

Annual Report

July 2017 to June 2018



NADOC Week, White Gum Park (Sarah Duguid-Photography)

A year in the Shire of Wyndham East Kimberley

SHIRE of
WYNDHAM
EAST KIMBERLEY



Annual Report 2017 – 2018

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Introduction

Welcome to the Annual Report 2017-18 covering the period of 1 July 2017 to 30 June 2018.

This report aims to provide you with an open and accountable insight into how we have progressed the vision and strategic goals of our Strategic Community Plan 2017-2027. This includes our main achievements and challenges, financial performance and key targets for the year ahead.

This report is produced in accordance with the *Local Government Act 1995*, which requires Council to adopt an Annual Report by 31 December each year. The Report has been reviewed by the Shire's Executive Management Team to ensure accuracy and authenticity.

Thank you for taking the time to read this Annual Report. We welcome any feedback on our performance or where you would like us to focus in the future.

This Annual Report along with previous years can be viewed by:

- Visiting our website www.swek.wa.gov.au
- Visiting our Shire Offices at 20 Coolibah Drive, Kununurra or Koolama Street, Wyndham



Message from the Shire President



I am pleased to be able to present the Shire of Wyndham East Kimberley 2017-18 Annual Report, my first as your Shire President, having been elected to office with my colleagues in October 2017.

Can I start by formally acknowledging the role of Commissioner Ron

Yuryevich who completed his appointment at the elections on 22 October 2017. His stewardship, local government experience, knowledge and guidance of our Shire for the preceding 12 months was essential and we continue to see the benefits of his leadership.

The period without an elected Council also allowed the organisation time to review a number of long term strategic and informing plans required as part of the Integrated Planning and Reporting Framework, including an Asset Management Strategy and Plan and a Long Term Financial Plan. In addition, the Commissioner commenced the review of our Strategic Community Plan and Corporate Business Plan and also endorsed a Risk Management Policy and Framework, and an updated Workforce Plan and Airport Master Plan.

2017 was an election year for local government and this saw a new Council for our Shire, including myself as Shire President. These elections were important for our community after a term with a Commissioner and I was pleased to see both the high number of candidates and voter turnout, a reflection of the interest in our community. Your new Council has been elected under a banner of a “fresh start” and we have worked hard during our first 12 months with many meetings, workshops and briefings. During our first six months we also undertook a significant induction, training and learning program with the help of our CEO and Administration, including support from both West Australian Local Government Association (WALGA) and the Department of Local Government, Sport and Cultural Industries. We continue to receive regular briefings on key issues related to local government and our Shire.

Council has continued the practice of holding regular meetings in Wyndham and has initiated a “meet and greet” opportunity for local community members to meet informally with Council members and the administration to discuss relevant matters of interest. In addition, the Audit Committee met four times during the year led by Deputy Shire President Tony Chafer and all Committee recommendations were reported to and considered by Council.

The draft of the Strategic Community Plan (SCP) 2017-2027 was released for comment in January 2018 and

after significant community engagement our revised Plan was adopted by Council in April 2018. The development of the new Corporate Business Plan 2018/19 – 2021/22 followed the SCP and concurrently with the Annual Budget. The CBP was adopted by Council in June 2018 along with the 2018/19 Annual Budget.

The Minister for Land approved draft LPS9 and Strategy in December 2017 subject to modifications to text and plans. These modifications were made and resubmitted to WAPC in early March 2018.

Some additional information (photos and plans) were required to be submitted in relation to parts of the Local Planning Strategy. These were forwarded in April 2018. The Scheme and Strategy are now awaiting Gazettal by the Department of Planning Lands and Heritage.

The Shire is part of the WALGA Kimberley Zone and the four Kimberley Councils also form a Kimberley Regional Group (KRG) focussed on working collaboratively for the benefit of the region, encouraging cooperation, joint projects and resource sharing on a regional basis. As Shire President I meet regularly with the Presidents of our neighbouring Councils and we are working on regional priorities and approaches to common issues. We are currently working on several regional strategies centred on youth, alcohol management, land tenure, waste, recycling and tourism.

The 2017/18 Annual Budget was a process that commenced early in 2017 with the mid-year budget review and a number of workshops and briefings from staff and as a consequence a modest increase of 1.2% was endorsed by the Commissioner and set the basis for the 2018 budget process. In addition, this year was also a “reevaluation” year by the Valuer General and this created some further challenges for Council as there were significant movements in valuations for many businesses and residents. After much discussion, prioritisation of key projects and services and a prudent approach to our finances, in June 2018 Council was able to deliver a 0% rate increase (rate yield) outside of natural growth. In addition our Fees and Charges were able to be kept to a low 1.2% increase.

Another significant project that has been supported by Council and our community as part of improving our Tourism sector, led by the East Kimberley Marketing Group, has been the proposal for direct flights to the East Coast. Whilst this did not occur this dry season as initially planned, for reasons beyond our control, Council continues to support the project both financially and in-kind through waived fees and charges, and we remain hopeful for the dry season 2019.

During the year I have been privileged to attend and/or preside at a significant number of community events and functions, I am always impressed with the extent and



To be a thriving community with opportunities for all.

range of the event program we have in the East Kimberley and where a number of our major events are now world class. I extend my thanks and congratulations to the many community groups, committees and individual organisers for their hard work and planning in showcasing these events, and to the generosity of the sponsors, including the Shire, that allow such events to take place. Can I also acknowledge the many volunteers who give up their time and energy to make our community what it is today. As Shire President I have also been privileged to welcome a significant number of new citizens during the year.



As many in our community will acknowledge, it has been tough for the last couple of years but we are hopeful of improved outcomes going forward and we are encouraged by the possibility of significant government and private investment, built around the many pillars of our economy including agriculture, forestry, mining, pastoral, tourism and soon to be aquaculture. In addition, a number of unique opportunities have presented themselves and we have been keen, as a Council, to put forward an “open for business” attitude, and a great example of this is the arrival of Airbus.

Looking forward, I am excited by a number of projects including the partnership with Airbus (UK and Australia-Pacific) and their customers for the development at Wyndham of their launch and recovery site for their High Altitude Pseudo-Satellite (HAPS) and an Economic Development



Strategy for the Shire. We continue working to improve access and transport links to the East Kimberley through, progressing the business case for an extension of the East Kimberley Regional Airport runway, support and attraction of direct flights from Melbourne to Kununurra and improvements to our roads. We are also progressing projects that will help develop Kununurra as a regional centre as a key to retaining services and supporting population growth and our Tourism Strategy including, the redevelopment of the Shire’s golf course in partnership with the Lake Kununurra Golf Club and Water Corporation, including a waste water re-use scheme, the planned introduction of a major prawn farm at Legune Station and processing factory in Kununurra for SeaFarms Group (Project Sea Dragon), the future redevelopment of both the Shire’s leisure and aquatic centre and waste facilities (landfill), and the redevelopment of the Town Centre in concert with a new Planning Scheme, Strategy and specific structure plans. At a more social level we continue to work with all Agencies on matters related to street present youth and anti-social behaviour and the ongoing management of alcohol and its related influences.



Can I conclude by expressing my appreciation for the encouragement of all of our residents, community groups and local businesses who have helped and supported the new Council as we “find our feet” and work to achieve our goals this year. Can I also take this opportunity to thank our committed and hard-working staff at the Shire, led by the Chief Executive Officer, Mr Carl Askew and his Executive Management Team for their assistance, support and dedication in providing services and delivering programs and projects to the local community. I look forward to the Shire delivering efficient and effective services and sustainable asset management for the community during the next financial year.

David Menzel
Shire President
Shire of Wyndham East Kimberley Council

Chief Executive Officer Report



2017/18 has been a productive year under the guidance of Council and a number of plans, studies and corporate documents have been prepared, provided to the community for comment and returned to Council for endorsement. As a consequence I am able to report that the majority of

activities listed in the Corporate Business Plan have been able to be progressed and/or achieved. The aim of the Annual Report is to inform the community of Council's performance during the 2017-18 financial period in relation to the Shire's Corporate Business Plan and annual budget, which was set at the beginning of the financial period, as well as report on our progress towards the Strategic Community Plan.

I support the comments of the Shire President and acknowledge the role of Commissioner Ron Yuryevich and thank him for his leadership, support and guidance as we continued the work of Council and the Shire during 2017, and as we worked towards the local government elections in October 2017, which saw the reinstatement of a new Council. The first few months involved a significant induction and training program for our Elected Members with a number of briefings on key issues related to local government and our Shire.

Collaborative Group. The Administration supports Council and individual elected members on the majority of these committees and community bodies.

The draft of the Strategic Community Plan (SCP) 2017-2027 was released for comment in January 2018 and following the release Officers undertook a community engagement strategy for the purpose of 'testing' focus areas, objectives and strategies to ensure that they aligned with community expectations and needs. In addition, Officers facilitated a series of workshops to further refine the Plan with community stakeholders in Kununurra and Wyndham as well as with Council. A revised Plan was presented to Council and adopted in April 2018.

The development of the new Corporate Business Plan (CBP) 2018/19 – 2021/22 followed the SCP and concurrently with the Annual Budget. The CBP has a 10 year timeframe in line with the new Strategic Community Plan (SCP) but with a statutory focus on the first 4 years, and will be aligned with the Long Term Financial Plan, providing Council with the ability to capture actions and projects critical to the SCP's delivery. The CBP was adopted by Council in June 2018 along with the 2018/19 Annual Budget. We have continued the requirement for quarterly reporting to Council and the public on the delivery of the Corporate Business Plan to keep the community better informed about the Shire's activities, providing better transparency and accountability.



Community Grants, Wyndham awarded by Commissioner Ron Yuryevich

Monthly Ordinary Council Meetings took place throughout the year, as well as four Audit (Finance and Risk) Committee meetings together with a number of Briefing sessions, which resulted in approximately two hundred reports to Council and a significant number of Council decisions (resolutions) and actions for the Administration to implement. 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 whilst other committees relate to external stakeholders, including the West Australian Local Government Association, Kimberley Zone and Regional

Through prudent financial management, we are back on track with our financial health indicators, as you will discover as you read through this report and we have had a 'clean bill of health' from our Auditors. It is pleasing that the budget process was able to be achieved within the timeframes set and with no rate increase (rate yield remained the same) outside of normal growth. The Shire remains well positioned in terms of its finances and whilst there is still work to be done the foundations have been laid and all IPRF reporting requirements have been met. With a 0% rate increase for 2018/19 together with previous modest rate increases (1.3% in 2016/17 and 1.2% for 2017/18) Council has recognised and responded to our local economic climate and conditions. The Shire is progressively improving its financial position, additional reserves have been created and significant funds set aside, we are managing our loans (with no increases this year and a strategy to reduce them) as well as managing staffing and other costs, whilst maintaining and improving service levels. The Shire is prepared moving forward.

Prior to the Council elections the Shire experienced, during January and February 2017, significant rainfall and weather conditions and whilst our Towns held up well our critical road and drainage networks were substantially affected. As a consequence the Shire secured in excess of \$8m of additional capital funding through the Western Australian Natural Disaster Relief Arrangements (WANDRAA) program and these works were carried out, in addition to our own capital works

To develop in a manner that will achieve social, cultural, economic and environmental benefits for all.

program, with the help of a number of local contractors during the 2017 dry season and finalised in 2018.

As is evident from our rainfall experiences, the management of stormwater is a significant priority for our community and this was identified by the Administration and supported by Council through the commissioning of a detailed study and the establishment of a specific reserve to address the recommendations of the study. Whilst there have been significant delays with the provision of data from Geoscience Australia we anticipate a final report later in the year which will, in partnership with the Water Corporation and Ord Irrigation Cooperative (OIC), provide the necessary data and recommended actions for the Shire and other landowners and partners to address the long term issue of stormwater, runoff and drainage.



Kununurra Drain repairs

As the Shire President has acknowledged, it has been tough for the last couple of years but we are hopeful of improved outcomes going forward and we are encouraged by the possibility of significant government and private investment. As part of our new Strategic Community Plan one of our four focus areas is “economic prosperity” and for the East Kimberley to be a place that has a growing and successful economy with jobs for all. Our goals are (i) to deliver the critical infrastructure that will create the conditions for economic growth across the Shire; (ii) to be business friendly and the Shire of choice for inward investment in the

Kimberley, and (iii) to develop and retain skilled people that business need to succeed. The Shire is now working on an Economic Development Strategy and our intention is to finalise that Strategy by the end of the 2018 year. In addition we will work with the State Government on a “Growth Plan” for the region and as part of that process we will also update other forward planning documents including the East Kimberley at 25,000 (EK@25) document.



Depot Works at Ivanhoe Crossing

The organisational structure of the Shire reflects the stability of an established administration. During 2017 a review of the structure was undertaken and some small changes made to the Shire’s existing human resource. Quality people are a critical component of any business success and during the year we have welcomed some new faces to the team. Amongst other appointments, we welcomed two new Directors in December 2017 and a number of new Managers/specialist officers. We look forward to their contribution and efforts in maintaining and improving our services to residents, ratepayers and visitors. Some recruitment processes have taken longer than anticipated and a few positions were advertised more than once, and whilst this has “slowed” momentum I am pleased with the work and achievements to date as reflected in this Annual Report. In addition, in December 2017 Council undertook my performance and contract review and endorsed a contract extension until May 2021.

Our budget this year has been focused on achieving Council’s priorities and objectives and is underpinned by a number of capital works programs for our major infrastructure and asset classes. We have continued to invest in capital projects including road resurfacing, drainage, footpaths and playground equipment and I congratulate the town maintenance staff in both Wyndham and Kununurra for their efforts in maintaining both towns to such a high standard. These staff quietly

CEO Report

go about their work keeping the verges, parks and gardens presentable, undertaking maintenance and repairs to Shire infrastructure and removing rubbish and litter from our streets and public places.



Night time Place Assessments in Kununurra

In May 2018 the Shire was notified of a successful grant application of \$800k from the Commonwealth Department of Industry, Innovation and Science – under the Safer Communities Program. It was submitted with the support of Kununurra Police, the East Kimberley Chamber of Commerce and our local member the Hon Melissa Price MP and the intent is to install CCTV, lighting and use CPTED design principles in the town centre areas of Kununurra and Wyndham to increase community safety and discourage antisocial behaviour. Whilst this is not the only solution to our anti-social behaviour issues it is another “piece in the puzzle” and will contribute to an overall solution. Nevertheless we will continue to work with all members of our community and the relevant State and Federal Government Agencies to address the underlying issues that lead to the need for this project. This significant project will now need to be added to our budget and capital works program for 2018/19.



Town Centre Place Making - Place Assessments in Kununurra

The Safer Communities project will also provide a sound platform on which to base other safety initiatives that will be identified in the Shire’s Community Safety and Crime Prevention Plan 2018 which is currently being developed. A project we are now undertaking “in-house” and will be prepared in line with Safer Communities funding and actions/initiatives related to youth diversionary activities and collaborative (interagency) opportunities. The Shire has also initiated a new youth service model working with the Wyndham Youth Aboriginal Corporation and has recruited a Youth Officer to work in that service at the Ted Birch Recreation Centre, with a view to focusing on work with local Wyndham Police and other Agencies on safety and crime prevention initiatives.



Wyndham Youth Aboriginal Corporation MOU established

The Shire operates two airports within the District, Wyndham Airport and the East Kimberley Regional Airport (EKRA) to support access, tourism, economic and employment growth within the Shire. Following several years of declining aviation activity due to contraction in the resources/construction sectors the Airports accommodated a modest increase in both regular public transport passenger numbers and aircraft movements. The delivery of Airport services achieved very high community satisfaction in the Shire survey with a good/excellent rating of 70% for the facilities and services. We continue to upgrade and invest in our infrastructure including new air-conditioning as well as developing our pre-feasibility and business case for the extension of the runway to 2,400m. In 2018/19 we will focus on the car parking areas and installation of CCTV. As mentioned by the Shire president we now have a long term tenant at the Wyndham airport and we have worked hard this year on developing a partnership with Airbus (UK and Australasia) and their customers for the



EKRA - Runway extension to help make tickets cheaper

development of their launch and recovery site for their High Altitude Pseudo-Satellite (HAPS).



Airbus HAPS lunch from Wyndham Airport

We have maintained our practice of keeping the community informed throughout the year with our fortnightly SWEK News page, local advertisements, statutory advertisements, Media Statements, website and Facebook pages as well as the Administration Centres and Library noticeboards. This year we have also introduced an E-newsletter and an SMS service for critical messages such as road closures and fire warnings. The first edition of the Newsletter was sent out in December 2017 and in May 2017 a revamp of the Shire's website went live. In addition we are working on a comprehensive Corporate Communications and Marketing Strategy that will investigate and report on a range of issues including branding, community engagement and improved communications for the Shire. An internal Working Group has been established to oversee the project and the strategy is expected to be delivered later in the year with implementation to follow.

Plans. We are also advancing the redesign of the Shire's Leisure and Aquatic Centre and investigating the potential for a water re-use scheme at the Lake Kununurra Golf Course, in partnership with the Club and Water Corporation. As indicated by the President I also intend to deliver an Economic Development Strategy for the Shire. We continue to progress the business case for an extension of the current runway at the East Kimberley Regional Airport and support the proposal for direct flights to and from the East Coast of Australia to assist in our Tourism Strategy.



Kununurra Leisure Centre

As your CEO, I would like to express my appreciation to the Commissioner, Shire President, Councillors and staff for their professionalism and support throughout 2017/18. I am proud of the achievements listed in this report and our compliance with all statutory obligations required under legislation. Once again, I look forward to working with our professional and committed team of staff and elected members to deliver high quality services to the community.



Lake Kununurra Golf Course

Carl Askew
Chief Executive Officer

In the next twelve months Council has identified a number of strategic projects that will require the administration's time and resources, including update of our Asset Management and Long Term Financial

About our Shire

The Shire covers an area of 121,000 square kilometres and is one of four local government areas that make up the Kimberley region. The Shire includes the towns of Kununurra and Wyndham and there are also a number of Aboriginal Communities; the largest being Kalumburu, which is situated in the northern part of the Shire.

The Shire boasts many attractions some of which include Drysdale River National Park, Emma Gorge, Five Rivers Lookout (the Bastion), Gibb River Road, Lake Argyle, Mirima National Park, Mitchell River National Park, Ord River Irrigation Area, Parry's Lagoon Nature Reserve, Wyndham Community Fishing Jetty at Anthon Landing and Zebedee Springs.

About Our Organisation

The Shire of Wyndham East Kimberley is the local government covering the district of the East Kimberley and includes the towns of Wyndham and Kununurra.

Role of Local Government

The function of a local government organisation is to provide good governance for its community members, involving efficient and effective decision-making, community participation, operational transparency and accountability.

All local governments in Western Australia are independent corporate bodies constituted under the Local Government Act 1995 (the Act). The Act requires each local government to meet the needs of current and future generations by integrating environmental protection, social advancement and economic prosperity.

Roles of the President, Deputy President and Councillors

The role of an elected member is prescribed in the Act as representing the interests of electors, ratepayers and residents, providing leadership and guidance, facilitating communication between the community and Council and participating in the local government's decision-making processes.

The President has the additional roles of presiding at meetings, carrying out civic and ceremonial duties and speaking on behalf of the local government. The Title of "President" refers to the leader (Presiding Member) of a local government Council in Shires.

As individuals, the Shire President, and Councillors



have no authority under the Act and no directive or decision-making power. All authority rests with the collective as a Council and that authority is exercised by majority decisions at formal Council or committee meetings.

Role of the Chief Executive Officer

The role of the CEO is to advise the Council in relation to the functions of the local government; ensure advice and information is available for Council to make informed decisions; implement Council decisions; manage daily operations; liaise with the Shire President regarding performance and management of staff.

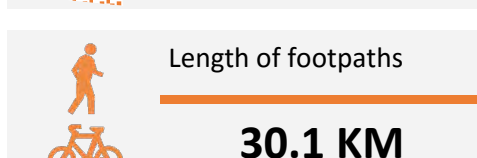
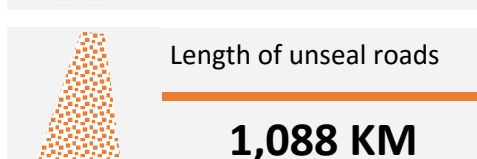
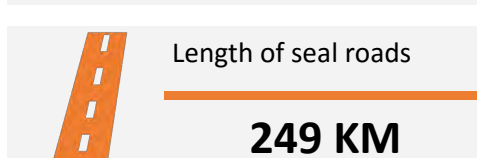
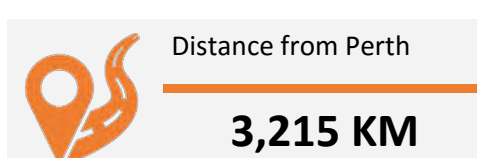
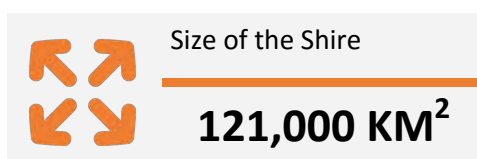
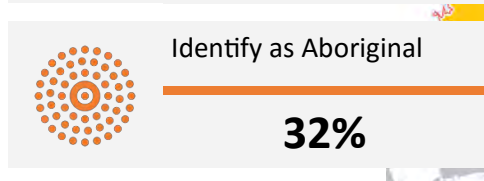
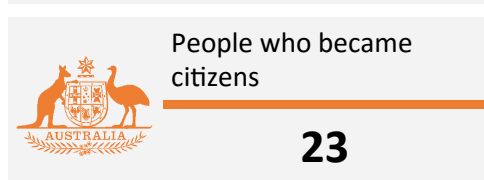
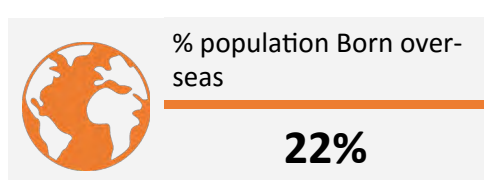
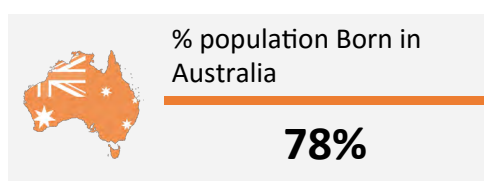
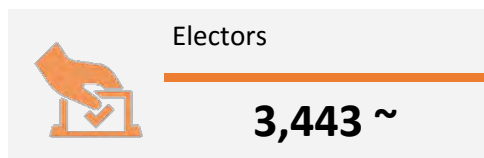
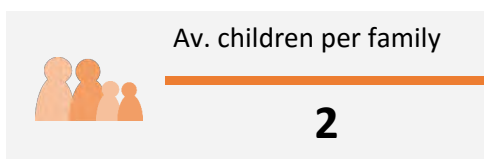
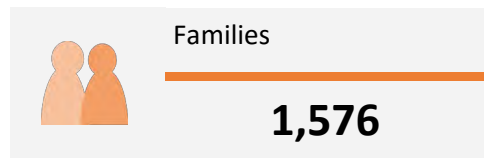
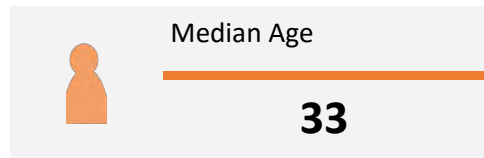
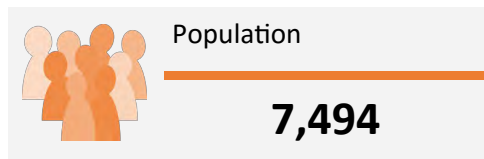
Council Decision Making

Decisions of Council are made at Ordinary Council Meetings and are generally held on the fourth Tuesday of each month at the Council Chambers. These meetings commence at 5pm and are open to the public.

Council Elections

Council elections were held in October 2017. The next Council election is scheduled to occur in October 2019.

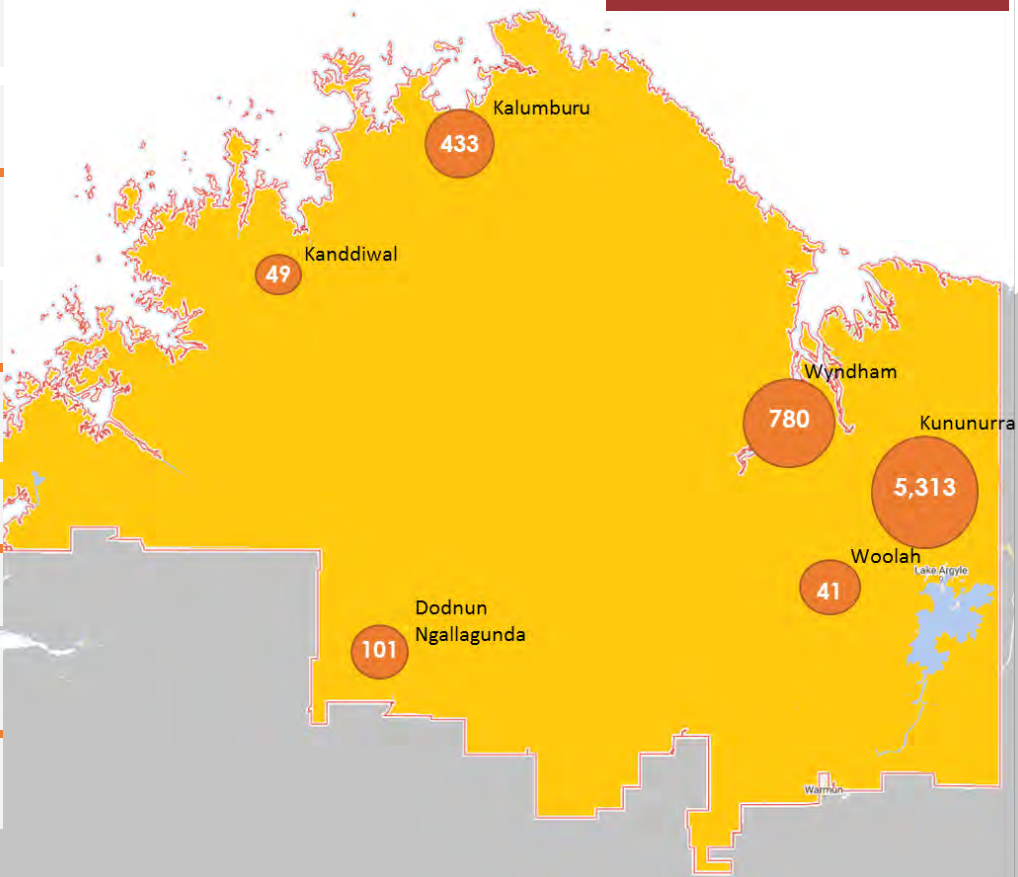
Our Shire in Numbers



Where did my rates go?

PER \$100 2017/18

| | |
|-------------|-------------------------------|
| \$38 | On Recreation and Culture |
| \$28 | On Roads |
| \$12 | On Community Amenities |
| \$6 | On Governance |
| \$3 | On Economic Services |
| \$7 | On Law, Order & Public Safety |
| \$1 | On Health |
| \$1 | On Education & Welfare |
| \$4 | On Other |



Our Elected Members 2017-18



Cr Judy Farquhar
Term: 2019



Cr Mat Dear
Term: 2019



Cr Michelle McKittrick
Term: 2019



Cr Alma Petherick
Term: 2019



Cr Tony Chafer
Deputy Shire President
Term: 2021



Cr David Menzel
Shire President
Term: 2021



Cr Narelle Brook
Term: 2021



Cr Debra Pearce
Term: 2021



Cr Grant Lodge
Term: 2021

Our Organisational Structure



Executive Leadership Team

The Shire's three Directors and Chief Executive Officer form the Executive Leadership Team. There are several facets to their roles but primarily they are responsible for effectively leading and managing the following directorates; Planning and Community Development; Infrastructure Services and Corporate Services. The Directors provide strategic and operational advice to the CEO, Council and other Shire employees. The team is an integral part of budgeting, forward planning, governance and determining organisational risk.

The Shire aims to attract, retain and develop talented and committed employees through the continuous improvement of its human resources, organisational development and occupational safety and health programs and policies.

Integrated Planning and Reporting Framework

All local governments are required to prepare a plan for the future of their district in accordance with Section 5.56(1) of the Local Government Act 1995. The Shire has developed an Integrated Planning and Reporting Framework that allows it to sustainably and strategically meet the needs of the community. The framework has a strong focus on place shaping and wellbeing with a greater level of community engagement.

Key components of the framework

The framework requires the Shire to have three levels of integrated strategic planning, informed and supported by appropriate resourcing and asset management plans.

The strategic plans set the goals and direction for the Shire's future activities. It integrates asset, service and financial plans so that the Shire's resource capabilities match our community's needs. The most important of these is the Shire's Strategic Community Plan.

The Integrated Planning and Reporting framework comprises the following three key documents:

Strategic Community Plan - The Strategic Community Plan is the highest level planning document in the Integrated Planning and Reporting Framework. This Plan is designed to be a 'living' document that guides the development of the Shire over the next ten years. (Level 1)

Corporate Business Plan - The Corporate Business Plan is the operational plan that maps the Shire's key priorities, projects, services and actions over the next

four years. It provides the detailed actions for the first years of the Strategic Community Plan as well as detailing business as usual service delivery. (Level 2)

Annual Budget - The Annual Budget is a detailed financial plan for each year, covering all aspects of the Shire's operations and reflects the resources generated (revenue) and those consumed (expenditure). Year 1 of the Corporate Business Plan and the Long Term Financial Plan establishes the basis for the Annual Budget. (Level 3)

The Strategic Community Plan and Corporate Business Plan are informed by several other key documents shown in the below diagram.

Framework aims

- Recognises that local government planning is holistic in nature and driven by the community
- Builds organisational and resource capability to meet community need
- Optimises success by understanding the integration and interdependencies between the components, and
- Emphasises performance monitoring so that the Shire can adapt and respond to changes in the community's needs and the operating environment



Framework Roles and Responsibilities



The Community

Residents, Businesses, Clubs and Organisations

Role:

- Communicates their aspirations
- Articulate their strategic priorities
- Vision for the East Kimberley
- Engage in consultation processes and inform Council and Shire about ideas, needs and concerns
- Develop Strategic Community Plan



The Council

Elected Members who represent their community

Role:

- Provides direction on strategy development
- Adopts Strategies, Plans and Budgets
- Deliver the 10 year Strategic Community Plan
- Report Annually on Progress



Administration

The organisation led by a Chief Executive Officer

Role:

- Identifies actions to deliver adopted strategies
- Manages resources
- Deliver the 4 year Corporate Business Plan
- Strategic Project Delivery
- Report quarterly on progress

Strategic Direction

Our Vision

To be a thriving community with opportunities for all.

Our Mission

To develop in a manner that will achieve social, cultural, economic and environmental benefits for all.

Our Values

Inclusivity - We recognise the diversity of our community and want to ensure that everyone can actively participate in community life.

Unity - We will work collaboratively with the community, united in a common purpose.

Sustainability - We ensure that the aspirations of the people of the East Kimberley can be met within budget in order to remain socially, environmentally and financially sustainable.

Responsibility for our own future - We will actively participate in providing input to decision making at a State and Commonwealth level on issues that affect our region.

Leadership - We will listen to the community's concerns and advocate for issues that are important to East Kimberley residents.

Our Commitment

Effective - We will ensure that all work is undertaken in a cost effective manner providing value-for money to the community.

We will have a focus on quality in the delivery of all services and programs. Our internal systems will be efficient and will focus on enabling effective delivery.

Sustainable - We will operate within our means, developing budgets that are affordable by the community.

Responsive - We recognise that the community is our customer. We will operate with a strong customer service focus in all our work. We will enable the community to provide feedback on our activities and we will respond to our stakeholders concerns in a timely manner.

Transparent - We will report regularly to the community on progress against the Strategic Community Plan and Corporate Business Plan.

Strategic Community Plan 2017-2027

In April 2018 the Shire adopted a new Strategic Community Plan for the period 2017 to 2027. The Strategic Community Plan is the long-term overarching document that sets out our community's vision and aspirations for the future. It also sets out the key strategies and actions required to achieve these aspirations. The Strategic Community Plan identifies how we will get from where we are now, to where we want to be.

A key requirement of the Integrated Planning and Reporting Framework, is that the Strategic Community Plan is based on the results of comprehensive community engagement.

Development of the Strategic Community Plan brought together the information provided through community engagement, information from the previously adopted Strategic Community Plan 2012-2022 and other informing plans to identify the community's vision for the future and how we will achieve it.

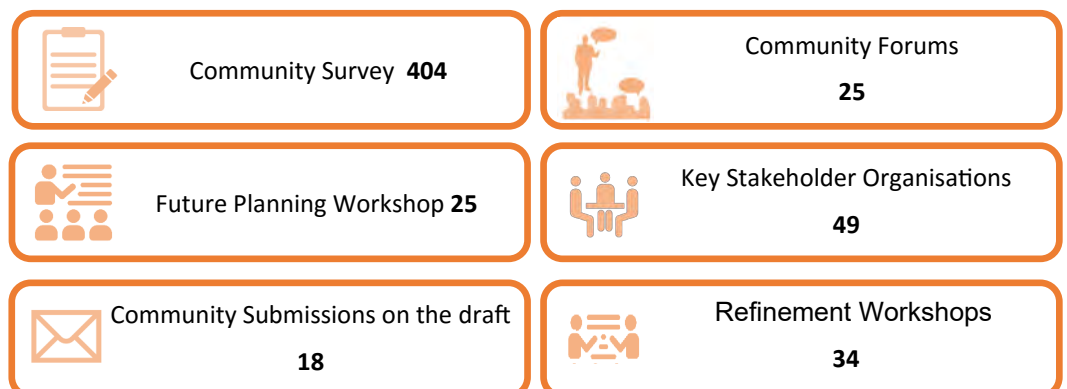
The community's priorities and aspirations were captured through the Community Scorecard Survey 2017, Future Planning workshop, extensive engagement and subsequent feedback on a draft Strategic Community Plan. Developing the Plan's goals and strategies to achieve the community vision has been undertaken with reference to demographic and economic information and other documents such as external influencing strategies and plans.

Strategic Community Plan Community engagement process overview



Community Participation

555 residents participated in the development of the Strategic Community Plan.



Focus Areas and Goals 2017–2027

1 Healthy vibrant active communities



PEOPLE

Improving liveability through social and recreational opportunities, a range of inclusive community services and activities, and valuing our diversity.

Goals:

- 1.1 Bring community together and promote our rich culture and heritage**
- 1.2 Increase community participation in sporting, recreation and leisure activities**
- 1.3 Promote quality education, health, childcare, aged care and youth services**

2 Enhancing the environment



PLACE

We value our Kimberley lifestyle and natural environment. We will work to improve the liveability of our towns and their connection to our surrounding environment.

Goals:

- 2.1 Conserve the Shire's unique natural environment for the enjoyment of current and future generations**
- 2.2 Provide sustainable public infrastructure that serves the current and future needs of the community**
- 2.3 Make towns safe and inviting for locals and visitors**

3 Economic prosperity



PROSPERITY

For the Shire to be open for business with a growing and successful economy and jobs for all.

Goals:

- 3.1 To deliver the critical infrastructure that will create the conditions for economic growth across the Shire**
- 3.2 To be business friendly and the Shire of choice for inward investment in the Kimberley**
- 3.3 Develop and retain skilled people that business needs to succeed**

4 Civic leadership



GOVERNANCE

We will deliver services to the community efficiently, provide leadership and governance that is future thinking, transparent and accountable.

Goals:

- 4.1 Effective representation through advocacy at a regional, state and national level**
- 4.2 Good decision making through engagement with the community**
- 4.3 Ensure a strong and progressive organisation delivering customer focused services**
- 4.4 Sustainably maintain the Shire's financial viability**

Measuring performance against the Strategic Community Plan

The Strategic Community Plan 2017 - 2027 sets out a number of performance indicators and measures to track progress of the Goals and Strategies detailed in the Strategic Community Plan.

Some of the indicators cover areas over which Council may have little control or influence, but which remain appropriate measures of progress towards the achievement of the community's vision. The level of Council influence is reflected alongside the indicators for ease of reference in the indicator and measures tables.

H - High

M - Medium

L - Low

Areas that are in direct control of Local Government

Areas that Local Government does not control but can Influence

Areas that Local Government neither controls nor is likely to Influence, but are of concern to the community and impact on community well being



PEOPLE

Healthy vibrant active communities

1.1 Bring community together and promote our rich culture and heritage

| Indicators and Measures | 2016/17 | 2017/18 | Control |
|---|-------------|-------------|----------|
| Community satisfaction | | | M |
| Participation in festivals, events and cultural and heritage activities | | | M |
| Support for festivals, events and cultural and heritage activities | 64 | 58 | H |
| Maintaining a heritage list including identifying Aboriginal heritage | Not updated | Not updated | H |

1.2 Increase community participation in sporting, recreation and leisure activities

| Indicators and Measures | 2016/17 | 2017/18 | Control |
|--|---------|---------|----------|
| Community participation in recreation | 48% | | H |
| Number of Active local clubs and organisations | | 52 | M |
| Satisfaction with programs, facilities and services provided | | | M |

1.3 Promote quality education, health, childcare, aged care and youth services

| Indicators and Measures | 2016/17 | 2017/18 | Control |
|------------------------------------|---------|---------|----------|
| Community satisfaction with Health | 44% | | L |
| Vocational Education participation | | | L |
| Childcare waiting times | | | M |
| Population between 10-19 years | 886 | | M |



PLACE

Enhancing the environment

2.1 Conserve the Shire's unique natural environment for the enjoyment of current and future generations

| Indicators and Measures | 2016/17 | 2017/18 | Control |
|---|---------|---------|----------|
| Community satisfaction with Conservation & environment | 47% | | M |
| Number of protected environments (national parks, nature reserves etc.) | 19 | 19 | M |
| Percentage of waste diverted from landfill | 23% | 44% | H |

2.2 Provide sustainable public infrastructure that serves the current and future needs of the community

| Indicators and Measures | 2016/17 | 2017/18 | Control |
|---|---------|---------|----------|
| Community satisfaction with community buildings, halls etc. | 35 | | H |
| Asset Sustainability Ratio | 0.31 | 1.61 | H |
| Application of Place making principles | non | | H |

2.3 Make towns safe and inviting for locals and visitors

| Indicators and Measures | 2016/17 | 2017/18 | Control |
|---|---------|---------|----------|
| Community satisfaction survey | | | M |
| Community satisfaction Anti-social behavior | 15% | | L |
| Reported crime | | | M |
| Safety improvement projects completed (such and Blackspot improvements) | | | M |



PROSPERITY

Economic prosperity

3.1 To deliver the critical infrastructure that will create the conditions for economic growth across the Shire

| Indicators and Measures | 2016/17 | 2017/18 | Control |
|---|---------|---------|----------|
| Government investment in infrastructure | | | M |
| Community satisfaction with phone and internet services | 30% | | L |
| Land available for business | | | L |

3.2 To be business friendly and the Shire of choice for inward investment in the Kimberley

| Indicators and Measures | 2016/17 | 2017/18 | Control |
|---|---------|---------|----------|
| Businesses Registered | 904 | 954 | M |
| Number of building (Planning) approvals | 39 | 49 | M |

3.3 Develop and retain skilled people that business need to succeed

| Indicators and Measures | 2016/17 | 2017/18 | Control |
|---|---------|---------|----------|
| Number of residents employed | 4,076 | 3,763 | M |
| Overall employment rate of working age people | | | L |



GOVERNANCE

Civic leadership

4.1 Effective representation through advocacy at a regional, state and national level

| Indicators and Measures | 2016/17 | 2017/18 | Control |
|---|---------|---------|----------|
| Community Satisfaction with advocacy and lobbying | 24% | | H |
| Documented advocacy and lobbying | | | H |
| Collaborative initiatives undertaken | | | H |

4.2 Good decision making though engagement with the community

| Indicators and Measures | 2016/17 | 2017/18 | Control |
|---|---------|---------|----------|
| Community Satisfaction | 9% | | H |
| Community participation in community engagement | 569 | 723 | H |
| Community participation in elections | | 40.3% | H |

4.3 Ensure a strong and progressive organisation delivering customer focused services

| Indicators and Measures | 2016/17 | 2017/18 | Control |
|-------------------------|---------|---------|----------|
| Community satisfaction | | | H |
| Staff retention | | | H |

4.4 Sustainably maintain the Shire's financial viability





| Indicators and Measures | 2016/17 | 2017/18 | Control |
|---|---------|---------|----------|
| Financial Health Indicator (FHI of 70 and above indicates sound financial health) | 73 | | H |
| Asset consumption ratio | 0.59 | | H |
| Current (Liquidity) Ratio | 0.98 | | H |
| Own Source Revenue Coverage Ratio | 0.76 | | H |

Our Year, Delivering the Plan

Corporate Business Plan Year 2017-18



2017/18 Actions Summary

The Corporate Business Plan 2017/18 - 2020/21 was adopted by Council at the July 2017 Ordinary Council Meeting.




| | |
|--|---------------------|
| 168 | Actions |
|  | 66 Completed |
|  | 46 Commenced |
|  | 27 Ongoing |
|  | 28 Deferred |





Our Key Achievements



During the year the Shire completed a number of actions set out in the Corporate Business Plan that will directly benefit the East Kimberley community that and support the Strategic Community Plan.




| | | |
|--|------------------------------------|---|
|  <p>PLACE</p> | Community Safety | In response to community feedback the Shire developed a plan to install and manage a CCTV system in the towns of Kununurra and Wyndham. As part of this plan the Shire sought funding for the project in 2017/18 and was successful in gaining funding of \$800,000 from the Commonwealth. |
| | Disaster repairs to infrastructure | The Shire was eligible for flood damage reinstatement funding in 2017 and 2018 under WANDRRA. Remediation works executed under WANDRRA included, but was not limited to, reconstruction of sealed pavement including footpath and kerbing, resheeting of unsealed roads where significant scouring and/or loss of material was identified, reconstruction of floodways, reinstatement of culverts, removal of silt material from drains and reinstatement of table drains. 350 KM of damaged road was repaired. |
|  <p>GOVERNANCE</p> | Strategic Community Plan 2017-2027 | The Shire developed a new Strategic Community Plan identifying the community's vision for the future and how we will get from where we are now, to where we want to be. |

2017/18 Priority Actions

| Status | Priority Action |
|--|---|
|  PEOPLE |  Renew and upgrade play spaces in accordance with Recreation Space Action Plan |
| |  Progress a plan for the renewal of Kununurra Leisure Centre |

| Status | Priority Action |
|--|--|
|  PLACE |  Road Repairs - Wet season flooding disaster |
| |  Wyndham Parks and gardens reticulation upgrade |
| |  Develop the Shire Community Safety and Crime Prevention Plan |

| Status | Priority Action |
|--|--|
|  PROSPERITY |  Develop Kununurra as a viable Regional Centre - Kununurra Growth Plan |
| |  Develop and implement an Economic Development Strategy |
| |  Provide opportunity for businesses to grow near the airport (develop an Airport Enterprise Precinct) |
| |  Provide financial support for Kununurra to Melbourne flights |

| Status | Priority Action |
|--|---|
|  GOVERNANCE |  Develop a Communications Strategy |
| |  Coordinate regular reviews of Shire services to ensure 'value for money' for ratepayers |

Healthy vibrant active communities



PEOPLE

Improving liveability through social and recreational opportunities, a range of inclusive community services and activities, and valuing our diversity.



Action Status Summary

23 Actions



6 Completed



3 Commenced



6 Ongoing



8 Deferred

Community Outcomes

A Shire with

- A unified community that has active and healthy lifestyles
- Young people that are engaged in their families, schools and communities
- Upgraded and improved sport and recreation facilities
- Greater access to childcare, education and less anti social behaviour

A Council that

- Supports community events
- Has greater understanding and knowledge of the Shire's heritage
- Collaborates with others to tackle disadvantage



Kununurra Motor Cross (Eastkimberley Photography)



International Woman's Day 2018 - KNH



Family Disco 2017 - KNH

| Action | Status |
|---|--------|
| 448 KLC - Develop a project definition plan for Renewal of Kununurra Leisure Centre | 🔄 |
| 311 Renew and upgrade play spaces in accordance with Recreation Space Action Plan | ✓ |
| 430 KLC - Maintain swimming pool temperature within FINA guidelines | ✓ |
| 431 Wyndham Swimming Pool - Construct dedicated first aid room | ✓ |
| 358 Support Civic and Volunteer events | ✓ |
| 453 KLC - Upgrade gym equipment for Kununurra Leisure Centre | ✓ |
| 349 Manage and promote youth services and program delivery | 🔄 |
| 452 Investigate the provision of gym facilities in Wyndham | 🔄 |
| 372 Deliver a Community Grants Scheme | ✓ |
| 346 Deliver family literacy activities and programs | 🔄 |
| 355 Support culturally appropriate alternative education opportunities | |
| 376 Identify opportunities and support activities that encourage relationships between different communities and community groups | 🔄 |
| 357 Advocate for additional adult education opportunities | |
| 459 Encourage the development of night markets with food stalls | ✓ |
| 549 Hold and promote Library events | 🔄 |
| 354 Identify land for a suitable educational establishments in line with Kununurra Growth Plan | |
| 351 Employ youth based school trainee at the Kununurra Leisure Centre or Wyndham Swimming | |
| 348 Establish a Youth Advisory Council | ✓ |
| 485 Wyndham Swimming Pool Service Review | |
| 450 KLC - Provide 24 hour gym access | |
| 486 Undertake Wyndham Youth Service Review | ✓ |
| 483 Kununurra Leisure Centre Service Review | |
| 548 Develop sports facilities to meet community needs | |



Mystery Road Tree Planting - Celebrity Tree Park 2017



Sarah Duguid Photography - Australia Day 2018

Delivering Focus Area 3

Enhancing the environment



PLACE

We value our Kimberley lifestyle and natural environment. We will work to improve the liveability of our towns and their connection to the surrounding environment.

Action Status Summary

63 Actions



27 Completed



20 Commenced



7 Ongoing



9 Deferred

| Action | Status |
|--|--------|
| 274 Kununurra Townsite Footpath Upgrade Program | ➤ |
| 399 Develop the Shire Community Safety and Crime Prevention Plan | ➤ |
| 556 Establish Waste Transfer Station in Wyndham | ➤ |
| 252 Wyndham - Road Reseal Program | ✓ |
| 254 Kununurra - Road Reseal Program | ✓ |
| 256 Kununurra Mixed Business Area - Road Reconstruction | ✓ |
| 75 Develop a Community Facility Strategy | ➤ |
| 310 Rehabilitation and decommission existing liquid waste ponds | ✓ |
| 381 Provide an annual "Free Waste Disposal Weekend" for domestic waste | ✓ |
| 262 Kununurra - Chestnut Ave State Black Spot safety improvements | ✓ |
| 379 Acquire new landfill site near Kununurra | ✓ |
| 420 Kununurra - Parks and Gardens Reticulation Upgrade | ➤ |
| 267 Wyndham - Gambier Street U drainage channel | ➤ |
| 313 Playspace Maintenance | ✓ |

| Action | Status |
|--|--------|
| 419 Wyndham Parks and Gardens Reticulation Upgrade | ➤ |
| 400 Develop check list based on CPTED principles when reviewing Shire facilities or designing new | ➤ |
| 290 Shire Bridge Management Program | ➤ |
| 204 Town Centre Regeneration Plan - Kununurra | ➤ |
| 415 Develop Environmental Health Emergency Management Support Plan | ➤ |
| 213 East Lily Creek subdivision | ➤ |
| 509 Lake Argyle Road Upgrade Program | ➤ |
| 308 ICT - Upgrade CCTV at the Kununurra Landfill | ➤ |
| 473 Anthon's Jetty - cathodic protection | ✓ |
| 260 Wyndham – Dulverton St reconstruct road pavement | ✓ |
| 464 Review the Lake Kununurra Foreshore and Aquatic Use plan to include Vegetation Management Plan | — |
| 277 Create new footpaths and cycleways within the towns of Kununurra and Wyndham | ➤ |
| 421 Kununurra and Wyndham Cemetery upgrade & beautification | ➤ |
| 411 Provide Ranger Services - Implement Animal Management Plan | ✓ |



Health Officers Awareness campaigns



Airport Emergency response training



Wyndham Police Community Safety Engagement

| Action | Status |
|---|--------|
| 273 Improve pedestrian safety and walkability of the Weaber Plain Road footpath by provide crossing points with a refuge island | ✓ |
| 275 Wyndham Townsite Footpath Upgrade Program | ✓ |
| 301 Kalumburu Road Renewal / Upgrade | > |
| 291 Road Repairs - Wet season flooding disaster | > |
| 557 WA container deposit scheme | ✓ |
| 380 Review closure plans for current Kununurra and Wyndam landfill sites | > |
| 474 Anthon's Jetty - Marine inspection maintenance | ✓ |
| 266 Drainage - Maintenance of underground drainage assets | ✓ |
| 257 North Kununurra – Road Reconstruction | |
| 302 Road Line Marking, Kununurra | ✓ |
| 553 EKRA - Develop Safety and Emergency Management Capabilities | ↻ |
| 414 Manage Fire and Emergency Services | ↻ |
| 562 Enforce local laws and reduce littering within the Shire | ↻ |
| 305 Kununurra Landfill area capping | ↻ |
| 314 Community Tree Planting Program | ✓ |
| 390 Undertake streetlight upgrades | ✓ |
| 258 Kununurra Town – Road Reconstruction | |
| 259 Kununurra Lakeside – Road Reconstruction | |

| Action | Status |
|---|--------|
| 377 Implement the Waste Management Strategy | ↻ |
| 206 Develop streetscape and landscape plans for town centres | |
| 342 Implement Mosquito Management Plan | ↻ |
| 472 Anthon's Landing - Boardwalk | |
| 234 Develop Stage Two of the Lake Kununurra Commercial Boat Harbour at Swim Beach Precinct 2, Kununurra | |
| 395 Create new Shire trails as outlined in Trails Master plan | |
| 398 Kununurra - Develop and implement parking plan | |
| 340 Manage and provide environmental health services | ↻ |
| 469 Install cathodic protection on Lily Creek Lagoon jetty | ✓ |
| 405 Takeaway Alcohol Management System (TAMS) and evaluation | ✓ |
| 413 Animal Management Facility improvements | ✓ |
| 332 Review traffic management for Ron Hodnett Drive | ✓ |
| 343 Shire Public Health Plan | ✓ |
| 261 Kununurra - Reconstruct Nutwood and Rosewood Streets | > |
| 294 EKRA - Air Conditioning Plant Replacement | ✓ |
| 416 Upgrade Wyndham waste water reuse treatment facility | ✓ |
| 287 Kununurra - Lakeview Drive traffic devices | ✓ |

Economic Prosperity



PROSPERITY

For the Shire to be open for business with a growing and successful economy and jobs for all.



Wyndham Port

Action Status Summary

25 Actions



6 Completed



12 Commenced



3 Ongoing



4 Deferred

Community Outcomes - focus Area

A Shire with

- A strong local economy and access to jobs
- Infrastructure that supports industry growth
- Educational and training opportunities that lead to entrepreneurship or employment

A Council that

- Supports the growth of business
- Attracts new investment, both public and private
- Promotes and markets the Shire



EKRA - maintaining air transport assets

| Action | Status |
|--|--------|
| 250 Kununurra Bypass - Liaise with the State and Federal Governments on construction of a bypass | ➤ |
| 460 Investigation and development of the airport enterprise precinct | ⊖ |
| 296 Wyndham Airport Building rationalisation | ➤ |
| 293 EKRA - Upgrade and increase airport carparking capacity | ➤ |
| 555 EKRA - Terminal Landscaping Plan and Installation of Initial Planting | ⊖ |
| 245 EKRA - Upgrade Main Apron Lighting for RPT Bay 3 | ➤ |
| 272 Develop Kununurra as a viable regional centre - Kununurra Growth Plan | ⊖ |
| 231 Advocate for industry and business development | ➤ |
| 550 Economic Development Strategy | ➤ |
| 223 Identification and mapping of priority agricultural land | ➤ |
| 228 Support the East Kimberley Marketing Group for marketing and tourism purposes | ✓ |
| 356 Lobby the Department of Education for more school based apprenticeships | ⊖ |
| 219 Develop light industrial land around the wastewater treatment plant | ↻ |



| Action | Status |
|--|--------|
| 309 Wyndham Port Waste Water Management | ➤ |
| 249 Great Northern Highway - Liaise with the State and Federal Governments on improvement projects | ➤ |
| 242 EKRA - Improve Airport Precinct Signage | ➤ |
| 554 EKRA - Taxiway F&G and GA Aprons E&W upgrades | ➤ |
| 226 Support the East Kimberley Tourism Plan in collaboration with the tourism sector | ✓ |
| 222 Liaise with State and Federal Ministers to promote issues relevant to the agricultural industry including pastoral | ✓ |
| 299 EKRA - Airport perimeter security fence upgrade | ✓ |
| 237 EKRA - Extend the length for the runway to accommodate larger aircraft | ↻ |
| 230 Advocate for improved Information & Communications Technology within the Shire | ↻ |
| 244 EKRA - Provide CCTV and upgrade phone systems at airport terminal | ➤ |
| 74 Provide access to a Community and Economic Profile | ✓ |
| 227 Provide operational funding to support the Kununurra Visitor Centre | ✓ |



Delivering Focus Area 4

Civic Leadership



GOVERNANCE

We will deliver Shire services to the community efficiently, and provide leadership and governance that is future thinking, transparent, accountable and relevant.

Action Status Summary

57 Actions



27 Completed



11 Commenced



11 Ongoing



7 Deferred

Community Outcomes

A Shire with

- Sustainable revenue and expenditure
- Existing and future services funded

A Council that

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

- 62 Implement Kimberley Strategic Plan and Kimberley Regional Business Plan
- 58 Review the Shire's website design and management
- 335 Improve accessibility to Administration Building entry doors
- 185 Councillors - Professional development to support Councillors to perform their role
- 318 Plant Replacement - Depot - Trucks and earthmoving heavy
- 197 ICT - Laptop & Desktop upgrade Information Technology
- 200 Develop Occupational Health and Safety Plan - Promotion and training
- 154 Rates - Undertake transition of UV Rural Residential to GRV Residential
- 177 Develop Council Chambers audio capabilities for recording of meetings
- 175 Enhance customer services - develop a customer services charter
- 225 Liaise with State Government to promote issues relevant to irrigated, potable or waste water
- 142 Records Management - Ensure compliance with legislation and support the needs of the organisation
- 186 Promote and facilitate the Council elections process
- 409 Review local planning policies
- 552 EKRA - Replace Explosive Trace Detection (ETD) equipment and walk through



Sarah Duguid Photography - Australia Day 2018



| | | |
|-----|---|---|
| 487 | Coordinate regular reviews of Shire services | |
| 235 | Liaise with relevant Government Departments on initiatives to provide affordable housing | |
| 190 | ICT - Server and network upgrades | > |
| 199 | Conduct Employee Satisfaction Survey | > |
| 179 | Customer Service - Develop a public access portal - Information access | > |
| 146 | Records Management - Undertake a review of vital records | > |
| 201 | OHS - Schedule review policies and procedures | ✓ |
| 187 | ICT - Develop and implement an Information and Communication Technology (ICT) Strategy | > |
| 147 | Records Management - Digitisation of Shire record | > |
| 153 | Improve the efficiency of Corporate reporting and budget development | > |
| 189 | Develop and maintain a Business Continuity Plan | > |
| 191 | ICT - Develop an ICT Disaster Recovery Plan | > |
| 193 | ICT - Implement multi-site wide area network | ↻ |
| 315 | Plant Replacement - Depot - Light Passenger Plant | ✓ |
| 317 | Plant Replacement - Depot - Grounds care plus attachments | ✓ |
| 321 | Plant Replacement - Airport - Grounds-care plus attachments | ✓ |
| 334 | Conduct an Accessibility Audit of all Shire managed public buildings | ✓ |
| 316 | Plant Replacement - Depot - Grounds-care Plant Medium | ✓ |
| 57 | Ensure effective communication with the community including regular good news stories about the Shire | ↻ |
| 59 | Develop a Communications Strategy | ↻ |
| 482 | Participate in Kimberley Zone Regional Collaborative Group (RCG) | ↻ |
| 198 | Review Workforce Management Plan | ✓ |
| 84 | Liaise with State and Federal Government agencies regarding service delivery in Aboriginal | ↻ |
| 172 | Develop and implement Asset Management Plan | ✓ |

| | | |
|-----|--|---|
| 166 | Develop and implement a Risk Management Framework | ↻ |
| 164 | Undertake Biennial review in accordance with Regulation 17 provisions | ↻ |
| 159 | Review Local Laws | ↻ |
| 93 | Identify opportunities for new income streams that are financially sound and equitable | ↻ |
| 92 | Seek Councillor representation on boards and organisations | ↻ |
| 170 | Develop and maintain a Long Term Financial Plan for Landfill services | |
| 167 | Review and maintain the Long Term Financial Plan | |
| 169 | EKRA - Develop and maintain a Long Term Financial Plan for the Airport | |
| 505 | Coordinate the development of Operational and Service Delivery Plans | |
| 196 | ICT - Review and replace corporate administration management software systems | ↻ |
| 184 | Councillors - Provide governance administration and support | ✓ |
| 443 | Develop staff housing renewal program | > |
| 331 | Kununurra - Develop Stormwater Management Strategy | > |
| 2 | Undertake internal community engagement training | ✓ |
| 56 | Annual and quarterly review of Corporate Business Plan (CBP) | ✓ |
| 140 | Ensure compliance with the Local Government Act 1995 and Regulations | ✓ |
| 53 | Ensure compliance with the Integrated Planning and Reporting Framework | ✓ |
| 83 | Advocate key local issues and priorities to Government representatives as contained in Strategic Plans | ✓ |

Highlights of the Year

A report on some of the highlights during the year from across the Shire's Services

Highlights of the year

Community Engagement

Community Services

Community Grant Program

Library Services

Youth Services

Recreation and Leisure

Community Safety and Crime Prevention

Planning and Building Services

Strategic Planning

Strategic Planning

Building Services

Economic Development

Health and Compliance

Health

Rangers and Emergency Services

Capital Works and Maintenance

Waste Services

Airport Services

Extract from Annual Financial Report

Community Engagement



2017/18 Quick Facts

| | |
|------------------------------------|------------|
| Engagement Events held | 7 |
| Engagement participation | 723 |
| Council supported community events | 58 |
| Customer requests received | 918 |
| Customer requests completed | 866 |

Community engagement is considered to be an integral component of informed decision making in ensuring that the community has the opportunity to be consulted about its needs and concerns prior to any decisions being made.

Events



July 2017

NADOC Week - July

NAIDOC Week celebrations are held across Australia each July to celebrate the history, culture and achievements of Aboriginal and Torres Strait Islander people. It is a great opportunity to participate in a range of activities and to support local Aboriginal culture. The National NAIDOC theme for 2017 was 'Our Languages Matter'. Local organisations came together to celebrate NAIDOC Week 2017 in Kununurra. The celebrations commenced on Monday 3 July with a flag raising ceremony at the Town Cenotaph and NAIDOC march down to Whitegum Park for the Community Day. There was fun for all with the Waringarri Dancers, bouncy castle, community BBQ, interactive and informative stalls from the local service providers and organisations, and more. Thank you to all who attended this great event, all of our local services and organisations.

Kununurra Agricultural Show - July

Annual [Kununurra Agricultural Show](#) is a major event for the region. The Agricultural Show brings together visitors, businesses, community organisations, stakeholders and locals for a weekend of entertainment, information and lots of fun by showcasing all things unique to our region. Highlights include fireworks, live entertainment, interactive displays and events and so much more.

East Kimberley Aboriginal Achievement Awards - August

The East Kimberley Aboriginal Achievement Awards

(EKAAAs) were devised and hosted by Wunan, in order to celebrate Aboriginal achievement across the East Kimberley Region.

Kimberley Writers Festival - September

[Kimberley Writer's Festival](#) aims to entertain and inspire the community of the East Kimberley with a variety of authors, musicians, songwriters, storytellers and illustrators who share their life stories and love of the written and spoken word. Highlights include literary lunches and several workshops for people of all walks of life.

2017 Apex Barra Bash - September

The annual Apex Barra Bash at Skull Rock drew a bumper crowd for a fine weekend of fishing. A whopping 121 people entered the competition across junior and senior categories, and managed to catch a total of 107 fish including 55 barra, 19 catfish and 33 bream.

Seniors Week - November

In recognition of Seniors Week 2017, the Shire of Wyndham East Kimberley, in conjunction with the Kununurra School and Community Library held a delicious morning tea for seniors in our community.

The event was held on Wednesday 1 November 2017 at the Kununurra School and Community Library. The morning was a great success with 40 seniors and carers in attendance from both Kununurra and Wyndham.

Remembrance Day - Nov



→ June 2018

[Remembrance Day](#) is a memorial day observed since the end of the First World War to remember the members of the armed forces who have died in the line of duty. Each year on the 11th November a Remembrance Day gathering at the Shire Cenotaph on Coolibah Drive is held.

Australia Day - Jan

Each year on Australia Day the Shire invites the community to celebrate with a Community Breakfast and fun for everyone, held in both Kununurra and Wyndham.

Baby Tree Planting - March

Each year on Australia Day the Shire plants a Boab Tree and installs a plaque with all the baby's names and dates of birth that were born in the previous calendar year, as registered by their parents.

Registered families also received their own Boab seedling to take home and plant in their own garden. The 2017 Planting Ceremony was held on 23 March at Swim beach, with over 50 families in attendance.

ANZAC Day - April

Anzac Day is the solemn day of remembrance of those Australian and New Zealand Army Corps soldiers who have fought and died at the Gallipoli campaign of the First World War. Dawn Services are held in both Kununurra and Wyndham, followed by

Gun Fire Breakfasts and later in the morning, a Community March and Service.

Ord Valley Muster - May

[The Ord Valley Muster](#) is a showcase week of events within the Shire. Highlights include Muster Idol, El Questro Long Table Dinner, Fervor Breakfast and Dinner, Melbourne International Comedy Festival Roadshow and the Kimberley Moon Experience, to name a few. The Muster attracts a large number of visitors from outside the Shire and high level of media attention as well as economic benefits to the community.

Lake Argyle Swim - May

The [Lake Argyle Swim](#) is a 10km and 20km open water swim for relay teams of four, relay teams of two or solo competitors. There is a post-event Gala Dinner held at Lake Argyle Resort. The event attracts many competitors and visitors to the area, both local, interstate and internationally.

Community Consultation

Some of the community Consultation projects undertaken in the 2017–18 financial year included:

Strategic Community Plan 2017 - 2021

The Community Engagement Plan sets out the strategy, engagement methods and timeframe of the review of the draft Strategic Community Plan 2017-2027, which is the Shire's overarching strategic document with a 10 year time horizon. The engagement activities undertaken were targeted at obtaining maximum input, document refinement and prioritisation from community members, previously identified key stakeholders, Shire Staff, Councillors and in compliance with requirements specified under *Section 5.56 (1) of the Local Government Act 1995*.

The formal community engagement period for the draft Plan ran from 20 December 2017 to 23 February 2018. Following this period a refinement stage was completed, incorporating community and stakeholder input, feedback and comments received. Engagement occurred in two phases:

1. Engagement phase - to affirm or add and test focus areas, goals and strategies and to gain input and general comments from community and key stakeholders.

2. Refinement and prioritising phase - to confirm and finalise the focus areas, goals, strategies and the document itself for Council approval.

Corporate Business Plan 2018 - 2022

The community were invited to comment on and help influence the development of the 4 year Corporate Business Plan (CBP) covering 2018/19 to 2021/22. To assist the community in accessing and understanding the CBP, community forums were held for the public exhibition of the draft CBP in Wyndham and Kununurra. The forums allowed the community to view the Plan and provide feedback. The community provided 104 comments on the actions contained in the CBP. These comments were considered during the review process and development of the final plan.

Waringarri Radio Sound Poles

The Community Development Directorate was approached by Waringarri Media in June 2017 to discuss a proposed project to install solar powered sound poles in Whitegum Park. The proposal

involved the installation of two sound poles with a view to broadcast Waringarri Radio through the speakers on a 24 hours a day 7 days a week basis. Waringarri were seeking external funding for the project at the time of the initial discussion. In September 2017 Waringarri Media were successful in obtaining grant funding for the project. Waringarri Media now seek support from the Shire of Wyndham East Kimberley to undertake the facilitation of Community Consultation for the project, seeking feedback from community members, residents and businesses within the immediate area who may be affected by the project. 28 comments were received from the community with 23 of these opposing the project. Waringarri again sought support from the Shire in June 2018 to undertake further consultation for alternative locations, being Swim Beach and Celebrity Tree Park. The second consultation period closed on Friday 28 September 2018.

Wyndham Transfer Station

The Shire's Infrastructure department held a meeting in Wyndham in March 2018 to update the community on the concept plan for the Wyndham Transfer Station as well as several other projects the department was undertaking. Six (6) community members attended the meeting and a total of 19 queries were taken and response provided to all. Additionally to the Wyndham Transfer Station, updates were provided on Anthon Landing inspections to protect from corrosion, Wyndham Town Oval reticulation, the installation of ablutions at the Wyndham Cemetery, Wyndham beautification project and the Maggie Creek roadworks.



Community Services

2017/18 Quick Facts

Community Grants

60

Library Items borrowed

45,747

Library Visitors

40,389

Pool entries

25,853

Youth Programs run

168



Wyndham Youth Aboriginal Corporation Established



The Shire entered into a partnership with Wyndham Youth Aboriginal Corporation. The Focus of the Partnership is to assist delivering a youth service model with an emphasis on local ownership and management of the service. The partnership allows both organisations the ability to deliver a broad range of activities from the Ted Birch Wyndham Youth and Recreation Centre that build capacity, resilience and life skills among the town's young people.

Shire Services

- Library Services
- Aged and disability services
- Youth Services
- Safety and Crime Prevention
- Community Grants
- Recreation and Leisure
- Wyndham Community Resource Centre

The Shire of Wyndham East Kimberley provides a range of services as well as supporting numerous programmes to enhance the quality of life for Shire residents. Community Services provide services which support, engage and improve the quality of life for all sections of the community.

Community Services

Community Grants Program

Community Grants were available to community organisations for projects benefiting the local community. There are three types of grants available, being, Annual Grants, Rates Assistance Grants and Community Quick Grants.

The Annual Community Grants and Rates Assistance Grants offer Community organisations the opportunity to receive financial support for amounts over \$500. In the 2017/2018 financial year, \$148,000 was allocated for annual Grants and a further \$65,888.65 for Rates Assistance Grants. These are reflected in the following tables:

| Annual Grants | Program | Grant |
|--------------------------------|---|----------|
| Kimberley Action Sports | Lake Argyle Adventure Race 2018 | \$5,000 |
| Lake Argyle Swim Inc. | Lake Argyle Swim 2018 | \$10,000 |
| Kununurra Community Garden | Kununurra Community Garden & Education Centre Development | \$2,500 |
| Ord Valley Events | Ord Valley Muster 2018 | \$20,000 |
| Kununurra Motocross Club | Track Lighting Installation | \$50,000 |
| Wunan Foundation | EKAAA 2017 | \$10,000 |
| Kununurra Agricultural Society | Agricultural Show 2017 | \$10,000 |
| Kununurra Agricultural Society | Agricultural Show 2018 | \$10,000 |
| Wyndham Community Events | Stars on the Bastion 2018 | \$15,000 |
| Kununurra Water Ski Club | Dam to Dam 2018 | \$10,000 |
| Kununurra Neighbourhood House | International Women's Day, Women's Seminar | \$5,500 |

| Rates Assistance | % Awarded |
|---------------------------------|-----------|
| Kimberley Action Sports | 100% |
| Lake Kununurra Golf Club | 100% |
| Ord River Sailing Club | 100% |
| Kununurra Campdraft & Rodeo As. | 100% |
| Kununurra Race Club | 100% |
| Kununurra Agricultural Society | 100% |
| Ord Pistol Club | 100% |
| Kununurra Water Ski Club | 100% |
| Kununurra Motocross Club | 100% |
| Wyndham Picture Gardens | 100% |

The Community Quick Grants funding stream provides financial support to local organisations and projects which benefit the community, by providing funding up to \$500 per organisation, per financial year.

The following 30 community groups were successful in receiving Community Quick Grants in 2017 - 2018, with a total amount of \$14,249.00 being allocated:

| Quick Grants | Grant |
|---|-------|
| Kununurra Taekwondo Incorporated - Grading sessions | \$500 |
| Ngnowar Aerwah - Munumburra Festival | \$500 |
| Kimberley Group Training - 2017 Excellence Awards | \$500 |
| Kununurra Motocross Club - Ambulance attendance | \$500 |
| Kununurra Picture Gardens - Waste Management | \$500 |
| Lake Kununurra Barra Restocking - Brochure development | \$500 |
| Kununurra Neighbourhood House - Halloween Disco | \$500 |
| Kununurra Netball Association - NT Links Championships | \$500 |
| Wyndham Turf Club - Waste Management | \$500 |
| Kununurra District High School - SWEK Citizenship, All-rounder Award | \$300 |
| Garnduwa - Mens Wet Season Basketball Comp | \$500 |
| Kununurra Agricultural Society - Horsn' Around | \$500 |
| Enterprise Learning Projects - Kalumburu Strong Women's Program | \$500 |
| Ord Valley CWA - Boomerang Bags Launch | \$500 |
| Kimberley Action Sports - Mountain Bike Trails Scoping Study | \$499 |
| Binarri-Binyja Yarrowoo Aboriginal Corp. (Empowered Communities) - Apology 10 | \$500 |
| Wyndham Returned Service League - ANZAC day 2018 | \$500 |
| Koori Kids Pty Ltd. - NAIDOC Week Kununurra, Wyndham School Initiatives Competition | \$500 |
| Kununurra Bushman's Association - Site Plan for Rodeo events | \$500 |
| Mellen Events on behalf of Ord Valley Events - Ambulance Attendance at Kimberley Moon | \$500 |
| Kununurra Crazy Crocs Playgroup - Purchase of computer | \$500 |
| Kangaroo Haven - Family Fun Day | \$500 |
| Kununurra Playgroup - Playgroup equipment | \$500 |
| Lake Argyle Swim - Works to Lake Argyle Swim Finish Line | \$500 |
| Kununurra Toy and Puzzle Library - Purchase of laptop | \$500 |
| Kununurra Croc's Swim Club - New Lane ropes | \$500 |
| East Kimberley Women's Alliance - Launch night | \$500 |
| Wyndham Historical Society - Purchase of EFTPOS Facility | \$500 |



| Library Statistics | |
|--------------------|------------------|
| 44,183 | Books Borrowed |
| 690 | New Members |
| 7319 | Active Members |
| 63,936 | Library Visitors |

| Wyndham Youth Services Statistics | |
|-----------------------------------|--------------|
| 240 | Program Days |
| 7,200 | Participants |

Library Services

The Shire operates two Libraries within the Shire District, the Wyndham Library and the Kununurra School and Community Library jointly run with the WA Government.



The Library has hosted a number of events and programs in 2017/18 including The Kimberley Writers Festival, Children’s Book Week, National Simultaneous Storytime and two Scholastic Book Fairs. Over 5,500 community members used the Internet facilities. The Library welcomed 672 new library members and loaned more than 45,000 items.



Teddy Bear’s Picnic, KNH

Library staff joined the community celebrating the Teddy Bear’s Picnic, Children’s Week and began regular visits with the Rhymetime families to Juniper Aged Care facility. The Kununurra School and Community Library also hosted the 2017 Seniors Week event and was well attended by approximately 40 Seniors and carers.

Youth Services

The Shire, with support funding from the Department Communities, Child Protection and Family Services provide a range of services for young people aged between 10-24 years of age in Wyndham. The Shire’s Wyndham Youth Officers have delivered youth programs throughout the reporting period with a

number of casual staff employed from July to May to ensure community needs were met. In May, a fulltime Wyndham Youth Officer was employed. Her employment has allowed the Shire to deliver a structured youth program and case management. In October the Shire entered into a partnership with Wyndham Youth Aboriginal Corporation to assist delivering a youth service model with an emphasis on local ownership and management of the service. The partnership allows both organisations the ability to deliver a broad range of activities from the Ted Birch Wyndham Youth and Recreation Centre that build capacity, resilience and life skills among the town’s young people.

The Kununurra Empowering Youth (KEY) Program is a service delivery partnership that evolved from the East Kimberley District Leadership Group. The KEY program is facilitated by a working group of staff from organisations including SWEK, Department of Communities, Child Protection and Family Services, Save the Children, WA Police, Youth Justice, Kununurra Waringarri Aboriginal Corporation and Wunan and is focussed on the successful delivery of school holiday program activities for young people. The KEY program is based on the underlying premise that no single organisation can create large scale lasting social change alone.

Early Years

In Kununurra the Shire continues to administer the lease for the Ewin Early Learning Centre and has approved an extension of the existing lease until June 2019. Staff are also assisting the Ewin Centre investigate options to increase capacity through a planned expansion on the existing site. In Wyndham the Shire administers the lease for the operation of Child Care Services for the Wyndham Child Care Centre.

Recreation and Leisure

The Shire operates for the benefit of the community recreation and leisure facilities in Wyndham and Kununurra. The Shire aims to provide and facilitate a wide range of sport, recreation and healthy lifestyle opportunities for the community through the delivery of strategic infrastructure planning, facility management, club development and leisure programming.

In the town of Wyndham the 780 residents have access to the Wyndham Memorial Swimming Pool, Ted Birch Wyndham Recreation Centre, Peter Reed Memorial Hall, Wyndham Clarrie Cassidy Oval and five parks.

The 5,284 Kununurra residents have access to the Kununurra Leisure Centre, Kununurra Sports Facilities (Tennis courts, squash courts, sporting ovals and skate park) and six parks.

Wyndham Swimming Pool

The last 12 months have been an interesting time at the Wyndham Swimming Pool, with some very positive events and unfortunately some negative events. The Wyndham Pool Coordinator has worked tirelessly to help develop a good relationship with the community and offer an inclusive swimming environment for all. This has been achieved through the implementation of a number of projects and activities.

- Staff development and training:
 - Aquatic Fitness training - One staff member is now able to deliver aqua aerobics;
 - Learn to Swim Instructors - Shire paid for 4 casual staff to attend Learn to Swim training in October 2017. This allowed for a Learn to Swim Program to be implemented at Wyndham Swimming Pool in Term One 2018, the first time that a learn to swim program has been offered at Wyndham Pool since 2013.
 - Wyndham Pool Staff have all completed Pool Manager Operations certificate providing two staff able to open the pool. This will allow the Shire to potentially open the pool 6 days a

week in 2018/19.

- Blue Light Discos - SWEK and WAPOL held two blue light discos at the pool during this reporting period. Attendance was high with approximately 60 kids participating in events. The discos allow engagement with the Shire staff and kids while supporting a WAPOL event.
- School use - Both Wyndham Schools utilised the facility throughout Term 4 and 1 with an attendance of 500 students.

Unfortunately in May the Wyndham Pool was damaged by fire. Kids broke into the facility and poured fuel over the return grates near the entry ramp. The damage was in excess of \$25,000 and forced the pool to close for a period of 6 weeks to repair damages. During the closure staff focused on a repainting the facilities buildings and general repairs and maintenance. The pool repair work was carried out by a specialist pool repair contractor from Darwin.

Kidsport Funding

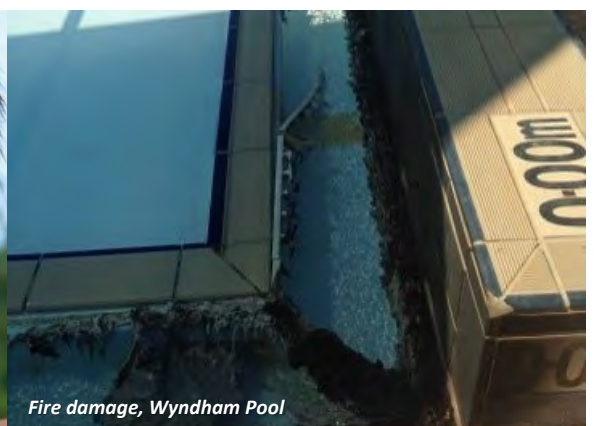
The Shire in partnership with the Department of Local Government, Sport and Cultural Industries continues to offer financial support to eligible kids to participate in local sporting clubs. A total of \$7,770 was funded to local clubs, 78 vouchers validated. 56% of those receiving funding support have never been registered with a sporting club before.

Staff Training

Recreation staff in Wyndham and Kununurra participated in a number of regulation based training sessions including Lifeguard requalification training, CPR, Austswim Learn to Swim professional development and Austswim WETS Aqua Aerobics training. Four members of staff have completed Royal Life Saving WA Pool Manager certificate qualifications during the reporting period.

Trails Master Plan

The Trails Master Plan was adopted by Council at the September 2017 OCM. The plan outlines a strategic approach for the provision of recreational trails for use by residents and visitors in the Shire. The plan



provides strategic advice regarding the trail experiences and trail alignments within and around the town sites of Kununurra and Wyndham. Funding has been sought for stage one trails construction and is currently under review with Lotterywest.

Kununurra Leisure Centre

The Kununurra Leisure Centre replaced all of the gym equipment with state of the art cardio and weight equipment during this period. The Centre continues to support community sporting organisations and provide a facility that enables groups to offer sporting activities to the community.

A number of programs were run by Kununurra Leisure Centre staff throughout the reporting period including:

Kids triathlon with approximately 35 participants.

Swim for Fruit Program - A Royal Life Saving WA supported program run throughout the summer holidays. Program was well attended with a total of 37 kids participating in the September/October school holiday period.

Royal Life Saving and WAPOL First Aid Course - Shire staff facilitated a total of 10 First Aid Courses during the reporting period.

Shire Swim School program was well attended with 94 students enrolled during Term 4 2017 and a further 64 enrolments during Term 1 2018. Availability of qualified instructors was an issue this year with Kununurra Leisure Centre staff required to instruct.

KEY Holiday Program - Approximately 1000 kids attended two pool parties and discos held in

conjunction with the Kununurra Empowering Youth Program.

Wyndham Court repairs

In May, the outdoor basketball courts were damaged in a vandal attack, a bin was filled with fuel and ignited causing significant damage to the court surface. As a result the playing surface was deemed to be unsafe and unplayable. A contractor was engaged from Perth and provided advice that the surface would need to be resurfaced to repair damage. The Shire's insurance company approved for the work to take place and the court was resurfaced in June. Total cost of the repairs exceeded \$30,000. A positive outcome was the undercover courts at the Ted Birch Wyndham Youth and Recreation Centre were able to be resurfaced at the same time as the cost of mobilisation was covered by insurance.

Efficiency Improvements

New energy efficient thermostatic air-conditioning controls were installed at Kununurra Leisure Centre to help maintain a constant temperature and reduce electrical costs. At the Wyndham pool a new water monitoring control unit was installed to detect leaks.

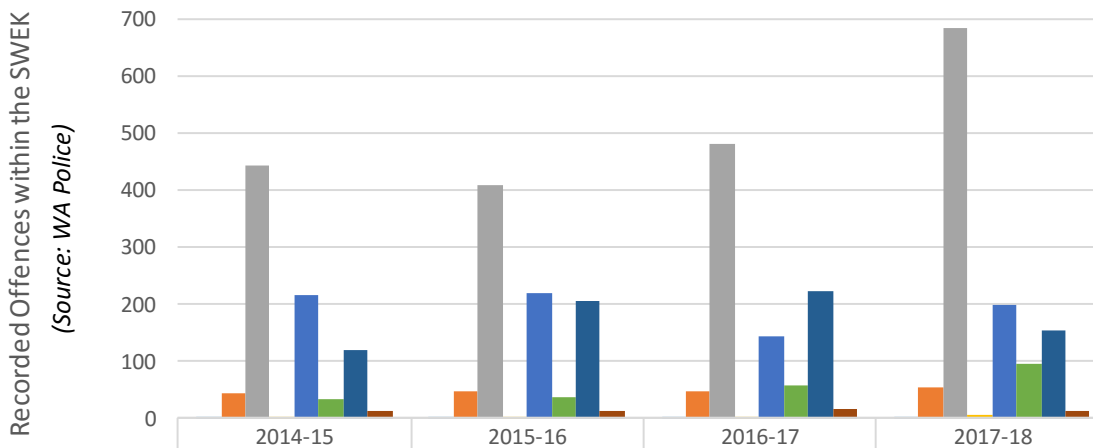


Wyndham court resurfacing

Recreation and Leisure Statistics

| | 2017/18 | 2016/17 | Change |
|--|---------|---------|--------|
| Kununurra Leisure Centre Gym Numbers | 20,531 | 19,265 | ↑ 7% |
| Swimming Pool entry, Kununurra | 21,956 | 17,934 | ↑ 22% |
| Swimming Pool entry, Wyndham | 3,897 | 1,350 | ↑188% |
| Swim School Participants, Kununurra | 158 | 192 | ↓ -18% |
| Swim School Participants, Wyndham | 31 | 17 | ↑ 82% |
| Kununurra Leisure Centre Group Fitness | 1,687 | 1,483 | ↑ 14% |

Community Services



| | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|-----------------------------|---------|---------|---------|---------|
| ■ Homicide | 3 | 5 | 2 | 2 |
| ■ Sexual Offences | 46 | 49 | 49 | 54 |
| ■ Assault | 443 | 411 | 481 | 686 |
| ■ Robbery | 1 | 3 | 4 | 6 |
| ■ Dwelling Burglary | 218 | 219 | 143 | 201 |
| ■ Stealing of Motor Vehicle | 34 | 38 | 58 | 95 |
| ■ Drug Offences | 120 | 205 | 223 | 154 |
| ■ Graffiti | 14 | 13 | 17 | 15 |



Community Safety and Crime Prevention

The Shire of Wyndham East Kimberley's vision and commitment to the future of the region is to create a safe, thriving and vibrant community with unlimited opportunities.

One way in which the Shire aims to achieve this is by improving the wellbeing and safety of the community, through the development and implementation of the Community Safety and Crime Prevention Plan. Together with key partners, the Shire is committed to ensuring continual improvements to community safety with a particular emphasis on reducing antisocial behaviour.

The Shire was an active member of the Kununurra Wyndham Alcohol Accord which guided the implementation of the Takeaway Alcohol Management System (TAMS) into licenced premises and liquor stores in Kununurra and Wyndham. The TAMS initiative has had a positive impact on alcohol related issues of violence and is supported by the community. The Shire of Wyndham East Kimberley actively supports initiatives that encourage the reduced consumption of alcohol in the community.

Community Safety and Crime Prevention Plan

In developing a Community Safety and Crime Prevention Plan 2018 the Shire acknowledges that matters of law and order are predominantly the responsibility of the WA Police and other State agencies, and that the community and its local

government must take a complementary and assisting role to help make our area a safer place for the community to live, work and play.

Safer Communities Funding - CCTV, lighting and Crime Prevention through Environmental Design (CPTED).

The Shire were successful in their funding application to the Commonwealth Government's Safer Communities Fund for the provision and installation of CCTV and additional lighting in both Kununurra and Wyndham town centres. The amount awarded for Safer Communities Project is \$800,000. Completion and commissioning of the project is expected in June 2019. The Project will form part of the Shire's wider Community Safety and Crime Prevention Plan. The project is more than just the delivery of infrastructure with the primary focus being to improve community safety and confidence in public places. The project will be delivered in a staged approach from initial design through to installation, testing, commissioning and operation. The project also includes additional lighting and streetscaping works utilising Crime Prevention Through Environmental Design (CPTED) principles.

Planning and Building Services

2017/18 Quick Facts

TOTAL building permits issued

61

TOTAL construction value

\$8,254,059

New dwellings constructed

19

Pool Barrier inspections

220

Planning Approvals

49

Shire Services

- Strategic Planning
- Statutory Planning
- Heritage
- Planning Enquiries
- Building and Compliance

The Planning and Building teams undertake land use planning, development approval and compliance, building control and heritage.

The Shire's role in the built environment is to provide strategic land use planning that ensures the Shire develops in line with the community vision.

The Shire's planning and building departments are essential in creating towns that are safe, welcoming and great places to live and do business.

Planning and Building Services

Building and Compliance

The construction value of the 61 Building Permits issued by the Shire for the 2017 - 2018 year was \$8,254,059 which is reflective of a significant downturn of construction works within the Shire.

In addition to the building permits, the following assessments, permits and certificates were issued by the Shire:

- 46 Certificates of Design Compliance (BA3)
- 11 Demolition Permits (BA6)
- 3 Occupancy Permits (BA10)
- 1 Building Approval Certificate (BA14) – unauthorised/undocumented structures
- 8 Strata Building Approval Certificates (BA16)
- 3 Certificates of Construction Compliance (BA17)
- 10 Certificates of Building Compliance (BA18)
- 0 Extensions of Time to Building/Demolition Permits
- 7 Amendments to Building Permits

Pool Assessments

220 inspections for swimming pool security compliance (minimum four-year interval) were undertaken in compliance with the Building Regulations 2012.

Strategic Planning

Draft Local Planning Strategy and draft Local Planning Scheme No. 9

The draft Local Planning Strategy provides the future strategic vision and aspirations for growth and development across the Shire for the next 5 to 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 and draft Local Planning Scheme No. 9 were submitted to the Western Australian Planning Commission for approval in January 2017.

On 8 December 2017 the Minister for Planning requested the Shire to modify the proposed Local

HIGHLIGHTS

Development approvals of significance issued during the year include:

- \$850,000 Grain Grading Facility (Shed and Silos), Mulligan Lagoons Road, Kununurra
- \$7,400,000 Mixed Use Development (Medical Centre, Cafe and Multiple Dwellings), Bandicoot Drive, Kununurra
- \$1,500,000 Aviation Facility and Accommodation Camp, Arthur Road, Wyndham
- \$900,000 Grain Silos, Weaber Plain Road, Kununurra
- Shire completed 220 pool barrier inspections with only 24 having non compliant pool barriers
- One building permit issued for works with construction value in excess of \$1 Million - Class 9B

Planning Strategy and Local Planning Scheme documents in accordance with a schedule of modifications, prior to final endorsement of the documents. A number of the modifications directed to be made were those recommended by the Shire in consideration of submissions received during the advertising period for public comment.

Statutory Planning

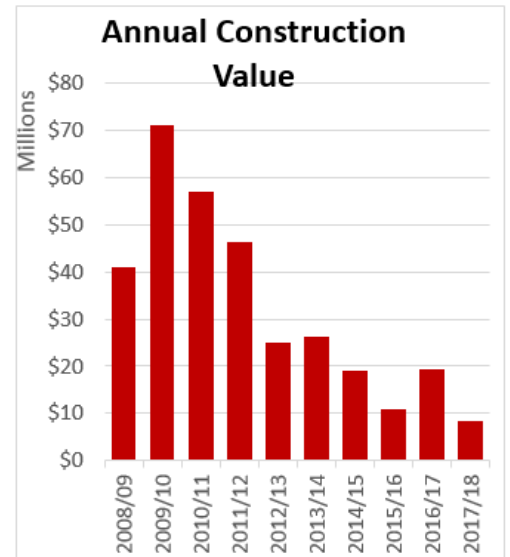
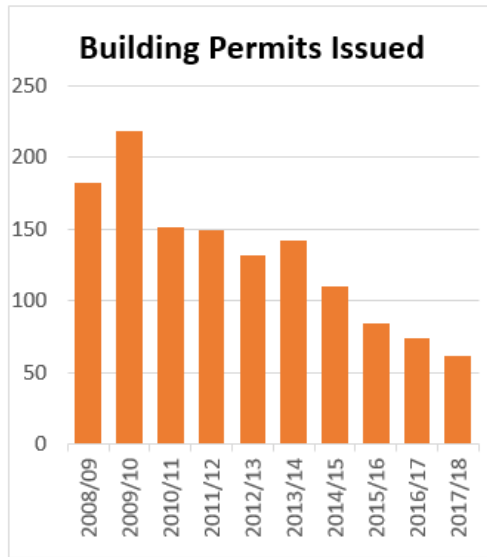
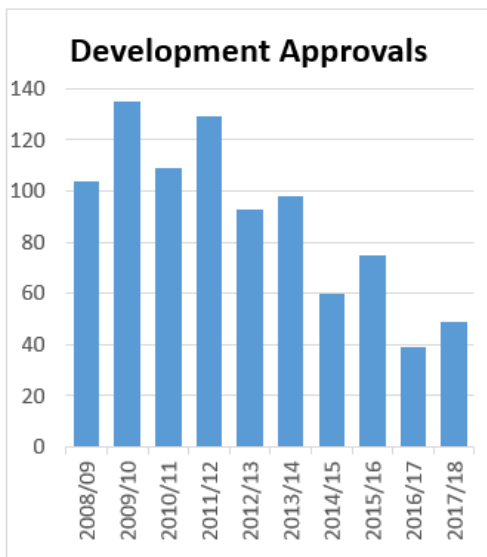
49 Development Applications were processed and approved in 2017-2018. This is a slight increase in the number of approvals issued in the previous financial year. This also resulted in a similar increase in the application fees received.

The majority of development approvals issued were for use and development within Kununurra and surrounds, and just over a third of the approvals were of a commercial nature.

The majority of the development approvals issued (65%) were for residential use and development, with just over half of these approvals being for home based business approvals.

The Shire also responded to a number of referrals from State agencies in relation to Crown land administration, subdivision applications and street numbering allocations as outlined in the table below:

| | |
|---|----|
| Crown land administration advice (Department of Planning, Lands and Heritage) | 20 |
| Subdivision Referral Responses | 2 |
| Street Numbering Allocations (Total no. of properties) (Landgate) | 18 |



Building Inspections, Wyndham

Economic Development

2017/18

Quick Facts

Jobs in the Shire

3,763

Gross Regional Product
(GRP)

\$655.2M

GRP Per Capita

\$91,616

GRP Per Worker

\$174,127

Bow River Bridge (Main Roads WA)

HIGHLIGHTS


- Bow River Bridge upgrade to two lanes started
- Maggie Creek to Wyndham Highway upgrade
- Airbus leases land from the Shire at Wyndham Airport creating jobs in Wyndham


Shire Services

Growth Planning

Advocacy

Attracting Investment

 [View our Economic Profile](#)

 [View our Community Profile](#)



Pickers ABC News (Supplied: Rebecca Clarke)

The East Kimberley is fortunate to have many thriving economic drivers including agriculture, mining, industry and tourism. The protection, promotion and expansion of these diverse economies will foster economic resilience and therefore long term sustainability. New opportunities are also emerging through developments such as the project Sea-Dragon aquaculture venture and highlights the need to enhance key transport infrastructure including Wyndham Port.

The greatest opportunity lies in our people: their ideas, skills, experience and enterprise to drive economic growth.

The Shire can play a pivotal role in economic development through local engagement, leadership with community and business stakeholders, advocating and promoting business investment, employment growth and facilitating and coordinating development and investment. Providing these activities create and sustain local employment opportunities enhancing community well-being and quality of life.

Economic Development Plan

The Shire has committed to provide direction for the promotion of economic and employment growth within the Shire and is currently developing an Economic Development Plan (EDP).

The purpose of this EDP is to bring together all the information gathered over the years, and through recent research and consultations, into a coherent Wyndham East Kimberley Economic Development Plan. The Shire is a remote Shire with a very small population (hence rates) base. Therefore, the Shire relies on Federal and State grants to undertake the majority of its infrastructure development.

Through the development of its EDP, the Shire will work collaboratively with all stakeholders to support infrastructure development that will drive our economy and jobs into the future. At this stage it is envisaged we will not set targets for employment and business development, as this could prove pointless and difficult to achieve. We will instead utilise our priority projects to drive outcomes. The main tool at the Shire's disposal is advocacy and we will utilise this strongly and effectively.

As part of advocacy, all stakeholders within the Shire need to work together to provide a coordinated and consistent message to funding bodies, governments and prospective investors. We need to drive East Kimberley's prosperity together, thereby improving the well-being of all residents.

The EDP is expected to be completed by February 2019.

Projects

In the early stages of the development of the EDP, some of the projects that are being identified include:

Kununurra Heavy Vehicle By-pass Road

Construction of the Kununurra By-pass road, which has been in the planning phase for a considerable time, will ensure the national highway transport and freight link between Darwin and Perth is maintained and improved. This will reduce impacts on the Diversion Dam, which has vehicle width and height restrictions, and improve access to the Wyndham Port for regional mineral and agricultural produce



Governor of WA visits Wyndham Airport to see Airbus Zephyr Project

exports. The Diversion Dam has not been designed to either carry the volume of traffic it carries now, nor the weight of traffic. Failure of the Diversion Dam will be catastrophic for the region.

Project Sea Dragon

Seafarm's Project Sea Dragon is proposed to be the largest prawn farm in the world. At full production it is expected to have a grow out area of around 10,000 ha. The project is expected to reach financial close later in 2018 or early 2019. The go-ahead of this project will have significant economic outcomes for the region.



Prawns, Seafarms

East Kimberley Regional Airport (EKRA) Runway Extension

The EKRA Master Plan was completed in August 2017. One of the issues identified for action was increasing the length of the runway by 601 metres to accommodate larger passenger aircraft (e.g. A320; B737), that airlines are using to service our domestic market. Not only are these aircraft more fuel efficient, therefore cheaper to run, they offer the option to service the Asian market. This will be significant if we are to realise freighting perishables to South East Asia. The Shire will continue to work with governments to identify funding for the runway extension.

Kununurra Swimming Pool Replacement

The current swimming pool has an underground spring that raises the water table around the pool to unacceptable levels. The pool is kept stable by a water pump that keeps water levels around the pool at a level that reduces structural failure risks of the pool. However, the pool is showing signs of its age and is difficult and costly to maintain and in danger of failing without warning. The Shire will continue to work with governments to identify funding for this project.

Other possible projects

Other possible projects that may be identified in the EDP include the development of:

- A Growth Plan;
- An Investment Attraction Plan;
- A Workforce Development Plan; and
- Cluster Development - particularly around EKRA and Wyndham Port.

Health and Compliance



Shire Services

- Emergency Preparedness
- Emergency Response
- Local Law Enforcement
- Animal Control
- Event Applications

- Environmental Health Inspections
- Health Complaints
- Waste Water Management
- Health Promotions
- Mosquito Management

Kimberley Moon (Supplied: Ben Broady)

2017/18 Quick Facts

Feral cats removed

42

Stray dog seized

271

Dogs reunited with owner/re-homed

165

Abandoned cars

23

Public pool samples

331

Health inspections

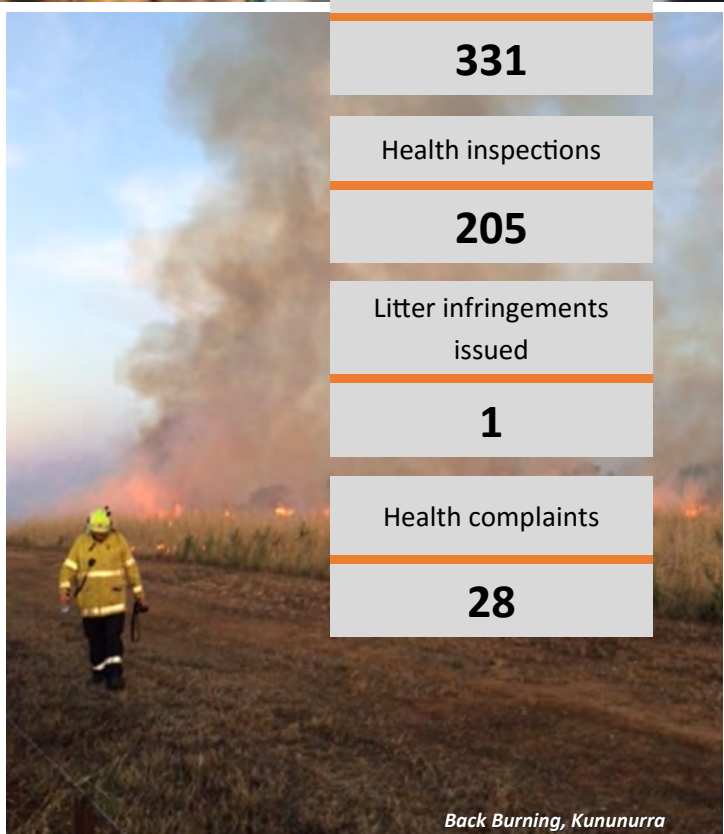
205

Litter infringements issued

1

Health complaints

28



Department of Fire and Emergency Services

Back Burning, Kununurra



Health and Compliance

Ranger and Emergency Services

Ranger Services

The Ranger Services exist to initiate and implement enforcement of relevant legislation in accordance with Council policy and Local Government Acts to ensure the protection of amenities for the residents of the Shire.

They ensure public health and safety through the provision of regulatory services.

At all times the Rangers promote Councils Customer Service Ethics by participating in a high standard of service to the community and the organisation and assist with the delivery of Emergency Services.

Animal Management

In Australia, feral animals typically have few natural predators and often high reproductive rates multiplying rapidly if conditions are favourable.

Feral animals impact on native species by predation, competition for food and shelter, destroying habitat, and spreading diseases.

Dogs and cats are an important part of life as they can be excellent companions. However, dogs are a major area of activity for Rangers with 271 stray dogs seized.

Feral cats hunt and kill native birds, mammals, reptiles and insects. It is known that this behaviour threatens the survival of many threatened species. During the year Rangers removed 42 feral cats.

Litter and rubbish management

Ranger Services have continued their litter and rubbish management efforts with the identification, monitoring and enforcement of domestic dumping within the Shire.

Local Government Emergency Services

The Shire has two committees with a role in emergency management. The Local Emergency Management Committee (LEMC), under the *Emergency Management Act 2005* and the Bushfire Advisory Committee (BFAC) under the Bush Fires Act 1954.

Both committees met quarterly. The LEMC maintain the Local Emergency Management arrangements and the Local Recovery Plan.

Changes to the Shire website are currently being implemented to give members of the public access to information in relation to an East Kimberley specific "Cyclone Information Booklet" including information about "Flooding", "Storms" and a "Fire Management Plan".

A Departmental Cyclone Information document has been developed and the review of the current Local Emergency Management Plan and Local Recovery Plan are being conducted. An Evacuation Plan is being developed to ensure public awareness.

Local Bush Fire Management

Firebreak compliance and fire permits continue to be managed by Ranger Services. Firebreaks have been put in place on all Shire land throughout the East Kimberley.

Ensuring property owners comply with the *Bush Fires Act 1954* has been a key area for Rangers. Labour intensive firebreak inspections have been conducted and Rangers continue to work with property owners to ensure community safety.

Controlled burns, in conjunction with DFES and Local Bush Fire Brigades, continue on Shire land to provide a safe environment and compliance with the *Bush Fire Act 1954*.

BFAC meetings provide a platform for outside agencies and the Shire to discuss any issues and develop any plans in relation to Local Bush Fire Management. Meetings are held quarterly.

DFES continue to manage the six Bush Fire Brigades throughout the East Kimberley.

Local Emergency Management

The Local Emergency Management Committee are reviewing the Local Emergency Management Arrangements and a Local Recovery Plan for the Shire.

The development of an Evacuation Plan is currently being undertaken to encompass outlying communities and Wyndham as the Cyclone created Welfare centre is based in Kununurra.

Meetings are held quarterly and one exercise is conducted yearly. Cyclone Blanche, during March 2017 tested the LEMC. Debriefing identified Wyndham's evacuation process needs reviewing, hence the development of the Evacuation Plan.

Environmental Health



Environmental Health Inspections

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 *Public Health Act 2016*, the *Health (Miscellaneous Provisions) Act 1911*, the *Food Act 2008*, the *Environmental Protection Act 1986* and the *Caravan Parks and Camping Grounds Act 1995* and subsidiary legislation.

Premises bound by the *Health (Miscellaneous Provisions) 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.

Routine Health Assessments

| Environmental Assessments | 2017/18 | 2016/17 |
|---------------------------------|---------|---------|
| Health Assessments | 24 | 28 |
| Food Safety Assessments | 115 | 64 |
| Public Swimming Pool Sampling | 279 | 331 |
| Public Event Inspections | 58 | 22 |
| Septic Systems Approval for use | 8 | 20 |

Food Safety Assessments

Food businesses are bound by the *Food Act 2008* and given a risk classification which determines their inspection frequency. There are 152 registered food businesses within the Shire, the majority of which are classified as medium risk. In addition, a further In 2016-2017 a total of 64 inspections were conducted to monitor food safety and hygiene in local food businesses.

Public Events

The Shire also ensure that Public events held within the area pose minimal risk to public health and safety and are operated within required standards. All public events are bound by the *Health (Public Buildings) Regulations 1992* and are given a risk classification to determine the level of health and safety arrangements an organiser must comply with.

Mosquito Management

The Shire's Environmental Health Officers raised community awareness of the risks of Mosquitos through a number of community awareness stands at community events.

**FIGHT
the BITE**



Mosquito awareness - Kununurra Crazy Crocs Playground

Health Complaints Received

During the 2017/18 year 28 health complaints were investigated by Environmental Health Officers.

| Complaint type | 2017/18 | 2016/17 |
|-------------------------|-----------|-----------|
| Noise | 10 | 5 |
| Mosquito | 5 | 18 |
| Waste | 6 | 3 |
| Food | 1 | 2 |
| Smoke | 0 | 1 |
| Odour | 5 | 4 |
| Pool | 0 | 1 |
| Asbestos | 0 | 0 |
| Housing Conditions | 1 | 4 |
| Total Complaints | 28 | 38 |

Capital Works and Maintenance

2017/18 Quick Facts

KM of sealed roads
resealed

18.3 KM

KM of unsealed road
sheeted

110 KM

New footpaths

72 M

Drainage upgraded

296 M

Keeping the streets clean

\$615,167

Shire Services

- Asset Management
- Project Management
- Boating Facilities
- Footpaths, Trails and Cycle Ways
- Road & Drain Maintenance
- Parks, Ovals and Reserves
- Playgrounds

Trees Planted

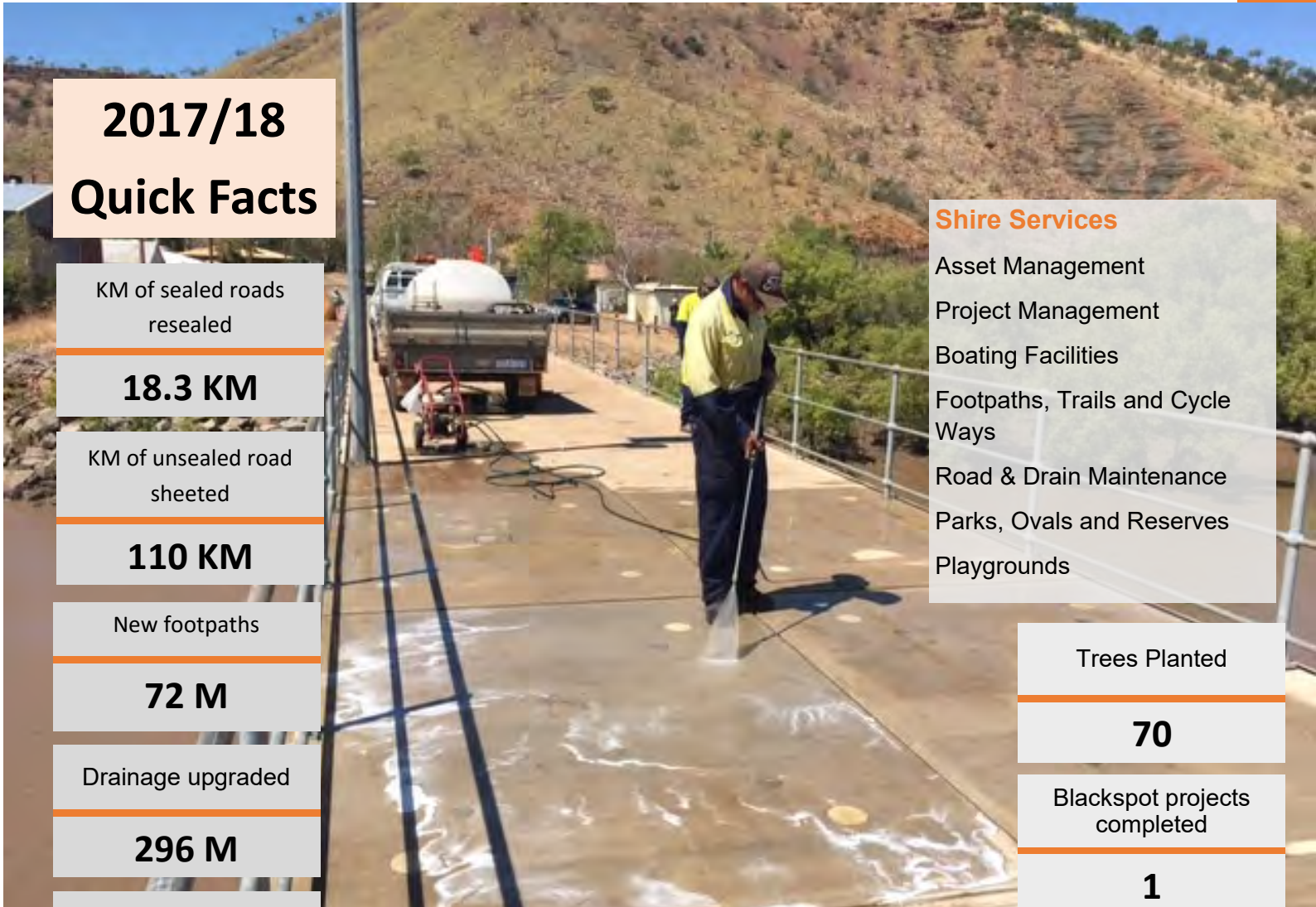
70

Blackspot projects
completed

1

Road repairs under
WANDRRA

350 KM



The Shire has a significant portfolio of community infrastructure assets under its care and control. These assets form an integral part of providing services to the community.

The Shire manages the safe and efficient construction and delivery of capital infrastructure projects.

Capital Works and Maintenance

Asset Management

The Asset Management Strategy and Plan were adopted by Council in August 2017. Having an Asset Management plan enables the Shire to show how the Shire's asset portfolio will meet the service delivery needs of its community into the future, enables the Shire's asset management policies to be achieved and ensures the integration of the Shire's asset management with its long term strategic plan. The Asset Management Plan details information about infrastructure assets including actions required to provide an agreed level of service in the most cost effective manner. The plan defines the services to be provided, how the services are provided and what funds are required to provide the services.

SWEK Infrastructure Assets conducted a condition assessment and valuation of all shire assets in 2018. The next step is to develop a 10 year Capital and Maintenance Works program and Service level agreements that will tie the Asset Management Plan with the long term Financial Plan. To this end the Shire has substantially improved its asset management capability and its ability to understand how to fund the gap between recent Shire maintenance budgets and the cost of maintaining the Shire's assets in their current condition.

Renewal works of Shire assets has been conducted as follows:

- Kununurra town underground drainage - In 2017/2018 Kununurra town underground drainage was cleared and inspected for damage. A number of Assets were replaced including 100m of drain in Spinifex Street.
- Playground renewals - A total of 67 Playground Assets across the Shire were inspected by a third party consultant and a report delivered on all required repairs to bring the assets into a compliant condition. A contractor was engaged to complete the repairs, including the new playground at Swim Beach that replaced the un-repairable items at that location. All Shire playground assets are fully compliant.

Capital Works

In 2017/18 the Shire continued with its capital renewal and improvements projects, which included upgrades to boat ramps, road network, street lighting and footpath assets. Major projects included the drainage upgrades in Boabab, Sheoak and Hakea Streets, Nutwood Crescent and Rosewood Avenue in Kununurra, corner of Konkerberry Drive and Leichhardt Street in Kununurra and Gambier St in Wyndham, cathodic protection of Lily Creek Boat Launching facility, continuation of Lake Argyle Road redevelopment, capital improvements to Kalumburu Road, and road safety improvements to Chestnut Avenue. The Shire also continued resealing of various

| | 2016/17 | 2017/18 |
|--------------------------------------|---------|---------|
| KM of Resealed road | 6 | 18.3 |
| KM of reconstructed sealed road | 0 | 6.1 |
| KM of unsealed road resheeted | 0 | 110 |
| Metres of new footpath constructed | 76 | 72 |
| Metres of footpath renewed/ upgraded | 45 | 0 |
| Metres of Drainage upgraded | 0 | 296 |
| Black spot funded projects completed | 2 | 1 |

streets and undertook playground safety improvements in Kununurra and Wyndham, and a feasibility study to refurbish the Wyndham Recycled Water Reuse Facility.

Footpaths

The Shire continued its footpath construction program in 2017/18. A footpath infill program was undertaken in Lakeside Stage 4 with footpath extension between 25 to 39 Konkerberry Drive in Kununurra. In Wyndham, the Shire continued to improve the footpath network by completing the path connection between 29 to 31 Great Northern Highway.

Roads and Drainage

Works were completed on the first stage of a phased drainage improvements program for the Nutwood Crescent and Rosewood Avenues. The second stage of the Nutwood Crescent and Rosewood precinct drainage improvement works was awarded and was well advanced in the 2017/18 year. The first stage of drainage improvements to Gambier Street in Wyndham was completed with tenders awarded for the final stage of works with an expected completion date in first quarter of 2018/19 year. Works continued on safety improvements to Lake Argyle Road with the completion of Stage 2 and commencement of stage 3 in year 2017/18. Stage 3 works will be completed early in 2018/19.

Capital redevelopment works on the Kalumburu Road were awarded in 2017/18, with the works to advance late in the year. It is expected that the 2017/18 works will be completed in the first quarter of 2018/19.

| Road | Kilometres of road Renewal completed |
|------------------|--------------------------------------|
| Kalumburu Road | 40 |
| Lake Argyle Road | 5.5 |

Access to water ways

Cathodic Protection of the Lily Creek Boat Launching Facility was undertaken in 2017/18. Cathodic Protection was installed to improve the asset life cycle and decrease future maintenance costs to the Shire. The Shire was unsuccessful in attracting Recreational Boating Facilities Scheme funding for the redevelopment of Wyndham Boat Ramp.

Town Maintenance

Economic development, tourism development and quality of life all benefit from keeping our towns and infrastructure well maintained. The Shire has a dedicated team of staff covering both Wyndham and Kununurra who are responsible for maintenance.

The Shire's maintenance program was delivered throughout the year across parks & gardens maintenance, road maintenance, grading works, drainage works and graffiti/vandalism repairs.

Town Beautification



Our maintenance teams spend a lot of time focusing on keeping the Town Centre's attractive. Having nice looking streets and public open spaces help to reinforce the identity of a place, provide facilities for passive recreation and create an environment for pedestrian activity. Increasing activities in public open spaces enhance the safety, attractiveness and practicality of our Town Centre's.

Parks and verge management

The Shire has been committed to maintaining the parks and gardens schedule throughout the year, with all Shire parks maintained to a high standard, inclusive of sports ovals and playgrounds.

The Shire recently engaged local contractors to repair damaged shade sails at the Agentia St playground, at a cost of \$12,000.

The Town Maintenance Depot crews have also been busy dealing with street litter, graffiti and anti-social behaviour.



Streetscape improvements

The Town Maintenance Depot has purchased and planted over 70 new trees and plants in both Wyndham and Kununurra, following a public survey advertised on the SWEK Facebook page.

The Shire has planted Bauhinia Trees along the Victoria Highway, Indian Column trees at both the Centenary Park and the Post Office, as well as a number of varieties at the Wyndham Oval, and Kununurra cemetery.



Cemeteries

The Shire operations team has continued to maintain our cemetery locations, with seating and a water fountain installed within the Kununurra cemetery, and a new, modern composting toilet installed in the Wyndham '7 Mile' cemetery.

The facility was installed with the assistance of MG Building who were engaged to assemble and install the new facility on site. The new facility cost \$38,000.

Waste Services

2017/18

Quick Facts

Bins emptied each week

2,975

Tip Vouchers issued

2,154

Waste Diverted from landfill

11,522t or 44%

Kununurra Landfill

65% full

Wyndham Landfill

95% full



The Shire operates two landfill sites within the Shire at Wyndham and Kununurra. The Shire services 2,975 bin each week through a weekly roadside bin collection contacted to ToxFree.

Waste disposal is a major cost for the Shire and the community. During 2017/18 the costs to the Shire to provide a household refuse collection service was \$466,000. We could cut waste by up to 50 percent by minimising waste, by avoiding and reducing, reusing and recycling. Reducing waste also reduces litter. Remember, everything dropped can find its way to waterways, beaches and bush land harming our lands and environment.

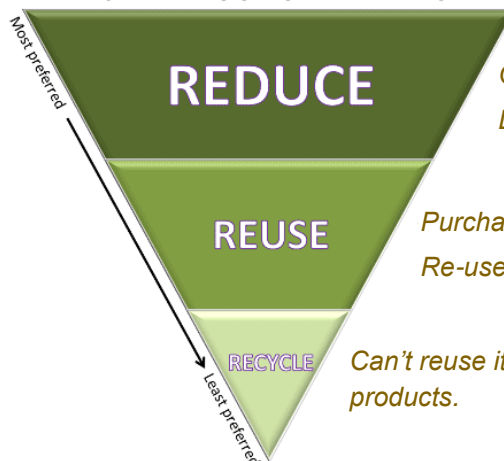
If each person changes the way they think and act, the production of waste can be reduced. The most effective way, is to reduce your waste before it becomes rubbish.



Shire Services

- Recycling
- Refuse Collection
- Landfill Operations
- Street Cleaning
- Waste Transfer Stations
- Reuse Shop (Revive)

WASTE REDUCTION HIERARCHY



*Only take what you need
Limit packaging, think paperless*

*Purchase reuseable products
Re-use containers and packaging*

Can't reuse it? Recycle waste material into useable products.



Waste Management Strategy

The Shire currently manages two landfill facilities, one in Wyndham and one in Kununurra. The operational costs associated with delivering these facilities was \$783,000 and the Shire received approximately 40,000m³ of waste.

The Shire has in place a Waste Management Strategy, introducing a number of standard operating procedures and processes for landfill staff to follow to improve our environmental commitments.

The strategy also includes a plan for the future closure of the facilities, when the capacity to accept waste is reached. The Shire is already actively looking at new sites for the future.

Reducing Waste to Landfill

The Shire continues to provide recycling options as part of the Waste Management Strategy, by way of chemical container recycling through the Government funded DrumMuster Scheme. We also work closely with scrap metal merchants, such as Sell & Parker, to collect and recycle scrap steel collected and separated at both landfill sites.

In July 2017 an agreement was entered into with East Kimberley Job Pathways to establish an off-site tip shop, to reuse, upcycle or recycle used items delivered at the landfill sites. The Revive store was opened in September 2017 and immediately began diverting waste from the landfill, while generating local employment opportunities.

The Shire is investigating options to recycle used tyres, using the Shire of Broome as a transfer station to store tyres for future shredding. The Shire successfully increased the number of used tyres permitted to be stored on site from 200 to 500 tyres to allow for increased value for money when considering transport costs. We also collect and recycle used car batteries and fire extinguishers, as well as used oil. All of which are transported to Darwin as a commodity for recycling.

Keeping the Streets Clean

The Shire strives to ensure the local streets and parks are kept clean and tidy. The Shire engages a local contractor, ToxFree, to undertake a daily litter picking service within Kununurra town, which occurs between 4am - 6am.

Tox Free also provide a street sweeping service (fortnightly or monthly dependant on location) of residential streets and commercial/industrial estates. These services cost the Shire \$362,000 annually.

In addition to the ToxFree services, Shire depot staff undertake daily litter collection as part of the daily town maintenance program.

REDUCE

- Bulk buy when possible, but don't buy more than can be used
- Choose products with less packaging
- Choose products with recyclable or reusable packaging
- Carry reusable shopping bags and re-use plastic bags and all types of containers over and over again
- Buy quality goods that will last

REUSE

- Look for products in reusable, refillable or recyclable packaging when shopping
- Donate unwanted clothing, furniture and white goods to charities
- Enquire if goods can be repaired rather than replaced
- Hold a garage sale
- Use rechargeable batteries rather than single-use batteries

RECYCLE

- Only recycle after trying to reduce and reuse.
- Aluminium can be recycled over and over again
- Salvaging other metals such as lead, copper and steel makes economic sense

Airport Services

Welcome to Kununurra

2017/18 Quick Facts

Passenger Numbers

69,669

Total Aircraft Landings

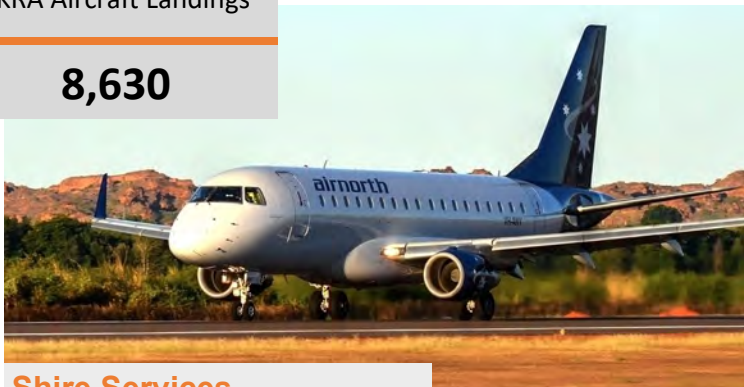
9,039

Wyndham Aircraft
Landings

409

EKRA Aircraft Landings

8,630



Shire Services

EKRA Airport Operations

EKRA Property Management

EKRA Customer Services

EKRA Security and Emergency
Management

Wyndham Airport

Airport Planning



HIGHLIGHTS

Highlights during the year include:

- Airbus leasing land at Wyndham Airport to establish a test flight facility for prototype aircraft - High Altitude Pseudo Satellites (HAPS)
- Adoption of a comprehensive Asset Management Plan at EKRA to support maintenance and works programs together with the identification of financial costs.
- Operations completed without any safety impacts on personnel or property.
- High level community satisfaction survey results at EKRA.

The Shire operates two airports, Wyndham Airport and the East Kimberley Regional Airport (EKRA) to support economic and employment growth within the Shire.

The Wyndham Airport is a registered Aerodrome servicing charter and private flight operations.

The East Kimberley Regional Airport is a certified Aerodrome and a security controlled Airport. Servicing regular passenger air services as well as charter and private flight operations.



Airport Operations

Following a modest increase in aviation activity in 2016/17 the EKRA passenger numbers and landings were a little lower for 2017/18 comprising of a reduction of 2% in passengers and 4% in landings. At Wyndham Airport there were 109 fewer landings equating to a reduction of 23% in 2017/18. These figures tend to reflect the level of wider economic activity and in particular of the resources sector.

The delivery of airport terminal services achieved very high community satisfaction through a survey undertaken with the business case work on the proposed runway extension. This covered such matters as check-in facilities, cafe, security screening, cleanliness and signage.

Airport Planning

To support the adopted Prefeasibility Study at EKRA to extend the runway length to accommodate larger aircraft, work is well advanced on a Business Case and cost benefit analysis that will be part of future grant applications to other levels of government.

A new Asset Management Plan was completed during the year to better identify airport needs and to ensure they are managed as effectively and cost efficiently as possible.

Airbus Facility at Wyndham Airport

Reflecting work to promote economic activity at the Airports, the Shire was successful in attracting investment by Airbus for a test flight facility for prototype aircraft at Wyndham Airport.

An agreement was reached during the year to lease the hangar and adjoining land to both store and maintain the test aircraft together with associated operational facilities and personnel accommodation.

The lease was formalised in late 2017/18. This development will provide significant benefits to the region including increased utilisation of airport infrastructure, upgrading of all utility infrastructure, expenditure supporting the local economy and presence of a prestigious business.

Improving Services

Design work was progressed for a number of capital projects including a staged upgrade to the Regular Passenger Transport Apron flood lights together with the replacement of cabling to the runway lights at Wyndham Airport.

Projects completed during the year included:

- EKRA power augmentation to support growing precinct needs.

- Replacement of the pre-1990 EKRA Terminal Air-conditioning.
- Replacement of EKRA screening equipment to meet increased Federal standards.
- Provision of further section of new perimeter security fencing.
- WA Main Roads improved the road access arrangement from Victoria Highway into the Airport.
- At each Airport the maintenance program for buildings, sealed areas and navigational aids was delivered.

Compliance and Emergency Management

Airport activities are subject to robust security and safety provisions.

An audit of EKRA was undertaken by the Federal Office of Transport Security (now Aviation and Maritime Security) on 22-23 February 2018. The Audit reviewed all documents, monitored and tested operation of screening equipment, undertook external inspections and reviewed officer work practices. There were no adverse findings.

The Civil Aviation Safety Authority conducted surveillance of the EKRA and Wyndham Airports between 2-4 May 2018 that included a review of documents, maintenance and works, safety and emergency response. A number of subsequent observations and findings were provided and are being addressed through an agreed program of planned works.

The Aerodrome Emergency Committee, Safety Management Committee and Airport Security Committee held all scheduled meetings with all outcomes actioned.

On 12 August 2017 the bi-annual Aerodrome Emergency Plan 'Field Exercise' was conducted for a major aircraft incident at EKRA. This was well attended and the key processes of 'Command, Control, Coordination and Communication' were tested. Through the debrief and subsequent review improvements are being made to the Plan.

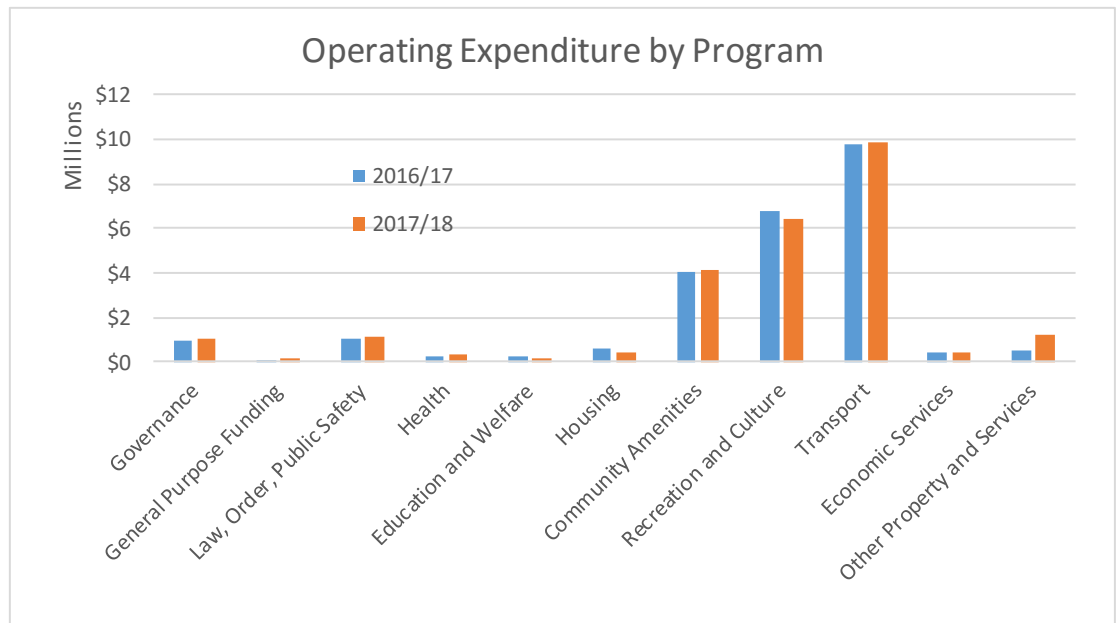
Aerodrome Safety Audits and Electrical Technical Inspections were undertaken at each Airport with no major concerns raised.

| | 2017/18 | 2016/17 | Change |
|--------------------------------------|---------|---------|--------|
| EKRA Passenger Numbers | 69,669 | 71,275 | ↓ -2% |
| Aircraft Landings All SWEK | 9,039 | 9,479 | ↓ -5% |
| Aircraft Landings - Kununurra | 8,630 | 8,945 | ↓ -4% |
| Aircraft Landings - Wyndham | 409 | 534 | ↓ -23% |

Financial Summary of the Annual Financial Report (Part B)

2017/18 Quick Facts

| | |
|----------------------------------|-----------------|
| Total Operating Revenue | \$23.4M |
| Total Operating Expenses | \$25.3M |
| Net Operating Surplus/ (Deficit) | \$(1.9M) |
| Total Assets | \$307.5M |
| Total Liabilities | \$8.5M |
| Net Assets | \$299M |
| Total Cash and Investments | \$18.9M |



Operating Overview

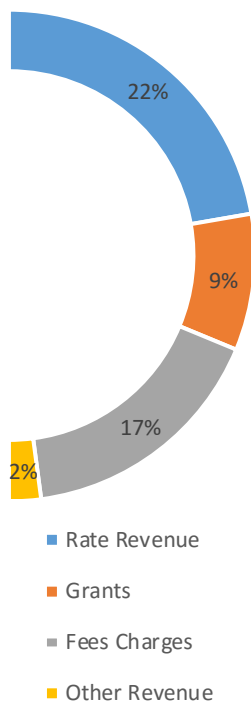
The Shire continued to deliver services and programs to the community through its 11 program areas. The Council approved an operational budget of \$27.9 million and a capital works budget of \$18.4 million for 2017/18. The Shire incurred operating expenses of \$25.3 million and capital expenditure of \$14.5 million against the budget. An operating deficit of \$1.9 million for the financial year was incurred against a budgeted deficit of \$6.4 million.

The improvement in operating results compared to budget was mainly due to grants received in advance amounting to \$1.9 million, for use during 2018/19 financial year. In addition, operating costs were lower than budget mainly due to lower depreciation, lower materials and contract costs and slightly lower employee costs.

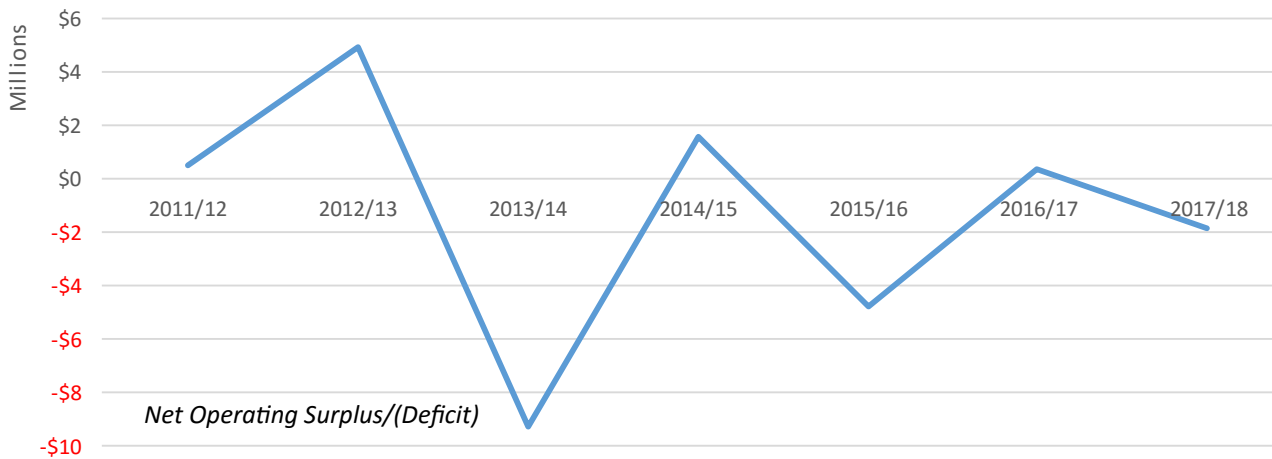
The Shire owns and maintains over \$286 million worth of property, plant and infrastructure and re-values its assets to "fair value" on a rotational basis. The full impact of depreciation has been brought to account in the Financial Report resulting in a depreciation expense of \$6.43 million which compares favourably with the budgeted amount of \$7.4 million. The recorded amount of depreciation is regarded as sufficient provision for the renewal and replacement of assets when they fall due. A revaluation of infrastructure assets took place at the end of this financial year and recorded a book surplus of \$11.5 million.

The Shire received approximately 30% of its revenue from rates and 22% from fees and charges. The recovery rate

Operating Revenue 2017/18



Operating Result



was reasonable with only 9.7% of rates outstanding.

The Shire's internal reserves (funds put aside for specific projects and purposes) were valued at \$17.9 million and is fully backed by cash.

Operating Deficit

The operating deficit of \$1.9 million recorded for 2017/18 compares favourably with the budgeted deficit of \$6.4 million. As explained above, this was mainly due to grants received in advance and lower overall expenditure. The performance against the previous year was lower due mainly to the effect of the advance payments of FAG's grants. When adjusting for this the performance is only marginally down on the 2016/17 year.

Integrated Planning and Reporting Advisory Standard, published in September 2016, requires the Shire to have an Operating Surplus Ratio of greater than 0%. The Shire recorded a ratio of -0.10 compared to a positive ratio of 0.02 in the previous year. The best measure is to make adjustment for the FAG's advance receipts in the previous three years and allocate them to their respective years before calculating the ratio. Doing this shows that the ratio is fairly stable over the three year time horizon showing -0.11 in 2017-18 and -0.09 and -0.10 in each of the

previous two years.

For long term sustainability purposes the Shire needs to produce an operating surplus before capital items so that the regular costs incurred by Council in our normal day-to-day service delivery operations are less than revenue received from providing these services. Management considers this imbalance to be mostly structural between capital and revenue items. This can be addressed over the long term planning period to ensure that any changes made are incremental and permanent. The Long Term Financial Plan that is to be updated and re-adopted by Council will reflect the plan to achieve this.

Liquidity

Our Achieving standard for Current Ratio is met if this ratio is 1:1 or greater. The Shire's unrestricted Current Ratio, which is a measure of our capacity to satisfy short-term obligations is 1,21:1, and is within the benchmark set by the Integrated Planning and Reporting Advisory Standard. It should be noted that this ratio is a picture at one point in time and at the stage when the Shires cash position is at its lowest ebb during the financial year. A second and more important factor is that the Shire has placed \$1,96 million in the Capital Works Reserve to fund projects carried over to the 2018-19 financial year. This

| | 2016/17 Actual (\$'000) | 2017/18 Actual (\$'000) | Variance Actual |
|---------------------------------|----------------------------|----------------------------|--------------------|
| Total Operating Revenue | \$24,934 | \$23,437 | ↓ (6%) |
| Total Operating Expenses | \$24,547 | \$25,293 | ↑ 3% |
| Net Operating Surplus/(Deficit) | \$387 | \$(1,856) | (\$2,242) |
| Total Assets | \$285,756 | \$307,518 | ↑ 7.6% |
| Total Liabilities | \$8,025 | \$8,494 | ↑ 6% |
| Net Assets | \$277,731 | \$299,024 | ↑ 8% |
| Total Cash and Investments | \$16,981 | \$18,877 | ↑ 22.7% |

Financial Summary

of the Annual Financial Report (Part B)

FINANCIAL HEALTH INDICATOR

2017/18

70

The Financial Health Indicator (FHI) is a measurement of a local government's overall financial health. It is calculated from the seven financial ratios that local governments are required to calculate annually. An FHI result of 70 and above indicates sound financial health. The maximum result achievable is 100. The FHI is one factor to consider in assessing overall performance. Other factors include: the range of services offered; efficiency of services delivered; and community satisfaction. A very high or low FHI may be a prompt for questions to be asked by the community about a local government's revenue, expenses and service delivery.

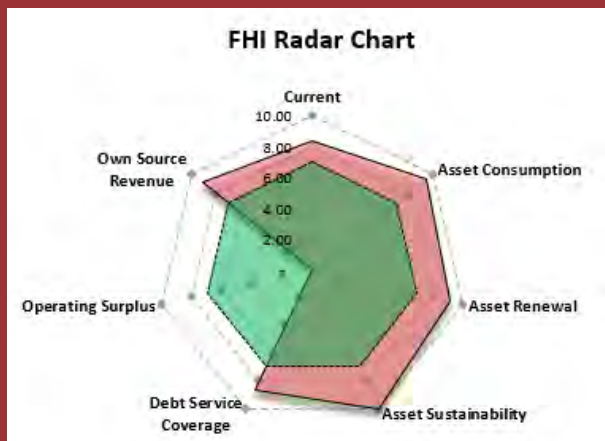
ensures better financing of the Shires asset management program and is a sound conservative financial practice. Shire Officers consider these funds to be in substance unrestricted and should be form part of the current ratio calculation but have not been due to the technical definition of reserves. The Shire considers the true measurement of its ability to meet its current liabilities should include the reserve and the ratio should therefore be reflected as 1.62:1. This is what the practical cash position of the Shire is. This is the ratio that has been used to determine the Financial Health Indicator of the Shire.

The Shire's debt management is significantly ahead of standard which has been set at 2 or greater. The Debt Service Cover Ratio achieved was 3.68 against a benchmark of 2 or greater. This means the Shire's operating surplus before interest and depreciation (cash surplus) covers interest cost 3.68 times.

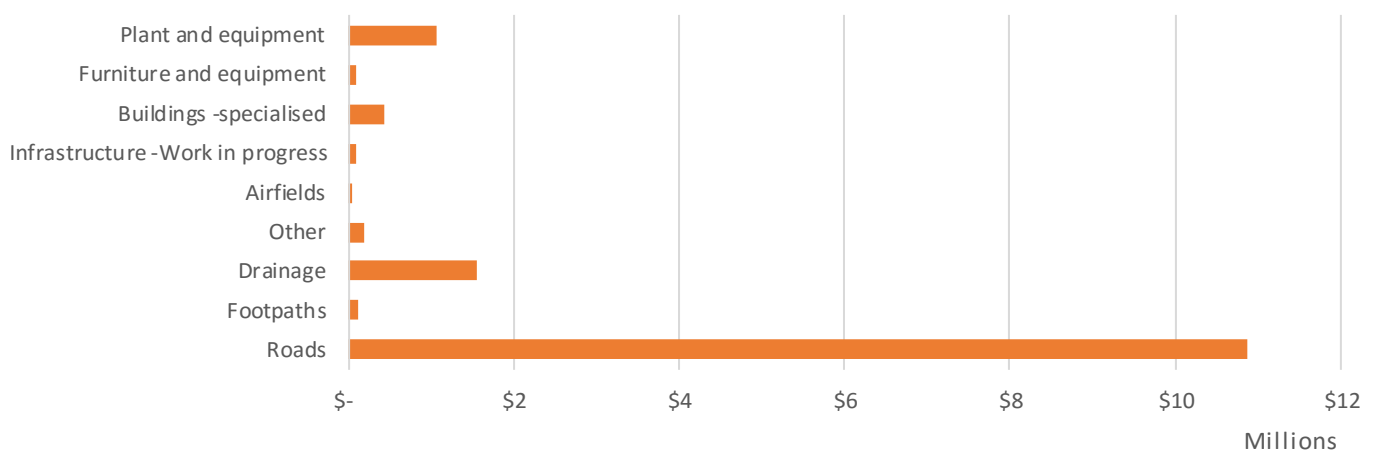
The Shire's Own Source Revenue Coverage Ratio was 0.74 which reduced slightly still remained within standard of between 0.4 and 0.9. This means the Shire's own source revenue is able to cover 74% its operating expenditure.

Asset Sustainability

The Shire achieved an Asset Sustainability Ratio of 161% against a benchmark of 90%. In 2016/17 this ratio was only 31% as it was impacted by weather events that affected the capital works program in that year. This ratio is best considered by examining the three year average. The average for the three years is 70.5% which falls below the renewal benchmark of 90%. The Shire is confident that the capital works program for the 2018/19 year will result in the three year average reaching the required standard.



Capital expenditure



Asset Consumption and Renewal

The Asset Consumption Ratio achieved was 70% against a benchmark of 50% or greater. This ratio is an expression of how new the Shire asset stock is on average. The ratio has improved against the prior year recording of 59% mainly due to the significantly high renewal capital works program delivered in 2017/18 compared to prior year.

Since 2016/17 the Shire has been able to calculate an Asset Renewal Funding Ratio because the Long Term Financial Plan and the Asset Management Plans were adopted by Council last year. The ratio of 0.98 recorded in 2017/18 means that at the present the amount of funds provided for in the Long Term Financial Plan is approximately the amount that is needed per the Asset Management Plan. The ratio is the best estimate that can be produced at this time before a detailed forward capital works program is produced and integrated into the Long Term Financial Plan. Once this has been done we fully expect the ratio to remain in the required range of 75% - 95% to meet the standard.

While the financial indicators reflect that the Shire in a stable financial position, it will continue to face a number of financial challenges in the years ahead. These include developing new sources of revenue other than rates to fund ongoing operations, dealing with reducing grant opportunities for new asset construction and funding asset renewal and replacement programs. These issues will be addressed through the Long Term Financial Plan.

The Long Term Financial Plan is a guiding document that will ensure that the day to day operations of the Shire are funded from sustainable revenue sources. In order to maintain our essential infrastructure assets (roads, footpaths, drains, community buildings, and so on) at a satisfactory condition, detailed future capital works programs need to be integrated into the Long Term Financial Plan. This is expected to be achieved in the revised Long Term Financial Plan to be delivered in the 2018/19 financial year.

Financial Ratios 2017-18

Under Western Australian legislation, local governments are required to report seven financial ratios. For each ratio, a standard has been set as a benchmark for councils to achieve. The ratios provide a measure of the financial sustainability of local governments and are reported by local governments across Australia.

Current Ratio - 1.21(0.82)*

A measure of the ability of a local government to meet its short-term financial obligations with funds it can access quickly (also known as 'liquidity').

Asset Consumption Ratio - 0.70

A measure of the condition of a local government's physical assets, by comparing their age with their replacement cost. The ratio highlights the aged condition of a local government's stock of physical assets.

Asset Renewal Ratio - 1.00

A measure of a local government's ability to fund asset renewal and replacements in the future.

Asset Sustainability Ratio - 1.61

A measure of the extent to which assets managed by a local government are being replaced as they reach the end of their useful lives.

Debt Service Cover Ratio - 3.68 (3.65)*

A measure of a local government's ability to repay its debt based on how much cash it can access compared to the total of its debt obligations.

Operating Surplus Ratio - -0.1 (-0.11)*

A measure of a local government's ability to cover its operational costs and have money left for capital projects and other purposes.

Own Source Revenue Coverage Ratio - 0.74

A measure of a local government's ability to cover its operating costs through revenue it generates itself.

** Adjusted for the affects of advanced payment of grant funding.*

Further information on our financial performance is contained in the Audited Annual Financial Report found in Part B.

Priorities for 2018-19

Corporate Business Plan 2018-19 to 2021-22

The Corporate Business Plan is a key component of the Shires commitment to activating the Strategic Community Plan. The Corporate Business Plan builds on the identified directions from previous plans, with an emphasis on meeting commitments and expectations now and into the future.

The [Corporate Business Plan 2018-19 to 2021-22](#) sets out the planned priority activities for the next ten years with the first year informing the Annual Budget 2018-19.

Shire Priorities - Short Term

The following table lists the Shires short term priorities that will be delivered over the first year to support the focus areas (goals) and the associated outcomes (objectives).



- | | | |
|--|---|-----------------|
| 358 -Support Civic and Volunteer events that bring community together | <i>Support, facilitate and market events that bring community together creating a unified community that incorporates the needs of all cultures and generations</i> | <i>Goal 1.1</i> |
| 311 -Renew and upgrade play spaces (playgrounds) in Wyndham and Kununurra | <i>Upgrade play spaces as outlined in the Play Space Strategy</i> | <i>Goal 1.2</i> |



- | | | |
|--|--|-----------------|
| 399 -Update the Community Safety and Crime Prevention Plan | <i>Help residents to feel safe and confident in their ability to travel and socialise within the community. The Shire will work in partnership with other agencies</i> | <i>Goal 2.3</i> |
| 419 -Wyndham Parks and Gardens Reticulation Upgrade | <i>Make Wyndham more inviting for residents and tourists</i> | <i>Goal 2.3</i> |
| 401 -Develop and operate a CCTV system in Shire towns to detect and help reduce crime | <i>Improve crime detection and prevention through the use of CCTV in Kununurra and Wyndham</i> | <i>Goal 2.3</i> |
| 395 -Trails Master Plan Stage 1 - Kununurra | <i>To provide a connection between the Lakeside and Weaber Plain Footpaths and the trail to Celebrity Tree Park</i> | <i>Goal 2.3</i> |



- | | | |
|---|---|---------------------------|
| 272 -Undertake Growth Centre Planning for Wyndham and Kununurra and develop an Economic Development Plan for the Shire | <i>Provide an environment that supports and encourages business and job development</i> | <i>Goal 3.1, 3.2, 3.3</i> |
| 228 -Support the marketing of the East Kimberley for investment and tourism purposes | <i>Support the marketing of the East Kimberley for investment and tourism purposes, including Shire support for Dry Season flights connecting the East Kimberley with Melbourne</i> | <i>Goal 3.2</i> |



- | | | |
|---|---|----------------------|
| 487 -Services Review | <i>Identify efficiency savings and improve services delivered</i> | <i>Goal 4.3, 4.4</i> |
| 1 -Undertake community satisfaction survey | <i>Identify the community's perceptions and use the information to inform Shire and other organisations to help improve services, facilities, inform budget decisions, strategic planning and performance evaluation.</i> | <i>Goal 4.2, 4.3</i> |



Shire Priorities - Longer Term

The Shire is actively planning and advocating for funding for a number of significant projects over the four years on the plan. These priority projects have been identified to improve the quality of services in the Shire and include:



PEOPLE

Refurbishment and upgrade of the Kununurra Leisure Centre (#448)

Benefit to the community: - Improved recreation facilities and creating a regional leisure centre for the East Kimberley

Goal 1.2

Investigate the development of community hubs (#575, #448)

Benefit to the community: - Improve access to services by promoting the development of community hubs within the Shire's towns

Goal 1.3, 2.2

Investment in the Shire road and footpath network

Benefit to the community: - Improve accessibility and walkability of the Shire's footpath network

Goal 2.2, 2.3

Goal 2.3



PLACE

Develop and operate a CCTV system in Shire towns to detect and help reduce crime (#401)

Benefit to the community: - A CCTV system in Shire towns. A CCTV system will help residents to feel safe and confident in their ability to travel and socialise within town centres.

Goal 2.1

New Shire landfill site (#379)

Benefit to the community: - Kununurra landfill site is nearing capacity. A new site is required to continue operations within the Shire. Making sure that residents can dispose of waste in a cost effective and equitable way.

Goal 3.1

East Kimberley Regional Airport runway extension (#237)

Benefit to the community: - Allow commercial airline to operate larger more efficient aircraft and provide cheaper flights

Goal 3.1



PROSPERITY

Advocate for a second Ord River crossing to secure National Highway One freight link between Darwin and Perth (#250)

Benefit to the community: - secure and improve transport and freight links between Darwin and Perth, to reduce damage to the Diversion Dam, and to improve access to Wyndham Port.

Goal 4.3

Develop Customer focused administrative systems (#196)

Benefit to the community: - The Shire will work to improve Shire systems to provide positive customer focus experiences that improve efficiency, effectiveness and productivity of services

Goal 4.4



GOVERNANCE

Diversifying and strengthening funding streams and pursue non-rates revenue opportunities (#93)

Benefit to the community: - The Shire will identify opportunities for new income streams that are financially sound and equitable and to be less reliant on rates and grants as the primary basis for revenue by leveraging alternative income streams to ensure Shire services are financially sustainable

STATUTORY REPORTS

FREEDOM OF INFORMATION

In accordance with Section 96 and 97 of the *Freedom of Information Act 1992*, the Shire is required to publish an Information Statement which details the process of applying for information under the act as well as information that the Shire provides outside the Act.

| | |
|-----------------------------------|---|
| Number of FOI applications made | 5 |
| Number of successful applications | 5 |
| Number of applications cancelled | 0 |

Should you wish to obtain a copy of the *Freedom of Information Act 1992* or associated regulations please visit the State Law Publisher website at www.slp.wa.gov.au where a full copy of all State Legislation is available.

Further information about Freedom of Information can also be found on the Freedom of Information Commissioner's website <http://foi.wa.gov.au/>.

This Information Statement can be accessed through the Shire of Wyndham East Kimberley's website at www.swek.wa.gov.au.

RECORD KEEPING PLAN AND SYSTEMS

The Shire of Wyndham East Kimberley, as a Local Government Authority, is required under the *State Records Act 2000* to provide an annual report, as outlined in the Record Keeping Plan.

The Shire has continued its commitment to recordkeeping in accordance with legislative requirements. The Shire's current Recordkeeping Plan (RKP) 2017 has been reviewed by the State Records Office and outlines the process for management and disposal of records in accordance with the *State Records Act 2000* which has been approved to 30 August 2022 at which it will formally be reviewed. The Shire's Recordkeeping Plan 2017 has increased focus on system improvements; particularly around recording and moving toward digitisation where possible.

The Shire of Wyndham East Kimberley has implemented the following activities to ensure that all staff are aware of their recordkeeping responsibilities and compliance with the Recordkeeping Plan:

- In-house training sessions have been conducted for the organisation's staff by records officers;
- External consultants will be brought in to run a training session for staff. Staff are also

encouraged to attend training courses outside the organization whenever practicable; and/or

- Staff information sessions will be conducted when required.
- The Local Government's Intranet is used to publish recordkeeping information, highlight issues, or bring particular recordkeeping matters to staff attention.

The following performance indicators have been developed to measure the efficiency and effectiveness of the Shire of Wyndham East Kimberley's recordkeeping systems:

- Reports on records with 'outstanding' status
- Regular checks on electronic copies of records entered by non-records staff
- Daily incoming and outgoing correspondence monitoring

REGISTER OF COMPLAINTS

The *Local Government Act 1995 s5.121* requires the complaints officer of the Local Government to maintain a register of complaints which records all complaints that result in an action under the *Local Government Act s5.121 (6)(b) or (c)*.

The register of complaints is to include, for each recorded complaint:

- Name of Council Member about whom the complaint is made;
- Name of the person who makes the complaint;
- A description of the minor breach that the standards panel finds has occurred; and
- Details of the action taken under LGA s5.110 (6)(b) or (c)

In the financial year ending 30 June 2018 no complaints were entered into the Register of Complaints under Section 5.121 of the *Local Government Act 1995*.

PUBLIC INTEREST DISCLOSURE

The *Public Interest Disclosure Act 2003* facilitates the disclosure of public interest information, and provides for the protection of those making such disclosure and those who are subject of the disclosures. The Act provides a system for the matters disclosed to be investigated and for appropriate action to be taken. The Chief Executive Officer identified areas for improvement and actions have been taken to rectify compliance issues including the appointment of PID Officers across the organisation.

DELEGATIONS REVIEW

In accordance with Section 5.46 of the *Local Government Act 1995* a review was undertaken of the Shire's Delegations Register during this period.

PRIMARY AND ANNUAL RETURNS

In accordance with Section 5.75 and 5.76 of the *Local Government Act 1995* all relevant persons lodged an Annual Return by the due date of 31 August 2018 and a primary return within 3 months of their start date.

DISABILITY ACCESS AND INCLUSION PLAN

The [Disability Services Act 1993](#) was amended in December 2004, creating a requirement for the Shire to:

- maintain a Disability Access and Inclusion Plan (DAIP)
- address seven specific outcome areas within the plan
- report to annually on progress against actions within the plan

The Shire's Disability Access and Inclusion Plan is a key strategic document, outlining the Shire's approach to working towards a more accessible and inclusive community. While it is a statutory requirement for the Shire to maintain and implement a DAIP, direct community benefits also result from the Shire's commitment to access and inclusion.

The table below indicates the outcome areas where strategies/initiatives were planned, as well as the strategies/ initiatives completed.

| Outcome Area | No. of initiatives planned | initiatives Completed |
|--------------------------|----------------------------|-----------------------|
| 1 Services and Events | 3 | 2 |
| 2 Buildings & facilities | 4 | 3 |
| 3 Information | 12 | 3 |
| 4 Services | 3 | 2 |
| 5 Complaints | 2 | 1 |
| 6 Consultation | 2 | 2 |
| 7 Employment | 3 | 0 |
| Total actions | 29 | 13 |

ANNUAL SALARIES

The *Local Government Act 1995* requires Council to provide the number of employees who are entitled to an annual salary of \$100,000 or more and to break those employees into salary bands of \$10,000. For the period under review, the Shire had 12 employees whose salary exceeded \$100,000.

| Salary Range | 2017/18 | 2016/17 |
|-----------------------------------|-----------|-----------|
| \$100,000 and \$109,999 | 3 | 4 |
| \$110,000 and \$119,999 | 3 | 1 |
| \$120,000 and \$129,999 | 1 | 2 |
| \$130,000 and \$139,999 | 1 | 1 |
| \$140,000 and \$149,999 | 0 | 0 |
| \$150,000 and \$159,999 | 0 | 0 |
| \$160,000 and \$169,999 | 0 | 0 |
| \$170,000 and \$179,999 | 0 | 1 |
| \$180,000 and \$189,999 | 3 | 2 |
| \$250,000 and \$259,999 | 0 | 1 |
| \$270,000 and \$279,999 | 1 | 0 |
| Total Staff over \$100,000 | 12 | 12 |

STAFF SUMMARY

*Represents the full time staff employed as at 30 June 2017. This figure does not include vacant positions.

| | 2017/18 | 2016/17 |
|--|---------|---------|
| Number of Full Time Staff (employed) | 82 | 89* |
| Total Number of Staff | 115 | 126 |
| Planned Full Time Equivalent (FTE) staff | 100 | 96 |
| % Male Staff | 55% | 55.3% |
| % Female Staff | 45% | 44.7% |
| % Indigenous Staff | 6% | 6% |
| Trainee/Student placements | 1 | 0 |
| Staff Turnover | 32% | 38% |

Statutory Reports

REVIEW OF LOCAL LAWS

Section 3.16 of the *Local Government Act 1995* requires that all of the Local Laws of Local Government must be reviewed within an eight year period after their commencement to determine if they should remain unchanged or be repealed or amended.

| Local Law Reviewed | Action (unchanged, repealed or amended) |
|-----------------------------------|---|
| Local Fencing Law January 2017 | Amended |
| Bush Fire Brigades Local Law 2017 | Amended |

NATIONAL COMPETITION POLICY STATEMENT

In 1995 the Council of Australian Governments entered into a number of agreements, collectively known as the National Competition Policy. Local government is affected mainly where it operates significant business activities which compete, or could compete, with private sector businesses. Local Government will also be affected where local laws unnecessarily affect competition. The Shire is required to comply with certain policies contained within the National Competition Policy statement and report on progress in connection with Competitive Neutrality Principles and review of Local Laws.

COMPETITIVE NEUTRALITY

Local Governments are required to apply the principle of competitive neutrality to all business activities generating user-pays income. The principle of competitive neutrality is that Government businesses should not enjoy a competitive advantage, or disadvantage, simply as a result of their public sector ownership. Annual Reports must show that a public benefit test has been conducted for all significant business activities to determine if competitive neutrality is in the public interest. Within these criteria the Shire identified the following business activities:

- Airport Operations

No competitive advantage was identified in the Shire's operations of the above business activities. The Shire continues to monitor Council Policies and Local Laws for anti-competitive practices.

COUNCIL MEETINGS HELD

In 2017/18, 11 Ordinary Council Meetings, 11 Agenda Briefings, 1 Special Council Meeting, 1 CEO Evaluation Committee Meeting, 4 Audit (Risk and Finance) Committee Meetings and 1 Annual Electors' Meeting were held.

COUNCILLOR MEETING ATTENDANCE IN 2017/18

Meeting Attendance By Councillors - July 2017 to June 2018. Under the Local Government Act, The Minister for Local Government Mr Simpson suspended the Shire's council and dismissed Councillors. Commissioner Ron Yuryevich was appointed as commissioner of the Shire of Wyndham East Kimberley Council on Wednesday 28 September 2016. The Commissioner presided over all Council meetings from the 1st July 2018 until the Council Elections in September 2017.

COUNCIL COMMITTEES

Council operated one Committee of Council during the year. 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.

Committees of Council:

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.

Other Committees:

Shire Councilors were also appointed to and attended the following committees that have no standing delegations and decision making authority. Their meetings are therefore closed to the public.

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.

Statutory Reports

The Kununurra Community and School Library Committee

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

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.

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.

COUNCIL REPRESENTATION ON EXTERNAL COMMITTEES

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

- WALGA Kimberley Zone / Regional Collaborative Group
- Kununurra and Wyndham Alcohol Accord
- Kimberley Regional Road Group

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,

| Elected Member (Cr) | Briefing Sessions | Council | Special Council | Electors Meeting | Audit Committee | Performance Review, CEO | Sitting Fees, & allowances |
|------------------------------|-------------------|------------------------|-----------------|------------------|-----------------|-------------------------|----------------------------|
| Commissioner Ron Yuryevich | 4 | 4 | 1 | 0 | 1 | 1 | \$43,369.57 |
| David Menzel President | 7 | 7 | 2 | 0 | 0 | 2 | \$46,691.51 |
| Tony Chafer Deputy President | 7 | 6 (1 Leave of Absence) | 1 | 1 | 2 | 0 | \$20,270.49 |
| Narelle Brook | 7 | 6 (1 Leave of Absence) | 2 | 0 | 0 | 2 | \$12,721.93 |
| Mat Dear | 7 | 7 | 2 | 1 | 0 | 0 | \$12,721.93 |
| Judy Farquhar | 7 | 6 (1 Leave of Absence) | 1 | 1 | 0 | 0 | \$12,721.93 |
| Grant Lodge | 6 | 6 (1 Leave of Absence) | 0 | 0 | 3 | 2 | \$12,721.93 |
| Michelle McKittrick | 7 | 7 | 2 | 0 | 3 | 0 | \$12,721.93 |
| Debra Pearce | 5 | 7 | 2 | 1 | 0 | 0 | \$12,721.93 |
| Alma Petherick | 7 | 6 (1 Leave of Absence) | 1 | 0 | 0 | 0 | \$12,721.93 |

Disclaimer: This information is produced by the Shire of Wyndham East Kimberley in good faith and the Shire accepts no responsibility for any ramifications or repercussions for providing this information.

Annual Report

July 2017 to June 2018

PART

B

Audited Annual Financial Report

For the year ended 30th June 2018

SHIRE of
WYNDHAM
EAST KIMBERLEY



SHIRE OF WYNDHAM EAST KIMBERLEY

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2018

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COMMUNITY VISION

To be a thriving community with opportunities for all.

Principal place of business:

20 Coolibah Drive
Kununurra, WA

SHIRE OF WYNDHAM EAST KIMBERLEY
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Wyndham East Kimberley for the financial year ended 30 June 2018 is based on proper accounts and records to present fairly the financial position of the Shire of Wyndham East Kimberley at 30 June 2018 and the results of the operations for the financial year then ended in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 26TH day of OCTOBER 2018



Chief Executive Officer

Carl Askew

Name of Chief Executive Officer

**STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2018**

| | NOTE | 2018 Actual \$ | 2018 Budget \$ | 2017 Actual \$ |
|---|-------|----------------------|----------------------|----------------------|
| Revenue | | | | |
| Rates | 21(a) | 10,440,859 | 10,376,869 | 10,141,663 |
| Operating grants, subsidies and contributions | 2(a) | 4,208,107 | 2,165,090 | 6,369,129 |
| Fees and charges | 2(a) | 7,801,522 | 8,073,733 | 7,539,678 |
| Interest earnings | 2(a) | 441,675 | 427,396 | 447,203 |
| Other revenue | 2(a) | 545,444 | 413,500 | 436,209 |
| | | 23,437,607 | 21,456,588 | 24,933,882 |
| Expenses | | | | |
| Employee costs | | (11,119,700) | (11,371,809) | (10,236,442) |
| Materials and contracts | | (4,810,387) | (5,924,085) | (4,537,614) |
| Utility charges | | (1,011,892) | (968,536) | (938,166) |
| Depreciation on non-current assets | 10(b) | (6,431,309) | (7,374,526) | (6,989,808) |
| Interest expenses | 2(b) | (221,627) | (258,076) | (269,647) |
| Insurance expenses | | (459,096) | (571,777) | (589,978) |
| Other expenditure | | (1,239,172) | (1,403,961) | (985,937) |
| | | (25,293,183) | (27,872,770) | (24,547,592) |
| | | (1,855,576) | (6,416,182) | 386,290 |
| Non-operating grants, subsidies and contributions | 2(a) | 11,800,587 | 11,448,756 | 2,039,576 |
| Profit on asset disposals | 10(a) | 35,045 | 62,325 | 25,500 |
| (Loss) on asset disposals | 10(a) | (139,125) | (42,074) | (106,305) |
| Net result | | 9,840,931 | 5,052,825 | 2,345,061 |
| Other comprehensive income | | | | |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | | |
| Changes on revaluation of non-current assets | 11 | 11,452,649 | - | (7,482,168) |
| Total other comprehensive income | | 11,452,649 | - | (7,482,168) |
| Total comprehensive income | | 21,293,580 | 5,052,825 | (5,137,107) |

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

**STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2018**

| | NOTE | 2018 Actual | 2018 Budget | 2017 Actual |
|---|-------|---------------------|---------------------|---------------------|
| | | \$ | \$ | \$ |
| Revenue | | | | |
| Governance | 2(a) | 39,708 | 25,800 | 114,120 |
| General purpose funding | | 14,605,919 | 12,585,980 | 16,163,447 |
| Law, order, public safety | | 468,764 | 447,171 | 439,147 |
| Health | | 83,989 | 95,117 | 100,451 |
| Education and welfare | | 11,575 | 11,242 | 13,783 |
| Housing | | 130,631 | 165,540 | 132,154 |
| Community amenities | | 2,978,350 | 3,008,715 | 2,785,087 |
| Recreation and culture | | 745,001 | 764,343 | 842,580 |
| Transport | | 4,189,940 | 4,212,880 | 4,195,073 |
| Economic services | | 52,188 | 115,800 | 116,573 |
| Other property and services | | 131,542 | 24,000 | 31,467 |
| | | 23,437,607 | 21,456,588 | 24,933,882 |
| Expenses | | | | |
| Governance | 2(b) | (895,522) | (1,137,467) | (780,774) |
| General purpose funding | | (163,417) | (409,693) | (78,437) |
| Law, order, public safety | | (1,127,766) | (1,086,626) | (1,044,972) |
| Health | | (318,817) | (289,992) | (254,062) |
| Education and welfare | | (147,164) | (242,445) | (192,898) |
| Housing | | (454,659) | (566,101) | (547,259) |
| Community amenities | | (4,096,116) | (4,690,275) | (3,971,757) |
| Recreation and culture | | (6,372,303) | (6,752,513) | (6,734,471) |
| Transport | | (9,824,582) | (10,899,466) | (9,765,977) |
| Economic services | | (460,004) | (705,106) | (428,680) |
| Other property and services | | (1,211,206) | (835,010) | (478,658) |
| | | (25,071,556) | (27,614,694) | (24,277,945) |
| Finance Costs | | | | |
| Governance | 2(b) | (116,727) | (138,185) | (135,581) |
| Education and welfare | | (9,589) | (13,157) | (14,003) |
| Housing | | (2,790) | (3,475) | (4,412) |
| Community amenities | | (67,680) | (74,887) | (81,927) |
| Recreation and culture | | (15,195) | (17,978) | (23,038) |
| Transport | | (9,646) | (10,394) | (10,686) |
| | | (221,627) | (258,076) | (269,647) |
| | | (1,855,576) | (6,416,182) | 386,290 |
| Non-operating grants, subsidies and contributions | 2(a) | 11,800,587 | 11,448,756 | 2,039,576 |
| Profit on disposal of assets | 10(a) | 35,045 | 62,325 | 25,500 |
| (Loss) on disposal of assets | 10(a) | (139,125) | (42,074) | (106,305) |
| | | 11,696,507 | 11,469,007 | 1,958,771 |
| Net result | | 9,840,931 | 5,052,825 | 2,345,061 |
| Other comprehensive income | | | | |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | | |
| Changes on revaluation of non-current assets | 11 | 11,452,649 | - | (7,482,168) |
| Total other comprehensive income | | 11,452,649 | - | (7,482,168) |
| Total comprehensive income | | 21,293,580 | 5,052,825 | (5,137,107) |

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2018**

| | NOTE | 2018 | 2017 |
|---|-------|--------------------|--------------------|
| | | \$ | \$ |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 18,870,117 | 16,974,362 |
| Trade and other receivables | 6 | 2,864,614 | 2,258,579 |
| Inventories | 7 | 8,732 | 14,702 |
| TOTAL CURRENT ASSETS | | 21,743,463 | 19,247,643 |
| NON-CURRENT ASSETS | | | |
| Other receivables | 6 | 66,079 | 22,773 |
| Investments | 4 | 6,682 | 6,682 |
| Inventories | 7 | 46,283 | 46,283 |
| Property, plant and equipment | 8 | 55,437,379 | 56,274,236 |
| Infrastructure | 9 | 230,217,965 | 210,157,886 |
| TOTAL NON-CURRENT ASSETS | | 285,774,388 | 266,507,860 |
| TOTAL ASSETS | | 307,517,851 | 285,755,503 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 12 | 2,969,632 | 1,658,300 |
| Current portion of long term borrowings | 13(a) | 903,767 | 1,042,515 |
| Provisions | 14 | 1,055,023 | 981,564 |
| TOTAL CURRENT LIABILITIES | | 4,928,422 | 3,682,379 |
| NON-CURRENT LIABILITIES | | | |
| Long term borrowings | 13(a) | 3,378,149 | 4,123,259 |
| Provisions | 14 | 187,687 | 219,852 |
| TOTAL NON-CURRENT LIABILITIES | | 3,565,836 | 4,343,111 |
| TOTAL LIABILITIES | | 8,494,258 | 8,025,490 |
| NET ASSETS | | 299,023,593 | 277,730,013 |
| EQUITY | | | |
| Retained surplus | | 97,980,154 | 88,308,695 |
| Reserves - cash backed | 5 | 15,936,763 | 15,767,291 |
| Revaluation surplus | 11 | 185,106,676 | 173,654,027 |
| TOTAL EQUITY | | 299,023,593 | 277,730,013 |

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2018**

| | NOTE | RETAINED SURPLUS | RESERVES CASH BACKED | REVALUATION SURPLUS | TOTAL EQUITY |
|-----------------------------------|------|---------------------|----------------------------|------------------------|--------------------|
| | | \$ | \$ | \$ | \$ |
| Balance as at 1 July 2016 | | 90,670,076 | 11,060,849 | 181,136,195 | 282,867,120 |
| Comprehensive income | | | | | |
| Net result | | 2,345,061 | - | - | 2,345,061 |
| Changes on revaluation of assets | 11 | - | - | (7,482,168) | (7,482,168) |
| Total comprehensive income | | 2,345,061 | - | (7,482,168) | (5,137,107) |
| Transfers from/(to) reserves | | (4,706,442) | 4,706,442 | - | - |
| Balance as at 30 June 2017 | | 88,308,695 | 15,767,291 | 173,654,027 | 277,730,013 |
| Comprehensive income | | | | | |
| Net result | | 9,840,931 | - | - | 9,840,931 |
| Changes on revaluation of assets | 11 | - | - | 11,452,649 | 11,452,649 |
| Total comprehensive income | | 9,840,931 | - | 11,452,649 | 21,293,580 |
| Transfers from/(to) reserves | | (169,472) | 169,472 | - | - |
| Balance as at 30 June 2018 | | 97,980,154 | 15,936,763 | 185,106,676 | 299,023,593 |

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2018**

| | NOTE | 2018 Actual | 2018 Budget | 2017 Actual |
|---|------|----------------|----------------|----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | \$ | \$ | \$ |
| Receipts | | | | |
| Rates | | 10,374,431 | 9,339,182 | 9,748,106 |
| Operating grants, subsidies and contributions | | 3,737,417 | 2,165,090 | 5,945,752 |
| Fees and charges | | 7,801,522 | 8,073,733 | 7,656,011 |
| Interest earnings | | 441,675 | 427,396 | 447,203 |
| Goods and services tax | | 1,975,959 | 1,818,029 | 1,148,632 |
| Other revenue | | 545,444 | 413,500 | 436,209 |
| | | 24,876,448 | 22,236,930 | 25,381,913 |
| Payments | | | | |
| Employee costs | | (10,136,022) | (11,371,809) | (10,307,597) |
| Materials and contracts | | (4,427,491) | (5,924,085) | (5,451,933) |
| Utility charges | | (1,011,892) | (968,536) | (938,166) |
| Interest expenses | | (229,605) | (212,865) | (278,704) |
| Insurance expenses | | (459,096) | (571,777) | (589,978) |
| Goods and services tax | | (2,042,101) | (807,775) | (1,064,770) |
| Other expenditure | | (1,239,172) | (1,403,961) | (985,937) |
| | | (19,545,379) | (21,260,808) | (19,617,085) |
| Net cash provided by (used in) operating activities | 15 | 5,331,069 | 976,122 | 5,764,828 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Payments for purchase of property, plant & equipment | | (1,642,832) | (2,428,494) | (753,239) |
| Payments for construction of infrastructure | | (12,897,330) | (16,049,775) | (3,099,607) |
| Non-operating grants, subsidies and contributions | | 11,800,587 | 11,448,756 | 2,039,576 |
| Proceeds from sale of fixed assets | | 234,200 | 248,818 | 183,500 |
| Net cash provided by (used in) investment activities | | (2,505,375) | (6,780,695) | (1,629,770) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Repayment of long term borrowings | | (1,053,858) | (1,044,645) | (997,438) |
| Proceeds from self supporting loans | | 3,919 | 2,128 | - |
| Proceeds from new long term borrowings | | 170,000 | 50,000 | - |
| Advances to community groups | | (50,000) | (50,000) | - |
| Net cash provided by (used in) financing activities | | (929,939) | (1,042,517) | (997,438) |
| Net increase (decrease) in cash held | | 1,895,755 | (6,847,090) | 3,137,620 |
| Cash at beginning of year | | 16,974,362 | 15,696,654 | 13,836,742 |
| Cash and cash equivalents at the end of the year | 3 | 18,870,117 | 8,849,564 | 16,974,362 |

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

**RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2018**

| | NOTE | 2018 Actual | 2018 Budget | 2017 Actual |
|--|-------|------------------|----------------|------------------|
| | | \$ | \$ | \$ |
| OPERATING ACTIVITIES | | | | |
| Net current assets at start of financial year - surplus/(deficit) | | | | |
| | | 1,828,734 | 2,573,358 | 1,900,334 |
| | | 1,828,734 | 2,573,358 | 1,900,334 |
| Revenue from operating activities (excluding rates) | | | | |
| Governance | | 39,708 | 25,800 | 114,120 |
| General purpose funding | | 4,170,739 | 2,214,791 | 6,027,143 |
| Law, order, public safety | | 468,764 | 447,171 | 439,147 |
| Health | | 83,989 | 95,117 | 100,451 |
| Education and welfare | | 11,575 | 11,242 | 13,783 |
| Housing | | 130,631 | 165,540 | 132,154 |
| Community amenities | | 2,978,350 | 3,008,715 | 2,785,087 |
| Recreation and culture | | 745,001 | 764,343 | 842,580 |
| Transport | | 4,189,940 | 4,215,656 | 4,195,073 |
| Economic services | | 52,527 | 116,290 | 116,573 |
| Other property and services | | 166,248 | 83,059 | 56,967 |
| | | 13,037,472 | 11,147,724 | 14,823,078 |
| Expenditure from operating activities | | | | |
| Governance | | (1,012,249) | (1,275,652) | (916,355) |
| General purpose funding | | (163,417) | (409,693) | (78,437) |
| Law, order, public safety | | (1,127,766) | (1,086,626) | (1,044,972) |
| Health | | (318,817) | (289,992) | (254,062) |
| Education and welfare | | (156,753) | (255,602) | (206,901) |
| Housing | | (457,449) | (569,576) | (551,671) |
| Community amenities | | (4,163,796) | (4,765,162) | (4,053,684) |
| Recreation and culture | | (6,387,498) | (6,770,491) | (6,757,509) |
| Transport | | (9,887,132) | (10,911,110) | (9,807,495) |
| Economic services | | (460,004) | (705,106) | (428,680) |
| Other property and services | | (1,297,427) | (875,833) | (554,131) |
| | | (25,432,308) | (27,914,843) | (24,653,897) |
| Operating activities excluded | | | | |
| (Profit) on disposal of assets | 10(a) | (35,045) | (62,325) | (25,500) |
| Loss on disposal of assets | 10(a) | 139,125 | 42,074 | 106,305 |
| Movement in deferred pensioner rates (non-current) | | (6,801) | - | (1,540) |
| Movement in employee benefit provisions | | 41,294 | - | (112,508) |
| Depreciation and amortisation on assets | 10(b) | 6,431,309 | 7,374,526 | 6,989,808 |
| Amount attributable to operating activities | | (3,996,220) | (6,839,486) | (973,920) |
| INVESTING ACTIVITIES | | | | |
| Non-operating grants, subsidies and contributions | | 11,800,587 | 11,448,756 | 2,039,576 |
| Proceeds from disposal of assets | 10(a) | 234,200 | 248,818 | 183,500 |
| Purchase of property, plant and equipment | 8(b) | (1,642,832) | (2,428,494) | (753,239) |
| Purchase and construction of infrastructure | 9(b) | (12,897,330) | (16,049,775) | (3,099,607) |
| Amount attributable to investing activities | | (2,505,375) | (6,780,695) | (1,629,770) |
| FINANCING ACTIVITIES | | | | |
| Advances to community groups | | (50,000) | (50,000) | - |
| Repayment of long term borrowings | 13(a) | (1,053,858) | (1,044,645) | (997,438) |
| Proceeds from new long term borrowings | 13(b) | 170,000 | 50,000 | - |
| Proceeds from self supporting loans | 13(a) | 3,919 | 2,128 | - |
| Transfers to reserves (restricted assets) | 5 | (10,166,696) | (5,469,067) | (8,460,877) |
| Transfers from reserves (restricted assets) | 5 | 9,997,224 | 9,760,575 | 3,754,435 |
| Amount attributable to financing activities | | (1,099,411) | 3,248,991 | (5,703,880) |
| Surplus(deficiency) before general rates | | (7,601,006) | (10,371,190) | (8,307,570) |
| Total amount raised from general rates | 21 | 10,435,180 | 10,371,190 | 10,136,304 |
| Net current assets at June 30 c/fwd - surplus/(deficit) | 22 | 2,834,174 | - | 1,828,734 |

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

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the 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.

CRITICAL ACCOUNTING ESTIMATES (Continued)

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 24 to these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

2. REVENUE AND EXPENSES

| (a) Revenue | 2018 Actual | 2017 Actual |
|-------------------------------|----------------|----------------|
| | \$ | \$ |
| Other revenue | | |
| Reimbursements and recoveries | 64,945 | 19,370 |
| Other | 480,499 | 416,839 |
| | 545,444 | 436,209 |

Other revenue comprises mainly the Emergency Services Levy collected of \$389,000, sundry insurance receipts of \$65,000 and private works revenue of \$38,000 raised by the depot.

Fees and Charges

| | | |
|-----------------------------|-----------|-----------|
| Governance | 3,791 | 5,576 |
| General purpose funding | 34,851 | 43,188 |
| Law, order, public safety | 43,346 | 36,243 |
| Health | 79,941 | 79,710 |
| Education and welfare | 11,575 | 13,783 |
| Housing | 130,631 | 132,154 |
| Community amenities | 2,889,021 | 2,637,330 |
| Recreation and culture | 561,059 | 557,640 |
| Transport | 3,993,724 | 3,927,748 |
| Economic services | 45,307 | 106,306 |
| Other property and services | 8,276 | - |
| | 7,801,522 | 7,539,678 |

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Grant Revenue

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

| | 2018 | 2017 |
|--|------------|-----------|
| | \$ | \$ |
| Operating grants, subsidies and contributions | | |
| Governance | 8,235 | 63,993 |
| General purpose funding | 3,689,099 | 5,531,393 |
| Law, order, public safety | 35,646 | 35,606 |
| Health | 3,516 | 20,727 |
| Community amenities | 89,329 | 147,757 |
| Recreation and culture | 182,527 | 283,907 |
| Transport | 176,546 | 247,947 |
| Economic services | 6,196 | 9,564 |
| Other property and services | 17,013 | 28,235 |
| | 4,208,107 | 6,369,129 |
| Non-operating grants, subsidies and contributions | | |
| Recreation and culture | 57,340 | 738,432 |
| Transport | 11,743,247 | 1,301,144 |
| | 11,800,587 | 2,039,576 |
| Total grants, subsidies and contributions | 16,008,694 | 8,408,705 |

SIGNIFICANT ACCOUNTING POLICIES

Grants, Donations and Other Contributions

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

Grants, Donations and Other Contributions (Continued)

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 20. 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 period.

Interest earnings

- Reserve funds
- Other funds
Other interest revenue (refer note 21(b))

| | 2018 Actual | 2018 Budget | 2017 Actual |
|---|----------------|----------------|----------------|
| | \$ | \$ | \$ |
| - Reserve funds | 232,584 | 220,800 | 193,966 |
| - Other funds | 92,926 | 94,596 | 125,293 |
| Other interest revenue (refer note 21(b)) | 116,165 | 112,000 | 127,944 |
| | 441,675 | 427,396 | 447,203 |

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

2. REVENUE AND EXPENSES (Continued)

(b) Expenses

| Note | 2018 | 2017 |
|---|---------|---------|
| | \$ | \$ |
| Auditors remuneration | | |
| - Audit of the Annual Financial Report | 28,401 | 30,260 |
| - Assistance with the finalisation of the annual financial report | 0 | 502 |
| - Audit of grant funded projects and other services | 2,425 | 25,960 |
| - Financial Management Review | 6,333 | - |
| | 37,159 | 56,722 |
| Interest expenses (finance costs) | | |
| Long term borrowings (refer Note 13(a)) | 221,627 | 269,647 |
| | 221,627 | 269,647 |

3. CASH AND CASH EQUIVALENTS

| | | |
|--------------|------------|------------|
| Unrestricted | 2,933,354 | 1,207,071 |
| Restricted | 15,936,763 | 15,767,291 |
| | 18,870,117 | 16,974,362 |

The following restrictions have been imposed by regulations or other externally imposed requirements.

| | | | |
|---|---|------------|------------|
| Waste Management | 5 | 656,284 | 527,664 |
| Airport General | 5 | 6,083,339 | 5,736,144 |
| Plant and Equipment | 5 | 303,581 | 2,993 |
| Parking | 5 | 123,978 | 121,659 |
| Non-Potable water | 5 | 75,102 | 73,698 |
| East Kimberley Tourism | 5 | 160,056 | 150,637 |
| Foreshore | 5 | 442,791 | 340,709 |
| Staff Entitlement | 5 | 141,298 | 118,081 |
| Recreation Hardcourts | 5 | 57,151 | 56,082 |
| Bio Security | 5 | 262,579 | 257,668 |
| Childcare | 5 | 193,707 | 178,727 |
| Parks | 5 | 278,775 | 333,287 |
| Footpaths | 5 | 286,207 | 292,046 |
| Asset Management | 5 | 624,399 | 1,002,180 |
| Goornig Farmlands Roads Reserve | 5 | 564,000 | 558,039 |
| Unspent Grants and Loans Reserve | 5 | 2,421,927 | 3,318,222 |
| Contiguous Local Authority Group (CLAG) | 5 | 2,491 | 3,831 |
| Kununurra Youth Hub | 5 | 48,160 | 23,751 |
| Regional Price Preference | 5 | 185,461 | 199,189 |
| Drainage Reserve | 5 | 680,581 | 208,183 |
| Capital Works Reserve | 5 | 1,961,095 | 2,264,501 |
| Municipal Property Revaluation Reserve | 5 | 15,000 | - |
| Election Expenditure Reserve | 5 | 20,000 | - |
| Property Reserve | 5 | 338,801 | - |
| Public Art Work Reserve | 5 | 10,000 | - |
| | | 15,936,763 | 15,767,291 |

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk

Cash and cash equivalents (Continued)

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

4. INVESTMENTS

Financial assets - available for sale - non current

SIGNIFICANT ACCOUNTING POLICIES

Classification and subsequent measurement

(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) 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.

(iii) 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.

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).

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.

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.

| 2018 | 2017 |
|-------|-------|
| \$ | \$ |
| 6,682 | 6,682 |

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment (Continued)

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.

Initial recognition and measurement

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

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

Classification and subsequent measurement

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

Amortised cost is calculated as:

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

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

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

5. RESERVES - CASH BACKED

| | 2018 | | 2018 | | 2018 | | 2018 | | 2018 | | 2017 | | 2017 | | 2017 | |
|---|------------------------------|--------------------------|------------------------------|----------------|------------------------------|--------------------------|------------------------------|------------------------------|------------------------------|--------------------------|------------------------------|------------------------------|------------------------------|--------------------------|------------------------------|------------------------------|
| | Actual Opening Balance | Actual Transfer to | Actual Transfer (from) | Actual 2018 | Budget Opening Balance | Budget Transfer to | Budget Transfer (from) | Budget Closing Balance | Actual Opening Balance | Actual Transfer to | Actual Transfer (from) | Actual Closing Balance | Actual Opening Balance | Actual Transfer to | Actual Transfer (from) | Actual Closing Balance |
| Waste Management | \$ 527,664 | \$ 474,079 | \$ (345,459) | \$ 656,284 | \$ 801,635 | \$ 569,245 | \$ (393,209) | \$ 977,670 | \$ 530,390 | \$ 282,061 | \$ (284,787) | \$ 527,664 | | | | |
| Airport General | 5,736,144 | 849,446 | (502,251) | 6,083,339 | 5,496,028 | 715,654 | (1,142,089) | 5,069,593 | 5,269,556 | 867,081 | (400,493) | 5,736,144 | | | | |
| Plant and Equipment | 2,993 | 1,026,802 | (726,214) | 303,581 | 2,976 | 50,058 | - | 53,034 | 2,929 | 64 | - | 2,993 | | | | |
| Parking | 121,659 | 2,319 | - | 123,978 | 120,961 | 2,378 | - | 123,339 | 119,069 | 2,590 | (23,014) | 121,659 | | | | |
| Non-Potable water | 73,698 | 1,404 | - | 75,102 | 79,806 | 1,569 | (78,650) | 2,725 | 94,653 | 2,059 | (43,014) | 73,698 | | | | |
| East Kimberley Tourism | 150,637 | 12,871 | (3,452) | 160,056 | 154,427 | 13,036 | - | 167,463 | 141,902 | 13,086 | (4,351) | 150,637 | | | | |
| Foreshore | 340,709 | 102,082 | - | 442,791 | 291,023 | 101,233 | (155,000) | 237,256 | 283,301 | 100,483 | (43,075) | 340,709 | | | | |
| Staff Entitlement | 118,081 | 23,217 | - | 141,298 | 117,402 | 2,308 | - | 119,710 | 115,567 | 2,514 | - | 118,081 | | | | |
| Recreation Handcourts | 56,082 | 1,069 | - | 57,151 | 55,760 | 1,096 | - | 56,856 | 54,888 | 1,194 | - | 56,082 | | | | |
| Bio Security | 257,668 | 4,911 | - | 262,579 | 256,189 | 5,036 | - | 261,225 | 252,183 | 5,485 | - | 257,668 | | | | |
| Childcare | 178,727 | 14,980 | - | 193,707 | 177,123 | 14,724 | - | 191,847 | 162,677 | 17,322 | (1,272) | 178,727 | | | | |
| Parks | 333,287 | 6,351 | (60,863) | 278,775 | 331,374 | 6,514 | - | 337,888 | 326,192 | 7,095 | - | 333,287 | | | | |
| Footpaths | 292,046 | 5,565 | (11,404) | 286,207 | 290,369 | 5,708 | - | 296,077 | 285,829 | 6,217 | - | 292,046 | | | | |
| Asset Management | 1,002,180 | 21,020 | (398,801) | 624,399 | 958,700 | (32,978) | - | 925,722 | 974,981 | 189,143 | (161,944) | 1,002,180 | | | | |
| Goomig Farmlands Roads Reserve | 558,039 | 5,961 | - | 564,000 | 555,511 | 5,500 | - | 561,011 | 551,634 | 6,405 | - | 558,039 | | | | |
| Unspent Grants and Loans Reserve | 3,318,222 | 4,270,218 | (5,166,513) | 2,421,927 | 3,424,733 | 3,565,178 | (6,582,333) | 407,578 | 1,885,512 | 4,246,175 | (2,813,465) | 3,318,222 | | | | |
| Contiguous Local Authority Group (CLAG) | 3,831 | 3,595 | (4,935) | 2,491 | 11,589 | 3,228 | (14,817) | 0 | 461 | 20,737 | (17,367) | 3,831 | | | | |
| Kununurra Youth Hub | 23,751 | 28,147 | (3,738) | 48,160 | 24,039 | 18,997 | (4,300) | 38,736 | 9,125 | 18,482 | (3,856) | 23,751 | | | | |
| Regional Price Preference | 199,189 | 7,255 | (20,983) | 185,461 | - | 3,932 | - | 3,932 | - | 200,000 | (811) | 199,189 | | | | |
| Drainage Reserve | 208,183 | 482,687 | (10,289) | 680,581 | 192,331 | 416,651 | - | 608,982 | - | 208,183 | - | 208,183 | | | | |
| Capital Works Reserve | 2,264,501 | 2,438,916 | (2,742,322) | 1,961,095 | 1,390,177 | - | (1,390,177) | - | - | 2,264,501 | - | 2,264,501 | | | | |
| Municipal Property Revaluation Reserve | - | 15,000 | - | 15,000 | - | - | - | - | - | - | - | - | | | | |
| Election Expenditure Reserve | - | 20,000 | - | 20,000 | - | - | - | - | - | - | - | - | | | | |
| Property Reserve | - | 338,801 | - | 338,801 | - | - | - | - | - | - | - | - | | | | |
| Public Art Work Reserve | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | | | | |
| | 15,767,291 | 10,166,696 | (9,997,224) | 15,936,763 | 14,732,153 | 5,469,067 | (9,760,575) | 10,440,645 | 11,060,849 | 8,460,877 | (3,754,435) | 15,767,291 | | | | |

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

5. RESERVES - CASH BACKED (Continued)

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 | Anticipated date of use | Purpose of the reserve |
|---|-------------------------|--|
| Waste Management | on going | 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 | on going | This Reserve to provide operation, maintenance, renewal, upgrade of existing and new airport facilities within the Shire of Wyndham East Kimberley. |
| Plant and Equipment | on going | This Reserve is to provide for the plant management program. |
| Parking | on going | This Reserve is for the land purchase and/or the construction and maintenance of vehicle parking facilities within the Shire. |
| Non-Portable water | on going | This Reserve is for the development of non-potable water supply in Wyndham. |
| Civic buildings | on going | This Reserve is to provide for maintenance, renewal, upgrade of existing and new Civic Buildings within the Shire Wyndham East Kimberley. |
| East Kimberley Tourism | on going | To hold the lease payments from the East Kimberley Tourism House building in order to provide for the maintenance, renewal or upgrade of the building and to assist in funding expenditure that is of a strategic nature for the Kununurra Visitor Centre. |
| Foreshore | on going | 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 plan. |
| Staff Entitlement | on going | This Reserve is to provide for Shire employee's entitlements. |
| Recreation Hardcourts | on going | This Reserve is for the purpose of providing for future capital upgrades of Recreational Hardcourts. |
| Bio Security | on going | This Reserve is to hold funds for use in emergency situations that threatened the bio security of the East Kimberley. |
| Childcare | on going | This Reserve is to hold lease payments from the Kununurra Childcare Centre to provide for the the significant maintenance and renewal of the childcare building. |
| Parks | on going | 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 |
| Footpaths | on going | This Reserve is to hold developer contributions for construction of footpaths after housing construction is completed in new subdivisions. |
| Asset Management | on going | 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 | on going | This Reserve is to provide for the second coat seal of roads within the Goomig Farmlands. |
| Unspent Grants and Loans Reserve | on going | 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) | on going | 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 | on going | 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. |
| Regional Price Preference | on going | This reserve is to fund the regional price preference applied, if any, for the procurement of goods and/or services that are supplied by a Regional Business in accordance with Council policy CPFIN-3217 Regional Price Preference. |
| Drainage Reserve | on going | To provide for the maintenance, renewal, upgrade of existing and new drainage Infrastructure within the Shire of Wyndham East Kimberley. |
| Capital Works Reserve | on going | To ensure that funds allocated to Capital Works Projects remain available for future Capital Works if amounts are not expended at the end of a financial year. |
| Municipal Property Revaluation Reserve | on going | To hold funds for the expenditure relating to Municipal Property Revaluation conducted every 4 years. |
| Election Expenditure Reserve | on going | To hold funds for expenditure relating to Council Elections conducted every 2 years. |
| Property Reserve | on going | To ensure that funds received from the disposal of properties after settling any property debt, are retained within the reserve and are used for the acquisition of land and/or buildings or the development of land under the control of the Shire. |
| Public Art Work Reserve | on going | To receipt LandCorp contributions towards the ongoing maintenance of the public artwork in the Shire of Wyndham East Kimberley |

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

6. TRADE AND OTHER RECEIVABLES

Current

| |
|---------------------------------------|
| Rates outstanding |
| Sundry debtors |
| GST receivable |
| Prepayments |
| Accrued Income |
| Less: Provision for Doubtful Debts |
| Loans receivable - clubs/institutions |

Non-current

| |
|---------------------------------------|
| Rates outstanding - pensioners |
| Loans receivable - clubs/institutions |

Information with respect to the impairment or otherwise of the totals of rates outstanding and sundry debtors is as follows:

Rates outstanding

| |
|---------------------------|
| Includes: |
| Past due and not impaired |
| Impaired |

Sundry debtors

| |
|---------------------------|
| Includes: |
| Past due and not impaired |
| Impaired |

| | 2018 | 2017 |
|--|-----------|-----------|
| | \$ | \$ |
| | | |
| | 1,011,080 | 951,453 |
| | 1,332,517 | 1,078,600 |
| | 89,224 | 23,082 |
| | 118,625 | 25,779 |
| | 708,210 | 441,076 |
| | (404,618) | (261,411) |
| | 9,576 | - |
| | 2,864,614 | 2,258,579 |
| | | |
| | 29,574 | 22,773 |
| | 36,505 | - |
| | 66,079 | 22,773 |
| | | |
| | 708,498 | 799,041 |
| | 302,582 | 152,412 |
| | | |
| | 133,030 | 12,663 |
| | 102,036 | 108,999 |

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

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.

Classification and subsequent measurement

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.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

7. INVENTORIES

Current

Fuel and Materials

Non-current

Land held for resale - cost

Cost of acquisition

| | 2018 | 2017 |
|--|--------|--------|
| | \$ | \$ |
| | 8,732 | 14,702 |
| | 8,732 | 14,702 |
| | 46,283 | 46,283 |
| | 46,283 | 46,283 |

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for 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.

Land held for sale (Continued)

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.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

8 (a). PROPERTY, PLANT AND EQUIPMENT

| | 2018 | 2017 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Land and buildings | | |
| Land - freehold land at: | | |
| - Independent valuation 2017 - level 2 | 2,836,300 | 2,836,300 |
| - Independent valuation 2017 - level 3 | 7,186,500 | 7,186,500 |
| | 10,022,800 | 10,022,800 |
| Land - vested in and under the control of Council at: | | |
| - Independent valuation 2017 - level 3 | 3,725,700 | 3,725,700 |
| | 3,725,700 | 3,725,700 |
| Total land | 13,748,500 | 13,748,500 |
| Buildings - non-specialised at: | | |
| - Independent valuation 2017 - level 2 | 3,091,632 | 3,091,632 |
| - Independent valuation 2017 - level 3 | 9,955,075 | 9,955,075 |
| Less: accumulated depreciation | (521,357) | - |
| | 12,525,350 | 13,046,707 |
| Buildings - specialised at: | | |
| - Independent valuation 2017 - level 3 | 21,895,920 | 21,403,740 |
| Less: accumulated depreciation | (860,089) | - |
| | 21,035,831 | 21,403,740 |
| Land under control-buildings at: at: | | |
| - Independent valuation 2017 - level 3 | 3,256,037 | 3,256,037 |
| Less: accumulated depreciation | (138,102) | - |
| | 3,117,935 | 3,256,037 |
| | 36,679,116 | 37,706,484 |
| Total land and buildings | 50,427,616 | 51,454,984 |
| Furniture and equipment at: | | |
| - Independent valuation 2016 - level 3 | 538,813 | 538,813 |
| - Independent valuation 2016 - level 2 | 236,640 | 144,782 |
| Less: accumulated depreciation | (295,634) | (149,814) |
| | 479,819 | 533,781 |
| Plant and equipment at: | | |
| - Independent valuation 2016 - level 2 | 3,401,435 | 2,704,785 |
| - Independent valuation 2016 - level 3 | 1,897,949 | 1,953,949 |
| Less: accumulated depreciation | (793,718) | (420,367) |
| | 4,505,666 | 4,238,367 |
| Property, plant and equipment - work in progress at: | | |
| - Cost | 24,278 | 47,104 |
| | 24,278 | 47,104 |
| Total property, plant and equipment | 55,437,379 | 56,274,236 |

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

8. 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.

| | Land - freehold land | Land - vested in and under the control of Council | Total land | Buildings - non-specialised | Buildings - specialised | Land under control - buildings at: | Total buildings | Total land and buildings | Furniture and equipment | Plant and equipment | Property, plant and equipment - work in progress at: | Total |
|---|----------------------|---|-------------|-----------------------------|-------------------------|------------------------------------|-----------------|--------------------------|-------------------------|---------------------|--|-------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2016 | 12,737,000 | 3,108,474 | 15,845,474 | 13,576,061 | 26,016,688 | 3,937,845 | 43,530,594 | 59,376,068 | 582,713 | 4,352,864 | 300,947 | 64,612,592 |
| Additions | - | - | - | 33,434 | 62,297 | - | 95,731 | 95,731 | 55,882 | 556,951 | 44,675 | 753,239 |
| (Disposals) | - | - | - | - | - | - | - | - | - | (264,305) | - | (264,305) |
| Revaluation increments/ (decrements) transferred to revaluation surplus | (2,930,428) | 617,226 | (2,313,202) | 42,465 | (3,525,973) | (373,160) | (3,856,668) | (6,169,870) | - | - | - | (6,169,870) |
| Depreciation (expense) | - | - | - | (605,253) | (1,151,562) | (308,648) | (2,065,463) | (2,065,463) | (149,814) | (442,143) | - | (2,657,420) |
| Transfers | 216,228 | - | 216,228 | - | 2,290 | - | 2,290 | 218,518 | 45,000 | 35,000 | (298,518) | - |
| Carrying amount at 30 June 2017 | 10,022,800 | 3,725,700 | 13,748,500 | 13,046,707 | 21,403,740 | 3,256,037 | 37,706,484 | 51,454,984 | 533,781 | 4,238,367 | 47,104 | 56,274,236 |
| Additions | - | - | - | - | 447,505 | - | 447,505 | 447,505 | 91,858 | 1,081,620 | 21,849 | 1,642,832 |
| (Disposals) | - | - | - | - | - | - | - | - | - | (338,280) | - | (338,280) |
| Depreciation (expense) | - | - | - | (521,357) | (860,089) | (138,102) | (1,519,548) | (1,519,548) | (145,820) | (476,041) | - | (2,141,409) |
| Transfers | - | - | - | - | 44,675 | - | 44,675 | 44,675 | - | - | (44,675) | - |
| Carrying amount at 30 June 2018 | 10,022,800 | 3,725,700 | 13,748,500 | 12,525,350 | 21,035,831 | 3,117,935 | 36,679,116 | 50,427,616 | 479,819 | 4,505,666 | 24,278 | 55,437,379 |

8. 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 land | 2 & 3 | Market approach using recent observable market data for similar properties and improvements to land valued using cost approach using depreciated replacement cost. | Independent registered valuers | June 2017 | 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 - vested in and under the control of Council | 3 | Improvements to land valued using cost approach using depreciated replacement cost | Independent registered valuers | June 2017 | 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 & 3 | Market approach using recent observable market data for similar properties and current replacement cost using both observable and unobservable inputs. | Independent registered valuers | June 2017 | 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 - specialised | 3 | Current replacement cost using both observable and unobservable inputs. | Independent registered valuers | June 2017 | 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 & 3 | Market approach using recent observable market data for similar plant items and cost approach using depreciated replacement cost. | Independent registered valuers | June 2016 | Market price per item and purchase costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs. |
| Plant and equipment | 2 & 3 | Market approach using recent observable market data for similar plant items and cost approach using depreciated replacement cost. | Independent registered valuers | June 2016 | Market price per item and 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.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

9 (a). INFRASTRUCTURE

| | 2018 | 2017 |
|--|--------------------|--------------------|
| | \$ | \$ |
| Infrastructure - roads | | |
| - Management valuation 2018 - level 3 | 157,289,628 | - |
| - Management valuation 2015- level 3 | - | 136,793,471 |
| Less: accumulated depreciation | - | (4,536,661) |
| | 157,289,628 | 132,256,810 |
| Infrastructure - footpaths | | |
| - Management valuation 2018 - level 3 | 7,223,481 | - |
| - Management valuation 2015- level 3 | - | 6,483,627 |
| Less: accumulated depreciation | - | (229,675) |
| | 7,223,481 | 6,253,952 |
| Infrastructure - drainage | | |
| - Management valuation 2018 - level 3 | 7,508,651 | - |
| - Management valuation 2015- level 3 | - | 9,721,424 |
| Less: accumulated depreciation | - | (436,703) |
| | 7,508,651 | 9,284,721 |
| Infrastructure - other | | |
| - Management valuation 2018 - level 3 | 13,402,605 | - |
| - Independent valuation 2015 - level 3 | - | 15,773,556 |
| - Management valuation 2015- level 3 | - | 625,954 |
| Less: accumulated depreciation | - | (1,533,793) |
| | 13,402,605 | 14,865,717 |
| Airfields | | |
| - Management valuation 2018 - level 3 | 19,166,700 | - |
| - Independent valuation 2015 - level 3 | - | 1,801,511 |
| - Management valuation 2015 - level 3 | - | 18,393,926 |
| Less: accumulated depreciation | - | (1,125,322) |
| | 19,166,700 | 19,070,115 |
| Bridges | | |
| - Management valuation 2018 - level 3 | 25,166,659 | - |
| - Management valuation 2015- level 3 | - | 28,383,530 |
| Less: accumulated depreciation | - | (792,146) |
| | 25,166,659 | 27,591,384 |
| Infrastructure - work in progress | | |
| - Cost | 460,241 | 835,187 |
| | 460,241 | 835,187 |
| Total infrastructure | 230,217,965 | 210,157,886 |

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

9. 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.

| | Infrastructure - roads | Infrastructure - footpaths | Infrastructure - drainage | Infrastructure - other | Airfields | Bridges | Infrastructure - work in progress | Total Infrastructure |
|---|------------------------|----------------------------|---------------------------|------------------------|------------|-------------|-----------------------------------|----------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2016 | 134,711,145 | 6,045,926 | 9,309,669 | 15,106,133 | 19,405,153 | 27,986,912 | 138,027 | 212,702,965 |
| Additions | 1,130,757 | 293,415 | 154,287 | 478,596 | 230,786 | - | 811,766 | 3,099,607 |
| Impairment (losses)/reversals | (1,312,298) | - | - | - | - | - | - | (1,312,298) |
| Depreciation (expense) | (2,275,794) | (85,389) | (218,728) | (788,935) | (568,014) | (395,528) | - | (4,332,388) |
| Transfers | 3,000 | - | 39,493 | 69,923 | 2,190 | - | (114,606) | - |
| Carrying amount at 30 June 2017 | 132,256,810 | 6,253,952 | 9,284,721 | 14,865,717 | 19,070,115 | 27,591,384 | 835,187 | 210,157,886 |
| Additions | 10,879,158 | 132,249 | 1,567,133 | 165,468 | 48,483 | - | 104,839 | 12,897,330 |
| Revaluation increments/ (decrements) transferred to revaluation surplus | 16,010,756 | 922,520 | (3,207,860) | (832,784) | 614,246 | (2,054,229) | - | 11,452,649 |
| Depreciation (expense) | (2,227,124) | (85,240) | (219,410) | (795,796) | (566,144) | (396,186) | - | (4,289,900) |
| Transfers | 370,028 | - | 84,067 | - | - | 25,690 | (479,785) | - |
| Carrying amount at 30 June 2018 | 157,289,628 | 7,223,481 | 7,508,651 | 13,402,605 | 19,166,700 | 25,166,659 | 460,241 | 230,217,965 |

9. 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 | 2018 | 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 | 2018 | 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 | 2018 | 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 | Management valuation | 2018 | 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 | Management valuation | 2018 | 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 | 2018 | 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.

10. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

Revaluation

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

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

Land under control

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

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

Land under roads

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

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

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

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

10. FIXED ASSETS (Continued)

(a) Disposals of Assets

The following assets were disposed of during the year.

| | Actual Net Book Value | Actual Sale Proceeds | Actual Profit | Actual Loss | Budget Net Book Value | Budget Sale Proceeds | Budget Profit | Budget Loss |
|--------------------------------------|-----------------------------|----------------------------|------------------|----------------|-----------------------------|----------------------------|------------------|----------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Plant and Equipment | | | | | | | | |
| Transport | | | | | | | | |
| 65 HP Massey Ferguson 4225 | 8,878 | 4,651 | - | (4,227) | 9,250 | 8,000 | - | (1,250) |
| EHD 6' Slasher | 15,224 | 12,000 | - | (3,224) | - | 1,500 | 1,500 | - |
| Superior V19 Rotary Slasher | 7,618 | - | - | (7,618) | 6,724 | 8,000 | 1,276 | - |
| OptEX Desktop Explosives Trace Deter | 11,025 | - | - | (11,025) | - | - | - | - |
| OptEX Desktop Explosives Trace Deter | 11,025 | - | - | (11,025) | - | - | - | - |
| Metor 300 EMD Walk through Metal De | 15,785 | - | - | (15,785) | - | - | - | - |
| Economic services | | | | | | | | |
| Toyota Hilux Utility 4x4 Dual Cab | 9,670 | 10,009 | 339 | - | 11,510 | 12,000 | 490 | - |
| Other property and services | | | | | | | | |
| Toyota Landcruiser Utility 4x4 | - | - | - | - | 17,100 | 28,629 | 11,529 | - |
| Toyota Landcruiser Prado 4x4 GXL | 22,744 | 24,032 | 1,288 | - | 15,620 | 28,779 | 13,159 | - |
| Toyota Hilux Utility 4x4 Dual Cab | 13,481 | 10,009 | - | (3,472) | 10,194 | 19,822 | 9,628 | - |
| Toyota Landcruiser Utility 4x4 | 18,560 | 39,100 | 20,540 | - | 15,127 | 28,629 | 13,502 | - |
| Toyota Landcruiser Prado 4x4 GXL | 12,131 | 17,000 | 4,869 | - | 17,538 | 28,779 | 11,241 | - |
| Kubota BX2360DV Tractor | 12,185 | 8,000 | - | (4,185) | 12,706 | 7,894 | - | (4,812) |
| John Deere Backhoe Loader | 60,195 | 31,500 | - | (28,695) | 61,038 | 35,376 | - | (25,662) |
| Kubota M Series Tractor M135XDC | 48,367 | 30,219 | - | (18,148) | 51,760 | 41,410 | - | (10,350) |
| Toyota Hilux Utility 4x4 Dual Cab | 9,100 | 17,109 | 8,009 | - | - | - | - | - |
| Toyota Landcruiser Workmate Utility | 24,584 | 14,105 | - | (10,479) | - | - | - | - |
| Kubota M Series Tractor M9540DHC | 37,708 | 16,466 | - | (21,242) | - | - | - | - |
| | 338,280 | 234,200 | 35,045 | (139,125) | 228,567 | 248,818 | 62,325 | (42,074) |

(b) Depreciation

| | 2018 | 2017 |
|----------------------------------|-----------|-----------|
| | \$ | \$ |
| Buildings - non-specialised | 521,357 | 605,253 |
| Buildings - specialised | 860,089 | 1,151,562 |
| Furniture and equipment | 145,820 | 149,814 |
| Plant and equipment | 476,041 | 442,143 |
| Land under control-buildings at: | 138,102 | 308,648 |
| Infrastructure - roads | 2,227,124 | 2,275,794 |
| Infrastructure - footpaths | 85,240 | 85,389 |
| Infrastructure - drainage | 219,410 | 218,728 |
| Infrastructure - other | 795,796 | 788,935 |
| Airfields | 566,144 | 568,014 |
| Bridges | 396,186 | 395,528 |
| | 6,431,309 | 6,989,808 |

10. FIXED ASSETS (Continued)

(b) Depreciation (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

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

Depreciation rates

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

| Group | Class | Number of Years |
|-------------------------|-------------------|-----------------|
| Roads | | 10-120 |
| Drainage | Underground pipes | 75 |
| Airfields | | 16-120 |
| Bridges | Bridges | 100 |
| | Culverts | 100 |
| Footpaths | Footpath | 45-80 |
| Infrastructure-Other | | 10-120 |
| Building | | 7-140 |
| Furniture and Equipment | | 3-20 |
| Plant and Equipment | | 3-13 |

Depreciation (Continued)

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.

11. REVALUATION SURPLUS

| | 2018 | | 2018 | | 2018 | | 2018 | | 2017 | | 2017 | |
|--|-----------------|-----------------------|-------------------------|-------------------------|-----------------|-----------------|-----------------------|-------------------------|-----------------|--|------|--|
| | Opening Balance | Revaluation Increment | Revaluation (Decrement) | Movement on Revaluation | Closing Balance | Opening Balance | Revaluation Increment | Movement on Revaluation | Closing Balance | | | |
| Land and buildings | 21,005,274 | - | - | - | 21,005,274 | 27,175,144 | (6,169,870) | (6,169,870) | 21,005,274 | | | |
| Furniture and equipment | 107,344 | - | - | - | 107,344 | 107,344 | - | - | 107,344 | | | |
| Plant and equipment | 1,802,411 | - | - | - | 1,802,411 | 1,802,411 | - | - | 1,802,411 | | | |
| Revaluation surplus - Infrastructure - Roads | 96,945,284 | 16,010,756 | - | 16,010,756 | 112,956,040 | 98,257,582 | (1,312,298) | (1,312,298) | 96,945,284 | | | |
| Revaluation surplus - Infrastructure - footpaths | 5,194,129 | 922,520 | - | 922,520 | 6,116,649 | 5,194,129 | - | - | 5,194,129 | | | |
| Revaluation surplus - Infrastructure - drainage | 7,587,111 | - | (3,207,860) | (3,207,860) | 4,379,251 | 7,587,111 | - | - | 7,587,111 | | | |
| Revaluation surplus - Infrastructure - other | 1,632,392 | - | (832,784) | (832,784) | 799,608 | 1,632,392 | - | - | 1,632,392 | | | |
| Revaluation surplus - Airfields | 11,356,642 | 614,246 | - | 614,246 | 11,970,888 | 11,356,642 | - | - | 11,356,642 | | | |
| Revaluation surplus - Bridges | 28,023,440 | - | (2,054,229) | (2,054,229) | 25,969,211 | 28,023,440 | - | - | 28,023,440 | | | |
| | 173,654,027 | 17,547,522 | (6,094,873) | 11,452,649 | 185,106,676 | 181,136,195 | (7,482,168) | (7,482,168) | 173,654,027 | | | |

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Accrued interest on long term borrowings
Accrued salaries and wages
Accrued expenses

| | 2018 | 2017 |
|--|------------------|------------------|
| | \$ | \$ |
| | 1,414,689 | 1,037,763 |
| | 29,945 | 37,923 |
| | 282,311 | 256,139 |
| | 1,242,687 | 326,475 |
| | <u>2,969,632</u> | <u>1,658,300</u> |

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

Trade and other payables (Continued)

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

13. INFORMATION ON BORROWINGS

(a) Repayments - Borrowings

| Particulars | Principal 1 July 2017 | New Loans | Principal Repayments | | Principal 30 June 2018 | | Interest Repayments | |
|----------------------------------|--------------------------|--------------|-------------------------|-----------|---------------------------|-----------|------------------------|---------|
| | | | Actual | Budget | Actual | Budget | Actual | Budget |
| Governance | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Administration Building Land | 178,418 | - | 55,994 | 55,994 | 122,424 | 122,424 | 11,084 | 11,202 |
| Administration Building Loan | 1,490,986 | - | 248,529 | 248,530 | 1,242,457 | 1,242,456 | 63,878 | 67,457 |
| Administration Building | 1,234,740 | - | 138,694 | 138,694 | 1,096,046 | 1,096,046 | 41,764 | 59,526 |
| Education and welfare | | | | | | | | |
| Kununurra Childcare Centre | 175,290 | - | 66,928 | 66,928 | 108,362 | 108,362 | 9,589 | 13,157 |
| Housing | | | | | | | | |
| Staff Housing | 23,268 | - | 15,277 | 15,277 | 7,991 | 7,991 | 968 | 1,441 |
| Staff Housing | 46,686 | - | 14,993 | 14,994 | 31,693 | 31,692 | 1,822 | 2,034 |
| Community amenities | | | | | | | | |
| KNW Youth Centre | 33,805 | - | 33,805 | 33,805 | - | - | 1,815 | 1,815 |
| Liquid Waste Facility | 105,112 | - | 105,112 | 105,113 | - | - | 2,857 | 3,253 |
| Waste Management | 1,258,376 | - | 158,097 | 158,097 | 1,100,279 | 1,100,279 | 58,681 | 65,015 |
| Drainage | 92,801 | - | 11,659 | 11,659 | 81,142 | 81,142 | 4,326 | 4,804 |
| Recreation and culture | | | | | | | | |
| KNX Aquatic Centre Refurbishment | 130,011 | - | 85,358 | 85,357 | 44,653 | 44,654 | 5,406 | 8,053 |
| WYN Recreation Centre | 54,536 | - | 35,804 | 35,804 | 18,732 | 18,732 | 2,268 | 3,378 |
| Multi Purpose Courts | 91,457 | - | 44,464 | 44,464 | 46,993 | 46,993 | 4,812 | 5,551 |
| Kununurra Leisure Gym Equipment | - | 120,000 | 11,343 | - | 108,657 | - | 2,105 | - |
| Transport | | | | | | | | |
| Building and Infrastructure | 250,288 | - | 27,801 | 27,801 | 222,487 | 222,487 | 9,648 | 10,394 |
| | 5,165,774 | 120,000 | 1,053,858 | 1,042,517 | 4,231,916 | 4,123,257 | 221,023 | 257,080 |
| Self Supporting Loans | | | | | | | | |
| Recreation and culture | | | | | | | | |
| Ord River Sports Club | - | 50,000 | - | 2,128 | 50,000 | 47,872 | 604 | 996 |
| | - | 50,000 | - | 2,128 | 50,000 | 47,872 | 604 | 996 |
| | 5,165,774 | 170,000 | 1,053,858 | 1,044,645 | 4,281,916 | 4,171,129 | 221,627 | 258,076 |

Self supporting loans are financed by payments from third parties.

All other loan repayments were financed by general purpose revenue.

All loan repayments were financed by general purpose revenue.

Borrowings

Current
Non-current

| | 2018 | 2017 |
|-------------|-----------|-----------|
| | \$ | \$ |
| Current | 903,767 | 1,042,515 |
| Non-current | 3,378,149 | 4,123,259 |
| | 4,281,916 | 5,165,774 |

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

13. INFORMATION ON BORROWINGS (Continued)

(b) New Borrowings - 2017/18

| Particulars/Purpose | Amount Borrowed | | Institution | Loan Type | Term Years | Total Interest & Charges | | Interest Rate % | Amount (Used) | | Balance Unspent \$ |
|---------------------------------|-----------------|--------|-------------|-----------|------------|--------------------------|--------|-----------------|---------------|--------|--------------------|
| | Actual | Budget | | | | Actual | Budget | | Actual | Budget | |
| Old River Sports Club | 50,000 | 50,000 | WATC | Fixed | 5 | 604 | 2,71% | 50,000 | 50,000 | - | |
| Kununurra Leisure Gym Equipment | 120,000 | - | WATC | Fixed | 5 | 2,105 | 2,49% | 110,715 | - | 9,285 | |
| | 170,000 | 50,000 | | | | 2,709 | | 160,715 | 50,000 | 9,285 | |

(c) Unspent Borrowings

| Particulars | Date Borrowed | Unspent Balance 1 July 17 | Borrowed During Year | Expended During Year | Unspent Balance 30 June 18 | |
|---------------------------------|---------------|---------------------------|----------------------|----------------------|----------------------------|-----------|
| | | | | | 2018 | 2017 |
| Waste Management | 16-May-14 | 488,370 | - | (37,692) | 450,678 | |
| Drainage | 16-May-14 | 18,661 | - | (18,661) | - | |
| Kununurra Leisure Gym Equipment | 08-Dec-17 | - | 120,000 | (110,715) | 9,285 | |
| | | 507,031 | 120,000 | (167,068) | 459,963 | |
| | | | | | 2018 | 2017 |
| | | | | | \$ | \$ |
| | | | | | 2,500,000 | 2,500,000 |
| | | | | | - | - |
| | | | | | 55,000 | 55,000 |
| | | | | | (16,120) | (15,132) |
| | | | | | 2,539,880 | 2,539,868 |

(d) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit
Bank overdraft at balance date
Credit card limit
Credit card balance at balance date
Total amount of credit unused

Loan facilities

Loan facilities - current
Loan facilities - non-current
Total facilities in use at balance date
Unused loan facilities at balance date

| | |
|-----------|-----------|
| 903,767 | 1,042,515 |
| 3,378,149 | 4,123,259 |
| 4,281,916 | 5,165,774 |
| 459,963 | 507,031 |

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are recognised at fair value when the Shire becomes a party to the contractual provisions to the instrument. Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

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

Borrowing costs

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

14. PROVISIONS

Opening balance at 1 July 2017

Current provisions
Non-current provisions

Additional provision

Balance at 30 June 2018

Comprises

Current
Non-current

| | Provision for Annual Leave | Provision for Long Service Leave | Total |
|--------------------------------|----------------------------------|--|------------------|
| | \$ | \$ | \$ |
| Current provisions | 745,818 | 235,746 | 981,564 |
| Non-current provisions | - | 219,852 | 219,852 |
| | 745,818 | 455,598 | 1,201,416 |
| Additional provision | 74,376 | (33,082) | 41,294 |
| Balance at 30 June 2018 | 820,194 | 422,516 | 1,242,710 |
| Current | 820,194 | 234,829 | 1,055,023 |
| Non-current | - | 187,687 | 187,687 |
| | 820,194 | 422,516 | 1,242,710 |

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at

Other long-term employee benefits (Continued)

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

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

Provisions

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

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

15. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

| | 2018 Actual | 2018 Budget | 2017 Actual |
|--|----------------|----------------|----------------|
| | \$ | \$ | \$ |
| Reconciliation of Net Cash Provided By Operating Activities to Net Result | | | |
| Net result | 9,840,931 | 5,052,825 | 2,345,061 |
| Non-cash flows in Net result: | | | |
| Depreciation | 6,431,309 | 7,374,526 | 6,989,808 |
| (Profit)/loss on sale of asset | 104,080 | (20,251) | 80,805 |
| Changes in assets and liabilities: | | | |
| (Increase)/decrease in receivables | (603,260) | (27,434) | (616,739) |
| (Increase)/decrease in inventories | 5,970 | - | (126) |
| Increase/(decrease) in payables | 1,311,332 | 45,211 | (881,897) |
| Increase/(decrease) in provisions | 41,294 | - | (112,508) |
| Grants contributions for the development of assets | (11,800,587) | (11,448,756) | (2,039,576) |
| Net cash from operating activities | 5,331,069 | 976,121 | 5,764,828 |

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

| | 2018 | 2017 |
|-----------------------------|--------------------|--------------------|
| | \$ | \$ |
| Governance | 58,231 | 821,814 |
| General purpose funding | 2,688,983 | 821,814 |
| Law, order, public safety | 723,704 | 733,648 |
| Health | 81,403 | 90,911 |
| Education and welfare | 2,908,865 | 2,963,584 |
| Housing | 5,544,442 | 5,743,977 |
| Community amenities | 5,097,633 | 13,329,238 |
| Recreation and culture | 27,306,158 | 31,064,252 |
| Transport | 238,408,589 | 202,448,652 |
| Economic services | 2,042,964 | 2,066,224 |
| Other property and services | 9,131,219 | 10,710,429 |
| Unallocated | 13,525,660 | 15,782,774 |
| | 307,517,851 | 286,577,317 |

17. CONTINGENT LIABILITIES

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

18. CAPITAL COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

| | | |
|--------------------------------|-----------|---------|
| - capital expenditure projects | 2,313,831 | 418,136 |
| - plant & equipment purchases | 50,220 | 75,950 |

Payable:

| | | |
|---------------------------|-----------|---------|
| - not later than one year | 2,364,051 | 494,086 |
|---------------------------|-----------|---------|

| | 2018 | 2017 |
|--|------------------|----------------|
| | \$ | \$ |
| Kalumburu Road - re-sheet | 778,666 | 57,226 |
| Gibb River-Kalumburu Road | 284,019 | - |
| Air Conditioning at the East Kimberley Regional Airport | - | 32,605 |
| Footpath - Renewal | - | 94,500 |
| Wyndham Waste Water Treatment Facility | 10,909 | 7,280 |
| Medium plant - purchase price | - | 66,500 |
| Plant and Equipment - Wyndham Swimming Complex | 35,698 | - |
| Apron Lighting - East Kimberley Regional Airport Terminal | 10,750 | - |
| Carpark upgrade - East Kimberley Regional Airport | - | 615 |
| Building Upgrade - East Kimberley Regional Airport | - | 19,434 |
| Wyndham Multipurpose Court - Renewal/Upgrade | 27,273 | - |
| CCTV - East Kimberley Regional Airport | 3,773 | 9,450 |
| Construct Public Conveniences - Kununurra Agricultural Oval | - | 52,500 |
| Drainage Upgrade - Gambier Street, Wyndham | 137,672 | 541 |
| Duncan Road Resheet | - | 2,975 |
| Lake Argyle Road - Widening | 1,024,360 | 84,727 |
| Parking/Safety improvements Mangaloo St | - | 429 |
| Road and Drainage Upgrade - Nutwood & Rosewood and surrounds | 50,931 | 3,300 |
| Stormwater Management Strategy | - | 62,004 |
| | 2,364,051 | 494,086 |

19. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

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

| | 2018 Actual | 2018 Budget | 2017 Actual |
|------------------------------|----------------|----------------|----------------|
| | \$ | \$ | \$ |
| Meeting Fees | 146,788 | 103,833 | 154,366 |
| President's allowance | 30,195 | 30,315 | 13,233 |
| Deputy President's allowance | 7,549 | 7,579 | 3,867 |
| Travelling expenses | - | 1,000 | - |
| Telecommunications allowance | 14,854 | 14,913 | - |
| Child care expenses | - | 6,500 | 1,141 |
| | <u>199,386</u> | <u>164,140</u> | <u>172,607</u> |

Key Management Personnel (KMP) Compensation Disclosure

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

| | 2018 | 2017 |
|------------------------------|----------------|----------------|
| | \$ | \$ |
| Short-term employee benefits | 888,131 | 790,168 |
| Post-employment benefits | 97,249 | 87,350 |
| Other long-term benefits | 8,852 | 27,545 |
| Termination benefits | - | 87,494 |
| | <u>994,232</u> | <u>992,557</u> |

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

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

Transactions with related parties

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

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

The following transactions occurred with related parties:

| | 2018 | 2017 |
|---|---------|---------|
| | \$ | \$ |
| Purchase of goods and services | 242,649 | 118,891 |
| Community grants to controlled organisations. | 116,000 | 105,358 |

Related Parties

The Shire's main related parties are as follows:

Key management personnel

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

20. CONDITIONS OVER GRANTS/CONTRIBUTIONS

| Grant/Contribution | Opening | Received | Expended | Closing | Received | Expended | Closing |
|--|------------------------|------------------|--------------------|-------------------------|------------------|--------------------|---------------------|
| | Balance (1) 1/07/16 | 2016/17 | 2016/17 | Balance (1) 30/06/17 | 2017/18 | 2017/18 | Balance 30/06/18 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Health | | | | | | | |
| Mosquito Control Administration (FIMMWA) | - | 20,737 | (17,366) | 3,371 | 3,522 | (4,935) | 1,958 |
| Education and welfare | | | | | | | |
| Takeaway Alcohol Management System - Kimberley Zone | 12,447 | - | (12,447) | - | - | - | - |
| Community amenities | | | | | | | |
| Youth Services Wyndham (DCPFS) | - | 48,750 | (48,750) | - | 81,790 | (81,790) | - |
| Contribution to Local Planning Strategy | 3,959 | - | (3,959) | - | - | - | - |
| Wyndham Community Resource Centre (CRC) - Remote Indigenous Public Internet Access programme | 4,231 | - | (4,231) | - | - | - | - |
| Strategic land use Planning (KDC) | - | - | - | - | 72,000 | - | 72,000 |
| Recreation and culture | | | | | | | |
| Lily Creek Grant | - | 738,432 | (738,432) | - | - | - | - |
| Childrens Book Week | 5,100 | 4,995 | (5,100) | 4,995 | - | (2,646) | 2,349 |
| Kids in Sport | 2,095 | 6,000 | (8,095) | - | 6,000 | (2,515) | 3,485 |
| Wyndham Community Resource Centre (CRC) - Operational | - | 104,750 | (104,750) | - | - | - | - |
| Kununurra Swimming Complex | - | 34,273 | (34,273) | - | - | - | - |
| Wyndham Swimming Complex | - | 34,273 | (34,273) | - | - | - | - |
| Record Management Grant - Kimberley Zone | 8,492 | - | (8,492) | - | - | - | - |
| Writers Festival | 10,000 | 20,000 | (30,000) | - | 20,000 | (20,000) | - |
| Trails Plan | - | 25,000 | (25,000) | - | - | - | - |
| Design and Feasibility for Recreation Facility | - | 25,000 | (21,550) | 3,450 | - | (3,450) | - |
| Recreation Services - School Holiday Program | - | 3,000 | (3,000) | - | - | - | - |
| Club Development (DLGSC) | - | - | - | - | 40,000 | (18,069) | 21,931 |
| Wyndham Boat Ramp (DOT) | - | - | - | - | 57,340 | (57,340) | - |
| Transport | | | | | | | |
| Royalties for Regions - 2011/12 (CLGF) | 56,858 | 319 | (57,177) | - | - | - | - |
| Royalties for Regions - 2012/13 (CLGF) | 47,884 | 667 | (48,551) | - | - | - | - |
| Regional Road Group - Main Roads | 53,186 | 401,109 | (318,953) | 135,342 | 912,471 | (580,722) | 467,091 |
| Roads to Recovery | 793,015 | 248,000 | (662,404) | 378,611 | 2,321,019 | (1,556,843) | 1,142,787 |
| State Local Road Black Spot | 91,980 | 177,235 | (269,215) | - | 47,207 | (47,207) | - |
| Aboriginal Access Roads - Federal Grant (WALGGC) | 5,148 | - | (5,148) | - | - | - | - |
| Aboriginal Access Roads - Federal Grant (WALGGC) 2016/2017 | - | 304,000 | (28,101) | 275,899 | 326,000 | (459,579) | 142,320 |
| Aboriginal Access Roads - State Grant 2016/17 | - | 60,800 | (60,800) | - | 258,600 | (258,600) | - |
| Federal Bridges Grant 2016/17 | - | 110,000 | - | 110,000 | - | - | 110,000 |
| Goomig Farnlands Road (DRD) | 551,634 | 6,405 | - | 558,039 | - | - | 558,039 |
| Total | 1,646,029 | 2,373,745 | (2,550,067) | 1,469,707 | 4,145,949 | (3,093,696) | 2,521,960 |

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.

(4) - For the closing balance at 30 June 2018, the unspent balance of \$558,039 pertaining to the DRD grant and the unspent balance of \$1,958 per training to the FIMMWA Grant were transferred to the Goomig Farnlands road Reserve and the Contiguous Local Authority Group reserve respectively, with the balance of \$1,961,963 unspent grants being transferred to the Unspent Grants and Loans reserve.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

21. RATING INFORMATION

(a) Rates

| RATE TYPE | Differential general rate / general rate | Rate in \$ | Number of Properties | Value \$ | Rate Revenue \$ | Interim Rates \$ | Back Rates \$ | Total Revenue \$ | Budget Rate \$ | Budget Interim Rate \$ | Budget Back Rate \$ | Budget Total Revenue \$ |
|--|--|------------|----------------------|-------------|-----------------|------------------|---------------|------------------|----------------|------------------------|---------------------|-------------------------|
| | | | | | | | | | | | | |
| Gross rental valuations | | | | | | | | | | | | |
| GRV - Residential | | 0.0953 | 1,648 | 48,660,404 | 4,637,337 | 26,495 | - | 4,663,832 | 4,637,337 | - | - | 4,637,337 |
| GRV - Other Vacant | | 0.1430 | 30 | 512,500 | 73,288 | (1,176) | - | 72,112 | 73,288 | - | - | 73,288 |
| GRV - Commercial | | 0.1240 | 166 | 14,738,429 | 1,827,565 | (1,923) | - | 1,825,642 | 1,827,565 | - | - | 1,827,565 |
| GRV - Industrial | | 0.1144 | 169 | 9,064,655 | 1,036,997 | 7,676 | - | 1,044,673 | 1,036,997 | - | - | 1,036,997 |
| Unimproved valuations | | | | | | | | | | | | |
| UV - Rural Residential | | 0.0110 | 185 | 45,908,000 | 504,988 | - | - | 504,988 | 504,988 | - | - | 504,988 |
| UV - Pastoral | | 0.0570 | 22 | 5,885,880 | 335,495 | (7) | - | 335,488 | 335,495 | - | - | 335,495 |
| UV - Commercial/Industrial | | 0.0077 | 39 | 12,000,760 | 92,406 | 4,860 | 5,399 | 102,665 | 92,406 | - | - | 92,406 |
| UV - Rural Agriculture 1 | | 0.0116 | 79 | 60,482,309 | 701,595 | 6,064 | - | 707,659 | 701,595 | - | - | 701,595 |
| UV - Rural Agriculture 2 | | 0.0094 | 109 | 36,549,000 | 343,561 | - | - | 343,561 | 343,561 | - | - | 343,561 |
| UV - Mining | | 0.2821 | 36 | 1,625,193 | 458,467 | 16,230 | - | 474,697 | 458,467 | - | - | 458,467 |
| UV - Exploration and Prospecting | | 0.1411 | 25 | 388,690 | 54,844 | 370 | - | 55,214 | 54,844 | - | - | 54,844 |
| UV - Other | | 0.0065 | 3 | 8,525,000 | 55,413 | - | - | 55,413 | 55,413 | - | - | 55,413 |
| Sub-Total | | | 2,511 | 244,340,820 | 10,121,956 | 58,589 | 5,399 | 10,185,944 | 10,121,954 | - | - | 10,121,954 |
| Minimum payment | | | | | | | | | | | | |
| Minimum \$ | | | | | | | | | | | | |
| Gross rental valuations | | | | | | | | | | | | |
| GRV - Residential | | 1.112 | 43 | 369,570 | 47,816 | - | - | 47,816 | 47,816 | - | - | 47,816 |
| GRV - Other Vacant | | 1.112 | 95 | 326,450 | 105,640 | - | - | 105,640 | 105,640 | - | - | 105,640 |
| GRV - Commercial | | 1.112 | 20 | 1,111,725 | 22,240 | - | - | 22,240 | 22,240 | - | - | 22,240 |
| GRV - Industrial | | 1.112 | 7 | 30,875 | 7,784 | - | - | 7,784 | 7,784 | - | - | 7,784 |
| Unimproved valuations | | | | | | | | | | | | |
| UV - Rural Residential | | 1.112 | - | - | - | - | - | - | - | - | - | - |
| UV - Pastoral | | 1.112 | 1 | 17,471 | 1,112 | - | - | 1,112 | 1,112 | - | - | 1,112 |
| UV - Commercial/Industrial | | 1.112 | 20 | 320,200 | 22,240 | - | - | 22,240 | 22,240 | - | - | 22,240 |
| UV - Rural Agriculture 1 | | 1.112 | 1 | 10,000 | 1,112 | - | - | 1,112 | 1,112 | - | - | 1,112 |
| UV - Rural Agriculture 2 | | 1.112 | - | - | - | - | - | - | - | - | - | - |
| UV - Mining | | 1.112 | 31 | 45,669 | 34,472 | - | - | 34,472 | 34,472 | - | - | 34,472 |
| UV - Exploration and Prospecting | | 1.112 | 22 | 25,963 | 6,820 | - | - | 6,820 | 6,820 | - | - | 6,820 |
| UV - Other | | 1.112 | - | - | - | - | - | - | - | - | - | - |
| Sub-Total | | | 240 | 1,257,923 | 249,236 | - | - | 249,236 | 249,236 | - | - | 249,236 |
| Total amount raised from general rate | | | | | | | | | | | | |
| Ex-gratia rates | | | | | | | | | | | | |
| Totals | | | | | | | | | | | | |
| | | | 2,751 | 245,598,743 | 10,371,192 | 58,589 | 5,399 | 10,435,180 | 10,371,190 | - | - | 10,371,190 |
| | | | | | | | | 10,435,180 | | | | 10,371,190 |
| | | | | | | | | 5,679 | | | | 5,679 |
| | | | | | | | | 10,440,859 | | | | 10,376,869 |

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

21. RATING INFORMATION (Continued)

(b) Interest Charges & Instalments

| Instalment Options | Date Due | Instalment Plan | Instalment Plan | Unpaid Rates |
|---------------------|----------|-----------------|-----------------|---------------|
| | | Admin Charge | Interest Rate | Interest Rate |
| | | \$ | % | % |
| Option One | | | | |
| Single full payment | 08.09.17 | 0.00 | 0.00% | 9.00% |
| Option Two | | | | |
| First instalment | 08.09.17 | 11.80 | 5.50% | 9.00% |
| Second instalment | 12.01.18 | 11.80 | 5.50% | 9.00% |
| Option Three | | | | |
| First instalment | 08.09.17 | 11.80 | 5.50% | 9.00% |
| Second instalment | 10.11.17 | 11.80 | 5.50% | 9.00% |
| Third instalment | 12.01.18 | 11.80 | 5.50% | 9.00% |
| Fourth instalment | 16.03.18 | 11.80 | 5.50% | 9.00% |

| | 2018 | 2018 Budget |
|-----------------------------|----------------|----------------|
| | \$ | \$ |
| Interest on unpaid rates | 112,703 | 60,000 |
| Interest on instalment plan | 3,462 | 52,000 |
| Charges on instalment plan | 22,396 | 25,000 |
| | <u>138,561</u> | <u>137,000</u> |

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

22. NET CURRENT ASSETS

Composition of net current assets for
the purposes of the Rate Setting Statement

| | 2018 (30 June 2018 Carried Forward) | 2018 (1 July 2017 Brought Forward) | 2017 (30 June 2017 Carried Forward) |
|--|--|---|--|
| | \$ | \$ | \$ |
| Surplus/(Deficit) 1 July 17 brought forward | 2,834,174 | 1,828,734 | 1,828,734 |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | | | |
| Unrestricted | 2,933,354 | 1,207,071 | 1,207,071 |
| Restricted | 15,936,763 | 15,767,291 | 15,767,291 |
| Investments | | | |
| Financial assets -available for sale- non current | 6,682 | 6,682 | 6,682 |
| Receivables | | | |
| Rates outstanding | 1,011,080 | 951,453 | 951,453 |
| Sundry debtors | 1,332,517 | 1,078,600 | 1,078,600 |
| GST receivable | 89,224 | 23,082 | 23,082 |
| Prepayments | 118,625 | 25,779 | 25,779 |
| Accrued Income | 708,210 | 441,076 | 441,076 |
| Less: Provision for Doubtful Debts | (404,618) | (261,411) | (261,411) |
| Loans receivable - clubs/institutions | 9,576 | - | - |
| Inventories | | | |
| Fuel and Materials | 8,732 | 14,702 | 14,702 |
| LESS: CURRENT LIABILITIES | | | |
| Trade and other payables | | | |
| Sundry creditors | (1,414,689) | (1,037,763) | (1,037,763) |
| Accrued interest on long term borrowings | (29,945) | (37,923) | (37,923) |
| Accrued salaries and wages | (282,311) | (256,139) | (256,139) |
| Accrued expenses | (1,242,687) | (326,475) | (326,475) |
| Current portion of long term borrowings | (903,767) | (1,042,515) | (1,042,515) |
| Provisions | | | |
| Provision for annual leave | (820,194) | (745,818) | (745,818) |
| Provision for long service leave | (234,829) | (235,746) | (235,746) |
| Unadjusted net current assets | 16,821,723 | 15,571,946 | 15,571,946 |
| Adjustments | | | |
| Less: Reserves - restricted cash | (15,936,763) | (15,767,291) | (15,767,291) |
| Less: Loans receivable - clubs/institutions | (9,576) | - | - |
| Add: Current portion of long term borrowings | 903,767 | 1,042,515 | 1,042,515 |
| Employee liability not required to be funded | 1,055,023 | 981,564 | 981,564 |
| Adjusted net current assets - surplus/(deficit) | 2,834,174 | 1,828,734 | 1,828,734 |

Difference

There was no difference between the surplus/(deficit) 1 July 2017 brought forward position used in the 2018 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2017 audited financial report.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

23. 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 | |
|------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | \$ | \$ | \$ | \$ |
| Financial assets | | | | |
| Cash and cash equivalents | 18,870,117 | 16,974,362 | 18,870,117 | 16,974,362 |
| Investments | 6,682 | 6,682 | 6,682 | 6,682 |
| Receivables | 2,930,693 | 2,281,352 | 2,930,693 | 2,281,352 |
| | 21,807,492 | 19,262,396 | 21,807,492 | 19,262,396 |
| Financial liabilities | | | | |
| Payables | 2,969,632 | 1,658,300 | 2,969,632 | 1,658,300 |
| Borrowings | 4,281,916 | 5,165,774 | 4,206,016 | 5,232,666 |
| | 7,251,548 | 6,824,074 | 7,175,648 | 6,890,966 |

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.

Available for sale financial assets - based on quoted market prices at the reporting date.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

23. 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. Council has an Investment Policy and the Policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

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

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

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

The Shire manages these risks by diversifying its portfolio and only investing in investments authorised by Local Government (Financial Management) Regulation 19C.

| | 2018 | 2017 |
|---|-------------|-------------|
| Impact of a 10% (1) movement in price of investments | \$ | \$ |
| - Equity | 668 | 668 |
| - Statement of Comprehensive Income | 668 | 668 |
| Impact of a 1% (1) movement in interest rates on cash | | |
| - Equity | 188,701 | 169,744 |
| - Statement of Comprehensive Income | 188,701 | 169,744 |

Notes:

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

23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

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:

| | 2018 | 2017 |
|--|------|------|
| | % | % |
| Percentage of rates and annual charges | | |
| - Current | 0% | 0% |
| - Overdue | 100% | 100% |
| Percentage of other receivables | | |
| - Current | 89% | 87% |
| - Overdue | 11% | 13% |

23. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables and borrowings

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

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

| | Due within 1 year | Due between 1 & 5 years | Due after 5 years | Total contractual cash flows | Carrying values |
|-------------|-------------------|-------------------------|-------------------|------------------------------|-----------------|
| | \$ | \$ | \$ | \$ | \$ |
| 2018 | | | | | |
| Payables | 2,969,632 | - | - | 2,969,632 | 2,969,632 |
| Borrowings | 1,056,875 | 3,057,019 | 646,283 | 4,760,177 | 4,281,916 |
| | 4,026,507 | 3,057,019 | 646,283 | 7,729,809 | 7,251,548 |
| 2017 | | | | | |
| Payables | 1,658,300 | - | - | 1,658,300 | 1,658,300 |
| Borrowings | 1,237,019 | 3,357,415 | 1,444,133 | 6,038,567 | 5,165,774 |
| | 2,895,319 | 3,357,415 | 1,444,133 | 7,696,867 | 6,824,074 |

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:

| Year ended 30 June 2018 | <1 year | >1<2 years | >2<3 years | >3<4 years | >4<5 years | >5 years | Total | Weighted Average Effective Interest Rate |
|--|-----------|------------|------------|------------|------------|-----------|-----------|--|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | % |
| Borrowings | | | | | | | | |
| Fixed rate | | | | | | | | |
| Long term borrowings | 903,767 | 779,306 | 687,426 | 712,855 | 574,838 | 623,724 | 4,281,916 | 3.83% |
| Weighted average Effective interest rate | 4.30% | 3.97% | 3.66% | 3.67% | 3.66% | 3.46% | | |
| Year ended 30 June 2017 | | | | | | | | |
| Borrowings | | | | | | | | |
| Fixed rate | | | | | | | | |
| Long term borrowings | 1,042,984 | 863,195 | 745,888 | 653,149 | 677,697 | 1,182,861 | 5,165,774 | 3.99% |
| Weighted average Effective interest rate | 4.47% | 4.35% | 4.04% | 3.72% | 3.73% | 3.57% | | |

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

24. 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 2017 | Amounts Received | Amounts Paid | 30 June 2018 |
|--|-------------|------------------|--------------|--------------|
| | \$ | \$ | \$ | \$ |
| Housing Bond | - | 1,200 | (1,200) | - |
| Councillor Nomination Fees | 80 | 150 | (150) | 80 |
| ASIC - Airport Security Card | 4,200 | - | - | 4,200 |
| Footpath Bonds | 56,010 | 4,489 | (10,832) | 49,667 |
| Hall Hire Bonds - Kununurra Leisure Centre | 8,850 | 7,700 | (5,550) | 11,000 |
| Hall Hire Bonds - Peter Reid Memorial Hall | 920 | 7,040 | (5,150) | 2,810 |
| Wyndham Port Hall Bond | 10,000 | - | - | 10,000 |
| Wyndham Council Chamber Bond | - | 500 | (250) | 250 |
| Wyndham Oval Hire Bonds | 200 | - | - | 200 |
| Kununurra Youth Centre Bond | 1,050 | - | - | 1,050 |
| Other Trust Funds | 660 | 1,680 | (800) | 1,540 |
| Public Open Space Contributions | 456,480 | 16,820 | (3,586) | 469,714 |
| Building Services Levy | 10,014 | 15,114 | (12,665) | 12,463 |
| Building & Construction Industry Training Fund | 871 | 17,099 | (16,271) | 1,699 |
| Terminal Security Access Cards | 940 | 120 | (240) | 820 |
| Transport Clearing Account | - | 128,932 | (128,932) | - |
| Health Application Fee | 245 | - | - | 245 |
| | 550,520 | 200,844 | (185,626) | 565,738 |

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

25. 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 2019 | This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend on 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 into the 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 when AASB 16 is adopted. Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Shire, the impact is not expected to be significant. |

Notes:

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

25. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS (Continued)

| Title | Issued / Completed | Applicable (1) | Impact |
|--|--------------------|----------------|---|
| (iv) AASB 1058 Income of Not-for-Profit Entities | December 2016 | 1 January 2019 | <p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; - Leases entered into at below market rates; and - Volunteer services. |

Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Shire's operations.

Notes:

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

Adoption of New and Revised Accounting Standards

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

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

- | | | |
|------|---|----------------|
| (i) | AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities | 1 January 2017 |
| (ii) | AASB 2016-7 Amendments to Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities | 1 January 2017 |

26. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

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

27. ACTIVITIES/PROGRAMS

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

| PROGRAM NAME | OBJECTIVE | ACTIVITIES |
|------------------------------------|--|--|
| GOVERNANCE | To provide a decision making process for the efficient allocation of scarce resources | Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific Council services. |
| GENERAL PURPOSE FUNDING | To collect revenue to allow for the provision of services | Rates, general purpose Government grants and interest revenue. |
| LAW, ORDER, PUBLIC SAFETY | To provide services to help ensure a safer and environmentally conscious community. | Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services. |
| HEALTH | To provide an operational framework for environmental and community health. | Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance. |
| EDUCATION AND WELFARE | To provide services to disadvantaged persons, the elderly, children and youth. | Operation of youth services, day care centres and assistance to other voluntary services. |
| HOUSING | To provide and maintain staff and residential housing. | Provision of staff and residential housing. |
| COMMUNITY AMENITIES | To provide services required by the community. | 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 | To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community. | Maintenance of halls, aquatic centres, recreation centres and various reserves; operation of library and community development services. |
| TRANSPORT | To provide safe, effective and efficient transport services to the community. | Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, depot maintenance and provision and operation of airport services. |
| ECONOMIC SERVICES | To help promote the Shire and its economic wellbeing. | The regulation and provision of tourism, area promotion, building control, noxious weeds and vermin control. |
| OTHER PROPERTY AND SERVICES | To monitor and control Shire's overheads operating accounts. | Private works operation, plant repair and operations and administrative costs. |

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

28. FINANCIAL RATIOS

| | 2018 | 2017 | 2016 |
|-----------------------------------|--------|------|--------|
| Current ratio | 1.22 | 0.98 | 1.00 |
| Asset consumption ratio | 0.70 | 0.59 | 0.65 |
| Asset renewal funding ratio | 0.87 | 0.90 | * |
| Asset sustainability ratio | 1.61 | 0.31 | 0.53 |
| Debt service cover ratio | 3.68 | 5.97 | 2.10 |
| Operating surplus ratio | (0.10) | 0.02 | (0.27) |
| Own source revenue coverage ratio | 0.74 | 0.76 | 0.70 |

The above ratios are calculated as follows:

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

Notes:

Three of the ratios disclosed above were distorted by the early receipt of Financial Assistance Grants.

In addition, two of the ratios were impacted by revenue and expenses associated with flood damage re-instatement which is considered one-off in nature.

| | 2017/18 | 2016/17 | 2015/16 |
|--|-----------|-----------|-----------|
| | \$ | \$ | \$ |
| Amount of Financial Assistance Grant received during the year relating to the subsequent year. | 1,935,899 | 1,902,892 | - |
| Amount of Financial Assistance Grant received in prior year relating to current year. | 1,902,892 | - | 1,843,380 |
| Amount of reimbursement for flood damage received | - | - | - |
| Expenditure on flood damage re-instatement | - | - | 1,100,000 |

If the events detailed above did not occur, the impacted ratios in the 2018, 2017 and 2016 columns above would be as follows:

| | 2018 | 2017 | 2016 |
|-----------------------------------|--------|--------|--------|
| Current ratio | 0.81 | 0.44 | 1.00 |
| Debt service cover ratio | 3.65 | 4.47 | 4.40 |
| Operating surplus ratio | (0.11) | (0.09) | (0.10) |
| Own source revenue coverage ratio | 0.74 | 0.76 | 0.73 |

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF
THE SHIRE OF WYNDHAM-EAST KIMBERLEY**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

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Opinion

We have audited the accompanying financial report of the Shire of Wyndham-East Kimberley (the Shire), which comprises the Statement of Financial Position as at 30 June 2018, 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.

In our opinion, the financial report of the Shire of Wyndham-East Kimberley:

- a) is based on proper accounts and reports; and
- b) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

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

Emphasis of Matter – Basis of Preparation

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE COUNCILLORS OF THE SHIRE OF WYNDHAM-EAST KIMBERLEY (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF
THE SHIRE OF WYNDHAM-EAST KIMBERLEY (CONTINUED)**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- a) All required information and explanations were obtained by us.
- b) All audit procedures were satisfactorily completed in conducting our audit.
- c) In our opinion, the asset consumption ratio and the asset renewal ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

MATTERS RELATING TO THE ELECTRONIC PUBLICATION OF THE AUDITED FINANCIAL REPORT

This auditor's report relates to the annual financial report of the Shire of Wyndham-East Kimberley for the year ended 30 June 2018 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

MOORE STEPHENS
CHARTERED ACCOUNTANTS



GREG GODWIN
PARTNER

Date: 26 October 2018
Perth, WA



Baby Boob Tree Planting Ceremony 2018, Swim Beach, Lake Kununurra (Sarah Duguid Photography)

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SHIRE of WYNDHAM
EAST KIMBERLEY



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