	(10,219,393)
Materials and contracts		(5,528,988)	(5,677,798)	(8,342,143)
Utility charges		(1,176,174)	(1,216,206)	(1,070,483)
Depreciation on non-current assets	2(a)	(7,187,215)	(5,765,188)	(5,776,006)
Interest expenses	2(a)	(321,373)	(275,230)	(305,623)
Insurance expenses		(574,153)	(596,424)	(632,797)
Other expenditure		(915,949)	(770,007)	(735,438)
		<u>(25,712,280)</u>	<u>(24,763,192)</u>	<u>(27,081,883)</u>
		<u>(4,783,046)</u>	<u>(3,797,078)</u>	<u>1,573,084</u>
Non-operating grants, subsidies and contributions	30	2,702,266	5,621,304	8,567,574
Profit on asset disposals	21	87,566	128,443	11,860
(Loss) on asset disposals	21	(137,210)	(88,231)	(419,089)
Fair value adjustments to financial assets at				
Net result		<u>(2,130,424)</u>	<u>1,864,438</u>	<u>9,733,429</u>
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	13	1,171,940	-	152,051,296
Total other comprehensive income		<u>1,171,940</u>	<u>-</u>	<u>152,051,296</u>
Total comprehensive income		<u><u>(958,484)</u></u>	<u><u>1,864,438</u></u>	<u><u>161,784,725</u></u>

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

SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2016

	NOTE	2016 \$	2016 Budget \$	2015 \$
Revenue	2(a)			
Governance		96,933	150,873	1,079,450
General purpose funding		12,752,284	12,498,680	15,559,374
Law, Order and Public Safety		116,853	58,613	57,402
Health		127,786	92,506	74,905
Education and welfare		10,990	11,500	82,755
Housing		126,587	121,590	192,822
Community amenities		2,730,721	2,534,733	2,443,593
Recreation and culture		811,508	997,143	853,863
Transport		4,061,736	4,160,621	8,024,625
Economic services		55,770	96,365	82,837
Other properties and services		38,066	243,490	203,341
		<u>20,929,234</u>	<u>20,966,114</u>	<u>28,654,967</u>
Expenses	2(a)			
Governance		(598,566)	(799,764)	(1,510,114)
General purpose funding		(509,379)	(573,835)	(479,648)
Law, order, public safety		(613,308)	(592,391)	(522,068)
Health		(331,148)	(299,639)	(304,018)
Education and welfare		(190,945)	(227,210)	(298,283)
Housing		(585,975)	(599,189)	(636,444)
Community amenities		(3,892,323)	(4,061,436)	(3,812,887)
Recreation and culture		(6,502,997)	(6,866,823)	(6,020,433)
Transport		(10,887,657)	(8,601,589)	(11,143,352)
Economic services		(419,369)	(330,981)	(463,318)
Other property and services		(859,240)	(1,535,105)	(1,585,695)
		<u>(25,390,907)</u>	<u>(24,487,962)</u>	<u>(26,776,260)</u>
Finance costs	2(a)			
Governance		(154,958)	(130,462)	(144,470)
Education and welfare		(18,307)	(16,331)	(20,218)
Housing		(5,999)	(5,255)	(6,586)
Community amenities		(96,755)	(83,111)	(95,555)
Recreation and culture		(33,579)	(30,268)	(38,220)
Transport		(11,775)	(9,803)	(574)
		<u>(321,373)</u>	<u>(275,230)</u>	<u>(305,623)</u>
		<u>(4,783,046)</u>	<u>(3,797,078)</u>	<u>1,573,084</u>
Non-operating grants, subsidies and contributions	30	2,702,266	5,621,304	8,567,574
Profit on disposal of assets	21	87,566	128,443	11,860
(Loss) on disposal of assets	21	(137,210)	(88,231)	(419,089)
Fair value adjustments to financial assets at				
Net result		<u>(2,130,424)</u>	<u>1,864,438</u>	<u>9,733,429</u>
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	13	1,171,940	-	152,051,296
Total other comprehensive income		<u>1,171,940</u>	<u>-</u>	<u>152,051,296</u>
Total comprehensive income		<u>(958,484)</u>	<u>1,864,438</u>	<u>161,784,725</u>

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

SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2016

	NOTE	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	3	13,836,742	17,030,460
Trade and other receivables	5	1,643,380	3,770,714
Inventories	6	14,576	10,532
TOTAL CURRENT ASSETS		<u>15,494,698</u>	<u>20,811,706</u>
NON-CURRENT ASSETS			
Other receivables	5	21,233	17,329
Investments	4	6,682	6,682
Inventories	6	46,283	46,283
Property, plant and equipment	7	64,612,592	65,891,984
Infrastructure	8	212,702,965	211,681,188
TOTAL NON-CURRENT ASSETS		<u>277,389,755</u>	<u>277,643,466</u>
TOTAL ASSETS		<u>292,884,453</u>	<u>298,455,172</u>
CURRENT LIABILITIES			
Trade and other payables	9	2,540,197	6,451,548
Current portion of long term borrowings	10	997,438	954,449
Provisions	11	1,087,056	869,775
TOTAL CURRENT LIABILITIES		<u>4,624,691</u>	<u>8,275,772</u>
NON-CURRENT LIABILITIES			
Long term borrowings	10	5,165,774	6,163,211
Provisions	11	226,868	190,585
TOTAL NON-CURRENT LIABILITIES		<u>5,392,642</u>	<u>6,353,796</u>
TOTAL LIABILITIES		<u>10,017,333</u>	<u>14,629,568</u>
NET ASSETS		<u>282,867,120</u>	<u>283,825,604</u>
EQUITY			
Retained surplus		90,670,076	89,692,115
Reserves - cash backed	12	11,060,849	14,169,234
Revaluation surplus	13	181,136,195	179,964,255
TOTAL EQUITY		<u>282,867,120</u>	<u>283,825,604</u>

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2016**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2014		85,864,566	8,263,354	27,912,959	122,040,879
Comprehensive income					
Net result		9,733,429	-	-	9,733,429
Changes on revaluation of assets	13	-	-	152,051,296	152,051,296
Total comprehensive income		9,733,429	-	152,051,296	161,784,725
Transfers from/(to) reserves		(5,905,880)	5,905,880	-	-
Balance as at 30 June 2015		89,692,115	14,169,234	179,964,255	283,825,604
Comprehensive income					
Net result		(2,130,424)	-	-	(2,130,424)
Changes on revaluation of assets	13	-	-	1,171,940	1,171,940
Total comprehensive income		(2,130,424)	-	1,171,940	(958,484)
Transfers from/(to) reserves		3,108,385	(3,108,385)	-	-
Balance as at 30 June 2016		90,670,076	11,060,849	181,136,195	282,867,120

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2016**

	NOTE	2016 Actual \$	2016 Budget \$	2015 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		9,955,456	9,752,534	9,258,021
Operating grants, subsidies and contributions		4,547,902	2,701,382	9,227,447
Fees and charges		7,368,881	7,691,734	7,139,078
Interest earnings		495,731	395,557	440,012
Goods and services tax		1,579,073	1,476,391	1,521,416
Other revenue		462,692	225,876	619,566
		<u>24,409,735</u>	<u>22,243,473</u>	<u>28,205,540</u>
Payments				
Employee costs		(9,856,464)	(10,419,577)	(10,176,140)
Materials and contracts		(9,336,499)	(5,393,908)	(5,870,231)
Utility charges		(1,176,174)	(1,216,206)	(1,070,483)
Interest expenses		(327,657)	(275,230)	(293,882)
Insurance expenses		(574,153)	(596,424)	(632,797)
Goods and services tax		(1,357,071)	(2,116,677)	(1,596,393)
Other expenditure		(915,949)	(770,007)	(735,438)
		<u>(23,543,967)</u>	<u>(20,788,029)</u>	<u>(20,375,364)</u>
Net cash provided by (used in) operating activities	14(b)	<u>865,768</u>	<u>1,455,443</u>	<u>7,830,176</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment		(1,034,419)	(1,743,773)	(708,899)
Payments for construction of infrastructure		(5,343,689)	(13,279,239)	(7,173,065)
Non-operating grants, subsidies and contributions		2,702,266	5,621,304	8,567,574
Proceeds from sale of fixed assets		570,804	363,237	57,204
Net cash provided by (used in) investment activities		<u>(3,105,038)</u>	<u>(9,038,471)</u>	<u>742,814</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of debentures		(954,448)	(954,447)	(2,261,457)
Proceeds from new debentures		-	-	1,803,218
Net cash provided by (used in) financing activities		<u>(954,448)</u>	<u>(954,447)</u>	<u>(458,239)</u>
Net increase (decrease) in cash held		(3,193,718)	(8,537,475)	8,114,751
Cash at beginning of year		17,030,460	16,987,535	8,915,709
Cash and cash equivalents at the end of the year	14(a)	<u><u>13,836,742</u></u>	<u><u>8,450,060</u></u>	<u><u>17,030,460</u></u>

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

SHIRE OF WYNDHAM EAST KIMBERLEY
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2016

	NOTE	2016 Actual \$	2016 Budget \$	2015 Actual \$
Net current assets at start of financial year - surplus/(deficit)		197,606	(1,665,875)	(1,397,052)
		197,606	(1,665,875)	(1,397,052)
Revenue from operating activities (excluding rates)				
Governance		96,933	150,872	1,079,450
General purpose funding		2,683,890	2,551,995	6,303,878
Law, order, public safety		116,853	58,613	57,402
Health		127,786	92,506	74,905
Education and welfare		10,990	11,500	82,755
Housing		126,587	121,590	192,822
Community amenities		2,730,721	2,534,733	2,443,593
Recreation and culture		811,508	997,143	853,863
Transport		4,081,305	4,160,621	8,024,625
Economic services		55,770	96,365	82,837
Other property and services		106,063	371,933	215,201
		10,948,406	11,147,871	19,411,331
Expenditure from operating activities				
Governance		(753,524)	(930,227)	(1,654,584)
General purpose funding		(509,379)	(573,835)	(479,648)
Law, order, public safety		(613,308)	(592,391)	(522,068)
Health		(331,148)	(299,639)	(304,018)
Education and welfare		(209,252)	(243,541)	(318,501)
Housing		(707,415)	(604,444)	(643,030)
Community amenities		(3,989,078)	(4,144,548)	(4,015,647)
Recreation and culture		(6,536,576)	(6,897,090)	(6,058,653)
Transport		(10,899,432)	(8,611,392)	(11,143,926)
Economic services		(419,369)	(330,981)	(463,318)
Other property and services		(881,009)	(1,623,336)	(1,897,579)
		(25,849,490)	(24,851,424)	(27,500,972)
Operating activities excluded from budget				
(Profit) on disposal of assets	21	(87,566)	(128,443)	(11,860)
Loss on disposal of assets	21	137,210	88,231	419,089
Movement in deferred pensioner rates		(3,904)	-	(2,780)
Movement in employee benefit provisions		253,564	-	(130,347)
Depreciation on assets	2(a)	7,187,215	5,765,188	5,776,006
Amount attributable to operating activities		(7,216,959)	(9,644,452)	(3,436,585)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		2,702,266	5,621,304	8,567,574
Proceeds from disposal of assets	21	570,804	363,237	57,204
Purchase of property, plant and equipment	7(b)	(1,034,419)	(1,743,773)	(27,257)
Purchase and construction of infrastructure	8(b)	(5,343,689)	(13,279,239)	(7,854,707)
Amount attributable to investing activities		(3,105,038)	(9,038,471)	742,814
FINANCING ACTIVITIES				
Repayment of debentures	22(a)	(954,448)	(954,447)	(2,261,457)
Proceeds from new debentures	22(a)	-	-	1,803,218
Transfers to reserves (restricted assets)	12	(4,964,426)	(6,707,473)	(11,480,650)
Transfers from reserves (restricted assets)	12	8,072,811	16,576,747	5,574,770
Amount attributable to financing activities		2,153,937	8,914,827	(6,364,119)
Surplus(deficiency) before general rates		(8,168,059)	(9,768,096)	(9,057,890)
Total amount raised from general rates	23	10,068,394	9,946,685	9,255,496
Net current assets at June 30 c/fwd - surplus	24	1,900,334	178,589	197,606

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. 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 20 to these financial statements.

(b) 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.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) 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.

(d) 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.

(e) 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.

(f) 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.

Mandatory requirement to revalue non-current assets

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

During the year ended 30 June 2013, the Shire commenced the process of adopting Fair Value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at Fair Value in accordance with the

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the Shire revalues its asset classes in accordance with this mandatory timetable.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

Land under control

In accordance with Local Government (Financial Management) Regulation 16(a), 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 detailed above.

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

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework 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 detailed above.

Revaluation

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.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

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.

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 used for each class of depreciable asset are:

GROUP	CLASS	NUMBER OF YEARS
Roads	Sealed Roads - Formation	Infinite – Not Depreciated
	Sealed Roads - Pavement Under Seal	70
	Sealed Roads -Wearing Course - Chip Seal	25
	Sealed Roads -Wearing Course - Asphalt	40
	Unsealed Roads - Formation	Infinite – Not Depreciated
	Unsealed Roads - Pavement	15
	Kerbs & Channel	50
	Road Furniture and Signs	10
Drainage	Underground Pipes	75
	Retarding Basins	Infinite – Not Depreciated
Airfields	Airfield - Formation	Infinite – Not Depreciated
	Airfield - Pavement under Seal	80
	Airfield - Wearing Course - Chip Seal	25
	Airfield - Wearing Course - Asphalt	40
	Airfield - Lighting	20
	Airfield - Fencing	30
Bridges	Bridges	100
	Culverts	100
Footpaths	Footpath	45

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

GROUP	CLASS	NUMBER OF YEARS
Infrastructure Other	Car Parks - Formation	Infinite – Not Depreciated
	Car Parks - Pavement Under Seal	70
	Car Parks - Wearing Course - Chip Seal	25
	Car Parks - Wearing Course - Asphalt	40
	Jetties & Pontoons	40
	Boat Ramps	50
	Reticulation System (Pipe, Pump, Controller)	20
	Playground Equipment	10
	Outdoor Furniture	20
	Sporting/Play Area - Minor Structures	10
	Sporting Facilities - Hardcourts/Skate Parks	20
	Sporting Facilities - Fencing	30
	Sporting Facilities - Lighting	20
Sporting Facilities - Swimming Pools	50	
Land and Buildings	Land	Infinite – Not Depreciated
	Landfill Refuse (Land Component Only)	30
	Brick/Concrete Buildings	40
	Transportable Buildings	10
	Steel Construction Buildings	35
	Ancillary Structures to Buildings	10
Furniture and Equipment	ICT Computer Equipment	3
	ICT Office Equipment/Systems	5
	Office Furniture	10
	Kitchen Equipment	5
	Fit-outs	20
Plant and Equipment	Light Plant	3
	Medium Plant	7
	Sport and Recreation Equipment	7
	Other Plant / Equipment	10
	Heavy plant	10

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.

Capitalisation threshold

Expenditure on items of equipment under \$5,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities

When performing a revaluation, the Shire uses a mix of both independent and management valuations using the following as a guide:

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:

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities (Continued)

Market approach

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

Income approach

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

Cost approach

Valuation techniques that reflect the current replacement cost of 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.

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued in accordance with the regulatory framework.

(h) 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.□

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

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.

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.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

(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.

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.

(i) 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.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of Assets (Continued)

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

(j) 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.

(k) 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 and salaries 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.

(l) 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.

(m) 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.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Provisions (Continued)

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

(n) 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.

(o) 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.

(p) 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 I (o) for a description of the equity method of accounting.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Interests in Joint Arrangements (Continued)

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 17.

(q) 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.

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.

(r) 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.

(s) 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 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.

(t) Rounding Off Figures

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

(u) 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.

(v) 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 WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(i) AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Shire, it is not anticipated the Standard will have any material effect.
(ii) AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2018	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.
(iii) AASB 16 Leases	February 2016	1 January 2019	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.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(iv) AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]	August 2014	1 January 2016	<p>This Standard amends AASB 11: <i>Joint Arrangements</i> to require the acquirer of an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3: <i>Business Combinations</i>, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.</p> <p>Since adoption of this Standard would impact only acquisitions of interests in joint operations on or after 1 January 2016, management believes it is impracticable at this stage to provide a reasonable estimate of such impact on the Shire's financial statements.</p>
(v) AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]	August 2014	1 January 2016	<p>This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. It also clarifies the use of revenue-based methods to calculate the depreciation of an asset is not appropriate nor is revenue generally an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.</p> <p>Given the Shire currently uses the expected pattern of consumption of the future economic benefits of an asset as the basis of calculation of depreciation, it is not expected to have a significant impact.</p>
(vi) AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	December 2014	1 January 2017	<p>Consequential changes to various Standards arising from the issuance of AASB 15.</p>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
<p>(vii) AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101</p> <p>[AASB 7, 101, 134 & 1049]</p>	January 2015	1 January 2016	<p>This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements.</p> <p>This Standard also makes editorial and consequential amendments as a result of amendments to the Standards listed in the title column.</p> <p>It is not anticipated it will have any significant impact on disclosures as they currently exist and any changes will relate to presentation.</p>
<p>(viii) AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities</p> <p>[AASB 10, 124 & 1049]</p>	March 2015	1 July 2016	<p>The objective of this Standard is to extend the scope of AASB 124 <i>Related Party Disclosures</i> to include not-for-profit sector entities.</p> <p>The Standard is expected to have a significant disclosure impact on the financial report of the Shire as both Elected Members and Senior Management will be deemed to be Key Management Personnel and resultant disclosures will be necessary.</p>

Notes:

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

I. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) 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.

These new and revised standards were as follows:

- (i) AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality
- (ii) AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

2. REVENUE AND EXPENSES	2016	2015
	\$	\$
(a) Net Result		
The Net result includes:		
(i) Charging as an expense:		
Auditors remuneration		
- Audit of the Annual Financial Report	34,244	38,432
- CEO Regulation 17 Review	-	21,593
- Assistance with the finalisation of the annual financial report	2,250	3,300
- Audit of grant funded projects and other services	21,100	10,950
Depreciation		
Buildings - non-specialised	607,917	643,967
Buildings - specialised	1,146,438	1,143,859
Furniture and equipment	224,062	228,566
Plant and equipment	578,237	676,752
Land under control - buildings	308,649	315,692
Infrastructure - roads	2,260,867	1,788,566
Infrastructure - footpaths	144,286	80,345
Infrastructure - drainage	217,975	38,212
Infrastructure - other	744,858	625,209
Airfields	557,308	220,549
Bridges	396,618	14,289
	<u>7,187,215</u>	<u>5,776,006</u>
Interest expenses (finance costs)		
Debentures (refer Note 22(a))	321,373	305,623
	<u>321,373</u>	<u>305,623</u>
(ii) Crediting as revenue:		
Other revenue		
Reimbursements and recoveries	20,002	191,916
Other	442,690	427,651
	<u>462,692</u>	<u>619,567</u>
	<u>7,187,215</u>	<u>5,776,006</u>
	2016	2016
	Actual	Budget
	\$	\$
Interest earnings		2015
- Reserve funds	232,244	286,804
- Other funds	168,249	45,215
Other interest revenue (refer note 28)	95,237	107,993
	<u>495,731</u>	<u>440,012</u>
	<u>395,557</u>	<u>440,012</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

Vision

For the East Kimberley to be a thriving community with opportunities for all.

Mission

To enable the East Kimberley to develop in a manner that will achieve social, cultural, economic and environmental benefits for all.

Commitment

Council and staff will make decisions with integrity, transparency and consistency.

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

Council 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, animal control 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 waste disposal compliance.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective (Continued)

EDUCATION AND WELFARE

Objective:

To provide services to disadvantaged persons, the elderly, children and youth.

Activities:

Operation of youth services, day care centres and assistance to other voluntary services.

HOUSING

Objective:

To provide and maintain staff and residential housing.

Activities:

Provision of staff and residential housing.

COMMUNITY AMENITIES

Objective:

To provide services required by the community.

Activities:

Rubbish collection services, operation of rubbish disposal sites, litter control, administration of the town planning schemes, maintenance of cemeteries, maintenance of rest centres and storm water drainage maintenance.

RECREATION AND CULTURE

Objective:

To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community.

Activities:

Maintenance of halls, aquatic centres, recreation centres and various reserves; operation of library and community development services.

TRANSPORT

Objective:

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

Activities:

Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, depot maintenance and the provision and operation of airport services.

ECONOMIC SERVICES

Objective:

To help promote the Shire and its economic wellbeing.

Activities:

The regulation and provision of tourism, area promotion, building control, noxious weeds and vermin control.

OTHER PROPERTY AND SERVICES

Objective:

To monitor and control Shire's overheads operating accounts.

Activities:

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

2. REVENUE AND EXPENSES (Continued)

(c) Conditions Over Grants/Contributions

Grant/Contribution	Function/ Activity	Opening	Received ⁽²⁾	Expended ⁽³⁾	Closing	Received ⁽²⁾	Expended ⁽³⁾	Closing
		Balance ⁽¹⁾ 1/07/14	2014/15	2014/15	Balance ⁽¹⁾ 30/06/15	2015/16	2015/16	Balance 30/06/16
		\$	\$	\$	\$	\$	\$	\$
Royalties for Regions - 2011/12 (CLGF)	Transport	65,700	1,260	(4,783)	62,177	1,118	(6,437)	56,858
Royalties for Regions - 2012/13 (CLGF)	Various	699,441	11,469	(119,499)	591,411	9,520	(553,047)	47,884
Royalties for Regions - 2012/13 (Regional CLGF)	Housing	-	956,842	(956,842)	-	-	-	-
Lily Creek Grant	Recreation and Culture	-	-	-	-	281,469	(281,469)	-
Regional Road Group - Main Roads	Transport	275,145	790,540	(1,065,685)	-	104,000	(50,814)	53,186
Roads to Recovery	Transport	-	684,278	(589,345)	94,933	1,000,523	(302,441)	793,015
Road Upgrade - Carlton Hill Road	Transport	201,000	225,000	(276,476)	149,524	-	(149,524)	-
State Local Road Black Spot	Transport	15,734	55,308	(71,041)	1	94,400	(2,421)	91,980
Aboriginal Access Roads - Federal Grant (WALGGC)	Transport	47,419	407,481	(113,163)	341,737	294,000	(630,589)	5,148
Aboriginal Access Roads - State Grant 2013/14	Transport	-	66,393	(66,393)	-	-	-	-
Aboriginal Access Roads - State Grant 2014/15	Transport	-	81,496	(30,008)	51,488	294,244	(345,732)	-
Childrens Book Week	Recreation and Culture	1,060	4,650	(1,060)	4,650	5,100	(4,650)	5,100
Contribution to Local Planning Strategy	Community Amenities	6,000	-	(1,032)	4,968	-	(1,009)	3,959
East Kimberley Development Package	Various	727,859	-	(727,859)	-	-	-	-
Wyndham Community Resource Centre (CRC) - Remote Indigenous Public Internet Access programme	Community Amenities	28,341	24,360	(20,246)	32,455	-	(28,224)	4,231
Sustainable Regions Grant	Transport	26,300	-	(26,300)	-	-	-	-
Kids in Sport	Recreation and Culture	-	25,000	(11,657)	13,343	-	(11,248)	2,095
Takeaway Alcohol Management System - Kimberley Zone	Governance	-	28,559	-	28,559	6,508	(22,620)	12,447
Wyndham Community Resource Centre (CRC) - Operational	Recreation and Culture	-	102,000	(88,099)	13,901	103,100	(117,001)	-
Kununurra Swimming Complex	Recreation and Culture	-	30,000	(30,000)	-	32,000	(32,000)	-
Wyndham Swimming Complex	Recreation and Culture	-	30,000	(30,000)	-	32,000	(32,000)	-
Record Management Grant - Kimberley Zone	-	-	-	-	-	8,492	-	8,492
Youth Services Wyndham (DCPFS)	Community Amenities	-	62,784	(62,784)	-	65,652	(65,652)	-
Writers Festival	-	-	-	-	-	35,000	(25,000)	10,000
Subtotal		2,093,999	3,587,420	(4,292,272)	1,389,147	2,367,126	(2,661,878)	1,094,395
** Goomig Farmlands Road (DRD)		-	2,889,313	-	2,889,313	22,319	(2,359,997)	551,634
Total		2,093,999	6,476,733	(4,292,272)	4,278,460	2,389,445	(5,021,875)	1,646,029

** The unspent grant funding is recognised in the Goomig Farmland Roads Reserve note 12

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 WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

	Note	2016 \$	2015 \$
3. CASH AND CASH EQUIVALENTS			
Cash on Hand - Unrestricted		1,850	1,700
Cash at Bank - Municipal		2,774,043	2,859,526
Restricted Reserves		11,060,849	14,169,234
		13,836,742	17,030,460
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Waste Management	12	530,390	402,154
Airport General	12	5,269,556	4,889,302
Plant and Equipment	12	2,929	2,844
Parking	12	119,069	115,609
Non-Potable Water	12	94,653	91,902
East Kimberley Tourism	12	141,902	136,129
Foreshore	12	283,301	198,844
Staff Entitlement	12	115,567	112,208
Recreation Hardcourts	12	54,888	53,293
Bio Security	12	252,183	268,383
Childcare	12	162,677	147,365
Parks	12	326,192	316,712
Footpaths	12	285,829	277,522
Asset Management	12	974,981	-
Goomig Farmlands Roads Reserve	12	551,634	2,889,313
Contiguous Local Authority Group (CLAG)	12	461	-
Kununurra Youth Hub	12	9,125	-
Unspent grants	2.(c)	1,094,395	3,232,527
Unspent loans	22(c)	791,117	1,035,127
		11,060,849	14,169,234
4. INVESTMENTS			
Financial assets at fair value through profit and loss		6,682	6,682

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

	Note	2016 \$	2015 \$
5. TRADE AND OTHER RECEIVABLES			
Current			
Rates outstanding		415,031	300,711
Sundry debtors		498,931	1,114,988
GST receivable		106,944	328,946
Accrued Income		557,409	1,978,252
Prepayments		65,065	47,817
		<u>1,643,380</u>	<u>3,770,714</u>
Non-current			
Rates outstanding - pensioners		21,233	17,329
		<u>21,233</u>	<u>17,329</u>
6. INVENTORIES			
Current			
Fuel and materials		14,576	10,532
		<u>14,576</u>	<u>10,532</u>
Non-current			
Land held for resale - cost			
Development costs		46,283	46,283
		<u>46,283</u>	<u>46,283</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

	Note	2016 \$	2015 \$
7 (a). PROPERTY, PLANT AND EQUIPMENT			
Land and buildings			
Land - freehold at:			
- Independent valuation 2013 - level 2		7,259,000	7,459,000
- Independent valuation 2013 - level 3		5,183,000	5,183,000
- Additions after valuation - cost		295,000	295,000
		<u>12,737,000</u>	<u>12,937,000</u>
Land - vested in and under the control of Council at:			
- Management valuation 2013 - level 3		3,108,474	3,108,474
		<u>3,108,474</u>	<u>3,108,474</u>
		<u>15,845,474</u>	<u>16,045,474</u>
Buildings - non-specialised at:			
- Independent valuation 2013 - level 2		9,070,000	9,345,000
- Independent valuation 2013 - level 3		5,048,000	5,048,000
- Additions after valuation - cost		1,290,950	1,290,950
Less: accumulated depreciation		<u>(1,832,889)</u>	<u>(1,245,730)</u>
		13,576,061	14,438,220
Buildings - specialised at:			
- Independent valuation 2013 - level 3		27,915,140	27,915,140
- Additions after valuation - cost		1,505,135	1,233,668
Less: accumulated depreciation		<u>(3,403,587)</u>	<u>(2,257,149)</u>
		<u>26,016,688</u>	<u>26,891,659</u>
		<u>39,592,749</u>	<u>41,329,879</u>
Total land and buildings		<u>55,438,223</u>	<u>57,375,353</u>
Furniture and equipment at:			
- Independent valuation 2016 - level 3		538,813	-
- Independent valuation 2016 - level 2		43,900	-
- Independent valuation 2013 - level 3		-	346,120
- Management valuation 2013 - level 2		-	544,739
- Additions after valuation - cost		-	214,439
Less accumulated depreciation		-	<u>(454,556)</u>
		<u>582,713</u>	<u>650,742</u>
Plant and equipment at:			
- Independent valuation 2016 - level 2		2,321,530	-
- Independent valuation 2016 - level 3		2,031,334	-
- Management valuation 2013 - level 2		-	21,069
- Independent valuation 2013 - level 2		-	2,472,450
- Independent valuation 2013 - level 3		-	1,152,810
- Additions after valuation - cost		-	981,330
Less accumulated depreciation		-	<u>(1,271,782)</u>
2015/16 Annual Report		<u>4,352,864</u>	<u>3,355,877</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

	Note	2016 \$	2015 \$
7 (a). PROPERTY, PLANT AND EQUIPMENT (Continued)			
Property, plant and equipment - work in progress at:			
Cost		300,947	263,518
		300,947	263,518
Land under control - buildings at:			
- Management valuation 2013 - level 3		3,485,477	3,485,477
- Independent valuation 2013 - level 3		1,350,000	1,350,000
Less accumulated depreciation		(897,632)	(588,983)
		3,937,845	4,246,494
		64,612,592	65,891,984

The fair value of property, plant and equipment is determined at least every three years in accordance with the regulatory framework. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening 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.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

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 \$
Land - freehold	12,937,000	-	(200,000)	-	-	-	-	-	12,737,000
Land - vested in and under the control of Council	3,108,474	-	-	-	-	-	-	-	3,108,474
Total land	16,045,474	-	(200,000)	-	-	-	-	-	15,845,474
Land under control - buildings	4,246,494	-	-	-	-	-	(308,649)	-	3,937,845
Buildings - non-specialised	14,438,220	-	(254,242)	-	-	-	(607,917)	-	13,576,061
Buildings - specialised	26,891,659	271,467	-	-	-	-	(1,146,438)	-	26,016,688
Total buildings	45,576,373	271,467	(254,242)	-	-	-	(2,063,004)	-	43,530,594
Total land and buildings	61,621,847	271,467	(454,242)	-	-	-	(2,063,004)	-	59,376,068
Furniture and equipment	650,742	48,689	-	107,344	-	-	(224,062)	-	582,713
Plant and equipment	3,355,877	676,834	(166,206)	1,064,596	-	-	(578,237)	-	4,352,864
Property, plant and equipment - work in progress	263,518	37,429	-	-	-	-	-	-	300,947
Total property, plant and equipment	65,891,984	1,034,419	(620,448)	1,171,940	-	-	(2,865,303)	-	64,612,592

The revaluation of furniture, plant and equipment assets resulted in an increase on revaluation of \$1,171,940 in the net value.

All of this increase was credited to the revaluation surplus in the Shire's equity (refer Note 13) and was recognised as Changes on Revaluation of non-current assets in the Statement of Comprehensive Income.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Land and buildings					
Land - freehold	2	Market approach using recent observable market data for similar properties	Independent registered valuers	July 2013	Market Value, utilising comparable sales evidence for similar type properties. This method of valuation is referred to as the direct comparison approach which takes into consideration factors such as location, zoning, land area, development potential, topography & current market conditions.
Land - freehold	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	July 2013	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Land - vested in and under the control of Council	3	Improvements to land valued using cost approach using depreciated replacement cost	Management Valuation	July 2013	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Independent registered valuers	July 2013	Market Value, utilising comparable sales evidence for similar type properties. This method of valuation is referred to as the direct comparison approach which takes into consideration factors such as location, zoning, land area, development potential, topography & current market conditions.
Buildings - non-specialised	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	July 2013	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - specialised	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	July 2013	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Land under control - buildings	3	Improvements to land valued using cost approach using depreciated replacement cost	Management Valuation	July 2013	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Furniture and equipment	2	Market approach using recent observable market data for similar plant items	Independent registered valuers	June 2016	Market price per item
	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Plant and equipment	2	Market approach using recent observable market data for similar plant items	Independent registered valuers	June 2016	Market price per item
	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

	2016	2015
	\$	\$
8 (a). INFRASTRUCTURE		
Infrastructure - roads		
- Management valuation 2015 - level 3	133,215,378	133,215,378
- Additions after valuation - cost	3,756,634	-
Less accumulated depreciation	(2,260,867)	-
	134,711,145	133,215,378
Infrastructure - footpaths		
- Management valuation 2015 - level 3	6,021,734	6,021,734
- Additions after valuation - cost	168,478	-
Less accumulated depreciation	(144,286)	-
	6,045,926	6,021,734
Infrastructure - drainage		
- Management valuation 2015 - level 3	9,425,880	9,425,880
- Additions after valuation - cost	101,764	-
Less accumulated depreciation	(217,975)	-
	9,309,669	9,425,880
Infrastructure - other		
- Independent valuation 2015 - level 3	13,993,311	13,993,311
- Management valuation 2015 - level 3	625,954	625,954
- Additions after valuation - cost	1,231,726	-
Less accumulated depreciation	(744,858)	-
	15,106,133	14,619,265
Airfields		
- Independent valuation 2015 - level 3	1,801,511	1,801,511
- Management valuation 2015 - level 3	17,708,760	17,708,760
- Additions after valuation - cost	452,190	-
Less accumulated depreciation	(557,308)	-
	19,405,153	19,510,271
Bridges		
- Management valuation 2015 - level 3	28,383,530	28,383,530
Less accumulated depreciation	(396,618)	-
	27,986,912	28,383,530
Infrastructure - work in progress		
- Cost	138,027	505,130
	138,027	505,130
	212,702,965	211,681,188

The fair value of infrastructure is determined at least every three years in accordance with the regulatory framework. Additions since the date of valuation are shown as cost. Given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening 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 infrastructure to

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

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	133,215,378	3,756,634	-	-	-	-	(2,260,867)	-	134,711,145
Infrastructure - footpaths	6,021,734	162,745	-	-	-	-	(144,286)	5,733	6,045,926
Infrastructure - drainage	9,425,880	58,914	-	-	-	-	(217,975)	42,850	9,309,669
Infrastructure - other	14,619,265	877,186	-	-	-	-	(744,858)	354,540	15,106,133
Airfields	19,510,271	452,190	-	-	-	-	(557,308)	-	19,405,153
Bridges	28,383,530	-	-	-	-	-	(396,618)	-	27,986,912
Infrastructure - work in progress	505,130	36,020	-	-	-	-	-	(403,123)	138,027
Total infrastructure	211,681,188	5,343,689	-	-	-	-	(4,321,912)	-	212,702,965

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

8. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - footpaths	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - drainage	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - other	3	Cost approach using depreciated replacement cost	Independent valuers and Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Airfields	3	Cost approach using depreciated replacement cost	Independent valuers and Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Bridges	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

	2016	2015
	\$	\$
9. TRADE AND OTHER PAYABLES		
Current		
Sundry creditors	1,069,144	3,231,143
Accrued interest on debentures	46,980	53,264
Accrued salaries and wages	214,786	152,298
ATO liabilities	-	164,088
Accrued expenses	1,209,287	2,850,755
	<u>2,540,197</u>	<u>6,451,548</u>

10. LONG-TERM BORROWINGS

Current		
Secured by floating charge		
Debentures	997,438	954,449
	<u>997,438</u>	<u>954,449</u>
Non-current		
Secured by floating charge		
Debentures	5,165,774	6,163,211
	<u>5,165,774</u>	<u>6,163,211</u>

Additional detail on borrowings is provided in Note 22.

11. PROVISIONS

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2015			
Current provisions	664,557	205,218	869,775
Non-current provisions	-	190,585	190,585
	<u>664,557</u>	<u>395,803</u>	<u>1,060,360</u>
Additional provision	171,066	82,498	253,564
Balance at 30 June 2016	<u>835,623</u>	<u>478,301</u>	<u>1,313,924</u>
Comprises			
Current	835,623	251,433	1,087,056
Non-current	-	226,868	226,868
	<u>835,623</u>	<u>478,301</u>	<u>1,313,924</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

12. RESERVES - CASH BACKED

	Actual 2016 Opening Balance \$	Actual 2016 Transfer to \$	Actual 2016 Transfer (from) \$	Actual 2016 Closing Balance \$	Budget 2016 Opening Balance \$	Budget 2016 Transfer to \$	Budget 2016 Transfer (from) \$	Budget 2016 Closing Balance \$	Actual 2015 Opening Balance \$	Actual 2015 Transfer to \$	Actual 2015 Transfer (from) \$	Actual 2015 Closing Balance \$
Waste Management	402,154	371,952	(243,716)	530,390	474,671	283,250	(361,889)	396,032	179,151	457,526	(234,523)	402,154
Airport General	4,889,302	918,214	(537,960)	5,269,556	7,609,648	2,777,876	(5,625,506)	4,762,018	6,373,410	3,383,728	(4,867,836)	4,889,302
Plant and Equipment	2,844	85	-	2,929	2,844	68	-	2,912	2,761	83	-	2,844
Parking	115,609	3,460	-	119,069	115,608	2,779	-	118,387	112,247	3,362	-	115,609
Non-Potable Water	91,902	2,751	-	94,653	91,902	2,209	-	94,111	89,230	2,672	-	91,902
Civic Buildings	-	-	-	-	-	-	-	-	7,609	228	(7,837)	-
East Kimberley Tourism	136,129	14,075	(8,302)	141,902	136,129	13,273	(10,000)	139,402	127,431	13,816	(5,118)	136,129
Foreshore	198,844	84,523	(67)	283,301	200,643	102,324	(45,000)	257,967	121,875	81,203	(4,234)	198,844
Staff Entitlement	112,208	3,359	-	115,567	230,639	5,545	-	236,184	223,934	6,707	(118,433)	112,208
Recreation Hardcourts	53,293	1,595	-	54,888	53,550	1,281	-	54,831	26,000	32,095	(4,802)	53,293
Bio Security	268,383	8,033	(24,233)	252,183	268,381	6,452	-	274,833	267,364	8,007	(6,988)	268,383
Childcare	147,365	15,312	-	162,677	147,363	15,043	(28,937)	133,469	132,688	14,677	-	147,365
Parks	316,712	9,480	-	326,192	316,709	7,614	(200,000)	124,323	307,502	9,210	-	316,712
Legal Fees	-	-	-	-	-	-	-	-	3,514	105	(3,619)	-
Youth Bus	-	-	-	-	-	-	-	-	19,186	674	(19,860)	-
Footpaths	277,522	8,307	-	285,829	277,520	6,672	(78,315)	205,877	269,452	8,070	-	277,522
Asset Management	-	974,981	-	974,981	-	23,148	-	23,148	-	275,220	(275,220)	-
Goomig Farmlands Roads Reserve	2,889,313	22,319	(2,359,997)	551,634	2,888,815	18,299	(2,889,313)	17,801	-	2,889,313	-	2,889,313
Unspent Grants and Loans Reserve	4,267,654	2,476,131	(4,858,273)	1,885,512	4,242,065	3,437,444	(7,333,591)	345,918	-	4,293,954	(26,300)	4,267,654
Contiguous Local Authority Group (CLAG)	-	40,725	(40,264)	461	-	4,196	(4,196)	-	-	-	-	-
Kununurra Youth Hub	-	9,125	-	9,125	-	-	-	-	-	-	-	-
	14,169,234	4,964,426	(8,072,811)	11,060,849	17,056,487	6,707,473	(16,576,747)	7,187,213	8,263,354	11,480,650	(5,574,770)	14,169,234

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.

SHIRE OF WYNDHAM EAST KIMBERLEY
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FOR THE YEAR ENDED 30TH JUNE 2016

12. RESERVES - CASH BACKED

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

Name of Reserve	Purpose of the reserve
Waste Management	This Reserve to provide for the operation, maintenance, renewal and upgrade for existing and new waste management facilities within the Shire of Wyndham East Kimberley.
Airport General	This Reserve to provide operation, maintenance, renewal, upgrade of existing and new airport facilities within the Shire of Wyndham East Kimberley.
Plant and Equipment	This Reserve is to provide for the plant management program.
Parking	This Reserve is for the land purchase and/or the construction and maintenance of vehicle parking facilities within the Shire.
Non-Potable Water	This Reserve is for the development of non-potable water supply in Wyndham.
Civic Buildings	This Reserve is to provide for maintenance, renewal, upgrade of existing and new Civic Buildings within the Shire Wyndham East Kimberley.
East Kimberley Tourism	This Reserve is to provide for significant maintenance, renewal and upgrading of the East Kimberley Tourism House
Foreshore	This Reserve is to hold lease and license payments from occupiers of Lake Kununurra Foreshore Reserve to provide for the implementation of specific actions outlined in the Lake Kununurra Foreshore Aquatic Use Plan 2012.
Staff Entitlement	This Reserve is to provide for Shire employee's entitlements.
Recreation Hardcourts	This Reserve is for the purpose of providing for future capital upgrades of Recreational Hardcourts
Bio Security	This Reserve is to hold funds for use in emergency situations that threatened the bio security of the East Kimberley
Childcare	This Reserve is to hold lease payments from the Kununurra Childcare Centre to provide for the the significant maintenance and renewal of the building.
Parks	This Reserve is to hold the funds from the sale of parks provided by the State to undertake major upgrades and to establish new parks and public open spaces in the Shire.
Legal Fees	This Reserve is to hold funds not expended in any budget year to accumulate to cover any significant legal costs or expenses related to regulatory prosecution and enforcement matters.
Youth Bus	This Reserve is to transfer fees from the hire of Youth Buses to provide funds for repairs, maintenance and replacement of the Youth Buses.
Footpaths	This Reserve is to hold developer contributions for construction of footpaths after housing construction is completed in new subdivisions.
Asset Management	This Reserve is to provide for the ongoing maintenance, renewal, upgrade, replacement or development of Shire owned assets within the Shire of Wyndham East Kimberley.
Goomig Farmlands Roads Reserve	This Reserve is to provide for the second coat seal of roads within the Goomig Farmlands.
Unspent Grants and Loans Reserve	This Reserve is to provide a mechanism for restricting prepaid grants, conditional unspent grants and loan proceeds unspent in a particular financial year where the expenditure will be undertaken in future years.
Contiguous Local Authority Group (CLAG)	This reserve is to hold funds for ongoing management, funding and technical aspects of health-driven mosquito control in an effort to reduce the risk of mosquito-borne diseases within the boundaries of the Shire.
Kununurra Youth Hub	This reserve is to hold lease payments from the Kununurra Youth Hub to provide for the maintenance, renewal and upgrade of the building in accordance with the lease conditions.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

13. REVALUATION SURPLUS

	2016 Opening Balance \$	2016 Revaluation Increment \$	2016 Revaluation Decrement \$	2016 Total Movement on Revaluation \$	2016 Closing Balance \$	2015 Opening Balance \$	2015 Revaluation Increment \$	2015 Revaluation Decrement \$	2015 Total Movement on Revaluation \$	2015 Closing Balance \$
Land and buildings	27,175,144	-	-	-	27,175,144	27,175,144	-	-	-	27,175,144
Furniture and equipment	-	107,344	-	107,344	107,344	-	-	-	-	-
Plant and equipment	737,815	1,064,596	-	1,064,596	1,802,411	737,815	-	-	-	737,815
Infrastructure - roads	98,257,582	-	-	-	98,257,582	-	98,257,582	-	98,257,582	98,257,582
Infrastructure - footpaths	5,194,129	-	-	-	5,194,129	-	5,194,129	-	5,194,129	5,194,129
Infrastructure - drainage	7,587,111	-	-	-	7,587,111	-	7,587,111	-	7,587,111	7,587,111
Infrastructure - parks and ovals	-	-	-	-	-	-	-	-	-	-
Infrastructure - other	1,632,392	-	-	-	1,632,392	-	1,632,392	-	1,632,392	1,632,392
Airfields	11,356,642	-	-	-	11,356,642	-	11,356,642	-	11,356,642	11,356,642
Bridges	28,023,440	-	-	-	28,023,440	-	28,023,440	-	28,023,440	28,023,440
Infrastructure - work in progress	-	-	-	-	-	-	-	-	-	-
	179,964,255	1,171,940	-	1,171,940	181,136,195	27,912,959	152,051,296	-	152,051,296	179,964,255

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 WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

14. 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:

	2016	2016	2015
	\$	Budget \$	\$
Cash and cash equivalents	<u>13,836,742</u>	<u>8,450,060</u>	<u>17,030,460</u>

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

Net result	(2,130,424)	1,864,438	9,733,429
Non-cash flows in Net result:			
Depreciation	7,187,215	5,765,188	5,776,006
(Profit)/Loss on sale of asset	49,644	(40,212)	407,229
(Increase)/Decrease in receivables	2,123,430	(283,077)	(2,045,819)
(Increase)/Decrease in inventories	(4,044)	-	(177)
Increase/(Decrease) in payables	(3,911,351)	(272,351)	2,657,429
Increase/(Decrease) in provisions	253,564	42,761	(130,347)
Grants contributions for the development of assets	<u>(2,702,266)</u>	<u>(5,621,304)</u>	<u>(8,567,574)</u>
Net cash from operating activities	<u>865,768</u>	<u>1,455,443</u>	<u>7,830,176</u>

	2016	2015
	\$	\$
(c) Undrawn Borrowing Facilities		
Credit Standby Arrangements		
Bank overdraft limit	2,500,000	2,500,000
Bank overdraft at balance date	-	-
Credit card limit	55,000	55,000
Credit card balance at balance date	<u>(22,673)</u>	<u>(7,665)</u>
Total amount of credit unused	<u>2,532,327</u>	<u>2,547,335</u>
Loan facilities		
Loan facilities - current	997,438	954,449
Loan facilities - non-current	<u>5,165,774</u>	<u>6,163,211</u>
Total facilities in use at balance date	<u>6,163,212</u>	<u>7,117,660</u>
Unused loan facilities at balance date	<u>791,117</u>	<u>1,035,127</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

15. CONTINGENT LIABILITIES

There are no known contingent liabilities at the date of signing the financial report.

16. CAPITAL AND LEASING COMMITMENTS	2016	2015
	\$	\$
(a) Operating Lease Commitments		
The Shire did not have any future operating lease commitments at the reporting date.		
(b) Capital Expenditure Commitments		
Contracted for:		
- capital expenditure projects	880,366	431,301
- plant & equipment purchases	405,114	33,896
Payable:		
- not later than one year	1,285,480	465,197
<i>The capital expenditure commitments outstanding at the end of the current reporting period represents:</i>		
Kununurra landfill site - storm water & bores	-	2,780
Welcome to Country signage	10,500	15,000
Ivanhoe Crossing - reconstruct	-	972
Kununurra landfill site - liquid waste facility	23,472	31,981
Drainage upgrade (design, estimates & construct)	3,276	59,880
Wyndham depot fire damage reinstatement - buildings	-	218,030
System development - Capital	30,197	8,169
Egret Close - reconstruct and seal	-	3,812
Kalumburu Road - re-sheet	-	27,545
Lily Creek Lagoon boat ramp and jetty	36,357	63,550
Runway asphalt overlay	3,553	7,750
Replacement at the East Kimberley Regional Airport	12,837	-
Footpath - Renewal	108,934	-
Roads - Upgrade, seal resurfacing and reconstruct	345,665	-
Coolibah Drive - asphalt resurfacing program	-	-
Kununurra Pound	12,420	-
Wyndham Waste Water Treatment Facility	17,985	-
Light plant - purchase price	-	25,727
Heavy Plant - Purcher International	330,921	-
Airport Plant -	43,996	-
Carpark upgrade - East Kimberley Regional Airport	2,695	-
Legal Fees - Land Purchase	2,672	-
Bridges - D4 Weaber Plain Road	300,000	-
	1,285,480	465,197
	1,285,480	465,197

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

17. JOINT VENTURE ARRANGEMENTS

The Shire is not involved in any joint venture arrangements.

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2016	2015
	\$	\$
Governance	59,328	135,119
General purpose funding	436,264	2,161,420
Law, order, public safety	737,164	751,418
Health	69,476	74,140
Education and welfare	3,632,748	3,723,447
Housing	6,769,021	7,330,519
Community amenities	4,696,143	4,710,711
Recreation and culture	33,484,962	34,005,326
Transport	215,358,822	214,656,143
Economic services	2,103,521	2,167,548
Other property and services	7,548,244	7,466,944
Unallocated	17,988,760	21,272,437
	<u>292,884,453</u>	<u>298,455,172</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

19. FINANCIAL RATIOS

	Target Ratio for "Basic" Standard ¹	Target Ratio for "Intermediate" Standard ¹	Target Ratio for "Advanced" Standard ¹
Current ratio ²	1.00		
Asset sustainability ratio	0.09 - 1.10	N/A	≥ 1.10
Debt service cover ratio	≥ 5	N/A	≥ 10
Operating surplus ratio	0.01 - 0.15	N/A	≥ 0.15
Own source revenue coverage ratio	0.4 - 0.6	0.6 - 0.9	> 0.9

FINANCIAL RATIOS	2016	2015	2014
Current ratio ²	1.0	0.81	0.18
Asset sustainability ratio	0.53	1.16	0.47
Debt service cover ratio	2.10	6.79	(4.82)
Operating surplus ratio	(0.27)	0.07	(0.61)
Own source revenue coverage ratio	0.70	0.62	0.56

¹ Target ratios are as per the Department of Local Government and Communities (DLGC) Guidelines except the Debt Service Cover Ratio which is a target devised based on experience. For information, DLGC Guidelines establish a target Debt Service Cover Ratio of 2 or greater for the "Basic" Standard and greater "Advanced" Standard.

² The standard is met if the ratio is greater than 1.00. A ratio of less than 1.00 indicates a below standard result.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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19. FINANCIAL RATIOS (Continued)

The above ratios are calculated as follows:

Purpose of the Ratios	How the Ratios are Calculated
Current ratio To measure short term (unrestricted) liquidity. That is, the ability of the Shire to meet its liabilities (obligations) as and when they fall due.	current assets minus restricted assets
	current liabilities minus liabilities associated with restricted assets
Asset sustainability ratio Measures the extent to which assets are being renewed/replaced compared to the amount consumed (depreciation). The ratio may be skewed by large scale intermittent investment in major infrastructure.	capital renewal and replacement expenditure
	Depreciation expenses
Debt service cover ratio Measures the Shire's ability to service debt out of its uncommitted or general purpose fund available for its operations.	annual operating surplus before interest & depreciation
	principal and interest
Operating surplus ratio Highlights the extent of any operating surplus or deficit in relation to the overall size of the Shire. This ratio helps to measure the ability to cover operational needs and have revenues available for capital or other purposes.	operating revenue minus operating expenses
	own source operating revenue
Own source revenue coverage ratio The higher the ratio, the more self-reliant the Shire is as it allows greater flexibility as less external funds are required for operational purposes.	own source operating revenue
	operating expenses

Notes:

- (a) Information relating to the asset consumption ratio and the asset renewal funding ratio can be found at Supplementary Ratio Information on Page 69 of this document.

2016

- (b) Three of the 2016 ratios disclosed above were distorted by items of significant revenue and expense relating to:
- (i) The early receipt of 50% of the Financial Assistance Grants (FAGS) allocated for the 2015/16 financial year were received in advance and accounted for in 2015. The early payment of the grant increased operating revenue in 2015 and decreased operating revenue in 2016 by 1,843,380.
 - (ii) The significant expense relating to D2 drainage rehabilitation incurred in 2015 amounting to \$1,100,000. This forms part of operating expenditure.

2015

- (c) Three of the 2015 ratios disclosed above were distorted by items of significant revenue and expense relating to:
- (i) An item of significant revenue relating to the early payment of 2015/16 Financial Assistance Grants (FAGs) of \$1,843,380, which was received prior to year end. This forms part of operating revenue.
 - (ii) The WANDRRA grant of \$4,068,008 for flood damage repair expenses incurred by the Shire in 2014 and 2015, included as part of operating revenue.
 - (iii) The significant expense relating to flood damage repair expenses incurred in 2015 amounting to \$2,995,272 funded by the WANDRRA grant detailed in (b)(ii) above. This forms part of operating expenses.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

19. FINANCIAL RATIOS (Continued)

2014

- (d) Four of the 2014 ratios disclosed above were distorted by items of significant revenue and expense relating to:
- (i) The refund of the CLGF grant funding for the Kimberley Zone Housing Construction for \$1,622,019, included as part of operating revenue.
 - (ii) The change to the payment of FAGs during the year ended 30 June 2014 saw the advance payment for the following year cease. This created a timing difference which resulted in an amount of some \$2,115,965 less revenue for the year.
 - (iii) The significant expense relating to flood damage repair expenses incurred in 2014 amounting to \$1,072,736 funded by the WANDRRA grant details in (b)(ii) above. This forms part of operating expenses.

Items (b) to (d) mentioned above are considered "one-off" and are non-cash in nature and, if they were ignored, the calculations disclosed in the columns above would be as follows:

FINANCIAL RATIOS	Target Ratio for "Basic" Standard ¹	Target Ratio for "Intermediate" Standard ¹	Target Ratio for "Advanced" Standard ¹
Current ratio ²	1.00		
Asset sustainability ratio	0.09 - 1.10	N/A	≥ 1.10
Debt service cover ratio	≥ 5	N/A	≥ 10
Operating surplus ratio	0.01 - 0.15	N/A	≥ 0.15
Own source revenue coverage ratio	0.4 - 0.6	0.6 - 0.9	> 0.9

FINANCIAL RATIOS	2016	2015	2014
Current ratio ²	1.0	0.81	0.41
Debt service cover ratio	4.40	4.06	1.70
Operating surplus ratio	(0.10)	(0.10)	(0.30)
Own source revenue coverage ratio	0.73	0.70	0.62

SHIRE OF WYNDHAM EAST KIMBERLEY
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FOR THE YEAR ENDED 30TH JUNE 2016

20. TRUST FUNDS

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

	1 July 2015	Amounts Received	Amounts Paid	30 June 2016
	\$	\$	(\$)	\$
Housing Bonds	1,000	-	-	1,000
Councillor Nomination Bonds	-	1,040	(880)	160
ASIC - Airport Security Card	4,640	-	-	4,640
Footpath Bonds	44,590	13,985	(5,575)	53,000
Hall Hire Bonds - Kununurra Leisure Centre	8,350	8,050	(5,400)	11,000
Hall Hire Bonds - Peter Reid Memorial Hall	370	8,800	(7,770)	1,400
Wyndham Port Hall Bonds	10,000	-	-	10,000
Wyndham Oval Hire Bonds	200	1,100	(550)	750
Kunumurra Youth Centre Bonds	2,750	-	(1,000)	1,750
Other Trust Funds	1,810	1,450	(150)	3,110
Public Open Space Contributions	433,557	10,685	-	444,242
Building Services Levy	7,524	21,340	(19,286)	9,578
Building and Construction Industry Training Fund	6,398	19,405	(25,017)	786
Kununurra 50th Birthday Brick Fund	269	-	-	269
50th Anniversary Special Series Number Plate	2,369	-	-	2,369
Terminal Security Access Card	635	557	-	1,192
Transport Clearing Account	-	-	-	-
Health Application Fee	245	-	-	245
Private Works Bonds	-	-	-	-
	<u>524,707</u>			<u>545,491</u>

21. DISPOSALS OF ASSETS - 2015/16 FINANCIAL YEAR

The following assets were disposed of during the year.

	Actual				Budget			
	Net Book Value	Sale Proceeds	Profit	Loss	Net Book Value	Sale Proceeds	Profit	Loss
	\$	\$	\$	\$	\$	\$	\$	\$
Land and Buildings								
<i>Housing</i>								
Lot 1664 - 6 Eugenia Street	454,242	338,801	-	(115,441)	-	-	-	-
Plant and Equipment								
<i>Other property and services</i>								
P478 - WY13923 - Dual Cab 4WD Ute	10,975	12,727	1,752	-	17,431	13,990	-	(3,441)
P379 - WY14616 - Dual Cab 4WD Ute	10,320	11,818	1,498	-	14,111	13,990	-	(121)
P211 - WY12647 - Dual Cab 2WD Ute	5,115	4,545	-	(570)	5,115	7,400	2,285	-
P113 - WY01 - Wagon 4WD	18,414	29,509	11,095	-	25,179	28,600	3,421	-
P122 - WY25609 - Extra Cab 4WD Ute	12,142	15,455	3,313	-	16,601	13,990	-	(2,611)
P124 - WY25767 - Toyota Hilux	12,213	31,782	19,569	-	-	-	-	-
P490 - WY14982 - Toyota Hilux	12,427	11,091	-	(1,336)	13,835	12,200	-	(1,635)
P491 - WY25065 - Ride on Mower	11,500	8,000	-	(3,500)	16,000	6,090	-	(9,910)
P333 - WY12280 - 75HP Tractor	-	-	-	-	-	26,857	26,857	-
P313 - 70HP Kubota Tractor	12,552	15,000	2,448	-	13,945	16,500	2,555	-
P401 - Slasher	-	-	-	-	-	2,135	2,135	-
P383 - Silvan Shireboss 6" Slasher	7,562	2,785	-	(4,777)	7,678	3,063	-	(4,615)
P319 - ITBZ906 - Tilt Trailer	-	-	-	-	-	1,100	1,100	-
P331 ICGF957 - 3 Tonne Tip Truck	-	-	-	-	16,734	20,347	3,613	-
P367 - IDBW601 - 3 Tonne Tip Truck	-	-	-	-	26,562	19,573	-	(6,989)
P309 - WY11160 - 10 Tonne Tip Truck	-	-	-	-	28,050	92,044	63,994	-
P372 - WY13511 - 9 Tonne Truck	-	-	-	-	69,054	24,725	-	(44,329)
P354 - ICWM013 - Backhoe	18,150	40,000	21,850	-	18,150	40,633	22,483	-
P482 - IDIK678 - Hino Truck	26,586	15,000	-	(11,586)	34,580	20,000	-	(14,580)
P519 - John Deere Tractor 5325	8,250	31,350	23,100	-	-	-	-	-
P657 - Howard Slasher	-	1,941	1,941	-	-	-	-	-
S473 - Tilt Trailer	-	1,000	1,000	-	-	-	-	-
	<u>620,448</u>	<u>570,804</u>	<u>87,566</u>	<u>(137,210)</u>	<u>323,025</u>	<u>363,237</u>	<u>128,443</u>	<u>(88,231)</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

22. INFORMATION ON BORROWINGS

(a) Repayments - Debentures

Particulars	Principal 1 July 2015 \$	New Loans \$	Principal Repayments		Principal 30 June 2016		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Governance								
Administration Building - Land 122	280,948	-	49,750	49,749	231,198	231,199	18,020	15,983
Administration Building - Bridging Loan 123	-	-	-	-	-	-	-	-
Administration Building 124	1,960,703	-	230,415	230,415	1,730,288	1,730,288	85,128	72,169
Administration Building 129	1,500,000	-	130,649	130,648	1,369,351	1,369,352	51,810	42,311
Education and welfare								
Kununurra Child Care Centre 120	297,504	-	59,245	59,245	238,259	238,259	18,307	16,331
Housing								
Staff Housing 115	51,184	-	13,536	13,536	37,648	37,648	2,927	2,660
Staff Housing 127	75,070	-	13,931	13,930	61,139	61,140	3,072	2,595
Community amenities								
Liquid Waste Facility 125	304,999	-	98,259	98,258	206,740	206,741	11,032	9,145
Waste Management 126	1,555,478	-	145,457	145,457	1,410,021	1,410,021	73,587	63,243
Drainage Strategy 128	114,711	-	10,727	10,727	103,984	103,984	5,414	4,663
KNW Youth Centre 118	94,556	-	29,286	29,287	65,270	65,269	6,722	6,061
Recreation and culture								
KNX Aquatic Centre Refurbishment 113	285,992	-	75,633	75,633	210,359	210,359	16,353	14,864
Wyndham Youth and Recreation Centre 114	119,964	-	31,725	31,726	88,239	88,238	7,177	6,558
Multipurpose Court Facility 119	173,333	-	39,806	39,806	133,527	133,527	10,049	8,846
Transport								
Building and Infrastructure Loan 130	303,218	-	26,028	26,030	277,190	277,188	11,775	9,803
	7,117,660	-	954,448	954,447	6,163,212	6,163,213	321,373	275,230
	7,117,660	-	954,448	954,447	6,163,212	6,163,213	321,373	275,230

All loan repayments were financed by general purpose revenue.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

22. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2015/16

The Shire did not take up any new debentures during the year ended 30 June 2016.

(c) Unspent Debentures

Particulars		Date Borrowed	Balance 1 July 15 \$	Borrowed During Year \$	Expended During Year \$	Balance 30 June 16 \$
Administration Building Loan	LI24	Dec 2012	106,560	-	(68,170)	38,390
Liquid Waste Facility	LI25	16 May 14	117,263	-	(117,263)	-
Waste Management	LI26	16 May 14	586,814	-	(57,367)	529,447
Drainage	LI28	16 May 14	55,389	-	-	55,389
Building and Infrastructure	LI30	Jun 2015	169,101	-	(1,210)	167,891
			1,035,127	-	(244,010)	791,117

(d) Overdraft

The Shire approved an overdraft facility with a limit of \$2.5 million at the Special Council Meeting in August 2014, Minute # 10503 in order to cover the expenditure associated with the flood event in February 2014 until such time as the WANDRA reimbursement were received, also noting that the overdraft would be an ongoing facility. The Shire did not require the overdraft facility during 2015/16.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

23. RATING INFORMATION - 2015/16 FINANCIAL YEAR

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
Differential general rate											
Gross rental value valuations											
GRV - Residential	9.2992	1,607	47,123,544	4,382,113	61,410	2,653	4,446,176	4,382,113	-	-	4,382,113
GRV - Other Vacant	13.9488	32	552,700	77,095	(5,112)	1,121	73,104	77,095	-	-	77,095
GRV- Commercial	12.0890	154	14,662,457	1,772,544	(277)	(3,192)	1,769,076	1,772,539	-	-	1,772,539
GRV - Industrial	11.1590	167	8,722,625	973,358	22,704	5,541	1,001,602	973,361	-	-	973,361
Unimproved value valuations											
UV - Rural Residential	0.9795	185	51,149,000	501,004	-	-	501,004	501,004	-	-	501,004
UV - Pastoral	5.3057	23	6,170,800	327,404	-	-	327,404	327,404	-	-	327,404
UV - Commercial Industrial	0.6719	29	13,355,840	89,738	14,209	42,845	146,792	89,738	-	-	89,738
UV - Rural Agriculture 1	0.9502	78	75,060,309	713,223	(1,085)	18,520	730,658	713,223	-	-	713,223
UV - Rural Agriculture 2	0.6719	109	57,360,000	385,402	146	-	385,548	385,402	-	-	385,402
UV - Mining	27.5246	37	1,594,199	438,797	2,372	106	441,275	438,797	-	-	438,797
UV - Mining Vacant	13.7623	20	458,670	63,124	(35,155)	(3,690)	24,278	63,124	-	-	63,124
UV - Other	0.6302	2	526,000	3,315	-	-	3,315	3,315	-	-	3,315
Sub-Total		2,443	276,736,144	9,727,116	59,212	63,904	9,850,233	9,727,115	-	-	9,727,115

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

23. RATING INFORMATION - 2015/16 FINANCIAL YEAR

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
Minimum payment	Minimum \$										
Gross rental value valuations											
GRV - Residential	1,085	45	372,070	48,825	-	-	48,825	48,825	-	-	48,825
GRV - Other Vacant	1,085	112	440,980	121,520	-	-	121,520	121,520	-	-	121,520
GRV- Commercial	1,085	17	83,325	18,445	-	-	18,445	18,445	-	-	18,445
GRV - Industrial	1,085	7	30,875	7,595	-	-	7,595	7,595	-	-	7,595
Unimproved value valuations											
UV - Rural Residential	1,085	0	-	-	-	-	-	-	-	-	-
UV - Pastoral	1,085	1	17,471	1,085	-	-	1,085	1,085	-	-	1,085
UV - Commercial Industrial	1,085	10	574,200	10,850	-	-	10,850	10,850	-	-	10,850
UV - Rural Agriculture 1	1,085	2	50,000	2,170	-	-	2,170	2,170	-	-	2,170
UV - Rural Agriculture 2	1,085	0	-	-	-	-	-	-	-	-	-
UV - Mining	1,085	31	42,998	33,635	-	-	33,635	33,635	-	-	33,635
UV - Mining Vacant	543	41	59,681	22,263	-	-	22,266	22,263	-	-	22,263
UV - Other	1,085	0	-	-	-	-	-	-	-	-	-
Sub-Total		266	1,671,600	266,388	-	-	266,391	266,388	-	-	266,388
		2,709	278,407,744	9,993,504	59,212	63,904	10,116,624	9,993,503	-	-	9,993,503
Discounts/concessions (refer note 27)							(48,230)				(46,817)
Total amount raised from general rate							10,068,394				9,946,685
Ex-gratia rates							5,287				4,880
Totals							10,073,680				9,951,565

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

24. NET CURRENT ASSETS

Composition of net current assets

	2016 (30 June 2016 Carried Forward) \$	2016 (1 July 2015 Brought Forward) \$	2015 (30 June 2015 Carried Forward) \$
Surplus 1 July 15 brought forward	1,900,334	197,606	197,606
CURRENT ASSETS			
Cash and cash equivalents			
Cash at Bank - Municipal	2,775,893	2,861,226	2,861,226
Restricted Reserves	11,060,849	14,169,234	14,169,234
Investments			
Other Financial Assets	6,682	6,682	6,682
Receivables			
Rates outstanding	415,031	300,711	300,711
Sundry debtors	498,931	1,114,988	1,114,988
GST receivable	106,944	328,946	328,946
Accrued Income	557,409	1,978,252	1,978,252
Inventories			
Fuel and materials	14,576	10,532	10,532
Prepayments	65,065	47,817	47,817
LESS: CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(1,069,144)	(3,231,143)	(3,231,143)
Accrued interest on debentures	(46,980)	(53,264)	(53,264)
Accrued salaries and wages	(214,786)	(152,298)	(152,298)
ATO liabilities	-	(164,088)	(164,088)
Accrued expenses	(1,209,287)	(2,850,755)	(2,850,755)
Current portion of long term borrowings			
Secured by floating charge	(997,438)	(954,449)	(954,449)
Provisions			
Provision for annual leave	(835,623)	(664,557)	(664,557)
Provision for long service leave	(251,433)	(205,218)	(205,218)
Unadjusted net current assets	10,876,689	12,542,616	12,542,616
Adjustments			
Less: Reserves - restricted cash	(11,060,849)	(14,169,234)	(14,169,234)
Add: Secured by floating charge	997,438	954,449	954,449
Add: Employee Liability not required to be funded	1,087,056	869,775	869,775
Adjusted net current assets - surplus	1,900,334	197,606	197,606

Difference

There was no difference between the surplus 1 July 2015 brought forward position used in the 2016 audited financial report and the surplus carried forward position as disclosed in the 2015 audited financial report.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

25. SPECIFIED AREA RATE - 2015/16 FINANCIAL YEAR

There were no specified area rates during 2015/16 financial year.

26. SERVICE CHARGES - 2015/16 FINANCIAL YEAR

The Shire of Wyndham East Kimberley did not impose any service charges on any of the prescribed services listed under Regulation 54 of the *Local Government (Financial Management) Regulations 1996* for the 2015/16 financial year.

27. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS
- 2015/16 FINANCIAL YEAR

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Disc % or Amount (\$)	2015/16 Actual \$	2015/16 Budget \$	Circumstances in which the Waiver or Concession is Granted	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
Rates							
Wyndham Picture Gardens A502	Concession	100%	1,949	1,749	Concessions are considered by the Council every two (2) years, and are based upon the applicant meeting particular conditions outlined in Council's Policy CP/FIN-3209 Rates Concession Policy (Rateable Land). For 2015/16, the Concessions outlined were approved by Council at the 13 March 2014 SCM (Minute No. 10344) or subsequent consideration at the 31 May 2014 OCM (Minute No. 11381).	To provide a non-for-profit community group or association providing a benefit to the community from rateable land for the relief of rates.	The Shire of Wyndham East Kimberley recognises the value and importance of the services and contributions that community groups and associations provide to the community for the East Kimberley to be a thriving community with opportunities for all.
Kununurra Progress Association A1072	Concession	100%	20,068	19,868			
Kununurra Agricultural Society A7620	Concession	100%	3,488	3,288			
Kununurra Race Club A2859	Concession	100%	3,360	3,160			
Ord River Pistol Club A2866	Concession	100%	2,204	2,004			
Lake Kununurra Golf Club A4993	Concession	100%	9,407	9,207			
Kununurra Motocross Club A5616	Concession	100%	1,794	2,044			
Kununurra Speedway A5621	Concession	100%	1,767	1,930			
Ord River Sailing Club A7561	Concession	100%	2,184	1,784			
Kununurra Ski Club A7566	Concession	100%	2,009	1,784			
Sub-Total Rates Concessions			48,230	46,817			

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

27. PAYMENT DISCOUNTS, WAIVERS AND CONCESSIONS (Continued)
- 2015/16 FINANCIAL YEAR

Rate or Fee and Charge to which the Waiver or Concession is Granted		Type	Disc % or Amount (\$)	2015/16 Actual \$	2015/16 Budget \$	Circumstances in which the Waiver or Concession is Granted	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
Fees and Charges - Waste Management Charge Waiver								
Lake Kununurra Golf Club	A4993		100%	200	200	Upon application to the Council in accordance with Council's Policy <i>CP/FIN-3209 Rates Concession (Rateable Land)</i> prior to 24 November 2015 as part of the rates concession process, which was subsequently considered and determined by the Council.	To provide a non-for-profit community group or association providing a benefit to the community from rateable land for the relief of rates and waste management charges.	The Shire of Wyndham East Kimberley recognises the value and importance of the services and contributions that community groups and associations provide to the community for the East Kimberley to be a thriving community with opportunities for all.
Ord River Sailing Club	A7561		100%	200	200			
Kununurra Race Club Inc.	A2859		100%	200	200			
Kununurra Agricultural Society	A7620		100%	200	200			
Kununurra Progress Association	A1072		100%	200	200			
Wyndham Gardens Inc.	A502		100%	200	200			
Ord River Pistol Club Inc.	A2866		100%	200	200			
Kununurra Speedway Inc.	A5621		100%	200	200			
Kununurra Water Ski Club	A7566		100%	200	200			
Kununurra Motocross Club Inc.	A5616		100%	200	200			
Sub-Total Fees and Charges - Waste Management Charge Waivers				2,000	2,000			

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

27. PAYMENT DISCOUNTS, WAIVERS AND CONCESSIONS (Continued)
- 2015/16 FINANCIAL YEAR

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Disc % or Amount (\$)	2015/16 Actual \$	2015/16 Budget \$	Circumstances in which the Waiver or Concession is Granted	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
Fees and Charges							
All community members in Wyndham and	Domestic	100% for one	-	-	The waiver is granted to all community	To provide the community	The Shire of
1. GRV Residential Properties; a. If a domestic waste collection service is being provided - a Yellow Domestic Waste Voucher; b. If a domestic waste collection service is not being provided - a Red Domestic Waste Voucher;	Domestic Waste Disposal Fees Waiver	\$54.00 per Yellow Domestic Waste Voucher;	117,089	-	1. A Yellow Domestic Waste Voucher entitles the user to dispose of 1 cubic metre (6x4 trailer plus 1 Sulo bin, or 4 Sulo bins, or 16 domestic bin bags) of domestic waste per annum.	To provide a tip voucher for the disposal of a certain amount of domestic waste for free throughout the year. <i>Note that this waiver does not affect the Municipal Account, but is funded through the Waste Management Reserve therefore impacting on the whole of life cost assessment for the landfills.</i>	As part of introducing fees for waste disposal at the landfills, the Council determined to provide tip vouchers to ratepayers to dispose of a certain amount of domestic waste for free throughout the year.
2. GRV Rural Residential Properties; a. If a domestic waste collection service is being provided - a Yellow Domestic Waste Voucher; b. If a domestic waste collection service is not being provided - a Red Domestic Waste Voucher;		\$702.00 per Red Domestic Waste Voucher.			2. A Red Domestic Waste Voucher entitles the user to dispose of 52 x 240 Litres (equivalent size to a green subbush Sulo Bin) or domestic waste per annum.		
3. UV Rural Agriculture 1:							
Sub-Total - Domestic Waste Disposal Fees Waivers			117,089	-			
TOTAL DISCOUNTS, WAIVERS AND CONCESSIONS			167,319	48,817			

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

**27. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS (Continued)
- 2015/16 FINANCIAL YEAR**

		Type	Discount % or \$	Actual \$	Budget \$
Debtor	400	Write-Off	100%	476.51	
Debtor	555	Write-Off	100%	473.43	
Debtor	367	Write-Off	100%	35.56	
Note				985.5	

The Council consider each potential write-off when it is presented, for which the reasons why the debt is no longer deemed to be able to be collected, or should not be collected varies.

The write-off for each of the above items were considered as follows:

		Audit (Finance and Risk) Committee		Ordinary Council Meeting	
		Minute No.	Date	Minute No.	Date
Debtor	400			11411	28/06/2016
Debtor	555			11411	28/06/2016
Debtor	367			11411	28/06/2016

Note
The Shire approve the write off in accordance with the *Local Government Act 1995 Section 6.12 (1) (c)* and the Shire's Delegation Register 2015/16 section 11.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

28. INTEREST CHARGES AND INSTALMENTS - 2015/16 FINANCIAL YEAR

	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
Instalment Options		\$	%	%
Option One	16.10.2015	-	0.00%	9.00%
Single full payment				
Option Two				
First Instalment	16.10.2016		5.50%	9.00%
Second Instalment	18.12.2015	11.3	5.50%	9.00%
Option Three				
First Instalment	16.10.2015			9.00%
Second Instalment	18.12.2015	11.3	5.50%	9.00%
Third Instalment	19.02.2016	11.3	5.50%	9.00%
Fourth Instalment	22.04.2016	11.3	5.50%	9.00%

	Revenue	Budgeted Revenue
	\$	\$
Interest on unpaid rates	61,899	62,688
Interest on instalment plan	50,674	35,233
Charges on instalment plan	(17,336)	5,918
	95,237	103,839

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

29. FEES & CHARGES	2016	2015
	\$	\$
Governance	2,217	5,596
General purpose funding	46,198	40,194
Law, order, public safety	33,624	31,616
Health	87,522	74,558
Education and welfare	10,990	65,775
Housing	126,587	192,822
Community amenities	2,640,705	2,350,046
Recreation and culture	542,668	575,477
Transport	3,827,744	3,723,718
Economic services	50,626	79,276
	<u>7,368,881</u>	<u>7,139,078</u>

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

30. GRANT REVENUE

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

By Nature or Type:	2016	2015
	\$	\$
Operating grants, subsidies and contributions		
Governance	15,000	993,522
General purpose funding	1,790,689	5,499,902
Law, order, public safety	81,990	25,785
Health	40,264	-
Education and welfare	-	16,980
Community amenities	90,016	93,547
Recreation and culture	266,889	276,808
Transport	213,299	4,236,516
Economic services	4,121	1,560
Other property and services	25,982	56,194
	<u>2,528,250</u>	<u>11,200,814</u>
Non-operating grants, subsidies and contributions		
Law, order, public safety	141,436	363,068
Recreation and culture	281,469	5,894
Transport	2,019,087	8,198,612
Other property and services	260,274	-
	<u>2,702,266</u>	<u>8,567,574</u>
	<u>5,230,516</u>	<u>19,768,388</u>

31. EMPLOYEE NUMBERS

The number of full-time equivalent employees at balance date

89	89
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SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

32. ELECTED MEMBERS REMUNERATION	2016	2016	2015
	\$	Budget	\$
		\$	\$
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees	141,539	141,147	135,140
President's allowance	31,028	31,200	30,000
Deputy President's allowance	7,757	7,800	7,500
Travelling expenses	2,797	11,000	1,329
	<u>183,121</u>	<u>191,147</u>	<u>173,969</u>

33. MAJOR LAND TRANSACTIONS

The Shire did not participate in any major land transactions during the 2015/16 financial year.

34. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

The Shire did not participate in any trading undertakings or major trading undertakings during the 2015/16 financial year.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

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:

	Carrying Value		Fair Value	
	2016	2015	2016	2015
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	13,836,742	17,030,460	13,836,742	17,030,460
Investments	6,682	6,682	6,682	6,682
Receivables	1,664,613	3,788,043	1,664,613	3,788,043
	<u>15,508,037</u>	<u>20,825,185</u>	<u>15,508,037</u>	<u>20,825,185</u>
Financial liabilities				
Payables	2,540,197	6,451,548	2,540,197	6,409,121
Borrowings	6,163,212	7,117,660	5,487,632	7,081,381
	<u>8,703,409</u>	<u>13,569,208</u>	<u>8,027,829</u>	<u>13,490,502</u>

Fair value is determined as follows:

- Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.
- Borrowings, estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

35. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

The Shire's objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash portfolio 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.

Cash is also 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.

	2016	2015
	\$	\$
Impact of a 1% ⁽¹⁾ movement in interest rates on cash		
- Equity	138,367	170,305
- Statement of Comprehensive Income	138,367	170,305

Notes:

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

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.

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

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

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

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

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

	2016	2015
Percentage of rates and annual charges		
- Current	0%	0%
- Overdue	100%	100%
Percentage of other receivables		
- Current	59%	64%
- Overdue	41%	36%

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

35. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables

Borrowings

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

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

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2016					
Payables	2,540,197	-	-	2,540,197	2,540,197
Borrowings	1,236,889	3,855,722	2,182,845	7,275,456	6,163,212
	<u>3,777,086</u>	<u>3,855,722</u>	<u>2,182,845</u>	<u>9,815,653</u>	<u>8,703,409</u>
2015					
Payables	6,451,548	-	-	6,451,548	6,451,548
Borrowings	1,236,766	4,353,899	2,710,852	8,301,517	7,117,660
	<u>7,688,314</u>	<u>4,353,899</u>	<u>2,710,852</u>	<u>14,753,065</u>	<u>13,569,208</u>

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

35. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables

Borrowings (continued)

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

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

	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
Year ended 30 June 2016								
Borrowings								
Fixed rate								
Debentures	-	272,010	469,773	530,596	-	4,890,833	6,163,212	3.97%
Weighted average Effective interest rate	-	4.23%	5.99%	5.83%	-	3.56%		
Year ended 30 June 2015								
Borrowings								
Fixed rate								
Debentures	-	-	399,555	630,474	653,522	5,434,109	7,117,660	4.03%
Weighted average Effective interest rate	-	-	4.31%	5.99%	5.83%	3.56%		

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INDEPENDENT AUDITOR'S REPORT TO THE ELECTORS OF THE SHIRE OF WYNDHAM – EAST KIMBERLEY

REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of the Shire of Wyndham – East Kimberley, which comprises the statement of financial position as at 30 June 2016, 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 Chief Executive Officer.

Management's Responsibility for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended) and for such internal control as Management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Shire's preparation and fair presentation of the financial report that gives a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial report.

We believe the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial report of the Shire of Wyndham – East Kimberley is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended), including:

- a) giving a true and fair view of the Shire's financial position as at 30 June 2016 and of its financial performance and its cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australian Accounting Interpretations).

INDEPENDENT AUDITOR'S REPORT

TO THE ELECTORS OF THE SHIRE OF WYNDHAM – EAST KIMBERLEY (CONTINUED)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

During the course of the audit we became aware of one instance where the Council did not comply with the Local Government (Financial Management) Regulations 1996 (as amended).

Annual Financial Report

The annual financial report for the year ended 30 June 2015 was not submitted to the Department of Local Government and Communities within 30 days of the audit report being received as required by Local Government (Financial Management) Regulation 51(2).


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

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Shire.
- b) Except as noted above, no other matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) In relation to the Supplementary Ratio Information presented at page 69 of this report, we have reviewed the calculations of the Asset Consumption Ratio as presented and nothing has come to our attention to suggest it is not:
 - i) reasonably calculated; and
 - ii) based on verifiable information.

The Asset Renewal Funding Ratio was not calculated and no review was carried out.

- d) All necessary information and explanations were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit

MOORE STEPHENS
CHARTERED ACCOUNTANTS



DAVID TOMASI
PARTNER

Date: 5 December 2016
Perth, WA

**SHIRE OF WYNDHAM EAST KIMBERLEY
SUPPLEMENTARY RATIO INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2016**

RATIO INFORMATION

The following information relates to those ratios which only require attestation they have been checked and are supported by verifiable information. It does not form part of the audited financial report

	2016	2015	2014
Asset consumption ratio	0.96	0.65	0.44
Asset renewal funding ratio	*	*	*

The above ratios are calculated as follows:

Asset consumption ratio	$\frac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

* The Shire is unable to calculate the Asset Renewal Funding Ratio at this time as the information is unavailable