ORDINARY COUNCIL MEETING

24 May 2022

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ATTACHMENT: CC01

Accounts for Payment – April 2022

Attachment 1
Accounts for Payment – April 2022

Shire of Irwin

List of Accounts paid April 2022 for presentation to the Council Meeting 24 May 2022

MUNICIPAL/(TRUST) PAYMENTS

EFT/CHQ #	DATE		DESCRIPTION	PAYMENTS
EFT28657	14/04/2022	TEANE EMMA ALLAN	REFUND	-769.33
EFT28658	14/04/2022	AUSTRALIAN TAXATION OFFICE - BAS	BAS RECONCILIATION MARCH 2022	-19,872.00
EFT28659	14/04/2022	AUSTRALASIAN PERFORMING RIGHT ASSOCIATION - ONEMUSIC AUSTRALIA	DRIVE IN LICENCE FEES	-102.27
EFT28660	14/04/2022	FLOW CONSULTING ENGINEERS	ANNUAL STAIRCASE INSPECTION AND REPORT	-4,950.00
EFT28661	14/04/2022	CONSTRUCTION TRAINING FUND	CONSTRUCTION TRAINING FUND RECONCILIATION	-369.35
EFT28662	14/04/2022	BEILBY DOWNING TEAL	EXECUTIVE RECRUITMENT SERVICES	-3,025.00
EFT28663	14/04/2022	BLACKWOODS	PURCHASE OF HEDGE TRIMMER	-299.00
EFT28664	14/04/2022	BRETT LEE JONES	REFUND	-360.00
EFT28665	14/04/2022	BRAND MECHANICAL SERVICES	PARTS AND REPAIRS TO HINO PRIME MOVER, ISUZU TRUCK AND SWEEPER AND SERVICE OF GROUNDMASTER MOWER	-1,363.96
EFT28666	14/04/2022	DEPARTMENT OF MINES INDUSTRY REGULATION AND SAFETY	BUILDING SERVICES LEVY RECONCILIATION	-538.21
EFT28667	14/04/2022	BULBECK ENVIRO	FINAL CLAIM - CONCEPT DESIGNS WASH BAY AT DEPOT	-4,303.75
EFT28668	14/04/2022	BOB WADDELL & ASSOCIATES	FINANCIAL CONSULTING SERVICES	-82.50
EFT28669	14/04/2022	CHARMAINE ELLAMES	REFUND	-251.23
EFT28670	14/04/2022	CLIMATE AUSTRALIA PTY LTD	PORTABLE EVAPORATIVE COOLER FOR CDS SHED AT TRANSFER STATION	-2,525.81
EFT28671	14/04/2022	TOLL	FREIGHT CHARGES	-53.20
EFT28672	14/04/2022	DALLYWATER CONSULTING	EHO CONTRACT CONSULTANCY SERVICES	-21,477.42
EFT28673	14/04/2022	DC TWO PTY LTD	VOIP CHARGES	-1,078.00
EFT28674	14/04/2022	DONGARA FREIGHT	FREIGHT CHARGES	-357.50
EFT28675	14/04/2022	LANDGATE - WESTERN AUSTRALIAN LAND INFORMATION AUTHORITY	MINING TENEMENTS CHARGEABLE	-41.30
EFT28676	14/04/2022	DONGARA BOBCAT & CONTRACTING SERVICES	TWO GRAVE DIGS AND CLEARING OF MILO CROSSING	-1,298.00
EFT28677	14/04/2022	DONGARA DRILLING & ELECTRICAL	ELECTRICAL REPAIRS TO IRWIN FIRE SHED AND PLUMBING'S CONSUMABLES	-427.05
EFT28678	14/04/2022	DONGARA LOCAL RAG	ADVERTISING	-230.00
EFT28679	14/04/2022	DONGARA HOTEL MOTEL	CATERING	-287.00
EFT28680	14/04/2022	DANIELLE THERESE CARTER	REFUND	-399.51
EFT28681	14/04/2022	EASY AUTO CARE	REPAIRS TO HOLDEN COLORADO	-635.45
EFT28682	14/04/2022	EFTSURE	SET UP FEE FOR EFTSURE PROGRAM	-2,750.00
EFT28683	14/04/2022	FIRST HEALTH SERVICES	PRACTISE MANAGEMENT SUPPORT SERVICES - MEDICAL CENTRE	-12,833.33
EFT28684	14/04/2022	FIVESTAR BUSINESS SOLUTIONS & INNOVATION	PRINTER CHARGES - ADMIN, REC CENTRE AND LIBRARY	-584.89
EFT28685	14/04/2022	CITY OF GREATER GERALDTON	MERU WASTE DISPOSAL	-13,974.80
EFT28686	14/04/2022	GLASS CO WA	GLASS/SECURITY REPAIRS AT COMMUNITY RESOURCE CENTRE	-501.05
EFT28687	14/04/2022	MOORE AUSTRALIA (WA) PTY LTD	REGISTRATION FOR FINANCIAL REPORTING WORKSHOPS	-3,993.00
EFT28688	14/04/2022	INTEGRATED ICT	PRINTER FOR MEDICAL CENTRE AND JAMF LICENSE RENEWAL	-2,239.80
EFT28689	14/04/2022	INCITE SECURITY	QUARTERLY MONITORING SERVICE FEE - REC CENTRE	-181.50
EFT28690	14/04/2022	IRWIN SHIRE - RATES	PAYROLL DEDUCTIONS	-890.00
EFT28691	14/04/2022	JASON SIGNMAKERS	GRANT SIGNAGE	-207.59
EFT28692	14/04/2022	JOCKS BOBCAT & TRUCK HIRE	SAND FOR NEW PLAYGROUND AT DRIVE INS	-2,272.60
EFT28693	14/04/2022	BRYAN HENDRICK KLEINSMAN	CLEAN-UP AT DEPOT FOR PIPE STAND AND NEW WATER PIPES	-330.00
EFT28694	14/04/2022	LG BEST PRACTICES	OUTSOURCED RATES & PAYROLL	-32,967.00
EFT28695	14/04/2022	NODE 1 PTY LTD	NBN FIBRE CONNECTION FEE	-179.90
EFT28696	14/04/2022	SHIRE OF IRWIN - LOTTO FUND	PAYROLL DEDUCTIONS	-75.00
EFT28697	14/04/2022	MARKS WATERTRUCK	WATERTRUCK FOR WORKS ON BURMA ROAD & PIGGERY LANE AND FILL WATER TANK ON KAILIS DRIVE	-4,664.00
EFT28698	14/04/2022	METRO COUNT VEHICLE CLASSIFIER SYSTEMS	SUPPLY OF MATERIALS FOR ROAD CLASSIFIERS	-1,485.00
EFT28699	14/04/2022	MIDWEST FIRE PROTECTION & SAFETY SERVICES	MONTHLY SERVICING OF FIRE EQUIPMENT AT REC CENTRE	-176.00
EFT28700	14/04/2022	MIDWEST PEST MANAGEMENT	ADDITIONAL SPRAYING FOR WEED CONTROL AT TRANSFER STATION, RURAL AND TOWN ROADS	-11,318.00
EFT28701	14/04/2022	MIDWEST SOLAR AND WATER	PLUMBING REPAIRS AT DONGARA OVAL AND THE VILLAGE	-1,689.50
EFT28702	14/04/2022	NOVUS AUTOGLASS REPAIRS & REPLACEMENT	SUPPLY, TINT AND FIT LEFT SIDE WINDOW WITH SEAL TO GRADER INCLUDES TRAVEL TO SITE	-2,380.00
EFT28703	14/04/2022	OCLC (UK) LTD	AMLIB MAINTENANCE	-692.82
EFT28704	14/04/2022	ORBIT HEALTH & FITNESS SOLUTIONS PTY LTD	REPAIR OF TREADMILLS AT REC CENTRE GYM	-5,229.96
EFT28705	14/04/2022	PEMCO DIESEL	PARTS FOR HINO PRIME MOVER	-100.32
EFT28706	14/04/2022	POSITION PARTNERS PTY LTD	TOKARA SURVEY EQUIPMENT & HARDWARE MAINTENANCE RENEWALS	-1,864.50
EFT28707	14/04/2022	E & MJ ROSHER PTY LTD	PARTS FOR AMAZONE GROUNDKEEP	-2,047.34
EFT28708	14/04/2022	THURKLE'S EARTHMOVING & MAINTENANCE	PUSH UP GRAVEL FOR WORKS ON PINCHERS LANE	-4,449.50
EFT28709	14/04/2022	TYREPOWER LIMITED	SUPPLY AND FIT TYRES ON FORD RANGER	-592.33
EFT28710	14/04/2022	VANGUARD PRESS	BROCHURE DISPLAY, TRANSPORT, HANDLING AND WAREHOUSING FEE	-333.74
EFT28711	14/04/2022	WELL DONE INTERNATIONAL	CALL CENTRE CHARGES	-482.90
EFT28712	14/04/2022	WESTRAC EQUIPMENT	SERVICE AND REPAIRS TO CAT GRADER AND CAT ROLLER	-2,326.22
EFT28713	14/04/2022	ON HOLD ON LINE	MONTHLY ON HOLD MESSAGES	-231.00
EFT28714	14/04/2022	WHITNEY CONSULTING	FORESHORE FUNDING - SUMMARY PITCH DOCUMENT	-2,728.00
EFT28715	14/04/2022	YOUNG MOTORS PTY LTD	SERVICE OF HOLDEN COLORADO'S	-967.39
EFT28716	14/04/2022	WINC AUSTRALIA PTY LTD	PRINTER CHARGES - DEPOT	-346.18
EFT28717	27/04/2022	AUTUMN CRAFT ROUND UP COMMITTEE INC	COMMUNITY ASSISTANCE SCHEME	-4,000.00
EFT28718	27/04/2022	AMY CHADBOURNE	COMMUNICATION / MEDIA CONSULTANCY	-3,780.00
EFT28719	27/04/2022	ATOM	WORKSHOP SUPPLIES	-1,742.37
EFT28720	27/04/2022	DONGARA GUARDIAN PHARMACY	RAPID ANTIGEN TESTS	-499.95
EFT28721	27/04/2022	BOB WADDELL & ASSOCIATES	FINANCIAL CONSULTING SERVICES	-660.00
EFT28722	27/04/2022	TOLL	FREIGHT CHARGES	-76.92
EFT28723	27/04/2022	CENTRAL WEST PUMP SERVICE	POLE PUMP FOR DEPOT STANDPIPE TANKS	-2,706.00

Shire of Irwin

List of Accounts paid April 2022 for presentation to the Council Meeting 24 May 2022

MUNICIPAL/(TRUST) PAYMENTS

EFT/CHQ #	DATE		DESCRIPTION	PAYMENTS
EFT28724	27/04/2022	DIAL BEFORE YOU DIG	QUARTERLY REFERRAL FEE	-335.15
EFT28725	27/04/2022	DELTA CLEANING SERVICES	CLEANING CONTRACT	-14,835.83
EFT28726	27/04/2022	DONGARA FENCING	SUPPLY AND INSTALL SUPPORT FRAME FOR THE CONTAINERS FOR CHANGE BANNER	-1,375.00
EFT28727	27/04/2022	DONGARA BODY BUILDERS	HEAVY PLANT AND TRAILER SERVICING - APRIL 2022	-1,821.60
EFT28728	27/04/2022	DONGARA BUILDING & TRADE SUPPLIES	PARKS, GARDENS, BUILDING MAINTENANCE AND ROAD SUPPLIES	-989.79
EFT28729	27/04/2022	DONGARA DRILLING & ELECTRICAL	ANNUAL RCD AND SMOKE ALARM CHECK AT SHIRE INFRASTRUCTURE AND REPAIRS TO TOWN PARK LIGHTS	-2,830.66
EFT28730	27/04/2022	DONGARA HARDWARE	WATER FOR DEPOT, ADMIN, LIBRARY, REC CENTRE & TRANSFER STATION	-261.00
EFT28731	27/04/2022	TYREPOWER DONGARA	BATTERIES FOR TOYOTA LANDCRUISER LIGHT TANKER AND IRWIN BUSH FIRE BRIGADE	-386.00
EFT28732	27/04/2022	DONGARA TREE SERVICES	REMOVE DEAD TREE IN TOWN PARK	-495.00
EFT28733	27/04/2022	ELEMENT ADVISORY PTY LTD	LOCAL PLANNING STRATEGY - KEY ITEMS COUNCIL WORKSHOP	-14,443.93
EFT28734	27/04/2022	CITY OF GREATER GERALDTON	MERU WASTE DISPOSAL & BUILDING CERTIFICATION SERVICES	-6,391.41
EFT28735	27/04/2022	REFUEL AUSTRALIA	FUEL CARD PURCHASES	-2,197.29
EFT28736	27/04/2022	GHD PTY LTD	CONSULTANCY SERVICES FOR THE BLENHEIM ROAD BLACK SPOT PROJECT	-2,861.01
EFT28737	27/04/2022	GLASS CO WA	GLASS/SECURITY REPAIRS AT UNIT 8 THE VILLAGE	-135.94
EFT28738	27/04/2022	INCITE SECURITY	QUARTERLY MONITORING SERVICE - ADMIN AND REC CENTRE	-313.50
EFT28739	27/04/2022	IRWIN SHIRE - RATES	PAYROLL DEDUCTIONS	-890.00
EFT28740	27/04/2022	KLEENHEAT GAS	GAS BOTTLE CYLINDER RENTAL CHARGE - 2 KENNEDY HEIGHTS	-85.80
EFT28741	27/04/2022	KOMATSU AUSTRALIA PTY LTD	SERVICE OF KOMATSU LOADER	-2,732.60
EFT28742	27/04/2022	MIDWEST AUTO GROUP	DIAGNOSTICS ON FORD RANGER	-135.99
EFT28743	27/04/2022	SHIRE OF IRWIN - LOTTO FUND	PAYROLL DEDUCTIONS	-78.00
EFT28744	27/04/2022	MARSDEN'S BECKENHAM TRANSPORT PTY LTD	FREIGHT CHARGES	-234.03
EFT28745	27/04/2022	MARKS WATERTRUCK	WATERTRUCK FOR WORKS ON PIGGERY LANE	-5,142.50
EFT28746	27/04/2022	MIDWEST MOWERS & SMALL ENGINES	REPAIRS TO HEDGE TRIMMER	-189.00
EFT28747	27/04/2022	MIDWEST SOLAR AND WATER	PLUMBING REPAIRS AT BOWLING CLUB AND THE VILLAGE	-844.30
EFT28748	27/04/2022	CLEANPAK TOTAL SOLUTIONS	HAND TOWEL DISPENSER FOR COUNCIL CHAMBERS KITCHEN	-127.18
EFT28749	27/04/2022	ONSHORE CABINETS AND FURNITURE	REPLACE AND INSTALL NEW VANITY TOP TO UNIT 33 THE VILLAGE	-285.00
EFT28750	27/04/2022	OUTBACK VEGETATION CONTROL	SPRAY TRANSFER STATION FOR DONGARA DAISY AND WEEDS	-1,210.00
EFT28751	27/04/2022	PEMCO DIESEL	PARTS FOR HINO PRIME MOVER	-48.99
EFT28752	27/04/2022	SADDLEWORTH FARMS	GRAVEL FOR WORKS ON CASUARINA'S ROAD	-16,500.00
EFT28753	27/04/2022	TERRA FORM CONTRACTING	MULCH VEGETATION ON POINT LEANDER DRIVE	-2,750.00
EFT28754	27/04/2022	TOTALLY WORKWEAR GERALDTON	PROTECTIVE CLOTHING	-854.04
EFT28755	27/04/2022	CLEANAWAY CO PTY LTD	RESIDENTIAL, COMMERCIAL AND STREET 240LT AND FRONT LIFT COLLECTION INCLUDING TRANSFER STATION	-26,225.44
EFT28756	27/04/2022	WESTRAC EQUIPMENT	PARTS FOR CAT DOZER	-1,727.38
EFT28757	27/04/2022	YOUNG MOTORS PTY LTD	SERVICE ON HOLDEN COLORADO AND HOLDEN TRAILBLAZER	-1,232.35
32102	14/04/2022	DEREK WILLIAM ELSEGOOD	REFUND	-693.78
32103	14/04/2022	ROBERT WILLIAM KENDRICK	REFUND	-550.23
32104	14/04/2022	SHIRE OF BRIDGETOWN-GREENBUSHES	LONG SERVICE LEAVE LIABILITY	-3,676.32
32105	28/04/2022	SHIRE OF IRWIN	CONTAINER DEPOSIT SCHEME	-875.00
DD21525.1	08/04/2022	TELSTRA AUSTRALIA	DATA CHARGES- MEDICAL CENTRE - FAIL OVER SIM	-583.20
DD21534.1	26/04/2022	TELSTRA AUSTRALIA	FREE WIFI DATA CHARGES	-80.00
DD21511.1	01/04/2022	WA TREASURY CORPORATION	LOAN 98 - PLANT PURCHASES	-70,443.41
DD21513.1	07/04/2022	WA TREASURY CORPORATION	LOAN 93 - RECREATION CENTRE	-20,727.35
DD21516.1	19/04/2022	WA TREASURY CORPORATION	LOAN 102 DENISON BOWLING CLUB - SSL	-19,152.64
DD21517.1	19/04/2022	WA TREASURY CORPORATION	LOAN 100 - AGED APPROPRIATE HOUSING	-27,189.11
SOL 04/22	19/04/2022	SHINE TECH SOLAR	SOLAR REPAYMENT APRIL 2022	-1,947.66
CR 040422	04/04/2022	NAB BUSINESS VISA	NAB BUSINESS VISA TRANSACTIONS INCLUDING ANNUAL FEE FOR WEATHER MACHINES, FACE MASKS, WATER COOLERS FOR DEPOT & TRANSFER STATION, LAPTOP FOR ICT SUPERVISOR, OTTOMAN FOR LIBRARY AND REC CENTRE EXPENSES	-4,680.31
DD21529.1	11/04/2022	PEERMONT HOLDINGS PTY LTD	LAND USE AGREEMENT	-1,041.66
DD21527.1	11/04/2022	SIMON TIMOTHY CAMPBELL	RENTAL CHARGES	-1,300.00
DD21532.1	26/04/2022	SIMON TIMOTHY CAMPBELL	RENTAL CHARGES	-1,300.00
DD21473.1	01/04/2022	AMP INVESTMENT LINKED PERSONAL SUPERANNUATION PLAN	SUPERANNUATION	-159.81
DD21473.2	01/04/2022	ASGARD SUPERANNUATION	SUPERANNUATION	-240.68
DD21473.3	01/04/2022	AUSTRALIAN SUPER	SUPERANNUATION	-1,501.71
DD21473.4	01/04/2022	AWARE SUPER PTY LTD	SUPERANNUATION	-11,603.32
DD21473.5	01/04/2022	EQUIPSUPER SUPERANNUATION FUND	SUPERANNUATION	-156.91
DD21473.6	01/04/2022	HOSTPLUS	SUPERANNUATION	-610.52
DD21473.7	01/04/2022	MLC SUPER FUND	SUPERANNUATION	-1,410.46
DD21473.8	01/04/2022	THE M & L OLSEN SUPERANNUATION FUND	SUPERANNUATION	-87.05
DD21473.9	01/04/2022	AMP CORPORATE SUPER - SIGNATURE SUPER	SUPERANNUATION	-155.60
DD21520.1	14/04/2022	AMP INVESTMENT LINKED PERSONAL SUPERANNUATION PLAN	SUPERANNUATION	-168.05
DD21520.2	14/04/2022	ASGARD SUPERANNUATION	SUPERANNUATION	-241.00
DD21520.3	14/04/2022	AUSTRALIAN SUPER	SUPERANNUATION	-1,931.27
DD21520.4	14/04/2022	AWARE SUPER PTY LTD	SUPERANNUATION	-11,498.66
DD21520.5	14/04/2022	EQUIPSUPER SUPERANNUATION FUND	SUPERANNUATION	-131.12
DD21520.6	14/04/2022	HOSTPLUS	SUPERANNUATION	-529.11
DD21520.7	14/04/2022	MLC SUPER FUND	SUPERANNUATION	-1,425.62

Shire of Irwin

List of Accounts paid April 2022 for presentation to the Council Meeting 24 May 2022

MUNICIPAL/(TRUST) PAYMENTS

EFT/CHQ #	DATE	DESCRIPTION	PAYMENTS
DD21520.8	14/04/2022 THE M & L OLSEN SUPERANNUATION FUND	SUPERANNUATION	-93.54
DD21520.9	14/04/2022 AMP CORPORATE SUPER - SIGNATURE SUPER	SUPERANNUATION	-179.64
			-493,977.69

Sundry Creditors as at 30/04/2022 **31,203.05**

The Payments included in the above list of Accounts Paid, have been authorised by the Chief Executive Officer under delegation from Council.

13/5/22
DATE

Shane Ivers
Chief Executive Officer

Shire of Irwin

Corporate Credit Card Expenditure - Payment Reference CR 040422

S.Ivers Credit Card Expenses		
Spotify	Rec Centre Gym Music	$ 11.99
Davis Instruments	Annual Fee -Weather Machines	$ 242.00
NAB	Card Fee	$ 9.00
		$ 262.99
D.Chandler Credit Card Expenses		
PPE Tech	Face Masks	$ 399.95
Links Modular	Program - Rec Centre	$ 205.02
Modern Teaching Aids	Ottoman Library	$ 399.85
Officeworks	Water Cooler - Depot	$ 194.95
Officeworks	Water Cooler - Transfer Station	$ 194.95
Cung Huynh Pty Ltd	Catering	$ 16.80
Australia Day Council	Australia Day Bundle	$ 670.00
Dell Australia Pty	Laptop - ICT Supervisor	$ 2,326.80
NAB	Card Fee	$ 9.00
		$ 4,417.32
TOTAL PAYMENT TO CORPORATE CREDIT CARD ACCOUNT		$ 4,680.31

ATTACHMENT: CC02

Monthly Financial Statements for the Period Ended 30 April 2022

Attachment 1
Monthly Financial Statements for the Period Ended 30 April 2022

SHIRE OF IRWIN

MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 30 April 2022

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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SHIRE OF IRWIN

KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 30 APRIL 2022

NATURE OR TYPE DESCRIPTIONS

REVENUE

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

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS
Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS
Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

PROFIT ON ASSET DISPOSAL
Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

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

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

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

OTHER REVENUE / INCOME
Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

EXPENSES

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

MATERIALS AND CONTRACTS
All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)
Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

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

LOSS ON ASSET DISPOSAL
Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS
Depreciation expense raised on all classes of assets.

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

OTHER EXPENDITURE
Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

SHIRE OF IRWIN
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2022

BY NATURE OR TYPE

	Note	Annual Budget	Revised Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. $ (b)-(a)	Var. % (b)-(a)/(a)	Var. ▲▼	Significant Var. S
		$	$	$	$	$	%		
Opening Funding Surplus (Deficit)	1	808,457	926,109	926,109	**926,109**	0	0%		
Revenue from operating activities									
Rates	6	5,645,606	5,667,835	4,720,690	**5,672,280**	951,590	20%	▲	S
Operating Grants, Subsidies and Contributions	12	791,224	870,224	692,117	**1,283,786**	591,669	85%	▲	S
Fees and Charges		2,063,150	2,156,480	1,865,470	**1,955,993**	90,523	5%	▲	
Service Charges		0	0	0	**0**	0			
Interest Earnings		45,478	47,478	42,418	**49,219**	6,801	16%	▲	
Other Revenue		191,000	212,245	175,810	**152,646**	(23,164)	(13%)	▼	S
Profit on Disposal of Assets	7	100,000	72,810	60,670	**10,310**	(50,360)	(83%)	▼	S
Gain FV Valuation of Assets		0	0	0	**0**	0			
		8,836,458	**9,027,073**	**7,557,175**	**9,124,233**				
Expenditure from operating activities									
Employee Costs		(2,947,371)	(2,637,266)	(2,195,475)	**(2,438,451)**	(242,976)	(11%)	▼	S
Materials and Contracts		(2,953,769)	(3,853,192)	(3,211,676)	**(2,686,386)**	525,290	16%	▲	S
Utility Charges		(356,800)	(330,800)	(281,660)	**(320,029)**	(38,369)	(14%)	▼	S
Depreciation on Non-Current Assets		(4,373,611)	(4,402,473)	(3,668,620)	**(3,725,411)**	(56,791)	(2%)	▼	
Interest Expenses		(228,839)	(228,839)	(184,828)	**(154,750)**	30,078	16%	▲	S
Insurance Expenses		(210,188)	(212,769)	(203,323)	**(230,088)**	(26,765)	(13%)	▼	S
Other Expenditure		(206,416)	(189,616)	(144,722)	**(144,507)**	215	0%	▲	
Loss on Disposal of Assets	7	0	(1,363)	(1,130)	**(1,363)**	(233)	(21%)	▼	
Loss FV Valuation of Assets		0	0	0	**0**	0			
		(11,276,994)	**(11,856,318)**	**(9,891,434)**	**(9,700,984)**				
Operating activities excluded from budget									
Add back Depreciation		4,373,611	4,402,473	3,668,620	**3,725,411**	56,791	2%	▲	
Adjust (Profit)/Loss on Asset Disposal	7	(100,000)	(71,447)	(59,540)	**(8,947)**	50,593	(85%)	▲	
Movement in Leave Reserve (Added Back)		190,418	96,107	340	**412**	72	21%	▲	
Movement in Deferred Pensioner Rates/ESL		0	0	0	**0**	0			
Movement in Employee Benefit Provisions		0	0	0	**0**	0			
Rounding Adjustments		0	0	0	**0**	0			
Movement Due to Changes in Accounting Standards		0	0	0	**0**	0			
Loss on Asset Revaluation		0	0	0	**0**	0			
Adjustment in Fixed Assets		0	0	0	**0**	0			
Amount attributable to operating activities		**2,023,493**	**1,597,887**	**1,275,161**	**3,140,124**				
Investing activities									
Non-Operating Grants, Subsidies and Contributions	13	3,396,931	3,461,784	2,879,876	**1,453,634**	(1,426,242)	(50%)	▼	S
Proceeds from Disposal of Assets	7	1,631,184	1,631,028	1,359,190	**93,957**	(1,265,233)	(93%)	▼	S
Land Held for Resale	8	0	0	0	**0**	0			
Land and Buildings	8	(1,693,981)	(1,748,481)	(1,456,500)	**(1,479,538)**	(23,038)	(2%)	▼	
Plant and Equipment	8	(924,300)	(457,500)	(346,790)	**(202,556)**	144,234	42%	▲	S
Furniture and Equipment	8	(114,000)	0	0	**0**	0			
Infrastructure Assets - Roads	8	(2,777,844)	(2,733,449)	(2,319,474)	**(2,077,086)**	242,388	10%	▲	S
Infrastructure Assets - Drainage	8	0	0	0	**0**	0			
Infrastructure Assets - Footpaths	8	0	0	0	**0**	0			
Infrastructure Assets - Public Facilities	8	0	0	0	**0**	0			
Infrastructure Assets - Other	8	(2,418,771)	(2,294,771)	(211,632)	**(179,387)**	32,245	15%	▲	S
Amount attributable to investing activities		**(2,900,781)**	**(2,141,389)**	**(95,330)**	**(2,390,976)**				
Financing Activities									
Proceeds from New Debentures		674,000	0	0	**0**	0			
Repayment of Debentures	9	(427,905)	(427,905)	(357,935)	**(357,150)**	785	0%	▲	
Repayment of Lease Financing	9	(20,474)	(20,474)	(17,040)	**(17,078)**	(38)	(0%)	▼	
Advances to Community Groups		0	0	0	**0**	0			
Proceeds from Advances		0	0	0	**0**	0			
Self-Supporting Loan Principal	9	41,513	41,513	41,512	**41,513**	1	0%	▲	
Transfer to Restricted Cash - Other		(150,000)	(150,000)	0	**0**	0			
Transfer from Restricted Cash - Other		160,081	0	0	**0**	0			
Transfer from Reserves	10	290,345	384,656	320,540	**0**	(320,540)	(100%)	▼	S
Transfer to Reserves	10	(295,000)	(295,000)	(4,160)	**(4,924)**	(764)	(18%)	▼	
Amount attributable to financing activities		**272,560**	**(467,210)**	**(17,083)**	**(337,638)**				
Closing Funding Surplus (Deficit)	1	**203,729**	**(84,602)**	**2,088,857**	**1,337,619**				

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.
Refer to Note 15 for an explanation of the reasons for the variance.
The material variance adopted by Council for the 2021/22 year is $10,000 and 10%.

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

OPERATING ACTIVITIES
NOTE 1
ADJUSTED NET CURRENT ASSETS

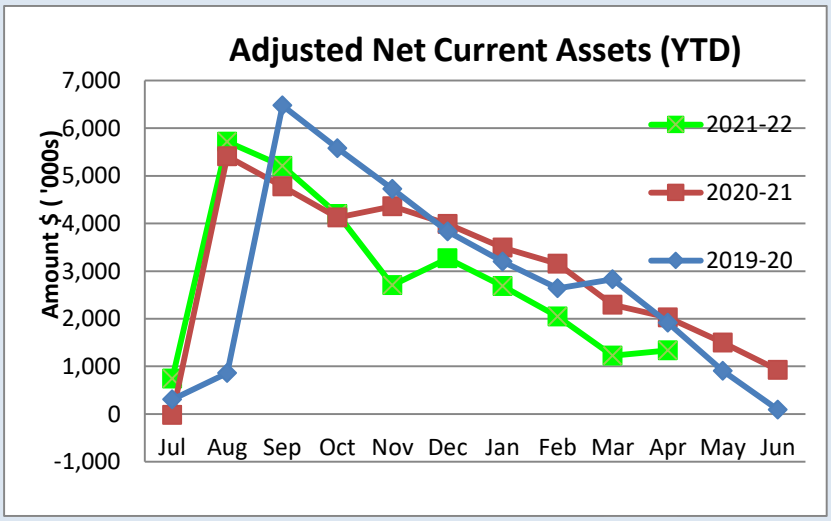
Adjusted Net Current Assets	Note	Last Years Closing 30/06/2021	This Time Last Year 30/04/2021	Year to Date Actual 30/04/2022
		$	$	$
Current Assets				
Cash Unrestricted	2	2,960,321	3,895,928	1,801,573
Cash Restricted - Reserves	2	1,480,544	1,297,753	1,485,467
Cash Restricted - General	2	362,875	362,875	362,875
Cash Restricted - Bonds & Deposits	2	210,591	205,079	217,410
Receivables - Rates	3	387,388	518,408	451,818
Receivables - Other	3	653,932	220,621	232,470
Inventories	4	28,018	18,521	28,018
		6,083,668	6,519,185	4,579,631
Less: Current Liabilities				
Payables	5	(1,273,170)	(396,640)	(275,134)
Contract Liabilities	11	(1,356,232)	(2,160,293)	(578,081)
Financial Liabilities	5	(140,508)	(140,508)	(31,331)
Bonds & Deposits	14	(210,591)	(205,079)	(217,410)
Loan and Lease Liability	9	(448,379)	(71,699)	(74,151)
Provisions	11	(415,874)	(416,446)	(415,874)
		(3,844,754)	(3,390,664)	(1,591,980)
Less: Cash Reserves	10	(1,480,544)	(1,297,753)	(1,485,467)
Add Back: Component of Leave Liability not Required to be funded		123,748	123,660	124,159
Add Back: Loan and Lease Liability		448,379	71,699	74,151
Less : Loan Receivable - clubs/institutions		(41,513)	0	0
Less : Restricted Cash General	15	(362,875)	0	(362,875)
Net Current Funding Position		**926,109**	**2,026,127**	**1,337,619**

SIGNIFICANT ACCOUNTING POLICIES

Please see Note 1(a) for information on significant accounting polices relating to Net Current Assets.

KEY INFORMATION

The amount of the adjusted net current assets at the end of the period represents the actual surplus (or deficit if the figure is a negative) as presented on the Rate Setting Statement.



This Year YTD Surplus(Deficit)

$1.34 M

Last Year YTD Surplus(Deficit)

$2.03 M

OPERATING ACTIVITIES
NOTE 3
RECEIVABLES

Receivables - Rates & Rubbish	30 June 2021	30 Apr 22
	$	$
Opening Arrears Previous Years	472,740	444,976
Levied this year	6,130,640	6,434,184
Less Collections to date	(6,158,404)	(6,369,753)
Equals Current Outstanding	444,976	509,406
Net Rates Collectable	**444,976**	**509,406**
% Collected	93.26%	92.59%

Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	$	$	$	$	$
Receivables - General	30,958	15,296	38,248	65,890	150,392
Percentage	21%	10%	25%	44%	
Balance per Trial Balance					
Sundry Debtors					150,392
Receivables - Other					82,078
Total Receivables General Outstanding					**232,470**

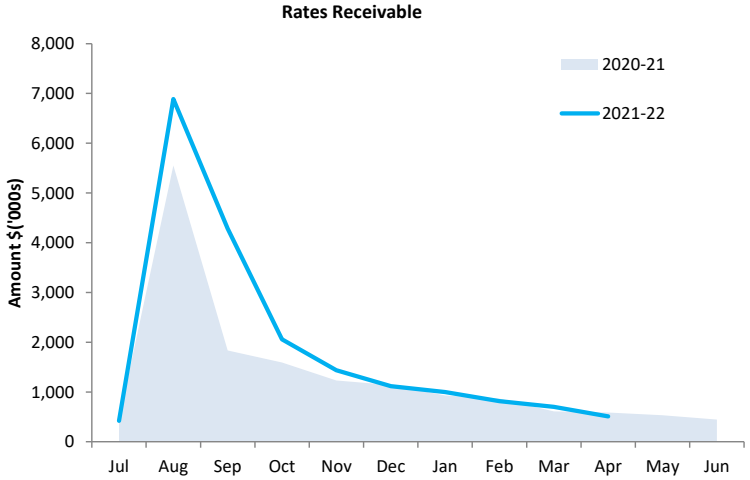
Amounts shown above include GST (where applicable)

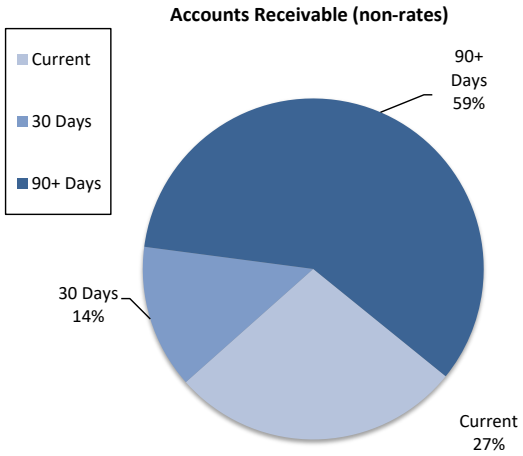
KEY INFORMATION

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.

SIGNIFICANT ACCOUNTING POLICIES

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.





Collected	Rates Due
93%	$509,406

Debtors Due
$232,470

Over 30 Days
79%

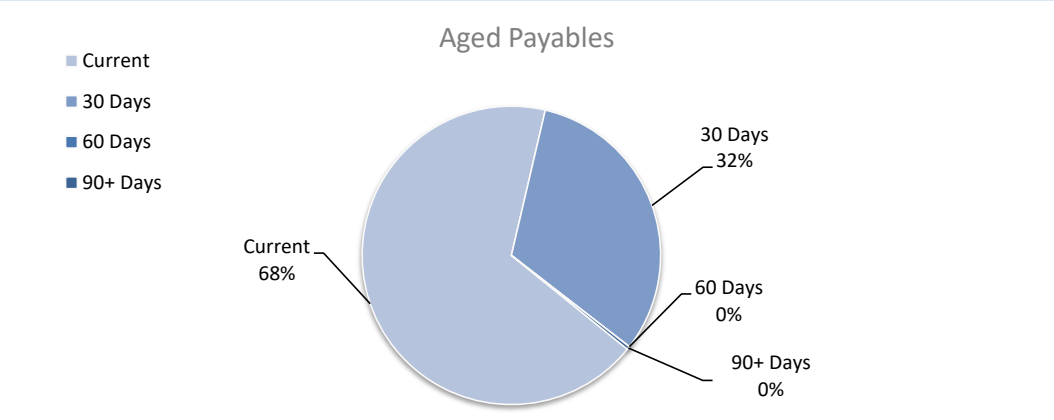
Over 90 Days
44%

OPERATING ACTIVITIES
NOTE 5
Payables

Payables - General	Current	30 Days	60 Days	90+ Days	Total
	$	$	$	$	$
Payables (Sundry Creditors) - General	21,161	9,935	0	107	31,203
Percentage	67.8%	31.8%	0%	0.3%	
Balance per Trial Balance					
Sundry creditors - General					31,203
Other creditors					179,085
ATO liabilities					64,845
Financial liabilities (Developer Contributions)					31,331
Total Payables General Outstanding					**306,465**
Amounts shown above include GST (where applicable)					

KEY INFORMATION

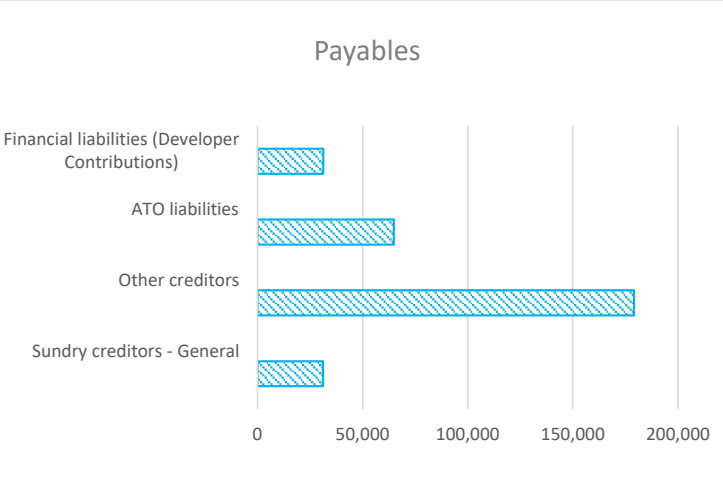
Trade and other payables represent liabilities for goods and services provided to the Shire that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

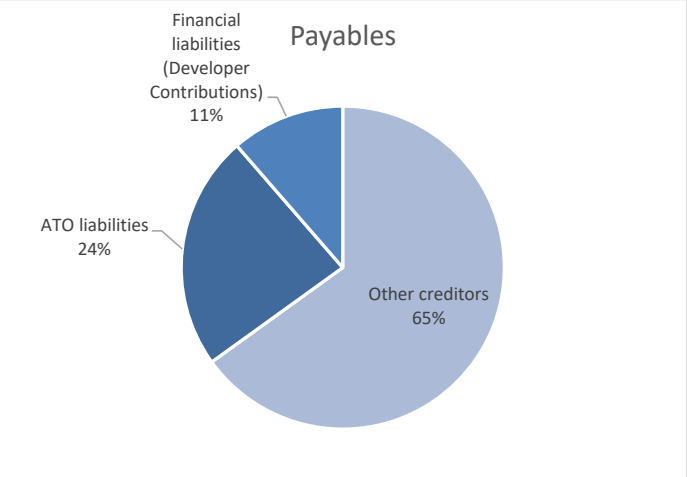


Creditors Due
$306,465

Over 30 Days
32%

Over 90 Days
0.3%





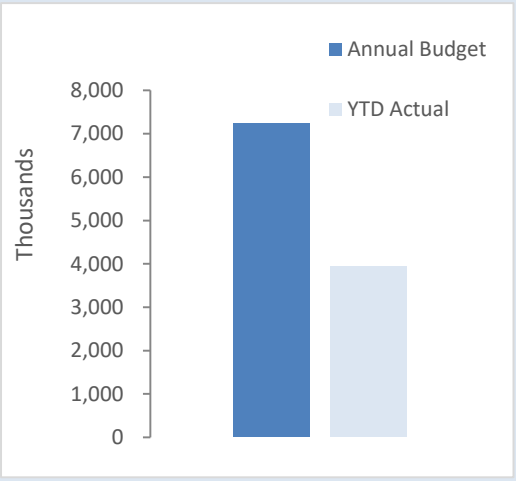
INVESTING ACTIVITIES
NOTE 8
CAPITAL ACQUISITIONS

Capital Acquisitions	Adopted Annual Budget	Amended YTD Budget	Amended Annual Budget	YTD Actual Total	YTD Budget Variance
	$	$	$	$	$
Land Held for Resale	0	0	0	**0**	0
Land and Buildings	1,693,981	1,456,500	1,748,481	**1,479,538**	23,038
Plant and Equipment	924,300	346,790	457,500	**202,556**	(144,234)
Furniture and Equipment	114,000	0	0	**0**	0
Infrastructure Assets - Roads	2,777,844	2,319,474	2,733,449	**2,077,086**	(242,388)
Infrastructure Assets - Drainage	0	0	0	**0**	0
Infrastructure Assets - Footpaths	0	0	0	**0**	0
Infrastructure Assets - Public Facilities	0	0	0	**0**	0
Infrastructure Assets - Other	2,418,771	211,632	2,294,771	**179,387**	(32,245)
Capital Expenditure Totals	7,928,896	4,334,396	7,234,201	**3,938,567**	(395,829)
Capital acquisitions funded by:					
	$	$	$	$	$
Capital Grants and Contributions	3,396,931	2,879,876	3,461,784	**1,453,634**	(1,426,242)
Borrowings	674,000	0	0	**0**	0
Other (Disposals & C/Fwd)	1,631,184	1,359,190	1,631,028	**93,957**	(1,265,233)
Council contribution - Cash Backed Reserves					
Various Reserves		320,540	290,345	**0**	(320,540)
Council contribution - operations		**-225,210**	**1,851,044**	**2,390,976**	2,616,186
Capital Funding Total		**4,334,396**	**7,234,201**	**3,938,567**	**(395,829)**

SIGNIFICANT ACCOUNTING POLICIES

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

KEY INFORMATION



Acquisitions	Annual Budget	YTD Actual	% Spent
	$7.23 M	$3.94 M	54%

Capital Grant	Annual Budget	YTD Actual	% Received
	$3.46 M	$1.45 M	42%

Capital Expenditure Total
Level of Completion Indicators
0%
20%
40%
60%
80%
100%
Over 100%

Percentage YTD Actual to Annual Budget
Expenditure over budget highlighted in red.

% of Completion	Assets	Account Number	Balance Sheet Category	Job Number	Adopted Annual Budget	Amended Annual Budget	YTD Budget	Total YTD	Total Forecast	Variance (Under)/Over
	Level of completion indicator, please see table at the top of this note for further detail.				$	$	$	$	$	$
	Buildings									
	Housing									
1.00	AGED APPROPRIATE HOUSING - STAGE 1	2574	1311	1626	0	0	0	(3,960)	0	(3,960)
0.90	AGED APPROPRIATE HOUSING - STAGE 2	2574	1311	CJ18	(1,647,481)	(1,647,481)	(1,372,350)	(1,475,578)	(1,647,481)	(103,228)
0.00	BUILDING - THE VILLAGE - RENEWAL	2584	1311	CJ02	(26,500)	(26,500)	(22,080)	0	(26,500)	22,080
	Total - Housing				**(1,673,981)**	**(1,673,981)**	**(1,394,430)**	**(1,479,538)**	**(1,673,981)**	**(85,108)**
	Community Amenities									
1.00	TRANSFER STATION RETAINING WALL	1944	1311	CJ67	(20,000)	0	0	0	(20,000)	0
0.00	AIR-CONDITIONING - TRANSFER STATION	1944	1311	CJ104	0	(5,000)	(4,160)	0	0	4,160
	Total - Community Amenities				**(20,000)**	**(5,000)**	**(4,160)**	**0**	**(20,000)**	**4,160**
	Recreation And Culture									
0.00	BOWLING CLUB ACCESSIBLE ABLUTIONS RENOVATIONS	2404	1311	CJ107	0	(61,500)	(51,250)	0	0	51,250
	Total - Recreation And Culture				**0**	**(61,500)**	**(51,250)**	**0**	**0**	**51,250**
	Other Property & Services									
0.00	ADMINISTRATION GLASS SCREENING	0394	1311	**CJ106**	0	(8,000)	(6,660)	0	0	6,660
0.00	**Total - Other Property & Services**				**0**	**(8,000)**	**(6,660)**	**0**	**0**	**6,660**
0.85	**Total - Buildings**				**(1,693,981)**	**(1,748,481)**	**(1,456,500)**	**(1,479,538)**	**(1,693,981)**	**(23,038)**
	Plant & Equipment									
	Fire Prevention									
1.00	CONCRETE TANK ON KAILIS DRIVE	0784	1312	F013	0	0	0	(9,875)	0	(9,875)
	Total - Fire Prevention				**0**	**0**	**0**	**(9,875)**	**0**	**(9,875)**
	Other Law, Order & Public Safety									
1.00	COMMUNITY RANGER VEHICLE - REG 502IR	0884	1312	V502	(35,000)	0	0	0	(35,000)	0
	Total - Other Law, Order & Public Safety				**(35,000)**	**0**	**0**	**0**	**(35,000)**	**0**
	Recreation & Culture									
1.00	PARKS & GARDENS - TRACTOR MOWER - REG IR420	2844	1312	V420	(48,800)	(48,800)	(48,800)	(48,759)	(48,800)	41
1.00	NEW TRUCK - PARKS & GARDENS	2844	1312	V852	(77,000)	(77,000)	(77,000)	(76,960)	(77,000)	40
	Total - Recreation & Culture				**(125,800)**	**(125,800)**	**(125,800)**	**(125,719)**	**(125,800)**	**81**
	Transport									
1.00	PRIME-MOVER	3534	1312	V850	(309,000)	0	0	0	(309,000)	0
0.00	SIDE TIPPING SEMI TRAILER	3534	1312	V851	(221,000)	0	0	0	(221,000)	
0.00	GRADER MOUNTED RUBBER TYRE ROLLER	3534	1312	V853	(60,000)	0	0	0	(60,000)	
0.00	BACK UP GENERATOR - DEPOT	3534	1312	V854	(15,000)	0	0	0	(15,000)	
0.00	SPRAY RIG	3534	1312	V857	0	(30,000)	(25,000)	0	0	
0.00	POSI-TRACK LOADER	3534	1312	V859	0	(230,000)	(191,660)	0	0	
0.00	DROP DECK TRAILER MODIFY HYDRAULICS	3534	1312	V855	(8,000)	(5,200)	(4,330)	(5,175)	(8,000)	
0.00	MOSQUITO FOGGER	3534	1312	V856	(5,500)	(5,500)	0	0	(5,500)	
	Total - Transport				**(618,500)**	**(270,700)**	**(220,990)**	**(5,175)**	**(618,500)**	**0**
	Other Property & Services									
1.01	CEO VEHICLE - REG 510IR	0554	1312	V510	(61,000)	(61,000)	0	(61,787)	(61,000)	(61,787)
1.00	MANAGER VEHICLE	0554	1312	V527	(34,000)	0	0	0	(34,000)	0
1.00	SURVEY VEHICLE	0554	1312	V528	(35,000)	0	0	0	(35,000)	0
1.00	DEPOT POOL VEHICLE	0554	1312	V529	(15,000)	0	0	0	(15,000)	0
	Total - Other Property & Services				**(145,000)**	**(61,000)**	**0**	**(61,787)**	**(145,000)**	**(61,787)**
0.44	**Total - Plant & Equipment**				**(924,300)**	**(457,500)**	**(346,790)**	**(202,556)**	**(924,300)**	**(71,581)**
	Furniture & Equipment									
	Recreation & Culture									
1.00	GYM EQUIPMENT	2824	1314	CJ90	(50,000)	0	0	0	(50,000)	0
	Total - Recreation & Culture				**(50,000)**	**0**	**0**	**0**	**(50,000)**	**0**
	Other Property & Services									
1.00	IT - HARDWARE SERVER UPGRADE	0264	1314	CJ33	(50,000)	0	0	0	(50,000)	0
1.00	OFFICE / CHAMBERS FURNITURE & EQUIPMENT	0264	1314	CJ96	(14,000)	0	0	0	(14,000)	0
	Total - Other Property & Services				**(64,000)**	**0**	**0**	**0**	**(64,000)**	**0**
1.00	**Total - Furniture & Equipment**				**(114,000)**	**0**	**0**	**0**	**(114,000)**	**0**

INVESTING ACTIVITIES
NOTE 8
CAPITAL ACQUISITIONS

Capital Expenditure Total
Level of Completion Indicators
- 0%
- 20%
- 40%
- 60%
- 80%
- 100%
- Over 100%

Percentage YTD Actual to Annual Budget
Expenditure over budget highlighted in red.

Level of completion indicator, please see table at the top of this note for further detail.

% of Completion	Assets	Account Number	Balance Sheet Category	Job Number	Adopted Annual Budget	Amended Annual Budget	YTD Budget	Total YTD	Total Forecast	Variance (Under)/Over
					$	$	$	$	$	$
	Roads									
	Housing									
1.00	THE VILLAGE - FOOTPATHS, HANDRAILS, KERBS	2586	1317	CJ45	(44,700)	0	0	0	(44,700)	0
	Total - Housing				**(44,700)**	**0**	**0**	**0**	**(44,700)**	**0**
	Transport									
1.00	RURAL ROAD RESHEETING	6614	1317	CJ97	(270,000)	0	0	0	(270,000)	0
0.09	R2R - FANE ROAD	6644	1317	CJ75	(64,000)	(64,000)	(58,860)	(5,994)	(64,000)	52,866
0.99	R2R - PIGGERY LANE	6644	1317	CJ76	(129,540)	(129,540)	(119,158)	(128,178)	(129,540)	(9,020)
0.09	R2R - BELAURA PLACE	6644	1317	CJ77	(21,259)	(21,259)	(19,541)	(1,998)	(21,259)	17,543
1.00	MORETON TERRACE	6664	1317	CJ22	(244,496)	(392,800)	(327,310)	(392,808)	(244,496)	(65,498)
1.01	TABLETOP ROAD - SEAL - RRG	6674	1317	CJ78	(126,388)	(116,300)	(96,910)	(116,921)	(126,388)	(20,011)
0.46	ALLANOOKA SPRINGS ROAD - SEAL - RRG - SLK 0.00 - 8.00	6674	1317	CJ79	(115,715)	(115,715)	(96,420)	(52,810)	(115,715)	43,610
1.00	CASUARINAS ROAD - RRG	6674	1317	CJ72	0	0	0	(75,282)	0	(75,282)
0.99	BURMA ROAD - RRG - SLK 0.00 - 5.00	6674	1317	CJ74	(127,550)	(119,500)	(99,570)	(117,955)	(127,550)	(18,385)
0.59	RRG GRANT - ALLANOOKA SPRINGS RD 2021/22 - SLK 15.91 - 33.	6674	1317	CJ98	(215,501)	(58,500)	(48,740)	(34,326)	(215,501)	14,414
0.38	RRG GRANT - CASUARINA RD 2021/22 - SLK 10.00 - 12.90	6674	1317	CJ99	(253,000)	(158,851)	(132,360)	(60,976)	(253,000)	71,384
0.01	RRG GRANT - BOOKARA EAST RD 2021/22 - SLK 1.65 - 6.65	6674	1317	CJ100	(42,695)	(180,584)	(150,470)	(1,998)	(42,695)	148,472
1.00	MORETON TERRACE - DCPE (DROUGHT FUNDING)	6684	1317	CJ88	(813,000)	(1,066,400)	(888,660)	(1,068,639)	(813,000)	(179,979)
0.05	BLENHEIM ROAD	6694	1317	CJ24	(310,000)	(310,000)	(285,200)	(15,936)	(310,000)	269,264
1.00	ALLANOOKA RD SHOULDERS - SAFETY CRITICAL WORKS	6754	1317	SC01	0	0	0	(436)	0	(436)
	Total - Transport				**(2,733,144)**	**(2,733,449)**	**(2,323,199)**	**(2,077,086)**	**(2,733,144)**	**246,113**
0.76	**Total - Roads**				**(2,777,844)**	**(2,733,449)**	**(2,323,199)**	**(2,077,086)**	**(2,777,844)**	**246,113**
	Infrastructure - Other									
	Community Amenities									
0.96	CEMETERY REVITALISATION	2644	1318	CJ03	(103,797)	(103,797)	(103,797)	(99,322)	(103,797)	4,475
	Total - Community Amenities				**(103,797)**	**(103,797)**	**(103,797)**	**(99,322)**	**(103,797)**	**4,475**
	Recreation And Culture									
1.00	SURF BEACH STABILISATION	8054	1318	CJ87	0	0	0	(10)	0	(10)
0.79	GOLF CLUB ENTRY/CARPARK & BOWLING CLUB CARPARK	8054	1318	CJ91	(10,000)	(5,000)	(4,160)	(3,937)	(10,000)	223
1.00	CRICKET PITCH	8054	1318	CJ92	(8,000)	(8,000)	(8,000)	(8,000)	(8,000)	0
0.00	COUNCIL PROJECTS	8054	1318	PJ01	(2,071,052)	(2,071,052)	0	0	(2,071,052)	0
0.77	SHADE SAILS - PARKS	2864	1318	1429	(24,000)	(10,000)	(8,330)	(7,725)	(24,000)	605
1.00	REHABILITATION FORMER FISHERMANS HALL AREA	2864	1318	CJ80	0	0	0	(1,750)	0	(1,750)
1.00	SKATE PARK - PUMP TRACK	2864	1318	CJ37	0	0	0	(47)	0	(47)
	Total - Recreation And Culture				**(2,113,052)**	**(2,094,052)**	**(20,490)**	**(21,470)**	**(2,113,052)**	**(980)**
	Transport									
1.00	RURAL SIGNS	6794	1318	CJ10	(30,422)	(30,422)	(29,435)	(30,286)	(30,422)	(851)
1.00	DRAINAGE, KERBING & FOOTPATH RENEWAL	6794	1318	CJ94	(70,000)	0	0	(2,280)	(70,000)	(2,280)
0.21	DEPOT WASHDOWN BAY	6794	1318	CJ95	(86,500)	(36,500)	(30,410)	(7,825)	(86,500)	22,585
	Total - Transport				**(186,922)**	**(66,922)**	**(59,845)**	**(40,391)**	**(186,922)**	**19,454**
	Economic Services									
0.00	KAILIS DRIVE ENTRY STATEMENT	3914	1318	CJ36	(15,000)	(15,000)	(15,000)	0	(15,000)	15,000
1.21	STANDPIPE TANKS 2 X 50,000L	4303	1318	CJ103	0	(15,000)	(12,500)	(18,205)	0	(5,705)
	Total - Economic Services				**(15,000)**	**(30,000)**	**(27,500)**	**(18,205)**	**(15,000)**	**9,295**
0.08	**Total - Infrastructure - Other**				**(2,418,771)**	**(2,294,771)**	**(211,632)**	**(179,387)**	**(2,418,771)**	**32,245**
0.54	**Grand Total**				**(7,928,896)**	**(7,234,201)**	**(4,338,121)**	**(3,938,567)**	**(7,928,896)**	**183,739**

NOTE 15
EXPLANATION OF SIGNIFICANT VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.
The material variance adopted by Council for the 2021/22 year is $10,000 and 10%.

	Var. $	Var. %	Var. ▲▼	Significant Var. S	Timing/ Permanent	Explanation of Variance
Revenue from operating activities	$	%				
General Purpose Funding - Rates	951,590	20%	▲	S	Timing	Revenue ahead of budgeted forecast
Law, Order and Public Safety	(14,371)	(10%)	▼	S	Timing	Timing of Invoices
Health	(28,376)	(36%)	▼	S	Timing	Timing of Invoices
Transport	(32,125)	(13%)	▼	S	Permanent	Contract Liability not recognised until expended
Other Property and Services	(51,539)	(52%)	▼	S	Timing	Contract Liability Income Recognised
Expenditure from operating activities						
Governance	166,631	27%	▲	S	Timing	Timing of Invoices
General Purpose Funding	99,166	17%	▲	S	Timing	Administration Allocation Costs
Health	94,079	21%	▲	S	Timing	Timing of Invoices
Housing	113,862	18%	▲	S	Permanent	Timing of works and Invoices
Other Property and Services	(399,532)	(230%)	▼	S	Timing	Additional Consultant Fees due to Staff Coverage & Additional IT and Recruitment Expenses than Budgeted
Investing Activities						
Non-operating Grants, Subsidies and Contributions	(1,426,242)	(50%)	▼	S	Timing	Road grants received but cannot be recognised until road construction jobs completed
Proceeds from Disposal of Assets	(1,265,233)	(93%)	▼	S	Permanent	Timing of purchases and disposals
Plant and Equipment	144,234	42%	▲	S	Timing	Timing of purchases
Infrastructure Assets - Roads	242,388	10%	▲	S	Timing	Timing of construction works
Infrastructure Assets - Other	32,245	15%	▲	S	Timing	Timing of construction works
Financing Actvities						
Transfer to Restricted Cash - Other	0				Permanent	Timing of Transfer
Transfer from Restricted Cash - Other	0				Permanent	Timing of Transfer
Transfer from Reserves	(320,540)	(100%)	▼	S	Timing	Reserve Transfer yet to be completed

Reporting Nature or Type	Var. $	Var. %	Var. pq	Significant Var. S	Timing/ Permanent	Explanation of Variance
Revenue from operating activities						
Rates	951,590	20%	▲	S	Timing	Rates Revenue ahead of budgeted forecast
Operating Grants, Subsidies and Contributions	591,669	85%	▲	S	Timing	Grant funds to be received after audits completed
Other Revenue	(23,164)	(13%)	▼	S	Timing	Unbudgeted Insurance reimbursement received
Profit on Disposal of Assets	(50,360)	(83%)	▼	S	Timing	Timing of purchases and disposals
Expenditure from operating activities						
Employee Costs	(242,976)	(11%)	▼	S	Permanent	Pay out leave on termination of employees
Materials and Contracts	525,290	16%	▲	S	Timing	Timing of budget ahead of actual invoices
Utility Charges	(38,369)	(14%)	▼	S	Timing	Timing of budget ahead of actual invoices.
Interest Expenses	30,078	16%	▲	S	Timing	Timing of budget ahead of actual invoices.
Insurance Expenses	(26,765)	(13%)	▼	S	Timing	Timing of Instalments
Investing Activities						
Non-operating Grants, Subsidies and Contributions	(1,426,242)	(50%)	▼	S	Timing	Road grants received but cannot be recognised until road construction jobs completed
Proceeds from Disposal of Assets	(1,265,233)	(93%)	▼	S	Timing	Truck disposal processed in November
Plant and Equipment	144,234	42%	▲	S	Timing	Timing of purchases
Infrastructure Assets - Roads	242,388	10%	▲	S	Timing	Timing of construction works
Infrastructure Assets - Other	32,245	15%	▲	S	Timing	Timing of construction works
Financing Actvities						
Transfer to Restricted Cash - Other	0				Permanent	Timing of Transfer
Transfer from Restricted Cash - Other	0				Permanent	Timing of Transfer
Transfer from Reserves	(320,540)	(100%)	▼	S	Timing	Reserve Transfer yet to be completed

ATTACHMENT: CC03

Differential Rates 2022/23

Attachment 1

Statement of Objects and Reasons 2022/23

SHIRE OF IRWIN
DONGARA-PORT DENISON

A BRILLIANT BLEND

innovation
accountability
integrity
respect

Shire of Irwin

Statement of Objects and Reasons

2022/23

Including Objects and Reasons for the Current Rating Structure

This Statement is published by the Shire of Irwin in accordance with Section 6.36 of the *Local Government Act 1995* to advise the public of its objectives and reasons for implementing differential rates.

The purpose of levying of rates is to meet Council's budgetary requirements in each financial year in order to deliver services, facilities and community infrastructure. Property valuations provided by the Valuer General are used as the basis for the calculation of rates each year. Section 6.36 of the Local Government Act provides the ability to differentially rate properties based on zoning and/or land use as determined by the Shire of Irwin. The application of differential rating maintains equity in the rating of properties across the Shire, enabling the Council to provide facilities, services and infrastructure to the entire community and visitors to the area.

Gross Rental Values (GRV)

The *Local Government Act 1995* provides that properties of a non-Rural purpose be rated using the Gross Rental Valuation (GRV) as the basis for the calculation of annual rates. The Valuer General determines the GRV for all properties with a non-rural purpose within the Shire of Irwin approximately every four years and provides a GRV Roll. The current valuation is effective from 1 July 2019. Interim valuations are provided regularly to Council by the Valuer General for properties where changes have occurred during the year (i.e., subdivisions or strata title of property, amalgamations, building constructions, demolition, additions and/or property rezoning). In such instances Council recalculates the rates for the affected properties and issues interim rate notices.

GRV – Uniform Rate

All land within the Shire used for non-rural purposes (GRV) is rated using a uniform GRV Rate. The uniform rate is calculated and adopted after the consideration of many factors such as current economic conditions, increases to land valuations as assessed by the Valuer General's Office, the infrastructure and service improvement proposals contained in the Budget, as well as other factors. It is considered that for this financial year the valuations imposed by the Valuer General provides the capacity for the additional rate contributions that may be required from different zoning/land use and therefore the need for a differential rate is not deemed necessary.

Unimproved Values (UV)

The *Local Government Act 1995* provides that properties predominantly used for a rural purpose are assigned an Unimproved Value as supplied and reviewed by the Valuer General on an annual basis. The unimproved value of land refers to the market value of the land in its natural state without improvements such as buildings, fences, dams etc.

The rate in the dollar set for the UV Rural category forms the basis for calculating all other UV differential rates. Interim valuations are provided regularly to Council by the Valuer General for properties where changes have occurred during the year (i.e., subdivisions of property, amalgamations, and/or property rezoning). In such instances Council recalculates the rates for the affected properties and issues interim rate notices.

UV Differential Rate - Rural

All land in the Shire used for rural purposes are classified into Policy Areas based on their zoning in the Shire of Irwin Local Planning Scheme No 5, as set out below. All land within these zoning areas are rated using the same differential rate.

Policy Area A	Conservation Crown Land: To preserve and protect the major areas of Crown Reservations and Vacant Land within this policy area in its natural state.
Policy Area B	Urban: Set aside for Townsite expansion or impacted on by buffers and mining leases.

Policy Area C	General Farming Zone: General Broadacre farming, not suitable for subdivision, designed to consolidate and preserve existing agricultural practices.
Policy Area D	Rural Smallholdings Zone: Hobby farming suitable for subdivision into rural/small holdings to a minimum of 15 ha.
Policy Area E	General Farming Zone: Coastal management area for future development of tourist projects and possible subdivision into rural smallholdings to a minimum lot size of 15ha.
Policy Area F	Special Residential Zone: Properties zoned as Special Residential with provision for subdivision of small 1 to 2 ha lifestyle lots.
Policy Area G	Rural Small Holdings Zone: Hobby farming suitable for subdivision into rural/small holdings to a minimum of 20 ha.

Objects and Reasons for UV Rural Differential Rate

To distinguish land zoned Policy Area A-G from land used for Mining, Prospecting and Exploration in recognition of the variation in land use intensity and the impact on the Shire's road infrastructure network and other services.

UV Differential Rate - Mining

The *Local Government Act 1995* provides for rural use properties used for mining, exploration, or prospecting purposes to be assigned an Unimproved Value supplied and reviewed by the Valuer General. It refers to all land for which a mining tenement has been issued by the Department of Mines, Industry Regulation and Safety (DMIRS), and valued as such by the Valuer General's Office.

The valuation determined by the Valuer General for mining tenements is calculated by multiplying the following factors.

- Rental cost of the tenement type (mining lease, prospecting lease, exploration license, petroleum producing licence etc.);
- UV basis as determined by the DMIRS, and
- Tenement/license area.

The valuation of mining tenements is provided annually, interim valuations are provided regularly to Council by the Valuer General for properties when changes to the tenement rental is amended or the tenement is surrendered. In such instances Council recalculates the rates for the affected tenements and issues interim rate notices.

Objects and Reasons for UV Mining Differential Rate

Land used for Mining is rated higher than the UV-Rural differential rate to improve fairness and equity outcomes by:

- Ensuring mining rates payable are no less than the average rates payable, per property, in Policy Area C (General Farming), in part to:
  - compensate for the different valuation method and comparatively lower valuation level;
  - to recognise the often short term tenure of mining projects in the region; and
  - to maintain comparability with other commercial operations in the rural sector.

- Applying a percentage premium above the average rates payable, per property, in Policy Area C (General Farming), at a level determined by the Council, to reflect the following:
  - the impact of higher road infrastructure maintenance costs to Council as a result of frequent vehicle use over extensive lengths of roads throughout the year;
  - capacity of property owners to pass on the rates charge as a business cost;
  - additional emergency service arrangements that have to be put in place.

- the monitoring of environmental impacts of clearing, noise, dust and smell;
- planning, building and health assessment cost; and
- additional costs of amenities and services provided to cater for the employees of the mining operations, such as recreation, parking and law, order, and public safety.

Minimum Payments

The setting of general minimum payment level within all rating categories is an important method of ensuring all properties contribute an equitable rate amount to non-exclusive services.

Objections & Appeals

Objections to valuations must be lodged with the Valuer General's Office within 60 days after issue of the rates notice. Rates are still required to be paid if an objection is lodged with a refund paid if the objection is successful. Forms are available from the Shire Office or on the Shire's web site.

Under the provisions of the *Local Government Act 1995*, a property owner can lodge an objection to the rates imposed by a Council on the following grounds:

- There is an error on the rate assessment, either in respect to the owners or property details.
  or
- The characteristics of the land differ from that used in the differential rating system. The objection is to be received within 60 days of the issue of the rate notice.

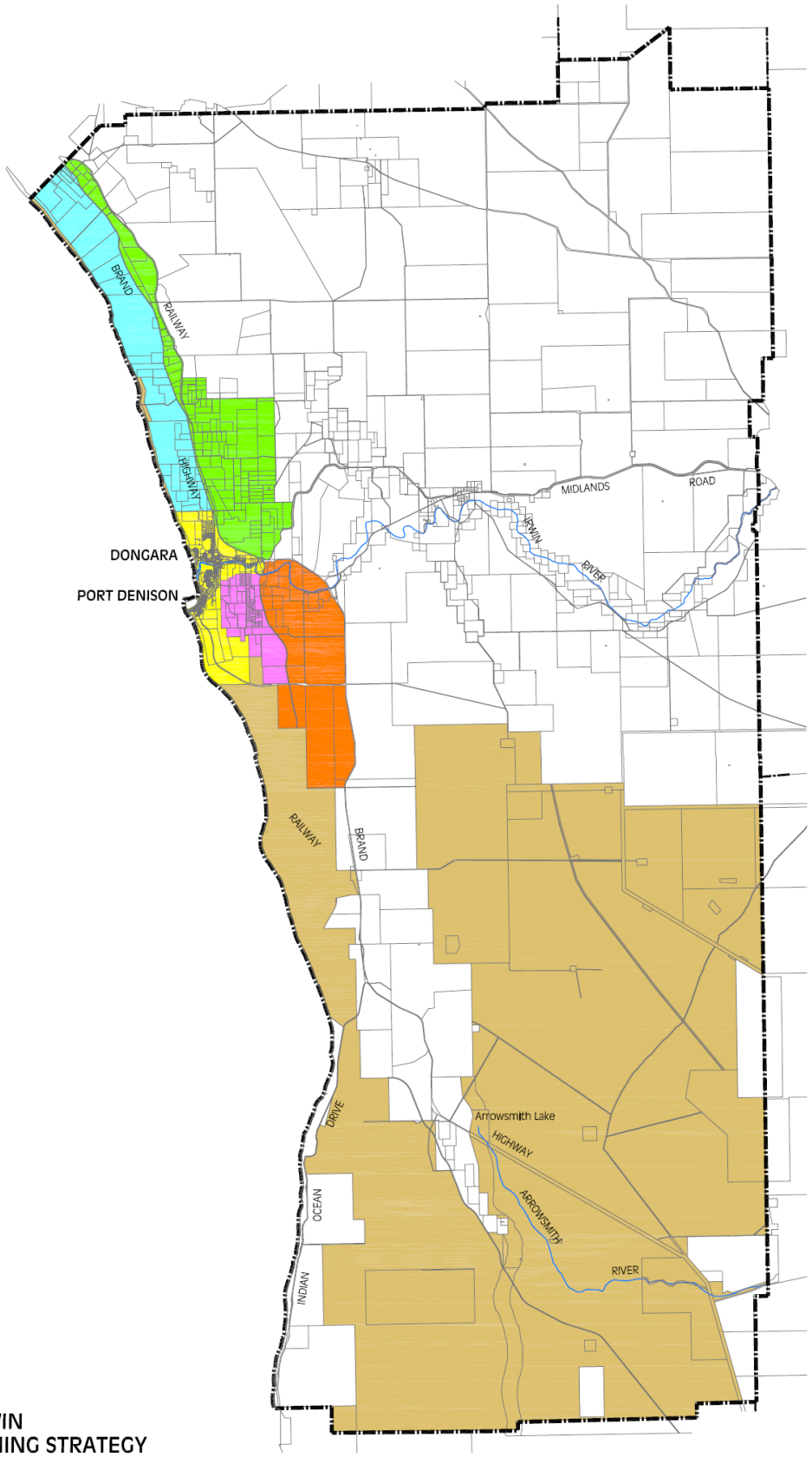
Please contact the Shire if you would like to discuss this matter further.

Pensioner Discount

Eligible Pensioners are entitled to receive a discount on their rates. Council shall determine the nature and extent of entitlement from details as at 1 July, in relation to ownership and occupation. Also, a pro-rata rebate amount will be paid if a person becomes the holder of an eligible card type during the financial year which is effective from the date of registration. A deferral arrangement is also possible.

If the circumstances of a Pensioner, who is already claiming the rebate, have changed during the previous year, they will need to update their details (i.e., card number, etc.) with Council.

Please contact the Shire if you believe you may be eligible for a rebate.



POLICY AREAS

- POLICY AREA 'A'
- POLICY AREA 'B'
- POLICY AREA 'C'
- POLICY AREA 'D'
- POLICY AREA 'E'
- POLICY AREA 'F'
- POLICY AREA 'G'

0 5km

SCALE 1:225,000

SHIRE OF IRWIN
LOCAL PLANNING STRATEGY
EXISTING POLICY AREAS

EC 01338_map3B 060405

MAP 3B

MAP 3B

ATTACHMENT: CC04

Request to waive hire fees – Tennis Club

Attachment 1
Letter from the Dongara Tennis Club

Attachment 2
Dongara Tennis Club Summary of Information

DONGARA TENNIS CLUB

PO BOX 83

DONGARA WA 6525

gvmac8@bigpond.com



Attention: Farah Boksmati 25th April 2022

Shire Of Irwin
PMB 21
Dongara W.A. 6525

Dear Chief Executive Officer Shane Ivers & Shire Councillors,

I am writing to you on behalf of the Dongara Tennis Club to see if there is anyway to reduce the long term costs to the Club from the Shire.

At the moment the Club's membership has increased to 29 members, 27 Seniors and 2 Juniors paid up for this season. The subs to play tennis are $90.00 per player plus $5.00 ball fees per week. If every player turned up each week with fixtures of 25 weeks it is possible to receive a total of $5885.00 per season. But at present the average is 12 players turning up each week which means the income is more likely to be only $4010.00.

With known costs of $500.00 for balls and Tennis West Affiliation fees of $687.00, totalling $1187.00, this leaves the club with $2823.00 income. The Club's account from the Shire of Irwin is for ' Season Package' which consists of - Tennis Court Hire $4125.00 and Ocean Room Hire $1370.00 totalling $5495.00, leaving a shortfall of $2672.00.

The Club has been fund raising at the Show and Shine and the Drive-In to meet some of our costs and this all comes at a cost to our Club due to the Drive-in being on Saturday (our Club tennis day) As well as addressing the shortfall towards paying the Shire we have a commitment to up-grade/maintain the fence around the Tennis courts.

In summing up we ask the Shire to consider reducing our account by an amount of $2500.00 as they did last year to give the club some long term sustainability. We feel not alot has changed from last year and we would like the Council to consider revising our long term overall costs so we can continue to provide and promote the Sport of Tennis within the Shire of Irwin.

We look forward in anticipation to your reply.

Yours sincerely

Luigi Moreschi
President
Dongara Tennis Club

DONGARA TENNIS CLUB

PO BOX 83

DONGARA WA 6525

gvmac8@bigpond.com



Shire of Irwin

Community Development Officer

Farah Boksmati

DONGARA TENNIS CLUB 2021/2022

Follow up to letter to Shire to reduce long term costs for Tennis Club.

1. Membership total 29. (Season 2020/2021 24 Members)
2. Fixtures attached. Oct - Dec Starting time 2pm, Afternoon tea

   Feb TC Memorial Ladies Day, Afternoon Tea (Cancer fund raiser)

   Jan - April Starting time 3pm No Afternoon tea
3. Saturday's Usage of Ocean room - Toilets , Chairs/Table, QR Code, Kitchen occasionally

   Courts - Depending on numbers we usually use 2 or 3
4. Store Room - Drinks Fridge, equipment Nets etc (Due to Shire removing Storage shed for Pump track)
5. At the moment the Club's membership has increased to 29 members , 27 Seniors and 2 Juniors paid up this season. The subs to play tennis are $90.00 per player plus $5.00 ball fees per week. If every player turned up each week with fixtures of 25 weeks it is possible to receive a total of $5885.00 per season. But at present the average is 12 players turning up each week which means the income is more likely to be only $4010.00.

   With known costs of $500.00 for balls and Tennis West affiliation fees of $687.00, totalling $1187.00, this leaves the Club with $2823.00 income. The Club's account from the Shire of Irwin is for "Season Package" which consists of - Tennis Court Hire $4125 and Ocean Room Hire $1370.00 totalling $5495.00, leaving a shortfall of $2672.00.
6. We believe sustainability is when our costs meet our income from subs and ball fees. All other money raised will be used for repair and maintenance of the fence and the Club's general running costs.
7. We ask for a reduction of $2500.00 leaving the Shire account of $2995.00 as was agreed to last year for the long term sustainability and it be in place and be linked to the Shire rate each year. Then we believe we can survive as a Tennis Club.

ATTACHMENT: CEO01

Annual Meeting with Council's Appointed Auditor

Attachment 1

2020/21 Annual Report

SHIRE OF IRWIN
DONGARA-PORT DENISON
A BRILLIANT BLEND







ANNUAL REPORT

2020/21



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Document Control

Document Number	Responsible Officer	Date Adopted
Rev01	Natalie M'Leane	26/04/2022

The Shire of Irwin respectfully acknowledges the Southern Yamatji Peoples who are the Traditional Owners and First People of these lands. The Nhanhagardi, Wilunyu, Amangu. The Shire of Irwin would like to pay respect to the Elders past, present and future for they hold the memories, the traditions, the culture and hopes of the Southern Yamatji Peoples.

Shire President's Report



I am pleased to present the 2020/21 Shire of Irwin Annual Report. We, as a Shire, have been fortunate to stay out of harm's way on a couple of instances this financial period.

The first being able to secure rates revenue from a stable economic climate that was aided by good State Government policy. Without this stability we may have experienced some serious financial restraints. The second was the devastation neighbouring Shires experienced as a result of Tropical Cyclone Seroja. We were so fortunate that it just brushed our northern and eastern boundaries, impacting only a handful of properties. It was endearing to see our community come together in the aftermath of the cyclone, sharing resources during the extended power outage and stepping up to assist neighbours who were severely impacted.

During the 2020/21 period, Council were focused on working to achieve long term goals and priorities identified by the community.

The year started on a high with the completion and opening of the Pump Track and Skate Park Precinct. Funded through a $250,000 Lotterywest grant, the project has provided our young people and families another safe space to come together and enjoy.

Another highlight was the Shire's early adoption of the Containers for Change program. Through a partnership with Western Australia Return Recycle Renew, the Shire opened a Containers for Change Refund Point at the Shire of Irwin Transfer Station & Recycling Centre. The Shire of Irwin was one of the first local governments in the Midwest to embark on the Containers for Change scheme and its implementation has been hugely successful with at times up to 50,000 containers being processed per week.

In December 2020, Council adopted the Corporate Business Plan that will guide Shire activities over the next four years. The Plan outlines the agreed short-term goals and outcomes and highlights long-term aspirations. The Corporate Business Plan continues the ambitious path we are on, in line with Council aspirations as identified under the guidance of the community. Key priorities include economic development and tourism, addressing coastal erosion and continuing to develop the foreshore and recreation precincts.

Many works and projects undertaken by the Shire in 2020/21 have reflected these aspirations and include Surf Beach stabilisation works. Funded through a $250,000 Local Roads and Community Infrastructure grant secured in the 2020/21 Federal Budget, the Shire completed 150 meters of stabilisation thanks to In-Situ Construction and Maintenance. The works were completed using a unique local design that had never been attempted before, and local contractors. Following the stabilisation, rehabilitation works were undertaken with large quantities of sand brought in to help reshape the dune system. Planting of 2,500 young seedlings was then carried out, with matting to hold and condition the soil until the new vegetation naturally establishes into the dune system.

In addition, foreshore works included the replacement of bitumen with lawn and the installation of a wheelchair-friendly barbeque improving accessibility for the community and visitors to our region.

The Shire also commenced the Moreton Terrace Revitalisation Project involving the upgrade of Moreton Terrace drainage, footpaths, lighting and road surfaces.

Another key priority in the Shire's Corporate Business Plan is to ensure that our community has access to suitable and adequate support services. As such, the completion of Stage 1 of the Henry Road independent living units and commencement of Stage 2 Henry Road during this financial year, was very significant for Council.

Two Henry Road is an awarded, independent living community, designed to meet the needs of seniors. The facility features dementia-friendly design and is located opposite the Dongara Health Service, Accident and Emergency Department and visiting allied health rooms, to support ageing in place.

I would like to take this opportunity to thank my fellow Councillors, Shire of Irwin CEO Shane Ivers and his staff for delivering on so many fronts in 2020/21, when realistically, our revenue streams were severely restricted. Hence why the level of service delivery and new projects that we constantly strive for and achieve, consume significant time and effort. I would also like to thank the community for their ongoing support.



Chief Executive Officer's Report



The 2020/21 financial year was a year of significant challenges but also considerable delivery thanks to a dedicated team, strong leadership from Councillors and great community support.

The uncertainty of the COVID-19 pandemic led to a delayed start to the execution of the 2020/21 Budget, but this opportunity was used to focus on completing the following 2019/20 projects which were initially delayed as a result of the COVID-19 lockdowns:

- Pump Track completion and official opening
- Containers for Change Refund Point at the Dongara Transfer Station, which has been a tremendous success.
- Stage 1 Henry Road Independent Living Units (6 units) completion and official opening. The Stage 2 Henry Rd Independent Living Units (a further 6 units) tender was awarded December 2020 and contract signed in April 2021.

In response to the COVID-19 pandemic, the Federal Government released two Local Roads & Community Infrastructure (LRCI) stimulus packages, which were allocated as follows:

- LRCI Phase 1 $250,934 – cemetery revitalisation, Foreshore rehabilitation (Fisherman's Hall site) and the road signage renewal project
- LRCI Phase 2 $261,054 – Additional 150 metres of the Surf Beach stabilisations works

With Moreton Terrace between the roundabouts scheduled to be resurfaced under the Regional Road Group (RRG) program, Council approved the allocation of the $1M Drought Communities Programme grant to upgrade the street lighting and footpaths at the same time. Significant surveying works and engineering designs were undertaken in preparation to execute the project. With multiple funding sources all having strict completion dates, the delivery of this project became very complex plus contractor availability had begun to emerge as a significant challenge. Despite all the challenges, the project was tendered and contracts awarded early 2021 for a scheduled start in April 2021. Due to contractor availability issues, the project commenced in May 2021, and encountered further delays due to the very wet winter. However, the Moreton Terrace upgrade project was underway and whilst proving to be one of the most complex undertaken by the Shire in a very long time, it was on its way to delivering a pleasing result.

Whilst not directly impacted by Tropical Cyclone (TC) Seroja, the secondary impacts drew the Shire into the reality of this significant natural disaster. The secondary impacts such loss of power and communications were manageable when compared to the physical devastation to many parts of the Midwest region. It was great to see that our Shire was able to offer some support to neighbouring towns to clean up the debris left behind by TC Seroja.

The Surf Beach stabilisation work was seriously tested during a severe winter storm during May 2021 and, as per the design exposing the stabilisation work. The stabilisation work held up well and within a few weeks the stabilisation work was covered with beach sand again. The success of the stabilisation work is significant, as the Surf Beach carpark and Ocean Drive are now protected where the stabilisation work exists.

The Medical Centre proved to be critical during the COVID-19 pandemic. The Medical Centre only reopened as a community owned asset as few weeks before the COVID-19 pandemic but proved to be a critical service to the community under Five Gums Family Medical Practices' management.

The Shire thanks Five Gums Family Medical Practice for their significant contribution to our community. It was great to see the Medical Centre operational again including support services such as Pathology and Allied Health. At the October 2020 Ordinary Council Meeting, Council resolved by Absolute Majority to engage First Health to manage the Dongara Medical Centre alongside the Principal GP, for a period of 6 months. First Health was later awarded the Practice Management contract.

Local development saw quite a resurgence late in the financial year due to the Home Builder Grant and Building Bonus Grant housing stimulus packages released by both Federal and State Governments. The number of Building Permit Applications for new dwellings almost exceed all the activity for the past 4 years peaking from February through to June 2021.

The Shire assisted the Denison Bowling & Recreation Club (DB&RC) with their Community Sporting and Recreation Facilities Fund (CSRFF) funding application for the artificial bowling green surface project, which the Shire committed to finance two thirds of the project through a Self-Supporting Loan from the WA Treasury Corporation. DB&RC received confirmation in January 2021 that they were successful with their CSRFF funding application.

The COVID-19 pandemic led to the temporary closure of the Shire's Overnight and Cliff Head free camping facilities. At the 23 June 2020 Ordinary Council Meeting, Council adopted to introduce a paid camping operating model for the Southern Coastal Nodes (Cliff Head, Knobby Head and Freshwater Point). On 22 March 2021 the Shire commenced the paid camping system for the Southern Coastal Nodes. Council also resolved at its 23 June 2020 Ordinary Council Meeting to temporarily close the free 24-hour RV Overnight Stay at the Dongara Town Oval and the Seven Mile Beach site for a 12-month period in response to COVID-19 and to enable a review for the future use of these sites.

As part of reforming the Strategic Community Plan, the Shire undertook an ambitious community consultation program including a Drop-in Session at the Irwin Recreational Centre. We saw great participation by the community in the consultation process. While aspiring towards some population growth, the dominant themes voiced to the Shire by the community included coastal protection, Foreshore enhancement, economic development and tourism growth.

One of the exciting developments for the financial year was transitioning the Dongara Public Library to be operated by a dedicated group of volunteers from the community. The creativity and vision of the volunteers had begun the transition of this facility into a dynamic hub within the community.

The Shire also witnessed the unprecedented increase of tourist visitation to Dongara-Port Denison, which was largely made up of domestic travellers as a result of the 'hard border' introduced by the State Government. This was a refreshing change to see local businesses once again thriving. Unfortunately, the COVID-19 pandemic restrictions led to the cancelation of a number of community events including the Denison Foreshore Sprint and Midwest Show and Shine.

As per the audited financials, it was great to see a surplus in the Rate Setting Statement after imposition of general rates, reduced material and contracts expenditure and significant improvement in the Asset Sustainability Ratio from 0.26 to 0.71. Overall, a pleasing result financially despite the backdrop of the unprecedented challenges due to the declared global pandemic.

I would like to acknowledge the Shire President, Mike Smith and all the Councillors for their strategic oversight guiding the Shire into a strong position during unprecedented challenges. I also sincerely thank all staff for their hard work and dedication to the Shire and our community during this very challenging year.

Shane Ivers
Chief Executive Officer

Shire of Irwin Councillors



Cr Michael (Mike) Smith
Shire President
Elected 2017



Cr Barry Wyse
Deputy Shire President
Elected 2019



Cr Andrew Gillam
Councillor
Elected 2019



Cr Mark Leonard
Councillor
Elected 2017



Cr Hayley Palmer
Councillor
Elected 2019



Cr Isabelle Scott
Councillor
Elected 2017



Cr Grant Eva
Councillor
Elected 2019



Cr Ian West
Councillor
Elected 2017

Statutory Reporting

Councillor attendance at meetings

The table below shows Councillor attendance at Ordinary Council Meetings, Special Council Meetings and Committee Meetings of Council.

COUNCILLOR	ORDINARY MEETING	SPECIAL MEETING	COMMITTEE MEETING
Cr Michael Smith	12	1	5
Cr Barry Wyse	12	1	2
Cr Andrew Gillam	12	1	2
Cr Mark Leonard	10	1	2
Cr Hayley Palmer	10	1	6
Cr Isabelle Scott	12	1	0
Cr Grant Eva	12	1	6
Cr Ian West	10	0	2

No remuneration or allowance was paid by the Council to members of a standards panel under Schedule 5.1 and Clause 9 during the financial year.

Register of complaints

According with s5.120 of the Local Government Act 1995, the Shire does not have a designated Complaints Officer and the Chief Executive Officer fulfils this role in terms of subsection (2). The Shire reports no complaints that have resulted in a finding under section 5.110(2)(a) that a minor breach has occurred, for the period ending 30 June 2021.

Remuneration

Regulation 19B of the *Local Government (Administration) Regulations 1986*, requires the Annual Report of a local government to detail the number of employees of the local government entitled to an annual salary of $130,00 or more, and to break those employees down in to bands of $10,000.

As at the 30 June 2021, the Shire of Irwin had one (1) employee entitled to an annual salary between $180,000 - $189,999.

Remuneration paid or provided to the CEO is $188,455 calculated in accordance with Part 2: Total Reward Package of the Local Government Chief Executive Officers and Elected Members Determination No. 1 of 2021 under the *Western Australia Salaries and Allowances Act 1975.*

Freedom of Information

The Shire complies with the Freedom of Information Act 1992 which has as its intention another avenue to assist improving Local Government accountability to the public.

Recordkeeping

In accordance with legislative requirements, the Shire maintains its recordkeeping through the use of a corporate system. In addition, the Shire's Recordkeeping Policy outlines the process for management and disposal of records in accordance with the *State Records Act 2000*.



Plan for the Future

With reference to Planning for the future in Division 3 of the *Local Government (Administration) Regulations 1996*, the Shire is required to develop and maintain the following documents:

- Strategic Community Plan (10 year plan & reviewed every 4 years)
- Corporate Business Plan (4 year plan & review annually), which;

  i. sets out, consistently with any relevant priorities set out in the strategic community plan the Shire's priorities for dealing with the objectives and aspirations of the community.
  ii. governs internal business planning by expressing priorities by reference to operations that are within the capacity of the Shire's resources.
  iii. integrates matters relating to resources including asset management, workforce planning and long-term financial planning.

Strategic Community Plan

In early 2021, the Shire commenced a full review of the Strategic Community Plan (SCP). Extensive consultation with the community was undertaken with the opportunity to participate in a phone survey from 26 February to 14 March 2021 and attend one of two drop in sessions held Thursday 4 March at the Irwin Recreation Centre. The expanded community consultation process to update its 2017-2027 SCP assisted Council in gaining further insight into the communities expectations and better inform strategic decision making. The high level of community engagement undertaken to achieve the outcome of the SCP showed strong community spirit in the Shire of Irwin with a pleasing 8.5% of the population participating.

The community drop-in sessions attracted a total 127 attendees and the community survey was completed by 151 participants. The drop-in sessions identified what the Shire of Irwin residents appreciate most about living in this community, with beaches, community, safety and lifestyle being the most popular topics. The initial feedback included a focus on business expansion, increased tourism, enhanced facilities, activities and services, coastal protection and accessibility of natural areas. The community's input through this consultation will be used to develop the Strategic Community Plan, along with the remaining suite of integrated planning documents in 2021/22 and 2022/23.

Corporate Business Plan

In the 2018-19 Performance Audit Report, the Shire included a recommended action to adopt a Corporate Business Plan (CBP) by December 2020. A Councillor workshop was held on Wednesday 23 September 2020 with both Councillors and relevant staff and was facilitated by a consultant. This interactive workshop identified the key challenges and four year priorities for the Shire. A second Councillor workshop was held on Wednesday 25 November 2020 to present the draft Corporate Business Plan and then adopted by Council at the 8 December 2020 Ordinary Council Meeting.

This workshop identified some adjustments to the plan and provided clarity around the implementation of the plan and ongoing review.

The finished document is available on the Shire's website. The next step is to complete the Shire's integrated planning suite and update the following documents in alignment with the SCP and CBP:

- 2018-2028 Long Term Financial Plan
- Asset Management Plan
- Workforce Plan

The following is a list of major initiatives that are proposed to commence or to continue in the next financial year:

- Completion of Moreton Terrace improvement works including the renewal of the road, drainage, kerbing, footpath and street lighting.
- Construction of Stage 2 Henry Rd Independent Living Units (a further 6 units).


MAJOR PROJECTS
MAJOR PROJECTS
MAJOR PROJECTS





Disability Access and Inclusion Plan

The Western Australian *Disability Services Act 1993* requires all State and Local Government Authorities develop a Disability Access and Inclusion Plan (DAIP). DAIPs assist in the planning and implementation of improvements, outlining the Shires progressive approach to removing barriers and working towards a more accessible and inclusive community.

The Shire of Irwin is committed to enabling accessibility across its functions and providing equal access to opportunities, information, facilities and services for people with disability, their carers and families via Council's;

- Progressive modification of existing Public Building Facilities and Services within its control, to cater for the needs of people with disability, and others with accessibility needs;
- Ensuring all future Public Buildings, Facilities and Services, constructed or presented within the Shire are universally designed, to cater for the needs of people with disability; and
- Identification and support of services, events and programs for building capacity, social inclusion and wellbeing.

The DAIP is monitored regularly and progress reports are submitted to the Department of Communities to inform of any advancement made towards inclusive outcomes.

Consultants were engaged in 2020 to undertake the relevant community consultation processes to develop an updated Disability Access and Inclusion Plan. Review and ongoing consultation will continue into 2021/22.

The following projects were completed during the reporting period.

Wheelchair friendly barbeque
A wheelchair friendly access barbecue was installed under the pavilion on the Port Denison Foreshore. The barbecue features increased radial space below the benches offering full access to barbecue functions for wheelchair bound users.

Independent Living Units Stage 1 – Henry Road
To accommodate for senior residents and increase opportunities for our aged community to continue residing within the Shire of Irwin, September 2020 saw the successful completion of six (6) Independent Living Units. The units were designed to accommodate seniors with disabilities and/or dementia and have been awarded the Liveable Housing Australia's highest level of 'Platinum Certification' for their design






Thank you
NORDIC
BUILDERS
PTY LTD

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

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

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

Signed on the 24 day of MARCH 2022

Chief Executive Officer

Shane Ivers

OAG AUDITED

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

	NOTE	2021 Actual $	2021 Budget $	2020 Actual $
Revenue				
Rates	26(a)	5,384,429	5,394,500	5,360,772
Operating grants, subsidies and contributions	2(a)	847,884	491,725	819,180
Fees and charges	2(a)	1,990,825	1,391,062	1,541,105
Interest earnings	2(a)	57,598	49,000	87,173
Other revenue	2(a)	235,319	273,517	300,054
		8,516,055	7,599,804	8,108,284
Expenses				
Employee costs		(2,956,052)	(2,403,645)	(2,718,377)
Materials and contracts		(3,183,806)	(2,541,343)	(3,251,820)
Utility charges		(516,330)	(346,700)	(483,180)
Depreciation on non-current assets	11(b)	(4,485,327)	(4,358,601)	(4,407,387)
Interest expenses	2(b)	(222,308)	(222,963)	(196,332)
Insurance expenses		(191,782)	(188,849)	(189,264)
Other expenditure		(211,475)	(1,037,288)	(339,931)
		(11,767,080)	(11,099,389)	(11,586,291)
		(3,251,025)	(3,499,585)	(3,478,007)
Non-operating grants, subsidies and contributions	2(a)	2,959,085	3,628,255	2,027,594
Profit on asset disposals	11(a)	12,524	1,176	25,349
(Loss) on asset disposals	11(a)	(189,002)	(10,796)	(478,686)
Fair value adjustments to financial assets at fair value through profit or loss		0	0	865
		2,782,607	3,618,635	1,575,122
Net result for the year		**(468,418)**	**119,050**	**(1,902,885)**
Total other comprehensive income for the year		**0**	**0**	**0**
Total comprehensive income for the year		**(468,418)**	**119,050**	**(1,902,885)**

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

OAG AUDITED

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

	NOTE	2021 Actual $	2021 Budget $	2020 Actual $
Revenue	2(a)			
Governance		0	0	273
General purpose funding		6,016,929	5,711,141	6,030,284
Law, order, public safety		169,500	172,994	190,657
Health		91,744	60,700	59,698
Education and welfare		5,131	8,550	6,102
Housing		380,237	353,000	280,477
Community amenities		1,110,874	853,855	870,996
Recreation and culture		282,877	153,817	198,049
Transport		87,947	84,590	133,317
Economic services		259,643	131,657	221,923
Other property and services		111,172	69,500	116,508
		8,516,054	7,599,804	8,108,284
Expenses	2(b)			
Governance		(544,800)	(558,300)	(567,650)
General purpose funding		(621,664)	(1,460,715)	(644,910)
Law, order, public safety		(510,173)	(471,125)	(507,114)
Health		(450,723)	(306,761)	(565,054)
Education and welfare		(67,832)	(62,370)	(66,523)
Housing		(641,419)	(582,786)	(557,213)
Community amenities		(1,434,950)	(1,199,904)	(1,345,648)
Recreation and culture		(2,598,753)	(2,383,520)	(2,557,318)
Transport		(3,779,686)	(3,419,223)	(4,044,418)
Economic services		(433,670)	(383,644)	(469,681)
Other property and services		(461,102)	(48,078)	(64,430)
		(11,544,772)	(10,876,426)	(11,389,959)
Finance Costs	2(b)			
Health		(40,072)	(32,786)	(6,435)
Housing		(2,994)	(7,385)	0
Recreation and culture		(158,630)	(160,739)	(165,666)
Transport		(20,189)	(21,631)	(23,637)
Other property and services		(422)	(422)	(594)
		(222,307)	(222,963)	(196,332)
		(3,251,025)	(3,499,585)	(3,478,007)
Non-operating grants, subsidies and contributions	2(a)	2,959,085	3,628,255	2,027,594
Profit on disposal of assets	11(a)	12,524	1,176	25,349
(Loss) on disposal of assets	11(a)	(189,002)	(10,796)	(478,686)
Fair value adjustments to financial assets at fair value through profit or loss		0	0	865
		2,782,607	3,618,635	1,575,122
Net result for the year		**(468,418)**	**119,050**	**(1,902,885)**
Total other comprehensive income for the year		**0**	**0**	**0**
Total comprehensive income for the year		**(468,418)**	**119,050**	**(1,902,885)**

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

OAG AUDITED

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

	NOTE	2021	2020
		$	$
CURRENT ASSETS			
Cash and cash equivalents	3	5,014,331	3,505,502
Trade and other receivables	6	682,145	555,596
Other financial assets	5(a)	41,513	8,097
Inventories	7	28,018	18,521
Other assets	8	303,091	15,302
TOTAL CURRENT ASSETS		6,069,098	4,103,018
NON-CURRENT ASSETS			
Trade and other receivables	6	57,588	69,322
Other financial assets	5(b)	379,454	65,957
Property, plant and equipment	9	42,622,593	44,304,551
Infrastructure	10	53,096,281	52,876,708
Right-of-use assets	12(a)	86,484	90,455
TOTAL NON-CURRENT ASSETS		96,242,400	97,406,993
TOTAL ASSETS		102,311,498	101,510,011
CURRENT LIABILITIES			
Trade and other payables	14	1,609,703	1,141,360
Other liabilities	15	1,356,233	1,277,058
Lease liabilities	16(a)	20,474	19,930
Borrowings	17(a)	427,905	341,683
Employee related provisions	18	415,874	416,446
TOTAL CURRENT LIABILITIES		3,830,189	3,196,477
NON-CURRENT LIABILITIES			
Lease liabilities	16(a)	17,489	37,963
Borrowings	17(a)	4,732,208	4,105,104
Employee related provisions	18	107,091	77,528
TOTAL NON-CURRENT LIABILITIES		4,856,788	4,220,595
TOTAL LIABILITIES		8,686,977	7,417,072
NET ASSETS		93,624,521	94,092,939
EQUITY			
Retained surplus		41,482,269	42,138,469
Reserves - cash backed	4	1,480,545	1,292,763
Revaluation surplus	13	50,661,707	50,661,707
TOTAL EQUITY		93,624,521	94,092,939

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

OAG AUDITED

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

	NOTE	RETAINED SURPLUS	RESERVES CASH BACKED	REVALUATION SURPLUS	TOTAL EQUITY
		$	$	$	$
Balance as at 1 July 2019		**44,857,653**	**1,310,453**	**54,341,707**	**100,509,813**
Change in accounting policy		(833,989)	0	(3,680,000)	**(4,513,989)**
Restated balance at the beginning of the financial year		**44,023,664**	**1,310,453**	**50,661,707**	**95,995,824**
Comprehensive income					
Net result for the year		(1,902,885)	0	0	(1,902,885)
Total comprehensive income		(1,902,885)	0	0	(1,902,885)
Transfers from reserves	4	75,000	(75,000)	0	0
Transfers to reserves	4	(57,310)	57,310	0	0
Balance as at 30 June 2020		**42,138,469**	**1,292,763**	**50,661,707**	**94,092,939**
Restated balance at 1 July 2020		**42,138,469**	**1,292,763**	**50,661,707**	**94,092,939**
Comprehensive income					
Net result for the year		(468,418)	0	0	(468,418)
Total comprehensive income		(468,418)	0	0	(468,418)
Transfers from reserves	4	228,135	(228,135)	0	0
Transfers to reserves	4	(415,917)	415,917	0	0
Balance as at 30 June 2021		**41,482,269**	**1,480,545**	**50,661,707**	**93,624,521**

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

OAG AUDITED

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

	NOTE	2021 Actual $	2021 Budget $	2020 Actual $
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		5,413,148	5,519,500	5,241,586
Operating grants, subsidies and contributions		827,282	491,930	1,334,558
Fees and charges		1,990,825	1,391,062	1,541,105
Interest received		57,598	49,000	87,168
Goods and services tax received		(613,474)	554,655	554,655
Other revenue		235,318	273,517	300,054
		7,910,697	8,279,664	9,059,126
Payments				
Employee costs		(2,925,813)	(2,403,645)	(2,615,943)
Materials and contracts		(3,016,660)	(2,334,293)	(3,795,365)
Utility charges		(516,330)	(346,700)	(483,180)
Interest expenses		(219,644)	(222,963)	(196,332)
Insurance paid		(191,782)	(188,849)	(189,264)
Goods and services tax paid		487,577	(554,655)	(418,094)
Other expenditure		(211,475)	(1,037,288)	(339,931)
		(6,594,127)	(7,088,393)	(8,038,109)
Net cash provided by operating activities	19	1,316,570	1,191,271	1,021,017
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for financial assets at amortised cost - self supporting loans		(355,010)	(395,010)	0
Payments for purchase of property, plant & equipment	9(a)	(703,634)	(2,421,427)	(3,372,137)
Payments for construction of infrastructure	10(a)	(2,946,776)	(2,286,127)	(1,248,004)
Non-operating grants, subsidies and contributions		3,041,225	2,473,610	2,027,594
Proceeds from financial assets at amortised cost - self supporting loans		8,098	25,942	7,894
Proceeds from sale of property, plant & equipment	11(a)	454,961	40,000	89,897
Net cash provided by (used in) investment activities		(501,136)	(2,563,012)	(2,494,756)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(341,684)	(391,149)	(271,888)
Payments for principal portion of lease liabilities	16(b)	(19,931)	(19,929)	(19,399)
Proceeds from new borrowings	17(b)	1,055,010	1,095,010	1,450,000
Net cash provided by financing activities		693,395	683,932	1,158,713
Net increase (decrease) in cash held		1,508,829	(687,809)	(315,026)
Cash at beginning of year		3,505,502	3,505,502	3,820,528
Cash and cash equivalents at the end of the year	19	5,014,331	2,817,693	3,505,502

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

OAG AUDITED

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

	NOTE	2021 Actual $	2021 Budget $	2020 Actual $
OPERATING ACTIVITIES				
Net current assets at start of financial year - deficit	27 (b)	(272,395)	(168,015)	(890,837)
		(272,395)	(168,015)	(890,837)
Revenue from operating activities (excluding rates)				
Governance		0	0	273
General purpose funding		635,576	319,441	673,179
Law, order, public safety		169,500	172,994	190,657
Health		91,744	60,700	59,698
Education and welfare		5,131	8,550	6,102
Housing		380,237	353,000	280,477
Community amenities		1,110,874	853,855	870,996
Recreation and culture		282,877	153,817	207,867
Transport		100,471	85,766	148,848
Economic services		259,643	131,657	221,923
Other property and services		111,173	69,500	116,508
		3,147,226	2,209,280	2,776,528
Expenditure from operating activities				
Governance		(544,800)	(558,300)	(567,650)
General purpose funding		(621,664)	(1,460,715)	(644,910)
Law, order, public safety		(510,173)	(471,125)	(507,114)
Health		(490,795)	(339,547)	(571,489)
Education and welfare		(67,832)	(62,370)	(66,523)
Housing		(830,379)	(590,171)	(557,213)
Community amenities		(1,434,950)	(1,199,904)	(1,345,648)
Recreation and culture		(2,757,383)	(2,555,055)	(3,201,446)
Transport		(3,802,911)	(3,440,854)	(4,068,279)
Economic services		(433,670)	(383,644)	(469,681)
Other property and services		(461,524)	(48,500)	(65,024)
		(11,956,081)	(11,110,185)	(12,064,977)
Non-cash amounts excluded from operating activities	27(a)	4,703,664	4,369,555	4,862,337
Amount attributable to operating activities		(4,377,586)	(4,699,365)	(5,316,949)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	2,959,085	3,628,255	2,027,594
Proceeds from disposal of assets	11(a)	454,962	40,000	89,897
Proceeds from financial assets at amortised cost - self supporting loans		8,097	25,942	7,894
Payments for financial assets at amortised cost - self supporting loans		(355,010)	(395,010)	0
Purchase of property, plant and equipment	9(a)	(703,635)	(2,421,427)	(3,372,137)
Purchase and construction of infrastructure	10(a)	(2,946,776)	(2,286,127)	(1,248,004)
Amount attributable to investing activities		(583,277)	(1,408,367)	(2,494,756)
FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(341,684)	(391,149)	(271,888)
Proceeds from borrowings	17(c)	1,055,010	1,095,010	1,450,000
Payments for principal portion of lease liabilities	16(b)	(19,931)	(19,929)	(19,399)
Transfer from restricted cash - other		0	0	1,004,937
Transfers to reserves (restricted assets)	4	(415,917)	(14,000)	(57,310)
Transfers from reserves (restricted assets)	4	228,135	20,000	75,000
Amount attributable to financing activities		505,613	689,932	2,181,340
Deficit before imposition of general rates		(4,455,250)	(5,417,800)	(5,630,365)
Total amount raised from general rates	26(a)	5,381,353	5,391,700	5,357,970
Surplus/(deficit) after imposition of general rates	27(b)	**926,103**	**(26,100)**	**(272,395)**

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

SHIRE OF IRWIN
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FOR THE YEAR ENDED 30 JUNE 2021

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1. BASIS OF PREPARATION

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

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

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

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

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

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

All monies held in the Trust Fund are excluded from the financial statements.

INITIAL APPLICATION OF ACCOUNTING STANDARDS
During the current year, the Shire adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.
These were:
- *AASB 1059 Service Concession Arrangements: Grantors*
- *AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Materiality*

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

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS
The following new accounting standards will have application to local government in future years:
- *AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- *AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*
- *AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

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

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

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

2. REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/ Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates	General rates	Overtime	Payment dates adopted by council each year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice issued
Grant contracts with customers	Community events, minor facilities, planning evaluation and services	Overtime	Fixed terms transfer of funds based on agreed milestones and reporting	Contract oligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants,subsidies or contributions for the construction of non-financial assets	Construction or acquistion of recognisable non-financial assets to be controlled by the local government	Overtime	Fixed terms transfer of funds based on agreed milestones and reporting	Contract oligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No obligation	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming. Compliance safety check	Single point in time	Full payment prior to issue	None	Set by state legislation or limited by legislation to the cost of provision	Based on the timing of the associated rights	Mno refunds	On payment of the licence, registration or approval
Fees and charges - waste management collections	Kerbside collection service	Overtime	Payment on an annual basis in advance	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice issued
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Full payment in advance	None	Adopted by council annually	When taxable event occurs	Not applicable	Output method based on provision of service or completion of works
Other revenue - reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

2. REVENUE AND EXPENSES

(a) Grant revenue

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

	2021 Actual $	2021 Budget $	2020 Actual $
Operating grants, subsidies and contributions			
General purpose funding	546,559	259,141	560,539
Law, order, public safety	150,857	147,994	160,784
Education and welfare	0	2,000	0
Housing	19,278	0	0
Community amenities	18,600	0	0
Recreation and culture	0	0	16,374
Transport	82,590	82,590	81,483
Other property and services	30,000	0	0
	847,884	491,725	819,180
Non-operating grants, subsidies and contributions			
Housing	499,587	1,559,327	1,652,276
Recreation and culture	250,000	250,000	0
Transport	2,209,498	1,818,928	375,318
	2,959,085	3,628,255	2,027,594
Total grants, subsidies and contributions	3,806,969	4,119,980	2,846,774
Fees and charges			
General purpose funding	24,294	8,500	16,460
Law, order, public safety	12,406	16,000	17,517
Health	6,110	5,700	5,808
Education and welfare	45	3,050	2,909
Housing	360,960	275,000	279,087
Community amenities	1,092,274	853,855	870,996
Recreation and culture	273,988	134,050	169,871
Transport	4,741	2,000	3,089
Economic services	210,919	86,407	174,083
Other property and services	5,088	6,500	1,285
	1,990,825	1,391,062	1,541,105

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

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

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

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

Fees and Charges

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

	2021 Actual $	2021 Budget $	2020 Actual $
Contracts with customers and transfers for recognisable non-financial assets			
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:			
Operating grants, subsidies and contributions	62,864	0	119,104
Fees and charges	1,987,905	1,385,062	1,501,170
Other revenue	53,538	53,917	106,052
Non-operating grants, subsidies and contributions	2,959,085	3,628,255	2,027,594
	5,063,392	5,067,234	3,753,920
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:			
Revenue from contracts with customers included as a contract liability at the start of the period	85,372	0	82,843
Revenue from contracts with customers recognised during the year	2,018,935	1,438,979	1,726,326
Revenue from transfers intended for acquiring or constructing recognisable non financial assets held as a liability at the start of the period	1,191,686	0	768,163
Revenue from transfers intended for acquiring or constructing recognisable non financial assets during the year	1,767,399	3,628,255	1,176,588
	5,063,392	5,067,234	3,753,920
Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:			
Trade and other receivables from contracts with customers	0	0	119,365
Contract liabilities from contracts with customers	(82,407)	0	(85,372)
Financial assets held from transfers for recognisable financial assets	1,273,826	0	1,191,686
Grant liabilities from transfers for recognisable non financial assets	(1,273,826)	0	(1,191,686)

Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met.
Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less.
Consideration from contracts with customers is included in the transaction price.
Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

	2021 Actual $	2021 Budget $	2020 Actual $
Revenue from statutory requirements			
Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:			
General rates	5,381,353	5,391,700	5,357,970
Statutory permits and licences	0	0	33,820
Fines	2,920	6,000	6,115
	5,384,273	5,397,700	5,397,905
Significant revenue			
General Purpose Funding	296,597	259,141	301,396
Housing	499,587	1,559,327	1,652,276
Transport	447,345	1,000,000	0
	1,243,529	2,818,468	1,953,672
Other revenue			
Reimbursements and recoveries	181,781	219,600	194,002
Other	235,319	273,517	106,052
	417,100	493,117	300,054
Interest earnings			
Interest on reserve funds	5,916	14,000	13,377
Rates instalment and penalty interest (refer Note 26(b))	49,901	20,000	59,885
Other interest earnings	1,781	15,000	13,911
	57,598	49,000	87,173

The significant revenue in 2021 relates to the early payment of Financial Assistance Grants received in June 2021 comprising general purpose funding of $104,307 and Road Funding of $192,290. Capital grant funding of $499,587 for the SIHI Aged Accommodation units, funded by DPIRD. Moreton Terrace upgrade funding from Department of Infrastructure, Transport, Regional Development and Communications for $1,000,000.

The significant revenue in 2020 relates to the early payment of Financial Assistance Grants received on 27th May 2020 comprising general purpose funding of $108,793 and Road Funding of $192,605. Capital grant funding from Department of Primary Industries & Regional Devlopment (DPIRD) for the Funding of the SIHI aged persons units.

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

Interest earnings (continued)

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

2. REVENUE AND EXPENSES (Continued)

(b) Expenses

	Note	2021 Actual $	2021 Budget $	2020 Actual $
Auditors remuneration				
Annual Financial report		51,000	69,000	50,000
Other services		2,400	0	1,500
		53,400	69,000	51,500
Interest expenses (finance costs)				
Borrowings	17(b)	220,991	221,646	194,480
Lease liabilities	16(b)	1,317	1,317	1,852
		222,308	222,963	196,332
Sundry expenses		211,475	1,037,288	339,931
		211,475	1,037,288	339,931

3. CASH AND CASH EQUIVALENTS

	NOTE	2021 $	2020 $
Cash at bank and on hand		5,014,331	3,505,502
Total cash and cash equivalents		5,014,331	3,505,502

Restrictions

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

- Cash and cash equivalents		4,110,244	3,131,383
		4,110,244	3,131,383

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

Reserves - cash backed	4	1,480,545	1,292,763
Contract liabilities from contracts with customers	15	82,407	85,372
Grants for transfers for recognisable non financial assets	15	1,273,826	1,191,686
Bonds and desposits held		210,591	198,687
Village units surplus		362,875	362,875
Unspent loans	17(d)	700,000	0
Total restricted assets		4,110,244	3,131,383

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Restricted assets

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

4. RESERVES - CASH BACKED

	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance	2021 Budget Opening Balance	2021 Budget Transfer to	2021 Budget Transfer (from)	2021 Budget Closing Balance	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance
	$	$	$	$	$	$	$	$	$	$	$	$
(a) Leave Reserve	123,184	564	0	123,748	123,184	1,334	0	124,518	121,943	1,241	0	123,184
(b) Port Denison Foreshore Development Res	239,960	1,098	0	241,058	239,960	2,598	0	242,558	268,298	46,662	(75,000)	239,960
(c) Recreation Centre Equipment Reserve	52,183	239	0	52,422	52,183	565	0	52,748	51,657	526	0	52,183
(d) Sanitation Reserve	21,161	97	(20,000)	1,258	21,161	229	(20,000)	1,390	20,947	214	0	21,161
(e) Coastal Management Reserve	138,669	635	(108,135)	31,169	138,669	1,502	0	140,171	137,272	1,397	0	138,669
(f) Asset Management Reserve	584,401	412,674	0	997,075	584,401	6,329	0	590,730	578,481	5,920	0	584,401
(g) Plant Replacement Reserve	108,736	498	(100,000)	9,234	108,736	1,178	0	109,914	107,641	1,095	0	108,736
(h) Tourism and Area Promotion Reserve	24,469	112	0	24,581	24,469	265	0	24,734	24,214	255	0	24,469
	1,292,763	415,917	(228,135)	1,480,545	1,292,763	14,000	(20,000)	1,286,763	1,310,453	57,310	(75,000)	1,292,763

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Leave Reserve	Ongoing	- To fund leave requirements.
(b) Port Denison Foreshore Development Res	Ongoing	- To be used to fund the development works of the foreshore in Port Denison.
(c) Recreation Centre Equipment Reserve	Ongoing	- To be used to fund future equipment replacement.
(d) Sanitation Reserve	Ongoing	- To be used to develop facilities at the transfer station and future relocation.
(e) Coastal Management Reserve	Ongoing	- To be used to fund planning, research and project works in the management of coastline and adjacent areas within the Shire of Irwin.
(f) Asset Management Reserve	Ongoing	- To be used for the construction, major maintenance and retire debt associated with Council owned assets.
(g) Plant Replacement Reserve	Ongoing	- To be used for the purchase of plant and equipment as per plant replacement program.
(h) Tourism and Area Promotion Reserve	Ongoing	- To be used to fund future requirements of tourism promotions.

5. OTHER FINANCIAL ASSETS

	2021 $	2020 $
(a) Current assets		
Financial assets at amortised cost	41,513	8,097
	41,513	8,097
Other financial assets at amortised cost		
Self supporting loans	41,513	8,097
	41,513	8,097
(b) Non-current assets		
Financial assets at amortised cost	326,038	12,541
Financial assets at fair values through profit and loss	53,416	53,416
	379,454	65,957
Financial assets at amortised cost		
Self supporting loans	326,038	12,541
	326,038	12,541
Financial assets at fair values through profit and loss		
Units in Local Government House Trust	53,416	53,416
	53,416	53,416

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 17(b) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 28.

6. TRADE AND OTHER RECEIVABLES

	2021 $	2020 $
Current		
Rates receivable	376,015	393,000
Trade and other receivables	137,002	119,365
GST receivable	169,128	43,231
	682,145	555,596
Non-current		
Pensioner's rates and ESL deferred	57,588	69,322
	57,588	69,322

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

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

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 28.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

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

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

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

7. INVENTORIES

	2021 $	2020 $
Current		
Fuel and materials	28,018	18,521
	28,018	18,521
The following movements in inventories occurred during the year:		
Balance at beginning of year	18,521	20,118
Inventories expensed during the year	(25,815)	(1,597)
Additions to inventory	35,312	0
Balance at end of year	28,018	18,521

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.

8. OTHER ASSETS

	2021	2020
	$	$
Other assets - current		
Accrued income	303,091	15,302
	303,091	15,302

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Non-current assets held for sale

Assets are classified as held for sale where the carrying amount will be recovered through a sale rather than continuing use and the asset is available for immediate sale with a sale being highly probable.

Non-current assets held for sale (Continued)

Non-current assets classified as held for sale are valued at the lower of the carrying amount and fair value less costs to sell.

The fair value of land and buildings was determined using the sales comparison approach using comparable properties in the area. This is a level 2 measurement as per the fair value hierarchy set out in Note 30(h).

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings - non-specialised	Buildings - specialised	Total land and buildings owned	Land and buildings - work in progress	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	$	$	$	$		$	$	$	$
Balance at 1 July 2019	5,021,300	3,549,330	31,586,541	40,157,171	0	40,157,171	309,150	2,731,664	43,197,985
Additions	400,000	5,394	2,570,210	2,975,604	0	2,975,604	113,024	283,509	3,372,137
(Disposals)	0	0	(478,462)	(478,462)	0	(478,462)	0	(64,772)	(543,234)
Depreciation (expense)		(229,986)	(925,362)	(1,155,348)		(1,155,348)	(67,846)	(499,143)	(1,722,337)
Balance at 30 June 2020	5,421,300	3,324,738	32,752,927	41,498,965	0	41,498,965	354,328	2,451,258	44,304,551
Comprises:									
Gross balance amount at 30 June 2020	5,421,300	3,982,081	35,502,446	44,905,827	0	44,905,827	691,026	3,664,914	49,261,767
Accumulated depreciation at 30 June 2020	0	(657,343)	(2,749,519)	(3,406,862)	0	(3,406,862)	(336,698)	(1,213,656)	(4,957,216)
Balance at 30 June 2020	5,421,300	3,324,738	32,752,927	41,498,965	0	41,498,965	354,328	2,451,258	44,304,551
Additions	0	0	59,640	59,640	566,812	626,452	46,107	31,075	703,634
(Disposals)	(160,000)	(435,966)	0	(595,966)	0	(595,966)	0	(35,472)	(631,438)
Depreciation (expense)	0	(223,641)	(991,498)	(1,215,139)	0	(1,215,139)	(66,336)	(472,679)	(1,754,154)
Balance at 30 June 2021	5,261,300	2,665,131	31,821,069	39,747,500	566,812	40,314,312	334,099	1,974,182	42,622,593
Comprises:									
Gross balance amount at 30 June 2021	5,261,300	3,515,179	35,562,086	44,338,565	566,812	44,905,377	737,133	3,631,921	49,274,431
Accumulated depreciation at 30 June 2021	0	(850,048)	(3,741,017)	(4,591,065)	0	(4,591,065)	(403,034)	(1,657,739)	(6,651,838)
Balance at 30 June 2021	5,261,300	2,665,131	31,821,069	39,747,500	566,812	40,314,312	334,099	1,974,182	42,622,593

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market approach using recent observable market data for similar items	Independent Valuation	June 2017	Price per square metre
Buildings - non-specialised	2	Improvements to land valued using cost approach using depreciated replacement costs	Independent Valuation	June 2017	Improvements to buildings using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Buildings - specialised	3	Market approach using recent observable market data for similar properties	Independent Valuation	June 2017	Price per square metre
(ii) Cost					
Furniture and equipment	3	Cost approach using depreciated replacement cost (Net revaluation method)	Management Valuation	June 2016	Purchase costs and current condition (Level 2) residual values and remaining useful life assessments (Level 3) inputs.
Plant and equipment	3	Cost approach using depreciated replacement cost (Net revaluation method)	Independent Valuation	June 2016	Price per item

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

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

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

10. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - roads - work in progress	Other infrastructure	Other infrastructure - work in progress	Total Infrastructure
	$	$	$	$	$
Balance at 1 July 2019	50,199,008	0	4,110,892	0	54,309,900
Additions	907,598	0	340,406	0	1,248,004
Depreciation (expense)	(2,470,923)	0	(210,273)	0	(2,681,196)
Balance at 30 June 2020	48,635,683	0	4,241,025	0	52,876,708
Comprises:					
Gross balance at 30 June 2020	67,609,401	0	4,646,003	0	72,255,404
Accumulated depreciation at 30 June 2020	(18,973,718)	0	(404,978)	0	(19,378,696)
Balance at 30 June 2020	48,635,683	0	4,241,025	0	52,876,708
Additions	642,934	1,530,500	708,561	64,781	2,946,776
Depreciation (expense)	(2,501,744)	0	(225,459)	0	(2,727,203)
Balance at 30 June 2021	46,776,873	1,530,500	4,724,127	64,781	53,096,281
Comprises:					
Gross balance at 30 June 2021	68,252,334	1,530,500	5,354,564	64,781	75,202,179
Accumulated depreciation at 30 June 2021	(21,475,461)	0	(630,437)	0	(22,105,898)
Balance at 30 June 2021	46,776,873	1,530,500	4,724,127	64,781	53,096,281

10. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using depreciated replacement cost (Gross revaluation method)	Management Valuation	June 2017	Construction costs and current condition (Level 2) residual values and remaining useful life assessments (Level 3) inputs.
Other infrastructure	3	Cost approach using depreciated replacement cost (Gross revaluation method)	Independent valuation	June 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.

11. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

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

Revaluation

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

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Revaluation (Continued)

At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

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

Land under roads

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

Vested improvements

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

Refer to Note 12 that details the significant accounting policies applying to leases (including right-of-use assets).

11. FIXED ASSETS

(a) Disposals of Assets

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss	2021 Budget Net Book Value	2021 Budget Sale Proceeds	2021 Budget Profit	2021 Budget Loss	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
	$	$	$	$	$	$	$	$	$	$	$	$
Land - freehold land	160,000	160,000	0	0	0	0	0	0	0	0	0	0
Buildings - non-specialised	435,966	250,000	0	(185,966)	0	0	0	0	0	0	0	0
Buildings - specialised	0	0	0	0	0	0	0	0	478,462	0	0	(478,462)
Plant and equipment	35,474	44,961	12,524	(3,036)	49,620	40,000	1,176	(10,796)	64,772	89,897	25,349	(224)
	631,440	454,961	12,524	(189,002)	49,620	40,000	1,176	(10,796)	543,234	89,897	25,349	(478,686)

The following assets were disposed of during the year.

Plant and Equipment	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
Transport				
Skid Steere Loader 226D	34,774	31,737	0	(3,036)
10 cubic metre Tipping Body	700	13,224	12,524	0
Other property and services				
Land - 4 Kennedy Heights	160,000	160,000	0	0
Duplex 4A Kennedy Heights	215,310	125,000	0	(90,310)
Duplex 4B Kennedy Heights	220,656	125,000	0	(95,656)
	631,440	454,961	12,524	(189,002)
	631,440	454,961	12,524	(189,002)

11. FIXED ASSETS

(b) Depreciation

	2021 Actual	2021 Budget	2020 Actual
	$	$	$
Buildings - non-specialised	223,641	229,860	229,986
Buildings - specialised	991,498	923,716	925,362
Furniture and equipment	66,336	62,448	67,846
Plant and equipment	472,679	475,082	499,143
Infrastructure - roads	2,501,744	2,466,910	2,470,923
Other infrastructure	225,459	196,744	210,273
Right-of-use assets - buildings	3,970	3,841	3,854
	4,485,327	4,358,601	4,407,387

Revision of useful lives of plant and equipment
There were no changes or revision of estimated useful lives of any of the assets undertaken in 2020-21

SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

Asset Class	Useful life
Land	Not depreciated
Buildings - non-specialised	20 - 50 years
Buildings - specialised	15 - 50 years
Furniture and equipment	3 - 10 years
Plant and equipment	2 - 25 years
Infrastructure - Roads	12 - 50 years
Infrastructure - Other	10 - 75 years

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

12. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.	Right-of-use assets - buildings	Right-of-use assets Total
	$	
Balance at 1 July 2019	94,309	94,309
Depreciation (expense)	(3,854)	(3,854)
Balance at 30 June 2020	90,455	90,455
Depreciation (expense)	(3,971)	(3,971)
Balance at 30 June 2021	86,484	86,484

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:	2021 Actual $	2020 Actual $
Interest expense on lease liabilities	1,317	1,852
Total amount recognised in the statement of comprehensive income	1,317	1,852
Total cash outflow from leases	(21,247)	(21,251)

The Shire has 1 lease relating to solar panels on buildings. The term of the lease is 5 years ending in April 2023. The Shire has not revalued the right of use assets relating to the solar panels on the buildings as the difference between the fair value and carrying amout is immaterial.

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

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

Leases for right-of-use assets are secured over the asset being leased.

Right-of-use assets - valuation

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position). The exception is vested improvements o concessionary land leases such as roads, building or other infrastructure which are reported at fair value.

Refer to Note 11 for details on the significant accounting policies applying to vested improveme

Right-of-use assets - depreciation

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

13. REVALUATION SURPLUS

	2021 Opening Balance	2021 Closing Balance	2020 Opening Balance	2020 Closing Balance
	$	$	$	$
Revaluation surplus - Furniture and equipment	380,764	380,764	380,764	380,764
Revaluation surplus - Plant and equipment	699,454	699,454	699,454	699,454
Revaluation surplus - Land and buildings	22,212,342	22,212,342	22,212,342	22,212,342
Revaluation surplus - Infrastructure - roads	25,917,653	25,917,653	25,917,653	25,917,653
Revaluation surplus - Other infrastructure	1,451,494	1,451,494	1,451,494	1,451,494
	50,661,707	50,661,707	50,661,707	50,661,707

14. TRADE AND OTHER PAYABLES

	2021	2020
	$	$
Current		
Sundry creditors	1,139,630	690,688
Accrued salaries and wages	56,892	44,770
ATO liabilities	40,828	39,581
Bonds and deposits held	210,591	198,687
Accrued Expenditure	0	8,536
Accrued Interest	21,254	18,590
Developer Contributions	140,508	140,508
	1,609,703	1,141,360

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services.
The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition

Prepaid rates

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

15. OTHER LIABILITIES

	2021	2020
	$	$
Current		
Contract Liabilities	82,407	85,372
Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity	1,273,826	1,191,686
	1,356,233	1,277,058

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

With respect to transfers for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.

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

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

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

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

16. LEASE LIABILITIES

(a) Lease Liabilities

	2021	2020
	$	$
Current	20,474	19,930
Non-current	17,489	37,963
	37,963	57,893

(b) Movements in Carrying Amounts

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Actual Lease Principal 1 July 2020	30 June 2021 Actual Lease Principal Repayments	30 June 2021 Actual Lease Principal Outstanding	30 June 2021 Actual Lease Interest Repayments	Budget Lease Principal 1 July 2020	30 June 2021 Budget Lease Principal Repayments	30 June 2021 Budget Lease Principal Outstanding	30 June 2021 Budget Lease Interest Repayments	Actual Lease Principal 1 July 2019	30 June 2020 Actual Lease Principal Repayments	30 June 2020 Actual Lease Principal Outstanding	30 June 2020 Actual Lease Interest Repayments
					$	$	$	$	$	$	$	$	$	$	$	$
Recreation and culture																
Solar Panels	1	Macquire	2.70%	5	39,333	(13,541)	25,792	(895)	39,336	(13,540)	25,796	(895)	52,513	(13,180)	39,333	(1,258)
Other property and services																
Solar Panels	1	Macquire	2.70%	5	18,560	(6,389)	12,171	(422)	18,561	(6,389)	12,172	(422)	24,779	(6,219)	18,560	(594)
					57,893	(19,930)	37,963	(1,317)	57,897	(19,929)	37,968	(1,317)	77,292	(19,399)	57,893	(1,852)

17. INFORMATION ON BORROWINGS

(a) Borrowings

	2021	2020
	$	$
Current	427,905	341,683
Non-current	4,732,208	4,105,104
	5,160,113	4,446,787

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	Actual Principal 1 July 2020	30 June 2021 Actual New Loans	30 June 2021 Actual Principal repayments	30 June 2021 Actual Interest repayments	30 June 2021 Actual Principal outstanding	Budget Principal 1 July 2020	30 June 2021 Budget New Loans	30 June 2021 Budget Principal repayments	30 June 2021 Budget Interest repayments	30 June 2021 Budget Principal outstanding	Actual Principal 1 July 2019	30 June 2020 Actual New Loans	30 June 2020 Actual Principal repayments	30 June 2020 Actual Interest repayments	30 June 2020 Actual Principal outstanding
				$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Health																		
Medical Centre	99	WATC	2.11%	1,450,000	0	(58,961)	(40,072)	1,391,039	1,450,000	0	(58,961)	(32,786)	1,391,039	0	1,450,000	0	(6,435)	1,450,000
Housing																		
SIHI Aged Housing	100	WATC	2.03%	0	700,000	0	(2,994)	700,000	0	700,000	(31,621)	(7,385)	668,379	0	0	0	0	0
Recreation and culture																		
Recreation Centre	93	WATC	6.80%	2,105,156	0	(109,992)	(153,471)	1,995,164	2,105,156	0	(109,992)	(152,737)	1,995,164	2,207,988	0	(102,832)	(159,995)	2,105,156
Tennis Courts Resurfacing	96	WATC	2.37%	79,897	0	(39,478)	(2,119)	40,419	79,896	0	(39,478)	(2,311)	40,418	118,455	0	(38,558)	(3,390)	79,897
Transport																		
Plant	98	WATC	2.07%	791,096	0	(125,155)	(20,189)	665,941	791,096	0	(125,155)	(21,631)	665,941	913,700	0	(122,604)	(23,637)	791,096
				4,426,149	700,000	(333,586)	(218,845)	4,792,563	4,426,148	700,000	(365,207)	(216,850)	4,760,941	3,240,143	1,450,000	(263,994)	(193,457)	4,426,149
Self Supporting Loans																		
Recreation and culture																		
Golf Club SSL	97	WATC	2.57%	20,638	0	(8,098)	(523)	12,540	20,639	0	(8,098)	(629)	12,546	28,532	0	(7,894)	(1,023)	20,638
Golf Club SSL	101	WATC	2.11%	0	0	0	0	0	0	40,000	(1,807)	(422)	38,193	0	0	0	0	0
Bowling Club SSL	102	WATC	1.47%	0	355,010	0	(1,623)	355,010	0	355,010	(16,037)	(3,745)	338,973	0	0	0	0	0
				20,638	355,010	(8,098)	(2,146)	367,550	20,639	395,010	(25,942)	(4,796)	389,712	28,532	0	(7,894)	(1,023)	20,638
				4,446,787	1,055,010	(341,684)	(220,991)	5,160,113	4,446,787	1,095,010	(391,149)	(221,646)	5,150,653	3,268,675	1,450,000	(271,888)	(194,480)	4,446,787

* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 5 as other financial assets at amortised cost.
All other loan repayments were financed by general purpose revenue.

17. INFORMATION ON BORROWINGS (Continued)

(c) New Borrowings - 2020/21

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed 2021 Actual	Amount Borrowed 2021 Budget	Amount (Used) 2021 Actual	Amount (Used) 2021 Budget	Total Interest & Charges	Actual Balance Unspent
				%	$	$	$	$	$	$
SIHI Aged Housing	WATC*	Debenture	15	2.03%	700,000	700,000	0	(700,000)	115,673	700,000
Golf Club SSL	WATC*	Debenture	0	0.00%	0	40,000	0	0	0	0
Bowling Club SSL	WATC*	Debenture	10	1.47%	355,010	355,010	(355,010)	(355,010)	28,043	0
* WA Treasury Corporation					1,055,010	1,095,010	(355,010)	(1,055,010)	143,716	700,000

(d) Unspent Borrowings

Particulars	Date Borrowed	Unspent Balance 1 July 2020	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2021
		$	$	$	$
SIHI Aged Housing	15/04/2021	0	700,000	0	700,000
* WA Treasury Corporation		0	700,000	0	700,000

(e) Undrawn Borrowing Facilities	2021 $	2020 $
Credit Standby Arrangements		
Bank overdraft limit	0	0
Bank overdraft at balance date	0	0
Credit card limit	15,000	20,000
Credit card balance at balance date	(4,855)	(1,164)
Total amount of credit unused	10,145	18,836
Loan facilities		
Loan facilities - current	427,905	341,683
Loan facilities - non-current	4,732,208	4,105,104
Lease liabilities - current	20,474	19,930
Lease liabilities - non-current	17,489	37,963
Total facilities in use at balance date	5,198,076	4,504,680
Unused loan facilities at balance date	0	0

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Borrowing costs

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

Risk

Information regarding exposure to risk can be found at Note 28.

18. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

	Provision for Annual Leave	Provision for Long Service Leave	Total
	$	$	$
Opening balance at 1 July 2020			
Current provisions	211,873	204,573	416,446
Non-current provisions	0	77,528	77,528
	211,873	282,101	493,974
Additional provision	260,743	33,682	294,425
Provisions consumed	(261,223)	(4,211)	(265,434)
Balance at 30 June 2021	211,393	311,572	522,965
Comprises			
Current	211,393	204,481	415,874
Non-current	0	107,091	107,091
	211,393	311,572	522,965

	2021	2020
Amounts are expected to be settled on the following basis:	$	$
Less than 12 months after the reporting date	415,874	416,446
More than 12 months from reporting date	72,046	16,157
Expected reimbursements from other WA local governments	35,045	61,371
	522,965	493,974

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees.

Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

19. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2021 Actual $	2021 Budget $	2020 Actual $
Cash and cash equivalents	5,014,331	2,817,693	3,505,502
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	(468,418)	119,050	(1,902,885)
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	0	0	(865)
Depreciation on non-current assets	4,485,327	4,358,601	4,407,387
(Profit)/loss on sale of asset	176,478	9,620	453,337
Movement in fixed assets expensed to operating	0	0	119
Rounding adjustment	0	0	(5)
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(114,815)	125,205	106,701
(Increase)/decrease in other assets	(287,789)	0	(14,167)
(Increase)/decrease in inventories	(9,497)	2,050	1,597
Increase/(decrease) in payables	468,343	205,000	(506,804)
Increase/(decrease) in employee provisions	28,991	0	78,144
Increase/(decrease) in other liabilities	79,175	(1,154,645)	426,052
Non-operating grants, subsidies and contributions	(3,041,225)	(2,473,610)	(2,027,594)
Net cash from operating activities	1,316,570	1,191,271	1,021,017

20. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2021	2020
	$	$
Governance	4,996	7,263
General purpose funding	1,220,045	695,933
Law, order, public safety	510,725	576,491
Health	1,297,567	1,326,040
Education and welfare	597,594	642,071
Housing	10,860,504	10,940,978
Community amenities	578,160	686,766
Recreation and culture	23,655,049	24,186,436
Transport	51,282,232	51,153,876
Economic services	1,533,439	1,594,364
Other property and services	8,553,795	8,688,152
Unallocated	2,217,392	1,011,641
	102,311,498	101,510,011

21. CONTINGENT ASSETS AND LIABILITIES

The Shire is not aware of any reportable contingent assets or liabilities as at the reporting date.

22. CAPITAL COMMITMENTS

	2021	2020
	$	$
(a) Capital Expenditure Commitments		
Contracted for:		
- capital expenditure projects	2,802,134	383,599
- plant & equipment purchases	138,291	0
	2,940,425	383,599
Payable:		
- not later than one year	2,940,425	383,599

23. ELECTED MEMBERS REMUNERATION

	2021 Actual $	2021 Budget $	2020 Actual $
Cr Michael Smith			
President's annual allowance	10,000	10,000	10,000
Meeting attendance fees	10,000	10,000	10,000
Annual allowance for ICT expenses	90	375	0
Travel and accommodation expenses	0	125	0
	20,090	20,500	20,000
Cr Barry Wyse			
Deputy President's annual allowance	2,500	2,500	2,500
Meeting attendance fees	7,612	7,616	7,612
Annual allowance for ICT expenses	90	375	0
Travel and accommodation expenses	0	125	0
	10,202	10,616	10,112
Cr Grant Eva			
Meeting attendance fees	7,612	7,614	7,612
Annual allowance for ICT expenses	90	375	0
Travel and accommodation expenses	0	125	0
	7,702	8,114	7,612
Cr Andrew Gillam			
Meeting attendance fees	7,612	7,614	7,612
Annual allowance for ICT expenses	90	375	0
Travel and accommodation expenses	0	125	0
	7,702	8,114	7,612
Cr Mark Leonard			
Meeting attendance fees	7,612	7,614	7,612
Annual allowance for ICT expenses	90	375	0
Travel and accommodation expenses	0	125	0
	7,702	8,114	7,612
Cr Hayley Palmer			
Meeting attendance fees	7,612	7,614	7,612
Annual allowance for ICT expenses	89	375	0
Travel and accommodation expenses	0	125	0
	7,701	8,114	7,612
Cr Isabelle Scott			
Meeting attendance fees	7,612	7,614	7,612
Annual allowance for ICT expenses	89	375	0
Travel and accommodation expenses	0	125	0
	7,701	8,114	7,612
Cr Ian West			
Meeting attendance fees	7,612	7,614	7,612
Annual allowance for ICT expenses	89	375	0
Travel and accommodation expenses	0	125	0
	7,701	8,114	7,612
	76,501	79,800	75,784
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
President's allowance	10,000	10,000	10,000
Deputy President's allowance	2,500	2,500	2,500
Meeting attendance fees	63,284	63,300	63,284
Annual allowance for ICT expenses	717	3,000	0
Travel and accommodation expenses	0	1,000	0
	76,501	79,800	75,784

24. RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP) Compensation Disclosure

The total of remuneration paid to KMP of the Shire during the year are as follows:	2021 Actual $	2020 Actual $
Short-term employee benefits	630,996	452,874
Post-employment benefits	94,419	50,794
Other long-term benefits	36,821	11,458
	762,236	515,126

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

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

Other long-term benefits
These amounts represent long service benefits accruing during the year.

Transactions with related parties

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

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

The following transactions occurred with related parties:	2021 Actual $	2020 Actual $
Sale of goods and services	1,160	540
Purchase of goods and services	99,327	43,593
Amounts payable to related parties:		
Trade and other payables	14,985	6,012

Related Parties

The Shire's main related parties are as follows:

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

ii. Other Related Parties
An associate person of KMP was employed by the Shire under normal employement terms and conditions.

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

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

25. INVESTMENT IN ASSOCIATE AND JOINT ARRANGEMENTS

(a) Share of joint operations

In 1996/97 Council, in conjunction with Homeswest, constructed 10 Aged Persons Units in the Port Denison town site. The terms of the joint venture agreement provided for Council to contribute $103,330 which equated to an equity contribution of 19.18%. The fair value of the asset as at the 30 June 2021 has been applied below with accumulated depreciation as at 30 June 2021.

	2021 $	2020 $
Buildings - specialised	975,656	5,630,648
Less - accumulated depreciation	(139,049)	(475,007)
Total assets	836,607	5,155,641
Total comprehensive income for the year	63,609	0

SIGNIFICANT ACCOUNTING POLICIES

Interests in joint arrangements

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

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

Interests in joint arrangements (Continued)

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

26. RATING INFORMATION

(a) Rates

RATE TYPE Differential general rate / general rate	Rate in $	Number of Properties	2020/21 Actual Rateable Value	2020/21 Actual Rate Revenue	2020/21 Actual Interim Rates	2020/21 Actual Back Rates	2020/21 Actual Total Revenue	2020/21 Budget Rate Revenue	2020/21 Budget Interim Rate	2020/21 Budget Back Rate	2020/21 Budget Total Revenue	2019/20 Actual Total Revenue
Gross rental valuations			$	$	$	$	$	$	$	$	$	$
GRV - Residential	0.111808	1,334	17,151,409	1,917,663	3,529	0	1,921,192	1,917,663	5,000	5,000	1,927,663	1,908,178
GRV - Commercial	0.111808	121	4,037,910	443,330	1,009	(2,327)	442,012	451,470	0	0	451,470	465,204
GRV - Undeveloped	0.111808	20	311,776	34,859	0	0	34,859	34,859	0	0	34,859	34,831
GRV - Residential - R50 Developed	0.111808	75	1,286,620	143,855	651	0	144,506	143,854	0	0	143,854	143,769
GRV - Residential - R50 Undeveloped	0.111808	12	166,050	18,566	0	0	18,566	18,566	0	0	18,566	18,566
Unimproved valuations												
UV - Policy Area A	0.014193	5	3,160,000	44,850	0	0	44,850	44,850	0	0	44,850	43,388
UV - Policy Area B	0.014193	13	4,451,902	63,186	(348)	(719)	62,119	63,186	0	0	63,186	68,006
UV - Policy Area C	0.014193	132	74,477,529	1,057,003	6,894	456	1,064,353	1,057,060	0	0	1,057,060	1,006,040
UV - Policy Area D	0.014193	109	14,172,852	201,155	29	368	201,552	201,155	0	0	201,155	216,982
UV - Policy Area E	0.014193	40	9,917,800	140,763	0	0	140,763	140,763	0	0	140,763	145,067
UV - Policy Area F	0.014193	24	5,209,350	73,936	0	0	73,936	73,936	0	0	73,936	80,872
UV - Policy Area G	0.014193	27	3,704,751	52,582	0	0	52,582	52,582	0	0	52,582	63,809
UV - Mining	0.189882	28	1,480,782	282,811	(645)	379	282,545	281,174	0	0	281,174	267,611
UV - Mining Developed	0.189882	9	887,524	168,524	0	0	168,524	168,525	0	0	168,525	164,394
Sub-Total		1,949	140,416,255	4,643,083	11,119	(1,843)	4,652,359	4,649,643	5,000	5,000	4,659,643	4,626,717
Minimum payment	**Minimum**											
Gross rental valuations	$											
GRV - Residential	1,021	98	760,027	100,058	0	0	100,058	100,058	0	0	100,058	100,058
GRV - Commercial	1,021	65	295,666	66,365	0	0	66,365	66,365	0	0	66,365	66,365
GRV - Undeveloped	1,021	457	1,310,417	466,597	0	0	466,597	466,597	0	0	466,597	474,765
GRV - Residential - R50 Developed	1,021	7	58,658	7,147	0	0	7,147	7,147	0	0	7,147	7,147
GRV - Residential - R50 Undeveloped	1,021	14	73,830	14,294	0	0	14,294	14,294	0	0	14,294	14,294
Unimproved valuations												
UV - Policy Area A	1,021	4	185,500	4,084	0	0	4,084	4,084	0	0	4,084	4,084
UV - Policy Area B	1,021	2	146,998	2,042	0	0	2,042	4,084	0	0	4,084	4,084
UV - Policy Area C	1,021	27	1,274,271	27,567	0	0	27,567	27,567	0	0	27,567	23,483
UV - Policy Area D	1,021	11	595,198	11,231	0	0	11,231	11,231	0	0	11,231	7,147
UV - Policy Area E	1,021	0	0	0	0	0	0	0	0	0	0	0
UV - Policy Area F	1,021	11	598,500	11,231	0	0	11,231	11,231	0	0	11,231	11,231
UV - Policy Area G	1,021	1	66,499	0	0	0	0	1,021	0	0	1,021	1,021
UV - Mining	1,021	18	46,545	18,378	0	0	18,378	18,378	0	0	18,378	17,574
UV - Mining Developed	1,021	0	0	0	0	0	0	0	0	0	0	0
Sub-Total		715	5,412,109	728,994	0	0	728,994	732,057	0	0	732,057	731,253
		2,664	145,828,364	5,372,077	11,119	(1,843)	5,381,353	5,381,700	5,000	5,000	5,391,700	5,357,970
Total amount raised from general rate							5,381,353				5,391,700	5,357,970
Ex-gratia rates							3,076				2,800	2,802
Totals							5,384,429				5,394,500	5,360,772

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

26. RATING INFORMATION (Continued)

Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount %	Discount $	2021 Actual $	2021 Budget $	2020 Actual $
General - Hall Hire	Waiver	0.00%	Various	318	0	0
Doctor's surgery	Waiver	0.00%	0.00	0	0	5,814
				318	0	5,814
Total discounts/concessions (Note 26(a))				318	0	5,814

Rate or Fee and Charge to which the Waiver or Concession is Granted	Circumstances in which the Waiver or Concession is Granted and to whom it was available	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
General - Hall Hire	Provision of courts and kitchen for fundraising activities		This support is necessary for the overall benefit of the local community.
Doctor's surgery	Council resolution 24/5/2016 Minute no. 140516		This support is necessary for the overall benefit of the community to assist and support the doctors in town.

26. RATING INFORMATION (Continued)

(b) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		$	%	%
Option One				
Single full payment	15/09/2020	0.00	0.00%	8.00%
Option Two				
First instalment	15/09/2020	0.00	5.50%	8.00%
Second instalment	16/11/2020	5.00	5.50%	8.00%
Option Three				
First instalment	15/09/2020	0.00	5.50%	8.00%
Second instalment	16/11/2020	5.00	5.50%	8.00%
Third instalment	18/01/2021	5.00	5.50%	8.00%
Fourth instalment	18/03/2021	5.00	5.50%	8.00%

	2021 Actual	2021 Budget	2020 Actual
	$	$	$
Interest on unpaid rates	39,142	15,000	47,947
Interest on instalment plan	10,759	5,000	11,938
Charges on instalment plan	6,015	3,000	6,690
	55,916	23,000	66,575

27. RATE SETTING STATEMENT INFORMATION

	Note	2020/21 (30 June 2021 Carried Forward) $	2020/21 Budget (30 June 2021 Carried Forward) $	2019/20 (30 June 2020 Carried Forward $
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with *Financial Management Regulation 32.*				
Adjustments to operating activities				
Less: Profit on asset disposals	11(a)	(12,524)	(1,176)	(25,349)
Less: Fair value adjustments to financial assets at fair value through profit and loss		0	0	(865)
Movement in pensioner deferred rates (non-current)		11,734	0	(9,045)
Movement in employee benefit provisions (non-current)		29,563	0	10,163
Movement in leave reserve		562	1,334	1,241
Movement in fixed assets expensed to operating		0	0	119
Add: Loss on disposal of assets	11(a)	189,002	10,796	478,686
Add: Depreciation on non-current assets	11(b)	4,485,327	4,358,601	4,407,387
Non cash amounts excluded from operating activities		4,703,664	4,369,555	4,862,337
(b) Surplus/(deficit) after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserves - cash backed	4	(1,480,545)	(1,286,763)	(1,292,763)
Less: Restricted cash - other		(362,875)	(376,298)	(362,875)
Less: Financial assets at amortised cost - self supporting loans	5(a)	(41,513)	4	(8,095)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	17(a)	427,905	0	341,683
- Current portion of lease liabilities		20,474	4	19,930
- Employee benefit provisions		123,748	124,518	123,184
Total adjustments to net current assets		(1,312,806)	(1,538,535)	(1,178,936)
Net current assets used in the Rate Setting Statement				
Total current assets		6,069,098	3,275,643	4,103,018
Less: Total current liabilities		(3,830,189)	(1,763,208)	(3,196,477)
Less: Total adjustments to net current assets		(1,312,806)	(1,538,535)	(1,178,936)
Net current assets used in the Rate Setting Statement		926,103	(26,100)	(272,395)

28. FINANCIAL RISK MANAGEMENT

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

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

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

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as Policy C15 Management of Investments.

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	$	$	$	$
2021					
Cash and cash equivalents	0.10%	5,014,331	0	5,014,331	0
2020					
Cash and cash equivalents	0.25%	3,505,502	0	3,505,502	0

Sensitivity

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

	2021	2020
	$	$
Impact of a 1% movement in interest rates on profit and loss and equity*	50,143	35,055

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 17(b).

28. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

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

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

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

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

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

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

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2021					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	3,709	157,404	109,433	174,429	444,975
Loss allowance	0	0	0	0	0
30 June 2020					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	7,202	228,230	102,009	124,881	462,322
Loss allowance	0	0	0	0	0

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2021					
Trade and other receivables					
Expected credit loss	0.01%	0.00%	1.07%	0.84%	
Gross carrying amount	84,689	17,145	2,217	33,285	137,336
Loss allowance	8	0	24	281	313
30 June 2020					
Trade and other receivables					
Expected credit loss	0.01%	0.00%	0.82%	1.03%	
Gross carrying amount	84,367	3,833	0	31,499	119,699
Loss allowance	8	0	0	326	334

28. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 17(e).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
2021	$	$	$	$	$
Payables	1,609,703	0	0	1,609,703	1,609,703
Borrowings	623,166	2,298,092	3,633,657	6,554,915	5,160,113
Contract liabilities	1,333,371	0	0	1,333,371	0
Lease liabilities	21,247	17,706	0	38,953	37,963
	3,587,487	2,315,798	3,633,657	9,536,942	6,807,779
2020					
Payables	1,141,360	0	0	1,141,360	1,141,360
Borrowings	530,483	2,457,845	2,899,464	5,887,792	4,446,787
Contract liabilities	1,277,058	0	0	1,277,058	1,277,058
Lease liabilities	21,247	38,953	0	60,200	57,893
	2,970,148	2,496,798	2,899,464	8,366,410	6,923,098

29. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Shire.

30. AASB 1059 SERVICE CONCESSION ARRANGEMENTS

Service concessions assets are those assets where a third-party operator constructs assets for the Shire, upgrades existing assets of the Shire or uses existing assets of the Shire to operate and maintain the assets to provide a public service, for a specified period of time. Where, in these circumstances, the third-party operator provides a public service on behalf of the Shire and is deemed to manage at least some of the services under its own discretion, the assets are classified as service concession assets.

The Shire does not have any service concession arrangements in place for the 2020/21 financial year.

30. OTHER SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Level 1
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2
Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3
Measurements based on unobservable inputs for the asset or liability.

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

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

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

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

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

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

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

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

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

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

31. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
GOVERNANCE To provide a decision making process for the	Includes the activities of members of council and the administrative support available to the
GENERAL PURPOSE FUNDING To collect revenue to allow for the provision of	Rates, general purpose government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer and	Supervision and enforcement of various local laws relating to fire prevention, animal control and
HEALTH To provide an operational framework for	Inspection of food outlets and their control, provision of meat inspection services, noise control
EDUCATION AND WELFARE To provide services to the elderly, children and	Maintenance of playgroup centre and senior citizen centre. Provision of youth services.
HOUSING To provide and maintain elderly residents	Provision and maintenance of elderly residents housing.
COMMUNITY AMENITIES To provide services required by the community.	Rubbish collection services, operation of rubbish transfer site, litter control, protection of the
RECREATION AND CULTURE To establish and effectively manage	Maintenance of public halls, heritage buildings, civic centres, beaches, recreation centres and
TRANSPORT To provide safe, effective and efficient transport	Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities
ECONOMIC SERVICES To help promote the Shire and its economic	Tourism and area promotion. Provision of rural services including weed control, vermin control
OTHER PROPERTY AND SERVICES To monitor and control Shire's overheads	Private works operation, plant repair and operation costs and engineering operation costs.

32. FINANCIAL RATIOS

	2021 Actual	2020 Actual	2019 Actual
Current ratio	1.36	0.61	0.77
Asset consumption ratio	0.77	0.80	0.69
Asset renewal funding ratio	1.31	1.41	1.34
Asset sustainability ratio	0.71	0.26	0.40
Debt service cover ratio	2.28	1.38	2.31
Operating surplus ratio	(0.45)	(0.55)	(0.53)
Own source revenue coverage ratio	0.64	0.60	0.59

The above ratios are calculated as follows:

Current ratio

$$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$$

Asset consumption ratio

$$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$$

Asset renewal funding ratio

$$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$$

Asset sustainability ratio

$$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation}}$$

Debt service cover ratio

$$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$$

Operating surplus ratio

$$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$$

Own source revenue coverage ratio

$$\frac{\text{own source operating revenue}}{\text{operating expense}}$$

Auditor General

INDEPENDENT AUDITOR'S REPORT
2021
Shire of Irwin

To the Councillors of the Shire of Irwin

Report on the audit of the annual financial report

Opinion

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

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

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

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

Basis for opinion

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

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

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

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

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

Auditor's responsibility for the audit of the financial report

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

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

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

Report on other legal and regulatory requirements

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

(i) In my opinion, the following material matters indicate a significant adverse trend in the financial position of the Shire:

  a) The Operating Surplus Ratio as reported in Note 32 of the annual financial report is below the Department of Local Government, Sport and Cultural Industries' (DLGSCI's) standard of 0.01 for the last three financial years; and

  b) The Asset Sustainability Ratio as reported in Note 32 of the annual financial report is below the DLGSCI's standard of 0.90 for the last three financial years.

(i) All required information and explanations were obtained by me.

(ii) All audit procedures were satisfactorily completed.

(iii) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the financial report were supported by verifiable information and reasonable assumptions.

Other information

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

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

Matters relating to the electronic publication of the audited financial report

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

Efthalia Samaras
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
28 March 2022





ATTACHMENT: ID01

Delegated and Authorised Actions for April 2022 – Development

Attachment 1
Table of Delegated Actions for April 2022

Records of exercise of delegated powers or duties

Reference	Function	Date of decision	Decision	Description	Person or classes of persons	Address
EMP200	Grant a Building Permit	5 Apr 2022	Granted	Building Permit - Transportable Dwelling	E Parent & P Old	Lot 1 (#3) Dent Court, Port Denison
EMP200	Grant a Building Permit	7 Apr 2022	Granted	Building Permit - Dwelling	WA Country Builders Pty Ltd	Lot 230 (#8) Tyford Road, Dongara
EMP200	Grant a Building Permit	7 Apr 2022	Granted	Building Permit - Outbuilding	C Spry	Lot 202 (#104) Stock Route Road, Yardarino
EMP200	Grant a Building Permit	8 Apr 2022	Granted	Building Permit - Outbuilding	Auspan Building Systems Pty Ltd	Lot 1496 (#31104) Brand Highway, Bonniefield
EMP200	Grant a Building Permit	11 Apr 2022	Granted	Building Permit - Carport	Nusteel Patios and Sheds	Lot 1 (#30265) Brand Highway, Dongara
EMP200	Grant a Building Permit	19 Apr 2022	Granted	Building Permit - Swimming Pool	J Gallucci	Lot 583 (#6) Grey Close, Dongara
EMP200	Grant a Building Permit	19 Apr 2022	Granted	Building Permit - Dwelling	WA Country Builders Pty Ltd	Lot 243 (#26) Bayliss Road, Dongara
EMP200	Grant a Building Permit	28 Apr 2022	Granted	Building Permit - Dwelling	J & C Allinson	Lot 1770 (#30959) Brand Highway, Bonniefield
EMP904	Local Planning Scheme No.5	1 Apr 2022	Granted	Development Approval - Outbuilding	Wheatbelt Steel Pty Ltd	Lot 104 Padbury Road, Bookara

Records of exercise of delegated powers or duties

Reference	Function	Date of decision	Decision	Description	Person or classes of persons	Address
EMP904	Local Planning Scheme No.5	1 Apr 2022	Granted	Development Approval - Outbuilding	Brefjen Investments Pty Ltd	Lot M714 (#2677) Allanooka Springs, Road, Allanooka
EMP904	Local Planning Scheme No.5	1 Apr 2022	Granted	Development Approval - Dwelling	S & S Price	Lot 38 River Gum Way, Springfield
EMP904	Local Planning Scheme No.5	13 Apr 2022	Granted	Development Approval - Restoration Works to Denison House and Chapel	Shire of Irwin	Lot 787 Retreat Boulevard, Port Denison
EMP904	Local Planning Scheme No.5	13 Apr 2022	Granted	Development Approval - Outbuilding	R Brando	Lot 289 (#27) Carnarvon Street, Port Denison
EMP904	Local Planning Scheme No.5	19 Apr 2022	Granted	Development Approval - Outbuilding	NuSteel Patios & Sheds	Lot 3 Midlands Road, Irwin
EMP904	Local Planning Scheme No.5	19 Apr 2022	Granted	Development Approval - Dwelling and Outbuilding	P & S Yates	Lot 540 (#104) Northshore Drive, Dongara
EMP904	Local Planning Scheme No.5	29 Apr 2022	Granted	Development Approval - Dwelling	Milford Homes Pty Ltd	Lot 366 (#6) Dent Court, Port Denison

ATTACHMENT: 9.2.1

Audit Committee Meeting 19 May 2022

Attachment 1
Audit Committee Meeting Minutes 19 May 2022

Attachment 2
2021/22 Audit Plan

Shire of Irwin Audit Committee Meeting

to be held in the Council Chambers

Thursday 19 May, 2022

at 4.00pm

Minutes

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Chairperson welcomed Councillors and Staff and declared the meeting open at 4.00pm.

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

Members

Cr I Scott *(Chairperson)*	Shire of Irwin Councillor
Cr M Leonard *(Deputy Chairperson)*	Shire of Irwin Councillor

Staff

Mr S D Ivers	Chief Executive Officer
Mrs D K Chandler	A/Manager Corporate & Community
Ms S J Clarkson	A/Senior Finance Officer
Ms N A M'Leane	Development & Executive Officer

Apologies

Cr G Eva	Shire of Irwin Councillor

Guests

Mr Mikey Fiorucci *(via Teams)*	Office of the Auditor General
Mr Michael Fay *(via Teams)*	Pitcher Partners
Mr Caden Manfield *(via Teams)*	Pitcher Partners
Ms Hillary Macasaet *(via Teams)*	Pitcher Partners

3. CONFIRMATION OF MINUTES

3.1. Minutes of the Audit Committee Meeting held Tuesday, 5 April 2022

A copy of the minutes of the Audit Committee Meeting held Tuesday, 5 April 2022 have been provided to all Committee Members under separate cover.

COMMITTEE DECISION

MOVED: Cr Scott **SECONDED: Cr Leonard**

That the Minutes of the Audit Committee Meeting, held Tuesday, 5 April 2022, be confirmed as a true and accurate recording of that meeting.

VOTING DETAILS: **Carried 2/0**

4. NEW BUSINESS ITEMS

4.1. Shire of Irwin Audit Plan – Pitcher Partners

Cr Scott, Chair of the Shire of Irwin Audit Committee welcomed Mikey Fiorucci and Michael Fay and invited them to present the Audit Plan for the 2021/22 Performance Audit.

Mikey Fiorucci, representing the OAG introduced Pitcher Partners to the Audit Committee as the Shire of Irwin's nominated auditors for 2021/22. Audit results report is due to be released soon for the 2020/21 audit period identifying key learnings from the last audit cycle.

There are no new accounting standards for consideration in this years audit, the OAG are aware of the initiative from Department of Local Government Sport and Cultural Industries regarding tiered financial reports for smaller and larger local governments.

Michael Fay of Pitcher Partners noted they enjoyed the collaboration last year and are again looking forward to working with the Shire of Irwin. Michael presented the Audit Plan and outlined the Areas of Audit Focus including:

- Revenue recognition for rates, government grants. Contributions, and fees and charges:
- Property, plant and equipment and infrastructure;
- Employee benefits provision;
- Existence and completeness of expenditure;
- IT general controls;
- Specific LG General Purpose Financial Reporting requirements;
- Quality of financial reporting;
- Non compliance; and
- Financial ratios – Significant adverse trends.

Michael Fay presented the Audit Approach. Kayden and Hillary will be on site for the first visit commencing on Monday, 23 May 2022. Future dates to be advised.

Mikey Fiorucci, Michael Fay, Caden Manfield and Hillary Macasaet left the meeting at 4.27pm.

COMMITTEE DECISION	
MOVED: Cr Leonard	**SECONDED: Cr Scott**
That the Shire of Irwin Audit Committee endorses the 2021/22 Audit Plan as presented by Pitcher Partners and as previously circulated.	
VOTING DETAILS:	**Carried 2/0**

5. GENERAL BUSINESS

Nil.

6. URGENT BUSINESS APPROVED BY CHAIR OR BY COMMITTEE DECISION

Nil.

7. SETTING OF FUTURE MEETING DATES

8. CLOSURE

There being no further business, the meeting was declared closed at 4.28pm.

Shire of Irwin

Audit Plan to the Audit Committee
for the year ending 30 June 2022

19 May 2022



Private and Confidential

19 May 2022

The Audit Committee
Shire of Irwin
11- 13 Waldeck Street
Dongara WA 6525

Level 11
12-14 The Esplanade
Perth
WA 6000

Tel: +61 8 9322 2022
Fax: +61 2 9223 1262

Dear Audit Committee (the "AC") members

External Audit Plan for the Shire of Irwin for the year ending 30 June 2022

We are pleased to present our External Audit Plan ("Audit Plan") for the Shire of Irwin for the year ending 30 June 2022.

Pitcher Partners will execute the audit of the financial report of the Shire of Irwin on behalf of the Office of the Auditor General to ensure the financial report is compliant with the *Local Government Act 1995* (the "LGA"), the *Local Government (Financial Management) Regulations 1996* (the "Regulations") and to the extent they are not conflicting with the LGA and the Regulations, *Australian Accounting Standards.*

The Auditor General will be informed of any findings identified during the course of the audit.

This Audit Plan sets out the scope of our engagement and the expected areas of audit focus. We will confirm all aspects of this Audit Plan with management and the AC representatives at our meeting on 19 May 2022 and should any significant alterations be required to the planned scope of our engagement, we will advise you accordingly.

We have considered, and will continue to consider, the Shire of Irwin's current and emerging organisational risks and the resultant impact on the financial report. Our Audit Plan is designed to be responsive to your needs and will maximise audit effectiveness so that we can deliver the high-quality audit you expect.

Should you have any questions or comments, please do not hesitate to contact me on 9322 2022.

Yours faithfully

PITCHER PARTNERS BA&A PTY LTD

Michael Fay
Director

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The matters raised in this and other reports that will flow from the audit are only those which have come to our attention arising from, or relevant to, our audit that we believe need to be brought to your attention. These are not a comprehensive record of all the matters arising, and in particular, we cannot be held responsible for reporting all risks in your organisation or all internal control weaknesses. This report has been prepared solely for your use and should not be quoted in whole, or in part, without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose.

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Executive Summary

Introduction

The purpose of our Audit Plan is to communicate clearly with those charged with governance an overview of the planned scope and timing of the audit.

Scope of the audit

The scope and coverage of our audit of the Shire of Irwin is prescribed by the *Auditor General Act 2006*.

As the external auditor for Parliament, the Auditor General will provide an opinion on the financial statements and financial ratio analysis of the Shire of Irwin.

Our audit will be conducted in accordance with *Australian Auditing Standards* in order to provide reasonable assurance as to whether the general purpose financial report of the Shire of Irwin is free of material misstatement and has been prepared in accordance with the LGA and the Regulations, and to the extent they are not conflicting with the LGA and the Regulations, *Australian Accounting Standards*. Our audit approach has been developed after considering inherent and control risks and the expected effectiveness of the Shire of Irwin's internal controls.

The audit will also report on the following matters in accordance with Regulation10(3) of the *Local Government (Financial Management) Regulations 17A(2)* (the "LGR"):

- Significant adverse trends in the financial position or the financial management practices of the Shire of Irwin;
- Compliance with Part 6 of the LGA, the LGR or applicable financial controls of any other written law;
- Details of whether information and explanations were obtained by the auditors;
- A report on the conduct of the audit; and
- Whether the asset consumption ratio and the asset renewal funding ratio are supported by verifiable information and reasonable assumptions.

Areas of audit focus

The following key focus areas have been identified through a review of the prior year financial report and discussions with the Office of the Auditor General. While we believe the risks identified in this Audit Plan are exhaustive and reflective of the Shire of Irwin's risk profile, additional risks may emerge over the course of the audit as current facts and circumstances change.

The key Areas of audit focus and the level of complexity or management judgement to be applied are in relation to the following matters:

- Revenue recognition for rates, government grants, contributions and fees and charges;
- Property, plant and equipment and infrastructure;
- Employee benefits provision;
- Existence and completeness of expenditure;
- IT general controls;
- Specific Local Government ("LG") General Purpose Financial Reporting requirements;
- Quality of financial reporting;
- Non compliance; and
- Financial ratios - Significant adverse trends.

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Executive Summary

Internal control environment

As required by the *Auditor General Act 2006*, our responsibility is to express an opinion on the controls exercised by the Shire of Irwin based on our audit conducted in accordance with *Australian Auditing Standards*.

As part of our audit methodology, we will review IT and manual controls in the key financial statement processes and take a control-based approach wherever possible. The nature and extent of our controls testing is dependent on, and considers, whether the control environment of Shire of Irwin is operating effectively.

A substantive approach will be taken in areas of significant management judgement or where we believe it is more efficient to test key financial statement processes substantively.

We will ensure that any significant deficiencies that come to our attention during the course of our audit are communicated to the AC in a timely manner.

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Areas of Audit Focus



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Areas of Audit Focus

Revenue recognition for rates, government grants, contributions and fees and charges

Area of focus	Background	Planned audit approach
Revenue recognition for rates, government grants, contributions, and fees and charges *Key Judgements:* *Timing of revenue recognition* *Relevant accounting standards:* *AASB 15 Revenue from contracts with customers ("AASB 15")* *AASB 1058 Income of Not-for-Profit Entities ("AASB 1058")*	The Shire of Irwin receives rate revenue, grant funding from state and federal government and fees and charge to be used to provide different services for residents. AASB 1058 and AASB 15 apply to not-for-profit ("NFP") entities for annual reporting periods beginning on or after 1 January 2019 and hence continue to be applicable to the Shire of Irwin for the year ending 30 June 2022. Whether AASB 1058 or AASB 15 is required to be applied will be dependent on the nature and specificity of arrangements in place. Where revenue arrangements predominantly involve the transfer of goods and services and contain performance obligations, revenue is recognised in accordance with AASB 15 over time or at a point in time dependent on the nature of the performance obligations for individual revenue arrangements. Where revenue arrangements do not predominantly involve performance obligations in accordance with AASB 15, or where revenue is not derived from contracts with customers, revenue is generally recognised in accordance with AASB 1058.	As part of our audit procedures, we will review management's assessment to ensure the basis for revenue recognition for all key material revenue streams is in accordance with *Australian Accounting Standards* and the terms of the source of income. We will also perform testing surrounding the control environment for the recognition of revenue to ensure that income relating to all key material revenue streams is being recognised in accordance with *Australian Accounting Standards* and the terms of the source of income. We will perform substantive tests of details utilising our sampling methodology as well as year end analytical review procedures to add to the level of assurance obtained. We will also work with management to assess the contractual nature of any new revenue streams identified in the year to assess and conclude on the appropriate revenue recognition criteria.

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Areas of Audit Focus

Property, plant and equipment and infrastructure

Area of focus	Background	Pitcher Partners Perspective
Property, plant and equipment and infrastructure *Key Judgements:* Valuation techniques used to determine the fair value of property, plant and equipment ("PPE") Useful lives of PPE and depreciation rates *Relevant accounting standards:* *AASB 13 Fair Value measurement ("AASB 13")* *Relevant other regulations:* *Local Government (Financial Management) Regulations 17A(2)* (the "LGR")	Land, buildings and infrastructure assets ("LBI") are the most significant assets that the Shire of Irwin holds on the Statement of Financial Position. The fair value of LBI is determined at least every five years in accordance with the Shire of Irwin's accounting policy. Other plant and equipment is required to be carried at cost. The Shire of Irwin performed a valuation of land and buildings and infrastructure roads in June 2017, followed by a further valuation of all other infrastructure assets in June 2018. Given that land, buildings and Infrastructure road asset classes are due for valuation for the year ending 30 June 2022, our understanding is that the Shire of Irwin will have to obtain a valuation for the year ending 30 June 2022. For any valuations that have been performed (either internal or external), key audit considerations are as follows: • Ensuring appropriate asset classes has been fully captured for valuation purposes; • Assessing appropriate experience and knowledge of the valuer; • Assessing the reasonableness of the significant judgments, estimates, assumptions and data used by the valuer; • Evaluating the valuation methodology used by the valuer; and • Reviewing the documentation by management for the key risk and how it was addressed.	As part of our audit procedures, we will document and test key controls around LBI balances and assess accounting policies associated with fair value assessment to ensure it is in accordance with *Australian Accounting Standards*. We will review the capitalisation threshold of $5,000 required by *Local Government (Financial Management) Regulation 17A(5)* and test samples of additions and disposals. We will review management's assessment for impairment indicators and ensure fair value disclosures are properly disclosed in accordance with AASB 13, as well as assessing the external valuer's capabilities and expertise to ensure the valuation methodologies and approaches taken are in accordance with AASB 13 for any valuations performed in the year. We will document the depreciation policy applied and perform depreciation recalculations factoring in management's assessment of the useful life of property, plant and equipment and infrastructure to ensure reasonableness.

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Areas of Audit Focus

Employee benefits provision

Area of focus	Background	Planned audit approach
Employee benefits provision *Key Judgements:* Inflation rate, discount rate and probabilities applied for the long service leave calculation *Relevant accounting standards:* AASB 137 P*rovisions, Contingent Liabilities and Contingent Assets* ("AASB 137") AASB 119 *Employee Benefits* ("AASB 119") *Relevant Regulatory requirement:* *Long Service Leave Act 1958 ("LSL Act")* *Local Government (Long Service Leave) Regulations ("LG LSL Regulation")*	Provisions for annual leave ("AL") and long service leave ("LSL") involve a degree of management estimation on the probability of the employee remaining with the organisation and the use of inflation rates and discount rates also requires judgements and estimates. Casual employees who are not entitled to LSL under their award or industrial agreement, may be entitled to LSL under the LSL Act or under LG LSL Regulation, regardless of the casual loading paid to such employees. The Shire of Irwin will need to consider whether a provision is required for any unpaid or unused employee entitlements such as AL, personal leave and public holidays, notwithstanding that casual loading has already been paid or is payable. An assessment should be performed by the Shire of Irwin and provisions should be provided to capture the Shire of Irwin's obligations in consideration of the LSL Act and the LG LSL regulations.	As part of our audit procedures, we will document and test key controls around the employee benefits provision process. We will perform substantive tests of details utilising our sampling methodology as well as year end analytical review procedures to add to the level of assurance obtained. We will ensure the Shire of Irwin is complying with the LSL Act and LG LSL Regulation and we will review the method and underlying data that management has used to assess its employees including casual employee's long service leave entitlements. We will also review disclosures to ensure compliance with AASB 119 and AASB 137.

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Areas of Audit Focus

Existence and completeness of expenditure

Area of focus	Background	Planned audit approach
Existence and completeness of expenditure *Key Judgements:* Timing of expense recognition *Relevant Regulatory requirement:* *Local Government Act 1995* (the "LGA")	The Shire of Irwin incurs expenditure in a number of different areas and expenditure forms a large part of any local government's operations. Hence existence and completeness of expenditure is an area of key audit focus to ensure that funds are being appropriately applied. There is also a risk that expenditure is not accounted for in the correct period as well as correct classification in nature not being consistently applied during the year ending 30 June 2022.	As part of our audit procedures, we will obtain an understanding of the control environment with regards to the initiation and processing of expenditure, as well as the identification and recording of accruals. We will document our understanding, perform walkthroughs and test key controls of the procurement process to ensure key controls have been adhered to and purchasing policies have been followed. In particular, to ensure the tender process has been carried out where required as stipulated and that sufficient written or verbal quotes have been obtained and purchase orders were issued prior to receiving invoices. In addition to the control testing to be performed, our audit methodology requires us to perform substantive test of details on a representative sample in accordance with our methodology as well as year end analytical review procedures to add to the level of assurance obtained. We will also test the usage of credit cards to ensure credit cards are being used for appropriate purposes only.

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Areas of Audit Focus

IT general controls

Area of focus	Background	Planned audit approach
IT general controls *Relevant Regulatory requirement:* *Local Government Act 1995* (the "LGA")	Understanding the risks identified for IT systems and processes that the Shire of Irwin employ and how those risks have been responded to will form a key element of the audit process. Specific risks to consider include: • weakened segregation of duties where staff gain access privileges beyond those required for their role; • unauthorised access to IT systems; • inaccurate and/or invalid transactions and data produced by systems; • inappropriate/unauthorised changes to programs; and • inability to recover from incident or disaster impacting IT operations.	As part of our audit procedures, we will assess the effectiveness of logical access and program change controls using Pitcher Partners' IT work programs. We will review: • IT risk management policy framework; • user access provisioning and removal; • periodic user access review; • monitoring of privileged user accounts' activities; • use of unique user IDs; • password configuration; • system change testing and approvals; • segregation between developer and implementer of system; development/change; and • system monitoring/incident management and data recovery in order to understand, evaluate and, where appropriate, validate the IT general controls management has implemented to address these risks and conclude on the overall effectiveness of the IT general controls environment and ability for Pitcher Partners to rely on those controls.

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Areas of Audit Focus

Specific LG General Purpose Financial Reporting requirements

Area of focus	Background	Planned audit approach
Specific LG General Purpose Financial Reporting requirements *Relevant Regulatory requirement:* *Local Government (Financial Management) Regulations* (the "LGR")	Part 4 (paragraph 36 to 49) of the LGR sets out the requirement for certain disclosures to be shown within the Shire of Irwin's annual financial report. These disclosures are in addition to those required under *Australian Accounting Standards* and include the following examples (not an exhaustive list): • A rate setting statement; • Information on trust funds; • Information on reserve accounts; • Information on service charges; • Information on fees and charges; • Information on Discount for early payment; • Information on interest charges; • Information on fees, expenses or allowances paid to council members; • Information on trading undertakings; • Information on major land transactions; and • Information on borrowings.	As part of our audit procedures, we will review and verify the additional information required to be disclosed to ensure that the financial report is in compliance with the LGR.

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Areas of Audit Focus

Quality of financial reporting

Area of focus	Background	Planned audit approach

Quality of financial reporting	Quality and timeliness of financial reporting is key for sound financial management, public accountability and effective decision making. Absence of an effective project plan for year end financial reporting can result in delays, errors, poor quality and increased costs.
	
	It is essential for the Shire of Irwin to consider the areas such as:
	• Assessment of the impact of COVID-19 on the way services are delivered and on the financial reporting;
	• Preparing pro-forma financial statements prior to the reporting date where there are significant regulatory changes;
	• Assessing the impact of material, complex and one-off significant transactions;
	• Assessment of fair value of LBI and financial assets (investments);
	• Assessment of new accounting standards in the current and future years;
	• Engagement with the AC early in the financial reporting process to review the project plan and impact on the financial statements of judgments and estimates such as:
	  • remedial provisions for waste disposal facilities;
	  • useful lives of assets;
	  • depreciation;
	  • expected credit loss (ECL);
	  • revenue recognition;
	  • compliance with contract terms;
	  • use of restricted funds;
	  • employee liabilities;
	  • terms of lease agreements; and
	  • capitalisation of interest for qualifying assets.
		We will develop strong working relationships with the Shire of Irwin and engage throughout the year and as and when required to ensure that key issues are addressed on a timely basis. As part of our audit procedures, we will provide focussed feedback to the Shire of Irwin on the quality and timeliness of financial reporting.

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Areas of Audit Focus

Non compliance

Area of focus	Background	Planned audit approach
Non compliance *Relevant Regulatory requirement:* *Local Government Act 1995* (the "LGA") *Local Government (Financial Management) Regulations 1996* (the "LGR")	Paragraph 10(3)(b) of the LGR requires the auditor to include in the audit report any matters indicating non-compliance with part 6 of the LGA, the LGR or applicable financial controls in any other written law identified during the course of the audit. These matters mainly relate to the financial report or to other financial management matters. A review of the Office of the Auditor General's *Audit Results Report - Annual 2019-2020 Financial Audits of Local Government Entities* report (2020-2021 report not yet available) notes the following common non-compliance matters: • Controls over accounting journal entries; • Weaknesses in commencement and termination procedures for employees; • Bank reconciliation process incomplete; • Bank account signatories not updated in a timely manner; • Quotes not obtained for purchase transactions; • Procurements without purchase orders; • Financial ratios not reported; • Review not performed of financial management systems and procedures; • Review not performed of risk management, internal control and legislative compliance; and • No review and authorisation of changes to creditor master files.	As part of our audit procedures, we will understand the control environment of the Shire of Irwin and will report on any non-compliance matters identified throughout the audit process.

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Areas of Audit Focus

Financial ratios - significant Adverse trends

Area of focus	Background	Planned audit approach
Financial ratios - Significant adverse trends *Relevant Regulatory requirement:* *Local Government (Audit) Regulation 10(3)(a)* (the "LGAR") *Local Government (Financial Management) Regulations* (the "LGR")	Part 4 (paragraph 50) of the LGR sets out the requirement for certain financial ratio disclosures to be disclosed within the Shire of Irwin's annual financial report. The ratios to be disclosed are: • Current ratio; • Asset consumption ratio; • Asset renewal funding ratio; • Asset sustainability ratio; • Debt service cover ratio; • Operating surplus ratio; and • Own source revenue coverage ratio. Furthermore, paragraph 10 of the LGAR requires the Auditor General to include in the audit opinion whether or not the asset consumption ratio and the asset renewal ratio is supported by verifiable information and reasonable assumptions. The Auditor General will report on adverse trends relating to these ratios with adverse being determined by comparison of the designated ratios to the Department of Local Government, Sport and Culture Industries standard for the previous three years. Identifying if any material matters exist indicating a significant adverse trend is considered a key area of focus.	As part of our audit procedures, we will review and verify the ratio calculations required to be disclosed to ensure that the financial report is in compliance with the LGR as well as specifically assessing the asset consumption ratio and the asset renewal ratio in comparison to the designated ratios by the Department of Local Government, Sport and Culture Industries standard for the previous three years. We will also consider any weaknesses in systems or procedures that are indicative of a significant adverse trend in the financial management practices of the Shire of Irwin.

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Areas of Audit Focus

Other audit matters

Other audit matters

Below are other areas of audit focus which will be considered as part of the audit process:

- **Existence of cash and cash equivalents** – Expected to be one of the Shire of Irwin's major assets on the Statement of Financial Position, focus will be given to existence and classification of all cash and cash equivalent balances. Some of the cash received is contractually stipulated as only being available for use for the purpose it was received. Focus will therefore be given to ensure that restricted funds are appropriately accounted for by the Shire of Irwin.
- **Restricted Reserve Accounts** - We will review movements within the restricted reserve accounts to ensure they are approved by Council and verify transfers out are used in accordance with the intended purpose of the respective reserve and agree to adequate supporting documentation.
- **Related party transactions** – the Shire of Irwin is required to disclose related party transactions. Focus will therefore be given to ensure that related party transactions are properly disclosed and at an arms length value.
- **Employee expenses, superannuation contributions** – As a NFP entity, regulatory requirements for employees of the Shire of Irwin can vary in comparison to for-profit entities. Focus will therefore be given to ensuring that the appropriate rates have been applied.
- **Management letter findings from prior year** – we will review the prior year management letter to determine how management has addressed the matters noted.
- **Other areas –** other focus areas which will be considered as part of the audit process are as follows:
    - Recognition and recoverability of receivables;
    - Completeness and classification of borrowings;
    - Joint arrangements;
    - Assessment and transfers between reserves;
    - Completeness of creditors, accruals and provisions;
    - Valuation of financial assets;
    - Accounting for service concession arrangements – Grantors;
    - Leases; and
    - Treatment of associated borrowing costs including capitalisation to any qualifying assets.

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Audit Approach



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Assessment of internal control environment

The primary responsibility for the design and operating effectiveness of the internal control environment, including the prevention and detection of fraud and error, rests with those charged with governance and management.

We obtain an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit is not designed to express an opinion on the effectiveness of internal control we are required to communicate significant deficiencies in internal control to you.

Our assessment of internal controls covers:

- the Shire of Irwin's control environment including entity level controls;
- the Shire of Irwin's risk assessment procedures;
- The design and operating effectiveness of internal controls (including IT general controls); and
- Monitoring of controls (internal audit and self-assessment).

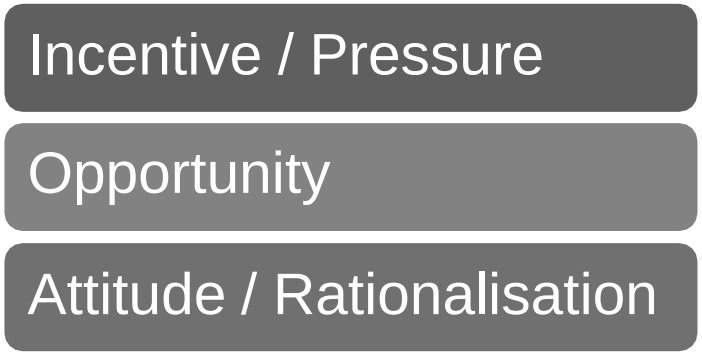
We will provide management with a management letter, outlining our findings and our recommendations on where improvements in internal controls can be made. Where significant deficiencies come to our attention, we will communicate these to the AC.

Where reliance on internal controls cannot be obtained through initial testing, our Audit Plan may be altered to perform additional substantive procedures in order to obtain reasonable assurance over the balances that the internal control/s affects.

The risk of fraud

Our responsibility as the external auditor is to consider the risk of fraud and the factors that are associated with it so as to provide reasonable assurance that the financial statements are free from material misstatement resulting from fraud. However, it is important to note that while our external audit work is not primarily directed towards the detection of fraud or other irregularities, we will report any matters identified during the course of our work.

When developing our Audit Plan we use professional judgement in determining whether a fraud risk factor is present. We determine fraud risk factors in the context of the three conditions generally present when fraud occurs:



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Assessment of internal control environment

IT general controls

Evaluating IT general controls ("ITGCs") is an integral part of our audit in assessing the controls that underpin financially significant systems and support the confidentiality, integrity and availability of information processing. Our evaluation of ITGCs focuses on three key areas:

Areas	Descriptions
Access to programs and data	Controls are in place to determine that only authorised persons have access to data and applications (including programs, tables, and related resources) and that they can perform only specifically authorised functions.
Change management	Controls are in place to determine that only appropriately authorised, tested, and approved changes are made to applications, interfaces, databases, and operating systems.
IT operations	Ensuring management processes are adequate to support business operations and availability of information.

Controls reliance

As part of our audit approach, we will assess the effectiveness of the Shire of Irwin's internal control environment to determine whether controls operate effectively throughout the year.

We will assess the approach to be taken for the following key financial processes in more detail during our initial audit visit:

- Revenue from rates, government grants, contributions and fees and charges;
- Payments to suppliers and receipts from customers; and
- Payroll.

Significant or judgmental areas that we always audit substantively are:

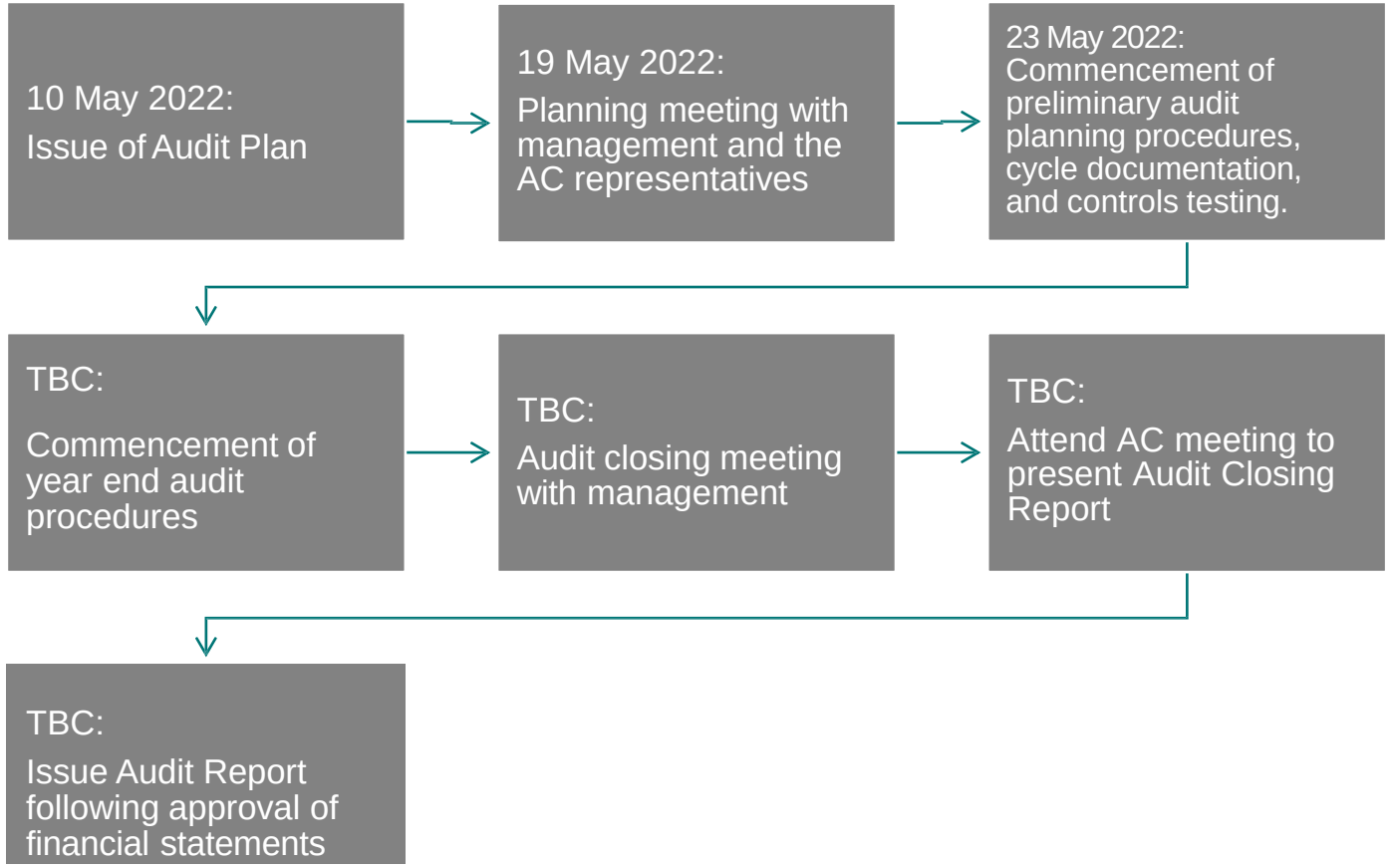
- Impairment of non-monetary assets;
- Accruals and provisions; and
- One off transactions such as acquisitions or disposals.

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Engagement Execution

Audit completion process

Our audit completion process and timing is outlined below. Throughout the process, we will be in continuous communication with the AC and those charged with the governance of the Shire of Irwin.



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Audit completion process and timeline

1 Planning

APPROACH

- Understand your organisation
- Identify and assess organisation risks
- Document system
- Identify audit procedures to be performed
- Confirm timetables
- Allocate resources
- Determine client information required for the audit
- Perform tests on key controls and determine audit reliance (where applicable)

DELIVERABLES

- Audit plan
- Client assistance package
- Timetable

2 Fieldwork

APPROACH

- Verify transactions and balances
- Perform analytical and data analysis
- Address risk areas identified throughout the planning process and interim visit
- Perform tests on year end balances
- Perform tests of detail
- Provide management letter/report and obtain feedback prior to finalisation

DELIVERABLES

- Interim management letter, if appropriate

3 Completion

APPROACH

- Discuss and agree audit issues and adjustments
- Review and finalise financial statements
- Report findings to management and the AC
- Attend audit close out meeting
- Provide audit report
- Provide management letter/report and obtain feedback prior to finalisation
- Obtain signed management representation letter from those charged with governance

DELIVERABLES

- Independence declaration
- Signed financial statements
- Audit opinion
- Management letter
- Management representation letter

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Your key engagement team members

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Michael is a Chartered Accountant, Registered Company Auditor and holder of a Certificate of Public Practice and has over 13 years experience within a professional practice environment in Australia acting as Audit Director for engagements across a wide range of industries and regulatory environments including many NFP organisations.

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Appendices



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Appendix A – Independence

Independence is fundamental to our ongoing relationship with the Shire of Irwin. We believe that we have complied with all professional regulations relating to auditor independence including those outlined in:

- APES 110 Code of Ethics for Professional Accountants (including independence standards); and

We are not aware of any other relationships between Pitcher Partners or other firms that are Independent members of the global network of Baker Tilly firms and the Shire of Irwin that, in our professional judgment, may reasonably be thought to bear on independence.

We consider that our independence in this context is a matter that should be reviewed by both you and ourselves. It is therefore important that the AC consider the facts of which you are aware and come to a view.

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Appendix B - Future Financial reporting developments

Annual Improvements 2018 -2020 and Other Amendments

AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018 – 2020 and Other Amendments*, applies to annual periods beginning on or after 1 January 2022 with early adoption permitted.

The standard amends a number of standards including AASB 1 *First-time Adoption of Australian Accounting Standards*, AASB 3 *Business Combinations*, AASB 9 *Financial Instruments*, AASB 116 *Property, Plant and Equipment*, AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and AASB 141 *Agriculture.*

Who is impacted

The standard will apply to for-profit and not-for-profit entities.

Application and impact

AASB 1 – simplifies the application of the standard by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences

AASB 3 – updates the references to the Conceptual Framework for Financial Reporting

AASB 9 – clarifies the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability

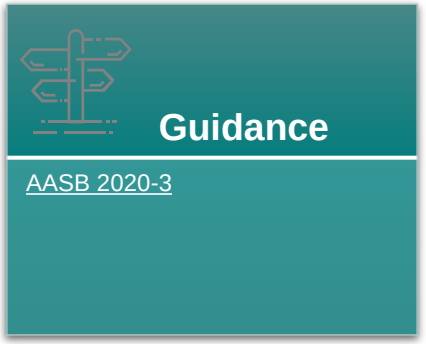
AASB 116 – requires an entity to recognise the sale proceeds from selling items produced while preparing PP&E for its intended use and the related cost in profit or loss instead of deducting the amounts received from the cost of the asset

AASB 137 – specifies the costs that an entity includes when assessing whether a contract will be loss making.

AASB 141 – removes the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

Early adoption

In order to apply this standard to periods commencing before 1 January 2022 it will need to be early adopted.



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Appendix B - Future Financial reporting developments

Other standards issued and effective within the next 12 months

New pronouncement	Effective date	Application
AASB 2020–7 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions: Tier 2 Disclosures*	1 July 2021	All entities with no public accountability
AASB 2020-9 *Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments*	1 July 2021	All entities with no public accountability
AASB 2014-10: *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	1 January 2022 *	All entities

* The AASB has decided to further defer the application date of this standard to 1 January 2025, noting the IASB has deferred the commencement date indefinitely. The amending standard has not yet been issued at the date of this publication.

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Appendix C - ASIC focus areas 2021

ASIC focus areas and lodgement relief for 30 June 2022 financial reports

ASIC have outlined its focus areas for 31 December 2021 financial reports of listed entities and other entities of public interest [21-342MR].

The COVID-19 conditions impact all areas of focus noted below, and the ASIC FAQs and Focus areas media release provide relevant factors to consider.

Asset values

- Impairment of non-financial assets considering assets (such as goodwill and intangibles with indefinite lives) that must be tested annually and indicators of impairment for other assets.
- Values of property assets considering COVID-19 impacts and the treatment of rental concessions.
- Appropriateness of key assumptions used in determining expected credit losses on loans and receivables.
- Values of other assets such as inventories, investments and deferred tax assets.

Provisions

Consider the need for provisions in areas such as onerous contracts, financial guarantees given and restructuring.

Events occurring after balance date

These should be reviewed to determine if they affect balance date amounts or related to new conditions requiring disclosure.

Disclosures in the financial report and the Operating and Financial Review (OFR)

Generally ASIC consider that disclosures should be specific to the entity and highlight changes from the previous period.

Disclosures in the financial report should focus on:

- Estimation uncertainties, changing key assumptions and sensitivities
- The appropriate classification of assets and liabilities between current and non-current categories.

Disclosures in the OFR should focus on:

- Telling the story of how businesses are impacted by COVID-19 pandemic.
- An explanation of the drivers of the results and financial position, as well as risks, management strategies and future prospects.

Solvency and going concern assessments

The factors outlined that are relevant to solvency and going concern assessment will provide information on areas such as supply changes, overseas exposures, extent of government support, debt refinancing, capital raising and short-term operating cash flows, and general business economic factors.

Other matters

ASIC expects the appropriate accounting and disclosure of each type of support and assistance from government, lenders, landlords and others when material.

ASIC also highlighted the use of non-IFRS profit measures and reminds companies that they should not be presented in a potentially misleading manner.

In relation to half-year reports, additional disclosures need to consider the continuing impacts since 30 June 2021 of COVID-19 conditions and other significant factors.

Other areas ASIC mentions are cloud computing, off-balance sheet exposures, aged care bed licences, future services to be provided by a vendor in a business combination and the treatment of written put options over non-controlling interests.

Relief on reporting deadlines

ASIC has also extended the reporting deadline for unlisted entities to lodge financial reports under Chapter 2M and 7 of the Corporations Act by one month for balance dates from 24 December 2021 to 7 January 2022 inclusive, given possible pressures on audit firm staff resources.



Guidance

Although Shire of Irwin is not governed by ASIC, the ASIC areas of audit focus have been included as they represent good business practice for all entities.

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Appendix D - Data security and privacy

Our ability to provide seamless, consistent, high-quality client service worldwide is supported by a well-articulated data privacy and information security strategy.

For the audit of Shire of Irwin, access to Pitcher Partners audit files is restricted to members of the engagement team only.



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Appendix E – Cyber Security

The time is now to address your business risk related to cyber security

Insight

Organisations with a turnover of over $3.0m must comply with the Australian Notifiable Data Breaches scheme, part of the Privacy Act 1988. In 2020, there has been **1,051 notifications** under the scheme.

The total estimated cost of cyber incidents to Australian businesses annually is **$29 billion** (Australia's Cyber Security Strategy 2020, Australian Government).

The World Economic Forum recently published six principles for Board Governance of Cyber Risk. They are:

1. View cyber security as a business enabler;
2. Understand the economic drivers and impact of cyber risk;
3. Align cyber risk management with business needs;
4. Ensure organisational design supports cyber security;
5. Incorporate cyber security expertise into board governance; and
6. Encourage systemic resilience and collaboration.

Unfortunately, many businesses are learning the impacts of cyber incidents after the fact. The cyber risk faced by businesses is growing exponentially every day due to a number of key contributing factors:

Technology Debt: Companies who have not been keeping up with the latest technology are finding that there legacy systems are insecure and may not be supported by vendors.

Attack Surface: COVID-19 has accelerated "work from home" arrangements and this "Push to Digital" has increased the potential avenue of attack.

Third Party (Supply Chain) Risk: As companies share more information, so does the increase of contagion if a supplier suffers a cyber attack.

Crime Pays: The increase in the availability of tools necessary to execute an attack, including Ransomware as a Service (RaaS), are easily accessible for malicious actors.

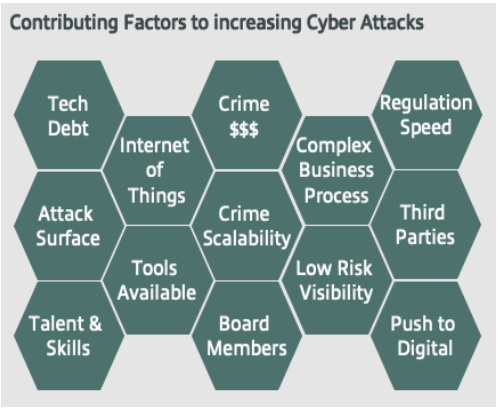
Board Skills: Directors need to make themselves aware of the emerging risks especially cyber security. Many do not come from a technical background and may be blindsided.

A **Cyber Security Strategy and Policy** ensures the appropriate cyber security foundations are established for your business. We work with you to help define cyber security guiding principles, objectives, strategies, policies and controls to protect your organisation.

Consider a **Cyber Risk Assessment** to understand your loss exposure and prioritise investment decisions. It's imperative critical business functions are identified and secured to ensure your residual risk fits within your risk appetite.

We help develop high value cyber strategy that delivers on your business objectives so that you can achieve them sooner.

Prepare for the inevitable, cyber attacks are not if, but when. **Focus on business resilience.**



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Appendix E – Cyber Security



Cyber security resilience

Federal government, state governments and regulators such as ASIC, APRA and AEMO are increasingly implementing new legislation and standards to ensure organisations pro-actively manage their cyber security risk. These new standards are enforced through mandatory breach reporting, periodic regulatory reporting and audits and even law suits.

All new standards require organisations to consider their cyber security risk as a business risk that must be managed through a combination of governance, risk management, compliance, HR, IT and legal controls with oversight of executives and, where applicable, the board. As a result this risk cannot be managed by the IT manager or department.

In addition the security standards require organisation to not only implement appropriate security measures within the organisation. Organisations must also consider their security risk as part of doing business with 3rd parties, especially suppliers that provide goods or services to the organisation, given a security incident at a supplier can directly impact organisations' ability to operate and damage their reputation.

Additional guidance on how organisations can secure their organisation can be found here:

- Federal government: Australian Cyber Security Centre (ACSC)
- Victorian state government: Victorian Protective Data Security Standard (VPDSS)
- ASIC: Cyber resilience good practices
- APRA: Prudential Standard 234
- AEMO: Cyber security framework

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Appendix F - Other Matters

Software-as-a-Service (SaaS) Arrangements

In March 2019, the IFRIC considered the accounting for SaaS arrangements (the first agenda decision) and concluded that for many such arrangements the substance is that the entity has contracted to receive services rather than the acquisition (or lease) of software assets. This is because, in a cloud-based environment, the SaaS contract generally only gives the customer the right to receive access to the cloud provider's application software, rather than a license over the IP i.e. control over the software code itself.

The second agenda decision, published in April 2021, deals with specific circumstances in relation to configuration and customisation costs incurred in implementing SaaS:

- In limited circumstances, certain configuration and customisation activities undertaken in implementing SaaS arrangements may give rise to a separate asset where the customer controls the IP of the underlying software code. For example, the development of bridging modules to existing on-premise systems or bespoke additional software capability
- In all other instances, configuration and customisation costs will be an operating expense. They are generally recognised in profit or loss as the customisation and configuration services are performed or, in certain circumstances, over the SaaS contract term when access to the cloud application software is provided

This conclusion could result in a reduction in profit in a particular year, impacting measures such as earnings before interest and tax (EBIT), earnings before interest, tax, depreciation and amortisation (EBITDA) and profit before tax (PBT)



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Appendix F – Other Matters

Accounting for service concession arrangements – Grantors

Key Judgements:

Establish whether the grantor controls the underlying assets

Useful life of the service concession asset

Background:

- A service concession arrangement is a contract between a grantor (public sector entity) and an operator in which the operator has a right of access to an asset or group of assets (referred to as a 'service concession asset') to provide public services on behalf of the grantor for a period of time, and where the operator manages at least some of those services under its own discretion.
- The grantor recognises a service concession asset when the grantor obtains control of the underlying asset. The service concession asset is initially measured at its current replacement cost in accordance with the 'cost approach' under AASB 13, and then amortised over its useful life and is subject to impairment testing.
- The Shire of Irwin will be required to assess whether there are any service concession arrangements in place (if the Shire of has the capacity of grantor) and conclude as to whether any service concession assets require recognition in the financial statements as at 30 June 2022.

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ATTACHMENT: 9.2.2

Community Assistance Scheme & Events Committee Meeting 18 May 2022

Attachment 1
Community Assistance Scheme and Events Committee Meeting Minutes 19 May 2022

Shire of Irwin Community Assistance Scheme & Events (CASE) Committee Meeting

held in the Council Chambers

Wednesday 18 May 2022 at 3.30pm

Minutes

It should be noted that recommendations made by this Committee are not final and will be subject to adoption at a future meeting of Council.

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Chairperson welcomed the committee and opened the meeting at 3.30pm.
Quorum 50 percent attendance required to proceed.

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

Members

Cr E Tunbridge	Shire of Irwin Councillor
Cr H Palmer	Shire of Irwin Councillor
Ms A Heitman	Community
Position Vacant	Community

Staff

Ms F Boksmati	Community Development Officer
Mrs D K Chandler	A/Manager Corporate & Community

Apologies

3. WELCOME

Loss of Community Committee Member – Judy Smith

4. CONFIRMATION OF MINUTES

A copy of the minutes from the Community Assistance Scheme & Events Committee Meeting held 31 January 2022 has been provided to all Committee Members under separate cover.

5. BUSINESS ARISING FROM PREVIOUS MEETING

5.1. Funding approved to carry over into 2021/22 financial year

5.1.1. Irwin Districts Historical Society - $4,970 acquittal in progress
Dongara Heritage Walk – Complete
Port Denison Heritage Walk – In Review
- Changes required prior to ok for print
- Change word from demolished to dismantled for Bonds Store page
- Spelling of Dongara alternates between Dongara and Dongarra within booklet - acknowledge the reasons why within the booklet or rectify so that the spelling doesn't constantly change

- Ensure a commitment from IDHS towards less printing and more online/QR signage to promote locations and the Heritage Trails

5.1.2. Midwest Autumn Craft Roundup – Top up to $5000 – Acquittal and payment complete

5.2. Promote reuse of booklets issued at the Visitors Centre

To promote reuse of booklets, it was recommended that the Customer Service Officers suggest tourists return the books once they are finished with them either to the visitors centre, or to the library return slot if after hours.

- Look at implementing this once COVID numbers reduce to minimise transmission
- At print, a blurb will be included to promote the return of the booklets

5.3. Promote CASE to Community Groups

Sent direct via email and promoted via Shire's website and Social Media.

5.4. CAS Application and Guidelines (Review)

- The Guidelines have been updated to include wording indicating an approximate timeframe of 6 weeks turnover from and applications submission date (See CASE Application item 4.2)
- CASE Application and information to be emailed direct to all community & sporting groups
- CDO to re-advertise CASE via social media, Local Rag and SOI Website (Done)

5.5. Terms of Reference (review)

Incorporate the wording and process to allow industry to contribute towards community grants but via the Shire's already established funding scheme, (to the CASE budget).

- Determined that The Terms of Reference is not the correct document as the ToR stipulates the obligations of the CASE Committee only, not the funding guidelines

Develop the process to allow local business and individuals to apply for CASE Funding. Either through the same process or under a small business funding scheme?

- CDO will look into developing an overarching Grants and Sponsorship Policy which will determine the process for Corporate Sponsors to contribute funding to the CASE Funding Pool as well as the scope for outgoing funding from the CASE Pool.
- CASE will be divided into three streams
    - Individuals (ie similar to Kidsport funding which is no longer provided by DLGSC for kids who cannot afford sport uniforms/rego fees etc.)
    - Businesses – under a local activation scheme (must clearly define a means testing, co-contribution requirement
    - Community assistance – minor amendments to guidelines

6. NEW BUSINESS ITEMS

6.1. Review new applications

6.1.1 Blessing of the Fleet Application Review (see recommendation to Council)

7. GENERAL BUSINESS

CDO has re-advertised CASE via social media, local rag and SOI Website (In Progress – Advertising commenced 29 April)

- 1 EOI Received from Jon Arden who would like to be considered as a last resort. Advertising will continue. Calls to be made to increase interest in the committee member position.

8. RECOMMENDATIONS TO COUNCIL

COMMITTEE RECOMMENDATION TO COUNCIL:

MOVED: Cr Palmer **SECONDED: Cr Tunbridge**

That council receives the Minutes of the Shire of Irwin Community Assistance Scheme and Events (CASE) Committee Meeting held Wednesday 18 May 2022, as a true and accurate recording of that meeting.

VOTING DETAILS: **Carried 0/0**

COMMITTEE RECOMMENDATION TO COUNCIL:

MOVED: Cr Palmer **SECONDED: Cr Tunbridge**

That Council approves the following funding allocation for the Community Assistance Scheme and pre-approve its allocation from the 2022/2023 financial year budget.

ORGANISATION	PROJECT DESCRIPTION	GRANT
Dongara Professional Fisherman's Association Inc	Towards costs relating to the 2023 Blessing of the Fleet event	$5,000
	TOTAL	$**$5,000**

VOTING DETAILS: **Carried 0/0**

9. SETTING OF FUTURE MEETING DATES

9.1 CAS Timeframes (Proposed)

CASE Funding Open on an Ongoing Basis (Until funding per financial year is deplete)
Next CASE Committee Meeting – TBC
Re-advertise EOI for New Committee Member (In Progress – Advertising commenced 29 April)
CASE minutes and recommendations submitted for next Council Meeting – by 19/05/22
Notification sent to successful applicants by 31/05/2022

10. MEETING CLOSED

There being no further business, the Chairperson declared the meeting closed at 4:55pm.