

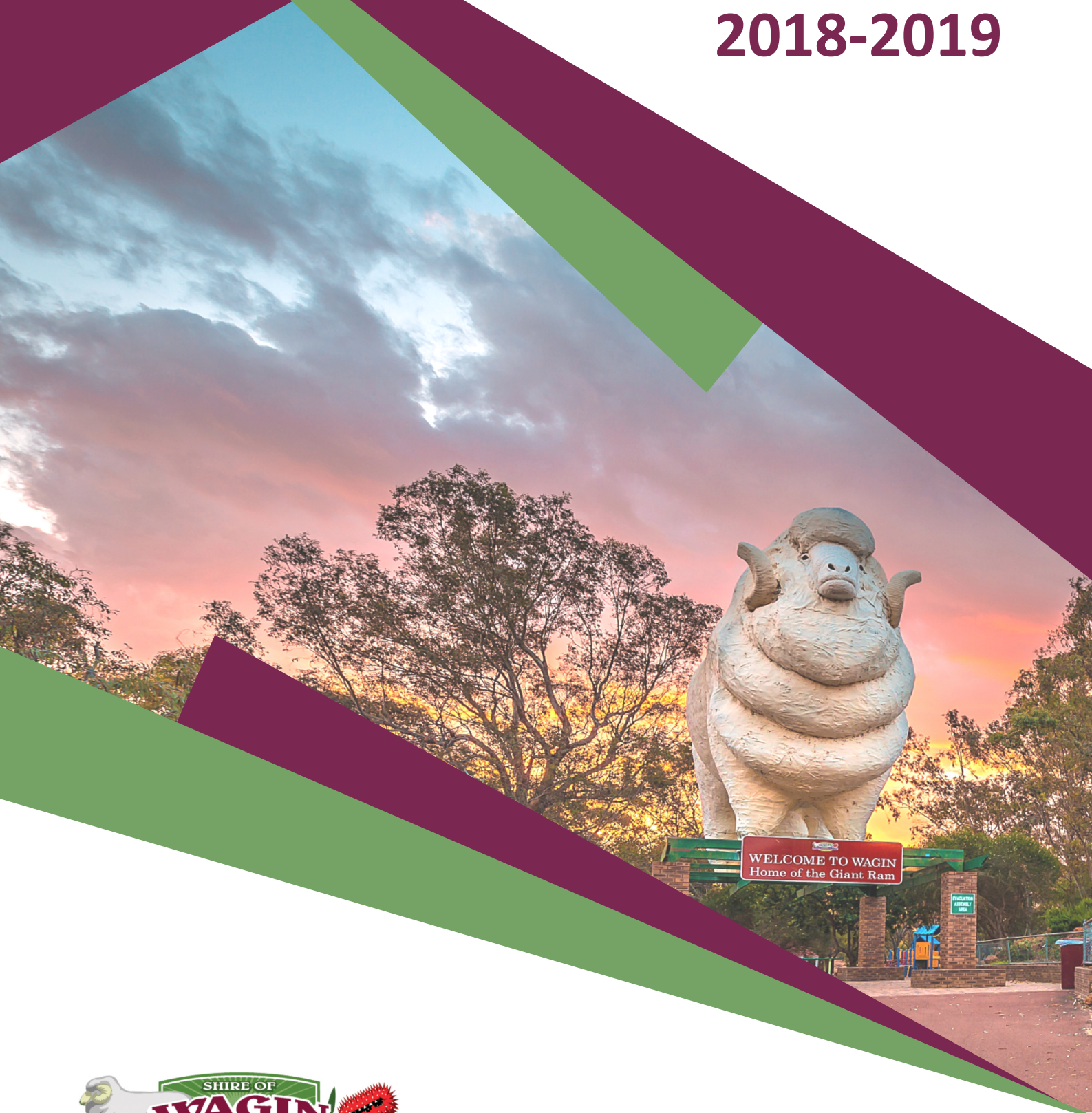
# Ordinary Meeting of Council 25 February 2020 – Under separate cover documents

13.1 2018 / 2019 Annual Report

13.4 Wagin Sportsground & Recreation  
precinct development Master Plan

# ANNUAL REPORT

2018-2019





### Shire of Wagin

2 Arthur Road (PO Box 200) Wagin WA 6315

E-mail: [shire@wagin.wa.gov.au](mailto:shire@wagin.wa.gov.au) Website: [www.wagin.wa.gov.au](http://www.wagin.wa.gov.au)

Tel: (08) 9861 1177

## SHIRE STATISTICS

Population	1,852
Number of Electors	1,295
Number of Dwellings	957
Distance from Perth (km)	228
Area (sq. km)	1,956
Suburbs and Localities	Piesseville, Wagin
Length of Sealed Roads (km)	169
Length of Unsealed Roads (km)	628
Rates Income	\$2,304,819
Total Operating Revenue	\$5,609,823
Council Employees	35

### Tourist Attractions

Giant Ram and Wetlands Park, Wagin Historical Village & Museum, Norring Lake, Heritage Walk Trail, Puntapin Rock and Mount Latham.

### Local Industries

Sheep, Wool, Grains, Hay, Seed Working/Oat Milling, Engineering, Manufacturing and Extractive Industries.

### Significant Local Events

Wagin Woolorama – Incorporates the State Sheep Show and Rodeo, Australia Day Breakfast – in Wetlands Park, WA Day Celebration – at Wagin Historical Village including the Vintage Car Club Rally, Christmas Street Carnival, Two Wheels to Wagin, Gymkhanarama and the Wagin Burnouts.





## Table of Contents

	Page
Introduction	
General Information	4-7
Shire President's Report	8-9
Chief Executive Officer's Report	10-11
Corporate Services Report	12-16
Community Services Report	17-24
Works & Services Report	25-26
Health and Building Report	27-28
Financial Report	
Statement by Chief Executive Officer	30
Statement of Comprehensive Income by Nature or Type	31
Statement of Comprehensive Income by Program	32
Statement of Financial Position	33
Statement of Changes in Equity	34
Statement of Cash Flows	35
Rate Setting Statement	36
Notes to and Forming Part of the Financial Report	
Note 1 Basis of Preparation	37
Note 2 Revenues and Expenses	38-40
Note 3 Cash and Cash Equivalents	41
Note 4 Reserves – Cash Backed	42
Note 5 Trade Receivables	43
Note 6 Inventories	44
Note 7 Other Financial Assets	45
Note 8 Property Plant and Equipment	46-47
Note 9 Infrastructure	48-49
Note 10 Property, Plant and Equipment (Including Infrastructure)	50-52
Note 11 Revaluation Surplus	53
Note 12 Trade and Other Payables	54
Note 13 Information on Borrowings	55-56
Note 14 Employee Related Provisions	57
Note 15 Notes to the Statement of Cash Flows	58
Note 16 Total Assets Classified by Function and Activity	59
Note 17 Related Party Transactions	60-61
Note 18 Conditions over Grants/Contributions	62
Note 19 Rating Information	63-65
Note 20 Rate Setting Statement Information	66

Note 21	Financial Risk Management	67-70
Note 22	Trust Funds	71
Note 23	Initial Application of Australian Accounting Standards	72-73
Note 24	Change in Accounting Policy	74
Note 25	New Accounting Standards and Interpretations for Application in Future Years	75-76
Note 26	Prior Period Error	77
Note 27	Other Significant Accounting Policies	78
Note 28	Activities/Programs	79
Note 29	Financial Ratios	80
	Independent Audit Report	81-83



## Townscape Tree Planting



## GENERAL INFORMATION

### Vision for the Future

*“To have a community where individuals, families and businesses can invest and prosper, preserving the safe, affordable and inclusive country lifestyle and ensuring that Wagin is a place people like to live in and visit.”*

### Our Mission

*“To be a focused Local Government providing progressive and innovative leadership that builds a sustainable future while supporting a vibrant and caring community”*

In order to achieve this Vision, the Council will commit to display;

#### **Governance and Leadership**

**Honesty and Integrity**

**Innovation and Creativity**

**Community Focused**

**Environmentally Aware**

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## Elected Members

### Portfolios and Roles

The Shire of Wagin is a corporate body consisting of eleven elected Councillors. The Council members elect the Shire President and Deputy Shire President every two years.

The Shire of Wagin elected members as at 30 June 2019 are –

#### **Cr P J (Phillip) Blight – Shire President**

Elected to office in 1992, Retiring 2019

- Finance & General Purposes Committee
- WALGA Central Zone Committee
- Roadwise/LEMC & Safer WA Committee
- Land Conservation District Committee
- Economic Development Advisory Committee
- Civic Awards Committee
- Audit Committee
- CEO Review Committee
- Airport Development Committee
- 4WDL
- Bushfire Advisory Committee

#### **Cr G (Gregory) Ball – Deputy Shire President**

Elected to office in 2017, Retiring 2021

- Finance & General Purposes Committee
- Works and Services Committee
- Audit Committee
- CEO Review Committee
- WALGA Central Zone Committee
- Lakes Sub-Regional Road Group
- Development Assessment Panels (Proxy)

#### **Cr S M (Sherryl) Chilcott**

Elected to office in 2017, Retiring 2019

- Airport Development Committee
- Sportsground Advisory Community Centre Management Committee
- Tourism and Promotion Committee
- Townscape Enhancement Committee
- Waratah / Frail Aged Homes
- Historical Village Committee
- Woolorama Committee (Proxy)

#### **Cr B (Bryan) Kilpatrick**

Elected to office in 2017, Retiring 2021

- Works and Service Committee
- Wagin/Woodanilling Landcare Zone
- Community Centre Committee

**Cr L (Lynette) Lucas**

Elected to office in 2017, Retiring 2021

- Airport Development Committee
- Bushfire Advisory Committee
- Roadwise, LEMC & Safer WA Committee
- Townscape Enhancement Committee
- Community Resource Centre
- Waste Management & Recycling Committee

**Cr D (David) Reed**

Elected to office in 2017, Retiring 2021

- Asset Management Committee
- Sportsground Advisory Community Centre Management Committee
- Community Resource Centre
- Townscape Enhancement

**Cr J P (Jason) Reed**

Elected to office in 2017, Retiring 2021

- Works and Services Committee
- Finance & General Purposes Committee
- Audit Committee
- Wagin/Woodanilling Landcare Zone
- Economic Development Advisory
- Historical Village Committee
- Cottage Homes Committee
- Waratah / Frail Aged Homes
- Waste Management & Recycling
- Lakes Sub – Regional Road Group

**Cr G K B (Geoff) West**

Elected to office in 2009, Retiring 2019

- Works and Services Committee
- Community Bus Committee
- Tourism and Promotion Committee
- Asset Management Committee
- Development Assessment Panel
- Townscape Enhancement Committee
- Airport Development Committee
- Cottage Homes Committee
- Sportsground Advisory Community Centre Management Committee

**As at the 1st July Council has 3 vacant Councillor positions with all three positions retiring in 2019**



Elections are held biannually on the second Saturday in October and are subject to electoral procedures as governed by the Local Government Act. Voting at Council elections is not compulsory, however participation by residents in elections is vital to the effectiveness of Local Government. Residents not included in the State Electoral Roll should contact the Western Australian Electoral Commission.

Council Meetings are generally held on the third Tuesday of each month except in January where no meeting is planned. All ordinary Council meetings commence at 7.00pm. Minutes of the meetings are available at the Council offices in Wagin, or by visiting our website [www.wagin.wa.gov.au](http://www.wagin.wa.gov.au).

## Management

Chief Executive Officer  
Deputy Chief Executive Officer  
Manager of Finance  
Manager of Works  
Environmental Health Officer  
& Building Surveyor

Peter Webster  
Brian Roderick  
Tegan Hall  
Allen Hicks

Trevor Brandy

Auditor

Office of The Auditor General  
Perth  
469 Wellington Street  
PERTH WA 6000

Bank

National Australia Bank  
Tudor St  
Wagin WA 6315



**Administration Office Garden Upgrades**

## SHIRE PRESIDENT'S REPORT

It is with great pleasure that I present to you, the Shire of Wagin's Annual Report for the year 2018/2019.

In the reporting year we had Councillors Ron Walker, Lachlan Ballantyne and Denise Patterson resigned from Council. I would like to personally thank these members for their dedicated service to the community of Wagin, particularly Councillor Ballantyne who served on Council for fourteen years and Councillor Walker who served for eight years.



Councillors and staff have again worked diligently throughout the year to provide for the needs of the community whilst continuing to plan for the long-term future of the Shire. A significant amount of time was spent consulting and working with the community on the Sportsground Precinct Development Master Plan. This consultation and planning is integral to the future sporting and recreation needs of our sporting clubs, Wagin Agricultural Society and the community in general. The Master Plan report will be adopted by Council in early 2020 and then released to the public for comment and action.

Council continues to work with its neighbouring local government authorities; the 4WDL partnership with the Shires of Williams, West Arthur, Woodanilling, Dumbleyung and Lake Grace continues to be of benefit to all participating Councils.

Council again has been active over the last year to accommodate our community. Our aim is to maintain and improve its facilities both in the town site and rural areas.

Significant projects and achievements during 2018/2019 were:

- Undertaking and completion of an extensive capital road works program
- Overseeing, partly undertaking and completion of WANDRRA flood damage repairs to the Shire's road network
- Major upgrades to Council's works plant
- Upgrades at the Wagin Airstrip
- Upgrades at the Wagin Cemetery
- Infrastructure upgrades to the Wagin Refuse Site
- Major upgrade to the Sportsground reticulation system
- Significant works to our town streetscape through the Townscape program.
- Upgrades to the Medical Centre to increase accessibility for the community
- Various building upgrades to Council's building stock

Council assisted the Wagin Agricultural Society hold another very successful Woolorama and we also provided assistance to many community and sporting club events throughout the year. This included Anzac Day, Australia Day breakfast, Gymkhanarama, Two Wheels to Wagin, Model Jets and Go Kart Championships.

The Shire held a BBQ at the Wagin Swimming Pool for all community and club volunteers, it was very appropriate that the Shire acknowledged the many volunteers in the Wagin Shire that give up an enormous amount of time for the community.

The Shire of Wagin remains in a sound financial position with healthy reserve levels and low debt levels, however we will continue to undertake extensive financial planning to maintain community service levels and Council's extensive infrastructure and asset network.

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I would like to take this opportunity to thank my fellow Councillors, Senior Management, Staff and Volunteers for their hard work and dedication to the Shire of Wagin.

**Cr Phillip Blight**  
Shire President



**Australia Day Celebrations**

## CHIEF EXECUTIVE OFFICER'S REPORT

It is with pleasure that I present the 2018/2019 Annual report for the Shire of Wagin.

The 2018/2019 Annual Budget was adopted by Council at a special meeting on the 17<sup>th</sup> August 2018. This incorporated an overall increase in rates of 3.5%. Council retained the option offering a 5% discount for rates paid in full within 35 days of being issued and this again proved popular.



### Economic Development

During the year under review a number of significant developments occurred in Wagin. These included:

- Airport – Council has been approached by a Company who are developing large Drones for use in Rescue, Fire and Chemical spraying.
- Town Centre Land – Council has purchased 2 of the 3 blocks of the land on the corner of Tudhoe Street and Trench Street for development of a town park / parking area.
- Sports Precinct – Several meetings have been held seeking community and sporting club input into the upgrade of sporting facilities in Wagin, with consultants being engaged to push the project forward.

### Future

There are many issues that the Council will need to consider/address over the coming years. Some of these will include:

- Heavy Vehicle movements within and around the Shire of Wagin
- Development of a Rural Planning Strategy
- Compliance issues resulting from State Government changes to legislation
- Recreation Sportsground Precinct Plan
- Airport Development
- Increase in Business opportunities

Any community comment on these issues or any other issue that residents wish to raise would be welcomed.

### Shire Staff

There has been a larger than normal turnover of staff in the past year. The turnover was mainly in the outside workforce. These people have been replaced with capable replacements and the workforce continues to work at a very efficient standard under the guidance of Mr Allen Hicks.

Hannah George finished her traineeship in January and was replaced by two part time trainees Thomas Parker and Billie-Jo Swayn.

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## Conclusion

Council continues to be in a sound financial position. Our reserves are at healthy levels however, caution is needed as the situation could change quickly if our financial position is not monitored carefully.

I believe that there is a real challenge for all residents of the Shire to progress the area. We have seen some of this progress over the past few years with a number of businesses commencing in Wagin and continuing to develop and expand. I see enormous potential for the community, Shire, and local business to work hand in hand to ensure the long-term future of the area remains sound

I would like to take this opportunity to thank Council for their dedication and work that they have put in during the period under review and specially acknowledge the work throughout the year of the Shire President, Cr Phillip Blight. I would also like to thank Senior Staff - Brian Roderick, Allen Hicks and Tegan Hall for their work effort and input into helping to manage this Shire.

I would also like to acknowledge all other staff both inside and outside whose hard work and dedication also needs special mention.

This is my last Annual Report for the Shire of Wagin. My wife and I have enjoyed our seven years here in Wagin. I have seen some wonderful developments occurring and also some major damage due to flooding and fire. The volunteers of this community help make Wagin what it is. With events and organisations like Woolorama, Gymkhanarama, Bush fire Brigades, St John Ambulance, Care & Share and many others all making Wagin a wonderful place.

**Peter Webster**  
Chief Executive Officer



**la lumiere (Long Table Dinner) Committee**

## CORPORATE SERVICES REPORT

### Annual Financials and Audit Report

Council's Annual Financial Report for 30 June 2019 was audited by the Office of Auditor General. A copy of the Annual Financial Report and Audit Report is tabled later in this report.

### Freedom of Information Act

The Shire of Wagin has a requirement to comply with the Freedom of Information Act. During 2018/2019 no applications were received for information under the terms of this legislation.

### Employee Remuneration

In accordance with part 5 of the Local Government (Administration) Regulations 1996 the table below demonstrates the number of employees entitled to and receive an annual salary over \$100,000;

	2018/2019	2017/2018
Salary Range \$100,000 - \$110,000	0	1
Salary Range \$110,000 - \$120,000	1	0
Salary Range \$140,000 - \$149,999	1	1

### Register of Complaints

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

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

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

During 2018/19 there were no reportable complaints.

### Public Interest Disclosure

In accordance with the *Public Interest Disclosure Act 2003*, procedures have been implemented to facilitate receiving, reporting and action on public interest disclosures.

During the 2018/2019 reporting period, no public interest disclosures were lodged.

### National Competition Policy

Local Governments are required to report their progress in implementing National Competition Policy in their annual report. There are a number of specific requirements placed on local government in the areas of Competitive Neutrality, legislation review and structural reform.

## Competitive Neutrality

The principle of Competitive Neutrality is that government businesses should not enjoy a competitive advantage or disadvantage, simply as a result of their public sector ownership. Competitive Neutrality should apply to all significant business activities which generate a user-pays income of over \$200,000 per annum unless it can be shown it is in the public interest. A public benefit test is used to determine if Competitive Neutrality is in the public interest. This involves assessing the benefits of implementing Competitive Neutrality against the costs. If the benefits exceed the costs, Competitive Neutrality should be implemented.

*In accordance with Council's responsibilities under the Clause 7 statement relating to Competitive Neutrality, the Shire of Wagin has reviewed its activities in line with advice from the Local Government Department Circular No 806 and has found that none of its activities have been found to fit the "Significant Business Activity" category for Competitive Neutrality requirements.*

## 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. The Annual Report is to include a statement of which Local Laws have been reviewed; the conclusions of those reviews and a forward strategy for all Local Laws are still to be reviewed.

*No new Local Laws were created in 2018/2019 or any existing Local Laws reviewed.*

The Shire of Wagin did not privatise any activities in 2018/2019 consequently there were no obligations to report in this area.

## State Records Act 2000

State Records Commission Standard 2 (Record Keeping Plan), Principle 6 (Compliance) states that the Government Organisations, including Local Government, should develop and implement strategies for ensuring that each employee is aware of the compliance responsibilities under their Record Keeping Plan.

Council is required to report progress with complying with this Principle in its Annual Report.

The Shire of Wagin Record Keeping Plan was endorsed by the Commission during 2003/2004. Staff are continually working on implementing the strategies outlined in this plan. As part of the refurbishment of the Administration Centre a dedicated archives area was established in 2008/2009. In 2014/2015 a further area off site was established to hold records in an effort to keep the Administration Centre clear of storage.

Council's Administration Officer – Records and Executive Assistant are delegated the task of maintaining the filing and record system of the shire and attend appropriate training courses and seminars to help build skills and knowledge of this function. Council is also guided by its Record Keeping Plan to maintain compliance with the State Records Commission. This plan was comprehensively reviewed and updated in the 2017/2018 financial year, the next review will now take place in the year 2022/2023.

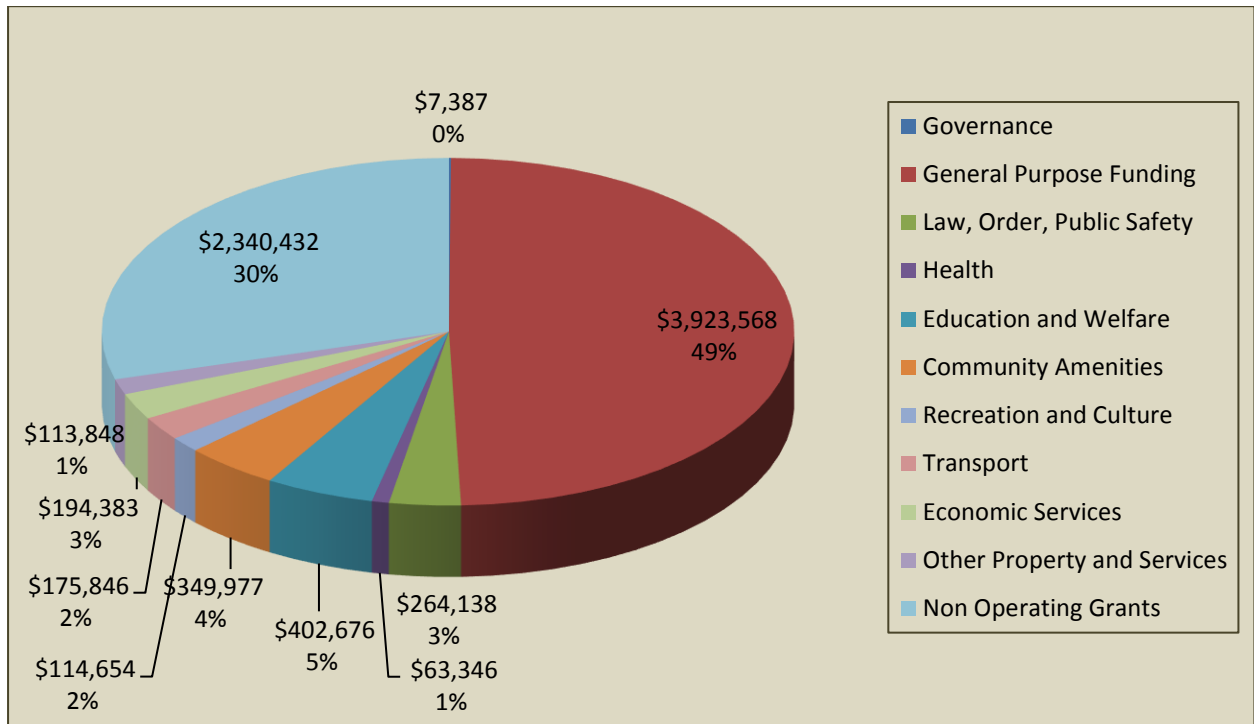
## Equal Opportunity

The Shire of Wagin is committed to providing a workplace where every individual is treated with respect in an environment free of discrimination. In 2013/2014 the Shire adopted a Staff Equity and

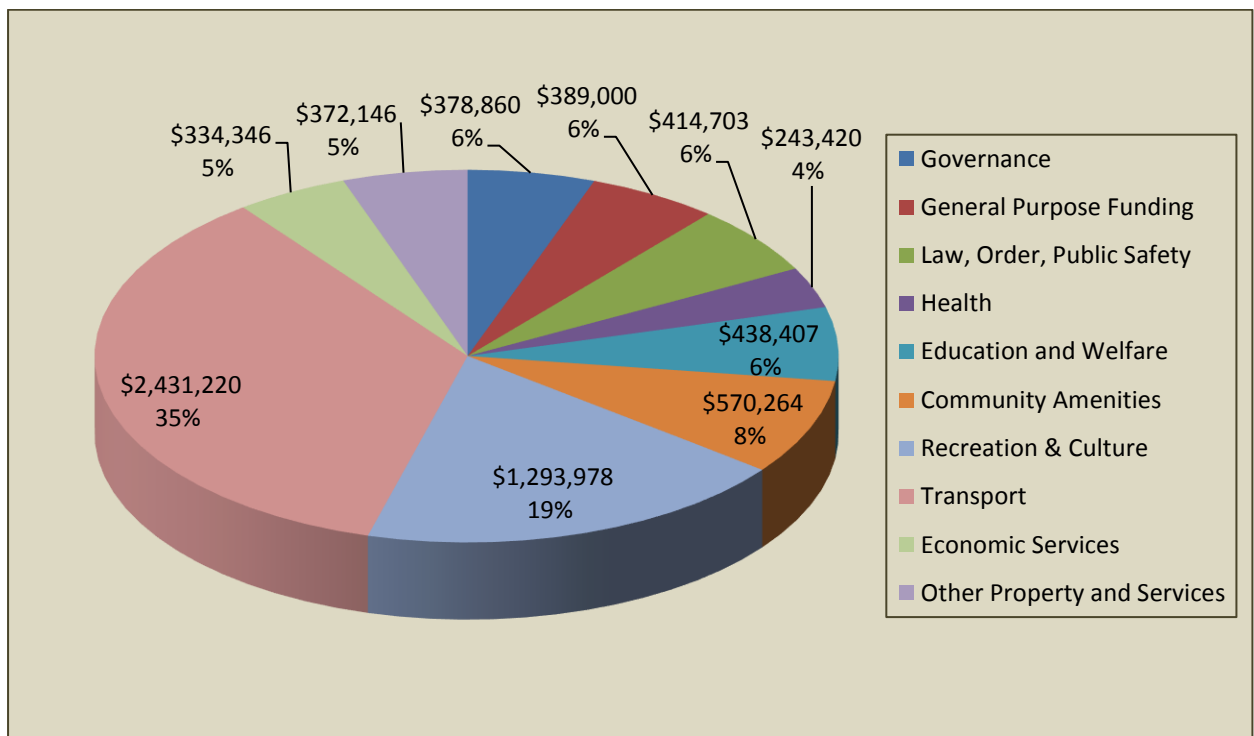
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Diversity Framework outlining its obligations and expectations under the Western Australian Equal Opportunity Act 1984.

**TOTAL OPERATING INCOME BY PROGRAM**



**TOTAL OPERATING EXPENDITURE BY PROGRAM**





## Integrated Planning and Reporting Framework

### Community Strategic Plan and Corporate Business Plan

Council adopted its Community Strategic Plan and Corporate Business Plan in July 2013, and a major review of the plans were carried out in the 2017/2018 financial year.

During the reporting year Council continued to focus on the following 5 key areas of importance:

- Economic Development
- Buildings and Infrastructure
- Community Services and Social Environment
- Town and Natural Environment
- Council Leadership

These key areas will guide Council's decision making and service development as Council plans for the future.

### Community Strategic Vision

To have a community where individuals, families and businesses can invest and prosper, preserving the safe, affordable and inclusive country lifestyle and ensuring that Wagin is a place people like to live in and visit.

### Council's Mission and Philosophy

To be a focused Local Government providing progressive and innovative leadership that builds a sustainable future while supporting a vibrant and caring community.

### Council's Guiding Values

- Governance and Leadership
- Honesty and Integrity
- Innovation and Creativity
- Community Focused Environmentally Aware

### Key Result Areas

These areas were originally derived from engagement with the Wagin Community and other key stakeholders to guide the strategies and activities that will guide delivery of the vision for the future. They are built on the results of the Community engagement strategies carried out in 2012 /2013 and are consistent with responses with a greater emphasis on heritage, town presentation and economic development. The key results areas below were reviewed by Council in early 2018 and amended accordingly. Over the ten years of this plan we will endeavour to address these issues in the most affordable and sustainable manner where we have the ability and mandate, and to lobby or support initiatives where we do not have jurisdiction.

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1. Economic Development	2. Buildings and Infrastructure	3. Community Services and Social Environment	4. Town and Natural Environment	5. Council Leadership
<b>1.1</b> Increase in the number and diversity of businesses in the town and district.	<b>2.1</b> Improve road conditions on all Shire and State roads.	<b>3.1</b> Keep the family-friendly country lifestyle, community spirit, safe community with low crime rate.	<b>4.1</b> Improve main street appearance to encourage travellers and tourists to stop.	<b>5.1</b> Support and provide incentives for more businesses and retail opportunities.
<b>1.2</b> Support more job/ training opportunities, especially for young people.	<b>2.2</b> Explore heavy vehicle movements through the townsite.	<b>3.2</b> Retain the school & hospital and grow health, Doctor services, allied health & aged care services.	<b>4.2</b> Improve town entry statements.	<b>5.2</b> Foster communication with the community.
<b>1.3</b> Increase tourism and promotion of town and heritage.	<b>2.3</b> Improvement in condition and appearance of the main streets of the town with improved signage.	<b>3.3</b> Housing, job and training especially for young people.	<b>4.3</b> Maintain & improve natural environment and recreation areas.	<b>5.3</b> Plan services and activities based on sustainability, affordability and resources.
<b>1.4</b> Broadband and other associated electronic media infrastructure.	<b>2.4</b> Continue to upgrade Footpaths in town.	<b>3.4</b> Wagin Community Recreational Hub.	<b>4.4</b> Improved waste management in town and Shire.	<b>5.4</b> Encourage more volunteering.
<b>1.5</b> Make available low cost industrial and business land and accommodation.	<b>2.5</b> Refine Infrastructure to support arts, culture and entertainment.	<b>3.5.</b> Youth focus on services and recreation development including coordination of effort across the Shire/Region.	<b>4.5</b> Look at increasing the number of suitable trees within the townsite to enhance the tree canopy, in particular the CBD.	<b>5.5</b> Be responsive to community aspirations.
<b>1.6</b> Aid retention and encourage more Government Services in Wagin.	<b>2.6</b> Greater care and restoration or preservation of heritage buildings.	<b>3.6</b> Foster and support Woolorama and other events, cultural and other entertainment opportunities.		
<b>1.7</b> Support and promote Wagin as a business opportunity.	<b>2.7</b> A safe fenced playground for children in a park environment.	<b>3.7</b> Provide and support more community resources and facilities as required.		
<b>1.8</b> Investigate and Facilitate alternative waste management services.	<b>2.8</b> Secure identified key land in the town.	<b>3.8</b> Investigate to establish Wi-Fi Hotspots.		
	<b>2.9</b> Investigate planning and development of sporting facilities.	<b>3.9</b> Promote and Enhance the Wagin caravan and camping experience.		

## COMMUNITY SERVICES REPORT

### Townscape

The Townscape Enhancement Committee has again been very active during the reporting year with a significant amount of works and projects undertaken to beautify the town.

The Tavistock Street rock planter boxes were completed, with a very positive response from the community once completed.

Through the assistance of Narrogin Horticulturist Mike Brown, Council adopted the Townscape Beautification and Tree Canopy Plan/ Scope of Works document. This beautification blueprint has seen well over 150 trees planted in the town site to great effect.

The Committee and Council are committed to continue on the beautification of the town and more trees are planned for the next financial year.

Other projects planned next year is the Library Town Square, Wetlands Park playground development and the Electronic Information Sign.



**Planter Boxes in Tudhoe St**

### Health and Aged Care

In the year 2018/2019 we bid farewell to long standing Home and Community Care (HACC) Co-ordinator Sue Cuthbert, who presided over the Wagin and West Arthur HACC Services for nearly thirty years. An amazing achievement by a very committed and passionate Aged Care advocate for both Shires.

The Shire welcomed Kim Nottle to the position of Home Care Manager, Kim was born and bred in Wagin and has an extensive knowledge of the community, she has settled into the position extremely well.



**Bingo at West Arthur**

In the financial year 2018/2019 we saw 80 plus clients from Wagin and West Arthur receive services.

Daycentre is held Monday fortnightly in Wagin and was once again well attended throughout the year. Clients enjoy a range of activities, refreshments and a chance to interact on a social level whilst enjoying a day out. Our West Arthur clients have Bingo at the

CRC on the 1<sup>st</sup> Monday of every month and in the later part of the year were taking a bus of Wagin clients to join them and it was very well received.

Throughout the year we held various workshops and outings, which included the local Police coming to Daycentre to talk to clients about scams and safety advice for Seniors.

Advocare held an information session raising awareness and understanding of Elder Abuse and ensuring our clients understand their rights and options as an older person. We opened this up to the community and were pleased to have 30 people in attendance.

We also held an open day for Daycentre and encouraged every client to come along and bring a friend, we were delighted to have 40 people attend and the day consisted of outdoor games, music, lunch and bingo.

The Homecare staff and volunteers need to be acknowledged for the outstanding work they do with aged people here in Wagin.

## Asset Management

Staff continued to carry out essential maintenance and upgrades on Council's asset base, this maintenance work is essential to ensure the asset's continue to service the community well into the future. Council employees a Building Maintenance Officer who carries out preventative, routine and emergency maintenance work on all Shire Building assets.

## Community Events

### Christmas Street Carnival

Wagin's Annual Christmas Street Carnival was held on 20<sup>th</sup> December in Tavistock Street. This was the first time the event has been held in Tavistock street and community feedback was very supportive of the new location. It provides much more room, is very attractive with the planter boxes in the centre of the street and allows staff more time to set up and pack up – rather than sticking to Main Roads stipulations.



Christmas Street Carnival

The Wagin Action Group were once again very involved in the planning process and vital in the delivery of items and set up of the street on the night. They have also supported the project financially along with the Chamber of Commerce, the Shire and the largest financial support coming once again from Lottery West.

This year's crowd was bigger again than last year and were seen to be having a great time over the evening enjoying the different side show entertainment, street performers and wider range of market options.

### A Boy Named Cash

On 17th August, 2018 Wagin hosted a musical event at the Wagin Town Hall.

A greatest hits tribute to the legend Johnny Cash, featuring Monty Cotton as seen on 'The Voice' and Seven Network's 'The Morning Show'

A boy Named Cash was very well received in the Wagin Community, with our Town Hall packed to near capacity and a very relaxed atmosphere to start the show. Estimated numbers would be between 160 and 180.

Monty Cotton presented a fun, harmonious and crowd involving show for the evening, with the crowd laughing and singing along to all the well known Man in Black's hits along with throwing in one from Beyoncé and ACDC to boot. His two June Carter duo's (Sharon Roderick and Anita Longmuir) were very well received by the crowd as well.

The evening went off without a hitch and all patrons feedback has been very encouraging and supporting of the Shires input into presenting this event.

### Two Wheels to Wagin

Council again supported the Two Wheels to Wagin Motorcycle Dice Run from Perth to Wagin. The event fundraises and supports suicide prevention and awareness, it was a terrific event and congratulations must go again to organisers Peter Van Houwelingen, Lachlan Ballantyne and their committee.

### la lumiere – Wagin Long Table Experience

One hundred and eighty guests feasted on a magnificent banquet at Wagin's inaugural la lumiere Long Table Experience held at the Wagin Town Hall on Saturday 20<sup>th</sup> October.

The historic Town Hall was transformed into a magical and enchanting grand hall, with an array of old-world festoon lighting and candles on display. The three long tables were presented exquisitely, with stunning place settings and table decorations.

Executive Chef Stuart Laws produced a decadent gourmet experience of many courses served in banquet style to showcase award winning local ingredients from Wagin Duck and Game, 3 Farmers Quinoa, Cambinata Yabbies and Wagin Spring Lamb.

A sumptuous menu of quinoa crisp, yabby rillette and crispy fried quail was followed roast duck and confit duck, wood grilled lamb and croquettes of pulled lamb. The gourmet extravaganza concluded with an assortment of sublime high tea style desserts. In between each course, guests were treated to informative insights from the chef and stories from the local producers. Guests enjoyed award winning local wines from Downderry Wines and Across the Lake Wineries.



la lumiere

Guests were privileged to be entertained by the charming and captivating tones of 'The Cellar Doors', three very talented ladies providing an array of acoustic tunes to the delight of the crowd.

The formal event was put together thanks to a dedicated group of local community members working tirelessly over the past six months with the support of the Shire of Wagin.

The night was hailed as a tremendous success, it was an amazing gourmet experience with strong community connection which highlighted the light within our community, ourselves and with each other - la lumie're.

### Thank a Volunteer BBQ Function

The Thank a Volunteer Function was held on Friday 16<sup>th</sup> February at the Wagin Memorial Swimming Pool. It was another great evening with some 40 plus volunteers and community members attending. The Shire received \$1,000 in funding from the Department of Local Government and Communities to hold the event and acknowledge the wonderful and dedicated volunteers in our community.

### Australia Day Awards

Wagin held our Australia Day Breakfast on Saturday 26<sup>th</sup> January with a great turnout of 187 people attending for the 7am start. The set-up work was done by the Shire and the Service Clubs of Wagin and the flag raising was jointly done with the local Ambulance, local Fire Brigade and a member of Rotary.



**Australia Day Award Recipients**

This year's Australia Day Ambassador, Graham Edwards presented an inspiring talk with a good range of local knowledge having played football locally. He then went on to present our community awards:

Ross and Carol Goldsmith won the Australia Day Community Award for their thirty plus years of service to the local Bush Fire Brigades in Wagin and Tony Baxter won the Senior Citizen Award for his service to the Wagin community. The Committee of la lumiere won the Community Event Award for their work done with the Long Table dinner.

### New Residents Reception

The bi-annual New Residents Reception was held on Thursday 21<sup>st</sup> March. Unfortunately, new resident numbers in attendance were down on previous years. However, it was still a very good evening with a great opportunity for community members to get together with new residents and each other. The Wagin P & C did a tremendous job with catering for the event



**New Residents Reception**

## Tourism, Promotion and Economic Development

The Tourism and Promotion Committee was again active during the reporting year. The Committee again manned a Shire of Wagin Tourism stand at the Perth Caravan and Camping Show, this was again successful with the Shire's new tourism video on display.

The Shire and Committee established a new tourism alliance with the Shire's of Dumbleyung and Lake Grace. This alliance is seen as a great opportunity to promote each other's Shire and combine resources, promotions and advertising. This new union will be actively progressed next reporting year.

Again, we had a number of Model Jets events at the Wagin Airstrip and RV / Caravan Clubs staying in the RV park, all these events and visitors leads to valuable dollars spent in the town.

The Wagin Agricultural Society held another very successful Woolorama and again Council supporting the event with its work force before, during and after the event.

## Wagin Library and Gallery

The Wagin Library & Gallery had a change of leadership during the reporting period with Stephanie Dimmock retiring and the previous Library Assistant Tina Svendsen stepping into the role of Library Manager.

Under Tina's leadership the Library added a great deal of options for the local community including, but not limited to:

- National Simultaneous Storytime
- National Science Week
- Adult Learner's Week
- Alzheimer's Week
- Garage Sale Trail
- Scribbler's Festival
- Special visiting celebrities to the library
  - AKA the Mad Scientist and the Library Detective
- Reading Hour
- Children's Book Week

The other activities supported through the Library by way of displays and pamphlets of information for patrons are: 16 days in W.A., Stop Violence Against Women, National Novel Writing Month and Elder Abuse – there's no excuse

The Wagin Library & Gallery receives numerous books donated by the community and often pass on some of these books to the Salvos, Care and Share and surrounding Op shops.:

This year we started donating books to Deanne Cook who in return helps out people in need over Christmas.

We have also been collecting empty milk and juice bottle top lids, bread clip tags and passing them onto the local radio station to help people make artificial limbs.

We go to Waratah Lodge weekly to provide the residents with reading material or audio books. Members of the Wagin Book Club meet monthly, and Friends of the Wagin Library & Gallery also meet monthly.

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Susan continues to maintain the “Little Community Garden” in the grounds of the Library and we have regular monthly book sales of the donated items.

Some of the new events that we have been running are:  
Scavenger Hunts, I Spy, Fun Spelling Bee and Lucky Dip

Library statistics for the Year:

- 5378 patron visits
- 43 new borrowers
- 153 inter-library loans requests undertaken for patrons
- 142 requests for information searches undertaken for patrons
- 8 Public access computer users
- 207 Community members enjoyed free coffee and tea
- 145 Community members & Library patrons reading and relaxing in the Library

The team at the Wagin Library and Gallery are looking forward to providing more options for the local community of Wagin and encouraging our youth that “Reading is Cool”

## Sport and Recreation

### Wagin Swimming Pool

Pool Manager, Jen Bannerman, presided over another very successful pool season with a total of 8,562 entries for the year. This was down from the previous year, due to various reasons.

Jen should again be congratulated for her efforts and dedication again this past season. The 2019 year was Jen’s last as the Pool Manager and Council would like to thank her for six years of excellent service at the Swimming Pool.



**Wagin Memorial Swimming Pool**

### Swimming Events

Wagin Swimming Club Open meet, Wagin School carnival and sport classes, Wagin High School year end swim in December, Swim lessons (Vacswim and School) and Dolphin Swim Club.

### Pool Events

Open season Sausage Sizzle, a fun night with inflatable obstacle course and sausage sizzle, Thank A Volunteer BBQ, Dolphins season windup BBQ and swim and last day of season Sausage Sizzle. There was also numerous kid’s birthdays and family BBQ’s.

Overall it was another great season, people come from all over and mention what a great facility we have and that “it is worth driving to”. What a great compliment.

### Wagin Recreation Centre and Sportsground

The Wagin Recreation Centre again had another solid year with Recreation Centre Manager Kim Hough continuing to provide a range of sports for the community. Sports and activities included both Senior and Junior Netball, Indoor Soccer, AFL, Cricket, Badminton, Volleyball, Tennis, Indoor and Outdoor Hockey, School sports, Fitness programs, Yoga and the Noongar sports program. Netball



continues to be the main sport played at the Recreation Centre with more local teams and more games fixtured at the centre. The Wagin District High School held a very successful Inter-School Athletics Carnival at the Wagin sportsground, the Shire assisted in the preparation and set up of the oval.

The Wagin Pony and Riding Club held another successful Gymkhanarama Equestrian event at the Wagin Showgrounds. The Equestrian event again attracted many riders from all over the state. Congratulations to the Wagin Pony and Riding Club on holding the event, Council supported the event with in-kind support from our Shire works staff.

### Wagin Community Gymnasium

On the 1<sup>st</sup> March the Community Gym celebrated its first birthday, that is one year since it opened to the community. It has been a great success with huge health and social benefits to the community of Wagin.

In its first year of operation we have had 157 people join as members with income in excess of \$16,000. All profits from the operation of the Gym is transferred in the new Community Gym Reserve, these funds are set aside for future replacement and new gym equipment.

### Emergency Management

The Shire continues to be active with Emergency Management matters.

#### Bushfire Brigades

Wagin Bushfire Brigade Annual General Meeting was held at the Wagin Shire office on the 25<sup>th</sup> of March – with a turnout of only 11 people attending. The elections resulted in full capacity of members once again, with the Deputy number three position being declared redundant – all other positions rolled over as of last year.

The General meeting was held straight after the above with all members remaining for the follow up. The General meeting discussed many items including:

- The work completed at Mt Latham – and some ongoing work to be done
- New Water tank – still to be installed neat Ballaying Road
- Railway clearing – the CBFCA has been in touch with Arch Rail and will be arranging some clearing of the lines – which presents a good training opportunity
- The Ballard's fire and issues which arose there

The Shire's Bushfire Risk Management Plan has once again assisted us in getting grant funding to resolve a few more hazards around the Shire through mitigation funding.

We have been successful in being allocated a new Fire Truck for the Town Brigade which is going to be of great benefit. We have also been funded to purchase more Personal Protective Equipment for the volunteers ensuring that boots are now available for all Fire Fighters to better protect them on the fire ground.

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### Local Emergency Management Committee

The Local Emergency Management Committee met in October 2018 and April 2019 to work through the risk Management Plans for: Earthquake, Flood, Storm, Bushfire, Animal & Plant Biosecurity and Hazmat with a good turnout to both meetings.

The October meeting highlighted concerns with several issues with St Johns concern about the two large 2018 events which occurred in town (Woolorama and the National and State Go-Kart Titles) and that there was no Doctor available for either date.

Note: The Doctor was available for the 2019 Woolorama, he located himself at the Showgrounds Ambulance Station and this took a lot of pressure off the St John Volunteers.

The April meeting was well attended with everyone leaving with a very good overview of the issues which could arise in the case of the chosen risks for Wagin.

### Disability Access and Inclusion Plan (DAIP)

The new DAIP yearly review was completed in accordance with Legislation. Staff and Council continue to adhere and monitor actions outlined in Council's DAIP that was completely reviewed in 2016. Council again completed an extensive Footpath upgrade within the townsite as per the Shire's Footpath Program and the 2018/2019 Budget. Council have also upgraded the entry into the Medical Centre and the counter, ensuring that anyone with mobility issues is able to enter and leave the facility



**New Medical Centre Reception Counter**



**New footpath to the School**

with no physical barriers at all. The new door is automatic and opens on approach, which also means if there is any reason for an ambulance call to the centre – they are much better able to manoeuvre a stretcher in and out. The new counter provides a variance in height, ensuring that any mobility limited people can sit at the counter while completing their paperwork.

## WORKS AND SERVICES REPORT

The Works and Services Division covers a diverse range of functions and service provision and is responsible for the management of the Towns infrastructure assets including roads, footpaths, parks, reserves, stormwater drainage, street trees and cemetery.

The division is run by long serving Manager of Works Allen Hicks, who again along with his works crew have done an outstanding job in the reporting year.

### Capital Works

Capital Roadwork's form a major portion of the Council's Annual Budget expenditure. Council has in recent years followed a stringent program of resealing works which is aimed at preserving Council's existing sealed road assets. A ten year Road and Plant Replacement Program has been developed for future works. Major works that were completed for this year included:

- Reseals on Bullocks Hills, Bockaring, Dongolocking, Norring Dellyanine and Beaufort Roads
- Other road construction work to Ballagin, Dongolocking, Jaloran, Bullock Hills, Norring Dellyanine, Nobles, Badgarning, Quicks and Warup South Roads and Sirdar Street
- Drayton / Warup North and Nobles / Warup North intersections
- The upgrade and expansion to the town's footpath network continued with new footpaths on Traverse and Ventnor Streets
- The upgrade of town kerbing on Upland, Traverse and Ballagin Streets, and the Caravan Park
- Council works crew also undertook drainage work around the town site



**Cement Stabilising Shoulders**

### Road Maintenance

Grading, rolling, cleaning of drainage and culverts on Council's roads are performed throughout the Shire as part of the Council's maintenance program. Tar patching roads and replacing white posts were also a high priority as was street tree maintenance and weed spraying in both the town site and rural areas.



**Isuzu 13 Tonne Tipper Truck**

### Storm Damage – Shire Road Network

The Shire continued to undertake work on repairing the road network as a result of the major flood damage event in February 2017.

Works commenced in June 2017 and has continued throughout the 2018/2019 year and was completed at in March 2019. The majority of the work has been carried out by contractors under the guidance of Core Business Australia, however Council works staff have also carried out repair work.

The costs of the extensive repair works will be reimbursed under the Federal Governments WANDRRA Program, however Council picked up the first \$154,000. The final total repair costs were in excess of five million dollars.

### Ranger Services

The Shire has maintained a high level of Ranger Services to the district. Regular patrols for stray animals, unregistered off-road vehicles, litter control and damage to nature reserves. WA Contract Ranger Services continued to assist our part-time Ranger with dog control, compliance and issues, this has resulted in good community compliance.

### Plant / Machinery

It was a relatively busy year with Council's fleet of plant and machinery. There were a few minor break downs, this can be attributed to the ongoing regular servicing and maintenance of Council's plant and equipment. Major plant purchases included a new Komatsu Grader, Isuzu 13 Tonne Tipper Truck and Forklift.

### Parks, Gardens and Ovals

A significant amount of resources and staff time goes into the up-keep and maintenance of the Shire's parks, gardens and sports oval facilities. Our Town crew have done a fantastic job ensuring these very important recreational areas look their best.

There were major upgrades to the Sportsground Oval reticulation, a new PVC main line was installed and all new solenoids and valves were also installed on the one easy to access spot.



**Oval Reticulation**

### Townscape

The works crew also played a pivotal role in the year's Townscape Enhancement Program. They planted more than 150 trees throughout the town and then watered and maintained them. This included significant upgrade works at the Shire Administration Office garden and the Wetlands Park.



**Wetlands Park Pond Upgrades**



**Caravan Park New Kerbing**

## HEALTH AND BUILDING

### Waste Management

Council was again very busy in the management of waste and recycling within the Shire. The start of the 2018/2019 year saw the management of the Wagin Refuse Site being contracted out to Great Southern Waste. This has improved efficiencies at the refuse site and has also led to cost savings and improved waste management practices.

Early in 2019 Council introduced the new three bin kerb side collection system, this included the provision of a new 240 litre green waste bin and a smaller 140 litre red general waste bin. The new system is a positive step in improving waste management as a community. This will hopefully encourage residents to be more conscious about their waste, what goes in their bins, and where it goes. Separating garden waste, general waste and recyclables will help towards improving the communities waste output, with the intention of extending the lifespan of Wagin’s Refuse Site.



**New Bin System – Education Initiatives**

## WAGIN Let's get our WASTE sorted!



A new bin kerbside collection system will be starting from the 20th of February 2019.

The three bins will give you more options for sorting your waste, so you can do your bit to help the environment.

**EVERY BIN** is monitored by the Rubbish Collectors, if **NOT** sorted correctly the bin will remain **FULL** until sorted by resident.

- Yellow Bin - Recycling - 240 litre** - Collected fortnightly
- Green Bin - Organics - 240 litre** - Collected fortnightly on the alternate week to recycling
- Red Bin - Garbage - 140 litre** - Collected weekly



For more information:  
please contact the  
Shire of Wagin 98 611 177  
or visit [www.wagin.wa.gov.au](http://www.wagin.wa.gov.au)



## BUILDING

### Building Works Throughout the Shire

A total of 29 building approvals were issued during 2018/2019.

Total value of construction for the year ending 30 June 2019 is \$916,600.

New Dwellings	1	\$374,000
Relocated Dwellings	4	\$109,500
Dwelling Ext Pools	1	\$39,000
Patios	4	\$33,500
Carports	4	\$27,000
Sheds	4	\$44,500
Demolitions	4	\$28,500
Spa	1	\$2,000
Garage	1	\$16,000
Disabled Access Ramp	1	\$100,000
Re-roof	1	\$24,000
Bakery	1	\$19,500
Cemetery Portico	1	\$49,500
Boiler Room	1	\$15,000
Colourbond Tank	1	\$8,000
Animal Shelter	1	\$6,600
Relocated Antenna	1	\$10,000
Airport Hangar	1	\$10,000

**SHIRE OF WAGIN**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

**TABLE OF CONTENTS**

Statement by Chief Executive Officer	30
Statement of Comprehensive Income by Nature or Type	31
Statement of Comprehensive Income by Program	32
Statement of Financial Position	33
Statement of Changes in Equity	34
Statement of Cash Flows	35
Rate Setting Statement	36
Notes to and forming part of the Financial Report	37
Independent Auditor's Report	81

**COMMUNITY VISION**

To have a community where individuals, families and businesses can invest and prosper, preserving the safe, affordable and inclusive country lifestyle and ensuring Wagin is a place people like to live in and visit.

Principal place of business:  
2 Arthur Road  
WAGIN WA 6315

**SHIRE OF WAGIN  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Shire of Wagin for the financial year ended 30 June 2019 is based on proper accounts and records to present fairly the financial position of the Shire of Wagin at 30 June 2019 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                    7th                    day of                    February                    2020.



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Chief Executive Officer

Peter Webster

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Name of Chief Executive Officer



SHIRE OF WAGIN  
STATEMENT OF COMPREHENSIVE INCOME  
BY NATURE OR TYPE  
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
<b>Revenue</b>				
Rates	19(a)	2,304,819	2,312,341	2,222,880
Operating grants, subsidies and contributions	2(a)	2,102,877	1,162,597	1,918,260
Fees and charges	2(a)	680,126	747,263	727,954
Interest earnings	2(a)	51,884	50,952	44,738
Other revenue	2(a)	470,117	384,622	530,213
		<b>5,609,823</b>	<b>4,657,775</b>	<b>5,444,045</b>
<b>Expenses</b>				
Employee costs		(2,373,751)	(2,388,280)	(2,493,108)
Materials and contracts		(1,239,509)	(1,181,184)	(998,151)
Utility charges		(342,469)	(347,622)	(346,799)
Depreciation on non-current assets	10(c)	(2,513,294)	(1,080,310)	(1,073,088)
Interest expenses	2(b)	(37,572)	(37,824)	(40,587)
Insurance expenses		(187,634)	(184,537)	(174,756)
Other expenditure		(209,686)	(141,983)	(190,164)
		<b>(6,903,915)</b>	<b>(5,361,740)</b>	<b>(5,316,653)</b>
		<b>(1,294,092)</b>	<b>(703,965)</b>	<b>127,392</b>
Non-operating grants, subsidies and contributions	2(a)	2,340,432	1,572,821	4,315,842
Profit on asset disposals	10(a)	74,205	37,133	3,851
(Loss) on asset disposals	10(a)	(7,470)	(668)	(35,619)
Fair value adjustments to financial assets at fair value through profit or loss	7	70,068	0	0
(Loss) on revaluation of furniture and equipment	8(a)	(75,314)	0	0
		<b>2,401,921</b>	<b>1,609,286</b>	<b>4,284,074</b>
		<b>1,107,829</b>	<b>905,321</b>	<b>4,411,466</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	11	3,513,095	0	57,167,194
		<b>3,513,095</b>	<b>0</b>	<b>57,167,194</b>
		<b>4,620,924</b>	<b>905,321</b>	<b>61,578,660</b>

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

**SHIRE OF WAGIN**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
<b>Revenue</b>				
	2(a)			
Governance		7,387	26,000	27,539
General purpose funding		3,923,568	3,170,464	3,827,112
Law, order, public safety		264,138	136,134	122,992
Health		63,346	71,488	68,524
Education and welfare		402,676	413,766	391,455
Community amenities		349,977	364,700	382,005
Recreation and culture		114,654	109,351	118,947
Transport		175,846	138,952	132,370
Economic services		194,383	89,700	239,399
Other property and services		113,848	137,220	133,702
		<b>5,609,823</b>	<b>4,657,775</b>	<b>5,444,045</b>
<b>Expenses</b>				
	2(b)			
Governance		(378,860)	(379,167)	(387,687)
General purpose funding		(389,000)	(403,619)	(379,885)
Law, order, public safety		(414,703)	(287,467)	(270,549)
Health		(243,420)	(255,277)	(240,535)
Education and welfare		(438,407)	(500,497)	(463,662)
Community amenities		(570,264)	(522,286)	(546,904)
Recreation and culture		(1,293,978)	(1,131,663)	(1,046,615)
Transport		(2,431,220)	(1,243,774)	(1,179,228)
Economic services		(334,346)	(242,322)	(406,853)
Other property and services		(372,146)	(357,844)	(354,148)
		<b>(6,866,344)</b>	<b>(5,323,916)</b>	<b>(5,276,066)</b>
<b>Finance Costs</b>				
	2(b)			
Recreation and culture		(32,477)	(21,351)	(22,911)
Other property and services		(5,094)	(16,473)	(17,676)
		<b>(37,571)</b>	<b>(37,824)</b>	<b>(40,587)</b>
		<b>(1,294,092)</b>	<b>(703,965)</b>	<b>127,392</b>
Non-operating grants, subsidies and contributions	2(a)	2,340,432	1,572,821	4,315,842
Profit on disposal of assets	10(a)	74,205	37,133	3,851
(Loss) on disposal of assets	10(a)	(7,470)	(668)	(35,619)
Fair value adjustments to financial assets at fair value through profit or loss	5	70,068	0	0
(Loss) on revaluation of furniture and equipment	8(a)	(75,314)	0	0
		<b>2,401,921</b>	<b>1,609,286</b>	<b>4,284,074</b>
<b>Net result for the period</b>		<b>1,107,829</b>	<b>905,321</b>	<b>4,411,466</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	11	3,513,095	0	57,167,194
<b>Total other comprehensive income for the period</b>		<b>3,513,095</b>	<b>0</b>	<b>57,167,194</b>
<b>Total comprehensive income for the period</b>		<b>4,620,924</b>	<b>905,321</b>	<b>61,578,660</b>

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

SHIRE OF WAGIN  
STATEMENT OF FINANCIAL POSITION  
AS AT 30TH JUNE 2019

	NOTE	2019 \$	2018 Restated * \$	1 July 2017 Restated * \$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	3	421,338	1,672,502	2,428,840
Trade receivables	5	1,119,721	1,225,832	326,780
Other financial assets	7	1,398,796	0	
Other loans and receivables	7	0	18,201	
Inventories	6	46,978	40,543	27,135
<b>TOTAL CURRENT ASSETS</b>		<b>2,986,833</b>	<b>2,957,078</b>	<b>2,782,755</b>
<b>NON-CURRENT ASSETS</b>				
Trade receivables	5	53,941	42,980	219,458
Financial assets	7(b)	206,817	0	
Other loans and receivables	7(b)	0	155,507	
Property, plant and equipment	8	20,091,864	20,299,212	20,416,391
Infrastructure	9	104,207,534	99,668,745	38,146,441
<b>TOTAL NON-CURRENT ASSETS</b>		<b>124,560,156</b>	<b>120,166,444</b>	<b>58,782,290</b>
<b>TOTAL ASSETS</b>		<b>127,546,989</b>	<b>123,123,522</b>	<b>61,565,045</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	12	291,873	414,696	361,587
Borrowings	13(a)	64,099	60,969	66,478
Employee related provisions	14	307,144	329,114	360,229
<b>TOTAL CURRENT LIABILITIES</b>		<b>663,116</b>	<b>804,779</b>	<b>788,294</b>
<b>NON-CURRENT LIABILITIES</b>				
Borrowings	13(a)	633,632	697,732	758,701
Employee related provisions	14	50,560	42,254	17,953
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>684,192</b>	<b>739,986</b>	<b>776,654</b>
<b>TOTAL LIABILITIES</b>		<b>1,347,308</b>	<b>1,544,765</b>	<b>1,564,948</b>
<b>NET ASSETS</b>		<b>126,199,682</b>	<b>121,578,758</b>	<b>60,000,098</b>
<b>EQUITY</b>				
Retained surplus		35,220,731	34,315,563	29,864,212
Reserves - cash backed	4	1,380,038	1,177,376	1,217,262
Revaluation surplus	11	89,598,913	86,085,818	28,918,624
<b>TOTAL EQUITY</b>		<b>126,199,682</b>	<b>121,578,758</b>	<b>60,000,098</b>

\* See note 26 for details regarding restatement as a result of an error

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

SHIRE OF WAGIN  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2017</b>		<b>30,342,324</b>	<b>1,217,262</b>	<b>28,440,512</b>	<b>60,000,098</b>
Prior Period Error	26	(478,112)	0	478,112	0
<b>Balance as at 1 July 2017 restated</b>		<b>29,864,212</b>	<b>1,217,262</b>	<b>28,918,624</b>	<b>60,000,098</b>
Comprehensive income					
Net result for the period		4,411,466	0	0	4,411,466
Other comprehensive income	11	0	0	57,167,194	57,167,194
Total comprehensive income		4,411,466	0	57,167,194	61,578,660
Transfers from/(to) reserves		39,886	(39,886)	0	0
<b>Balance as at 30 June 2018 restated</b>		<b>34,315,563</b>	<b>1,177,376</b>	<b>86,085,818</b>	<b>121,578,758</b>
Comprehensive income					
Net result for the period		1,107,829	0	0	1,107,829
Other comprehensive income	11	0	0	3,513,095	3,513,095
Total comprehensive income		1,107,829	0	3,513,095	4,620,924
Transfers from/(to) reserves		(202,661)	202,661	0	0
<b>Balance as at 30 June 2019</b>		<b>35,220,731</b>	<b>1,380,038</b>	<b>89,598,913</b>	<b>126,199,682</b>

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

SHIRE OF WAGIN  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		2,298,541	2,312,341	2,201,917
Operating grants, subsidies and contributions		2,204,305	2,191,599	1,016,805
Fees and charges		680,126	747,263	727,954
Interest received		51,884	50,952	44,738
Other revenue		470,117	246,207	530,215
		5,704,973	5,548,362	4,521,629
<b>Payments</b>				
Employee costs		(2,388,106)	(2,388,280)	(2,507,422)
Materials and contracts		(1,367,824)	(1,233,983)	(950,684)
Utility charges		(342,469)	(347,622)	(346,799)
Interest expenses		(37,824)	(37,824)	(40,853)
Insurance paid		(187,634)	(184,537)	(174,756)
Other expenditure		(176,325)	(141,983)	(190,165)
		(4,500,182)	(4,334,229)	(4,210,679)
<b>Net cash provided by (used in) operating activities</b>	15	1,204,790	1,214,133	310,950
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment		(677,272)	(800,450)	(647,960)
Payments for construction of infrastructure subsidies and contributions		(2,961,714)	(2,461,043)	(4,814,935)
Proceeds from self supporting loans		18,201	18,201	26,136
Proceeds from sale of property, plant & equipment		265,405	230,000	120,107
Movement in Financial Assets		(1,380,038)	0	0
<b>Net cash provided by (used in) investment activities</b>		(2,394,987)	(1,440,471)	(1,000,810)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings		(60,969)	(60,969)	(66,478)
<b>Net cash provided by (used in) financing activities</b>		(60,969)	(60,969)	(66,478)
<b>Net increase (decrease) in cash held</b>		(1,251,166)	(287,307)	(756,338)
Cash at beginning of year		1,672,502	1,672,502	2,428,840
<b>Cash and cash equivalents at the end of the year</b>	15	421,338	1,385,195	1,672,502

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

SHIRE OF WAGIN  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	2019 Actual	2019 Budget	2018 Actual
		\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
Net current assets at start of financial year - surplus/(deficit)	20 (b)	1,364,143	1,182,914	1,163,994
		1,364,143	1,182,914	1,163,994
<b>Revenue from operating activities (excluding rates)</b>				
Governance		88,078	40,547	27,539
General purpose funding		1,618,749	858,123	1,604,232
Law, order, public safety		264,138	136,134	122,992
Health		63,346	71,488	68,524
Education and welfare		402,676	413,766	395,306
Community amenities		349,977	364,700	382,005
Recreation and culture		114,654	109,351	118,947
Transport		239,428	161,538	132,370
Economic services		194,383	89,700	239,399
Other property and services		113,848	137,220	133,702
		3,449,277	2,382,567	3,225,016
<b>Expenditure from operating activities</b>				
Governance		(378,860)	(379,167)	(387,687)
General purpose funding		(389,000)	(403,619)	(379,885)
Law, order, public safety		(414,703)	(287,467)	(270,549)
Health		(250,890)	(255,945)	(242,195)
Education and welfare		(438,407)	(500,497)	(463,963)
Community amenities		(570,264)	(522,286)	(546,904)
Recreation and culture		(1,326,455)	(1,153,014)	(1,069,527)
Transport		(2,431,220)	(1,243,774)	(1,212,886)
Economic services		(334,346)	(242,322)	(406,853)
Other property and services		(452,554)	(374,317)	(371,823)
		(6,986,699)	(5,362,408)	(5,352,272)
Non-cash amounts excluded from operating activities	20(a)	2,449,150	1,043,845	1,131,927
<b>Amount attributable to operating activities</b>		275,871	(753,082)	168,665
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions		2,340,432	1,572,821	4,315,842
Proceeds from disposal of assets	10(a)	265,405	230,000	120,107
Proceeds from self supporting loans	13(b)	18,201	18,201	26,136
Purchase of property, plant and equipment	8(a)	(677,272)	(800,450)	(647,960)
Purchase and construction of infrastructure	9(a)	(2,961,714)	(2,461,043)	(4,814,935)
<b>Amount attributable to investing activities</b>		(1,014,948)	(1,440,471)	(1,000,810)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	13(b)	(60,969)	(60,969)	(66,478)
Transfers to reserves (restricted assets)	4	(426,913)	(282,069)	(302,116)
Transfers from reserves (restricted assets)	4	224,250	224,250	342,002
<b>Amount attributable to financing activities</b>		(263,632)	(118,788)	(26,592)
<b>Surplus/(deficit) before imposition of general rates</b>		(1,002,709)	(2,312,341)	(858,737)
<b>Total amount raised from general rates</b>	19(a)	2,304,819	2,312,341	2,222,880
<b>Surplus/(deficit) after imposition of general rates</b>	20(b)	<b>1,302,110</b>	<b>0</b>	<b>1,364,143</b>

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

## 1. BASIS OF PREPARATION

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

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of *AASB 1051 Land Under Roads paragraph 15* and *AASB 116 Property, Plant and Equipment paragraph 7*.

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.

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 22 to these financial statements.

## 2. REVENUE AND EXPENSES

### (a) Revenue

#### Grant Revenue

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

	2019 Actual \$	2019 Budget \$	2018 Actual \$
<b>Operating grants, subsidies and contributions</b>			
Governance	689	18,857	20,172
General purpose funding	1,403,013	633,064	1,387,686
Law, order, public safety	219,771	85,934	71,800
Education and welfare	343,377	338,606	317,972
Recreation and culture	11,517	3,800	40,435
Transport	124,509	82,336	80,195
	<b>2,102,876</b>	<b>1,162,597</b>	<b>1,918,260</b>
<b>Non-operating grants, subsidies and contributions</b>			
Community amenities	0	8,000	0
Recreation and culture	1,000	28,200	10,000
Transport	2,339,432	1,536,621	4,305,842
	<b>2,340,432</b>	<b>1,572,821</b>	<b>4,315,842</b>
<b>Total grants, subsidies and contributions</b>	<b>4,443,308</b>	<b>2,735,418</b>	<b>6,234,102</b>

#### 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 18. That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.



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

**(a) Revenue (Continued)**

**Other revenue**

Reimbursements and recoveries  
 Other

**Fees and Charges**

General purpose funding  
 Law, order, public safety  
 Health  
 Education and welfare  
 Community amenities  
 Recreation and culture  
 Transport  
 Economic services  
 Other property and services

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

**Interest earnings**

Reserve accounts interest  
 Rates instalment and penalty interest (refer Note 19(c) )  
 Other interest earnings

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
	232,471	138,415	302,725
	237,646	246,207	227,488
	470,117	384,622	530,213
	51,710	61,500	60,080
	17,971	22,700	21,883
	7,486	7,988	6,868
	50,086	63,208	61,493
	335,367	346,900	357,798
	65,547	72,451	65,017
	8,204	6,516	5,818
	107,548	88,000	81,102
	36,208	78,000	67,895
	680,126	747,263	727,954
	27,026	30,952	30,074
	11,503	10,000	9,199
	13,355	10,000	5,465
	51,884	50,952	44,738

**SIGNIFICANT ACCOUNTING POLICIES**

**Interest earnings**

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

**Interest earnings (Continued)**

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

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

**(b) Expenses**

**Auditors remuneration**

- Audit of the Annual Financial Report

**Interest expenses (finance costs)**

Borrowings (refer Note 13(b))

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
	20,000	15,000	11,888
	20,000	15,000	11,888
	37,572	37,824	40,587
	37,572	37,824	40,587

### 3. CASH AND CASH EQUIVALENTS

	NOTE	2019 \$	2018 \$
Cash at bank and on hand		421,338	495,126
Term Deposit		0	1,177,376
<b>Total cash and cash equivalents</b>		421,338	1,672,502
Financial assets at amortised cost - term deposits	7(a)	1,380,038	0
		1,801,376	1,672,502
<b>Comprises:</b>			
- Unrestricted portion		186,888	406,742
- Restricted portion		1,614,488	1,265,760
		1,801,376	1,672,502
The following restrictions have been imposed by regulations or other externally imposed requirements:			
<b>Reserve accounts</b>			
Reserves cash backed - Leave Reserve	4	297,855	152,499
Plant Reserve	4	233,074	273,536
Recreation Centre Equipment Reserve	4	14,078	13,389
Municipal Buildings Reserve	4	119,105	116,210
Administration Centre Furniture, Equipment & IT Reserve	4	506	494
Land Development Reserve	4	50,296	49,515
Community Bus Reserve	4	15,592	14,075
Home and Community Care Reserve	4	88,031	81,013
Recreation Development Reserve	4	226,283	187,019
Refuse Site/ Waste Management Reserve	4	96,144	112,034
Refuse Site Rehabilitation Reserve	4	81,772	74,885
Wagin Water Management Reserve	4	76,750	84,718
Electronic Sign Reserve	4	20,249	10,000
Community Gym Reserve	4	6,914	0
Sportsground Precinct Redevelopment Reserve	4	50,000	0
Aerodrome Maintenance & Development Reserve	4	3,387	7,988
		1,380,038	1,177,375
<b>Other restricted cash and cash equivalents</b>			
Unspent grants/contributions	18	195,709	88,385
Bonds and Deposits Held	12	38,741	0
<b>Total restricted cash and cash equivalents</b>		1,614,488	1,265,760

#### SIGNIFICANT ACCOUNTING POLICIES

##### Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash

##### Cash and cash equivalents (Continued)

and which are subject to an insignificant risk of changes in value and bank overdrafts.

SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

4. RESERVES - CASH BACKED

	2019 Actual Opening Balance	2019 Actual Transfer to	2019 Actual Transfer (from)	2019 Actual Closing Balance	2019 Budget Opening Balance	2019 Budget Transfer to	2019 Budget Transfer (from)	2019 Budget Closing Balance	2018 Actual Opening Balance	2018 Actual Transfer to	2018 Actual Transfer (from)	2018 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Reserves cash backed - Leave Reserve	152,499	145,357		297,856	152,499	3,812		156,311	109,787	42,712		152,499
(b) Plant Reserve	273,536	49,538	(90,000)	233,074	273,536	7,338	(90,000)	190,874	202,959	90,577	(20,000)	273,536
(c) Recreation Centre Equipment Reserve	13,389	4,688	(4,000)	14,077	13,390	2,135	(4,000)	11,525	11,310	2,079		13,389
(d) Municipal Buildings Reserve	116,210	2,895		119,105	116,210	2,905		119,115	108,529	22,681	(15,000)	116,210
(e) Administration Centre Furniture, Equipment & IT Reserve	494	12		506	494	0		494	20,000	494	(20,000)	494
(f) Land Development Reserve	49,515	40,782	(40,000)	50,297	49,515	1,238	(40,000)	10,753	126,392	3,123	(80,000)	49,515
(g) Community Bus Reserve	14,075	1,518		15,593	14,075	413		14,488	12,205	1,870	0	14,075
(h) Home and Community Care Reserve	81,013	7,018		88,031	81,013	3,495		84,508	235,426	21,227	(175,640)	81,013
(i) Recreation Development Reserve	187,019	74,264	(35,000)	226,283	187,019	74,675	(35,000)	226,694	119,077	67,942	0	187,019
(j) Refuse Site/ Waste Management Reserve	112,034	14,110	(30,000)	96,144	112,034	53,359	(30,000)	135,393	109,333	2,701	0	112,034
(k) Refuse Site Rehabilitation Reserve	74,885	1,865		76,750	74,885	22,931		97,816	53,562	21,323	0	74,885
(l) Wagin Water Management Reserve	84,718	2,054	(5,000)	81,772	84,718	2,118	(5,000)	81,836	100,241	2,477	(18,000)	84,718
(m) Town Drainage Reserve	0			0	0	0		0	940	24	(964)	0
(n) Electronic Sign Reserve	10,000	20,499	(10,250)	20,249	10,000	250	(10,250)	0	0	10,000		10,000
(o) Community Gym Reserve	0	6,914		6,914	0	2,000		2,000	0			0
(p) Sportsground Precinct Redevelopment Reserve	0	50,000		50,000	0	50,000		50,000	0			0
(q) Aerodrome Maintenance & Development Reserve	7,988	5,399	(10,000)	3,387	7,988	5,400	(10,000)	3,388	7,500	12,886	(12,398)	7,988
(r) Emergency/Bushfire Control Reserve	0			0	0	50,000		50,000	0			0
	1,177,376	426,913	(224,250)	1,380,038	1,177,376	282,069	(224,250)	1,235,195	1,217,261	302,116	(342,002)	1,177,376

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
(a) Reserves cash backed - Leave Reserve	Ongoing	Provide Provisions to meet Councils' Long Service and Accrued Annual Leave liabilities to minimise effect on Councils' budget annually.
(b) Plant Reserve	Ongoing	Provide funds for the ongoing replacement and upgrading of Plant necessary in the performance of Councils' core functions.
(c) Recreation Centre Equipment Reserve	Ongoing	Provide funds for the purchase of equipment, fixtures and fittings at the Wagin Community Recreation Centre
(d) Municipal Buildings Reserve	Ongoing	Provide for the upgrading, renovating and restoration of existing Council owned buildings as well as construction of new Council owned buildings.
(e) Administration Centre Furniture, Equipment & IT Reserve	Ongoing	Provide for the purchase of furniture, fittings, equipment and IT requirements in relation to the Council Administration Building.
(f) Land Development Reserve	Ongoing	Provide funds for the purchase and development of land within the Wagin Shire as the need arises and Council see fit.
(g) Community Bus Reserve	Ongoing	Provide funds for the maintenance, upgrade and change-over of the Wagin Community Bus.
(h) Home and Community Care Reserve	Ongoing	Provide funds to meet HACC staff leave provisions, replacement of plant and equipment and on-going operations of the HACC program.
(i) Recreation Development Reserve	Ongoing	Provide funds for the expansion, upgrading and development of Council's Recreation and sporting facilities.
(j) Refuse Site/ Waste Management Reserve	Ongoing	Provide funds for a new Waste site, on-going operation with the Shire's waste management and recycling program and working towards zero waste.
(k) Refuse Site Rehabilitation Reserve	Ongoing	Provide funds to rehabilitate the existing refuse site once the site has been decommissioned.
(l) Wagin Water Management Reserve	Ongoing	To ensure Council spends the surplus Rural Towns Funds on measures and projects in line with Council's Water Management Plan.
(m) Town Drainage Reserve	Ongoing	The purpose of the Town Drainage Reserve is to provide funds to maintain and upgrade the existing drainage network within the Wagin Town site.
(n) Electronic Sign Reserve	Ongoing	Provide funds for the purchase and installation of an electronic sign in the Wagin Town site in the future.
(o) Community Gym Reserve	Ongoing	Provide funds for the maintenance, upgrade and change-over of the Wagin Community gym equipment as required.
(p) Sportsground Precinct Redevelopment Reserve	Ongoing	Provide funds for the future Sportsground Precinct Redevelopment.
(q) Aerodrome Maintenance & Development Reserve	Ongoing	Provision for major maintenance (eg resealing runway area) and development works (eg runway reconstruction) at the Wagin Airstrip.
(r) Emergency/Bushfire Control Reserve	Ongoing	Provide funds for unexpected times of extreme emergency recovery and provide adequate assistance for bushfire requirements.

## 5. TRADE RECEIVABLES

### Current

Rates receivable	
Loss allowance rates receivable	
Sundry receivables	
GST receivable	
Loss allowance sundry receivables	

### Non-current

Pensioner's rates and ESL deferred	
------------------------------------	--

	2019	2018
	\$	\$
	69,542	74,225
	(12,651)	(7,181)
	1,038,103	1,169,022
	26,967	0
	(2,240)	(10,234)
	1,119,721	1,225,832
	53,941	42,980
	53,941	42,980

## SIGNIFICANT ACCOUNTING POLICIES

### Trade and other receivables

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

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

### Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 21.

### Previous accounting policy: Impairment of trade receivables

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment.

### Classification and subsequent measurement

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

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

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

## 6. INVENTORIES

### Current

Fuel and Materials

	2019	2018
	\$	\$
	46,978	40,543
	46,978	40,543
	40,543	27,134
Inventories expensed during the year	(128,506)	(115,539)
Additions to inventory	134,941	128,948
	46,978	40,543

The following movements in inventories occurred during the year:

### Carrying amount at 1 July

Inventories expensed during the year

Additions to inventory

### Carrying amount at 30 June

## 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.

## 7. OTHER FINANCIAL ASSETS

### (a) Current assets

Financial assets at fair value through profit and loss  
Other financial assets at amortised cost  
Other loans and receivables

#### Other financial assets at amortised cost

- Financial assets at amortised cost - term deposits
- Financial assets at amortised cost - self supporting loans

#### Financial assets previously classified as loans and receivables

- Loans receivable - clubs/institutions

### (b) Non-current assets

Other financial assets at amortised cost  
Financial assets at fair value through profit and loss  
Other loans and receivables

#### Other financial assets at amortised cost

- Financial assets at amortised cost - self supporting loans

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

- *Unlisted equity investments*
- Units in WALGA House

#### Financial assets previously classified as loans and receivables

- Loans receivable - clubs/institutions

During the year, the following gains/(losses) were recognised in profit and loss:

Fair value gains/(losses) on equity investments at fair value through profit and loss are recognised in other gains/(losses) and classified as other property and services

	2019	2018
	\$	\$
	0	0
	1,398,796	0
	0	18,201
	1,398,796	18,201
	1,380,038	0
	18,758	0
	1,398,796	0
	0	18,201
	0	18,201
	136,749	0
	70,068	0
	0	155,507
	206,817	155,507
	136,749	0
	136,749	0
	70,068	0
	70,068	0
	0	155,507
	0	155,507
	70,068	0
	70,068	0

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 13(b) as self supporting loans.

### SIGNIFICANT ACCOUNTING POLICIES

#### Other financial assets at amortised cost

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

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

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

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

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

#### Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 21.

### SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Previous accounting policy: available for sale financial assets

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

#### Previous accounting policy: Loans and receivables

Non-derivative financial assets with fixed or determinable payments that were not quoted in an active market and are solely payments of principal and interest were classified as loans and receivables and are subsequently measured at amortised cost, using the effective interest rate method.

Refer to Note 23 for explanations regarding the change in accounting policy and reclassification of financial assets

## 8. PROPERTY, PLANT AND EQUIPMENT

### (a) 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	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2017</b>	3,182,000	3,182,000	15,273,940	15,273,940	18,455,940	347,875	1,612,575	20,416,390
Additions	80,000	80,000	41,407	41,407	121,407	76,648	449,905	647,960
(Disposals)	0	0	0	0	0	0	(151,875)	(151,875)
Depreciation (expense)		0	(357,173)	(357,173)	(357,173)	(51,904)	(204,186)	(613,263)
Removal of assets <\$5000		0		0	0			0
<b>Carrying amount at 30 June 2018</b>	3,262,000	3,262,000	14,958,174	14,958,174	18,220,174	372,619	1,706,419	20,299,212
<b>Comprises:</b>								
Gross carrying amount at 30 June 2018	3,262,000	3,262,000	15,315,347	15,315,347	18,577,347	1,468,509	2,018,162	22,064,018
Accumulated depreciation at 30 June 2018	0	0	(357,173)	(357,173)	(357,173)	(1,095,890)	(311,743)	(1,764,806)
<b>Carrying amount at 30 June 2018</b>	3,262,000	3,262,000	14,958,174	14,958,174	18,220,174	372,619	1,706,419	20,299,212
Additions	0	0	52,790	52,790	52,790	13,817	610,665	677,272
(Disposals)	0	0	0	0	0	0	(198,671)	(198,671)
Revaluation increments / (decrements) transferred to revaluation surplus		0	(2,680)	(2,680)	(2,680)	0	106,181	103,501
Revaluation (loss) / reversals transferred to profit or loss		0		0	0	(75,314)		(75,314)
Change in Accounting Policy - assets expensed		0	(12,492)	(12,492)	(12,492)	(19,375)	(1,659)	(33,526)
Depreciation (expense)		0	(373,637)	(373,637)	(373,637)	(56,660)	(250,312)	(680,609)
<b>Carrying amount at 30 June 2019</b>	3,262,000	3,262,000	14,622,155	14,622,155	17,884,155	235,087	1,972,623	20,091,864
<b>Comprises:</b>								
Gross carrying amount at 30 June 2019	3,262,000	3,262,000	15,351,929	15,351,929	18,613,929	235,087	1,972,623	20,821,639
Accumulated depreciation at 30 June 2019	0	0	(729,774)	(729,774)	(729,774)	0	0	(729,774)
Accumulated impairment loss at 30 June 2019	0	0	0	0	0	0	0	0
<b>Carrying amount at 30 June 2019</b>	3,262,000	3,262,000	14,622,155	14,622,155	17,884,155	235,087	1,972,623	20,091,864



## 8. PROPERTY, PLANT AND EQUIPMENT (Continued)

### (b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>Land and buildings</b>					
Land - freehold land	2	Market Approach using recent observable market data for similar properties	Independent registered Valuers	30 June 2017	Price per hectare/market borrowing rate
Buildings - non-specialised	2	Market Approach using recent observable market data for similar properties	Independent registered Valuers	30 June 2017	Price per hectare/market borrowing rate
<b>Furniture and equipment</b>	3	Market Approach	Management Valuation	30 June 2019	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
<b>Plant and equipment</b>	3	Market Approach	Management Valuation	30 June 2019	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.

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

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

## 9. INFRASTRUCTURE

### (a) Movements in Carrying Amounts

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

	Infrastructure - Roads	Infrastructure - Other	Infrastructure - Drainage	Total Infrastructure
	\$	\$	\$	\$
<b>Balance at 1 July 2017</b>	36,424,910	1,721,531	0	38,146,441
Additions	4,667,869	147,066		4,814,935
(Disposals)	0	0	0	0
Revaluation increments / (decrements) transferred to revaluation surplus	47,415,896	9,751,298		57,167,194
Depreciation (expense)	(397,590)	(62,235)		(459,825)
<b>Carrying amount at 30 June 2018</b>	88,111,085	11,557,660	0	99,668,745
<b>Comprises:</b>				
Gross carrying amount at 30 June 2018	88,111,085	11,557,660	0	99,668,745
Accumulated depreciation at 30 June 2018	0	0	0	0
<b>Carrying amount at 30 June 2018</b>	88,111,085	11,557,660	0	99,668,745
Additions	2,720,926	240,788		2,961,714
Revaluation increments / (decrements) transferred to revaluation surplus		(7,000)	3,416,594	3,409,594
Revaluation (loss) / reversals transferred to profit or loss				0
Change in Accounting Policy - asset expensed		376		376
Depreciation (expense)	(1,468,226)	(364,670)		(1,832,896)
<b>Carrying amount at 30 June 2019</b>	89,363,785	11,427,155	3,416,594	104,207,534
<b>Comprises:</b>				
Gross carrying amount at 30 June 2019	90,832,011	11,791,449	3,416,594	106,040,054
Accumulated depreciation at 30 June 2019	(1,468,226)	(364,294)	0	(1,832,520)
Accumulated impairment loss at 30 June 2019	0	0	0	0
<b>Carrying amount at 30 June 2019</b>	89,363,785	11,427,155	3,416,594	104,207,534

9. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	3	Cost Approach using depreciated replacement cost	Independent registered Valuers	30 June 2018	Construction Costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Other	3	Cost Approach using depreciated replacement cost	Independent registered Valuers	30 June 2018	Construction Costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Drainage	3	Cost Approach using depreciated replacement cost	Independent registered Valuers	30 June 2019	Construction Costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

## 9. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE)

### SIGNIFICANT ACCOUNTING POLICIES

#### Fixed assets

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

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

All assets are initially recognised at cost where the fair value of the asset at date of acquisition is equal to or above \$5,000. All assets are 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 and no more than five 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.

### AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

#### Land under control

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

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

#### Land under roads

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

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

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

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

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

SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

10. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE) (Continued)

(a) Disposals of Assets

	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss	2019 Budget Net Book Value	2019 Budget Sale Proceeds	2019 Budget Profit	2019 Budget Loss	2018 Actual Net Book Value	2018 Actual Sale Proceeds	2018 Actual Profit	2018 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and equipment	198,671	265,405	74,205	(7,470)	193,535	230,000	37,133	(668)	151,875	120,107	3,851	(35,619)
	198,671	265,405	74,205	(7,470)	193,535	230,000	37,133	(668)	151,875	120,107	3,851	(35,619)

The following assets were disposed of during the year.

	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
	\$	\$	\$	\$
<b>Plant and Equipment</b>				
<b>Governance</b>				
Deputy CEO Vehicle	16,650	27,273	10,623	0
<b>Health</b>				
EHO Vehicle	27,683	20,213	0	(7,470)
<b>Transport</b>				
Komatsu Grader	96,343	140,000	43,657	0
Isuzu 13T Truck	57,995	77,919	19,924	0
	198,671	265,405	74,204	(7,470)
	198,671	265,405	74,204	(7,470)

(b) Fully Depreciated Assets in Use

The gross carrying value of assets held by the Shire which are currently in use yet fully depreciated are shown below.

	2019	2018
	\$	\$
Furniture and equipment	634,343	651,221
Plant and equipment	5,866	5,866
	640,209	657,087

## 10. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE) (Continued)

### (c) Depreciation

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Buildings - non-specialised	373,637	361,090	357,173
Furniture and equipment	56,660	52,550	51,904
Plant and equipment	250,312	206,100	204,186
Infrastructure - Roads	1,469,586	402,900	397,590
Infrastructure - Other	363,100	57,670	62,235
	<b>2,513,294</b>	<b>1,080,310</b>	<b>1,073,088</b>

### SIGNIFICANT ACCOUNTING POLICIES

#### Depreciation

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

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

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

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

#### Depreciation rates

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

Asset Class	Useful life
Buildings	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets formation	not depreciated
pavement seal	50 years
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads formation	not depreciated
pavement	50 years
Formed roads (unsealed) formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Infrastructure Other	2 to 10 years

#### Depreciation (Continued)

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

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

SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

11. REVALUATION SURPLUS

	2019 Opening Balance	2019 Revaluation Increment	2019 Revaluation (Decrement)	Total Movement on Revaluation	2019 Closing Balance	2018 Opening Balance	2018 Revaluation Increment	Total Movement on Revaluation	2018 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	2,938,241	0	0	0	2,938,241	2,938,241	0	0	2,938,241
Revaluation surplus - Buildings - non-specialised	8,321,746		(2,680)	(2,680)	8,319,066	8,321,746	0	0	8,321,746
Revaluation surplus - Furniture and equipment	0			0	0		0		0
Revaluation surplus - Plant and equipment	0	106,181		106,181	106,181		0	0	0
Revaluation surplus - Infrastructure - Roads	65,074,533			0	65,074,533	17,658,637	47,415,896	47,415,896	65,074,533
Revaluation surplus - Infrastructure - Other	9,751,298	0	(7,000)	(7,000)	9,744,298	0	9,751,298	9,751,298	9,751,298
Revaluation surplus - Infrastructure - Drainage	0	3,416,594	0	3,416,594	3,416,594	0	0	0	0
	86,085,818	3,522,775	(9,680)	3,513,095	89,598,913	28,918,624	57,167,194	57,167,194	86,085,818

Movements on revaluation of property, plant and equipment (including infrastructure) 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.

## 12. TRADE AND OTHER PAYABLES

### Current

Sundry creditors	
Accrued Interest on Loans	
Accrued salaries and wages	
Bonds & Deposits Held (refer to Note 3 )	
Regional Refuse Group Accrued Funds	
Trust Liability	

2019	2018
\$	\$
203,672	337,964
3,174	3,426
9,344	10,035
38,612	0
37,071	63,001
0	270
291,873	414,696

### 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.



SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2019

13. INFORMATION ON BORROWINGS

(a) Borrowings

	2019	2018
	\$	\$
Current	64,099	60,969
Non-current	633,632	697,732
	697,731	758,701

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	30 June 2019				30 June 2019				30 June 2018				
				Actual Principal 1 July 2018	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding	Budget Principal 1 July 2018	Budget Principal repayments	Budget Interest repayments	Budget Principal outstanding	Actual Principal 1 July 2017	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding	
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Recreation and culture</b>																
Recreation Centre	131	NAB	6.39%	67,983	8,738	4,207	59,244	67,983	8,738	4,207	59,245	76,188	8,205	4,739	67,983	
Swimming Pool Redevelopment	139	WATC*	5.11%	239,319	12,035	11,905	227,284	239,319	12,035	12,001	227,284	250,758	11,439	12,482	239,319	
Wagin Bowling Club	133			0			0				0	8,476	8,476	50	0	
Wagin Ag Society	141	WATC*	3.04%	173,708	18,201	5,094	155,507	173,708	18,201	5,143	155,507	191,368	17,660	5,640	173,708	
<b>Other property and services</b>																
5 Arnott Street	137	WATC*	6.02%	180,880	12,342	10,565	168,538	180,880	12,342	10,552	168,538	192,503	11,623	11,290	180,880	
Doctors Residence	138	WATC*	6.27%	96,812	9,653	5,800	87,159	96,812	9,653	5,921	87,159	105,887	9,075	6,386	96,812	
				584,994	42,768	32,477	542,225	584,994	42,768	32,681	542,226	625,336	40,342	34,897	584,994	
<b>Self Supporting Loans</b>																
<b>Recreation and culture</b>																
Wagin Bowling Club	133			0	0	0	0	0	0	0	0	8,476	8,476	50	0	
Wagin Ag Society	141			173,708	18,201	5,094	155,507	173,708	18,201	5,143	155,507	191,368	17,660	5,640	173,708	
				173,708	18,201	5,094	155,507	173,708	18,201	5,143	155,507	199,844	26,136	5,690	173,708	
				758,702	60,969	37,571	697,732	758,702	60,969	37,824	697,733	825,180	66,478	40,587	758,702	

\* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 7 as other financial assets at amortised cost.  
All other loan repayments were financed by general purpose revenue.

SHIRE OF WAGIN  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2019

13. INFORMATION ON BORROWINGS (Continued)

	2019	2018
<b>(c) Undrawn Borrowing Facilities</b>	<b>\$</b>	<b>\$</b>
<b>Credit Standby Arrangements</b>		
Credit card limit	22,000	19,000
Credit card balance at balance date	0	(1,876)
<b>Total amount of credit unused</b>	<b>22,000</b>	<b>17,124</b>
<b>Loan facilities</b>		
Loan facilities - current	64,099	60,969
Loan facilities - non-current	633,632	697,732
<b>Total facilities in use at balance date</b>	<b>697,731</b>	<b>758,701</b>
<b>Unused loan facilities at balance date</b>	<b>NIL</b>	<b>NIL</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Borrowing costs**

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

**Risk**

Information regarding exposure to risk can be found at Note 21.

## 14. EMPLOYEE RELATED PROVISIONS

### Employee Related Provisions

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
<b>Opening balance at 1 July 2018</b>			
Current provisions	122,663	206,451	329,114
Non-current provisions		42,254	42,254
	122,663	248,705	371,368
Additional provision	129,616	34,113	163,729
Amounts used	(148,705)	(28,688)	(177,393)
<b>Balance at 30 June 2019</b>	103,574	254,130	357,704
<b>Comprises</b>			
Current	103,574	203,570	307,144
Non-current		50,560	50,560
	103,574	254,130	357,704

### Amounts are expected to be settled on the following basis:

	2019 \$	2018 \$
Less than 12 months after the reporting date	307,144	329,114
More than 12 months from reporting date	35,334	19,186
Expected reimbursements from other WA local governments	15,226	23,068
	357,704	371,368

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

### SIGNIFICANT ACCOUNTING POLICIES

#### Employee benefits

##### Short-term employee benefits

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

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

##### Other long-term employee benefits

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

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

##### Other long-term employee benefits (Continued)

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

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

##### Provisions

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

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

## 15. NOTES TO THE STATEMENT OF CASH FLOWS

### Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents.

Cash at the end of the reporting period is reconciled to the related items in the

Statement of Financial Position as follows:

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Cash and cash equivalents	1,801,376	1,385,195	1,672,502
<b>Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>			
Net result	1,107,829	905,321	4,411,465
Non-cash flows in Net result:			
Adjustments to fair value of financial assets	(70,068)		
Small Asset expensed	33,360		
Depreciation	2,513,294	1,080,310	1,073,088
(Profit)/loss on sale of asset	(66,735)	(36,465)	31,768
Loss on revaluation of fixed assets	75,314	0	0
Changes in assets and liabilities:			
(Increase)/decrease in receivables	95,150	890,587	(922,418)
(Increase)/decrease in inventories	(6,435)	15,543	(13,408)
Increase/(decrease) in payables	(122,823)	(68,342)	53,109
Increase/(decrease) in provisions	(13,664)	0	(6,814)
Grants contributions for the development of assets	(2,340,432)	(1,572,821)	(4,315,842)
Net cash from operating activities	1,204,790	1,214,133	310,950

## 16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2019	2018
	\$	\$
Governance	4,495,582	4,410,570
General purpose funding	358,577	546,033
Law, order, public safety	503,716	570,120
Health	856,270	826,656
Education and welfare	495,224	552,657
Community amenities	887,535	860,837
Recreation and culture	14,899,906	15,193,251
Transport	103,218,656	98,194,031
Economic services	403,879	461,497
Other property and services	1,420,757	1,486,128
Unallocated	6,888	21,741
	127,546,989	123,123,521

## 17 RELATED PARTY TRANSACTIONS

### Elected Members Remuneration

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

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Meeting Fees	17,500	18,750	19,713
President's allowance	12,000	12,000	12,000
Deputy President's allowance	3,000	3,000	2,570
Travelling expenses	479	2,000	499
Telecommunications allowance	4,595	5,000	6,472
	<u>37,574</u>	<u>40,750</u>	<u>41,254</u>

### Key Management Personnel (KMP) Compensation Disclosure

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

	2019 Actual	2018 Actual
	\$	\$
Short-term employee benefits	697,079	733,265
Post-employment benefits	65,588	70,636
Other long-term benefits	13,441	16,311
	<u>776,109</u>	<u>820,212</u>

#### *Short-term employee benefits*

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

#### *Post-employment benefits*

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

#### *Other long-term benefits*

These amounts represent long service benefits accruing during the year.

## 17 RELATED PARTY TRANSACTIONS (Continued)

### Transactions with related parties

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

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

The following transactions occurred with related parties:	2019 Actual	2018 Actual
	\$	\$
Sale of goods and services	1,380	5,332
Purchase of goods and services	26,676	36,082
<b>Amounts payable to related parties:</b>		
Trade and other payables	17,400	19,673

### Related Parties

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

##### *i. Key management personnel*

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

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

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

## 18 CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening	Received	Expended	Closing	Received	Expended	Closing
	Balance <sup>(1)</sup> 1/07/17	2017/18	2017/18	Balance <sup>(1)</sup> 30/06/18	2018/19	2018/19	Balance 30/06/19
	\$	\$	\$	\$	\$	\$	\$
<b>General purpose funding</b>							
Integrated Planning - Strategic Community Plan	3,560		(3,560)	0			0
<b>Law, order, public safety</b>							
Dept Fire & Emergency - BFB Funding	8,250	39,500	(33,000)	14,750	59,788	(59,240)	15,298
Dept Fire & Emergency - SES Funding	7,715	29,837	(30,860)	6,692	26,758	(28,501)	4,949
Western Power - Bushfire Water Tank		2,464		2,464		(2,464)	0
Dept Fire & Emergency - AWARE Funding					3,800	(3,800)	
Dept Fire & Emergency - MAF Funding				0	129,426	(129,426)	0
<b>Education and welfare</b>							
HACC Growth Funding		22,500		22,500		(22,500)	0
Community Aged Care Packages	43,162		(3,683)	39,479		(85)	39,394
Dept of Local Govt - Thank A Volunteer Grant				0	800	(800)	0
<b>Recreation and culture</b>							
Dept of Local Govt - Age Friendly Communities	2,500			2,500		(2,500)	0
Mental Health Week Funding				0	700	(700)	0
Lotterywest - Wagin Street Carnival				0	7,217	(7,217)	0
<b>Transport</b>							
Main Roads Bridge Grant				0	136,068	0	136,068
Regional Airports Development Scheme (RADS)				0	10,522	(10,522)	0
Roads to Recovery				0	222,056	(222,056)	0
<b>Total</b>	<b>65,187</b>	<b>94,301</b>	<b>(71,103)</b>	<b>88,385</b>	<b>597,135</b>	<b>(489,811)</b>	<b>195,709</b>

**Notes:**

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

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

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



19. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	2018/19 Actual Rateable Value \$	2018/19 Actual Rate Revenue \$	2018/19 Actual Interim Rates \$	2018/19 Actual Back Rates \$	2018/19 Actual Total Revenue \$	2018/19 Budget Rate Revenue \$	2018/19 Budget Interim Rate \$	2018/19 Budget Back Rate \$	2018/19 Budget Total Revenue \$	2017/18 Actual Total Revenue \$
<b>Differential general rate / general rate</b>												
<b>Gross rental valuations</b>												
Gross rental valuations	0.108072	746	7,960,431	860,300	(165)	156	860,290	860,300	4,000	1,500	865,800	823,779
<b>Unimproved valuations</b>												
Unimproved valuations	0.00745	331	188,433,500	1,403,830	667	0	1,404,497	1,403,830	3,000	0	1,406,830	1,356,129
<b>Sub-Total</b>		1,077	196,393,931	2,264,129	502	156	2,264,787	2,264,130	7,000	1,500	2,272,630	2,179,908
<b>Minimum payment</b>												
<b>Gross rental valuations</b>												
Gross rental valuations	560	148	280,079	82,880	0	0	82,880	82,880	0	0	82,880	87,920
<b>Unimproved valuations</b>												
Unimproved valuations	560	53	2,675,409	29,680	0	0	29,680	29,680	0	0	29,680	28,560
<b>Sub-Total</b>		201	2,955,488	112,560	0	0	112,560	112,560	0	0	112,560	116,480
		1,278	199,349,419	2,376,689	502	156	2,377,347	2,376,690	7,000	1,500	2,385,190	2,296,388
Discounts/concessions (refer Note 19(b))							(84,678)				(85,000)	(85,248)
<b>Total amount raised from general rate</b>							2,292,668				2,300,190	2,211,140
Ex-gratia rates							12,150				12,151	11,740
<b>Totals</b>							2,304,819				2,312,341	2,222,880

**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.

SHIRE OF WAGIN  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2019  
 19 RATING INFORMATION (Continued)

(b) Discounts, Incentives, Concessions, & Write-offs

Rates Discounts

Rate or Fee Discount Granted	Discount	Discount	2019 Actual	2019 Budget	2018 Actual	Circumstances in which Discount is Granted
	%	\$	\$	\$	\$	
Early Payment	5.00%		84,678	85,000	85,248	Rates paid in full by 21 September 2018
			84,678	85,000	85,248	

Waivers or Concessions

Rate or Fee and  
 Charge to which  
 the Waiver or  
 Concession is Granted

Type	Discount	Discount	2019 Actual	2019 Budget	2018 Actual
	%	\$	\$	\$	\$
Betty Terry Theatre	Rates/Rubbish	50.00%	532	574	542
St John Ambulance	Rubbish	100.00%	320	320	330
Wagin Care & Share	Rubbish	100.00%	320	320	330
Wagin CWA	Rates/Rubbish	100.00%	1,270	1,324	1,292
Waratah Lodge	Rubbish	100.00%	320	320	330
			2,762	2,858	2,824

## 19. RATING INFORMATION (Continued)

### (c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
<b>Option One</b>				
Single Full Payment	21 Sep 2018	Nil	Nil	11.00%
<b>Option Two</b>				
First instalment	21 Sep 2018	5.00	5.50%	11.00%
Second instalment	21 Jan 2019	5.00	5.50%	11.00%
<b>Option Three</b>				
First instalment	21 Sep 2018	5.00	5.50%	11.00%
Second instalment	21 Nov 2018	5.00	5.50%	11.00%
Third instalment	21 Jan 2019	5.00	5.50%	11.00%
Fourth instalment	21 Mar 2019	5.00	5.50%	11.00%

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Interest on unpaid rates	11,503	10,000	9,199
Charges on instalment plan	5,435	10,000	9,617
	<u>16,938</u>	<u>20,000</u>	<u>18,816</u>

## 20. RATE SETTING STATEMENT INFORMATION

	2018/19 (30 June 2019 Carried Forward)	2018/19 Budget (30 June 2019 Carried Forward)	2018/19 (1 July 2018 Brought Forward)
Note	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals	10(a) (74,205)	(37,133)	(3,851)
Less: Non-cash grants and contributions for assets			
Less: Movement in liabilities associated with restricted cash			
Less: Fair value adjustments to financial assets at profit and loss	(70,068)		
Movement in pensioner deferred rates (non-current)	(10,961)		2,770
Movement in employee benefit provisions (non-current)	8,306		24,301
Add: Loss on disposal of assets	10(a) 7,470	668	35,619
Add: Loss on revaluation of fixed assets	8(a) 75,314	0	0
Add: Depreciation on assets	10(c) 2,513,294	1,080,310	1,073,088
<b>Non cash amounts excluded from operating activities</b>	2,449,150	1,043,845	1,131,927
<b>(b) Surplus/(deficit) after imposition of general rates</b>			
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
<b>Adjustments to net current assets</b>			
Less: Reserves - restricted cash	3 (1,380,036)	(1,235,195)	(1,177,376)
Less: - Financial assets at amortised cost - self supporting loans	7(a) (18,758)	0	(18,201)
Add: Borrowings	13(a) 64,099	64,099	60,969
Add: Provision for Annual Leave	0	165,223	152,435
Add: Cash Back Leave and HACC Reserve	313,087		194,017
<b>Total adjustments to net current assets</b>	(1,021,608)	(1,005,873)	(788,156)
<b>Net current assets used in the Rate Setting Statement</b>			
Total current assets	2,986,833	1,745,440	2,957,078
Less: Total current liabilities	(663,116)	(739,567)	(804,779)
Less: Total adjustments to net current assets	(1,021,608)	(1,005,873)	(788,156)
<b>Net current assets used in the Rate Setting Statement</b>	1,302,110	0	1,364,143

## 21. FINANCIAL RISK MANAGEMENT

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

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

	Carrying Value		Fair Value	
	2019	2018	2019	2018
<b>Financial Assets</b>				
Cash and cash equivalents	421,338	1,672,502	421,338	1,672,502
Trade Receivables	1,173,662	1,268,812	1,173,662	1,268,812
Financial assets	1,605,613	0	1,605,613	
Other loans and receivables - self supporting loans	0	173,708	0	173,708
	<b>3,200,613</b>	<b>3,115,022</b>	<b>3,200,613</b>	<b>3,115,022</b>
<b>Financial Liabilities</b>				
Trade Payables	291,873	414,696	291,873	414,696
Borrowings	697,732	758,702	697,732	758,702
	<b>989,605</b>	<b>1,173,398</b>	<b>989,605</b>	<b>1,173,398</b>

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

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

### (a) Interest rate risk

#### Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
<b>2019</b>					
Cash and cash equivalents	0.44%	421,338		153,328	268,011
Financial assets at amortised cost - term deposits	2.40%	1,380,038	1,380,038		
<b>2018</b>					
Cash and cash equivalents	1.90%	1,672,502	1,177,375	400,023	95,104

#### Sensitivity

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

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

	2019	2018
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	1,533	4,000

\* Holding all other variables constant

**Borrowings**

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs.

The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings.

Details of interest rates applicable to each borrowing may be found at Note 13(b).

## 21. FINANCIAL RISK MANAGEMENT (Continued)

### (b) Credit risk

#### Trade Receivables

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

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. 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 applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2018 or 1 July 2019 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors. There are no material receivables that have been subject to a re-negotiation of repayment terms.

The loss allowance as at 30 June 2019 and 1 July 2018 (on adoption of AASB 9) was determined as follows for rates receivable. No expected credit loss was forecast on 1 July 2018 or 30 June 2019 for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2019</b>					
Rates receivable					
Gross carrying amount	420	38,231	22,158	63,322	123,483
Loss allowance	5,470	2,473	974	3,735	12,651

#### 01 July 2018

Rates receivable					
Gross carrying amount	1,193	42,312	17,449	56,808	117,205
Loss allowance	2,473	974	3,735		7,182

The loss allowance as at 30 June 2019 and 1 July 2018 (on adoption of AASB 9) was determined as follows for sundry receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2019</b>					
Sundry Receivables					
Expected credit loss	0.00%	0.00%	0.00%	8.30%	
Gross carrying amount	1,004,829	5,391	891	26,992	1,038,103
Loss allowance	0	0	0	2,240	2,240

#### 01 July 2018

Sundry Receivables					
Expected credit loss	0.00%	0.00%	0.00%	43.67%	
Gross carrying amount	1,141,273	2,552	1,761	23,435	1,169,022
Loss allowance	0	0	0	10,234	10,234

## 21. FINANCIAL RISK MANAGEMENT (Continued)

### (c) Liquidity risk

#### Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 13(c).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b>2019</b>					
Payables	291,873			291,873	291,873
Borrowings	64,099	290,546	343,087	697,731	697,731
	355,972	290,546	343,087	989,604	989,604
<b>2018</b>					
Payables	414,696			414,696	414,696
Borrowings	60,969	276,959	420,772	758,701	758,701
	475,665	276,959	420,772	1,173,397	1,173,397



## 22. TRUST FUNDS

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

In previous years, bonds and deposits were held as trust monies. They are now included in Restricted cash at Note 3 and shown as a current liability at Note 12.

	1 July 2018	Amounts Received	Amounts Paid	Reclassification to Restricted Cash	30 June 2019
	\$	\$	\$		\$
Deposits - Town Hall	800	300	0	(1,100)	
Deposits - Community Bus	900	1,800	(1,500)	(1,200)	
Deposits - Rec Ctr & EFP	2,962	2,100	(2,700)	(2,362)	
Deposits - Animal Trap	0	100	(100)	0	
BCITF	0	560	(560)	0	
Deposit - Community Gym Key	2,190	2,130	(1,320)	(3,000)	
Building Services Levy	0	1,749	(1,749)	0	
Nomination Deposits	160	0	0	(160)	
Other Deposits	3,679	3,150	(150)	(6,679)	
Unclaimed Monies	1,733	0	0	(1,733)	
Transport Licensing	14,862	10,427	(14,862)	(10,427)	
Deposit - Refuse Site Key	20	0	0	(20)	
In Lieu of Public Open Space	8,200	0	0		8,200
Staff Christmas Fund	9,030	12,700	(17,670)	(4,060)	
Cemetery Shelter Contributions	8,000	0	0	(8,000)	
	52,536	35,016	(40,611)	(38,741)	8,200

## 23. INITIAL APPLICATION OF AUSTRALIAN 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 inconsequential changes associated with the amendment of existing standards, the only new standard with material application is AASB 9 *Financial Instruments*.

### AASB 9 Financial instruments

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual reporting periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Shire applied AASB 9 prospectively, with an initial application date of 1 July 2018. The adoption of AASB 9 has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with AASB 9.7.2.15, the Shire has not restated the comparative information which continues to be reported under AASB 139.

There were no adjustments as a result of adopting AASB 9.

#### (a) Classification and measurement

Under AASB 9, financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (fair value through OCI) or fair value through profit or loss (fair value through P/L). The classification is based on two criteria: the Shire's business model for managing the assets; and whether the assets' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Shire's business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on financial assets are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

## 23. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

The classification and measurement requirements of AASB 9 did not have a significant impact on the Shire. The following are the changes in the classification of the Shire's financial assets:

- Trade receivables and Loans and advances (i.e. Other debtors) classified as Loans and receivables as at 30 June 2018 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Financial assets at amortised cost beginning 1 July 2018.

- The Shire did not designate any financial assets as at fair value through profit and loss.

### (b) Impairment

The adoption of AASB 9 has fundamentally changed the Shire's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the Shire to recognise an allowance for ECLs for all financial assets not held at fair value through P/L. Upon adoption of AASB 9, the Shire did not recognise any additional impairment on the Shire's Trade receivables.

**24 CHANGE IN ACCOUNTING POLICY**

On 1 July 2018 Paragraph 17A (5) was inserted into Local Government (Financial Management) Regulations 1996

The regulation stated an asset is to be excluded from the assets of a local government if the fair value of the asset at the date of acquisition by the local government is under \$5 000.

The adoption of the regulation constitutes a change in accounting policy. Due to the effect on the financial statements not being material, the Shire did not retrospectively apply the changes in accounting policy arising from the new regulations and has not restated comparative figures

During the year assets with a fair value at the date of acquisition of under \$5,000 and purchased prior to 1 July 2018 have been excluded from the assets of the Shire and expensed in the Statement of Comprehensive Income

The effect of the adjustment at 1 July 2018 is detailed below:

<b>Statement of Financial Position (Extract)</b>	<u><b>01 July 2018</b></u> \$
Property, plant and equipment	33,526
Infrastructure	4,126
Net assets	<u>37,652</u>
Retained Earnings	33,360
Revaluation Surplus	4,292
Total equity	<u>37,652</u>

<b>Statement of Comprehensive Income (Extract)</b>	<u><b>2019</b></u> \$
<i>By Nature or Type</i>	
Small Assets expensed	33,360
<i>By program</i>	
Other Property & Services	33,360
<b>Total comprehensive income for the period</b>	<u><b>(33,360)</b></u>

## 25 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE YEARS

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.

This note explains management's assessment of the new and amended pronouncements that are relevant to the Shire, the impact of the adoption of AASB 15 *Revenue from Contracts with Customers*, AASB 16 *Leases* and AASB 1058 *Income for Not-for-Profit Entities*. These standards are applicable to future reporting periods and have not yet been adopted.

### (a) Revenue from Contracts with Customers

The Shire will adopt AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the Shire will adopt the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. The Shire is in the process of assessing the impact on future financial years.

### (b) Leases

The Shire will adopt AASB 16 retrospectively from 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions of AASB 16, the Shire will apply this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB 16 recognised on 1 July 2019. In applying the AASB 16 under the specific transition provisions chosen, the Shire will not restate comparatives for prior reporting periods.

On adoption of AASB 16, the Shire will recognise lease liabilities in relation to leases which had previously been classified as an 'operating lease' applying AASB 117. These lease liabilities will be measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate on 1 July 2019.

On adoption of AASB 16, the Shire will recognise a right-of-use asset in relation to a lease which had previously been classified as an 'operating lease' applying AASB 117. This right-of-use asset is to be measured as if AASB 16 had been applied since its commencement date by the carrying amount but discounted using the lessee's incremental borrowing rate as on 1 July 2019.

On adoption of AASB 16 Leases (issued February 2016), for leases which had previously been classified as an 'operating lease' when applying AASB 117, the Shire is not required to make any adjustments on transition for leases for which the underlying asset is of low value. Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5).

In applying AASB 16 for the first time, the Shire will use the following practical expedient permitted by the standard.

- The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

## 25 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE YEARS (Continued)

### (c) Income For Not-For-Profit Entities

The Shire will adopt AASB 1058 *Income for Not-for-Profit Entities* (issued December 2016) on 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the Shire will adopt the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods shall not be restated in accordance with AASB 1058 transition requirements.

In applying AASB 1058 retrospectively with the cumulative effect of initially applying the Standard on 1 July 2019 changes will occur to the following financial statement line items by application of AASB 1058 as compared to AASB 1004 Contributions before the change:

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance give rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 the prepaid rates will be recognised as a financial asset and a related amount recognised as a financial liability and no income recognised by the Shire. When the taxable event occurs the financial liability will be extinguished and the Shire will recognise income for the prepaid rates that have not been refunded.

Assets that were acquired for consideration, that were significantly less than fair value principally to enable the Shire to further its objectives, may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value.

## 26. PRIOR PERIOD ERROR

### Infrastructure Valuation: Drainage

In the 2017/2018 financial year the Shire valued Infrastructure assets except Drainage. In accordance with Reg 17 asset valuations must include all components of the asset class being valued. As a result the Drainage assets were supposed to be valued in the 2017/2018 financial year.

The Shire has valued the Drainage assets at 30 June 2019 and has not restated comparative figures as it would be impracticable to obtain a valuation amount at 30 June 2018 for a valuation performed on 30 June 2019.

### Loss on revaluation of Assets

In the 2015/2016 financial year the Shire had plant and equipment assets revalued in accordance with Reg 17. This revaluation resulted in a reduction in value of this asset class in excess of the positive balance in the plant and equipment revaluation reserve account. This was incorrectly reported as a negative revaluation reserve balance as at 30 June 2016. As per AASB 116, any decreases in carrying amount in excess of revaluation reserve must be recognised in the entity's profit and loss.

To correctly disclose, the Shire has reinstated the affected balances in the Statement of Financial Position as well as provided further details below.

Statement of Financial Position (Extract)	30 June 2018 \$	Increase/ (Decrease) \$	30 June 2018 (Restated) \$	30 June 2017 \$	Increase/ (Decrease) \$	01 July 2017 (Restated) \$	30 June 2016 \$	Increase/ (Decrease) \$	01 July 2016 (Restated) \$
Retained surplus	34,793,675	(478,112)	34,315,563	30,342,324	(478,112)	29,864,212	28,647,268	(478,112)	28,169,156
Revaluation surplus	85,607,706	478,112	86,085,818	28,440,512	478,112	28,918,624	27,845,244	478,112	28,323,356
	120,401,381	0	120,401,381	58,782,836	0	58,782,836	56,492,512	0	56,492,512

## 27. 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.



## 28. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
<b>GOVERNANCE</b> To provide a decision making process for the efficient allocation of resources.	Includes costs associated with elected members, the running costs of the Administration building and associated clerical staff, records management and computer operation costs.
<b>GENERAL PURPOSE FUNDING</b> To collect revenue to allow for the provision of services and facilities for the community.	Includes rate revenue and associated costs, general purpose government grants, costs associated with the repayment of Council loans, including reimbursement from government bodies and community organisations, as well as interest earned on Council investments.
<b>LAW, ORDER, PUBLIC SAFETY</b> To provide services to help ensure a safer and environmentally conscious community.	Includes costs associated with fire prevention and control, control of dogs, cats and other animals, abandoned vehicles, enforcement of associated local laws and other aspects of public safety including emergency services.
<b>HEALTH</b> To provide an operational framework for environmental and community health.	Includes costs associated with providing doctor, maternal and infant health services, analytical expenses ie water sampling, and the running of the Regional Health Scheme together with the Shire of Williams.
<b>EDUCATION AND WELFARE</b> To provide services and facilities to the elderly, disadvantaged, children and youth of the community.	Includes costs associated with providing a building for daycare, administering and running of the Wagin Home and Community Care Program, including Community Aged Care Packages and some assistance to Wagin Frail Aged Lodge.
<b>COMMUNITY AMENITIES</b> To provide required essential services for the community.	Includes provision for the collection and disposal of residential, commercial and industrial refuse, provide an effective waste recycling service, ongoing maintenance of the Wagin Cemetery and running costs associated with providing public conveniences.
<b>RECREATION AND CULTURE</b> To establish and effectively manage infrastructure, resources and provide opportunities which will help the social well-being of the community.	Includes costs associated with public halls, the Wagin Memorial Swimming Centre, Wagin Recreation Centre, sportsground maintenance and sportsground buildings/ facility maintenance, the provision of recreational services and programs, library services together with a contribution towards the costs associated with the running of the Wagin Woolorama.
<b>TRANSPORT</b> To provide safe, effective and efficient transport services to the community.	Includes construction and maintenance of Council's Infrastructure assets including roads, bridges footpaths, parking facilities, townscape, street trees and street lighting. Also, improvements to Council's plant and the provision of aircraft landing facilities and their associated costs.
<b>ECONOMIC SERVICES</b> To help promote the Shire and its economic wellbeing	Includes area promotion, tourism, economic and community development, control of declared flora and fauna, the Rural Town's programme, Landcare, LCDC projects, ongoing maintenance of the Wagin Caravan Park, building control and the provision of standpipes.
<b>OTHER PROPERTY AND SERVICES</b> To monitor and control Council's overhead operating accounts and other miscellaneous items.	Includes private works, town planning schemes and the provision for new residential developments, materials in store, costs associated with employment of the outside works crew, costs associated with the running of all Council plant and other unclassified revenue and expenses.

## 29. FINANCIAL RATIOS

	2019 Actual	2018 Actual	2017 Actual
Current ratio	3.76	2.73	2.21
Asset consumption ratio	0.98	0.99	0.96
Asset renewal funding ratio	3.63	1.16	0.40
Asset sustainability ratio	1.32	4.94	1.63
Debt service cover ratio	13.38	11.30	14.71
Operating surplus ratio	(0.32)	0.03	0.26
Own source revenue coverage ratio	0.53	0.62	0.46

The above ratios are calculated as follows:

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



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

#### To the Councillors of the Shire of Wagin

#### Report on the Audit of the Financial Report

##### **Opinion**

I have audited the annual financial report of the Shire of Wagin which comprises the Statement of Financial Position as at 30 June 2019, 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, except for the effects of the matters described in the *Basis for Qualified Opinion* section of my report, the annual financial report of the Shire of Wagin:

- (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 2019 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 Qualified Opinion**

The balances for infrastructure assets at 30 June 2018 are not comparable to the balances at 30 June 2019. Infrastructure assets totalling \$99,668,745 had been revalued at 30 June 2018 in accordance with Regulation 17A of the Local Government (Financial Management) Regulations 1996, except for drainage assets which were valued at 30 June 2019 for \$3,416,594. Consequently, the previous auditor issued a qualified opinion on the 2018 balance.

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 annual 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 annual financial report, which describes the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the Shire's annual 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 an annual financial report that is free from material misstatement, whether due to fraud or error.

In preparing the annual 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 Responsibilities for the Audit of the Financial Report***

The objectives of my audit are to obtain reasonable assurance about whether the annual 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 annual 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 annual 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 annual 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 annual financial report, including the disclosures, and whether the annual 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) In my opinion, the following material matter indicates a significant adverse trend in the financial position of the Shire:
  - a. The Operating Surplus Ratio has been below the Department of Local Government, Sports and Cultural Industries basic standard for the past 3 years. The financial ratios are reported in Note 29 of the annual financial report.
- (ii) 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 review of the appropriateness and effectiveness of the Shire's financial management systems and procedures was not completed by the CEO at least once every three financial years, as required by section 5(2)(c) of the Local Government (Financial Management) Regulations 1996.
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.
- (v) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

### **Other Matter**

The annual financial report of the Shire for the year ended 30 June 2018 was audited by another auditor who expressed a qualified opinion on that annual financial report. The financial ratios for 2017 and 2018 in Note 29 of the audited annual financial report were included in the supplementary information and/or audited annual 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 Wagin for the year ended 30 June 2019 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 annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this annual financial report. If users of the annual 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 annual financial report to confirm the information contained in this website version of the annual financial report.

  
SANDRA LABUSCHAGNE  
ACTING AUDITOR GENERAL  
FOR WESTERN AUSTRALIA  
Perth, Western Australia  
// February 2020

**FEASIBILITY STUDY  
REPORT**

SPORTSGROUND and RECREATION  
PRECINCT MASTERPLAN

for



DECEMBER 2019

## TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY</b> .....	3
<b>1.0 INTRODUCTION</b> .....	5
<b>2.0 NEEDS ASSESSMENT SUMMARY</b> .....	5
<b>2.1 Key findings</b> .....	5
<b>2.2 Failed Facilities</b> .....	6
<b>2.3 Future needs</b> .....	6
<b>3.0 DESIGN BRIEF</b> .....	9
<b>4.0 SOLUTIONS MATRIX</b> .....	11
<b>5.0 PRECINCT MASTER PLAN OPTIONS 1 to 4</b> .....	12
<b>6.0 ORDER OF PROBABLE COST OPTIONS 1 to 4</b> .....	24
<b>7.0 PRECINCT MASTERPLANS 1 TO 4 - REJECTION</b> .....	29
<b>8.0 PRECINCT MASTERPLAN OPTION 5</b> .....	31
<b>8.1 Option 5 Masterplan detail</b> .....	33
<b>8.2 Option 5 Sports Hub detail</b> .....	33
<b>8.3 Option 5 Notes of caution</b> .....	35
<b>9.0 ORDER OF PROBABLE COST – OPTION 5</b> .....	36
<b>10.0 MANAGEMENT STRUCTURE AND GOVERNANCE</b> .....	38
<b>11.0 FUNDING OPTIONS</b> .....	39
<b>12.0 IMPLEMENTATION PLAN</b> .....	39
<b>12.1 Sports Hub Development</b> .....	39
<b>12.2 Woolorama Facility Improvements</b> .....	40
<b>13.0 RECOMMENDATIONS</b> .....	41
<b>14.0 ATTACHMENTS</b> .....	42

## EXECUTIVE SUMMARY

The Shire of Wagin engaged CCS Strategic in association with ADC Projects to prepare a masterplan for the redevelopment the Wagin Sportsground and Recreation Precinct. This precinct is home to many of the Wagin's sporting clubs and is the site for the Agricultural Society's annual Woolorama event, arguably the most significant event on Wagin's annual calendar.

The changing nature of the community, the local economy, community expectations and the ageing of multiple facilities within the precinct has caused the Shire to investigate opportunities improvements across the precinct. Despite numerous attempts to prepare a definitive redevelopment plan, including a community facilities study in 2011, the lack of consensus surrounding development direction has hampered the process.

The needs analysis report (part 1 of this study) reviewed a variety of previous development options (A, B C and D) for the precinct. A program of research, engagement and analysis was then undertaken to inform the range of development options that should be considered, and a series of new master plans, options 1, 2, 3 and 4, were devised addressing the expressed needs.

A draft feasibility report and the new master plans together with an order of probable cost for each option were presented to Council and community for consideration and comment. Feedback from the workshop presentations was then considered. The tennis and bowls clubs advised they had no desire to relocate to the Golf Course to create a Country Club and the Shire issued an instruction to create a new tennis, bowls, cricket and hockey social hub and associated playing facilities. This is a new option, not previously presented.

The final master plan, now presented as Option 5, provides this new social hub at the eastern end of the precinct for cricket and hockey - with playing surfaces remaining on the main oval - and for tennis and bowls, focused on new synthetic surface playing facilities to be established around the clubhouse. This option provides for the use of the tennis courts as a synthetic turf training facility for hockey, noting that inherent in this design is a decision not to pursue the development of a full-size synthetic hockey pitch.

Option 5 shows that the site can accommodate the footprint of the proposed facilities. Caution is issued, however, noting that the exact location of the new pavilion and playing facilities is subject to site survey and the location of existing services. The area could potentially be impacted by service runs requiring easements. Additionally, the proposed sporting hub development will sit across multiple land parcels. It is recommended that these parcels be amalgamated into one parcel suitable for lease and that further boundary rationalisation be undertaken to simplify land holdings for the Shire, the Agricultural Society and those parcels in joint or trust ownership.

The new social hub requires the demolition of the old scout hall building, currently used as a clubroom by hockey and cricket and as the security HQ during Woolorama. There is unanimous support for the removal of this building. The new social hub also requires demolition of the adjacent education pavilion and grandstand. There had been some support for this building to be demolished or at least repurposed and refurbished.

We remain firmly of the view that the economic viability of Woolorama is essential to the town and the future accommodations within the precinct need to protect their future growth and operational requirements. Development options for the staging of Woolorama are shown in Option 5. Masterplans 1 to 4 proposed the extension of Rifle North Road to Arthur Road as a means of rationalising traffic flows during Woolorama. This road construction option has been replaced with the extension of Kitchener Street (the main east-west link through the precinct) further west to connect to Great Southern Highway as part of the Shire instruction. Our records show the affected land is owned freehold by the Agricultural Society. Should this road be approved and constructed it would be appropriate to acquire the site, effect a land swap or secure perpetual right of access to the community.



The replacement of the existing Merino and British Breeds pavilions with a new combined pavilion adjacent to a new site entry gate, remains part of the masterplan; and the area currently occupied by the sheep pavilions is released to create an entertainment and food and beverage service hub. The Ray Johnson pavilion, previously considered for replacement, is to be retained. The existing horse stalls for trotting are proposed for demolition, to be replaced with new multipurpose stalls that serve both trotting and cattle displays during Woolorama.

The new social hub renders the existing tennis and bowls facilities redundant. The Pony Club is identified as a potential user of the existing tennis clubhouse, however, there is no immediate tenant or alternative purpose identified for the bowls clubhouse. Both the tennis courts and the bowling greens will become unserviceable and redundant in the short term and are best removed. The Pony Club may consider relocating their dressage arena onto the existing tennis courts to give viewing from the clubhouse prior to covering the arena.

Further studies should be undertaken to repurpose or redevelop the areas currently occupied by the bowls and tennis facilities.

## 1.0 INTRODUCTION

The Shire of Wagin engaged CCS Strategic in association with ADC Projects to prepare a masterplan for the redevelopment the Wagin Sportsground and Recreation Precinct. This precinct is home to many of the Wagin's sporting clubs and is the site for the Agricultural Society's annual Woolorama event, arguably the most significant event on Wagin's annual calendar.

The changing nature of the community, the local economy, community expectations and the ageing of multiple facilities within the precinct has caused the Shire to investigate opportunities improvements across the precinct. Despite numerous attempts to prepare a definitive redevelopment plan, including a community facilities study in 2011, the lack of consensus surrounding development direction has hampered the process.

The needs analysis report (part 1 of this study) reviewed a variety of development options (A, B C and D) that had previously been prepared for the precinct. A program of research, engagement and analysis was then undertaken to inform the range of development options that should be considered, and a series of new master plans were devised addressing the expressed needs.

A draft feasibility report and new master plan options, 1 to 4 together with an order of probable cost for each option were presented to Council and community for consideration and comment. Feedback from the workshop presentations was then considered including an instruction from the Shire regarding the creation of a new tennis, bowls, cricket and hockey social hub and associated playing facilities. This is a new option, not previously presented.

The final master plan, now presented as Option 5, provides a new social hub at the western end of the precinct for cricket and hockey (focused on the main oval) and tennis and bowls, requiring new synthetic surface playing facilities to be established around the clubhouse. This option proposes the use of the tennis courts as a synthetic turf training facility for hockey, noting that inherent in this design is a decision not to pursue the development of a full-size synthetic hockey pitch. Future development options for Woolorama are shown in Option 5, however, the extension of Rifle North Road as a means of rationalising traffic flows during Woolorama has been replaced with the proposed extension of Kitchener Road as the main east-west link through the precinct all the way to Great Southern Highway.

## 2.0 NEEDS ASSESSMENT SUMMARY

The full detail of the Needs Assessment can be read in the report for part 1 of the study. It is summarised here to provide easy reference for the feasibility assessment that follows.

### 2.1 Key findings

- Wagin has a population of just 1,865<sup>1</sup> residents which is forecast to diminish over time
- The Wagin community has an average age of 49, compared to the state average of 36
- Wagin has a surfeit of community facilities, many are underutilized, many are ageing
- The Shire and the community see a need to improve the sportsground precinct
- A key focus for the community is to establish a social hub for sporting groups
- Woolorama is a key economic, social and cultural undertaking for the town and its needs are integral to the future of the precinct

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<sup>1</sup> ABS Census 2016

- Successful showgrounds around the nation are easy to navigate and characterised by large pavilions with diverse and flexible accommodations
- Key considerations for the precinct masterplan include function and amenity for all patrons and conditions, ease of access and movement throughout the precinct and recognition of the character of the precinct and its context within the town.
- Wagin offers suitable facilities for participation in all the top 16 activities as recorded by AusPlay2 (except surfing), albeit some facilities are ageing and in need of repair or replacement
- The local community significantly exceeds average participation rates in all measured activities, except for golf.
- AFL has the highest participation rate with 120 players representing 6.4% of the community.
- The traditionally Australian nature of the community is echoed by the fact that there is no soccer played in Wagin, despite it being the most popular team sport in the state.
- Despite a desire to establish a synthetic turf for hockey the community is unable to demonstrate a capacity to maintain the facility and acknowledges that it would harm the viability of the turf in Narrogin

## 2.2 Failed Facilities

There are several facilities within the precinct that are acknowledged by the community to be at or nearing the end of their useful design life. Decisions must be taken to remove, refurbish or replace them. The number preceding each item refers to the location plan included as attachment 1.

1a. Cricket pitch in main oval	41. Public toilet blocks a and b
2. Bowling green B	42. CWA dining room
3. Synthetic tennis courts	43. Stockman's bar
4. Tennis hit-up wall	44. Merino pavilion
31. Trotting association stables	45. British breeds pavilion
34. First aid room	Sports lighting to main oval
39. Education pavilion	Broadcast / Commentators box

## 2.3 Future needs

The following needs were identified in the part 1 report and have been acknowledged and affirmed by the community during presentation of the Needs Assessment Report.

Activity	Facility requirements
Holistic view	<p>To develop a social hub in the community, preferably within the sportsground precinct (includes a licensed premise)</p> <p>Sportsground precinct needs to respond to both the operational needs of the annual Woolorama event and the day to day needs of the resident clubs</p> <p>Precinct facilities need to be actively managed/coordinated to optimise use</p> <p>A larger more attractive children's playground</p>

<sup>2</sup> Sport Australia participation survey in sport and physical activity

	Enhanced facilities for caravan and camping – power, water, sullage Rationalisation of the Shire's numerous heritage buildings that are underutilised and expensive to maintain
Darts	Licensed venue with 4 boards – exclusive use or quiet space for competition days
Agricultural Society	New pavilions for Merinos and British Breeds with grassed display arenas Improved traffic management plan for bump-in days Replacement of old scout hall (security operations) Replacement of Exhibition building/grandstand (education) Creation of clear pedestrian flows to anchor displays Beautification of the precinct Site masterplan that links operation to vision (refer to workshop summary)
Bowls	Replacement of Green A now Replacement of Green B within 5-10 years Aim for 8-10 rinks under lights Refurbishment or replacement of the Clubhouse Interested in shared/combined use
RSL	No future requirements – potential amalgamation into social hub
Pony	Covered dressage arena Retention of stock yards and washdown bays Clubhouse improvements or alternative clubhouse accommodation Readily accessible float parking area Potential accommodation for RDA
Netball	Vinyl floor repair in recreation centre sports hall
Tennis	6 (ideally 8) lit synthetic turf courts – required within 5 years Improved or alternative clubhouse facilities Hit-up wall Children's playground area
Basketball	No facility improvements required for indoor play – remove external hardcourts
Youth Centre	Ongoing improvements as funds permit
Rodeo	No requirements specified to date
Cricket	New synthetic turf wicket Improved Clubhouse facilities Spectator proximity clubhouse to playing field
Hockey	Synthetic turf playing field – lit Improved Clubhouse facilities with changerooms and showers Spectator proximity clubhouse to playing field
Football	Improved drainage in south west corner of the grassed playing field New commentary box – shared with Trots
Trotting	Replacement of existing 80 stables/ stalls Additional 20 stalls to make 100 in total New commentary/judges' box – shared with football Upgraded track lighting – to be shared with football and supported by RWWA
CWA	Ongoing maintenance of main clubhouse and sportsground precinct buildings
Historical Village	Ongoing maintenance and improvements within the Village site. Opportunity to establish a permanent vintage caravan display as part of the Village
District Club	No future requirements – potential amalgamation into social hub

Golf Club	Lack of membership is hampering ambition – dam needs work to allow reticulating the course
Gun Club	Collection and removal of lead shot waste
Overflow caravan and camping facilities for events	Rationalisation of existing amenities and layout within the precinct to provide <ul style="list-style-type: none"> <li>• Additional powered sites</li> <li>• Water connection points</li> <li>• Sullage dump point</li> <li>• Ablution block</li> </ul>

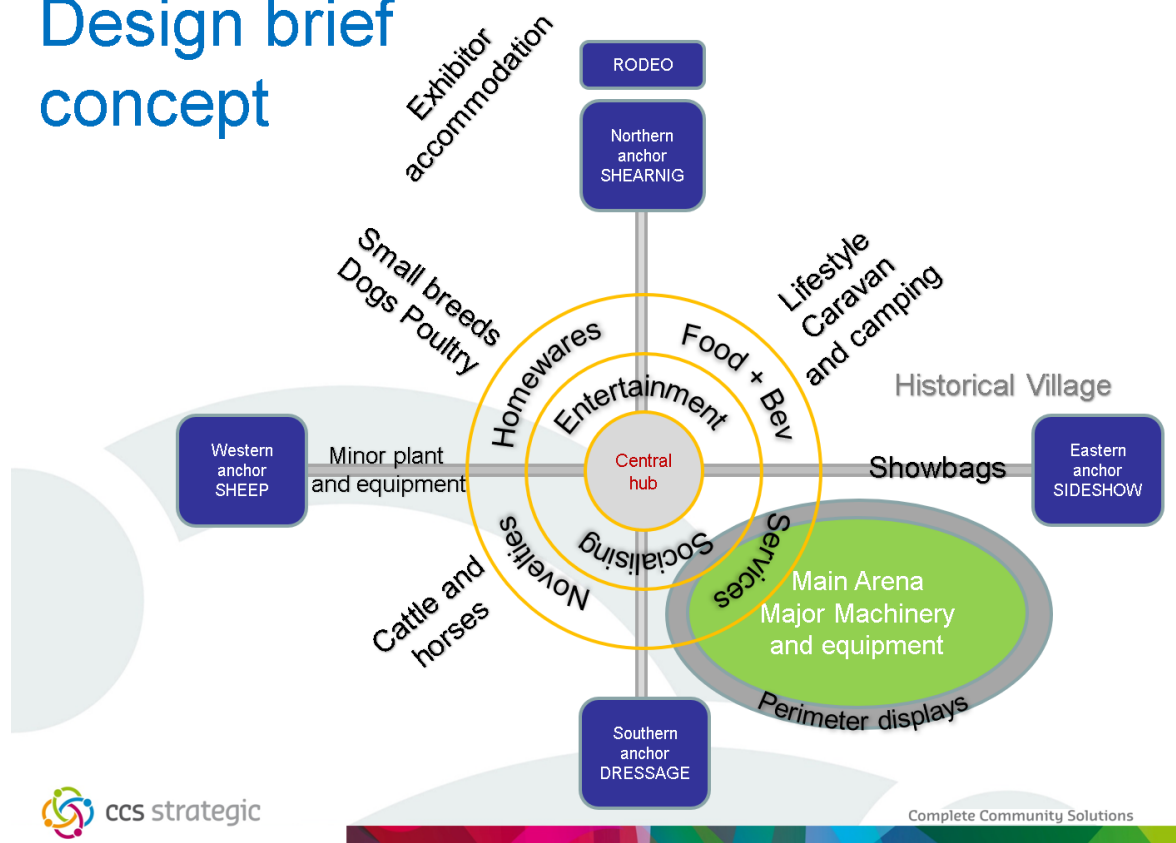
### 3.0 DESIGN BRIEF

The following description was developed as part of the Needs Assessment report and provided to ADC Projects for design interpretation.

#### Overview

- Create a highly legible and easily accessible and trafficable sportsground precinct that allows for the future growth and development of Woolorama as a priority
- Identify a series of anchor activity nodes that highlight Woolorama attractions within the precinct
- Create a central hub for social activity including food and beverage services and entertainment
- Consolidate sporting activity where possible, particularly in regard to shared use social facilities.

## Design brief concept



#### Exclusions

- It was generally agreed that the precinct master plan would not seek to accommodate a full size synthetic hockey turf due to the size imposition, the initial capital cost, the annual operational and eventual surface replacement cost, as well as the likely adverse effect on the neighbouring Narrogin turf.
- Due to its poor condition, the old scout hall (currently used as a hockey / cricket pavilion and as the security service headquarters during Woolorama) is to be demolished immediately without consideration of replacement.

## **Inclusions**

New elements proposed to be added to the precinct include:

- Formal welcoming entry statements at the gates, particularly for Woolorama
- A dedicated service access point for livestock, separate to the public traffic flow
- Seating, shade and shelter along pedestrian routes within the precinct
- New horse stalls – additional 20 to achieve 100 on site
- Clearly defined areas and services (power, water, drainage) for exhibitor camping

## **Improvements**

The following items are proposed to be included in the master plan

- Shelter over the equestrian dressage arena
- Trotting track / sports field lighting upgrade
- Drainage to the south western corner of the main oval
- Replace vinyl floor in the recreation centre sports hall
- Refurbished tennis clubhouse
- Refurbished bowls clubhouse
- Refurbished equestrian Clubhouse

## **Replacements**

- Bowling green – new 40m x 40m (8 rink) lit synthetic grass green proposed
- Tennis courts – 6-8 new lit synthetic grass courts proposed
- Horse stalls – replace existing 80 stalls
- Commentators / Judges box
- Synthetic cricket wicket
- Merino pavilion
- British breeds pavilion
- Education pavilion and grandstand
- First aid station – new facility in alternative location

## 4.0 SOLUTIONS MATRIX

Design consideration	Solution 1	Solution 2
Create a highly legible and easily accessible and trafficable sportsground precinct that allows for the future growth and development of Woolorama as a priority	Establish north-south and east-west axes for pedestrian access and separate service vehicle route	Formalise existing roads and pathways
Identify a series of anchor activity nodes that highlight Woolorama attractions within the precinct	N - shearing S - equestrian E - sideshow W - sheep	Alternative anchors to be identified
Create a central hub for social activity including food and beverage services and entertainment	Remove sheep pavilions to the west	Combine both pavilions as one
Consolidate sporting activity where possible, particularly with regard to shared use social facilities.	Football cricket and hockey to share recreation centre	Cricket and hockey to share Eric Farrow pavilion
	Combine tennis and bowls in existing tennis clubhouse	Relocate tennis and bowls to Golf club to create a country club
Inclusions	Solution 1	Solution 2
Formal welcoming entry statements at the gates, particularly for Woolorama	Common entry gate design for all active entrances	Designates 'main entry' design different to others
A dedicated service access point for livestock, separate to the public traffic flow	Use entry 1 for all livestock delivery	Create new livestock entry on Rifle North Rd
Seating, shade and shelter along pedestrian routes within the precinct	Create service nodes along axes	Add trees or shade shelters with seats
New horse stalls – additional 20 to achieve 100 on site	Remove from current location	Horse stalls serve as Woolorama cattle stalls
Clearly defined areas and services (power, water, drainage) for exhibitor camping	Set power and water supply points in amongst trees to create defined camping bays	Add common dump and drainage points

Improvements	Solution 1	Solution 2
Shelter over the equestrian dressage arena	Cover existing arena	Relocate arena as southern anchor
Trotting track / sports field lighting upgrade	As proposed	Focus lighting on active playing fields in winter season



Drainage to the south western corner of the main oval	Remediate by regular top dressing	Remediate by installing ag drains
Replace vinyl floor in the recreation centre sports hall	When funding is available	
Refurbished tennis clubhouse	Refurbish in-situ	Relocate to Golf Club
Refurbished bowls clubhouse	Refurbish in-situ	Relocate to Golf Club
Refurbished equestrian Clubhouse	Relocate adjacent to arena	Take-over tennis clubhouse
Replacements		
Bowling green – new 40m x 40m (8 rink) lit synthetic grass green proposed	Replace in-situ	Relocate to golf Club
Tennis courts – 6-8 new lit synthetic grass courts proposed	Replace in-situ	Relocate to golf Club
Horse stalls – replace existing 80 stalls	Extend existing cattle stalls	Build new stalls complex
Synthetic cricket wicket	Replace in-situ	Install in football oval
Merino pavilion	Relocate west	Relocate west as one large pavilion
British breeds pavilion	Relocate west	
Education pavilion and grandstand	Convert Merino pavilion for education	Use marquee for the Woolorama event
First aid station	New facility in alternative location	Area in a proposed new building
Security headquarters	Use existing tennis clubhouse	Use existing bowls clubhouse
Other considerations		
Landscaping and precinct seating	Make use of natural shade and plant more trees – add seats	Install shade shelters – add seats

## 5.0 PRECINCT MASTER PLAN OPTIONS 1 to 4

Four alternative precinct master plans (1, 2, 3 and 4) were prepared based on the design brief and solutions matrix described above and presented to the Council and the community. A series of additional design options were also presented including the addition of changerooms to the Eric Farrow pavilion to accommodate cricket and hockey, a precinct landscaping plan, a proposal to rationalise the multitude of land parcels through a process of amalgamation and boundary adjustments, and a concept for the relocation of bowls and tennis to the golf club.

These design options are shown below.

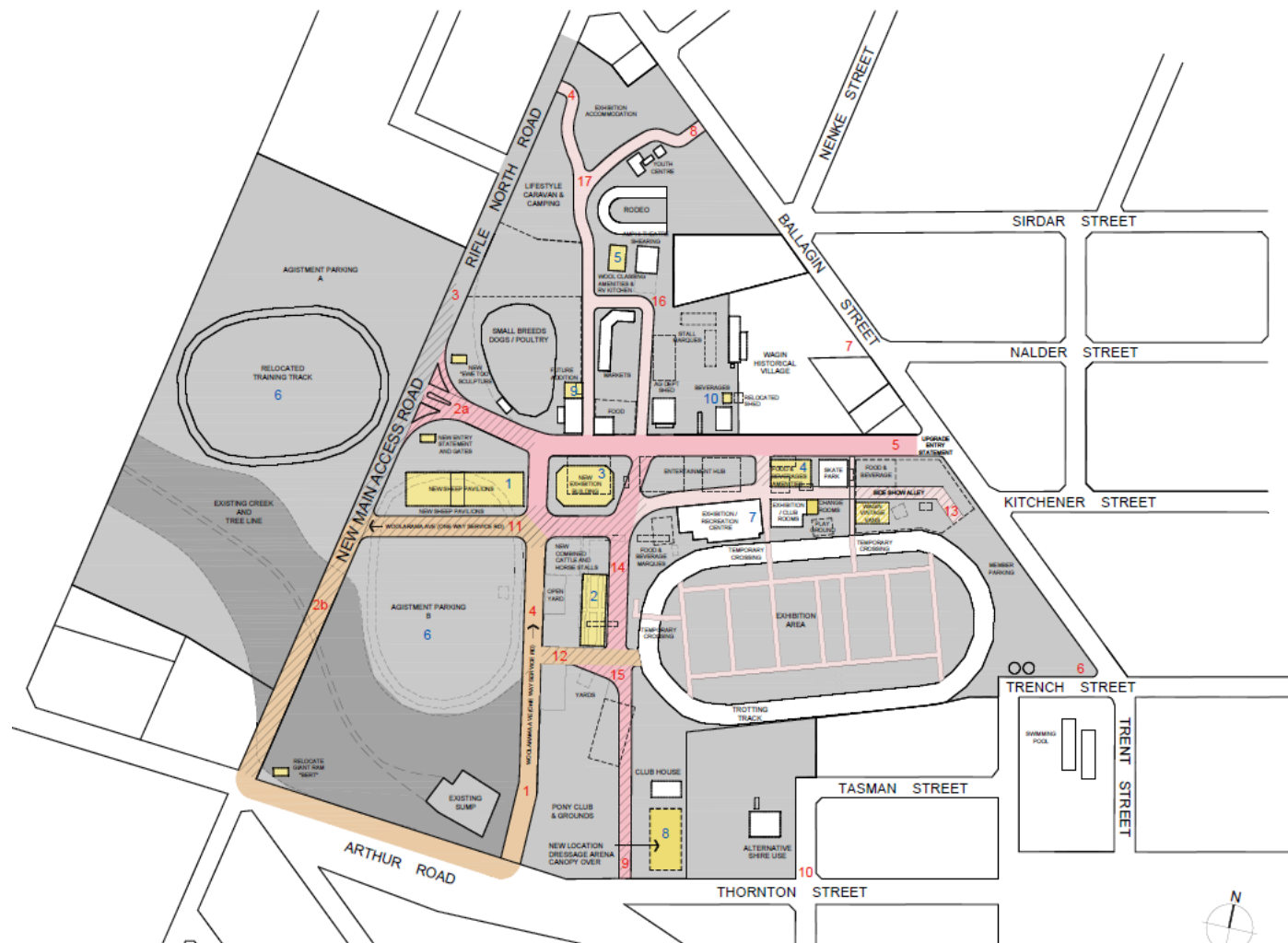
Consistent across all precinct master plan options are the following design elements. The numbers shown against the design elements are those on the masterplan options shown below or the site map and precinct legend included as an attachment.

1. Alternations and improvements to the road network
  - (2a) Creation of a new T junction and western entry to the precinct
  - (2b) Southerly extension of Rifle North Road to Arthur Road
  - (11) Creation of Woolorama Ave running east-west, a one-way service road connecting from the rear of the Ray Johnson Pavilion to Rifle North Road
  - (12) Formalisation of a service road linking the main arena to the north-south leg of Woolorama Ave
  - (13) Easterly extension of the internal service road running between the basketball courts and the Education Pavilion to service the proposed side show alley location
  - (14) Upgrade of the internal road running north-south through the existing trotting stables area from Kitchener Street to the new (12) service road
  - (15) Creation of a service road extending from the main arena south to Thornton Street for options 1 and 4 or south and east to Tasman Street for options 2 and 3
  - (16) Minor upgrades (reseal) to the service road extending north from Kitchener Street to the Shearing Pavilion and turning west
  - (17) Formalisation of the road extending north from Kitchen Street to the Rodeo Arena, Youth Centre and gates 4 and 8.
2. Demolition of existing infrastructure
  - (6) Dressage arena – only if it is to be relocated
  - (29) Equestrian clubhouse – function to relocate to existing tennis clubhouse
  - (31) Horse stalls – trotting, to be replaced with multipurpose stalls
  - (34) First Aid Room – to be replaced with a permanent facility
  - (40) Old scout hall/ cricket-hockey pavilion – function to relocate to Rec Centre or Eric Farrow pavilion
  - (41b) Public toilet block – to be replaced with new facilities in new buildings
  - (41c) Public toilet block – to be replaced with new facilities in new buildings
  - (42) CWA building – to be replaced with new hospitality hub facilities
  - (43) Stockman's bar – to be replaced with new hospitality hub facilities
  - (44) Merino Pavilion – to be replaced with new combined sheep pavilion 1
  - (45) British Breeds pavilion – to join Merinos in new combined sheep pavilion 1
  - (46) Ray Johnson Pavilion – to be replaced with new larger contemporary exhibition pavilion
3. Proposed future developments
  - (1) Construction of a new Sheep pavilion for both British Breeds and Merinos with a grassed exhibition space on the northern face of the building
  - (3) Construction of a new larger contemporary exhibition building to replace the Ray Johnson pavilion – including new public toilets to replace 41(c)

- (4) Construction of a new U-shaped hospitality hub for food and beverage services comprising kitchen and large cool rooms for food and beverage storage on the middle section and multiple service counters on the legs of the U, food to the right and drinks to the left opening onto some permanent and some temporary shaded alfresco areas
- (5) Construct a new wool classing pavilion located adjacent to the Shearing Pavilion to co-locate 'wool off the sheep' activities
- (6) Relocation of the equestrian training track to the west of Rifle North Road
- (7) Construct changeroom facilities at Eric Farrow to accommodate cricket and hockey using Eric Farrow as a clubhouse
- (8) Relocated equestrian arena from existing location and orientation to either align north-south for improved road access (Option 4), or relocate to existing tennis courts to allow viewing from the new pony clubhouse (Options 1 and 2)
- (8) Roof over equestrian arena in all options
- (9) Extended poultry pavilion to cater for additional exhibitors or exhibit types
- (10) Relocated shed to assist with boundary adjustments
- (11) Relocated Skate park to make improve alignment to youth activities on site:  
Option 2 – near the youth centre at gate 8  
Option 3 – near the swimming pool at gate 6

The key variations among the design options 1, 2, 3 and 4 relate to:

- (11) The position of the Skate Park
- (8) The position of the Equestrian Arena – and the associated alignment of road 15
- (7) The use of the Eric Farrow Pavilion for cricket and hockey (which requires the addition of changerooms) or the Recreation Centre (which requires some modifications to the existing changerooms)
- (12) The refurbishment and extension of the existing Bowls Clubhouse to accommodate Bowls and Tennis
- (13) The construction of a new 8 rink lit synthetic surface bowling green
- (14) The construction of 6 new lit synthetic surface tennis courts adjacent to the expanded bowls clubhouse
- (WCC) the proposal to relocate bowls (construct a new 8 rink lit synthetic green) and tennis (6 lit synthetic courts) to the golf course to create a Country Club with minor modifications to the existing clubhouse.



**LEGEND - ROAD TYPES**

- PASSENGER & COMMERCIAL VEHICLES
- HEAVY SERVICE VEHICLES
- PEDESTRIAN PRIORITY
- NEW ROADS

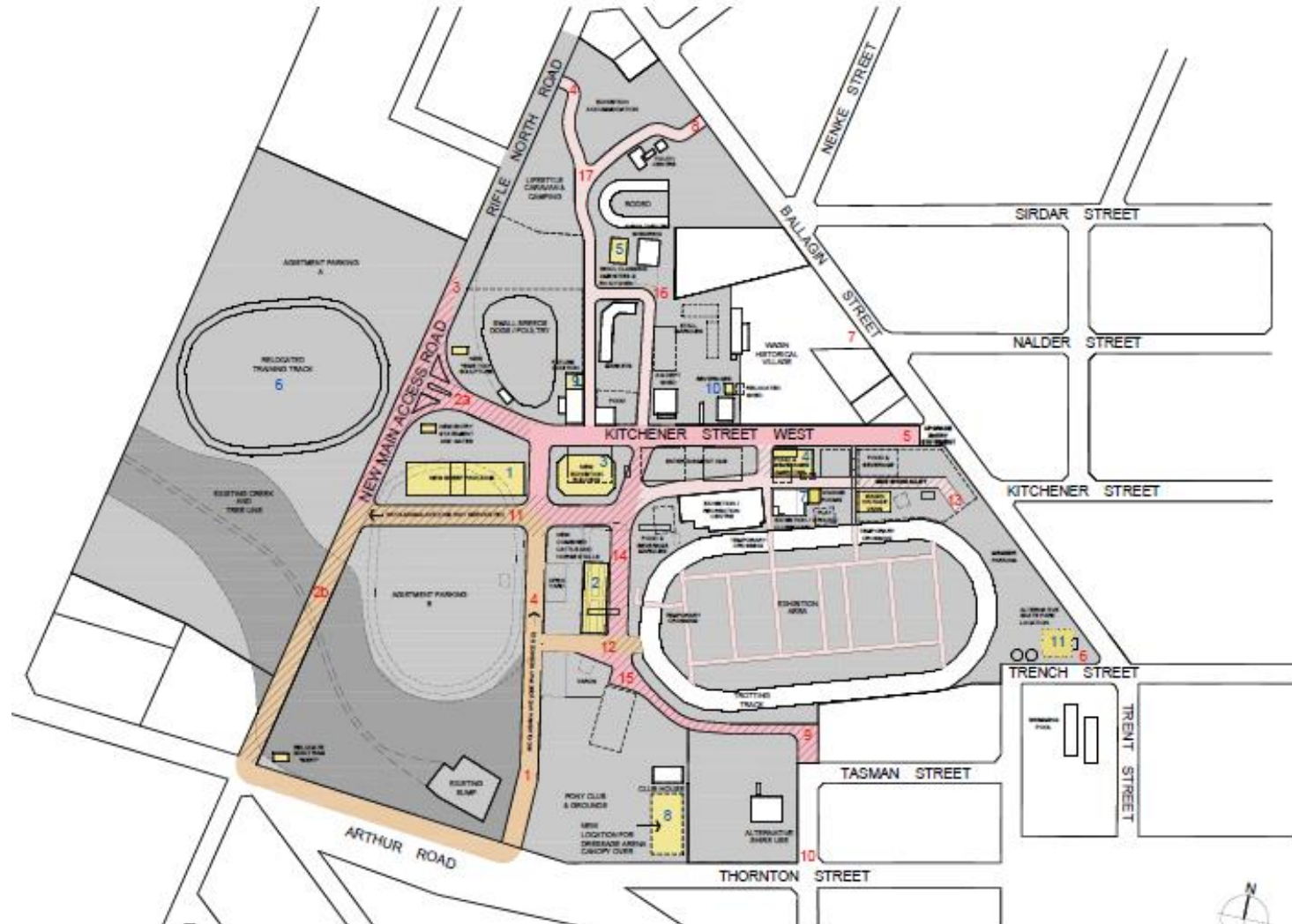
**aac projects**  
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 West Perth 6005  
 Western Australia  
 T: +61 (08) 9227 5353  
 E: admin@aacprojects.com.au

**OPTION 1**  
 DRESSAGE ARENA RELOCATED TO THORNTON ST  
 SKATE PARK RETAINED  
 ERIC FARROW PAVILION MODIFIED  
 TENNIS & BOWLING RELOCATED TO GOLF CLUB  
 ROAD LINK FROM THORNTON ST

**MASTER PLAN - WOOLARAMA** SITE PLAN 1:2000 at A1

**WAGIN SPORTSGROUND & RECREATION PRECINCT DEVELOPMENT MP 01.02**

OCTOBER 2019



LEGEND - ROAD TYPES

- PASSENGER & COMMERCIAL VEHICLES
- HEAVY SERVICE VEHICLES
- PEDESTRIAN PRIORITY
- NEW ROADS

**adc projects**

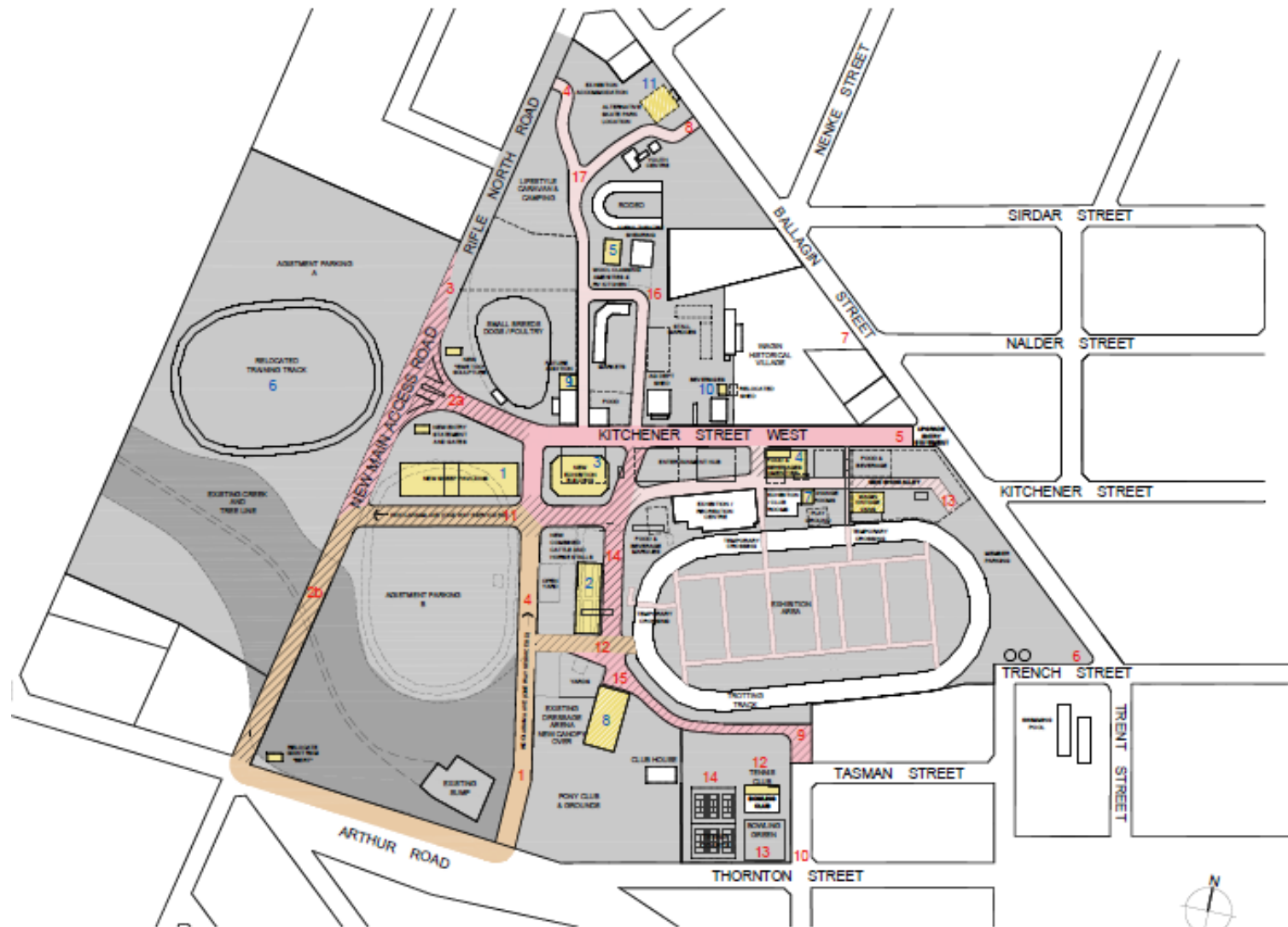
381 Newcastle Street  
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**OPTION 2**

ERIC FARROW PAVILION MODIFIED.  
SKATE PARK RELOCATED ADJACENT POOL.  
DRESSAGE ARENA RELOCATED TO THORNTON ST.  
ROAD LINK FROM TASMAN ST  
TENNIS & BOWLING RELOCATED TO GOLF CLUB.

**MP 01.02**  
OCTOBER 2019

**MASTER PLAN - WOOLARAMA** SITE PLAN 1:2000 at A1  
**WAGIN SPORTSGROUND & RECREATION PRECINCT DEVELOPMENT**



- LEGEND - ROAD TYPES
- PASSENGER & COMMERCIAL VEHICLES
  - HEAVY SERVICE VEHICLES
  - PEDESTRIAN PRIORITY
  - NEW ROADS

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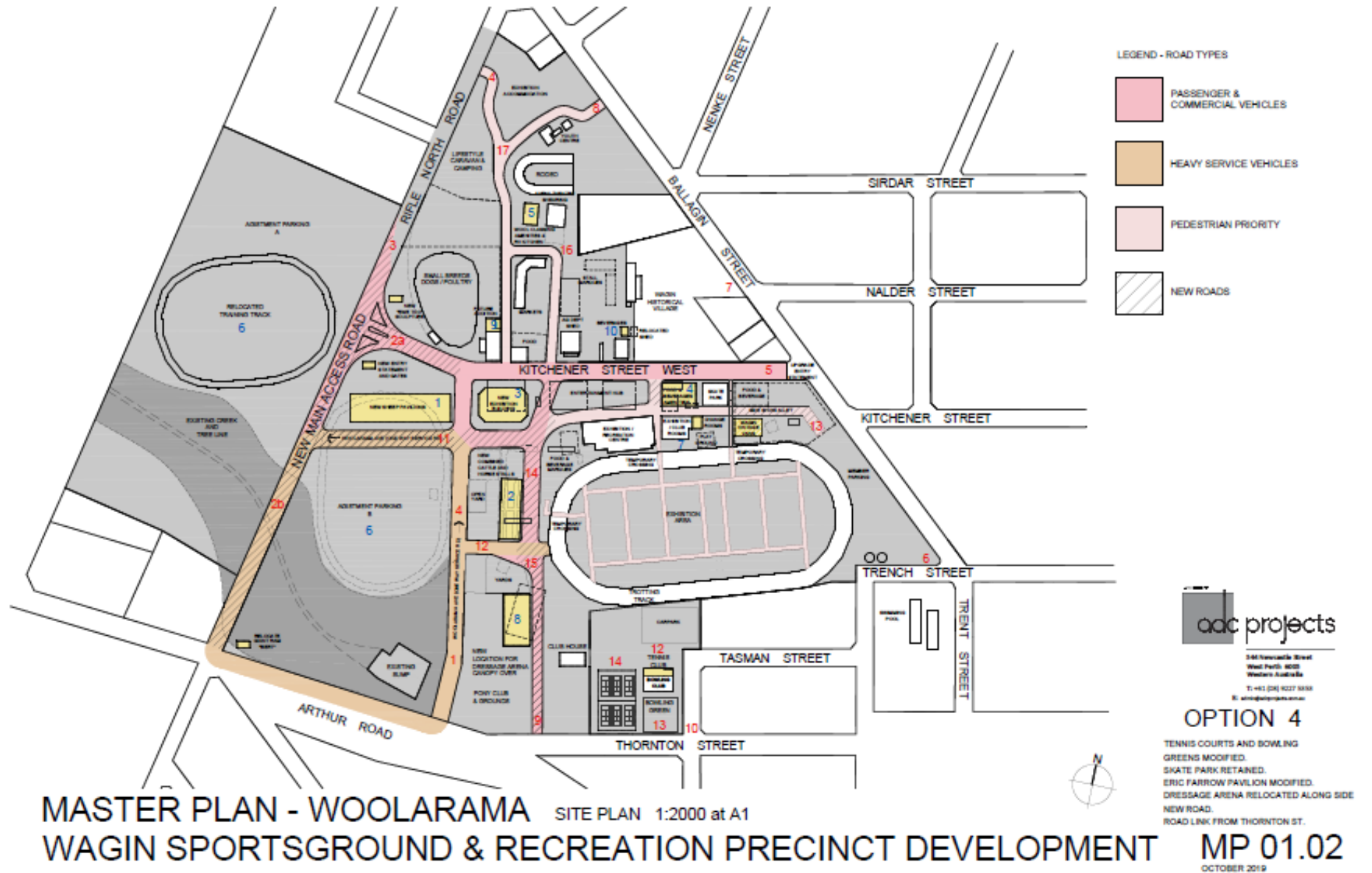
**OPTION 3**

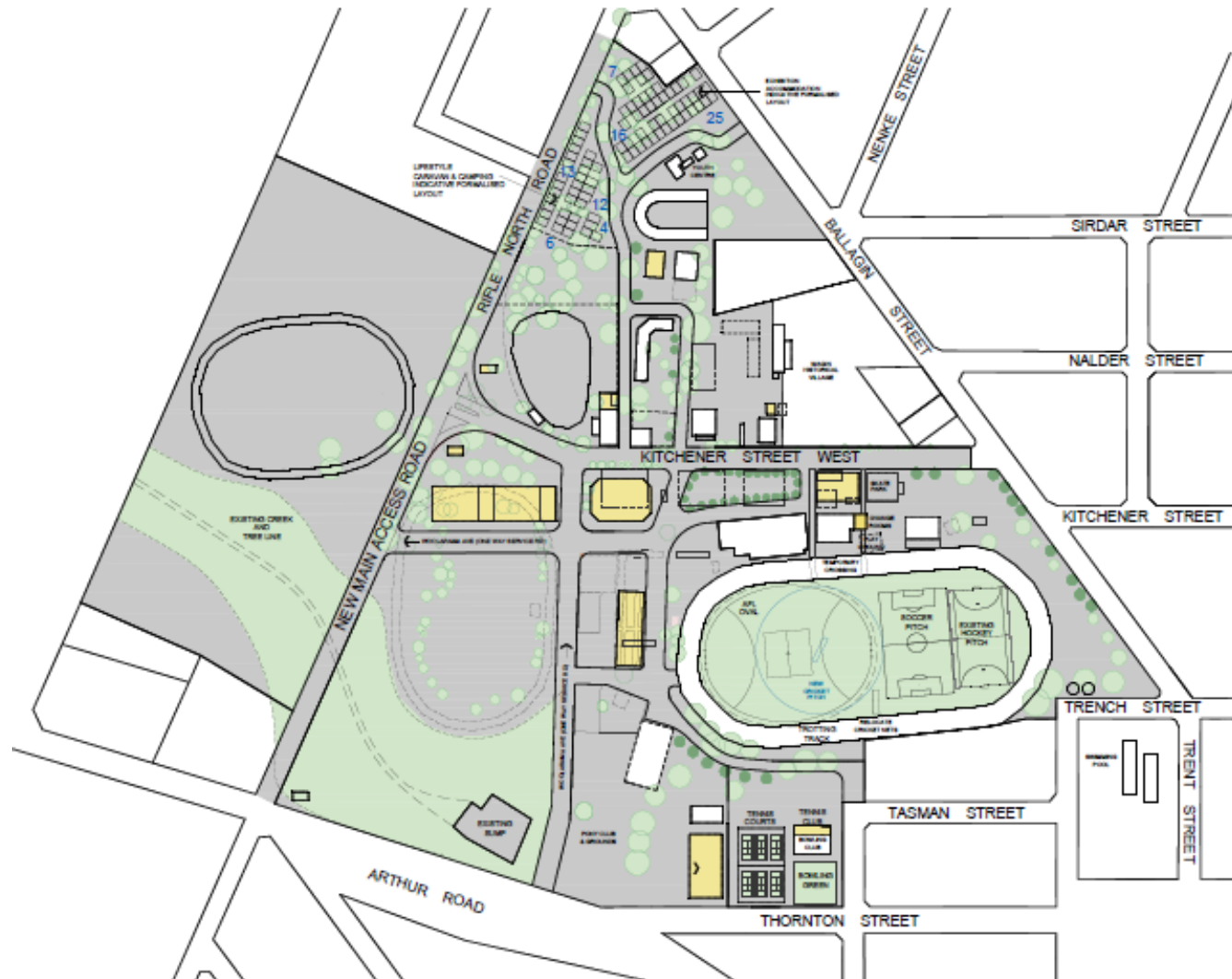
TENNIS COURTS & BOWLING GREENS MODIFIED.  
 ERIC FARROW PAVILION MODIFIED.  
 SKATE PARK RELOCATED TO YOUTH CENTRE.  
 DRESSAGE AREAS COVERED IN CURRENT LOCATION.  
 ROAD LINK FROM TASMAN ST



**MASTER PLAN - WOOLARAMA** SITE PLAN 1:2000 at A1  
**WAGIN SPORTSGROUND & RECREATION PRECINCT DEVELOPMENT**

**MP 01.02**  
 OCTOBER 2019



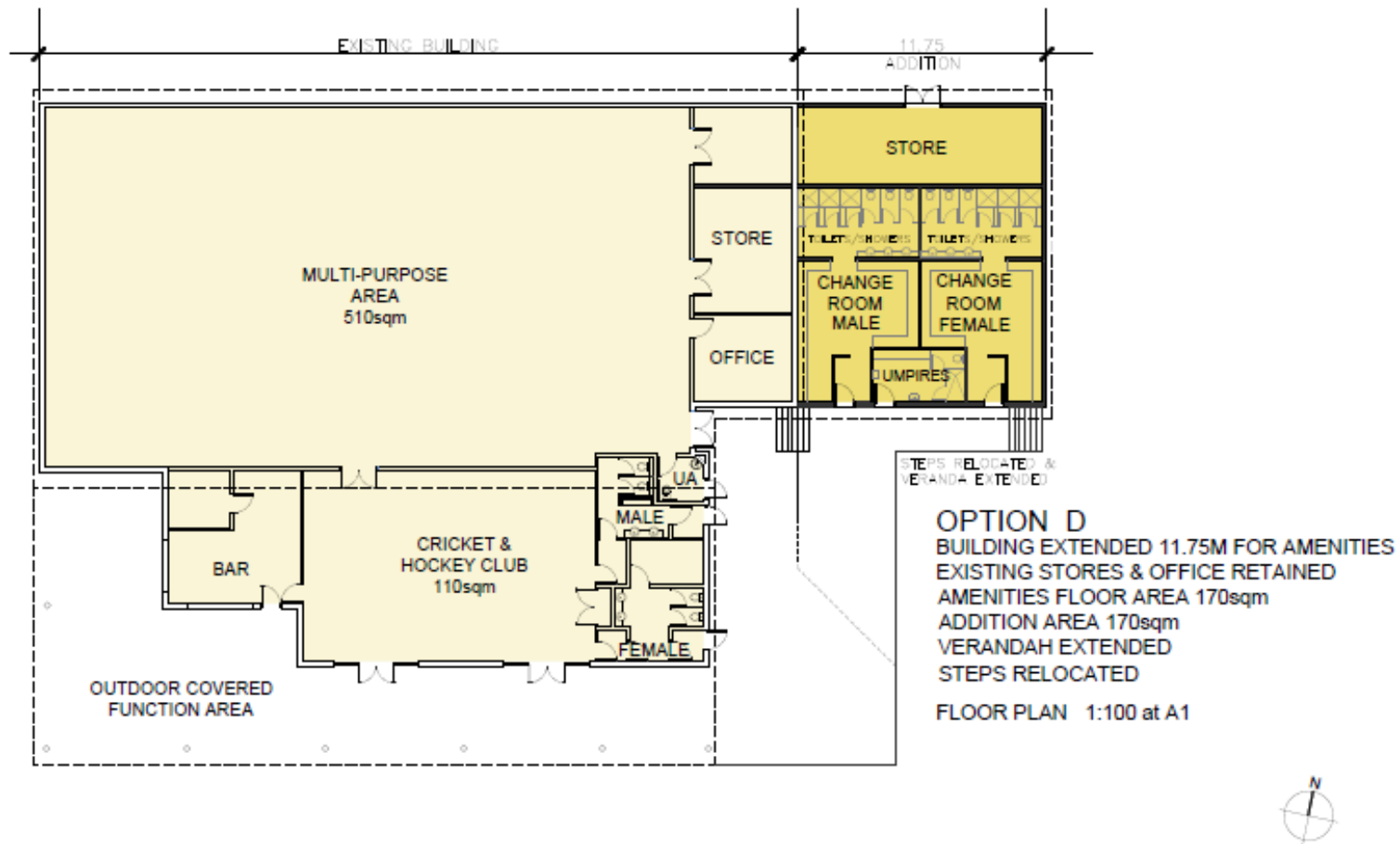


**COMMUNITY & RECREATION USAGE** SITE PLAN 1:2000 at A1  
**WAGIN SPORTSGROUND & RECREATION PRECINCT DEVELOPMENT**

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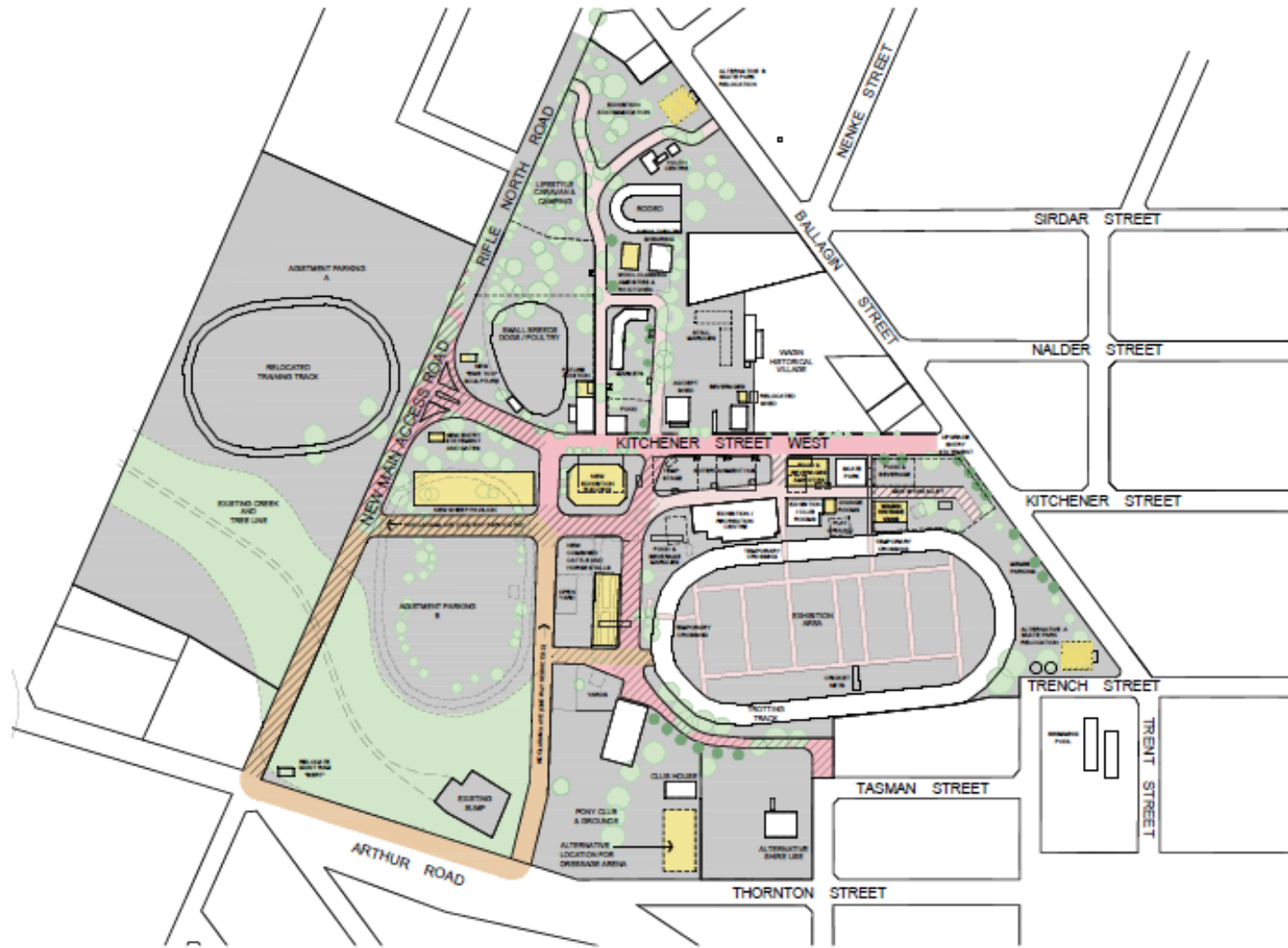
**Sk 03.2**  
 OCTOBER 2019





**AMENITIES FACILITIES - ADDITION TO ERIC FARROW PAVILION  
 COMBINED SPORTS FACILITIES (EXCEPT GOLF)  
 WAGIN SPORTSGROUND & RECREATION PRECINCT DEVELOPMENT**

**SK 02.5**  
 OCTOBER 2019



- LEGEND
- EXISTING TREES
  - NEW TREES
  - EXISTING TREES REMOVED
  - NEW SEATING LOCATIONS (TYPICAL)



TYPICAL SEATING AREAS  
Scale 1:100 at A1

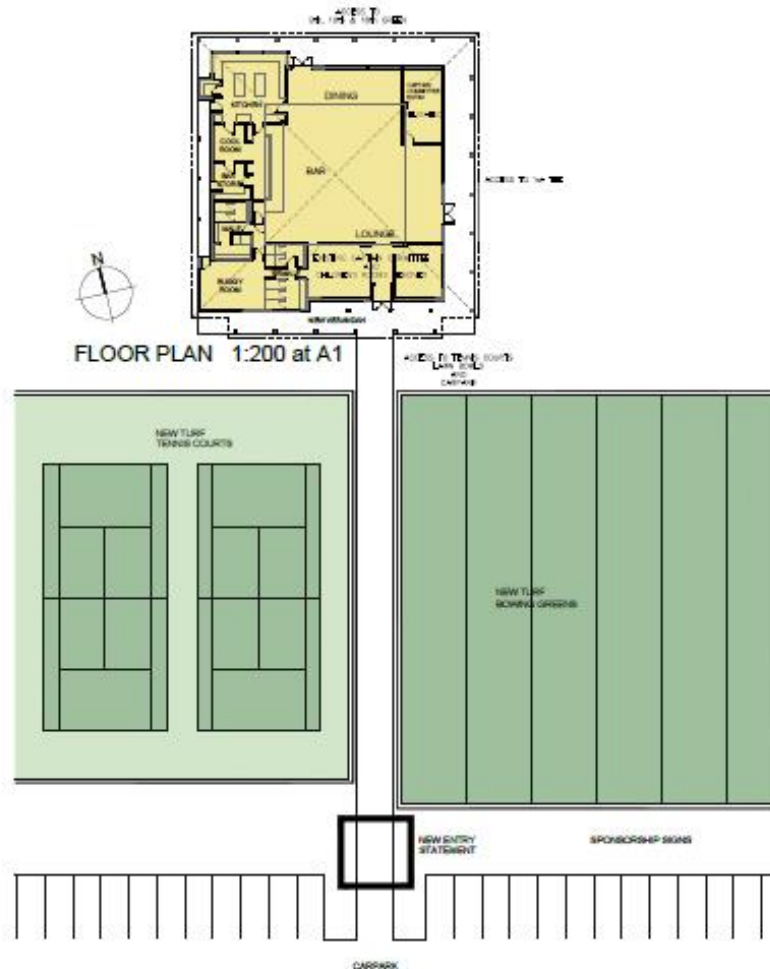
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LANDSCAPING

**MASTER PLAN** SITE PLAN 1:2000 at A1  
**WAGIN SPORTSGROUND & RECREATION PRECINCT DEVELOPMENT** MP 01.02  
OCTOBER 2019





LOCATION PLAN scale 1:1000 on A1



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# PROPOSED WAGIN COUNTRY CLUB DEVELOPMENT OPTION

SEPT 2019  
**SK 01.2**

## 6.0 ORDER OF PROBABLE COST OPTIONS 1 to 4

These precinct masterplans and associated design options were presented to NBQSS quantity surveyors to prepare an order of probable cost. These costs were developed using current Perth construction and materials rates, a project cost multiplier associated with design and construction contingencies, preliminaries, professional fees and project management costs and a regional multiplier associated with transport and other loadings for Wagin.

The schedule below outlines how these project costs have been developed for the various types of work, be they building works or civil works and whether they are part of a tendered works package based on an existing design or associated with a design and construct package.

The project cost multiplier, variously 1.45, 1.38, 1.35 or 1.22, is applied to the Perth unit rates. Because this work would be undertaken in Wagin as opposed to Perth, a regional loading of 20% has been applied, as advised by the Australian Institute of Quantity Surveyors.

Item	Building Works		Civil Works	
	%	Base	%	Base
<b>Full service works - tendered</b>				
		\$ 100.00		\$ 100.00
Preliminaries	10.0%	\$ 10.00	8.0%	\$ 8.00
Design Contingency	10.0%	\$ 11.00	10.0%	\$ 10.80
Contract contingency	5.0%	\$ 6.05	5.0%	\$ 5.94
Professional Fees	8.0%	\$ 10.16	5.0%	\$ 6.24
PM fees	4.0%	\$ 5.08	4.0%	\$ 4.99
General Project Costs	1.5%	\$ 1.91	1.5%	\$ 1.87
Public Art	1.0%	\$ 1.21	-	\$ -
<b>Total</b>		<b>\$ 145.41</b>		<b>\$ 137.84</b>
<b>Project Cost Factor</b>		<b>1.45</b>		<b>1.38</b>
<b>Project management only required – direct contract</b>				
Preliminaries	10.0%	\$ 10.00	-	\$ -
Design Contingency	10.0%	\$ 11.00	10.0%	\$ 10.00
Contract contingency	5.0%	\$ 6.05	5.0%	\$ 5.50
Professional Fees	-	\$ -	-	\$ -
PM fees	4.0%	\$ 5.08	4.0%	\$ 4.62
General Project Costs	1.5%	\$ 1.91	1.5%	\$ 1.73
Public Art	1.0%	\$ 1.21	-	\$ -
<b>Total</b>		<b>\$ 135.25</b>		<b>\$ 121.85</b>
<b>Project Cost Factor</b>		<b>1.35</b>		<b>1.22</b>

### Cost analysis

All four options proposed the extension of Rifle North Road in a southerly direction to connect with Arthur Road and the establishment of a new T-junction entry by extending Kitchener Road to Rifle North Road.

A one-way anti-clockwise livestock service road was proposed making use of the existing entry from Arthur Road with east west connectors to be constructed to service the main arena and proposed new sheep pavilion.

Various internal roads were proposed to be upgraded. The order of probable costs for these works are summarised below. The numbers in the left-hand column relate to the numbers in the masterplan drawings.

Total roadworks internal and external – applies to all 4 options		
1	Left turn only from Arthur Rd to service road entry	82,800
2a	T junction entry	205,758
2b	Make Rifle Road North (RRN)	500,940
11	Connect Service Rd to RRN	163,944
12	Connect Service Rd to Arena	81,972
13	Extend internal road to Sideshow alley	32,292
14	Kitchener Rd to Connector 12 - re sheet	66,240
15	Main arena to Tasman St	208,656
15	Main arena to Thornton St (option not included in total)	156,492
16	Kitchener Rd to Shearing (re-sheet)	59,616
17	Kitchener to Gates 4 and 8	357,696
Total roadworks		1,759,914

The masterplans proposed the establishment of entry statements and /or gates at each of the main entry points to the precinct, particularly the new T-junction entry point on Rifle North Road.

These entry statements were costed allowing for a generic supporting pillar structure with gates and in the instance of the new T-Junction, a sculpture to signify the nature of the precinct. The allowances for these works are in the form of provisional sum items and shown below. The numbers in the left-hand column relate to the gates as depicted in precinct legend in attachment 1.

Entry statements – gates and sculptures – applies to all 4 options		
Gate 1	Relocated Bart Ram	52,200
Gate 2	Main Woolorama entry	101,880
Gate 5	Sports entry	52,200
Gate 8	Exhibitor entry	41,400
Gate 9	Equestrian entry	41,400
Total entry gate improvements		289,080

To make way for new developments within the masterplan, it was anticipated that several existing facilities would require demolition. An order of probable costs was identified to remove the following existing buildings. The numbers in the left-hand column relate to the precinct legend in attachment 1.

Demolition costs – applies to all 4 options		
6	Dressage arena	36,540
29	Equestrian clubhouse	16,545
31	Horse stalls – trotting	13,224
34	First Aid Room	696
40	Old scout hall/ cricket-hockey pavilion	15,660
41b	Public toilet block 41b	8,700
41c	Public toilet block 41c	8,700
42	CWA building	20,827
43	Stockman's bar	6,090
44	Merino Pavilion	43,696
45	British Breeds pavilion	49,381
46	Ray Johnson Pavilion	74,071
Total demolition costs		294,130

Following demolition there would be the opportunity for rationalisation and replacement of old buildings with new. This list was costed. The numbers in the left-hand column relate to the precinct legend in attachment 1.

New buildings – applies to all 4 options		
1	Combined Merino and British breeds (3,500m <sup>2</sup> )	7,308,000
2	Combination horse and cattle stalls (1,750m <sup>2</sup> )	3,045,000
3	Exhibition building (2,500m <sup>2</sup> )	8,047,500
4	Hospitality suite (750m <sup>2</sup> )	2,414,250
5	Wool classing pavilion + RV kitchen (750m <sup>2</sup> )	835,200
6	Relocated equestrian events/training space	177,606
7	Additional changerooms – Eric Farrow (160m <sup>2</sup> )	673,160
8	Relocated equestrian arena – walls, rails and sand	208,656
8	Covered equestrian arena (2,100m <sup>2</sup> )	1,278,900
9	Extended poultry pavilion (250m <sup>2</sup> )	435,000
10	Relocated shed (85m <sup>2</sup> )	14,790
11	Relocated skatepark	1,044,000
Total new building costs		25,482,062

In addition to new buildings there was an array of ancillary improvements that responded to the design brief. These are shown below.

Ancillary improvements - applies to all 4 options	
Temporary track crossing materials (3)	68,310
Site furniture - seating (15)	330,372
Site furniture - shade (6)	49,680
Large tree plantings (22 x 200 litre)	18,216
Landscaping and grassed parade area Pavilion 1	155,001
Entertainment hub stage	91,080
Entertainment hub grass	135,626
Entertainment hub fencing	140,760
Entertainment hub trees (30 x 100 litre)	37,260
Camping area improvements (83 bays)	102,672
<b>Total ancillary improvements</b>	<b>1,128,977</b>

One option to create a sporting hub would be to combine tennis and bowls using the existing bowls clubhouse as a base. There would be a requirement to refurbish the existing building and extend it to appropriately service tennis, build 6 new lit synthetic turf courts adjacent the clubhouse extension and develop an 8-rink lit green in the location of the existing Green B.

If this option was progressed, the relocation of the cricket wicket into the football oval in front of the Eric Farrow pavilion, and the addition of changerooms to this building would accommodate cricket and hockey in a modern facility.

The cost for this exercise is shown below.

Combine bowls and tennis based at the bowling club site	
Combine cricket and hockey based at Eric Farrow pavilion	
6 lit synthetic tennis courts	847,872
8 rink synthetic bowling green	414,000
Lighting to 8 rink green	596,160
Bowls Clubhouse refurbishment (590m <sup>2</sup> )	273,789
Additional social area for tennis (150m <sup>2</sup> )	469,800
Carpark resurfacing (40 bays)	69,552
New synthetic cricket wicket + winter cover	35,769
Drainage improvements to SW corner	107,640
Changerooms to Eric Farrow pavilion	673,160
<b>Total sporting modifications at the bowling club</b>	<b>3,487,742</b>



Continuing with sporting facility rationalisation, the Pony Club is seeking improved clubhouse facilities and to cover their dressage arena. The Pony club could make use of the vacated tennis clubhouse and either leave the dressage arena where it is and cover it, align it in a more north-south axis for improved traffic flow or relocate the arena nearer the clubhouse (ideally onto the existing tennis courts).

Pony Club improvements	
Equestrian arena cover	1,278,900
Relocate arena (limestone blocks , rails and sand)	208,656
Refurbish tennis clubhouse for Pony Club use	85,950
<b>Total Pony Club relocated to Tennis site</b>	<b>1,573,506</b>

If the determination was to relocate tennis and bowls to the golf course and create a country club, there would be the requirement to build 6 new lit synthetic turf courts, develop an 8-rink lit green and modify the existing golf clubhouse to provide viewing over the new playing surfaces. This option is costed below.

Relocate Tennis and Bowls to the Wagin Country Club (WCC)	
6 lit synthetic tennis courts	847,872
8 rink lit synthetic bowling green	1,010,160
Clubhouse modifications	106,549
Road and carpark (98 bays) unsealed	292,163
<b>Total Tennis and Bowls at WCC</b>	<b>2,256,744</b>

Other items costed by the Quantity Surveyor include:

Additional cost items discussed during the study	
Site survey – building and site services pick-up	30,000
Boundary rationalisation and land title amalgamation	10,000
Expanded and improved playground	74,520
<b>Total additional items recommended</b>	<b>114,520</b>

## 7.0 PRECINCT MASTERPLANS 1 TO 4 - REJECTION

The various precinct masterplans (Options 1, 2, 3 and 4) and associated design drawings were presented to the Council and the Community at a series of workshops in October 2019. The workshops provided a series of worksheets where attendees and subsequently interested community members could provide feedback on the design options preferred.

This feedback was received, analysed and is summarised with the following comments.

- The Bowls and Tennis Clubs both made separate submissions declaring they did not wish to relocate to the Golf course to establish a Country Club.
- There was general dismay at the order of probable costs with many suggesting that the proposed works could be achieved at considerably less cost.
- There was a clear distinction between the needs of the Agricultural Society and the desires for Woolorama and the needs and desires of the sporting clubs.
- Most sporting club advocates believed Woolorama improvements should be funded by the Agricultural Society

Survey respondents in the main rejected the majority of the masterplan design options proposed. There was further variation and divided opinion on when works should occur when classified as short, medium or long term requirements, although it is noted that numerous elements that were rejected by the majority were recorded as short term need.

These items were supported.

- Replacement of the first aid building with a more appropriate permanent facility
- Demolition of the Old Scout hall
- Replacement of the horse stalls with new multipurpose stalls for trotting and Woolorama purposes
- Rationalisation and improvements to public toilets on the site
- Development of a new 8 rink synthetic grass bowling green – but not lighting
- Construction of 6 new lit synthetic grass tennis courts
- New cricket wicket with winter cover (if required)
- Drainage improvements to S-W corner playing fields

The feedback is summarised below.

Wagin Sportsground and Recreation Precinct Masterplan - Community Feedback					
<b>A</b>	<b>Create one-way service road</b>	No	Yes	When (S, M, L)	Comment
1	Make one way - left turn only - median and signage	19	7	2M	we can do this cheaper
<b>B</b>	<b>Create new main entry</b>	No	Yes	When	Comment
2	Establish T junction and roadworks	19	6	S, 2M	we can do this cheaper
2a	Install entry gates/statement and Ewe-Too sculpture	23	3	2M	local artist to do
2b	Construct Rifle Road North	19	8	S, M	
<b>C</b>	<b>Establish service connector roads</b>	No	Yes	When	Comment
11	Connect Service Rd to RRN	20	5	S	
12	12 Connect Service Rd to Main Arena	20	6	M, L	
13	Extend internal road to sideshow alley	22	4	M	
14	Connect Kitchener Rd to Main Arena	22	5	S, L	
15	Connect Main Arena to Thornton St	22	4	S	
15	Connect Main Arena to Tasman St	16	3		
16	Resurface Kitchener Rd to Shearing Pavilion	15	12	M, L	
17	Bituminise Kitchener to Youth Centre (Gates 4 and 8)	21	4	M	

<b>D</b>	<b>Demolition works</b>	No	Yes	When	Comment
6	Dressage arena - for relocation	21	2+?	M	only if all equestrian relocated
29	Equestrian clubhouse	13	9+?	S, M	maybe - up to pony club
31	Horse stalls - trotting	12	11	3S, M	
34	First Aid Room	12	13	4S	refurbish
40	Old scout hall/ cricket-hockey pavilion	7	19	3S, M	
41	Public toilet block 41a		1	M	
41	Public toilet block 41b	11	13	2S, M	refurbish - only demolish if replaced
41	Public toilet block 41c	13	11	2S, M	refurbish
42	CWA building	18	6	S, M, L	refurbish
43	Stockman's bar	19	6	S, M, L	refurbish
44	Merino Pavilion	17	6	S, 2M	Ag society - offer salvage for free demolition
45	British Breeds pavilion	16	7	M	Ag society - offer salvage for free demolition
46	Ray Johnson Pavilion	19	3	M	Ag society determination
<b>E</b>	<b>New structures</b>	No	Yes	When	Comment
1	Combined sheep pavilions	12	7	2, 4M	Ag society task - at considerably less cost
2	Combined horse and cattle stalls	17	7	S, 4M	Ag society task - at considerably less cost
3	Exhibition building	21	2	3M	Ag society to undertake - not necessary
4	Hospitality - F&B suite	19	5	S, 2M, L	Ag society to undertake
5	Wool classing pavilion	22	2	2M	Ag society to undertake
6	Relocated equestrian events space	20	3	2M	Ag society to undertake
7	Expanded changeroom facilities - Eric Farrow	20	6	S, 2M	Ag society to undertake
8	Relocated equestrian arena	20	3	2M	Ag society to undertake
8	Covered to equestrian arena	21	3	2M	Ag society to undertake
9	Extended poultry pavilion	22	2	M, L	Ag society to undertake
10	Relocated shed	19	1	M	not sure
11	Relocated Skate park	22	5	S, 2M	easy to access right spot where it is
<b>F</b>	<b>Ancillary improvements - Refer Landscaping Plan</b>	No	Yes	When	Comment
	Temporary track crossings	17	6	3S	2 can be done cheaper
	Site furniture along pedestrian routes	16	5	3S	maybe - by Ag society
	Shade shelters along pedestrian routes	14	9	3S	maybe - by Ag society - \$10K worth
	Tree lined avenue along 14, 15 and 17 (200 L trees)	18	5	2S	Ag society to undertake
	Grassed area at front of New 1	19	1	S, M	Ag society to undertake
	Landscaping in entertainment hub				Ag society to undertake
	Stage	15	4	2M	Ag society to undertake
	Grass	15	4	2M	Ag society to undertake
	Fencing	18	3	2M	Ag society to undertake
	Medium trees (100 L potted)	14	5	S	Ag society to undertake
	Enhanced playground	13	6	S	not necessary
	Site survey	17	4	S	No need
	Boundary rationalisation	18	1		No need
<b>G a</b>	<b>Sporting improvements - Precinct</b>	No	Yes	When	Comment
12	Bowls clubhouse refurbishment	13	10	S	asap
12	Bowls clubhouse new equipment	13	9	S	asap
12	Bowls clubhouse extension to include tennis	13	8	S	asap
13	New 8 rink bowling green - synthetic grass	9	14	S	asap
13	Lighting to new 8 rink bowling green	10	13	S	asap
14	New 6 lit synthetic grass tennis courts	8	14	S	asap
15	New cricket wicket with winter cover	7	14	S	asap - leave where it is
	Drainage improvements to S-W corner playing fields	9	12	S	asap
	Reseal carpark	13	8	S	asap
<b>G b</b>	<b>Sporting improvements - Country Club</b>	No	Yes	When	Comment
	New 6 lit synthetic grass tennis courts	23	2		
	New 8 rink lit bowling green - Grass	23	2		
	96 carbays + 2 disabled bays	23	1		
	Entry statement	23	1		
	Access road (east)	21	2		
	Access road (west)	21	2		
	Add new verandah	22	1		
	Add new entry doors and windows	22	1		
	Remove existing walls and doors	22	1		
	Floor coverings	22	1		
	Access path to Clubhouse	22	1		
	New golf captain and committee room	22	1		
	Allowance for sundry redecorations	22	1		

## 8.0 PRECINCT MASTERPLAN OPTION 5

It was apparent from the feedback that the master plan options 1 through 4 as presented did not adequately respond to community need, in particular, to the ambition to create a sporting hub within the precinct.

The Shire Councillors and senior staff, understanding and responding to this sense of dissatisfaction subsequently provided instruction to the consultants regarding the creation of a new sporting hub. The instruction is detailed below.



### Wagin Sportsground Precinct Redevelopment – Council Feedback/Position Council Meeting 26<sup>th</sup> November 2019

Option 1 is the preferred option of Council with the following significant changes

- Build a new pavilion, tennis courts and bowling green and the eastern end of the showground as per shown on plan, this will cater for cricket, hockey, tennis and bowls.
- New Changerooms at the Eric Farrow Pavilion is not required.
- Council supports the new sportsground/showground road network, including the formation of Rifle North Road as a long-term strategy for the precinct. However, an alternative option to building Rifle Street North would be to continue on with Kitchener Street to the West through the new entry to Reeves Rd/Great Southern Highway (road to Narrogin)
- New Entry statements is not considered a priority.
- The existing Bowling Club and Tennis Club Land (excluding tennis club house) could be flagged for future aged care (Cottage) homes or other community use as required by the community and deemed by Council.

This instruction, which rejects the notion of a sporting hub at the golf course (Options 1 and 2) or at the bowls club (Options 3 and 4) and proposes a new social hub at the eastern end of the precinct. It is proposed to occupy the site of the old scout hall, old basketball courts, education pavilion and public toilet block 41(a).

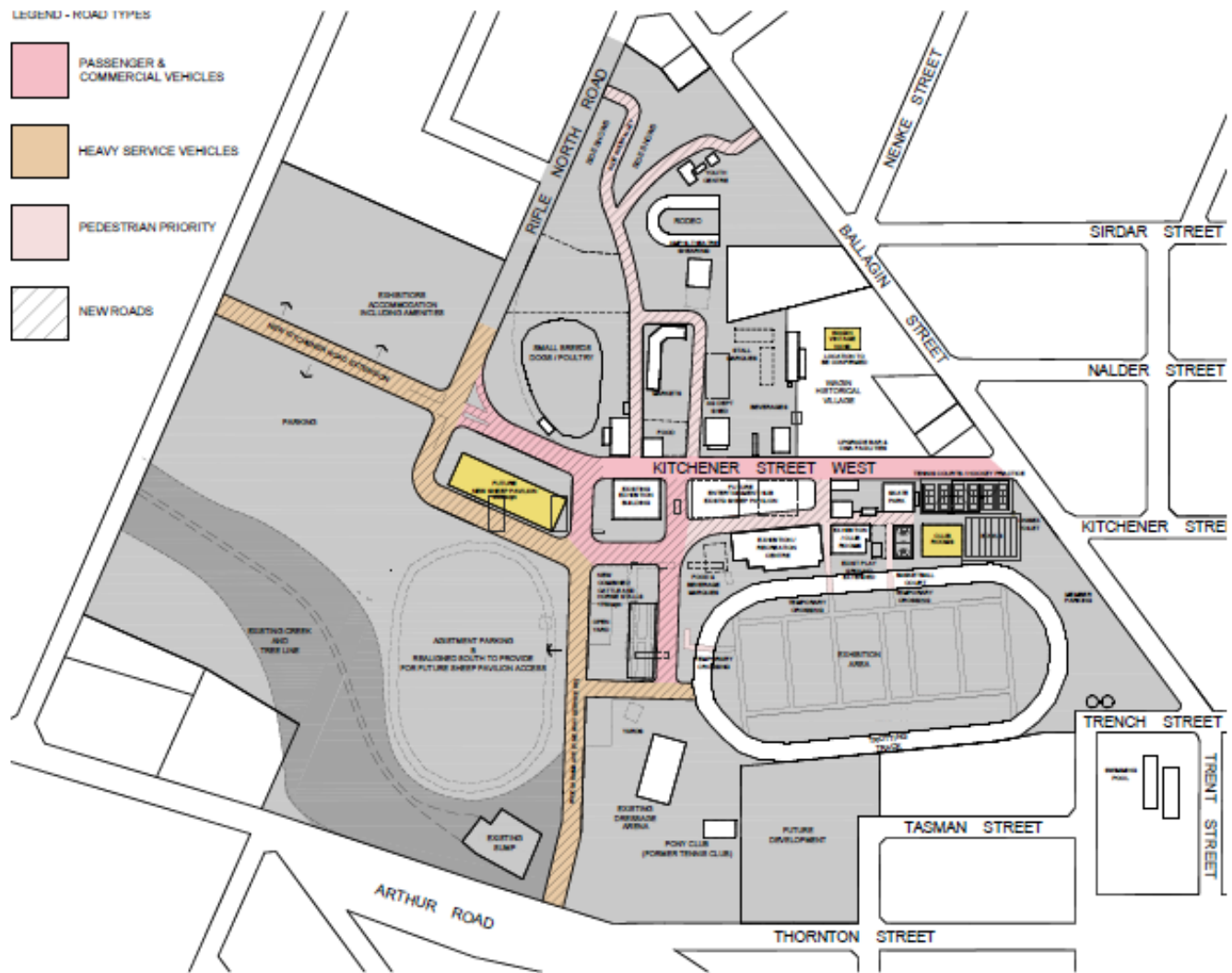
There was strong support recorded for the removal of the old scout hall and rationalisation of the public toilets. Removal of the rarely used basketball courts was considered acceptable and removal of the Education Pavilion will require an alternative accommodation to be sourced.

The second new element introduced by the instruction was the option of extending Kitchener Street to the west to intersect with Great Southern Highway / Reeves Road leading to Narrogin.

This instruction has subsequently been interpreted by the consultants and is now presented as Option 5. It shows the new sporting hub in the east of the precinct and a new road leading to Great Southern Highway, together with a rationalisation of the balance of the site in response to the workshop feedback.

LEGEND - ROAD TYPES

- PASSENGER & COMMERCIAL VEHICLES
- HEAVY SERVICE VEHICLES
- PEDESTRIAN PRIORITY
- NEWROADS



- NEW BUILDINGS - CONSTRUCTION & AREAS
  - CLUBS BASED PAUSE INL - 1000sqm
  - FULLY COVERED WITH OPEN SIDES
  - ARTIFICIAL TURFED AREAS CENTRALLY & AT EASTERN END
  - STEEL FRAME, METAL ROOFING
- NEW COVERED CATTLE & HORSE STALLS - 1000sqm
  - 100 PROTING & HORSE STALLS
  - PULL ROOD & EQUIPMENT SHEDS
  - INCLUDING MALE & FEMALE LIA TOILETS
  - FULLY COVERED, OPEN SIDES WITH CENTRAL PANEL DIVISIONS
  - STEEL FRAME, METAL ROOFING
- CLUBS BUILDING
  - CLAMBED TRINNS, HOCKEY, BOWLS & CRICKET CLUB ROOMS
  - BUILDING AREA 80sqm, VERANDA AREA 25sqm
- VENTAGE WARE
  - NEW KITCHEN SHED
  - LOCATION TO BE DETERMINED

Option 5  
New Sporting Hub

MASTER PLAN SITE PLAN 1:2000 at A1  
WAGIN SPORTSGROUND & RECREATION PRECINCT DEVELOPMENT



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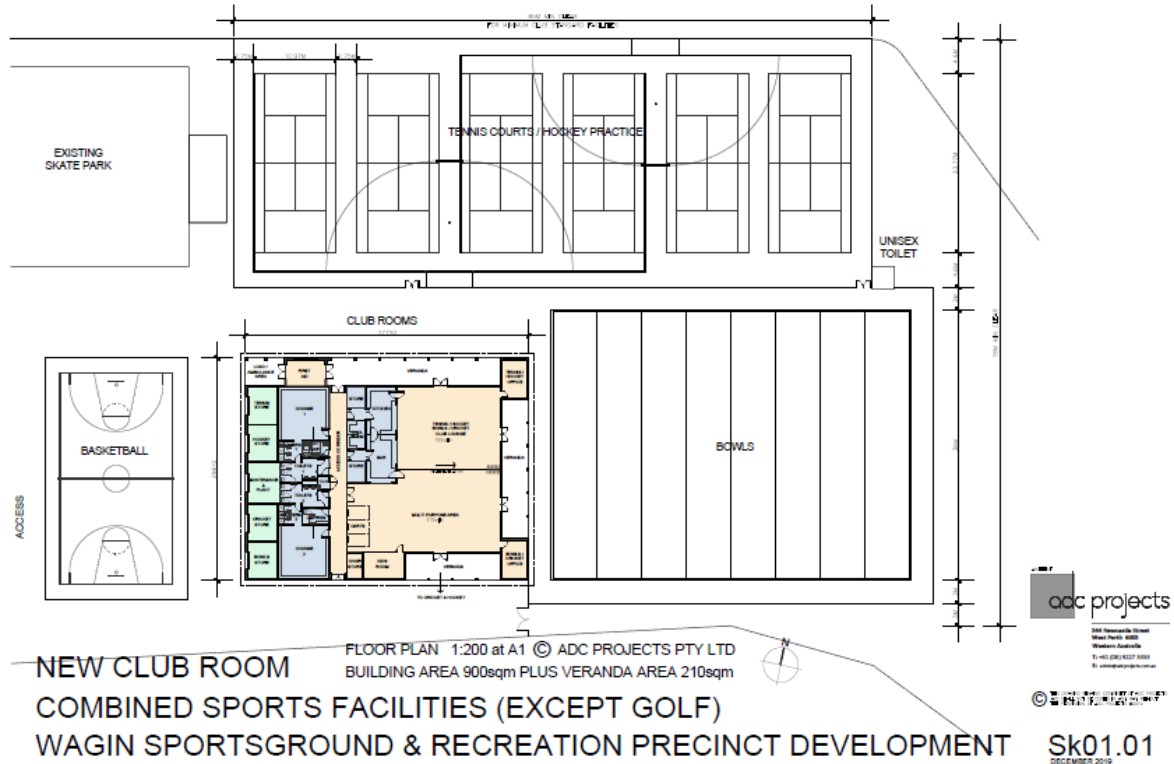
## 8.1 Option 5 Masterplan detail

- The creation of the new sporting hub to accommodate cricket, hockey, tennis and bowls. This includes a new clubhouse with views north to tennis, east to bowls and south the cricket and hockey on the oval. 6 tennis courts and an 8-rink bowling green are to be constructed and the cricket wicket is to be resurfaced in-situ.
- It is proposed that the tennis courts be constructed in a manner to allow hockey training and modified games to be played on the synthetic turf surface. This will require removable posts and flush capping of the post holes and the synthetic turf to be carefully selected to be suitable for both tennis and hockey. The surface will also require overmarking for hockey. One option is shown on master plan 5.
- The extension of Kitchener Street across Lot 54 to meet Great Southern Highway and the creation of a new intersection and entry point at Rifle North Road.
- The construction of a new contemporary Sheep Pavilion (Merino and British Breeds combined) adjacent the new entry.
- Demolition of the Merino and British Breeds pavilions to create a centrally located entertainment hub.
- The construction of a new service road to the south of the new sheep pavilion for exhibitor and livestock access.
- Relocation of Sideshow Alley to become the northern anchor during Woolorama with stall holder access via gates 4 or 8.
- Retention of the Ray Johnson pavilion.
- Removal of the existing trotting stalls and replacement with multipurpose horse and cattle stalls.
- Demolition of the existing pony club clubhouse and their relocation top the existing tennis club clubhouse.
- Covering of the equestrian arena – either in-situ or relocated to the tennis courts site in front of the clubhouse.
- Internal roads to be upgraded as required.
- Landscaping and shade and seating to be introduced as required.
- No action on the installation of entry statements or gates.
- No action of artworks, sculptures or features.
- No changes to Eric Farrow Pavilion.
- Upgrade to the floor of the Recreation Centre.
- Minor works as required to the CWA dining hall and the Stockman's Bar in-situ.
- The addition of a single basketball court on the west side of the new clubhouse.
- The extension and upgrade of the existing playground.

## 8.2 Option 5 Sports Hub detail

The design and layout of the proposed sports hub for cricket, hockey, tennis and bowls proposes a common clubhouse with viewing lines to the north to 6 tennis courts (and hockey training surface) to the east to an 8-rink bowling green and to the south for cricket and hockey fields.

The main oval area will accommodate hockey on a natural grass surface for home matches and the existing cricket wicket located between two hockey fields will be upgraded with a new synthetic surface in-situ. The site layout is shown below which includes a new outdoor basketball court to replace the unserviceable courts currently on site.

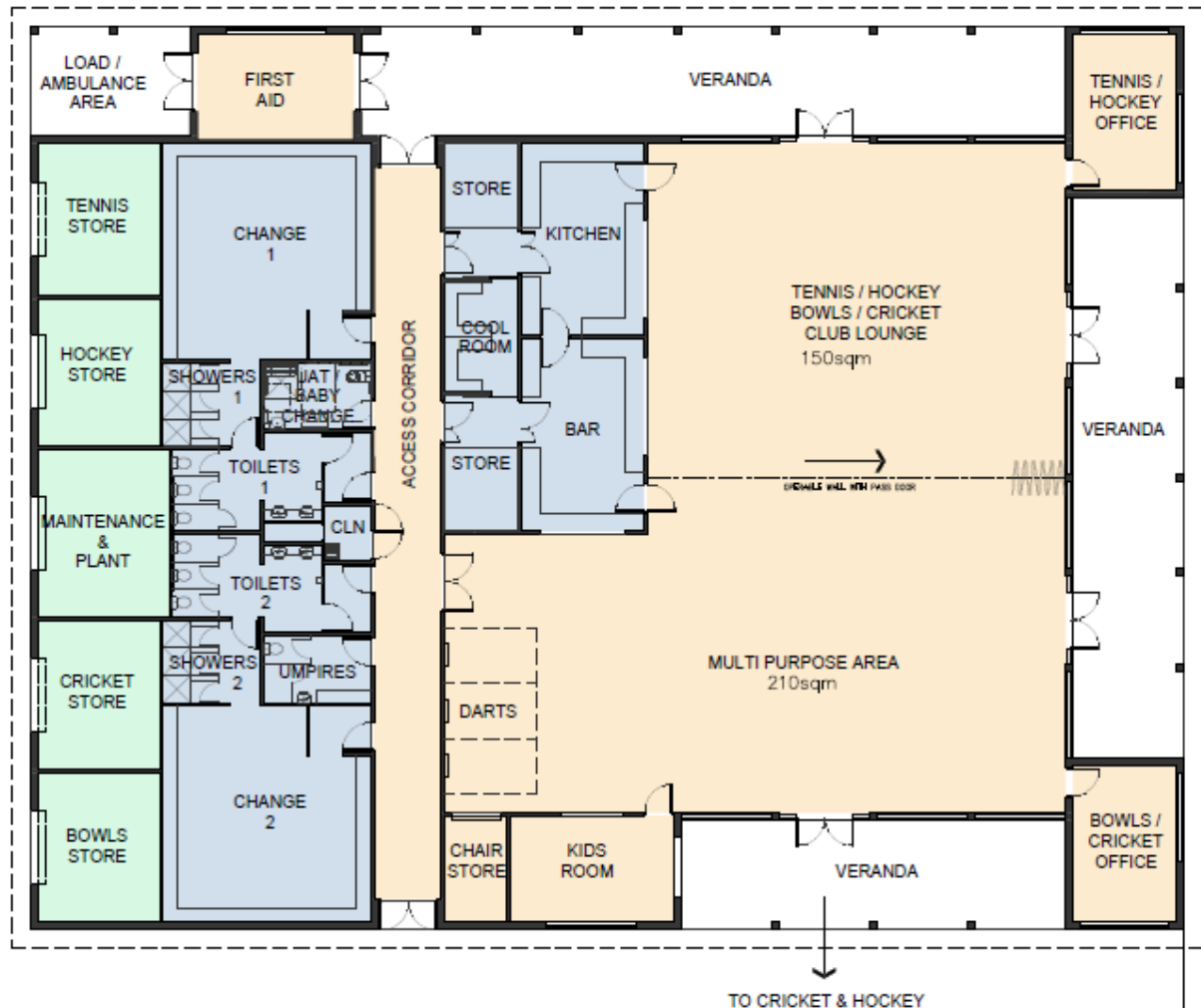


The building design, shown in more detail below, provides a social area of 360m<sup>2</sup> which is capable of being divided into two rooms of 150m<sup>2</sup> and 210m<sup>2</sup> respectively, separated by an operable acoustic wall. There is a common kitchen and bar area which can serve into both social areas and cool room and dry stores. Each playing surface is overlooked by a covered verandah.

There is a common first aid room for use by all tenants and there are two game day or captain's office spaces to be shared by tennis/hockey and cricket/bowls, nominally aligned to the proximity of their playing spaces. A children's room is also provided.

Each sporting code is allocated a discrete and secure storage area on the western end and allowance has been made for both venue equipment (chair store) and a maintenance and plantroom.

There are two non-gender specific changerooms to allow flexibility and accommodate women's fixtures. The wet area also provided public toilets, an umpire's room, cleaner's room, baby change facilities and a universal access toilet to meet BCA and disability service requirements.



### 8.3 Option 5 Notes of caution

Option 5 provides for the use of the tennis courts as a synthetic turf training facility for hockey, noting that inherent in this design is a decision not to pursue the development of a full-size synthetic hockey pitch. Careful turf selection and surface marking will be critical to ensure the two sports can operate without (or with only limited) inconvenience.

Option 5 shows that the site can accommodate the footprint of the proposed facilities, however, the exact location of the new pavilion and playing facilities cannot be determined at this stage and is subject to site survey and the location of existing services. The area could potentially be impacted by service runs requiring easements. The total available area is tight and the separation between the bowling green and the trotting track is limited.

Additionally, the proposed sporting hub development will sit across multiple land parcels. It is recommended that these parcels be amalgamated into one parcel suitable for lease and that further boundary rationalisation be undertaken to simplify land holdings for the Shire, the Agricultural Society and those parcels in joint or trust ownership.

The new social hub requires the demolition of the old scout hall building, currently used as a clubroom by hockey and cricket and as the security HQ during Woolorama. There is unanimous support for the removal of this building. The new social hub also requires demolition of the adjacent education pavilion and grandstand. Council had previously determined to allow this building to be used to store and exhibit Vintage Caravans. With this building now to be demolished, a potential solution would be to relocate the caravans to another building such as the Ray Johnson Pavilion. This would require discussion with the Agricultural Society.



Finally, we understand that Lot 54 located between Rifle North Road and Great Southern highway is owned in freehold by the Agricultural Society. The proposal to extend Kitchener Street through this lot would require their approval. Should this road be approved and constructed it would be appropriate to acquire the site, effect a land swap or secure perpetual right of access to the community.

## 9.0 ORDER OF PROBABLE COST – OPTION 5

The following cost schedule has been extracted from the previous order of probable cost by the Quantity Surveyor.

Road Network Changes	
Extend Kitchener Street to Great Southern Highway	309,672
Create new T Junction on Great Southern Highway	36,432
Create new 4-way intersection in Rifle North Road	72,864
Create service road to Rifle North Road E-W connector	218,592
Create service road to main arena E-W connector	81,972
Create service road from Kitchener to main arena N-S	182,160
Kitchener to Youth Centre/Side Show connector	437,184
<b>Total Cost Road Network Changes</b>	<b>1,338,876</b>

Demolition	
Horse stalls - trotting	13,224
First Aid Room	696
Old scout hall/ cricket-hockey pavilion	15,660
Public toilet block 41a	8,700
Merino Pavilion	43,639
British Breeds pavilion	49,381
<b>Total Cost for Demolition</b>	<b>131,300</b>

New structures	
Combined sheep pavilions	7,308,000
Combined horse and cattle stalls complex	2,432,955
100 horse/cattle stalls 2.5m x 3.5m - power + water	2,088,000
Feed and equipment bays	39,585
Male and female + UA toilets	200,970
New first aid building added to northern end	104,400

Roof over equestrian arena	1,278,900
<b>Total Cost New Structures</b>	<b>11,019,855</b>

<b>Sporting improvements</b>	
New Sports Hub Clubhouse (1.121m2)	4,191,070
Social and admin areas (480m2)	2,088,000
Kitchen and bar (100m2)	696,000
Toilets and showers (90m2)	469,800
Change rooms (100m2)	382,800
Storage areas (120m2)	313,200
Verandah areas (230m2)	166,750
Fit-out furniture and equipment allowance	74,520
New 8 rink bowling green - synthetic grass - no lights	414,000
New 6 lit synthetic grass tennis courts	847,872
Drainage improvements to S-W corner of playing fields	107,640
New cricket wicket in-situ	11,178
New external basketball court - bitumen top	42,924
Enhanced playground	74,520
<b>Total Cost Sporting Improvements</b>	<b>5,689,205</b>

<b>Ancillary costs</b>	
Site Survey	30,000
Boundary rationalisation	10,000
<b>Total Ancillary Costs</b>	<b>40,000</b>

<b>Summary of costs by type</b>	
Total all costs	18,219,236
Total Sports Hub costs	5,689,205
Total New Sports Hub Clubhouse cost	4,191,070
Total Woolorama facilities cost	9,740,955
Total Equestrian / Pony Club costs	1,278,900
Total road network costs	1,338,876

## 10.0 MANAGEMENT STRUCTURE AND GOVERNANCE

As articulated in our proposal, the majority of funding agencies require the feasibility study to articulate the future management structure and governance processes for the precinct.

Given that this precinct already exists and has a functional management and governance system in place, there seems to be little need to materially change current arrangements.

The entire precinct is currently managed on a day to day basis by the Shire which coordinates ground allocations and facility use, and undertakes both routine and reactive maintenance.

There is a Lease Agreement in place with the Wagin Agricultural Society (WAS) until 28 February 2023. This deed provides WAS access to the precinct for a 14-day period each year to stage Woolorama, for the annual sum of \$10.00 and some additional charges. These include WAS paying the full cost of electricity consumed across the precinct during that period and a requirement to make the following annual contributions:

\$500	For use of the WAS Boardroom
\$1,000	As a contribution for water and irrigation of the 500's and 600's
\$600	As a contribution to the Recreation Centre Equipment Fund

The WAS regularly undertakes repairs and makes improvements to the pavilions within the precinct at its own cost but must obtain written approval from the Shire before carrying out any structural works or other material improvements.

There is no lease with the Wagin Tennis Club for use of the tennis courts and clubhouse.

There is a lease with the Wagin Bowling Club which expires on 10 September 2020. Given that the Bowling Club is a key stakeholder of the proposed Sports Hub development described in Option 5, it is anticipated that the current lease, upon expiry will enter a holding over period as permitted under clause 11.2 of the lease, until a new tenancy agreement can be executed for the new Sports Hub. The nature of this agreement is yet to be determined noting that options include:

- Formation of an incorporated Sports and Recreation Club with representation from the bowls, tennis, cricket and hockey clubs. The Sports and Recreation Club Inc. would enter into a lease with the Shire for either the entire sports hub area comprising clubhouse, tennis courts and bowling greens, or a lease of just the clubhouse with the playing areas remaining under Shire control. The cost of operations, maintenance and facility renewal would be the responsibility of the Sports and Recreation Club with the annual lease fee equivalent to the projected cost of maintenance and refurbishment of the facilities amortised over the period of the lease. The lease fee should be held in an interest-bearing trust account for use on agreed items to maintain the facility in a fully functional condition (preferred option).
- Lease to the Bowling Club as head tenant with power to sub-lease to Tennis, Cricket and Hockey. Again, the lease area could involve the clubhouse and synthetic surfaces or just the clubhouse (primarily to address liquor licensing). In this instance the Bowling Club would assume responsibility for maintenance and facility renewal.
- Seasonal, non-exclusive hire or license agreements with each of the clubs for use of the clubhouse and the associated playing surface. The Shire would retain management and operational control over the sports hub and levy a seasonal fee to the Clubs equivalent to an appropriate share of the amortised maintenance and facility renewal cost (least preferred option).

## 11.0 FUNDING OPTIONS

It is understood that prior to implementation of this the Shire requires funds to be secured from external sources such as:

- The local sporting clubs and associations – tennis, bowls, cricket, hockey, pony, trotting, football (capital and in-kind contributions)
- Wagin Agricultural Society (capital and in-kind contributions)
- Racing and Wagering WA (capital for trotting horse stalls)
- Western Australian Government
  - CSRFF (sports hub),
  - Road Safety Committee Event Grants and Project Grants (roadworks),
  - Active Regional Communities Grants (events, equipment, coaching and training)
  - Country Sport Enrichment Scheme (Elite athlete fees and event hosting)
  - Regional Economic Development (Red) Grants (new pavilions)
  - Regional and Remote Festivals Fund (entertainment program at Woolorama)
  - Regional Organisation Grants (Improved sporting opportunities)
- Federal Government
  - Road to Recovery Grants (roadworks)
  - Financial Assistance Grants (roadworks)

This list of funding sources is not exhaustive and should be subsequently expanded.

Funding issues aside, and assuming the funds can be secured in the next 2-3 years, grant applications should be prepared now, and detailed planning should commence as soon as practical.

## 12.0 IMPLEMENTATION PLAN

### 12.1 Sports Hub Development

With regards to the implementation of Masterplan Option 5, the following preliminary steps will need to be taken.

- (1) Survey the site to determine precise property boundaries and infrastructure locations
- (2) Undertake a services capacity and location study – beyond dial before you dig, to determine service connection points and the capacity of services to the sports hub
- (3) Confirm the location and dimensions of the elements of the Sports Hub (building, courts, green, fencing) on site with regards to services and property boundaries
- (4) Commence property title amalgamation for the Sports Hub (and other boundary rationalisation components s appropriate)
- (5) Establish a Memorandum of Understanding with the Cricket, Hockey Tennis and Bowls Clubs regarding the suite of facilities to be established at the Sports hub, the contributions that each Club will make (cash and in-kind), the future use schedule and the most appropriate tenancy arrangements and cost responsibilities for operations, maintenance and facility renewal. The lease fee should be held in an

interest bearing trust account for use on agreed items to maintain the facility in a fully functional condition.

- (6) With these preliminaries in place, or at least in train, it will then be to undertake the detail design of the sports hub and to prepare tenders for the construction of the clubhouse, tennis courts and bowling green.
- (7) Service upgrades or easements can be established during the detailed design phase.
- (8) The upgrade of the cricket wicket can occur at any time in the winter season of 2020.
- (9) Demolition of the Old Scout Hall, Public Toilets 41(a) and the Education Pavilion should occur after Woolorama in 2021. Cricket would need to make use of the Eric Farrow pavilion for the 2021/2022 and 2022/2023 seasons and hockey would need to operate from the pavilion in 2021, 2022 and the commencement of the 2023 season.
- (10) With a successful CSRFF grant, lodged in September 2020 and announced in March 2021, tenders could be called in May 2021, awarded in September and construction could commence in November 2021. The build program would take approximately 18 months with the Sports Hub ready for use in May 2023.
- (11) The tenancy agreement with the clubs to use of the Sports Hub should be executed immediately prior to construction commencing, in October 2021.
- (12) The Tennis and Bowls Club would relocate from their existing premises in May/June 2023.
- (13) The Pony Club could relocate from their existing clubhouse to the tennis clubhouse in July 2023.
- (14) The Pony Clubhouse should be removed or repurposed in August 2023.
- (15) The Bowling Clubhouse should be removed or repurposed in August 2023.

The timeline outlined above is indicative only but is responsive to the anticipated life left in the existing synthetic turf tennis courts and bowling green B.

## 12.2 Woolorama Facility Improvements

The following works relate more specifically, but not exclusively to the operations of Woolorama and again will be subject to external funding as well as contributions from the WAS and the Shire.

- (16) With respect to the extension of Kitchener Street to the west across Lot 54 to Great Southern Highway, it will be necessary to secure support from the Wagin Agricultural Society.
- (17) If this extension is supported, it will be necessary to secure perpetual rights of access to the extension of Kitchener Street across Lot 54 for the community either by acquisition, easement or lease.
- (18) It is anticipated that the construction of Kitchener Street west to Great Southern Highway will only occur if road grants are secured. The design and a construction program is therefore yet to be determined, but not likely before 2023.
- (19) The construction of the new Sheep Pavilion for both British Breeds and Merinos is likely to be funded by WAS, RED grants and the Shire. Project initiation is expected to be subject to external funding being secured through an application being made by WAS, with Shire support. This will require a financial commitment from both the WAS and the Shire and is not anticipated to occur until 2025.

- (20) Demolition of the existing British Breeds and Merino pavilions to create the entertainment hub should not occur until after the new Sheep pavilion has been constructed and tested during a Woolorama, potentially the 2027 event, with demolition thereafter.
- (21) Once the Kitchener Street extension is underway the east-west service road to the south of the pavilion and from the main arena to Woolorama Ave will need to be constructed. Funding for these two east-west service roads will need to be from the Shire or road grants.
- (22) The construction of new stalls for use by the Trotting Association for trotting meetings, and during Woolorama for cattle displays is possible with financial assistance from Racing and Wagering WA, WAS and the Shire. In this instance the Trotting Association should make the funding application with support from the Shire.
- (23) The Pony Club's desire to cover the dressage arena can proceed at any time funding is secured. Other than funding, the other uncertainty is whether the Club will seek to relocate the arena to the tennis courts for improved viewing (recommended). In this case works cannot commence until after tennis have relocated, mid 2023 at the earliest.

### 13.0 RECOMMENDATIONS

That the Shire of Wagin:

- Receive this sportsground and recreation precinct masterplan feasibility study report
- Endorse Masterplan Option 5 as the Shire's preferred redevelopment plan
- Issue this report for further community comment
- Undertake site survey and service location and capacity investigations
- Undertake and lot boundary rationalisation exercise to ensure new buildings are contained on one land title and areas of property control and ownership are clearly delineated
- Initiate discussions with the Wagin Agricultural Society to secure support for the extension of Kitchener Street to the west, across Lot 54 to connect with Great Southern Highway
- Make funding applications for:
  - Road grants for the extension of Kitchener Street and internal east-west connector road
  - CSRFF grants for the construction of the new Sports Hub for tennis bowls, cricket and hockey
  - RED grants for new Woolorama pavilions
  - Racing and Wagering WA funding to replace the horse stalls with new multipurpose stalls, feed and equipment stores, public toilets and first aid room
- Initiate discussions with tennis bowls, cricket and hockey with a view to establishing an incorporated Sports and Recreation Club with representation from all four sports to lease the new sports hub facilities, clearly outlining access rights and operational, maintenance and facility renewal costs. The annual lease fee should be set

equivalent to the projected cost of maintenance and refurbishment of the facilities amortised over the period of the lease.

- Seek confirmation from the Pony Club of their desire to retain the dressage arena in its current location and cover it or relocate the arena to the tennis courts before covering it. Subsequent to a determination on location make application for CSRFF support after the funding application for the Sports Hub has been successful.

## 14.0 ATTACHMENTS

Lot numbers and indicative boundaries within the precinct

Proposed boundary adjustments

Site map and facilities legend

Precinct Masterplan Option 1

Precinct Masterplan Option 2

Precinct Masterplan Option 3

Precinct Masterplan Option 4

Community and Recreation Use

Amenities Facilities

Landscaping plan

Wagin Country Club Option

Precinct Masterplan Option 5

Sports Hub Clubhouse Concept Plan