



SHIRE OF MENZIES

**ANNUAL
REPORT
FOR THE
YEAR
ENDED
30 JUNE 2018**



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SHIRE STATISTICS



Shire of Menzies

PO Box 4
Menzies WA 6436

Email: admin@menzies.wa.gov.au

Website: www.menzies.wa.gov.au

Telephone: 08 9024 2041

Population	490 (ABS 2016)
Number of Electors	278
Number of Dwellings	130
Distance from Perth (klm)	730klm
Area (sq. klm)	124,635 square kilometres (48,122 sq. mi)
Suburbs and Localities	Menzies 6436 Kookynie 6431 Tjuntjuntjarra 6431
Schools	Menzies Community School Tjuntjuntjara Remote Community School
Length of Sealed Roads (klm)	46.2 klm
Length of Unsealed Roads (klm)	2134 klm
Rates Levied	\$3.03M
Total Revenue	\$6.67M
Council Employees	22
Tourist Attractions	Lake Ballard Niagara Dam Lady Shenton Building Menzies Art Gallery Goongarrie Cottages Spinifex Art Centre
Local Industries	Gold mining; Nickel mining; Potash salt mining, Pastoral; Tourism, Prospecting, Gold Battery
Significant Local Events	Menzies Cyclclassic



MENZIES SHIRE

The Shire of Menzies has common borders with the Shires of Yilgarn, Mount Marshall, Sandstone, Leonora, Laverton, Coolgardie and the City of Kalgoorlie-Boulder. It stretches some 1025 kilometres from east to west and encompasses an area of 124,635 square kilometres. The two major population centres, of Menzies / Kookynie to the west, and Tjuntjuntjara close to the border with South Australia are separated by a wide area of the country.

Within this area a combination of mining, tourism and pastoral activities are undertaken. The Shire boasts schools at both Menzies and Tjuntjuntjara where students from kindergarten to Year 12 attend. Both communities are also serviced by a Nursing Post and the Royal Flying Doctor.

The Menzies Municipality was gazetted in 1895. It was dissolved and included in the North Coolgardie Road District in 1912, which was itself dissolved the same year to form the Menzies, Kookynie and Mount Malcolm Road Districts. In 1918 Kookynie merged with Menzies and on 1 July 1961 became the Shire of today.

The heart of the Community is its people and their meeting places. The Menzies Hotel and the Achievable Outback Café are central to the lives of the residents of the town of Menzies and the Kookynie Grand Hotel has a long and distinguished history as the very heart and soul of Kookynie.

Willie the horse has adopted the Kookynie Hotel, the town has adopted Willie. In recent times the Hotel and Willie share importance as draw cards for locals and visitors alike. Kookynie is known as the 'Living Ghost Town' and is close to Niagara Dam which provides a watery meeting place and camping for all.

The other settlement within the Shire is the remote community of Tjuntjuntjara who share their time between caring for the land and capturing important times and stories on canvas. The children from Tjuntjuntjara join with their counterparts from Menzies and the adjoining Shire of Leonora Mount Margaret in school camps specialising in writing and music. The Community infrastructure is in the process of an upgrade following the adoption of Amendment 5 of the Tjuntjuntjara Layout Plan with many new residences being built.



CHIEF EXECUTIVE OFFICER'S REPORT



Rhonda Evans

The 2017 - 2018 year saw several tenders being awarded from the Shire of Menzies with the focus on maintenance and re-sealing.

The Menzies North-West road to Lake Ballard saw additional sealing works completed. Council focussed on the continual upgrading of this road to the world-renowned Sir Antony Gormley "Inside Australia" installations. This continues to be a major drawcard for visitors to the Menzies area.

The Lady Shenton building underwent a major internal change with the installation of the "Rock Room" at the rear of the building in the old history room which moved to the front of the building. Thanks must go to former Councillor Jamie Mazza and Shire President Greg Dwyer for their initial endeavours in the establishment of this exhibiton.

Professor Sam Spearing of the School of Mines in Kalgoorlie provided invaluable assistance with the supply of rocks and minerals. Also the purchase of new display cabinets enhanced the entire collection. I urge everyone to spend some time browsing the exhibition when they are in Menzies. The Library was relocated across the hallway to a more intimate room and the Sir Antony Gormley exhibit was enhanced with an audio visual display.

The caravan park was busy through most of the season and numbers remained consistent with previous years. We dispensed with an onsite caretaker for after-hours and installed an honour system for payment. This has proven to be succesful and eliminated the need for staff to attend after hours for check ins.

The outside workforce worked consistently ensured that the townsites of Menzies and Kookynie remain as tidy as possible and the inside staff have also worked hard for the people of Menzies. I thank them all for their endeavours. It is simply not possible to do it all by yourself and teamwork is always appreciated.

June also saw the long awaited arrival of the Menzies Youth Centre supported by Lotterywest. We are excited to see what changes this will bring to the children of Menzies as we move forward with this exciting new facility.

2018 also saw the return to Menzies of a former student of Menzies Community School as the School Principal. Stacey Miller is a shining example to all the local children that you can succeed in your career when you apply yourself even if you commence your education in a small town like Menzies. What an inspiration she is to all of us.

Rhonda Evans
CHIEF EXECUTIVE OFFICER



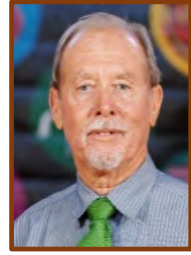
SHIRE PRESIDENTS REPORT



Cr Jill Dwyer

This year has seen a few changes to the make-up of our Council. We had the regular Council elections in October and it was pleasing to see the number of people interested in becoming a Councillor for the Shire of Menzies.

Councillor Ian Tucker was re-elected to the Council but as a representative of the Town Ward as was Councillor Justin Lee. Councillor Jill Dwyer and myself were elected to the Rural Ward and we farewelled Town Ward Councillor Jamie Mazza.



Cr Greg Dwyer

Cr Jill Dwyer completed a two-year term as Shire President. I was elected to the Chair as her replacement. I am honoured to present this report on behalf of both of us for the year 2017 - 2018.

I would like to thank all the Shire staff for the efforts in the past year. Several tenders were successfully awarded for road re-sheeting, road sealing and maintenance grading works. All works remained on track. During the year we saw many new trees planted within the Menzies township at several different sites including the caravan park and old church site as well as adjacent to the Old Butcher Shop Tea Rooms.

New electronic speed signs were installed at both entrances to Menzies advising drivers of their speed or to slow down. After initial teething problems they are now working well. In August we saw the installation of new banners in Shenton Street and new soft fall installed in the children's playground. This has enhanced the overall look of the playground with the removal of all the sand and the playground fencing was upgraded.

In October new kerbing works were undertaken from Shenton Street up to the Nursing Post. Drainage works were completed between the hardcourts and the children's playground to eliminate flooding at the Water Park.

In November white posts were installed on Riverina and Menzies North West road. Routine maintenance and spraying of verges in Kookynie were undertaken. June saw the installation of the Menzies Youth Centre on the recreation precinct. Focus was also given to Lake Ballard and Niagara Dam camping sites to accommodate an increase in visitor use.

During the year we saw many of the annual events well attended and supported by the locals, including Australia Day, Anzac Day, the Cyclclassic weekend and also Remembrance Day. Thank you to all of the volunteers who always turn up and support the Shire in their endeavours on these dates. Without volunteers many events would simply not be possible.

The Lady Shenton building hosted several fundraisers during the year including Seniors morning teas, Blue Lamington day, cake stalls and the Biggest Morning Tea. Most afternoons saw children accessing the computers also.

In March Council supported the formation of a Committee for the Menzies Rodeo, to be held in October, consisting of Menzies residents.

Council continued to support the School Holiday program in Menzies and Tjuntjuntjara and hosted the Town Christmas Party and the official opening of the Youth Centre in December which was well attended.

On behalf of all Shire Councillors I would like to thank the people of Menzies for their support over the last twelve months and we look forward to representing you in the future.

Cr Greg Dwyer
SHIRE PRESIDENT

2017 – 2018 COUNCILLORS

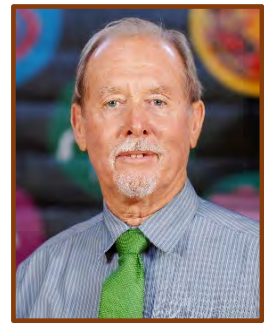
Cr Jill Dwyer

Shire President
(October 2015 – 2017)
Rural Ward
Term Expires 2021



Cr Greg Dwyer

Shire President
(From October 2017)
Rural Ward
Term Expires 2021



Cr Ian Baird

Deputy Shire President
Rural Ward
Term Expires 2019



Cr Justin Lee

Town Ward
Term Expires 2021



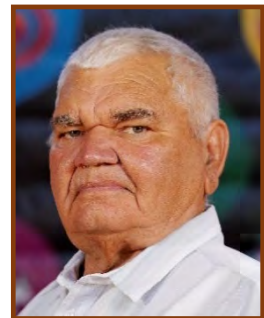
Cr Keith Mader

Rural Ward
Term Expires 2019



Cr Ian Tucker

Town Ward
Term Expires 2021



Cr Debbie Hansen

Rural Ward
Term Expires 2019



Cr Jamie Mazza

Town Ward
Term Expired 2017



COUNCILLOR COMMITTEE'S

Shire of Menzies Audit Committee

Goldfields Esperance Zone

Local Emergency Management Committee (LEMC)

Lake Ballard Management Advisory Committee

WALGA Goldfields Voluntary Regional Organisation of Councils (GVROC)

Goldfields Esperance Regional Collaborative Group (GERCG)

Goldfields Cyclclassic

Regional Road Group

Goldfields Tourism Network

FINANCIAL RATIOS EXPLAINED

The Annual Financial Report for the year ended 30 June 2018 includes a set of financial ratios. The trends have been extrapolated to provide an indication of past performance on these ratios, and the effect that striving to meet industry standards may have on future decisions and direction of Council.

They have been set to guide Council to good governance, ensuring the future viability of the shire.

Of the seven ratios following, four exceed the industry targets, one meets the industry target, one is not assessed (Asset Renewal Funding) and one is not applicable (Debt Service Cover) as the Shire has no loans. Awareness and understanding of these ratios by all stakeholders will be important as Council enters into forward planning.

SHIRES ACTUAL RATIOS

Ratio	Basic Standard	2018	2017	2016	3 Year Trends
Current Ratio	≥ 1.00	5.24	9.59	6.43	↓
Asset Sustainability	≥ 0.90	1.49	0.46	1.35	↑
Debt Service Cover	≥ 2.00	0.00	0.00	0.00	N/A
Operating Surplus	≥ 0.15	0.21	0.50	(0.61)	↑
Own Source Revenue Coverage	≥ 0.60	0.61	0.59	0.47	↑
Asset Consumption	≥ 0.75	0.99	0.79	1.72	↓
Asset Renewal Funding	≥ 1.05	N/A	1.00	0.19	N/A

Above Target	Within Acceptable Banding	Below Acceptable Banding
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¹Target ratios per Department of Local Government and Communities (DLGC) Guidelines for Basic standard.

²The 3 year trend compares the 2018 ratio to the average of the last 3 years.

Current Ratio measures the liquidity position that has arisen from past year's transactions. This continues to be above the industry benchmark of ≥ 1 . It is calculated by dividing current unrestricted assets by current unrestricted liabilities.

A ratio of less than 1 means that means that the Council does not have sufficient cash to meet its immediate cash commitments. We have a very healthy Current Ratio, and therefore can readily meet our immediate cash requirements.

2014	3.66
2015	8.83
2016	6.43
2017	9.59
2018	5.24

Asset Sustainability Ratio (ASR) measures the extent to which assets are being renewed/replaced compared to the amount consumed (depreciation). A ratio of more than 0.90 indicates the Council has a sustained capital investment program sufficient to renew/replace assets while also negating the effect of inflation on purchasing power overtime.

This ratio for the year suggests the Council is replacing or renewing its existing assets at a greater rate than they are wearing out.

2014	0.32
2015	1.05
2016	1.35
2017	0.46
2018	1.49

Debt Service Cover Ratio measures Council's ability to service debt out of uncommitted or general purpose funds. The DLGC guideline for the basic standard is 2 and the advanced standard is 5.

This ratio is the measurement of a local government's ability to repay its debt including lease payments. The higher the ratio is, the easier it is for a local government to obtain a loan. The Shire of Menzies does not have any loans.

Operating Surplus Ratios measure Council's financial sustainability having regard to asset management and the community's service level needs. A negative ratio indicates the local government is experiencing an operating deficit. A sustained period of deficits will erode Council's ability to maintain both its operational service level and asset base over the longer term.

The target for this ratio is a positive between 0.01 and 0.15 for the basic standard, and greater than 0.15 for the advanced standard. The trend for this ratio has been up and down. This year the ratio is above industry standard.

2014	(0.15)
2015	0.31
2016	(0.60)
2017	0.60
2018	0.21

Own Source Revenue Coverage Ratio measures the Shire's ability to cover operating expenses from its own source revenue given current levels of operating expenses. A basic standard is achieved if the ratio is between 0.40 and 0.90, and advanced standard is greater than 0.90. These different standards have been established to recognise the varying revenue raising capacities across the sector.

Council meets the basic standard and can improve this ratio by either increasing rates, fees and charges or reducing operating expenses.

2014	0.52
2015	0.49
2016	0.47
2017	0.59
2018	0.61

Asset Consumption Ratio (ACR) measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost. The standard is met if the ratio is 0.50 and above, and improving if the ratio is between 0.60 and 0.75. Council has met the target for this ratio.

2014	0.87
2015	0.99
2016	1.72
2017	0.79
2018	0.99

Asset Renewal Funding Ratio measures the shires ability to fund its projected asset renewal/replacements in the future. The standard is met if the ratio is between .75 and .95, and improving if the ratio is between 0.95 and 1.05 and the ASR falls within the range of 0.90 and 1.10 and ACR falls within the range of 0.5 to .75.

2014	0.37
2015	1.00
2016	0.99
2017	1.00
2018	N/A

The ratios was not measured in 2017 – 2018; the Long Term Financial and Capital Investment Plans are being reviewed.



ACTIVITIES OF COUNCIL

PERSONAL INVOLVEMENT

Elected members are involved with many organisations within the community and are also active in representing Menzies at a regional and state level. Council's nomination to other organisations include:

- Goldfields Tourism Network Association
- Goldfields Regional Road Group
- Goldfields Voluntary Regional Organisation of Councils
- Local Emergency Management Committee
- Goldfields Esperance Regional Collaborative Group (GERCG)
- Lake Ballard Management Advisory Committee

AGENDA

To ensure that all items are included in the Agenda for Council meetings, it is requested that items for consideration be submitted to the Chief Executive Officer at least 14 days prior to Council meeting. This will permit your item to be researched if necessary and be presented to Council with a recommendation for decision, if appropriate. Agendas are prepared for members and are distributed 7 days prior to the meeting. Copies of the Agenda are available prior to the meeting in accordance with the Local Government Act (1995).

MINUTES

The Minutes of Council and Committee meetings are available for inspection after the meeting in accordance with the *Local Government Act 1995* and are available on the Council website. Please note that all Minutes are subject to confirmation by Council.

PUBLIC LIBRARY

The Shire of Menzies Public Library is situated within the Lady Shenton Building (*Menzies Visitor Centre*). It is open the same hours as the Lady Shenton Building. New Books, DVD's and magazines are received each month. Newspapers are available for reading from 9am each weekday.

CARAVAN PARK

The Shire of Menzies Caravan Park is adjacent to the Menzies Visitor Centre (08) 9024 2702. The caravan park has powered caravan sites, and tent sites available. A camp kitchen and guest laundry are also available. One chalet with a queen and a single bed is available for booking.

MENZIES VISITOR CENTRE

The Menzies Visitor Centre is located within the Lady Shenton Building. Facilities co-located within the Visitor Centre include; Community Postal Agency, Internet Access, Gift Shop and Public Library. The Visitor Centre is open weekdays (*except public holidays*), November until March and every day, April until September.

Telephone: (08) 9024 2702

Email: cso2@menzies.wa.gov.au

EMERGENCY SERVICES BUILDINGS

The Emergency Services Buildings are situated on Archibald Street in the Emergency Services Area. This area comprises the Volunteer Bushfire Brigade, the Menzies Nursing Post, and Menzies St John Ambulance Sub Centre. Details of times for the Nursing Post and visiting Doctors and other medical agencies are published in the Menzies Matters each month.

AIRSTRIP

The Menzies Airstrip is located 1km north of the Menzies townsite off Goldfields Highway. The airstrip for Kookynie is adjacent to the townsite.

DOG AND CAT REGISTRATIONS

Dog registrations become due on the 1 November each year. All dogs and cats over 3 months and over must be registered and microchipped. All cats must be sterilised.

STERILISED DOG	1 Year	3 Years
<i>(Proof of sterilisation required)</i>	\$20.00	\$42.50

UNSTERILISED DOG	1 Year	3 Years
	\$50.00	\$120.00

CATS	1 Year	3 Years
<i>(All Cats must be sterilised)</i>	\$20.00	\$42.50

A 50% discount is available for eligible pensioners (pension card must be shown at the time of registration).

A 25% discount is available for dogs registered as working cattle/sheep dogs (*proof must be shown at time of registration*). Your dog is required to wear a tag showing your name and address as well as the registration tag.

If you own a dog you have a legal responsibility to keep it under control, either within a fenced area on your property or on a leash when in public.

To register your dog or cat please visit the Shire of Menzies. For further enquiries, please contact administration on (08) 9024 2041.

DOG IMPOUNDMENT

Dog Owners have an obligation to keep their dogs under effective control at all times. Dogs wandering at large present a nuisance and are a danger to the public. Dog patrols will be carried out by the ranger and complaints will be acted upon. The Dog Act 1976 provides heavy penalties for owners whose dogs are impounded.

HEALTH AND BUILDING INFORMATION

The Principal Environmental Health Officer / Building Surveyor, Mr David Hadden is located at the Shire of Leonora Administration Offices. Any matters concerning Health and Building can be directed to Mr Hadden on 0428 376 044.

COMMUNITY SERVICES

The Shire of Menzies provides an extensive variety of services for the community under a wide range of legislation. Services provided include:

- Building Control
- Bush Fire Control & Fire Prevention
- Cemeteries (Tourism Value and Maintenance Only)
- Citizenship Ceremonies
- Crossovers
- Demolition Permits
- Dog Control

- Environmental Health
- Library Services
- Street Bins
- Media Releases
- Playground Equipment
- Public Buildings for Hire
- Public Toilets
- Recreation/Sporting Facilities
- Roads and Footpaths
- Rubbish Collection
- Street Lighting
- Traffic Control Works
- Local Emergency Management Committee (*LEMC*)
- Weed Control on Reserves
- Planning Controls
- Parks and Reserves

The Shire provide financial and other support to a number of organisations such as:

- | | |
|--|-------------------|
| • Menzies Community School | Financial Support |
| • Royal Flying Doctor Service | Financial Support |
| • Menzies Volunteer Bushfire Brigade | Financial Support |
| • Menzies Classic Cycle Race | Financial Support |
| • Golden Quest Trail Association | Financial Support |
| • Menzies St John Ambulance Sub Centre | Financial Support |
| • Tjuntjuntjara Community | Financial Support |
| • Menzies Aboriginal Corporation | Financial Support |

ACCESS TO COUNCIL DOCUMENTS

The following documents are available for inspection at the Council Administration Office and the Town Library free of charge. Copies of the documents can be made available, although some will incur a charge to cover the cost of photocopying.

The *Local Government Act 1995* does stipulate minimum requirements for documents to be made available for public inspection, and these include:

- Minutes and Agenda of Council and Committee Meetings
- General Policy Manual Annual Budgets Annual Report
- Annual Financial Statements
- Council Local Laws (*By laws*)
- Town Planning Scheme
- Town Planning Policy Manual

STATUTORY COMPLIANCE

STATE RECORD ACT 2000

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

Standard 2, Principle 6 – Compliance: Government organisations ensure their employees comply with the record keeping plan. Rationale: An organisation and its employees must comply with the organisation’s record keeping plan. Organisations should develop and implement strategies for ensuring that each employee is aware of the compliance responsibilities.

Minimum Compliance Requirements: The record keeping plan is to provide evidence to adduce that:

1. The efficiency and effectiveness of the organisation’s record keeping system is evaluated not less than once every 5 years.
2. The organisation conducts a record keeping training program.
3. The efficiency and effectiveness of the record keeping training program is reviewed from time to time.
4. The organisation’s induction program addresses employee roles and responsibilities in regard to their compliance with the organisation’s record keeping plan.

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

COMPLIANCE AUDIT RETURN

Compliance Audit Return All local governments are required to carry out an annual Compliance Audit Return (CAR) for the period 1 January 2017 to 31 December 2017 as specifies by the *Local Government Act 1995*. The CAR includes a range of compliance categories to be met. The Completed CAR was received by Council at its February 2018 meeting (ref 1383) and was subsequently submitted to the Department of Local Government prior to 31 March 2018 in accordance with Regulations 14 and 15 of the *Local Government (Audit) Regulations 1996*.

FREEDOM OF INFORMATION STATEMENT

The Shire of Menzies is responsible for the good governance of the district and carries out functions as required including statutory compliance and provision of facilities and services. The Council consists of seven elected members.

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

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

These documents can be inspected at the Shire Office, Shenton Street Menzies, Monday to Friday between the hours of 8.30am and 4.30pm. Changes to personal information should be made in writing.

Requests for information under the Freedom of Information Act can be sent to the Chief Executive Officer, Shire of Menzies, PO Box 4 Menzies WA 6436. The Shire of Menzies received no applications under the Freedom of Information Act 1992.

DISCLOSURE OF ANNUAL SALARIES IN ANNUAL REPORT

Regulation 19B of the Local Government (Administration) Regulation 1996 requires the Shire to include the following information in its Annual Report;

- The number of employees of the Shire entitled to an annual salary of \$100,00 or more; and
- The number of employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000.

Set out below, in bands of \$10,000, is the number of employees of the Shire entitled to an annual salary of \$100,000 or more for 2017/2018:

Salary Range

\$ From	\$ To	Number of Employees
110,000	119,000	
120,000	129,000	1
130,000	139,000	
140,000	149,000	
150,000	159,000	
160,000	169,000	1

PRIMARY AND ANNUAL RETURNS

Primary and Annual Returns In accordance with Section 5.75 and 5.76 of the *Local Government Act 1995* all relevant persons lodged an Annual Return by the due date of 31 August 2018 and a primary return within 3 months of their start date. All returns are managed by the Chief Executive Officer and are available for viewing by members of the public upon request.

COMPLAINTS

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

Council did not receive any complaints during the 2017/2018 financial year.

PUBLIC INTEREST DISCLOSURE

The *Public Interest Disclosure Act 2003* facilitates the disclosure of public interest information and provides for the protection of those making such disclosure and those who are subject of the disclosures. The Act provides a system for the matters disclosed to be investigated and for appropriate action to be taken.

The Chief Executive Officer has complied with the obligation under the Act. The Shire of Menzies had no Public Interest Disclosures during the reporting period 2017/2018.

COMPETITIVE NEUTRALITY

This principle deals with ensuring that government business operations have no advantage or disadvantage in comparison with the private sector. The Shire of Menzies complied with this principle.

1. LEGISLATIVE REVIEW

All local governments are required to assess which of their local laws might impact on competition and conduct a review of each to determine how any restrictive practices might be overcome.

Where necessary Clause 7 legislation review principles will be complied with and the Shire of Menzies remains committed to reviewing its existing local laws, as well as proposed local laws.

2. DISABILITY SERVICES PLAN

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

People with disabilities who live in country areas should be given the support to remain in the community of their own choice. The *Disability Services Act 1999* requires Council to report on its Disability Services Plan achievements within its Annual Report.

Council adopted the Disability Access and Inclusion Plan 2013 -2018 on 29 August 2013 and submitted a progress report to the Disability Services Commission on 2 July 2016. Many of the outcomes and strategies identified within the plan are being implemented on an ongoing basis.

When Council is addressing the issue of accessibility to Council's facilities and functions it is aware that by providing better access for people with disabilities it is providing better access for the whole community. Work continues to improve footpaths and access ways around the Menzies townsite as part of recognising the Disability Access and Inclusion Plan.

The Disability Services Commission requires Local Governments to report on the six outcomes relating to DAIP's to the public annually.

OUTCOME 1: SERVICES AND EVENTS

Council is continually adapting our existing services to give people with disabilities the same opportunities as other people to access the services of, and any events organized by the Shire.

OUTCOME 2: BUILDINGS AND OTHER FACILITIES

Council also continues with improvements to buildings and footpath infrastructure to assist with both wheelchair and gopher access.

OUTCOME 3: INFORMATION

Wherever possible people with disabilities can receive information from the Shire in a format that will enable them to access the information readily as other people are able to access it.

People with disabilities can access information produced by the Shire of Menzies in different formats. Anyone requiring a different format are encouraged to contact the Shire Office.

Council also has a website which enables ease of access to public documents, information and other Council related data.

OUTCOME 4: LEVEL AND QUALITY OF SERVICE

The staff is always encouraged to be aware of the needs of people with disabilities to ensure they receive the same level and quality of service as other people receive. Staff at the Shire of Menzies are made aware that people with disabilities may have different needs. Staff are encouraged to ensure that people with disabilities receive the same level and quality of service as other people receive.

OUTCOME 5: COMPLAINTS PROCESS

People with disabilities have the same opportunities as other people to make complaints to staff, and can be via written letters, email, SMS or verbally.

People with disabilities are able to make complaints and can do this via written letters, email, SMS or verbally.

OUTCOME 6: PUBLIC CONSULTATION PROCESS

Council provides many ways for people to participate in public consultation and we are more than happy to discuss any grievances community members may have regarding the services available to the disabled.

Council has made the DAIP available on the website for the community to access. The community was also given the opportunity to comment on the DAIP prior to it being adopted by Council. The proposed draft 2012 – 2016 DAIP is also available on the website for public comment.

Further information can be obtained by contacting the Chief Executive Officer.

PUBLIC PARTICIPATION

Members of the public have several opportunities to put forward their views on particular items before Council. These are:

DEPUTATIONS

Any member of the public can address the Council personally, or on behalf of another person or organisation. This opportunity is afforded at each meeting of Council.

SUBMISSIONS

Some development applications do not require specific or special approval of Council. However, where special approval is required, residents are notified by advertising in local newspapers, and in some instances, they may also be notified individually by the Council or the developer.

When an application is publicly advertised, residents have the opportunity to make written submission to the Council expressing their views regarding the application.

PETITIONS

Written petitions can be addressed to the Council on any issue within the Councils jurisdiction. It is a good idea to advise your Ward Councillor, who can familiarise themselves with the petition and refer it to the appropriate person.

WRITTEN REQUESTS

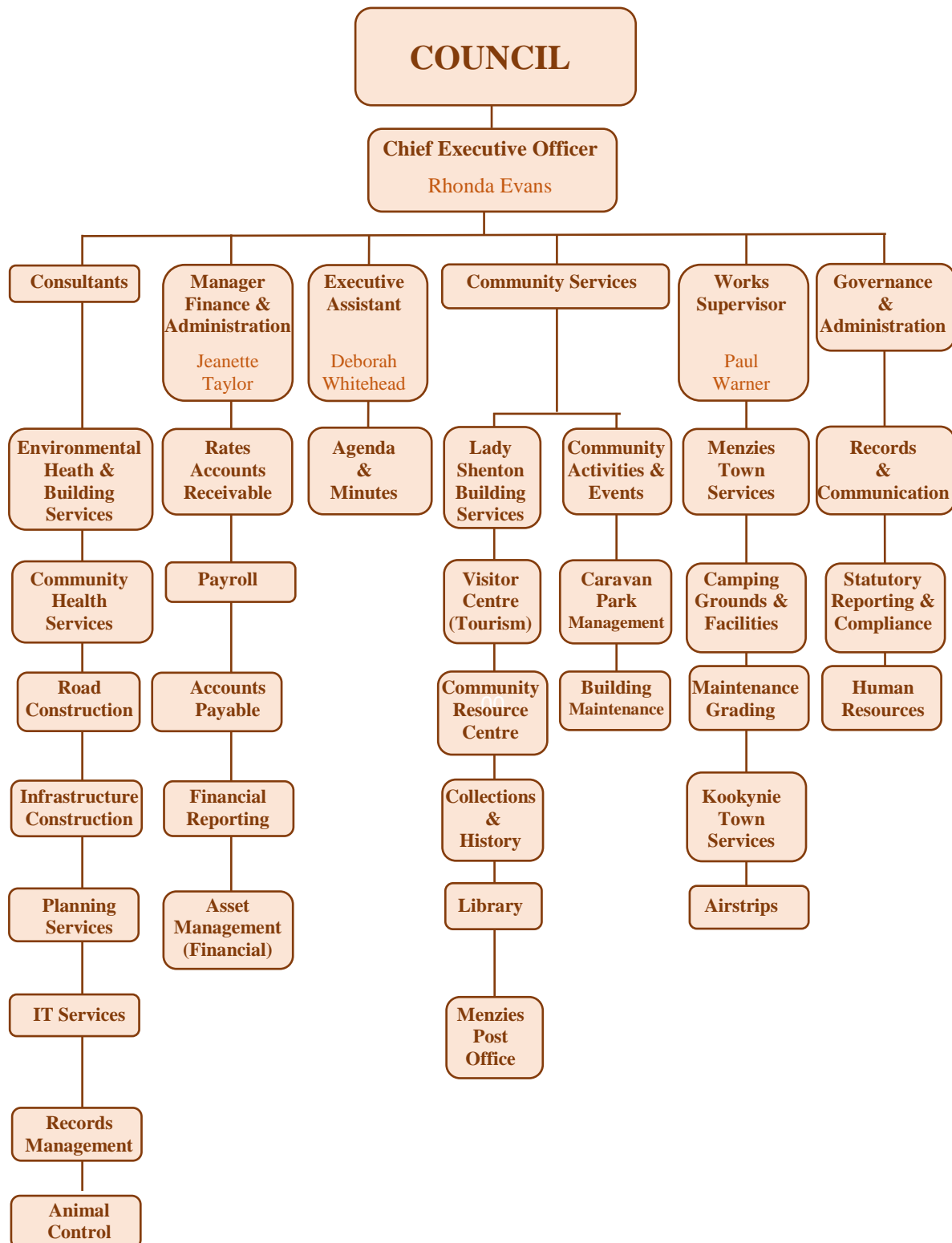
A member of the public can write to Council on any Council policy, activity or service.

ELECTED MEMBERS

Members of the public can contact any of the Councillors to discuss any issue relevant to Council.

ORGANISATIONAL STRUCTURE

SHIRE OF MENZIES - SERVICE PROVISION 2017-2018



SHIRE OF MENZIES
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

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COMMUNITY VISION

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

Principal place of business:

124 Shenton Street
MENZIES WA 6436


**SHIRE OF MENZIES
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

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

Signed on the 26th day of June 2019



Chief Executive Officer

Peter Money
Name of Chief Executive Officer

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

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue				
Rates	21(a)	3,035,767	2,809,112	2,863,670
Operating grants, subsidies and contributions	2(a)	3,027,985	1,717,444	4,178,929
Fees and charges	2(a)	246,983	171,620	175,722
Interest earnings	2(a)	312,795	184,600	250,445
Other revenue	2(a)	52,357	46,200	84,398
		<u>6,675,887</u>	<u>4,928,976</u>	<u>7,553,164</u>
Expenses				
Employee costs		(1,597,958)	(1,615,058)	(1,569,381)
Materials and contracts		(1,441,736)	(2,876,272)	(1,224,847)
Utility charges		(100,056)	(56,160)	(48,211)
Depreciation on non-current assets	9(b)	(2,392,955)	(2,076,951)	(2,076,922)
Insurance expenses		(127,351)	(130,430)	(138,200)
Other expenditure		(278,054)	(332,400)	(524,345)
		<u>(5,938,110)</u>	<u>(7,087,271)</u>	<u>(5,581,906)</u>
		737,777	(2,158,295)	1,971,258
Non-operating grants, subsidies and contributions	2(a)	2,274,434	3,609,875	608,491
Profit on asset disposals	9(a)	28,141	10,750	7,138
(Loss) on asset disposals	9(a)	(11,183)	(9,250)	0
Impairment of parks and infrastructure	8(b)	(84,699)	0	0
Net result		2,944,470	1,453,080	2,586,887
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	(2,754,292)	0	(2,385,160)
Total other comprehensive income		(2,754,292)	0	(2,385,160)
Total comprehensive income		190,178	1,453,080	201,727

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

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

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue	2(a)			
Governance		164	0	91
General purpose funding		4,999,469	3,889,706	7,213,835
Law, order, public safety		2,965	6,400	5,935
Health		7,337	0	0
Housing		99,840	65,220	63,205
Community amenities		9,291	6,600	7,628
Recreation and culture		1,085	10,000	294
Transport		1,303,252	727,250	66
Economic services		196,913	185,100	189,807
Other property and services		55,571	38,700	72,303
		<u>6,675,887</u>	<u>4,928,976</u>	<u>7,553,164</u>
Expenses				
Governance		(733,330)	(534,774)	(777,853)
General purpose funding		(224,429)	(133,974)	(34,375)
Law, order, public safety		(71,659)	(45,180)	(51,920)
Health		(94,238)	(109,000)	(36,615)
Housing		(140,908)	(291,334)	(189,079)
Community amenities		(214,083)	(202,910)	(134,137)
Recreation and culture		(638,518)	(503,390)	(402,944)
Transport		(2,581,706)	(2,597,655)	(2,457,273)
Economic services		(936,257)	(830,321)	(788,328)
Other property and services		(302,982)	(1,838,733)	(709,382)
		<u>(5,938,110)</u>	<u>(7,087,271)</u>	<u>(5,581,906)</u>
		737,777	(2,158,295)	1,971,258
Non-operating grants, subsidies and contributions	2(a)	2,274,434	3,609,875	608,491
Profit on disposal of assets	9(a)	28,141	10,750	7,138
(Loss) on disposal of assets	9(a)	(11,183)	(9,250)	0
Impairment of parks and infrastructure	8(b)	(84,699)	0	0
		<u>2,206,693</u>	<u>3,611,375</u>	<u>615,629</u>
Net result		<u>2,944,470</u>	<u>1,453,080</u>	<u>2,586,887</u>
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	(2,754,292)	0	(2,385,160)
Total other comprehensive income		<u>(2,754,292)</u>	<u>0</u>	<u>(2,385,160)</u>
Total comprehensive income		<u>190,178</u>	<u>1,453,080</u>	<u>201,727</u>

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



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

	NOTE	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	3	12,408,650	10,095,673
Trade and other receivables	5	564,214	779,660
Inventories	6	5,157	8,522
TOTAL CURRENT ASSETS		12,978,021	10,883,855
NON-CURRENT ASSETS			
Property, plant and equipment	7	8,797,243	8,803,884
Infrastructure	8	113,590,657	115,200,938
TOTAL NON-CURRENT ASSETS		122,387,900	124,004,822
TOTAL ASSETS		135,365,921	134,888,677
CURRENT LIABILITIES			
Trade and other payables	11	879,554	634,837
Provisions	13	170,534	125,858
TOTAL CURRENT LIABILITIES		1,050,088	760,695
NON-CURRENT LIABILITIES			
Provisions	13	67,925	70,253
TOTAL NON-CURRENT LIABILITIES		67,925	70,253
TOTAL LIABILITIES		1,118,013	830,948
NET ASSETS		134,247,908	134,057,730
EQUITY			
Retained surplus		15,235,528	16,039,864
Reserves - cash backed	4	8,366,631	4,617,825
Revaluation surplus	10	110,645,749	113,400,041
TOTAL EQUITY		134,247,908	134,057,730

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



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

	NOTE	RESERVES			TOTAL EQUITY
		RETAINED SURPLUS	CASH BACKED	REVALUATION SURPLUS	
		\$	\$	\$	\$
Balance as at 1 July 2016		15,404,410	2,666,392	115,785,201	133,856,003
Comprehensive income					
Net result		2,586,887	0	0	2,586,887
Changes on revaluation of assets	10	0	0	(2,385,160)	(2,385,160)
Total comprehensive income		2,586,887	0	(2,385,160)	201,727
Transfers from/(to) reserves		(1,951,433)	1,951,433	0	0
Balance as at 30 June 2017		16,039,864	4,617,825	113,400,041	134,057,730
Comprehensive income					
Net result		2,944,470	0	0	2,944,470
Changes on revaluation of assets	10	0	0	(2,754,292)	(2,754,292)
Total comprehensive income		2,944,470	0	(2,754,292)	190,178
Transfers from/(to) reserves		(3,748,806)	3,748,806	0	0
Balance as at 30 June 2018		15,235,528	8,366,631	110,645,749	134,247,908

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

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

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		3,324,540	2,295,772	2,492,870
Operating grants, subsidies and contributions		3,073,827	1,717,444	5,438,635
Fees and charges		246,983	171,620	175,722
Interest earnings		312,795	184,600	250,445
Goods and services tax		37,150	0	207,067
Other revenue		52,357	46,200	84,399
		7,047,652	4,415,636	8,649,138
Payments				
Employee costs		(1,464,141)	(1,615,058)	(1,515,239)
Materials and contracts		(1,285,123)	(1,809,588)	(1,199,411)
Utility charges		(100,056)	(56,160)	(48,211)
Insurance expenses		(127,351)	(130,430)	(138,200)
Goods and services tax		(156,318)	0	(73,971)
Other expenditure		(278,054)	(332,400)	(524,345)
		(3,411,043)	(3,943,636)	(3,499,377)
Net cash provided by (used in) operating activities	14	3,636,609	472,000	5,149,761
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment		(818,087)	(1,498,000)	(226,188)
Payments for construction of infrastructure		(2,945,051)	(5,034,287)	(783,324)
Non-operating grants, subsidies and contributions		2,274,434	3,609,875	608,491
Proceeds from sale of fixed assets		165,072	81,000	50,455
Net cash provided by (used in) investment activities		(1,323,632)	(2,841,412)	(350,566)
Net increase (decrease) in cash held		2,312,977	(2,369,412)	4,799,195
Cash at beginning of year		10,095,673	10,095,673	5,296,478
Cash and cash equivalents at the end of the year	14	12,408,650	7,726,262	10,095,673

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

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

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)		5,631,192	5,631,192	3,811,416
		5,631,192	5,631,192	3,811,416
Revenue from operating activities (excluding rates)				
Governance		164	0	91
General purpose funding		1,963,702	965,594	4,350,165
Law, order, public safety		2,965	6,400	5,935
Health		7,337	0	0
Housing		99,840	65,220	63,205
Community amenities		9,291	6,600	8,418
Recreation and culture		1,085	10,000	294
Transport		1,327,170	738,000	66
Economic services		196,913	185,100	189,807
Other property and services		59,794	38,700	78,651
		3,668,261	2,015,614	4,696,632
Expenditure from operating activities				
Governance		(733,330)	(534,774)	(777,853)
General purpose funding		(224,429)	(133,974)	(34,375)
Law, order, public safety		(71,659)	(45,180)	(51,920)
Health		(94,238)	(109,000)	(36,615)
Housing		(140,908)	(291,334)	(189,079)
Community amenities		(214,083)	(202,910)	(134,137)
Recreation and culture		(638,518)	(503,390)	(402,944)
Transport		(2,592,150)	(2,606,906)	(2,457,273)
Economic services		(936,257)	(830,321)	(788,328)
Other property and services		(388,420)	(1,838,733)	(709,382)
		(6,033,992)	(7,096,522)	(5,581,906)
Operating activities excluded				
(Profit) on disposal of assets	9(a)	(28,141)	(10,750)	(7,138)
Loss on disposal of assets	9(a)	11,183	9,250	0
Loss on revaluation of fixed assets	8(b)	84,699	0	0
Movement in employee benefit provisions (non-current)		42,348	0	73,595
Depreciation and amortisation on assets	9(b)	2,392,955	2,076,951	2,076,922
Amount attributable to operating activities		5,768,505	2,625,735	5,069,521
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		2,274,434	3,609,875	608,491
Proceeds from disposal of assets	9(a)	165,072	81,000	50,455
Purchase of property, plant and equipment	7(b)	(818,087)	(1,498,000)	(226,188)
Purchase and construction of infrastructure	8(b)	(2,945,051)	(5,034,287)	(783,324)
Amount attributable to investing activities		(1,323,632)	(2,841,412)	(350,566)
FINANCING ACTIVITIES				
Transfers to reserves (restricted assets)	4	(3,895,806)	(3,033,935)	(2,183,668)
Transfers from reserves (restricted assets)	4	147,000	272,000	232,235
Amount attributable to financing activities		(3,748,806)	(2,761,935)	(1,951,433)
Surplus(deficiency) before general rates		696,067	(2,977,612)	2,767,522
Total amount raised from general rates	21	3,035,767	2,924,112	2,863,670
Net current assets at June 30 c/fwd - surplus/(deficit)	22	3,731,834	(53,499)	5,631,192

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

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

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 to the extent they are not in-consistent with the *Local Government Act 1995* and accompanying regulations.). Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise.

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

CRITICAL ACCOUNTING ESTIMATES

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

THE LOCAL GOVERNMENT REPORTING ENTITY (Continued)

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 24 to these financial statements.

**AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY
Land under roads**

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

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

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

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

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

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

2. REVENUE AND EXPENSES

	2018 Actual	2017 Actual
	\$	\$
(a) Revenue		
Other revenue		
Reimbursements and recoveries	6,926	17,927
Other	45,431	66,472
	52,357	84,398
Fees and Charges		
General purpose funding	9,094	7,514
Law, order, public safety	0	168
Health	7,337	0
Housing	99,840	63,205
Community amenities	8,443	8,367
Recreation and culture	1,039	292
Economic services	116,337	94,284
Other property and services	4,893	1,892
	246,983	175,722

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

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Grant Revenue

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

	2018	2017
	\$	\$
Operating grants, subsidies and contributions		
Governance	84	91
General purpose funding	1,641,638	4,092,029
Law, order, public safety	2,965	5,766
Recreation and culture	46	0
Transport	1,303,252	0
Economic services	80,000	80,917
Other property and services	0	126
	3,027,985	4,178,929
Non-operating grants, subsidies and contributions		
Law, order, public safety	0	400
Recreation and culture	128,335	20,000
Transport	2,146,099	530,364
Economic services	0	57,727
	2,274,434	608,491
Total grants, subsidies and contributions	5,302,419	4,787,420

SIGNIFICANT ACCOUNTING POLICIES

Grants, Donations and Other Contributions

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

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over

Grants, Donations and Other Contributions (Continued)
a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 20. That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current period.

Interest earnings

- Loans receivable - clubs/institutions

- Reserve funds

- Other funds

Other interest revenue (refer note 21(b))

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
	57,269	80,000	102,431
	131,370	50,000	41,289
	124,156	54,600	106,725
	312,795	184,600	250,445

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

2. REVENUE AND EXPENSES (Continued)

(b) Expenses

The following amounts are included in Other Expenditure

Auditors remuneration

	2018	2017
	\$	\$
- Audit of the Annual Financial Report*	7,850	10,902
- Other Services	0	800
- Disbursements	0	6,613
	7,850	18,315

* The fee for the audit of the 2017-18 financial statements is \$27,000 (\$19,163 : 2016-17))

Rental charges

- Operating leases	36,995	34,102
	36,995	34,102

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

3. CASH AND CASH EQUIVALENTS

	NOTE	2018	2017
		\$	\$
Unrestricted		4,039,686	5,302,583
Restricted		8,368,964	4,793,090
		<u>12,408,650</u>	<u>10,095,673</u>

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

Leave Reserve	4	197,364	192,460
Building Reserve	4	2,003,260	1,161,096
Plant Reserve	4	1,427,758	932,561
Roads Reserve	4	1,730,660	474,836
Main Street Reserve	4	135,175	131,578
Staff Amenities Reserve	4	72,722	70,915
TV Reserve	4	17,216	16,789
Caravan Park Reserve	4	424,818	316,747
Bitumen Reserve	4	388,662	379,618
Rates Creditors Reserve	4	48,788	47,576
Niagara Dam Reserve	4	1,320,885	800,049
Water Park Reserve	4	96,060	93,601
Economic Development Reserve	4	402,678	0
Waste Management Reserve	4	100,585	0
Unspent grants	20	2,333	175,264
		<u>8,368,964</u>	<u>4,793,090</u>

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Cash and cash equivalents (Continued)

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

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

4. RESERVES - CASH BACKED

	2018 Actual Opening Balance	2018 Actual Transfer to	2018 Actual Transfer (from)	2018 Actual	2018 Budget Opening Balance	2018 Budget Transfer to	2018 Budget Transfer (from)	2018 Budget Closing Balance	2017 Actual Opening Balance	2017 Actual Transfer to	2017 Actual Transfer (from)	2017 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave Reserve	192,460	4,904	0	197,364	192,460	0	0	192,460	187,871	4,589	0	192,460
Building Reserve	1,161,096	872,164	(30,000)	2,003,260	1,161,096	750,000	(130,000)	1,781,096	684,085	477,011	0	1,161,096
Plant Reserve	932,561	612,197	(117,000)	1,427,758	932,561	283,600	(142,000)	1,074,161	558,154	521,642	(147,235)	932,561
Roads Reserve	474,836	1,255,825	0	1,730,661	474,836	1,000,000	0	1,474,836	164,020	310,816	0	474,836
Main Street Reserve	131,578	3,597	0	135,175	131,578	0	0	131,578	193,332	3,246	(65,000)	131,578
Staff Amenities Reserve	70,915	1,807	0	72,722	70,915	0	0	70,915	69,225	1,690	0	70,915
TV Reserve	16,789	427	0	17,216	16,789	0	0	16,789	16,388	400	0	16,789
Caravan Park Reserve	316,747	108,071	0	424,818	316,747	0	0	316,747	309,195	7,552	0	316,747
Bitumen Reserve	379,618	9,044	0	388,662	379,618	0	0	379,618	203,608	176,010	0	379,618
Rates Creditors Reserve	47,576	1,212	0	48,788	47,576	0	0	47,576	46,442	1,134	0	47,576
Niagara Dam Reserve	800,049	520,835	0	1,320,884	800,048	500,000	0	1,300,048	123,062	676,986	0	800,049
Water Park Reserve	93,600	2,459	0	96,059	93,601	0	0	93,601	111,011	2,592	(20,000)	93,600
Economic Development Reserve	0	402,678	0	402,678	0	400,335	0	400,335				0
Waste Management Reserve	0	100,586	0	100,586	0	100,000	0	100,000				0
	4,617,825	3,895,806	(147,000)	8,366,631	4,617,825	3,033,935	(272,000)	7,379,760	2,666,393	2,183,668	(232,235)	4,617,825

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

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
Leave Reserve	Perpetual	To be used to fund annual and long service leave requirements.
Building Reserve	Perpetual	To be used for the acquisition of future building and renovation of existing buildings.
Plant Reserve	Perpetual	To be used for the purchase of major plant.
Roads Reserve	Perpetual	To be used to fund major road works.
Main Street Reserve	Perpetual	Established for the beautification of the main street.
Staff Amenities Reserve	Perpetual	Established for the purpose of providing staff housing and amenities.
TV Reserve	Perpetual	To be used to fund upgrades to the rebroadcasting equipment.
Caravan Park Reserve	Perpetual	Established for the purpose of upgrading the caravan park.
Bitumen Reserve	Perpetual	Established to fund future resealing of roads.
Rates Creditors Reserve	Perpetual	Established for future rates claims.
Niagara Dam Reserve	Perpetual	Established for ongoing upgrade of Niagara Dam valve workings and other maintenance.
Water Park Reserve	Perpetual	Established to provide a water park.
Economic Development Reserve	Perpetual	To provide for new or additional services in the Shire in partnership with Not for Profit organisations.
Waste Management Reserve	Perpetual	To provide for the statutory reinstatement and development of the reserve.

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

5. TRADE AND OTHER RECEIVABLES

Current

Rates outstanding
Sundry debtors
GST receivable
Provision for doubtful debts
Accrued income/payments in advance

2018	2017
\$	\$
710,858	999,631
26,391	51,642
198,385	79,217
(385,257)	(385,257)
13,837	34,427
564,214	779,660

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

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

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

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

Rates outstanding

Not past due and not impaired
Past due and impaired
Past due and not impaired
- up to 1 month
- 1 to 3 months
- 3 months to 1 year
- 1 to 5 years
- more than 5 years

Classification and subsequent measurement

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

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

2018	2017
-	-
385,257	385,257
0	0
0	0
8,881	50,339
316,720	564,027
710,858	999,623

Sundry debtors outstanding

Not past due and not impaired
Past due and impaired
Past due and not impaired
- up to 1 month
- 1 to 3 months
- 3 months to 1 year
- 1 to 5 years
- more than 5 years

2018	2017
25,176	16,948
-	-
679	-
20	-
516	11,518
-	-
-	-
26,391	28,466

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

6. INVENTORIES

Current

Fuels, Oils & materials on hand

2018	2017
\$	\$
5,157	8,522
5,157	8,522

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.

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

7 (a). PROPERTY, PLANT AND EQUIPMENT

Land and buildings	2018 \$	2017 \$
Land - freehold land at:		
- Independent valuation 2017 - level 2	684,000	684,000
	684,000	684,000
Total land	684,000	684,000
Buildings - non-specialised at:		
- Management valuation 2017 - level 3	1,116,700	1,116,700
- Independent valuation 2017 - level 3	835,000	835,000
- Additions after valuation - cost	41,192	0
- Transfers	300,000	0
Buildings - non-specialised - Less: accumulated depreciation	(118,378)	0
	2,174,514	1,951,700
Buildings - specialised at:		
- Management valuation 2017 - level 3	266,201	266,200
- Independent valuation 2017 - level 3	4,400,000	4,400,000
- Additions after valuation - cost	348,123	0
- Transfers	(257,359)	0
Buildings - specialised - Less: accumulated depreciation	(240,801)	0
	4,516,164	4,666,200
Total buildings	6,690,678	6,617,900
Total land and buildings	7,374,678	7,301,900
Furniture and equipment at:		
- Management valuation 2016 - level 3	27,000	27,000
- Additions after valuation - cost	103,738	0
Furniture and equipment - Less: accumulated depreciation	(44,684)	(3,890)
	86,054	23,110
Plant and equipment at:		
- Management valuation 2016 - level 3	1,377,880	1,564,632
- Additions after valuation - cost	504,446	179,411
Plant and equipment - Less: accumulated depreciation	(545,815)	(265,169)
	1,336,511	1,478,874
Total property, plant and equipment	8,797,243	8,803,884

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

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Movements in Carrying Amounts

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

	Land - freehold land	Total land	Buildings - non- specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	672,261	672,261	2,465,206	4,647,626	7,112,832	7,785,093	27,000	1,607,948	9,420,041
Additions	0	0	0	46,777	46,777	46,777	0	179,411	226,188
(Disposals)	0	0	0	0	0	0	0	(43,316)	(43,316)
Revaluation increments/ (decrements) transferred to revaluation surplus	11,739	11,739	(399,543)	217,456	(182,087)	(170,348)	0	0	(170,348)
Depreciation (expense)		0	(113,963)	(245,659)	(359,622)	(359,622)	(3,890)	(265,169)	(628,681)
Carrying amount at 30 June 2017	684,000	684,000	1,951,700	4,666,200	6,617,900	7,301,900	23,110	1,478,874	8,803,884
Additions	0	0	41,191	348,123	389,314	389,314	103,738	325,035	818,087
(Disposals)	0	0	0	0	0	0	0	(148,114)	(148,114)
Depreciation (expense)	0	0	(118,377)	(243,169)	(361,546)	(361,546)	(40,794)	(324,082)	(726,422)
Transfers	0	0	300,000	(254,990)	45,010	45,010	0	4,798	49,808
Carrying amount at 30 June 2018	684,000	684,000	2,174,514	4,516,164	6,690,678	7,374,678	86,054	1,336,511	8,797,243

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land - freehold land	2	Market approach using recent market data for similar properties	Independent Registered Valuer	June 2017	Price per hectare
Land - vested in and under the control of Council	3				
Buildings - non-specialised	3	Market approach using recent market data for similar properties	Management Valuation	June 2017	Improvements to land 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 market data for similar properties	Independent Registered Valuer and Management Valuation	June 2017	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Furniture and equipment	3	Cost approach using depreciated replacement cost	Management Valuation	June 2017	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
	3	Cost approach using depreciated replacement cost	Management Valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Plant and equipment					

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. There were no transfers between Level 2 and Level 3 for the year 2017/18 . All transfers relate to Level 3 and represent a reclassification of fixed assets.

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

8 (a). INFRASTRUCTURE

	2018	2017
	\$	\$
Roads		
- Independent valuation 2015 - level 3	0	141,850,854
- Independent valuation 2018 - level 3	109,742,712	0
- Additions after valuation - cost	0	3,372,117
Roads - Less: accumulated depreciation	0	(33,118,019)
	109,742,712	112,104,952
Infrastructure Other		
- Independent valuation 2014 - level 3	0	1,623,164
- Management valuation 2014 - level 3	3,464,964	389,203
- Additions after valuation - cost	0	1,010,804
Infrastructure Other - Less: accumulated depreciation	0	(207,839)
	3,464,964	2,815,332
Parks & Ovals		
- Independent valuation 2014 - level 3	0	222,000
- Independent valuation 2018 - level 3	260,110	0
Parks & Ovals - Less: accumulated depreciation	0	(13,325)
	260,110	208,675
Footpaths		
- Management valuation 2014 - level 3	171,936	171,936
- Additions after valuation - cost	58,647	0
Footpaths - Less: accumulated depreciation	(107,712)	(99,957)
	122,871	71,979
Total infrastructure	113,590,657	115,200,938

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

8. INFRASTRUCTURE (Continued)

(b) Movements in Carrying Amounts

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

	Roads	Infrastructure Other	Parks & Ovals	Footpaths	Total Infrastructure
	\$	\$	\$	\$	\$
Balance at 1 July 2016	115,058,017	2,737,556	213,115	71,979	118,080,667
Additions	697,877	85,447	0	0	783,324
Revaluation increments/ (decrements) transferred to revaluation surplus	(2,214,812)	0	0	0	(2,214,812)
Depreciation (expense)	(1,361,167)	(82,634)	(4,440)	0	(1,448,241)
Transfers	(74,963)	74,963	0	0	0
Carrying amount at 30 June 2017	112,104,952	2,815,332	208,675	71,979	115,200,938
Additions	2,519,127	250,745	116,531	58,648	2,945,051
Revaluation increments/ (decrements) transferred to revaluation surplus	(3,338,839)	584,547	0	0	(2,754,292)
Revaluation (loss)/ reversals transferred to profit or loss	0	0	(84,699)	0	(84,699)
Depreciation (expense)	(1,542,528)	(78,930)	(37,319)	(7,756)	(1,666,533)
Transfers	0	(106,730)	56,922	0	(49,808)
Carrying amount at 30 June 2018	109,742,712	3,464,964	260,110	122,871	113,590,657

8. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Roads	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2018	Construction costs and current conditions (level 2), residual values and remaining useful life assessments (Level 3) inputs.
Infrastructure Other	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2018	Construction costs and current conditions (level 2), residual values and remaining useful life assessments (Level 3) inputs.
Parks & Ovals	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2018	Construction costs and current conditions (level 2), residual values and remaining useful life assessments (Level 3) inputs.
Footpaths	3	Cost approach using depreciated replacement cost	Management Valuation	June 2015	Construction costs and current conditions (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. All Transfers relate to Level 3 and represent a reclassification of fixed assets.

9. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

Revaluation

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

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

Land under control

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

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

9. FIXED ASSETS (Continued)

(a) Disposals of Assets

The following assets were disposed of during the year.

	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit	Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment								
Transport								
12 - P0144 Multi-tyred roller MN 572	425	482	57	0	0	0	0	0
228 - P0108 2008 Cat skid steer (Bobcat)	19,990	11,000	0	(8,990)	21,250	12,000	0	(9,250)
298 - P0151 Semi water tanker 1TKO412	16,492	20,850	4,358	0	17,000	25,000	8,000	0
392 - P0184 Two axle dog trailer 1TO1574	12,369	19,439	7,070	0	0	0	0	0
8 - P0122 Husqvarna ride on mower	1,206	136	0	(1,070)	0	0	0	0
496 - P0139 Custom made grass slasher	128	100	0	(28)	0	0	0	0
490 - P0163 Vacuum tank	4,250	16,682	12,432	0	0	0	0	0
492 - P0135 Plate compactor - hand oper.	375	19	0	(356)	0	0	0	0
Other property and services								
59 - P0205 Toyota landcruiser 2016 200	53,958	58,182	4,224	0	0	0	0	0
6 - P0201 Toyota prado 2014 1EPF107	38,921	38,182	0	(739)	41,250	44,000	2,750	0
	148,114	165,072	28,141	(11,183)	79,500	81,000	10,750	(9,250)

(b) Depreciation

	2018	2017
	\$	\$
Buildings - non-specialised	118,377	113,963
Buildings - specialised	243,169	245,659
Furniture and equipment	40,794	3,890
Plant and equipment	324,082	265,169
Roads	1,542,528	1,361,167
Infrastructure Other	78,930	82,634
Parks & Ovals	37,319	4,440
Footpaths	7,756	0
	2,392,955	2,076,922

9. FIXED ASSETS (Continued)

(b) Depreciation (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated as follows

- a) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Depreciation rates

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

Buildings	20 years
Furniture and equipment	10 years
Plant and equipment - heavy	6 years
Plant and equipment - sundry	4 years
Roads	
formation	not depreciated
pavement	25 years
Infrastructure floodways	12.5 years
Infrastructure other	50 years
Infrastructure grids	25 years

Depreciation (Continued)

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

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

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

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

10. REVALUATION SURPLUS

	2018 Opening Balance	2018 Revaluation Increment	2018 Revaluation (Decrement)	2018 Total Movement on Revaluation	2018 Closing Balance	2017 Opening Balance	2017 Revaluation Increment	2017 Revaluation (Decrement)	2017 Total Movement on Revaluation	2017 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus -Land - freehold land	680,443	0	0	0	680,443	668,704	11,739	0	11,739	680,443
Revaluation surplus -Buildings - non-specialised	3,250,986	0	0	0	3,250,986	3,650,529	0	(399,543)	(399,543)	3,250,986
Revaluation surplus -Buildings - specialised	217,456	0	0	0	217,456	0	0	217,456	217,456	217,456
Revaluation surplus -Plant and equipment	703,442	0	0	0	703,442	703,442	0	0	0	703,442
Revaluation surplus - Roads	108,363,787	0	(3,338,839)	(3,338,839)	105,024,948	110,578,599	0	(2,214,812)	(2,214,812)	108,363,787
Revaluation surplus - Infrastructure Other	183,927	584,547	0	584,547	768,474	183,927	0	0	0	183,927
	113,400,041	584,547	(3,338,839)	(2,754,292)	110,645,749	115,785,201	11,739	(2,396,899)	(2,385,160)	113,400,041

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

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

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Income received in advance
Accrued salaries and wages
ATO liabilities
Payroll creditors
Accrued expenses

	2018	2017
	\$	\$
Sundry creditors	656,124	437,982
Income received in advance	26,321	26,321
Accrued salaries and wages	30,756	21,961
ATO liabilities	105,548	22,874
Payroll creditors	31,408	36,653
Accrued expenses	29,397	89,046
	879,554	634,837

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

Trade and other payables (Continued)

of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

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

12. INFORMATION ON BORROWINGS

The shire has no loans or overdraft facilities at 30 June 2018.

(a) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit

Bank overdraft at balance date

Credit card limit

Credit card balance at balance date

Total amount of credit unused

2018	2017
\$	\$
0	0
0	0
25,000	25,000
(5,621)	(13,395)
19,379	11,605

Unused loan facilities at balance date

NIL

NIL

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Borrowing costs

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

13. PROVISIONS

Opening balance at 1 July 2017

Current provisions

Non-current provisions

Additional provision

Balance at 30 June 2018

Comprises

Current

Non-current

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2017			
Current provisions	105,969	19,889	125,858
Non-current provisions	0	70,253	70,253
	105,969	90,142	196,111
Additional provision	15,552	26,796	42,348
Balance at 30 June 2018	121,521	116,938	238,459
Comprises			
Current	121,521	49,013	170,534
Non-current	0	67,925	67,925
	121,521	116,938	238,459

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

Other long-term employee benefits (Continued)

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

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

Provisions

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

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

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

14. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Cash and cash equivalents	12,408,650	7,726,262	10,095,673

Reconciliation of Net Cash Provided By Operating Activities to Net Result

Net result	2,944,470	1,453,080	2,586,887
Non-cash flows in Net result:			
Depreciation	2,392,955	2,076,951	2,076,922
(Profit)/loss on sale of asset	(16,958)	(1,500)	(7,138)
Loss on revaluation of Parks & Ovals	84,699	0	0
Changes in assets and liabilities:			
(Increase)/decrease in receivables	215,446	(513,340)	1,022,003
(Increase)/decrease in inventories	3,365	1,522	(1,319)
Increase/(decrease) in payables	244,718	1,065,163	7,301
Increase/(decrease) in provisions	42,348	0	73,596
Grants contributions for the development of assets	(2,274,434)	(3,609,875)	(608,491)
Net cash from operating activities	3,636,609	472,000	5,149,761

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

15. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2018	2017
	\$	\$
Governance	4,800	52,976
General purpose funding	4,655,021	6,092,220
Law, order, public safety	148,199	154,374
Housing	2,728,067	2,415,428
Community amenities	3,022,633	979,446
Recreation and culture	4,434,493	3,432,201
Transport	115,292,110	115,113,372
Economic services	3,447,026	4,545,310
Other property and services	1,633,572	2,103,350
	135,365,921	134,888,677

16. CONTINGENT LIABILITIES

The Shire of Menzies has in compliance with the Contaminated Sites Act 2003 section 11 listed sites to be possible sources of contamination:

Memorial M995306 ML, Lot 8 on Plan 222795 as shown on certificate of title 1096/558 known as 50 Shenton St, Menzies WA 6436.

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk and agree with the Department of Water and Environment Regulation the need and criteria for remediation, the Shire is unable to accurately quantify its clean-up liabilities for potentially contaminated sites.

The Shire is continuing to monitor the sites and will progressively undertake site investigations and remediation on a risk based approach. This approach is consistent with the Department of Water and Environment Regulation guidelines.

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

17. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

	2018	2017
	\$	\$
- capital expenditure projects	2,782,234	1,224,685
- plant & equipment purchases	0	72,279

Payable:

- not later than one year	2,782,234	1,296,964
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The capital expenditure outstanding at the end of the 2018 reporting period represents a further 5km seal of the Menzies Northwest Road, and WANDRRA funded road works.

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but

Payable:

- not later than one year	41,607	13,189
- later than one year but not later than five years	108,006	46,161
- later than five years	0	0
	<u>149,613</u>	<u>59,350</u>

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

Leases (Continued)

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term.

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

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

18. JOINT ARRANGEMENTS

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

	2018	2017
	\$	\$
Non-current assets		
Land and buildings	75,500	75,500
Less: accumulated depreciation	(1,812)	
	<u>73,688</u>	<u>75,500</u>
 Plant and equipment	 4,182	 4,182
Less: accumulated depreciation	(1,008)	(504)
	<u>3,174</u>	<u>3,678</u>
 Furniture and equipment	 8,204	 8,204
Less: accumulated depreciation	(1,805)	(902)
	<u>6,399</u>	<u>7,302</u>
 Light vehicles	 3,200	 3,200
Less: accumulated depreciation	(960)	(480)
	<u>2,240</u>	<u>2,720</u>

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. Refer to note 26 for a description of the equity method of accounting.

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.

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

19. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

	2018 Actual	2018 Budget	2017 Actual
The following fees, expenses and allowances were paid to council members and/or the President.	\$	\$	\$
Meeting Fees	75,870	75,870	75,870
President's allowance	19,864	19,864	19,864
Deputy President's allowance	4,966	4,966	4,966
Travelling expenses	33,876	56,800	33,797
Telecommunications allowance	7,700	7,700	7,700
	142,276	165,200	142,197

Key Management Personnel (KMP) Compensation Disclosure

	2018	2017
The total of remuneration paid to KMP of the Shire during the year are as follows:	\$	\$
Short-term employee benefits	409,412	376,445
Post-employment benefits	64,396	63,995
Other long-term benefits	20,252	8,791
	494,060	449,231

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP.

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 annual and 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.

	2018	2017
The following transactions occurred with related parties:	\$	\$
Sale of goods and services - council property rates	6,573	5,816
Purchase of goods and services	6	

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Entities subject to significant influence by the Shire

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

iii. Joint venture entities

The Shire has a one-tenth interest in a regional records service. The interest in the joint venture operation is accounted for in these financial statements by recognising the Shire's share of assets, liabilities, income and expenses. For details of interests held in joint venture entities refer to Note 18.

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

20. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening Balance ⁽¹⁾ 1/07/16	Received ⁽²⁾ 2016/17	Expended ⁽³⁾ 2016/17	Closing Balance ⁽¹⁾ 30/06/17	Received ⁽²⁾ 2017/18	Expended ⁽³⁾ 2017/18	Closing Balance 30/06/18
	\$	\$	\$	\$	\$	\$	\$
Law, order, public safety							
DFES Operating Grant	3,187	5,768	(5,007)	3,948	2,965	(4,580)	2,333
Transport							
Roads to Recovery	341,114	286,269	(517,267)	110,116	1,171,037	(1,281,153)	0
Tjuntjunjarra Access Road	61,200	0	0	61,200	146,223	(207,423)	0
Total	405,501	292,037	(522,274)	175,264	1,320,225	(1,493,156)	2,333

Notes:

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

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

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

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

21. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	Value \$	Rate Revenue \$	Interim Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Total Revenue \$
Differential general rate / general rate								
Gross rental valuations								
Vacant	0.0834	3	15,652	1,305	0	1,305	1,305	1,305
General	0.0832	30	2,497,152	207,763	113,118	320,881	207,763	207,763
Unimproved valuations								
Mining Lease	0.1597	221	11,665,114	1,862,919	0	1,862,919	1,862,919	1,862,919
Exploration Lease	0.1473	19	3,749,048	552,235	0	552,235	552,235	552,235
Prospecting	0.1451	63	433,233	62,862	0	62,862	62,862	62,862
Pastoral	0.0814	225	734,152	59,760	(1,028)	58,732	59,760	59,760
Other	0.0814	197	310,500	25,275	(435)	24,840	25,275	25,275
Sub-Total		758	19,404,851	2,772,119	111,655	2,883,774	2,772,119	2,772,119
Minimum payment								
Gross rental valuations								
Vacant	200	201	43,649	42,600	0	42,600	42,600	42,600
General	311	11	8,813	2,488	0	2,488	2,488	2,488
Unimproved valuations								
Mining Lease	311	62	48,050	19,282	0	19,282	19,282	19,282
Exploration Lease	275	174	149,360	45,650	0	45,650	45,650	45,650
Prospecting	244	132	151,557	38,552	0	38,552	38,552	38,552
Pastoral	311	8	16,843	2,488	0	2,488	2,488	2,488
Other	311	3	6,700	933	0	933	933	933
Sub-Total		591	424,972	151,993	0	151,993	151,993	151,993
Total amount raised from general rate		1,349	19,829,823	2,924,112	111,655	3,035,767	2,924,112	2,924,112
Discounts/concessions (refer note 21(b))						0	0	0
Totals						3,035,767	2,924,112	2,924,112

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

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

21. 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	9-Dec-17	0	0.00%	11.00%
Option Two				
First instalment		0	0.00%	0.00%
Second instalment		0	0.00%	0.00%
Option Three				
First instalment	9-Dec-17	0	0.00%	11.00%
Second instalment	14-Nov-17	10	5.50%	11.00%
Third instalment	16-Jan-18	10	5.50%	11.00%
Fourth instalment	13-Mar-18	10	5.50%	11.00%
		2018		
		2018 Budget		
		\$		
Interest on unpaid rates		120,191	50,000	
Interest on instalment plan		3,965	4,600	
Charges on instalment plan		7,944	4,000	
		132,100	58,600	

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

22. NET CURRENT ASSETS

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

	2018 (30 June 2018 Carried Forward) \$	2018 (1 July 2017 Brought Forward) \$	2017 (30 June 2017 Carried Forward) \$
Surplus/(Deficit) 1 July 17 brought forward	3,731,834	5,631,192	5,631,192
CURRENT ASSETS			
Cash and cash equivalents			
Unrestricted	4,039,686	5,302,583	5,302,583
Restricted	8,368,964	4,793,090	4,793,090
Receivables			
Rates outstanding	710,858	999,631	999,631
Sundry debtors	26,391	51,642	51,642
GST receivable	198,385	79,217	79,217
Provision for doubtful debts	(385,257)	(385,257)	(385,257)
Accrued income/payments in advance	13,837	34,427	34,427
Inventories			
Fuels, Oils & materials on hand	5,157	8,522	8,522
LESS: CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(656,124)	(437,982)	(437,982)
Income received in advance	(26,321)	(26,321)	(26,321)
Accrued salaries and wages	(30,756)	(21,961)	(21,961)
ATO liabilities	(105,548)	(22,874)	(22,874)
Payroll creditors	(31,408)	(36,653)	(36,653)
Accrued expenses	(29,397)	(89,046)	(89,046)
Provisions			
Provision for annual leave	(121,521)	(105,969)	(105,969)
Provision for long service leave	(49,013)	(19,889)	(19,889)
Unadjusted net current assets	11,927,933	10,123,160	10,123,160
Adjustments			
Less: Reserves - restricted cash	(8,366,631)	(4,617,826)	(4,617,826)
Add: Cash backed provision for leave	170,534	125,858	125,858
Adjusted net current assets - surplus/(deficit)	3,731,834	5,631,192	5,631,192

Difference

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

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

23. FINANCIAL RISK MANAGEMENT

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

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

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

The Shire held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2018	2017	2018	2017
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	12,408,650	10,095,673	12,408,650	10,095,673
Receivables	365,829	700,443	365,829	700,443
	<u>12,774,479</u>	<u>10,796,116</u>	<u>12,774,479</u>	<u>10,796,116</u>
Financial liabilities				
Payables	748,063	588,805	748,063	588,805
	<u>748,063</u>	<u>588,805</u>	<u>748,063</u>	<u>588,805</u>

Fair value is determined as follows:

Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.

23. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

The Shire's objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash portfolio. Council has an Investment Policy and the Policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

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

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

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

	2018	2017
	\$	\$
Impact of a 1% ⁽¹⁾ movement in interest rates on cash		
- Equity	37,685	32,189
- Statement of Comprehensive Income	37,685	32,189

Notes:

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

	Weighted average interest rate	Carrying amounts	Fixed interest rate	Variable interest rate	Non-interest bearing
2018					
Cash and cash equivalents	1.68%	12,408,650	8,639,339	3,768,470	841
2017					
Cash and cash equivalents	1.79%	10,095,673	6,876,007	3,218,960	706

23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

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

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

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

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

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

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

	2018	2017
	%	%
Percentage of rates and annual charges		
- Current	0.00%	0.00%
- Overdue	100.00%	100.00%
Percentage of other receivables		
- Current	95.00%	33.00%
- Overdue	5.00%	67.00%

23. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables and borrowings

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

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
<u>2018</u>	\$	\$	\$	\$	\$
Payables	748,063	0	0	748,063	748,063
	748,063	0	0	748,063	748,063
<u>2017</u>					
Payables	588,805	0	0	588,805	588,805
	588,805	0	0	588,805	588,805

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

24. TRUST FUNDS

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

	1 July 2017	Amounts Received	Amounts Paid	30 June 2018
	\$	\$	\$	\$
Housing Bonds	1,680		0	1,680
Pet Bonds	200	0	0	200
	<u>1,880</u>			<u>1,880</u>

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

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

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

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

Notes:

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

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

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

Notes:

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

Adoption of New and Revised Accounting Standards

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

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

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

26. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

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

27. ACTIVITIES/PROGRAMS

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

PROGRAM NAME	OBJECTIVE	ACTIVITIES
GOVERNANCE		

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

Activities:

Includes the members of council and the administrative support available to the council for the provision of the governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

GENERAL PURPOSE

FUNDING

Objective: To collect revenue to allow for the provision of services.

To collect revenue to allow for the provision of services.

Activities:

The reporting of the Shire's general rating income and the recognition of the Western Australian Grants Commission payment together with interest on investments and costs associated with the collection of funds.

LAW, ORDER, PUBLIC

SAFETY

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

Activities:

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

HEALTH

Objective: To provide an operational framework for environmental and community health.

Activities:

Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.

EDUCATION AND

WELFARE

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

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

Activities:

Expenditure to assist in the education of the children and youth within the shire.

HOUSING

Objective: To provide and maintain housing.

Activities:

Income and expenditure associated with the provision of housing to staff and others.

COMMUNITY AMENITIES

Objective: To provide services required by the community.

Activities:

Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban stormwater drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.

RECREATION AND

CULTURE

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

Activities:

The reporting of income and expenditure associated with the Town Hall, library and recreation area, oval and reserves operated by Council.

TRANSPORT

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

Activities:

Construction and maintenance of roads, grids, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting and the maintenance of the Council's airstrips.

ECONOMIC SERVICES

Objective: To help promote the shire and its economic well being.

Activities:

The reporting of income and expenditure including the operation of Council's caravan park and administration of the Building Code of Australia.

OTHER PROPERTY AND

SERVICES

Objective: To monitor and control Shire's overheads operating accounts.

Activities:

Involves the expenditure and allocation of employee overheads and plant costs. Also included is the accounting for private works, salary and wages reconciliation and other incomes and expenditures not included elsewhere.

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

28. FINANCIAL RATIOS

	2018	2017	2016
Current ratio	5.24	9.59	6.43
Asset consumption ratio	0.99	0.79	1.72
Asset renewal funding ratio	N/A	1.00	0.19
Asset sustainability ratio	1.49	0.46	1.35
Debt service cover ratio	0.00	0.00	0.00
Operating surplus ratio	0.21	0.60	(0.61)
Own source revenue coverage ratio	0.61	0.59	0.47

The above ratios are calculated as follows:

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

Notes:

Three of the ratios disclosed above were distorted by the early receipt of Financial Assistance Grants. In addition, two of the ratios were impacted by revenue and expenses associated with flood damage re-instatement which is considered one-off in nature.

	2017/18	2016/17	2015/16
	\$	\$	\$
Amount of Financial Assistance Grant received during the year relating to the subsequent year.	1,307,695	1,316,866	0
Amount of Financial Assistance Grant received in prior year relating to current year.	1,316,866	0	0
Amount of reimbursement for flood damage received	32,202	213,019	1,031,420
Expenditure on flood damage re-instatement			

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

	2018	2017	2016
Current ratio	5.23	11.67	5.08
Operating surplus ratio	0.19	0.20	NA
Own source revenue coverage ratio	0.61	0.59	NA



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Council of the Shire of Menzies

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the Shire of Menzies which comprises the Statement of Financial Position as at 30 June 2018, 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, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In my opinion the annual financial report of the Shire of Menzies:

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

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to 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.

Emphasis of Matter – Basis of Accounting

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

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

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

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

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

Auditor's Responsibility for the Audit of 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.

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

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

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

Report on Other Legal and Regulatory Requirements

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

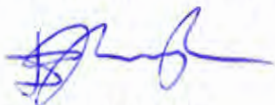
- (i) The following material matters indicating non-compliance with Part 6 of the *Local Government Act 1995*, the Local Government (Financial Management) Regulations 1996 or applicable financial controls of any other written law were identified during the course of my audit:
 - a. A service contract of \$172,000 was not procured through a tender process. The Local Government (Functions and General) Regulations 1996 require public tenders to be invited for services above \$150,000. We also identified 14 purchases from a sample of 54 where the Shire did not obtain 3 quotes for the purchase of goods and services which were below the \$150,000 tender threshold. These practices increases the likelihood of not receiving value for money in procurement.
 - b. For 8 employees, there were no signed employment contracts or letters of employment in the Shire's records.
 - c. The Shire has not reported the Asset Renewal Funding Ratio for 2018 in its annual financial report, as required by regulation 50(1)(c) of the Local Government (Financial Management) Regulations 1996, as planned capital renewals and required capital expenditure were not estimated in a long term financial plan and asset management plan respectively.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the asset consumption ratio included in the annual financial report was supported by verifiable information and reasonable assumptions.

Other Matter

The financial report of the Shire for the year ended 30 June 2017 was audited by another auditor who expressed an unmodified opinion on that financial report. The financial ratios for 2017 and 2016 in Note 28 of the audited financial report were included in the supplementary information and/or audited financial report for those years.

Matters Relating to the Electronic Publication of the Audited Financial Report

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



DON CUNNINGHAME
ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT
Delegate of the Auditor General for Western Australia
Perth, Western Australia

4 July 2019

SHIRE OF MENZIES

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2018

FINDINGS IDENTIFIED DURING THE AUDIT

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
1. Procurement – Tenders	✓		
2. Procurement – Obtaining Quotes	✓		
3. Employment Contracts	✓		
4. Asset Renewal Funding Ratio	✓		
5. Daily Cash Reconciliation		✓	
6. Valuation of Footpath Infrastructure		✓	

KEY TO RATINGS

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

SHIRE OF MENZIES

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2018

FINDINGS IDENTIFIED DURING THE AUDIT

1. Procurement - Tenders

Finding:

We noted one instance where the Shire contracted to purchase services valued at \$172,000 that was not procured through the tender process as required by the *Local Government Act 1995* and Regulations.

Rating: Significant

Implication:

If financial limits for procurement are not complied with, this increases the risk that high value purchases may be made from an inappropriate supplier. In addition, this is not compliant with the Shire's purchasing policy and the *Local Government Act 1995* and Regulations.

Recommendation:

The Shire should ensure all purchases greater than \$150,000 are subject to a tender process.

We recommend that approval for the total amount spent with this supplier be brought to the attention of Council and the breach be reported to the Department of Local Government by way of inclusion in the next Compliance Annual Review Report.

Management's Comments:

1. Future major purchases and tenders will be brought before Council for approval.
2. The Shire must adhere to purchasing policies and tender requirements. Going forward the Shire will be diligent and rules and regulations will be adhered to.
3. Council has expressed disapproval of using WALGA preferred suppliers without going to tender. Council supports going to tender for all purchases over \$150,000
4. Attention will be given to cumulative expenses from a supplier so the limit is not breached

Responsible Person: Peter Money, Chief Executive Officer (CEO)

Completion Date: Ongoing

SHIRE OF MENZIES

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2018

FINDINGS IDENTIFIED DURING THE AUDIT

2. Procurement – Obtaining Quotes

Finding:

During our procurement testing, we noted 14 instances from a sample of 54 where there was insufficient documentation to indicate that the Shire obtained three quotes for the purchase of goods and services.

The Shire's purchasing policy requires the Shire to obtain three quotes for purchases greater than \$10,000.

Rating: Significant

Implication:

If purchases are made without obtaining sufficient quotes, there is a risk of favouritism of suppliers and not obtaining value for money.

Recommendation:

1. For purchases below the tender threshold but above \$10,000, quotes should be obtained, in accordance with the Shire's purchasing policy
2. If instances arise where it is impractical to obtain the requisite number of quotations, the reasons should be recorded and attached to the purchase order at the time of the purchase being made.

Management's Comments:

Under the new CEO, this policy will be enforced. In instances where 3 quotes are not possible this will be recorded.

Responsible Person: Peter Money (CEO)

Completion Date: Ongoing

SHIRE OF MENZIES

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2018

FINDINGS IDENTIFIED DURING THE AUDIT

3. Employment Contracts

Finding:

We noted that there were:

- 8 employees without any employment contracts or letters of employment in their personnel file
- 3 employment contracts without the employee's signature to acknowledge terms and conditions of the contracts.

We also noted that the annual increment letters and confirmation of employment notices were not prepared and issued to staff following the annual performance reviews.

Rating: Significant

Implication:

Without a properly signed contract or letter of employment, there is an increased risk that the employees may not be legally bound and there could be disputes regarding the correct terms of employment, including pay rates.

Recommendation:

All employment contracts should be signed and retained in the HR system and/or an appropriate records management system.

In addition, the Shire should issue annual increment letters to all its employees following annual performance reviews.

Management Comments:

A review of staff files will be conducted to update for missing employment information. Where employees are found to not have an employment contract this will be rectified. Annual reviews will be conducted and followed up with letters to employees with the outcomes.

Responsible Person: Peter Money (CEO)

Completion Date: To be completed

SHIRE OF MENZIES

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2018

FINDINGS IDENTIFIED DURING THE AUDIT

4. Asset Renewal Funding Ratio

Finding:

We noted that the Shire has not reported the asset renewal funding ratio for 2018 in its annual financial report, as required by regulation 50(1)(c) of the Local Government (Financial Management) Regulations 1996, as the Shire has not updated and approved its Asset Management Plan.

Rating: Significant

Implication:

The financial report does not comply with regulation 50(1)(c) of the Local Government (Financial Management) Regulations 1996.

Recommendation:

The Shire should update and approve its Asset Management Plan.

Management Comments:

The Shire is employing an Asset Management Officer to support existing staff to update the plan, determine levels of funding and manage the process.

Responsible Person: Peter Money (CEO)

Completion Date: Ongoing

SHIRE OF MENZIES

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2018

FINDINGS IDENTIFIED DURING THE AUDIT

5. Daily Cash Reconciliation

Finding:

We noted that the daily cash reconciliation was not reviewed by an independent officer and the preparer did not sign the reconciliation.

Rating: Moderate

Implication:

Without an independent review of the daily cash reconciliation, there is an increased risk of undetected data entry errors and misappropriation of cash.

Recommendation

The Shire should ensure that:

- the preparer signs and dates the daily cash reconciliation to demonstrate that they prepared it
- an independent officer reviews the daily cash reconciliation.

Management Comments:

Procedures have been put in place to address this issue.

Visitor Centre

1. Daily reports from the visitor centre POS are signed by the preparer. The till is balanced at the end of day.
2. Cash is counted and signed for by administration staff who takes the daily takings/banking from visitor centre to administration.
3. Administration staff (not the person who collects banking from visitor centre in point 2) reconcile cash and EFT and process in Synergy. Cash is counted and put into banking cash bag. Banking reconciliation is signed by that staff member.
4. This cash is then counted by another staff member and that staff member seals the banking bag and signs banking report.

Hence cash is counted 4 times.

Administration

1. Receipts are issued for every over the counter transaction at the time of the transaction.
2. Cash and EFTPOS are closed off and balanced at the end of the day. Signed by the preparer
3. This cash is then counted by another staff member and that staff member seals the banking bag and signs the report.

Hence cash is counted 2 times.

Responsible Person: Peter Money (CEO)
Completion Date: Completed (25 May 2018)

SHIRE OF MENZIES

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2018

FINDINGS IDENTIFIED DURING THE AUDIT

6. Valuation of Footpath Infrastructure

Finding:

As part of our testing of the valuation of infrastructure at 30 June 2018, we noted that the Shire has not revalued footpath infrastructure since 2014. This is inconsistent with the Shire's accounting policy and the former Regulation 17A of the Local Government (Financial Management) Regulations 1996 which required valuations to be performed every 3 years.

Rating: Moderate

Implication:

While the value of footpath infrastructure is small in comparison to the other classes of infrastructure assets, there is a risk that its fair value may differ from its carrying value if valuations are not performed frequently.

Recommendation:

We recommend that the Shire undertake valuation of footpath infrastructure in 2018-19 so as to comply with the new Regulation 17A of the Local Government (Financial Management) Regulations 1996 which requires a revaluation before the expiry of a period of 3 to 5 years after the day on which the asset was last valued or revalued.

Management Comments:

The Asset Management Officer will work with management staff to ensure a valuation is carried out and recorded properly

Responsible Person: Peter Money (CEO)

Completion Date: Ongoing