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# ANNUAL REPORT 2022/2023

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# Introduction

Welcome to the Shire of Wagin. Our employees and councillors are proud to call Wagin home.

Wagin offers its residents a safe, well-appointed town with a real sense of community and it has been heartening to welcome new residents to our community in recent years who are choosing to move to our town.

The Local Government Act 1995 requires local governments to produce an Annual Report by 31 December each year.

This document provides an overview of the Shire of Wagin's financial status and performance against budget and the Corporate Business Plan for the 2022/2023 financial year. This report is a public document that provides the disclosure requirements outlined in the State Government of Western Australia Local Government Act 1995.

The following graphic summarises the Shire of Wagin's mandate to the community as stated in its Strategic Community Plan.

## Our Vision

Wagin is 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 and Philosophy

The Shire of Wagin is a focussed local government providing progressive and innovative leadership that builds a sustainable future while supporting a vibrant, healthy and caring

## Our Guiding Values

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

## Key Focus Areas

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

A digital version of this report is available on our website.



# Shire Snapshot

Wagin (meaning the Emu's Watering Place) is located 228 kms south-east of Perth in the southern part of Western Australia's Wheatbelt.

The Shire encompasses an area of 1,956 square kilometres (194,617 ha). The dominant industries are based on agriculture with wheat, barley, oats, canola and lupines being the main crops and sheep and cattle production being prominent. Wagin is also home to a pet food manufacturer, grain merchant a hay, straw and pellet producer, and a number of steel fabricators, builders, service firms, retailers, machinery and vehicle dealerships.

Wagin has a modern accredited hospital with an excellent emergency department. The town is well serviced by a modern medical centre, from which local doctors, dentist and infant health services operate as well as visiting allied health services. A Frail Aged Hostel known as Waratah Lodge is equipped with 18 well-appointed rooms adjacent to the hospital and Wagin Cottage Homes has 48 accommodation units for aged independent living.

Additionally, Wagin is serviced by the Royal Flying Doctor Service which assists in the air transport of patients who require emergency elsewhere. Wagin has a sealed airstrip and is serviced by a Patient Transfer Building and Pilot Activated lighting.

The Wagin District High School caters for schooling from kindergarten to year 10 and a daily bus service operates to Narrogin Senior High School for years 11 and 12.

The town is well serviced by recreational facilities with participation in a wide range of sports, including tennis, cricket, football, netball, hockey, lawn bowls, golf, darts, shooting, trotting, equestrian, go-karts, motorcycle club and swimming.

Significant local events include Wagin Woolorama, which incorporates the State Sheep Show, Australia Day Breakfast, WA Day Celebration at the Wagin Historical Village which includes a vintage car club rally as well as a Christmas Carnival.

Wagin is home to the Giant Ram, a man-made lifelike merino ram and tourist attraction which has become an icon of Wagin. The Wagin Historical Village includes relocated and restored buildings depicting a real settler village as it would have looked over 100 years ago. It is one of the best reconstructions of a Farming Community in the State. Other attractions include the Wetlands Park, Marroblie Bird Place, Heritage Walk Trail, Puntapin Rock, Noring Lake and Mount Latham. There are 92 places are heritage-listed in the Shire of Wagin, of which eight are on the State Register of Heritage Places.



# Shire President's Report

(s. 5.53(2)(a) Local Government Act 1995)

Shire and community have endured the challenges of Covid 19 and have shown resilience throughout. Some of the State directives had the possibility of having negative impacts on rural communities but fortunately the virus abated and the worst was avoided.



In a busy year there has been a lot of activity within the Shire of Wagin. After many years of a very stable workforce, we have had several important changes in the senior administration positions. I would like to thank and acknowledge all the staff who have continued to keep the operations of the Shire functioning well.

During this we successfully recruited the services of St Lukes Family Practice to provide GP services to Wagin. To the credit of all, the transition was seamless, and the service continues.

With the Royal Commission into Aged Care, the Shire provided support to the Wagin Frail Aged Inc (Waratah) board and changes that are now coming through are a credit to the Board to have achieved.

The Shire continues to quietly operate many functions in the background in preparation for possible threats. Covid 19 was over however Foot and Mouth disease was a threat to the north that had our Emergency Services on alert and training.

The burden of ever-increasing compliance weighs heavily on all within the Shire. It takes energy and consumes resources that could be better employed elsewhere. This appears to have more impact on the smaller shires and often escapes notice of the powers that implement them. Councillors are also being thrust into issues that rightly sit with State Government also consuming resources better spent elsewhere.

Council was fortunate to gain funding from the State Government's Community Water Supplies Partnership Program to install some infrastructure in Wagin and has also been in discussion over the maintenance and the ongoing future of the Puntapin Dam. With remediation planned, there is a willingness of the Water Authority to pass ownership of the dam to the Shire of Wagin. This will shore up our water supply capacity for our ovals, parks and gardens.

Council undertook a review of the Strategic Community Plan. The plan references corporate strategies and service delivery to meet key objectives and core functions of the Shire. I commend those individuals that gave input to this review and recommend that everyone try to take an active role in these reviews in the future.

I take this opportunity to thank our Elected Members for their commitment to the role. They are all busy people in their own lives and their input often not recognised by the broader community. In a town that relies so heavily on volunteers I commend their involvement.

The Shire continues to be in a sound financial position through diligent and prudent budgeting that has seen rate rises held below many Local Governments and the CPI. It must also be noted that the Federal Government Stimulus Packages have been very timely and well received to offset some long term structural costs that plague Local Government.

Lastly but not least, I thank our very dedicated staff for their continued efforts. Often they go well above their job to keep the community safe and comfortable. It is their efforts that finds the Shire of Wagin ranked highly in the State.

**Cr Philip Blight**  
**Shire President**

# Chief Executive Officer's Report

(s. 5.53(2)(b) Local Government Act 1995)

I am pleased to present the Chief Executive Officer's report for 2022/2023.



The financial results of the local government are noted elsewhere in this Annual Report, so I take this opportunity to record some of the challenges and achievements of this past year.

The theme for community development activities and this year's annual report is 'Possibilities.' This theme recognises a key aspect of engagement – how does a government hear from as many as possible within the community and ensure that the shire delivers to the community as a whole? No-one likes surveys, so this year a series of postcards were created across a range of subjects on the theme Possibilities (Business Possibilities, Sport and Recreation Possibilities, Community Possibilities, etc.). This allowed for shorter, more direct Q and A and much more relevant responses that have assisted with building community programmes and validating revised community plans. Thank you to all who contributed.

This theme of possibility has been carried through to business planning within the Shire of Wagin. In July 2022, Council adopted a differential rating strategy that allows greater flexibility in the equitable collection of rates. Rather than placing most properties in one bucket, this strategy allows Council to apply rates to properties that are 'like for like', making rate charges fairer.

The possibility of driving value and finding efficiencies means gaining greater value from assets of the shire. For example, in the past year, the shire has been working on asset management and practices to improve cyber-security. This has resulted in the development of disaster recovery planning and the use of more flexible technologies. One of the related results was an unqualified audit – a great outcome given the impact of COVID, and recruitment demands. On the services side, the shire administration extended trading hours by 30 minutes per workday.

The possibility of youth is an amazing resource. The shire engaged two young people on traineeships in 2022/23 (Local Government and Horticulture) and I'm pleased to report they are making great progress. This is part of a deliberate strategy to reduce the average age of the workforce, employ local youth, build capacity and capability, and make the local government more resilient. This will be further built on by continued engagement with Wagin District High School about work placements and possible school-based traineeships – as well as contacts made with the UWA / McCusker Foundation to employ interns.

The possibility of community good health and well-being is a key interest of the local government and this past year saw the acceptance of a tender for GP medical services from St Luke's Family Practice. The February 2023 opening of St Luke's Wagin brought an expanded health service at the medical centre and new equipment to better serve the community.

Good health and well-being is also served by support for sports and recreation and Council approved stage one of the Sportsground project and commenced discussions to support redevelopment at the Wagin Bowling Club in 2023/2024 as well as considering the delivery of increased programmes at the swimming pool.

This local government has a proud history of support for the aged. This is ably illustrated by the work of the shire's Home Care team who delivered home based services to more than 100 clients in 2022/2023, while managing the impact of COVID and increased regulation. The future challenge will be maintaining services while meeting increased regulation and increased costs. The shire also built on an already strong relationship with the Waratah board and facility during a difficult year with the prospect of good outcomes in 2023/2024.

Agreements with external business partners creates possibilities. An agreement was concluded with the Community Water Supply Program to support emergency water delivery; progress was made on transferring Puntapin Dam from the Water Corporation to the local government; the Shire of Wagin agreed to work with the Department of Planning, Lands, Heritage and the shires of Williams and West Arthur to develop a joint planning strategy; and Council approved the negotiation of a renewed agreement with the Shire of Woodanilling for Landcare. A key project initiated in 2022/2023 is the 4WDL (Wagin, Woodanilling, West Arthur, Dumbleyung, Lake Grace) short term stay and worker accommodation project. This could eventuate in additional housing and visitor accommodation that could boost the local economies of each participating shire.

In March 2023, Woolorama brought the community and visiting exhibitors together for a successful event and provided an opportunity for the state Minister for Agriculture, Hon. Jackie Jarvis MLC, to meet councillors and discuss regional issues.

The shire also initiated regular information exchange with the Wagin police in 2022/23 – besides enabling an improved relationship and flow of information, the police and local government are important partners in emergency services.

Key projects delivered in 2022/2023 included the completion of works to the aerodrome runway; completion of federally funded Local Roads and Community Infrastructure projects, including: kerbing, upgraded culverts, roadworks and drainage; continued beautification with plantings and restoration; the lighting of the giant ram, Bart; the completion of Ninja Park; repairs to gravestones damaged by tree growth; an extensive roads programme; truck fleet purchases; and restoration works to the Memorial pool.

All Council members completed mandatory training and attended professional development opportunities, including the attendance of Councillors Blight, Ball, Kilpatrick, Hegarty and Chilcott at the annual conference of the Western Australian Local Government Association (WALGA).

The President Cr Phil Blight was awarded an Eminent Service award at this conference recognising his 30 years as an elected member, including leadership as a State Councillor.



Council delivered a number of important decisions in the year including support for worker accommodation; a renewed contract for waste services and a new Bush Fire Brigade local law; strategic planning in the community plan and a revised Disability Access and Inclusion Plan; and early consideration of fees and charges within an advanced budget timeline designed to support well-being and deliver value for money. Some of these are more fully detailed in the main text of the Annual Report.

As the financial year closed a heritage review commenced which will allow the community to provide council with input about what are important heritage artefacts to them. This will be combined with an expert survey of buildings and places within the district to advise Council on an appropriate planning and recognition approach to heritage in the shire.



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I would like to recognise the challenge of change: change is desirable so that progress is made; it can also be difficult because preparedness is not always achieved; it may generate some regret because change is not desirable to some. What change always is, though, is inevitable. For those members of the community who have passed or left, you'll be missed; for colleagues who retired or resigned, thank you for your contributions; for those who are new to a role, welcome to a new way forward. To all, please consider your contribution in making change that leaves Wagin a better place to live: can you volunteer? Do you have a business or service idea? Do you have a skill to contribute? Have you considered being a councillor or staff member of the local government? Can you see the possibilities?

In closing, I extend my sincere thanks to the Council and staff of the Shire of Wagin for your support and efforts in 2022/23 and to the families that support each of us.

**Ian McCabe**  
**Chief Executive Officer (during 2022/2023)**  
**2 August 2023**

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## Your Council for 2022/2023

The Council of the Shire of Wagin comprises of nine councillors, referred to as elected members. Councillors are elected for four-year terms with about half of the Council elected at each election. Elections are held each two years, most recently 2021 and the next in 2023.

Shire President  
Cr Phillip Blight



Deputy Shire  
President  
Cr Greg Ball



Cr Sherryl Chilcott



Cr Bronwyn  
Hegarty



Cr Bryan Kilpatrick



Cr Wade Longmuir



Cr Dale Lloyd  
(Resigned 9  
January 2023)



Cr Ann O'Brien



Cr Geoff West



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## Council Committees

Section 5.8 of the Local Government Act 1995 provides that Council can establish committees of three or more persons. Committees can be appointed to oversee specific functions, projects or programs. The Shire of Wagin established the following committees in 2022/2023.

### **Audit Committee**

*Councillor representation: Cr Blight, Cr Ball, Cr Hegarty, Cr Chilcott*

The Local Government Act 1995 requires that all local governments establish an audit committee to assist in providing a transparent and independent process oversee the Council's governance and compliance framework and financial and risk management responsibilities.

### **Finance and General Purposes Committee**

*Councillor representation: Cr Blight, Cr Ball, Cr Hegarty, Cr Kilpatrick*

This committee has an extensive remit which includes oversight of Council finances including borrowings, management and use of Council properties, land purchases, disposal and leasing of Council property and local laws relating to relevant areas of responsibility.

### **Sportsground Precinct Redevelopment Committee**

*Councillor representation: Cr Blight, Cr Longmuir*

This Committee aims to provide Council with recommendations on the implementation of the Wagin Sportsground Precinct Re-development Masterplan.

### **Bushfire Advisory Committee**

*Councillor representation: Cr Blight, Cr Kilpatrick (Proxy)*

Section 67 (1) of the Bush Fires Act 1954 provides that a local government may at any time appoint a bush fire advisory committee for the purpose of advising on all matters relating to the preventing, controlling and extinguishing of bush fires, the planning of the layout of fire-breaks in the district and other related matters.

### **Local Emergency Management Committee**

*Councillor representation: Cr Blight (President), Cr Kilpatrick (Proxy)*

Pursuant to Section 39 of the Emergency Management Act 2005, the functions of this committee are to advise and assist the Council in ensuring that local emergency management arrangements are established, the testing of those arrangements and other emergency management activities.

### **Works and Services Committee**

*Councillor representation: Cr Ball, Cr West, Cr Longmuir, Cr Kilpatrick*

This Committee has oversight of a wide variety of works, including construction and maintenance of roads, public spaces, parks and reserves, airport development, waste management and plant purchases.

### **CEO Review Committee**

*Councillor representation: Cr Blight, Cr Ball, Cr Hegarty, Cr Chilcott*

The committee assists Council with establishing CEO performance criteria and conducts an annual performance reviews of the CEO.

### **Sportsground Advisory / Recreation Centre**

#### **Management Committee**

*Councillor representation: Cr Chilcott, Cr Longmuir*

The committee assists Council with oversight on the usage and operation of the Wagin Sportsground facility.

### **Chief Executive Officer Recruitment and Selection Committee**

*Councillor representation: All councillors*

This committee was formed when required to coordinate the CEO recruitment process.

# Key Result Areas

The following Strategic Community Plan - Key Result 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 2018 and are consistent responses with a greater emphasis on heritage, town presentation and economic development.

The Key Results Areas below were reviewed by Council in 2020 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. The short term activities for 2020-2024 are outlined in the priority activities with medium, long term and non-resourced strategies will be addressed in subsequent corporate plans or sooner if resources or opportunities arise.

1. Economic Development	2. Buildings and Infrastructure	3. Community Services and Social Environment	4. Town and Natural Environment	5. Council Leadership
1.1 Increase in the number and diversity of businesses in the town and district.	2.1 Improve road conditions on all Shire and State roads.	3.1 Keep the family-friendly country lifestyle, community spirit, safe community with low crime rate.	4.1 Upgrade main street appearance for the amenity of residents and encourage travellers and tourists to stop.	5.1 Support and provide incentives for more businesses and retail opportunities.
1.2 Support more job/training opportunities, and entities especially for young people.	2.2 Monitor heavy vehicle movements through the townsite.	3.2 Retain the school and hospital and grow health, Doctor services, allied health and aged care services.	4.2 Improve town approach and entry statements.	5.2 Foster Communication with the community.
1.3 Increase tourism and promotion of town and heritage.	2.3 Improvement in condition and appearance of the main streets of the Town and improved signage.	3.3 Housing, Job and training especially for young people.	4.3 Maintain & improve natural environment and recreation areas	5.3 Plan services and activities based on sustainability, affordability and resources.
1.4 Facilitate Broadband and other associated electronic media infrastructure	2.4 Continue to upgrade Footpaths in town.	3.4 Progress the Wagin Community Recreational Hub	4.4 Improved waste management in town and Shire.	5.4 Encourage and acknowledge volunteering.
1.5 Explore affordable accommodation for workers.	2.5 Refine Infrastructure to support arts, culture, entertainment and library services.	3.5 Youth focus on services and recreation development including coordination of effort across the Shire/region.	4.5 Continue to increase the number of suitable trees within the townsite to enhance the tree canopy in particular the CBD	5.5 Be responsive to community aspirations and requirements within the capacity of council.
1.6 Aid retention and encourage more government services in Wagin.	2.6 Encourage greater care and restoration or preservation of heritage buildings.	3.6 Foster and support Woolorama and other events, cultural and other entertainment opportunities.		5.6 Council to have a sound strategy to the sustainability to the Shire
1.7 Support and Promote Wagin as a business opportunity.	2.7 Develop a safe fenced playground for children in a park environment	3.7 Support community activities with resources and facilities as required.		5.7 Investigate rebranding of the Shire.

1.8 Determine further waste management options.	2.8 Investigate planning and development of sporting facilities	3.8 Investigate to establish Wi-Fi Hotspots		5.8 Continue lobbying and advocacy for road infrastructure and freight networks and other strategic infrastructure for the benefit of the Shire
1.9 Maintain and improve the freight network in the Shire	2.9 Investigate future housing and expansion for tourist and other attractions.	3.9 Promote and Enhance the Wagin caravan and camping experience.		
	2.10 Optimise water harvesting and storage			



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# Summary of Activities – 2022/2023

## Governance

### Councillor Representation

In July 2022, the Minister for Local Government announced a number of reforms in relation to local government engagement and elections. The Minister subsequently wrote to the Council indicating the likelihood that Wagin would have to reduce the number of councillors as part of the reform process.

In February 2023 the Council considered the number of council offices as required by the state government Local Government Reforms - Election transition arrangements (Changes to Council Size). Having considered the Government's position and community consultation in relation to the number of council offices, The Council determined that the number of elected members to represent the electors of the Shire of Wagin should be not less than seven and that this should take effect from the ordinary Council 2023 elections.

On another note, Cr Dale Lloyd resigned as councillor 9 January 2023. The Council received the approval of the Electoral Commissioner to leave the vacant office unfilled until the election of October 2023.

### Administration Opening Hours

The Shire administration office opened for 30 minutes additional per workday from 3 January 2023. The new opening hours are 8.30am to 4.30pm Monday to Friday (previously 9am to 4.30pm Monday to Friday). There was no impact on staff hours or costs to Council. This change brought the Shire of Wagin into alignment with all neighbouring local governments and has made doing business easier for residents and visitors.

### Finance

The Shire's operating net result was \$476,689 in 2022/2023. Rate revenue increased from \$2.42 million in 2021/2022 to \$2.51 million in 2022/2023. Outstanding borrowings reduced from \$495,341 in 2021/2022 to \$402,533 in 2022/2023.

The Council spent \$60,082 on buildings and \$664,837 on purchases of plant, furniture and equipment. The amount spent on roads, drainage and other infrastructure was \$1,585,816.

The level of reserve funds increased from \$2,288,741 in 2021/2022 to \$3,071,820 in 2022/2023. Unrestricted cash at year end increased from (\$145,410) to \$2,670,237, noting that the total of the 2023/2024 Commonwealth Financial Assistance Grants were paid in advance on 30 June 2023 and had to be classified as 2022/2023 income.

The Council received grants and contributions for the development of assets of \$1.84 million in 2022/2023. Total grants and contributions received was \$4.87 million.

Capital grant / contributions liabilities reduced from \$487,888 in 2021/2022 to \$260,213 in 2022/2023. This represents grant money that can now be recognised due to grant funded works being completed.

The level of year end rates debtors (current – excludes deferred rates) decreased from \$77,623 to \$37,369, which is only 1.5% of rates.

Depreciation increased from \$ 2,706,150 in 2021/2022 to \$ 3,458,468 in 2022/2023, a significant rise of \$752,318 (27.8%). This was principally due to the statutory revaluation of Shire buildings, whose depreciation increased by \$709,102.



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## Information Technology

During the year the Shire developed a policy and guidelines to set appropriate acceptable use parameters for the Shire of Wagin Information and Communications Technology systems.

Further, the Shire adopted an Information and Communication Technology Disaster Recovery Plan. This does not replace technical material held by the Managed Services Provider as security, back-up and restoration of files are automatic processes or processes implemented by external qualified specialist personnel. However, the plan does include a process of response, key assets and personnel information as well as important context for non-IT personnel.

This plan complements business continuity and emergency arrangements such as the Local Emergency Management Arrangements and the Shire's Record Keeping Plan. It is a living document and will be reviewed as investment is made, situations arise and improvements are implemented. It is proposed to re-present a reviewed plan to Council in June 2025.

## Property Transactions

The Council entered into a lease with Waratah Lodge for the property at 5 Arnott Street Wagin, for the purpose of accommodating a registered nurse.

The Council extended the lease of rooms at the Wagin Medical Centre to A.R. Norris to operate the Wagin Dental Centre until 30 April 2024.

## Staffing

During the 2022/2023 financial year the Shire of Wagin saw a number of staff changes.

Chief Executive Officer Bill Atkinson resigned in September 2022. Ian McCabe, who was Acting Deputy CEO at the time, was made Acting CEO and was appointed to the substantive CEO position in January 2023. Donna George was made Acting Deputy CEO in October 2022 and continued in this role throughout the remainder of the financial year.

Emily Edwards went on maternity leave from June 2022 – October 2022, was made Project Manager in February 2023 and resigned in May 2023.

Marcie Smith started in November 2022 in a Young Worker Development role for three months part time supporting the Shire of Wagin's History of Wagin Project and the record-keeping function of the local government. Marcie then commenced as Trainee February 2023 with a traineeship from March 2023.

Pool Manager Rachel Bairstow started in October 2022.

Julie Christensen began as Community Development Officer in September 2022, but resigned from that role in May 2023. That position was filled by Angela Jade in July 2023.

Kayla Lloyd took up an Accounts Officer role in July 2023. Ajay Yadav began as Works Administration Officer in February 2023 and Michelle Muller was appointed Administration Officer (Customer Service) in March 2023.

In Homecare Kristie Johansson – Support Worker started July 2022, Elspeth Wallas – Support Worker started in February 2023. Sarah Kenning – Support Worker progressed from casual to part time in January 2023. Carole Lindley - Carer resigned in October 2022.

Desmond Woods joined as Roller/Plant Operator in November 2022 and Shane De Souza joined June 2023 as Construction Grader/Plant Operator. Gregory Arnold – Works Crew progressed from casual to full time in February 2023. Andrew Cesery-Hopkins – Gardener/Towns Person resigned in July 2022 and Charlie Warren – Construction Grader Operator resigned in May 2023.

This list excludes appointment of casual employees.



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## Citizenship Ceremonies

Four citizenship ceremonies were held during the year. Citizenship was conferred to six Wagin residents from New Zealand, the Philippines, India and the United Kingdom.

## Community Facilities

### Wagin Swimming Pool

The Wagin Memorial Swimming Pool opened on 4 November 2022 with a great turnout of 108 patrons, who enjoyed their first swim and a free sausage sizzle. A pool party was held with the inflatable one weekend before Christmas.

The school holiday period was lot quieter than the after-school period, considering the weather with low outside averages of 28-32 degrees. There was, however, an increase on last year's numbers. The most regular swimmers are early morning with an average 15- 20 lap swimmers daily.

Activities included School in-term swimming lessons for Wagin and Dumbleyung, School swimming carnival, Blue light disco pool party, end of season party, inflatable event and swim club time trails windup. There was lots of positive feedback from customers on the pool grounds and the excellent night events.

### Community Gym

New Gym membership applications were consistent at between one to two per week. The recent addition of a replacement treadmill proved to be a hit with members, with the ability to walk tracks from all over the world via the screen attached. A new punching bag was also installed.

### Sportsground Redevelopment

Proposals for the redevelopment of sporting facilities in Wagin have an extended history. Plans have not been realised due to changed funding opportunities and priorities. Economic realities such as the Covid-19 pandemic has also made substantive progress difficult.

Nevertheless, a Sportsground Precinct Redevelopment Steering Committee was formed in May 2021, and there were several meetings of the Committee in 2021 and 2022 resulting in written support of the proposal by all committee member clubs and in July 2022 a memorandum of understanding to agree on further co-operation between the Shire and represented sporting groups to support the Shire to improve and manage the nominated recreational facilities. This met the requirements of recommendation 12.1 (5) of the Masterplan implementation plan.

At the Council meeting held on 2 August 2022 the Council agreed to list the Sportsground Redevelopment as a Council project within strategic planning with appropriate planning and reporting to be developed for future decision making. The CEO was authorised to initiate tenders for demolition of several buildings and a sum of \$150,000 was included in the 2022/2023 budget for this purpose.

### Wagin Library and Gallery

Library Statistics for the year:

- 2,722 patron visits
- 242 inter-library loans requests undertaken for patrons
- 56 requests for information searches undertaken for patrons

Library Events and Activities included:

- Story Time
- Book Club and Children's Book Club
- A weekly exchange of books and media occurs at Waratah Lodge
- Wagin Hospital Homebound visiting program
- Friends of Wagin Library and Gallery meetings
- Library Lover's Day

Wagin Library and Gallery joined AV and Large Print so we can promote an Author of the Month and 'Special – Collections WA' to reference rare books and special collections. The team also provides internet and computer access to members of the public as well as a free tea or coffee. They look forward to welcoming youth and others in discovering that 'Reading is Cool'.

### **Other Facilities**

The Shire continues to receive significant and positive feedback from travellers about the facilities and services that the town and Shire have to offer. The Caravan Park, Wetlands Park, Ninja Park and the tourist information available are all mentioned by visitors to the Shire administration.

## **Community Development**

### **Community Requests Budget**

The Shire again provided financial assistance to local groups for services and projects that will benefit the community. This year, \$12,000 was allocated to three incorporated bodies and \$7,100 was spent on woodchip mulch as requested by the community.

### **Events**

#### *Lexus Melbourne Cup Tour - 16 August 2022*

A major event during the year was the Lexus Melbourne Cup Tour.

This is one of the most important initiatives of the Victoria Racing Club and this year celebrated 20 years of touring Australia and the world.

Since the tour's inception in 2003, the Cup has travelled far and wide across Australia and the world, travelling over 760,000 kilometres, visiting more than 560 destinations, engaging with tens of thousands of people and raising hundreds of thousands of dollars for local fundraising initiatives.



Melbourne Cup tour of Wagin

Wagin was lucky enough to participate in this fantastic opportunity to host the Cup for the day and host three representatives from the Victoria Racing Club. The group enjoyed a full day of visiting locations where they met a large percentage of the Wagin community.

The crowds enjoyed hearing the stories, seeing the Cup and having their pictures taken with it. The stories told at all venues were different, fascinating, funny and amazing with each audience being enthralled and keen to speak to members of the team.

### *Australia Day - 26 January 2023*

Another wonderful Australia Day was held, and was very well supported by the community. Breakfast was again co-ordinated by the Lions and Rotary Clubs of Wagin. Shire President Councillor Phil Blight was the Master of Ceremonies and oversaw presentations including a speech from Julian Pace. Julian made an impact on everyone present.



Australia Day 2023

Three new citizens were also made welcome following their pledges to Australia. Entertainment was provided by Rastatrix and behind the scenes art was both on display and being created by younger members of our community. The event was supported by The Australia Day Council.

### *Thank a Volunteer Day - 15 February 2023*

The Thank a Volunteer event went off well, with approximately 50 people attending and a number of community members receiving a certificate of thanks from the Minister for Emergency Services; Innovation and the Digital Economy; Medical Research; Volunteering. This event is a great way to show the appreciation of the local government for the massive commitment made by local volunteers to many and various community events, organisation and activities within the shire. The event was supported by the Department of Communities.

### *Christmas Street Carnival – 16 December 2022*

The 2022 Wagin Christmas Street Carnival was held in Tavistock Street, with a variety of community stall holders selling arts and crafts, along with a variety of food and entertainment.

Various members of the community took advantage of the street carnival as a great opportunity to raise additional funding for various causes. Free side show rides were provided for children, covering a variety of ages and ability, while parents and grandparents were able to watch the children enjoy the variety, catching up with friends and making new connections, listening to the music or doing a bit of last minute Christmas shopping.



2022 Christmas Street Carnival

## Projects

### *Queen's Platinum Jubilee*

Ten purple flowering crepe myrtles trees were planted in Chellew Park to commemorate the Platinum Jubilee of Her Majesty, Queen Elizabeth II. Funding was provided by the Australian Government Department of Industry, Science, Energy and Resources.



Queen's Platinum Jubilee planting

### *Australia Day seasonal art works*

The Australia Day Seasonal art works were installed in the Wetlands Park. The art work descriptions placed on the back of each piece explains the season that each design represents:

- Birak : First Summer – December to January – Season of the Young
- Bunuru : Second Summer – February to March – Season of Adolescence
- Djeran : Autumn – April to May – Season of Adulthood
- Makuru : Winter – June to July – Season of fertility
- Djilba : First Spring – August to September – Season of conception
- Kamarang : Second Spring – October to November – Season of birth

Three new 'street signs' have been installed in the Wetlands Park, providing new points of interest to people walking the path of flags around the water ponds. The new signs take the form of street signage but directing observers toward countries connected to the flags, including the distance required in direct travel to get there.



Australia Day seasonal art works

### *Courthouse Upgrades*

Using LRCIP grant funds, the Shire identified the relocation of the Wagin Library & Gallery from the current site to the Wagin Courthouse and any upgrades or works required to provide a better facility that is fit for purpose.

The main objectives were to create suitable storage for art and leverage the gallery as an attraction and offer other relevant services, such as community and visitor information services and possibly host other community borrowing services.



Courthouse – Future Library location

The project was commenced during 2022/2023 with some equipment purchases and minor building renovation works. It is intended for the works to be completed by the end of 2023, to enable the facility to be reopened in its new location.

### *Historical Village - History of Wagin Shed*

The finishing touches were applied to the newly built History of Wagin Shed at the Historical Village with external doors, lighting and powerpoints.

### *NAB Building*

In 2021, the Shire accepted the gifting of the former National Australia Bank building with the intention of letting it out to third parties. Some expenditure was required to bring the premises up to a condition suitable for renting. A modular kitchen was installed together with the purchase of various items of furniture.

### *Wetlands Park Upgrades*

The Shire continued with improvements to the Wetlands Park and surrounds with the installation of limestone blocks at Ninja Park, renewal of the pathway at the rear of Ninja Park, installation of Barbeque shelters, drinking fountain and some playground equipment.



Wetlands Playground Area

## Wagin Homecare

Wagin Homecare continues to offer the communities of Wagin and West Arthur in-home support. The unique care that comes from locals servicing locals means better health and wellbeing outcomes for our clients. This year we serviced 116 clients. Some of the most popular services offered this year were domestic assistance, social support, transport and gardening. Domestic assistance and gardening are still the most popular services, 3,474 domestic assistance and 805 gardening hours were delivered this financial year.

Having in home support can fill some of the gaps that arise for our frail and elderly especially where family and friend support is limited. We wanted to know what our clients thought about this service. We asked: What do you know about Wagin Homecare (WHC)?

Below are some excerpts of that feedback:

*To help people stay in their homes, it's for seniors when they need help.*

*Different people have different needs, for me, I know that whatever happens WHC has my back.*

*Group of caring people willing to give their precious time to the aged and disabled.*

*If they can find a way to help, they will.*

*I've been with WHC for years and appreciate the service.*

*I hope you know what you mean to us. You change the quality of life just by being here.*

Social connections are a vital link to wellbeing. This year we moved our social support group from the Eric Farrow Pavilion to the Town Hall and hope to build on the range of activities by working in collaboration with the Wagin CRC and local artists. Waratah clients continue to join us on a monthly basis and we have worked with Arts Narrogin to assist clients to attend events outside of business hours. Visiting acts such as Golden Age Girls held at the Wagin Town Hall, She is Strong held in Narrogin and Space Music, held in Wickepin where clients were treated to an art installation, the result of a special residency over two terms with primary schools in the region and a performance by Australian Baroque Orchestra.

Thank you to the clients of Wagin and West Arthur who support this essential service. It's been an honour to work with such a dynamic team to serve you. Be well.

### Clinical Care

Our Registered Nurse has provided various clinical services this year and continues to support the medical health plans and outcomes for each person, in their home.

Clinical and personal care services assist clients with dressing changes, blood pressure and blood sugar monitoring without the stress of leaving the house, at a most crucial time of recovery. In this way we also support our local essential services such as the GP and hospital by reducing presentations.



Clients attended She is Strong at the Narrogin Town Hall—  
Photo courtesy of Arts Narrogin



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Sometimes clients return home after a medical event without support in the home. It can be beneficial to the client to have the nurse offer advice and assurance which we know reduces some of the anxiety that arises from a significant medical event in a person's health journey.

### **Training**

We as a community benefit from very caring staff that go above and beyond for their clients and fellow community members. Managing such a caring group of people has been an absolute pleasure. It's time for them to have some support too in terms of training and upskilling.

All aged care support workers are required to attain a certificate level to be able to offer care to our frail and aged. This is currently Certificate III in Individual Support. Our vision for Wagin Homecare will be to have all staff working in the areas of care to have completed that or be involved with training pathways.

We anticipated that would be our focus in 2023 and for various reasons, that has not worked out as we hoped.

## **Emergency Management**

The Minister for Emergency Services announced the rollout of the Australian Fire Danger Rating System (AFDRS) from 1 September 2022. This national system replaced the previous fire danger rating system, which was developed in the 1960s. The AFDRS is backed by improvements in science to deliver more localised and accurate information for communities throughout WA. The AFDRS replaced six fire rating levels with four: Moderate; High; Extreme and Catastrophic. There is also 'no rating' for days when conditions present minimal fire risk.

The new town bush fire brigade fire truck (Volvo FLL crew cab) arrived after delays due to COVID and supply issues. The truck has already attended a few fires. A 250,000L emergency water tank was also purchased and installed at Wagin Airfield.

A review of the Local Emergency Management Arrangements was initiated by the State Emergency Management Committee with the aim of improving processes and developing fit-for-purpose and adaptive local level emergency arrangements, that considers the changing risk landscape. DFES on behalf of the SEMC and WALGA will work together with key stakeholders to identify issues with LEMA and develop options to streamline LEMA processes.

On 15 June 2023, a multi service exercise was held at the Wagin District High School to trial an evacuation, assess the process, communication, current plans in play and report on any issues around the exercise, being a gas leak resulting in a total evacuation. Some issues were identified and the exercise provided good training to all services as well as a good understanding by children of what would occur in an event.

## Building and Planning

### Joint Local Planning Strategy

The Shires of West Arthur and Williams have been negotiating with the Department of Planning, Lands and Heritage to formulate a joint planning strategy. During the 2022/2023 year the Council endorsed the preparation of a Joint Local Planning Strategy with the Shires of West Arthur and Williams, in co-operation with that department.

This will underpin a local planning scheme and provide an interface with regional planning. The creation of a joint planning strategy affords the Shire an opportunity to review local planning arrangements in context with regional planning. This is particularly of value as the Shire of Wagin Local Planning Scheme is overdue for review and there are other imperatives such as Council's community plan which will be relevant to the development of such a strategy.

### Planning Approvals

A total of eight planning approvals were issued during 2022/2023, as detailed below. The total value of constructions was \$1,946,716.

Type	Value
Extension of existing Flaking Mill Building (x 2)	\$1,250,000
Machinery Shed	\$254,716
Machinery Shed	\$19,000
New residence and shed	\$192,000
Sea containers and caravan	\$105,000
Shed	\$26,000
Storage Shed	\$100,000

### Building Permits

A total of 20 building permits were issued during 2022/2023, as detailed below. The total value of constructions was \$1,314,983.

Type	Quantity	Value
Addition	1	\$159,500
Carport	2	\$26,000
Hangar	1	\$60,000
New Dwelling	1	\$130,000
Patio	7	\$84,900
Renovation	1	\$198,000
Shearing Shed	1	\$139,448
Shed	2	\$20,990
Verandah	1	\$8,645
Permit Extensions	3	\$487,500

## Works and Services

The Works and Services team is responsible for managing the Shire's infrastructure assets and delivering capital projects. This includes roads, footpaths, parks, reserves, drainage, street trees and the cemetery.

The Works and Services team have done a great job in 2022/2023 with roads, parks and footpaths all maintained to a high standard.

### Parks, Gardens and Ovals

A considerable amount of effort and resources goes into the up-keep and maintenance of the Shires parks, gardens and sporting facilities. Our Town crew have done an excellent job ensuring these facilities perform well and look their best.

### Plant / Machinery

Plant purchases included a new Mahindra utility (ranger), water tanker trailer & pump, ride-on mower, bucket broom & side broom attachment. The Isuzu Crew Cab, Isuzu Small Tip Truck and an Isuzu 6 Wheel Tipping Truck were carried over into the 2023/2024 budget.

### Capital works

The main projects for the financial year included:

- Reseals on Vernon, Unicorn, Wendell, Vernal Victor Streets and Airfield Road;
- Construct and seal Jaloran Road;
- Reconstruct, seal, widen (including intersection) Bullock Hills Road and Dongolocking Road;
- Reconstruct, seal and widen Beaufort Road;
- Clear floodways, culverts and main drain (LRCIP);
- Widen culverts on Beaufort And Bullock Hills Roads;
- Gravel sheet Angwins, Dwelyerdine, Andrews, Collanilling, Nallian, Wagin-Wickepin Roads;
- Gravel sheet cemetery carpark (LRCIP) and construct and seal cemetery west entry (LRCIP);
- Kerbing upgrade to Tarbet, Trench, Ventnor and Ware Streets;
- Footpath upgrade to Trench Street.



Stabilising works to Dongolocking Road



Shoulders widened Dongolocking Road

The Shire also cement stabilised and applied a two coat seal on the Wagin Airfield runway.



Wagin Airstrip reseal

### **Waste Management**

During the year, the Shire approved the renewal of contract with Great Southern Waste Disposal for the provision of refuse, recycling, green waste collections services and refuse site maintenance. The three-bin system as delivered by Great Southern Waste continues to be well received.



# Statutory Reporting

## Elected Member Remuneration and Allowances

(Regulation 19B (2) (c) Local Government (Administration) Regulations 1996; Schedule 5.1, clause 9 Local Government Act 1995).

Councillor	Sitting Fees	President / Deputy President Allowance	Communications Allowance	Travel Reimbursement	Total
Cr Phillip Blight	\$4,320	\$12,300	\$1,040	\$0	\$17,660
Cr Gregory Ball	\$2,002	\$3,075	\$1,040	\$547	\$6,664
Cr Bryan Kilpatrick	\$1,940	\$0	\$1,040	\$0	\$2,980
Cr Geoff West	\$2,044	\$0	\$1,290	\$0	\$3,334
Cr Sherryl Chilcott	\$2,273	\$0	\$1,040	\$0	\$3,313
Cr Bronwyn Hegarty	\$2,211	\$0	\$1,040	\$0	\$3,251
Cr Wade Longmuir	\$2,586	\$0	\$1,290	\$0	\$3,876
Cr Dale Lloyd	\$1,085	\$0	\$520	\$0	\$1,605
Cr Ann O'Brien	\$2,086	\$0	\$1,040	\$0	\$3,126
	<b>\$20,544</b>	<b>\$15,375</b>	<b>\$9,340</b>	<b>\$547</b>	<b>\$45,806</b>

## Elected Member Council and Committee Meeting Attendance

(Regulation 19B (2) (f) Local Government (Administration) Regulations 1996).

Elected Member Meeting Attendance						
	Ordinary		Special		Committee	
Total number held during the year	11		3		8	
Elected Member	Present	Apology / LOA	Present	Apology / LOA	Present	Apology / LOA
Cr Phillip Blight	10	1	3	0	6	1
Cr Greg Ball	9	2	3	0	2	1
Cr Dale Lloyd (Resigned 9/1/2023)	5	1	1	0	0	0
Cr Sherryl Chilcott	10	1	3	0	2	0
Cr Bronwyn Hegarty	10	1	3	0	2	0
Cr Bryan Kilpatrick	8	3	3	0	1	0
Cr Wade Longmuir	10	1	3	0	2	0
Cr Ann O'Brien	10	1	3	0	0	0
Cr Geoff West	9	2	2	1	1	0

## Elected Member Demographic Information

(Regulation 19B (2) (g) (h) (i) Local Government (Administration) Regulations 1996).

During 2022/2023, there were six male (67%) and three female councillors (33%).

Elected Members by Age		
Age Range	Number	%
18 - 24 years	0	0
25 - 34 years	0	0
35 - 44 years	2	22
45 - 54 years	1	12
55 - 64 years	2	22
Over 64 years	4	44

## Complaints

(s. 5.53(2)(hb); s. 5.121 Local Government Act 1995)

Section 5.121 Local Government Act 1995 requires the complaints officer (usually the Chief Executive Officer) to maintain a register of complaints against elected members (section 5.105, 5.107, 5.109 refers).

No breaches were recorded in the financial year 2022/2023.

## Employee Remuneration

(s. 5.53 (2) (g) Local Government Act 1995)

Regulation 19B (2) (a) Local Government (Administration) Regulations 1996 requires:

*'the number of employees of the local government entitled to an annual salary of \$130,000 or more'; and at (b) the number of employees of the local government entitled to an annual salary that falls within each band of \$10,000 over \$130,000.'*

Employees entitled to an annual salary of \$130,000 or more in 2022/2023:

\$130,000 - \$139,999	0
\$140,000 - \$149,999	0
\$150,000 - \$159,999	0
\$160,000 - \$169,999	1

Regulation 19B (2) (e) Local Government (Administration) Regulations 1996 requires: *'the remuneration paid or provided to the CEO during the financial year'*:

The following cash salaries and packages were applicable for the former CEO's during the 2022/2023 financial year. Actual amounts paid are pro rata, based on the applicable dates.

- Bill Atkinson – CEO from 1/7/2022 – 30/9/2022 – Cash salary \$169,719pa. Salary package \$205,272pa.
- Ian McCabe – A/CEO 1/10/2022 - 02/01/2023 – Cash salary \$169,719pa. Salary package \$206,467pa.
- Ian McCabe – CEO 3/1/2023 – 30/06/2023 - Cash salary \$160,000pa. Salary package \$205,950pa.



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## Planning for the Future

(s.5.53 (2) (e) Local Government Act 1995)

The Local Government Act 1995 requires each local government to prepare a plan for the future. The Strategic Community Plan, together with the Corporate Business Plan, form the Shire's plan for the future. The overarching plan is our Strategic Community Plan, which sets out the visions, aspirations and objectives for our community over a 10-year period. This plan guides all of the work, advocacy and partnerships that the Council undertakes.

At its meeting held on 28 July 2020, Council adopted the Strategic Community Plan 2020 - 2030 and Corporate Business Plan 2020 – 2024. Section 19C(4) of the Local Government (Administration) Regulations 1996 requires local governments to review the strategic community plan at least once each four years. A review of the document was conducted in 2022 which involved community consultation to gauge importance and satisfaction across 43 local government activities or aspects of community life occurred in the first half of 2022.

At its meeting held on 23 August 2022, Council endorsed the Strategic Community Plan 2020 – 2030 review document. The review made no material changes to the existing plan but did attempt to reference the 2022 community survey and improve currency and any editorial issues. It also removes the Corporate Business Plan from the document to better align the plan with legislation and emphasise the strategic focus of the document (whereas the Corporate Business Plan is an implementation tool).

The review document represented a minor review and not a change in direction nor identification of emerging issues. Further work is proposed to develop discussion(s) in the community and at Council to satisfy the local government's need for relevant and accurate inputs to decision making.

This plan is available to the public on our website.

## Overview of the 2023/2024 Budget Proposals

(s.5.53(2)(e) Local Government Act 1995)

The 2023/2024 budget comprises expenditure of \$12.0 million including operating expenditure of \$8.9 million and capital expenditure of 3.1 million.

The budget has been formulated with an overall increase of 3.8% in rate revenue with the minimum rates increasing from \$625 to \$650. This year the shire has continued with differential rating within the GRV category.

The total of the annual Financial Assistance Grant was paid in advance on 30 June 2023 and had to be classified as 2022/23 income, having been received in that financial year. The remaining figure for 2023/24, if any, is yet to be confirmed. We have therefore not included any further amount in the 2023/24 budget.

Regional Road Group funds have increased to \$552,448 for the Dongolocking and Ballagin Road Projects. This includes an amount of \$188,536 carried forward from a 2022/23 project. Roads to Recovery funding for the 2023/24 year remains the same at \$312,145. The untied Direct Road Grants amount has increased to \$151,694.

There is \$1,702,292 in the capital roadworks program. This comprises road works of \$1,416,792, footpaths of \$228,000, kerbing of \$57,500. Council's contribution to these works totals \$837,698, while the balance of \$1,702,292 is grant funded.

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The following other major capital expenditure items have been included in the budget:

- Court House Development \$ 157,338
- NAB Building – Refurbishment of Residence \$ 6,000
- New Roof – Caravan Park Ablutions Block \$ 64,750
- Upgrade toilet at sportsground for disabled access \$ 35,000
- Rec Centre – Update showers – home and away \$ 15,000
- Recreation Centre – New Chairs \$ 18,500
- New server – Admin office \$ 18,000
- New CEO Vehicle \$ 46,672
- Isuzu Truck \$ 89,500
- Isuzu Crew Cab \$ 77,430
- Multi Tyre Roller \$ 205,000
- New Gardeners Ute \$ 31,193
- Side Tipper \$ 211,434
- MOW Vehicle \$ 58,102
- CWSP Tanker Trailer \$ 17,820
- Capital Works Programme \$ 1,702,292
- Sportsground Precinct Redevelopment \$ 150,000
- Swimming Pool - Pool gutters & lining \$ 88,150
- CWSP Emergency Water Tank \$ 11,740
- Wetlands Park BBQ Shelters \$ 5,288
- Townscape \$ 30,000

## **Disability Access and Inclusion Plan**

(s. 5.53 (ha) Local Government Act 1995)

The Local Government Act 1995 requires local governments to prepare a plan for disability, access and inclusion as a requirement of s.29 (2) of the Disability Services Act 1993.

The Shire of Wagin has a Disability Access and Inclusion Plan for the period 2020 – 2024. The Plan was reviewed in the calendar year 2022 and was approved by Council at its meeting held on 23 August 2022.

The document was completely reviewed and refreshed for modern language, format and content. There was public notice and engagement as part of the review. No change was made to the objectives of the plan and a report was submitted to the Disability Services commission in accordance with the s. 29 (6) of the Disability Services Act 1993.

There are persons living with disability in the Shire of Wagin; equally, there are persons who may have limitations on access to Council services or opinions about inclusion. Despite public notice and attempts to engage with such persons, the local government is unable to assess whether access or inclusion presents issues within the district.

Despite this, the local government is intent on discovering persons so affected and maximising engagement to address the situation of those persons. A possible method in doing this is communicating with education and health institutions to develop professional relationships. This will allow the shire to access appropriate knowledge and connections to improve local government understanding.

This and a review of business and employment practices will be focussed on reaffirming the disability, access and inclusion objectives and wherever possible improving community outcomes.



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## Public Interest Disclosure

A local government is a public authority for purposes of the Public Interest Disclosure Act 2003 (section 3 (1)).

Public interest information means information that tends to show that, in relation to its performance of a public function, a public authority, a public officer, a public sector contractor, (either) improper conduct, an act or omission that is an offence, unauthorised or misuse of public resources, or an act or omission that involves a risk of injury to public health; or prejudice public safety; or harm to the environment.

There are no public interest disclosures recorded in 2022/2023.

## National Competition Policy

In 1995, Australian Governments entered into a number of policies known as National Competition Policy. The Local Government sector is affected where it operates significant business activity that competes with or has the potential to compete with private business.

The Shire of Wagin does not operate significant non-government business activities.

There are limited operations in situations where market failure could mean that without the intervention of the local government the service would not be available to the community.

One example is Wagin Home Care, a visiting home care service delivering services to the aged in their home. This program is fully funded by the federal government and regulated client contributions. Private business is not excluded from delivering this service but the absence of profit margin makes it unlikely. In addition, the primary objective of this service is caring for community in the client's home. The nature of this caring service is not commercial and fits well with the service philosophy of the local government's purpose.

The Shire of Wagin does not engage in the delivery of medical services but does provide asset and financial support to ensure medical practitioners will deliver contracted medical services to the community of Wagin. This is a benefit to residents of neighbouring councils as well as visitors to the region. Private entities are not excluded from providing the service without support from the local government but the number of unfilled general practitioner vacancies Australia-wide demonstrates the consequence of market failure should local government not engage in a level of intervention. There are currently 11,000 vacancies for general practitioners Australia-wide.

The Shire of Wagin successfully tendered for medical services in calendar year 2022 with an independent contractor commencing 1 February 2023.

## Competitive Neutrality

The principle of competitive neutrality forms part of the National Competition Policy. The principle requires that any government cannot benefit from resource allocation distortions that result from government resourcing. In essence, the government cannot benefit from public sector ownership and any advantage that may offer (for example, any exemptions that a private entity cannot access).

No activities of the Shire of Wagin can be assessed as significant business activities and no instances of breaching competitive neutrality.

## Record Keeping

The State Records Commission is a state government entity of four commissioners, three of whom are ex-officio: the Auditor-General; the Ombudsman; the Information Commissioner. The fourth commissioner is appointed by the Governor, on recommendation of the Government, and is a person with significant record-keeping experience.



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The relevant legislation is the State Records Act 2000. For the purposes of this Act, the Shire of Wagin is a Government Organisation (Schedule 1, number 12). Government organisations are required to have a record keeping plan (Part 3 of that Act) and the legislation details how records are kept and what review process is enforced.

The Shire of Wagin has a Record Keeping Plan which was reviewed in 2022/2023.

The Shire of Wagin employs an administration officer with a primary role of maintaining records and filing documents (in excess of 0.5 full-time equivalents). There is a continuous improvement approach to record keeping and principles of privacy, quality and historical relevance are reinforced to all officers.

## **Equal Opportunity**

The Shire of Wagin is committed to providing a work environment that demonstrates positive values of respectful inclusion, diversity and access, free of discrimination.

## **Local Laws**

There was one review of a local law in 2022/2023, being the Shire of Wagin Bush Fire Brigades Local Law 2023. The local law is a model law provided by the West Australian Local Government Association (WALGA) and has not been modified, other than insertion of the local government name and referencing the repeal of the Shire of Wagin Bush Fire Brigade Local Law 2002.

**SHIRE OF WAGIN**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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The Shire of Wagin conducts the operations of a local government with the following 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 30 JUNE 2023**

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

**STATEMENT BY CEO**

The accompanying financial report of the Shire of Wagin has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 28th day of November 2023



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Chief Executive Officer

Mark Hook

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Name of Chief Executive Officer

**SHIRE OF WAGIN  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
<b>Revenue</b>				
Rates	2(a),20	2,511,175	2,525,969	2,422,470
Grants, subsidies and contributions	2(a)	3,028,840	1,191,693	2,785,586
Fees and charges	2(a)	807,785	787,363	762,553
Interest revenue	2(a)	109,635	19,750	17,338
Other revenue	2(a)	424,272	384,756	339,324
		6,881,707	4,909,531	6,327,271
<b>Expenses</b>				
Employee costs	2(b)	(2,663,417)	(2,863,499)	(2,491,587)
Materials and contracts		(1,463,561)	(1,383,433)	(1,243,693)
Utility charges		(335,926)	(370,229)	(302,409)
Depreciation		(3,458,468)	(3,427,773)	(2,706,150)
Finance costs	2(b)	(23,078)	(24,225)	(27,605)
Insurance		(173,131)	(173,703)	(204,189)
Other expenditure	2(b)	(143,292)	(177,512)	(164,625)
		(8,260,873)	(8,420,374)	(7,140,258)
		(1,379,166)	(3,510,843)	(812,987)
Capital grants, subsidies and contributions	2(a)	1,845,297	1,298,117	1,181,295
Profit on asset disposals		6,872	80,881	7,046
Loss on asset disposals		0	0	(1,393)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	3,684	0	3,997
		1,855,853	1,378,998	1,190,945
<b>Net result for the period</b>		<b>476,687</b>	<b>(2,131,845)</b>	<b>377,958</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	26,370,471	0	1,938,000
<b>Total other comprehensive income for the period</b>	15	<b>26,370,471</b>	<b>0</b>	<b>1,938,000</b>
<b>Total comprehensive income for the period</b>		<b>26,847,158</b>	<b>(2,131,845)</b>	<b>2,315,958</b>

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

**SHIRE OF WAGIN  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2023**

	NOTE	2023 \$	2022 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	6,043,307	2,672,362
Trade and other receivables	5	203,917	208,082
Other financial assets	4(a)	21,164	2,030,573
Inventories	6	63,263	52,102
Other assets	7	35,709	43,168
<b>TOTAL CURRENT ASSETS</b>		<b>6,367,360</b>	<b>5,006,286</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	69,937	58,273
Other financial assets	4(b)	137,281	154,759
Property, plant and equipment	8	20,446,427	21,136,189
Infrastructure	9	128,965,345	103,058,693
<b>TOTAL NON-CURRENT ASSETS</b>		<b>149,618,990</b>	<b>124,407,914</b>
<b>TOTAL ASSETS</b>		<b>155,986,350</b>	<b>129,414,200</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	178,718	199,488
Other liabilities	12	278,098	515,399
Borrowings	13	66,486	74,569
Employee related provisions	14	524,737	416,164
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,048,039</b>	<b>1,205,619</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	13	336,047	420,772
Employee related provisions	14	33,047	65,752
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>369,094</b>	<b>486,524</b>
<b>TOTAL LIABILITIES</b>		<b>1,417,133</b>	<b>1,692,143</b>
<b>NET ASSETS</b>		<b>154,569,217</b>	<b>127,722,057</b>
<b>EQUITY</b>			
Retained surplus		33,608,012	33,914,402
Reserve accounts	23	3,071,822	2,288,741
Revaluation surplus	15	117,889,383	91,518,913
<b>TOTAL EQUITY</b>		<b>154,569,217</b>	<b>127,722,057</b>

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

**SHIRE OF WAGIN  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2021</b>		<b>34,116,553</b>	<b>1,708,631</b>	<b>89,580,913</b>	<b>125,406,097</b>
Comprehensive income for the period					
Net result for the period		377,958	0	0	377,958
Other comprehensive income for the period	15	0	0	1,938,000	1,938,000
Total comprehensive income for the period		377,958	0	1,938,000	2,315,958
Transfers from reserve accounts	23	185,500	(185,500)	0	0
Transfers to reserve accounts	23	(765,610)	765,610	0	0
<b>Balance as at 30 June 2022</b>		<b>33,914,402</b>	<b>2,288,741</b>	<b>91,518,913</b>	<b>127,722,057</b>
Comprehensive income for the period					
Net result for the period		476,687	0	0	476,687
Other comprehensive income for the period	15	0	0	26,370,471	26,370,471
Total comprehensive income for the period		476,687	0	26,370,471	26,847,158
Transfers to reserve accounts	23	(783,081)	783,081	0	0
<b>Balance as at 30 June 2023</b>		<b>33,608,012</b>	<b>3,071,822</b>	<b>117,889,383</b>	<b>154,569,217</b>

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

**SHIRE OF WAGIN  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE	2023 Actual \$	2022 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
Rates	2,518,645	2,431,177
Grants, subsidies and contributions	3,014,291	2,819,485
Fees and charges	811,413	765,935
Interest revenue	109,635	17,338
Other revenue	418,761	339,324
	<b>6,872,745</b>	<b>6,373,259</b>
<b>Payments</b>		
Employee costs	(2,587,550)	(2,483,987)
Materials and contracts	(1,496,197)	(1,313,995)
Utility charges	(335,926)	(302,409)
Finance costs	(23,078)	(27,605)
Insurance paid	(173,131)	(204,189)
Other expenditure	(143,292)	(164,625)
	<b>(4,759,174)</b>	<b>(4,496,810)</b>
<b>Net cash provided by (used in) operating activities</b>	<b>2,113,571</b>	<b>1,876,449</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for purchase of property, plant & equipment	8(a) (724,919)	(344,632)
Payments for construction of infrastructure	9(a) (1,585,816)	(1,448,228)
Capital grants, subsidies and contributions	1,617,622	1,448,810
Proceeds for financial assets at amortised cost	2,000,000	(2,000,000)
Proceeds from financial assets at amortised cost - self supporting loans	30,573	9,888
Proceeds from sale of property, plant & equipment	12,718	42,727
<b>Net cash provided by (used in) investing activities</b>	<b>1,350,178</b>	<b>(2,291,435)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	22(a) (92,808)	(70,889)
<b>Net cash provided by (used In) financing activities</b>	<b>(92,808)</b>	<b>(70,889)</b>
<b>Net increase (decrease) in cash held</b>	<b>3,370,945</b>	<b>(485,875)</b>
Cash at beginning of year	2,672,362	3,158,235
<b>Cash and cash equivalents at the end of the year</b>	<b>6,043,307</b>	<b>2,672,362</b>

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

**SHIRE OF WAGIN  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
General rates	20	2,496,320	2,509,628	2,408,172
Rates excluding general rates	20	14,855	16,341	14,298
Grants, subsidies and contributions		3,028,840	1,191,693	2,785,586
Fees and charges		807,785	787,363	762,553
Interest revenue		109,635	19,750	17,338
Other revenue		424,272	384,756	339,324
Profit on asset disposals		6,872	80,881	7,046
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	3,684	0	3,997
		<b>6,892,263</b>	<b>4,990,412</b>	<b>6,338,314</b>
<b>Expenditure from operating activities</b>				
Employee costs		(2,663,417)	(2,863,499)	(2,491,587)
Materials and contracts		(1,463,561)	(1,383,433)	(1,243,693)
Utility charges		(335,926)	(370,229)	(302,409)
Depreciation		(3,458,468)	(3,427,773)	(2,706,150)
Finance costs		(23,078)	(24,225)	(27,604)
Insurance		(173,131)	(173,703)	(204,189)
Other expenditure		(143,292)	(177,512)	(164,625)
Loss on asset disposals		0	0	(1,393)
		<b>(8,260,873)</b>	<b>(8,420,374)</b>	<b>(7,141,650)</b>
Non-cash amounts excluded from operating activities	21(a)	3,486,197	3,346,892	2,660,775
<b>Amount attributable to operating activities</b>		<b>2,117,587</b>	<b>(83,070)</b>	<b>1,857,439</b>
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions		1,845,297	1,298,117	1,181,295
Proceeds from disposal of assets		12,718	227,972	42,727
Proceeds from financial assets at amortised cost - self supporting loans	22(a)	30,573	30,573	9,888
		<b>1,888,588</b>	<b>1,556,662</b>	<b>1,233,910</b>
<b>Outflows from investing activities</b>				
Purchase of property, plant and equipment	8(a)	(724,919)	(796,987)	(344,632)
Purchase and construction of infrastructure	9(a)	(1,585,816)	(2,161,596)	(1,448,227)
		<b>(2,310,735)</b>	<b>(2,958,583)</b>	<b>(1,792,859)</b>
<b>Amount attributable to investing activities</b>		<b>(422,146)</b>	<b>(1,401,921)</b>	<b>(558,949)</b>
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Transfers from reserve accounts	23	0	8,000	185,500
		<b>0</b>	<b>8,000</b>	<b>185,500</b>
<b>Outflows from financing activities</b>				
Repayment of borrowings	22(a)	(92,808)	(74,569)	(70,889)
Transfers to reserve accounts	23	(783,081)	(417,322)	(765,609)
		<b>(875,889)</b>	<b>(491,891)</b>	<b>(836,498)</b>
<b>Amount attributable to financing activities</b>		<b>(875,889)</b>	<b>(483,891)</b>	<b>(650,998)</b>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>		1,951,632	1,968,880	1,304,140
Amount attributable to operating activities		2,117,587	(83,070)	1,857,439
Amount attributable to investing activities		(422,146)	(1,401,921)	(558,949)
Amount attributable to financing activities		(875,889)	(483,891)	(650,998)
<b>Surplus or deficit after imposition of general rates</b>	21(b)	<b>2,771,184</b>	<b>(0)</b>	<b>1,951,632</b>

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

**SHIRE OF WAGIN  
FOR THE YEAR ENDED 30 JUNE 2023  
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**SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**1. BASIS OF PREPARATION**

The financial report of the Shire of Wagin which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

**Local Government Act 1995 requirements**

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

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

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

**The local government reporting entity**

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

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

**Judgements and 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 balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.

**Initial application of accounting standards**

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date
- AASB 2021-7a Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]
- AASB 2022-3 Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15

These amendments have no material impact on the current annual financial report

**New accounting standards for application in future years**

The following new accounting standards will have application to local government in future years:

- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates  
This standard will result in a terminology change for significant accounting policies
- AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards
- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

The amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified. Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**2. REVENUE AND EXPENSES**

**(a) Revenue**

**Contracts with customers**

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

<b>Revenue Category</b>	<b>Nature of goods and services</b>	<b>When obligations typically satisfied</b>	<b>Payment terms</b>	<b>Returns/Refunds/Warranties</b>	<b>Timing of revenue recognition</b>
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

Consideration from contracts with customers is included in the transaction price.

**Revenue Recognition**

Revenue recognised during the year under each basis of recognition by nature of goods or services is provided in the table below:

**For the year ended 30 June 2023**

<b>Nature</b>	<b>Contracts with customers</b>	<b>Capital grant/contributions</b>	<b>Statutory Requirements</b>	<b>Other</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Rates	0	0	2,511,175	(0)	2,511,175
Grants, subsidies and contributions	3,028,840	0	0	0	3,028,840
Fees and charges	0	0	807,785	0	807,785
Interest revenue	0	0	9,778	99,857	109,635
Other revenue	0	0	0	424,272	424,272
Capital grants, subsidies and contributions	0	1,845,297	0	0	1,845,297
<b>Total</b>	<b>3,028,840</b>	<b>1,845,297</b>	<b>3,328,738</b>	<b>524,129</b>	<b>8,727,004</b>

**For the year ended 30 June 2022**

<b>Nature</b>	<b>Contracts with customers</b>	<b>Capital grant/contributions</b>	<b>Statutory Requirements</b>	<b>Other</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Rates	0	0	2,422,470	0	2,422,470
Grants, subsidies and contributions	2,785,586	0	0	0	2,785,586
Fees and charges	0	0	762,553	0	762,553
Interest revenue	0	0	10,023	7,315	17,338
Other revenue	0	0	0	339,324	339,324
Capital grants, subsidies and contributions	0	1,181,295	0	0	1,181,295
<b>Total</b>	<b>2,785,586</b>	<b>1,181,295</b>	<b>3,195,046</b>	<b>346,639</b>	<b>7,508,566</b>

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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

**(a) Revenue (Continued)**

Note	2023 Actual \$	2022 Actual \$
<b>Interest revenue</b>		
Financial assets at amortised cost - self supporting loans	2,809	0
Interest on reserve account funds	58,142	6,685
Trade and other receivables overdue interest	9,778	10,023
Other interest revenue	38,906	630
	109,635	17,338
<b>Fees and charges relating to rates receivable</b>		
Charges on instalment plan	4,077	5,137
The 2023 original budget estimate in relation to: Charges on instalment plan was \$6,000.		

**(b) Expenses**

**Auditors remuneration**

- Audit of the Annual Financial Report	26,250	20,400
- Other services – grant acquittals	2,500	3,000
	28,750	23,400

**Employee Costs**

Employee benefit costs	2,663,417	2,491,587
Other employee costs		
	2,663,417	2,491,587

**Finance costs**

Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	23,078	27,605
	23,078	27,605

**Other expenditure**

Sundry expenses	143,292	164,625
	143,292	164,625

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**3. CASH AND CASH EQUIVALENTS**

Note	2023	2022
	\$	\$
Cash at bank and on hand	4,009,833	2,672,362
Term deposits	2,033,474	0
<b>Total cash and cash equivalents</b>	<b>6,043,307</b>	<b>2,672,362</b>
Held as		
- Unrestricted cash and cash equivalents	2,670,235	2,383,621
- Restricted cash and cash equivalents	16 3,373,072	288,741
	<b>6,043,307</b>	<b>2,672,362</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

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

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

**Restricted financial assets**

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

**4. OTHER FINANCIAL ASSETS**

**(a) Current assets**

Financial assets at amortised cost

**Other financial assets at amortised cost**

Self supporting loans receivable  
Term deposits

Held as

- Unrestricted other financial assets at amortised cost

**(b) Non-current assets**

Financial assets at amortised cost  
Financial assets at fair value through profit or loss

**Financial assets at amortised cost**

Self supporting loans receivable

**Financial assets at fair value through profit or loss**

Units in Local Government House Trust - opening balance  
Financial assets at fair value through profit and loss  
Units in Local Government House Trust - closing balance

	2023	2022
	\$	\$
Financial assets at amortised cost	21,164	2,030,573
	<b>21,164</b>	<b>2,030,573</b>
Other financial assets at amortised cost		
Self supporting loans receivable	21(b) 21,164	30,573
Term deposits	0	2,000,000
	<b>21,164</b>	<b>2,030,573</b>
Held as		
- Unrestricted other financial assets at amortised cost	21,164	2,030,573
	<b>21,164</b>	<b>2,030,573</b>
Financial assets at amortised cost	55,791	76,955
Financial assets at fair value through profit or loss	81,490	77,804
	<b>137,281</b>	<b>154,759</b>
Financial assets at amortised cost		
Self supporting loans receivable	55,791	76,955
	<b>55,791</b>	<b>76,955</b>
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	77,806	73,807
Financial assets at fair value through profit and loss	3,684	3,997
Units in Local Government House Trust - closing balance	<b>81,490</b>	<b>77,804</b>

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 22(a) as self supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

**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.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 19 (i)) due to the observable market rates).

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

**Financial assets at fair value through profit or loss**

The Shire has elected to classify the following financial assets at fair value through profit or 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 elected to recognise as fair value gains and losses through profit or loss.

**SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**5. TRADE AND OTHER RECEIVABLES**

	Note	2023	2022
		\$	\$
<b>Current</b>			
Rates and statutory receivables		66,651	77,623
Trade receivables		159,956	147,392
Receivables for employee related provisions	14	10,682	12,812
Allowance for credit losses of rates and statutory receivables		(29,282)	(27,732)
Allowance for credit losses of trade receivables		(4,090)	(2,013)
		203,917	208,082
<b>Non-current</b>			
Rates and statutory receivables		67,730	56,066
Receivables for employee related provisions		2,207	2,207
		69,937	58,273

**Disclosure of opening and closing balances related to contracts with customers**

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

	Note	30 June 2023 Actual	30 June 2022 Actual	1 July 2021 Actual
		\$	\$	\$
Contract assets	7	25,534	0	0
Total trade and other receivables from contracts with customers		21,444	0	0

**SIGNIFICANT ACCOUNTING POLICIES**

**Rates and statutory receivables**

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

**Trade receivables**

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations as part of the ordinary course of business.

**Other receivables**

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers including grants for the construction of recognisable non financial assets.

**Measurement**

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

**Classification and subsequent measurement**

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Shire 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.

**SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**6. INVENTORIES**

Note	2023	2022
	\$	\$
<b>Current</b>		
Fuel and materials	63,263	52,102
	63,263	52,102
The following movements in inventories occurred during the year:		
<b>Balance at beginning of year</b>	52,102	34,903
Additions to inventory	11,161	17,199
<b>Balance at end of year</b>	63,263	52,102

**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.

**SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**7. OTHER ASSETS**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Other assets - current</b>		
Accrued income	10,175	3,376
Contract assets	25,534	39,792
	<u>35,709</u>	<u>43,168</u>

**SIGNIFICANT ACCOUNTING POLICIES**

**Other current assets**

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

**Contract assets**

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at the end of the period.

Impairment of assets associated with contracts with customers are detailed at Note 2(b).

**SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**8. PROPERTY, PLANT AND EQUIPMENT**

**(a) Movements in Balances**

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

	Land	Buildings - non- specialised	Total land and buildings not subject to operating lease	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$		\$	\$	\$
<b>Balance at 1 July 2021</b>	3,284,499	13,970,927	17,255,426	17,255,426	337,300	1,997,636	19,590,363
Additions	0	176,385	176,385	176,385	25,941	142,306	344,632
Disposals	0		0	0		(37,074)	(37,074)
Revaluation increments / (decrements) transferred to revaluation surplus	30,101	1,907,899	1,938,000	1,938,000			1,938,000
Depreciation		(379,395)	(379,395)	(379,395)	(42,191)	(278,145)	(699,732)
<b>Balance at 30 June 2022</b>	3,314,600	15,675,816	18,990,416	18,990,416	321,050	1,824,723	21,136,189
<b>Comprises:</b>							
Gross balance amount at 30 June 2022	3,314,600	15,675,816	18,990,416	18,990,416	421,676	2,533,330	21,945,422
Accumulated depreciation at 30 June 2022	0	0	0	0	(100,626)	(708,607)	(809,233)
<b>Balance at 30 June 2022</b>	3,314,600	15,675,816	18,990,416	18,990,416	321,050	1,824,723	21,136,189
Change in accounting policy			0				0
<b>Restated balance at 1 July 2022</b>	3,314,600	15,675,816	18,990,416	18,990,416	321,050	1,824,723	21,136,189
Additions	0	60,082	60,082	60,082	93,140	571,697	724,919
Disposals	0	0	0	0		(5,846)	(5,846)
Depreciation	0	(1,060,054)	(1,060,054)	(1,060,054)	(42,732)	(306,048)	(1,408,834)
<b>Balance at 30 June 2023</b>	3,314,600	14,675,844	17,990,444	17,990,444	371,458	2,084,525	20,446,427
<b>Comprises:</b>							
Gross balance amount at 30 June 2023	3,314,600	15,735,898	19,050,498	19,050,498	514,816	3,096,027	22,661,341
Accumulated depreciation at 30 June 2023	0	(1,060,054)	(1,060,054)	(1,060,054)	(143,358)	(1,011,502)	(2,214,914)
<b>Balance at 30 June 2023</b>	3,314,600	14,675,844	17,990,444	17,990,444	371,458	2,084,525	20,446,427

**SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

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

**(b) Carrying Value Measurements**

<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
<b>(i) Fair Value</b>					
<b>Land and buildings</b>					
Land	2	Market Approach to determine Fair Value using recent observable market data for similar properties	Independent Registered Valuers	June 2022	Rawlinson cost data & cost indices. Building size, material, type & structure. Condition. Useful Life. Restrictions associated with site. Valuer's judgement.
Buildings - non-specialised	2	Market Approach to determine Fair Value using recent observable market data for similar properties	Independent Registered Valuers	June 2022	Rawlinson cost data & cost indices. Building size, material, type & structure. Condition. Useful Life. Restrictions associated with site. Valuer's judgement.

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.

<b>(ii) Cost</b>					
<b>Furniture and equipment</b>		N/A	Cost	N/A	N/A
<b>Plant and equipment</b>		N/A	Cost	N/A	N/A

**SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**9. INFRASTRUCTURE**

**(a) Movements in Balances**

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

	Infrastructure - roads	Other infrastructure - Other	Other infrastructure - Drainage	Total Infrastructure
	\$	\$	\$	\$
<b>Balance at 1 July 2021</b>	88,820,151	11,516,802	3,279,930	103,616,883
Additions	1,174,035	274,192		1,448,227
Depreciation	(1,518,656)	(419,430)	(68,332)	(2,006,418)
<b>Balance at 30 June 2022</b>	88,475,530	11,371,564	3,211,599	103,058,692
<b>Comprises:</b>				
Gross balance at 30 June 2022	94,431,070	12,915,034	3,416,594	110,762,698
Accumulated depreciation at 30 June 2022	(5,955,540)	(1,543,470)	(204,995)	(7,704,005)
<b>Balance at 30 June 2022</b>	88,475,530	11,371,564	3,211,599	103,058,693
Additions	1,200,513	385,303		1,585,816
Revaluation increments / (decrements) transferred to revaluation surplus	24,763,736	1,606,734		26,370,470
Depreciation	(1,542,180)	(439,122)	(68,332)	(2,049,634)
<b>Balance at 30 June 2023</b>	112,897,599	12,924,479	3,143,267	128,965,345
<b>Comprises:</b>				
Gross balance at 30 June 2023	112,897,599	12,924,479	3,416,594	129,238,672
Accumulated depreciation at 30 June 2023	0	0	(273,327)	(273,327)
<b>Balance at 30 June 2023</b>	112,897,599	12,924,479	3,143,267	128,965,345

**SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**9. INFRASTRUCTURE (Continued)**

**(b) Carrying Value Measurements**

<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
<b>(i) Fair Value</b>					
<b>Infrastructure - roads</b>	3	Cost Approach using depreciated replacement cost	Independent Registered Valuers	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>Other infrastructure - Other</b>	3	Cost Approach using depreciated replacement cost	Independent Registered Valuers	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>Other infrastructure - Drainage</b>	3	Cost Approach using depreciated replacement cost	Independent Registered Valuers	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.

**SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**10. FIXED ASSETS**

**(a) Depreciation**

**Depreciation rates**

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

<b>Asset Class</b>	<b>Useful life</b>
Land - freehold land	
Buildings - non-specialised	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
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**10. FIXED ASSETS (Continued)**

**SIGNIFICANT ACCOUNTING POLICIES**

**Fixed assets**

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

**Initial recognition and measurement for assets held at cost**

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost, the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

**Initial recognition and measurement between mandatory revaluation dates for assets held at fair 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)*. These assets are expensed immediately.

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

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

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, 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 revaluation consistent with *Financial Management Regulation 17A(4)*.

**Revaluation**

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

At the end of each period, the carrying amount for each asset class is reviewed and, where appropriate, the fair value is updated to reflect current market conditions consistent with *Financial Management Regulation 17A(2)* which requires land, buildings infrastructure, investment properties and vested improvements to be shown at fair value.

**Revaluation (continued)**

For property, plant and equipment and infrastructure, increases in the carrying amount arising on revaluation of asset classes 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. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

**Depreciation**

The depreciable amount of all property, plant and equipment and infrastructure, 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.

**Depreciation on revaluation**

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

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

**Amortisation**

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 10(a).

**Impairment**

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 or losses on disposal**

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.

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**11. TRADE AND OTHER PAYABLES**

**Current**

	2023	2022
	\$	\$
Sundry creditors	99,926	95,448
Prepaid rates	53,651	45,487
Bonds and deposits held	23,152	19,143
Other payables - Regional Refuse Group Accrued Funds	0	37,071
Other payables - Accrued interest on loans	1,989	2,339
	178,718	199,488

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

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 any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

**Prepaid rates**

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

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**12. OTHER LIABILITIES**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Contract liabilities	17,885	22,000
Capital grant/contributions liabilities	260,213	487,889
Other Liabilities - Accrued Creditors	0	5,510
	<b>278,098</b>	<b>515,399</b>
<b>Reconciliation of changes in contract liabilities</b>		
Opening balance	22,000	18,329
Additions	17,885	22,000
Revenue from contracts with customers included as a contract liability at the start of the period	(22,000)	(18,329)
	<b>17,885</b>	<b>22,000</b>
<b>Reconciliation of changes in capital grant/contribution liabilities</b>		
Opening balance	487,889	225,884
Additions (Reductions)	(227,676)	487,889
Revenue from capital grant/contributions held as a liability at the start of the period		(225,884)
	<b>260,213</b>	<b>487,889</b>

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

**SIGNIFICANT ACCOUNTING POLICIES**

**Contract liabilities**

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

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

**Capital grant/contribution liabilities**

Capital grant/contribution liabilities represent the Shire's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

**SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**13. BORROWINGS**

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
<b>Secured</b>		\$	\$	\$	\$	\$	\$
Debentures		66,486	336,047	402,533	74,569	420,772	495,341
<b>Total secured borrowings</b>	22(a)	66,486	336,047	402,533	74,569	420,772	495,341

**Secured liabilities and assets pledged as security**

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Shire of Wagin. Other loans relate to transferred receivables. Refer to Note 5.

The Shire of Wagin has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 years.

**SIGNIFICANT ACCOUNTING POLICIES**

**Borrowing costs**

The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 19(i)) due to the unobservable inputs, including own credit risk.

**Risk**

Details of individual borrowings required by regulations are provided at Note 22(a).

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**14. EMPLOYEE RELATED PROVISIONS**

**Employee Related Provisions**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Current provisions</b>		
<b>Employee benefit provisions</b>		
Annual leave	194,417	173,507
Long service leave	272,389	196,277
	<b>466,806</b>	<b>369,784</b>
<b>Employee related other provisions</b>		
Employment on-costs	57,931	46,380
	<b>57,931</b>	<b>46,380</b>
<b>Total current employee related provisions</b>	<b>524,737</b>	<b>416,164</b>
<b>Non-current provisions</b>		
<b>Employee benefit provisions</b>		
Long service leave	29,890	60,020
	<b>29,890</b>	<b>60,020</b>
<b>Employee related other provisions</b>		
Employment on-costs	3,157	5,732
	<b>3,157</b>	<b>5,732</b>
<b>Total non-current employee related provisions</b>	<b>33,047</b>	<b>65,752</b>
<b>Total employee related provisions</b>	<b>557,784</b>	<b>481,916</b>

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

**SIGNIFICANT ACCOUNTING POLICIES**

**Employee benefits**

The Shire's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**15. REVALUATION SURPLUS**

	<b>2023 Opening Balance</b>	<b>Total Movement on Revaluation</b>	<b>2023 Closing Balance</b>	<b>2022 Opening Balance</b>	<b>Total Movement on Revaluation</b>	<b>2022 Closing Balance</b>
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	2,950,342		2,950,342	2,920,241	30,101	2,950,342
Revaluation surplus - Buildings - non-specialised	10,226,965		10,226,965	8,319,066	1,907,899	10,226,965
Revaluation surplus - Plant and equipment	106,181		106,181	106,181		106,181
Revaluation surplus - Infrastructure - roads	65,074,532	24,763,737	89,838,269	65,074,532		65,074,532
Revaluation surplus - Other infrastructure - Other	9,744,298	1,606,734	11,351,032	9,744,298		9,744,298
Revaluation surplus - Other infrastructure - Drainage	3,416,594		3,416,594	3,416,594		3,416,594
	<b>91,518,912</b>	<b>26,370,471</b>	<b>117,889,383</b>	<b>89,580,912</b>	<b>1,938,000</b>	<b>91,518,912</b>

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**16. RESTRICTIONS OVER FINANCIAL ASSETS**

	Note	2023 Actual \$	2022 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	3,373,072	817,773
- Financial assets at amortised cost	4	0	2,000,000
		3,373,072	2,817,773

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

Restricted reserve accounts	23	3,071,822	2,288,741
Contract liabilities	12	17,885	22,000
Capital grant liabilities	12	260,213	487,889
Bonds and deposits held	11	23,152	19,143
<b>Total restricted financial assets</b>		3,373,072	2,817,773

**17. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS**

Credit card limit		16,000	19,000
Credit card balance at balance date		0	0
<b>Total amount of credit unused</b>		16,000	19,000

**Loan facilities**

Loan facilities - current		66,486	74,569
Loan facilities - non-current		336,047	420,772
<b>Total facilities in use at balance date</b>		402,533	495,341

<b>Unused loan facilities at balance date</b>		0	0
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**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**18. RELATED PARTY TRANSACTIONS**

**(a) Elected Member Remuneration**

Fees, expenses and allowances to be paid or reimbursed to elected council members.

Note	2023 Actual	2023 Budget	2022 Actual
	\$	\$	\$
President's annual allowance	12,300	12,300	12,000
President's meeting attendance fees	4,320	4,505	5,375
President's annual allowance for ICT expenses	1,040	1,240	1,000
	17,660	18,045	18,375
Deputy President's annual allowance	3,075	3,075	3,000
Deputy President's meeting attendance fees	2,002	2,482	2,125
Deputy President's annual allowance for ICT expenses	1,040	1,040	1,000
Deputy President's travel and accommodation expenses	547	150	684
	6,664	6,747	6,809
All other council member's meeting attendance fees	14,222	17,374	10,751
All other council member's annual allowance for ICT expenses	7,260	7,630	6,750
	21,482	25,004	17,501
18(b)	45,806	49,796	42,685

**(b) Key Management Personnel (KMP) Compensation**

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

Note	2023 Actual	2022 Actual
	\$	\$
Short-term employee benefits	511,778	565,849
Post-employment benefits	58,789	66,333
Employee - other long-term benefits	10,403	6,975
Employee - termination benefits	42,647	58,938
Council member costs	45,806	42,685
18(a)	669,423	740,780

*Short-term employee benefits*

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

*Post-employment benefits*

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

*Other long-term benefits*

These amounts represent annual leave and long service leave entitlements accrued during the year.

*Termination benefits*

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

*Council member costs*

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**18. RELATED PARTY TRANSACTIONS**

**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.

In addition to KMP compensation above the following transactions occurred with related parties:

	<b>2023</b> <b>Actual</b>	<b>2022</b> <b>Actual</b>
	\$	\$
Sale of goods and services	15,766	21,203
Purchase of goods and services	23,652	58,082
<b>Amounts outstanding from related parties:</b>		
Trade and other receivables	3,812	3,249
<b>Amounts payable to related parties:</b>		
Trade and other payables	4	9,928

**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 council member, are considered key management personnel and are detailed in Notes 18(a) and 18(b)

*ii. Other Related Parties*

An Associate person of KMP was employed by the Shire under normal employment terms and conditions.

Outside of normal citizen type transactions with the Shire, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

*iii. Entities subject to significant influence by the Shire*

There were no such entities requiring disclosure during the current or previous year.

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**19. 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 report 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) Interest revenue**

Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost 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).

**i) 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.

**j) Impairment of assets**

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

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

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

**SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**20. RATING INFORMATION**

**(a) General Rates**

<b>RATE TYPE</b>	<b>Basis of valuation</b>	<b>Rate in \$</b>	<b>Number of Properties</b>	<b>2022/23 Actual Rateable Value*</b>	<b>2022/23 Actual Rate Revenue</b>	<b>2022/23 Actual Interim Rates</b>	<b>2022/23 Actual Total Revenue</b>	<b>2022/23 Budget Rate Revenue</b>	<b>2022/23 Budget Interim Rate</b>	<b>2022/23 Budget Total Revenue</b>	<b>2021/22 Actual Total Revenue</b>
GRV - Non-commercial	Gross rental valuation	0.08683	675	8,705,834	755,927	1,347	757,274	755,928	4,000	759,928	907,024
GRV Commercial	Gross rental valuation	0.11508	65	1,592,996	183,322	0	183,322	183,322	0	183,322	
UV	Unimproved valuation	0.00568	297	266,835,899	1,515,628	999	1,516,627	1,515,628	2,000	1,517,628	1,460,264
<b>Total general rates</b>			1,037	277,134,729	2,454,877	2,346	2,457,222	2,454,878	6,000	2,460,878	2,367,288
<b>Minimum Payment</b>											
<b>Minimum payment</b>		<b>\$</b>									
GRV - Non-commercial	Gross rental valuation	625	137	211,386	85,625	0	85,625	85,625	0	85,625	87,000
GRV Commercial	Gross rental valuation	625	13	37,025	8,125	0	8,125	8,125	0	8,125	
UV	Unimproved valuation	625	84	5,800,546	52,500	0	52,500	52,500	0	52,500	51,000
<b>Total minimum payments</b>			234	6,048,957	146,250	0	146,250	146,250	0	146,250	138,000
<b>Total general rates and minimum payments</b>			1,271	283,183,686	2,601,127	2,346	2,603,472	2,601,128	6,000	2,607,128	2,505,288
<b>Ex-gratia Rates</b>											
CBH					14,855		14,855	16,341	0	16,341	14,298
<b>Total amount raised from rates (excluding general rates)</b>			0	0	14,855	0	14,855	16,341	0	16,341	14,298
Discounts							(103,144)			(97,500)	(97,116)
Concessions							(4,008)				
<b>Total Rates</b>							2,511,175			2,525,969	2,422,470
Rate instalment interest							4,250			4,000	3,779
Rate overdue interest							5,249			8,000	6,244

The rate revenue was recognised from the rate record as soon as practicable after the Shire resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

\*Rateable Value at time of raising of rate.

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**21. DETERMINATION OF SURPLUS OR DEFICIT**

Note	2022/23	2022/23	2022/23	2021/22
	(30 June 2023 Carried Forward)	Budget (30 June 2023 Carried Forward)	(1 July 2022 Brought Forward)	(30 June 2022 Carried Forward)
	\$	\$	\$	\$
<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 Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals	(6,872)	(80,881)	(7,046)	(7,046)
Less: Movement in liabilities associated with restricted cash	82,654		16,172	0
Less: Fair value adjustments to financial assets at fair value through profit or loss	(3,684)	0	(3,997)	(3,997)
Add: Loss on disposal of assets	0	0	1,393	1,393
Add: Depreciation	3,458,468	3,427,773	2,706,150	2,706,150
Non-cash movements in non-current assets and liabilities:				
Financial assets at amortised cost	0			
Pensioner deferred rates	(11,664)	0	(4,134)	(4,134)
Receivables for employee related provisions	0	0	(2,207)	0
Assets held for sale	0	0	0	0
Employee benefit provisions (non-current)	(32,705)	0	(45,556)	(45,556)
<b>Non-cash amounts excluded from operating activities</b>	<b>3,486,197</b>	<b>3,346,892</b>	<b>2,660,775</b>	<b>2,646,810</b>
<b>(b) Surplus or deficit after imposition of general rates</b>				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity 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: Reserve accounts	23 (3,071,822)	(2,720,952)	(2,288,741)	(2,288,741)
Less: Financial assets at amortised cost - self supporting loans	4(a) (21,164)		(30,573)	(30,573)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	13 66,486	30,573	74,569	74,569
- Current portion of contract liability held in reserve		12,985		
- Employee benefit provisions	478,362	395,708	395,708	325,483
<b>Total adjustments to net current assets</b>	<b>(2,548,138)</b>	<b>(2,281,686)</b>	<b>(1,849,037)</b>	<b>(1,919,262)</b>
<b>Net current assets used in the Statement of Financial Activity</b>				
Total current assets	6,367,361	3,015,284	5,006,286	4,993,475
Less: Total current liabilities	(1,048,039)	(733,598)	(1,205,619)	(1,192,808)
Less: Total adjustments to net current assets	(2,548,138)	(2,281,686)	(1,849,037)	(1,919,262)
<b>Surplus or deficit after imposition of general rates</b>	<b>2,771,184</b>	<b>0</b>	<b>1,951,632</b>	<b>1,881,405</b>

**SHIRE OF WAGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**21. DETERMINATION OF SURPLUS OR DEFICIT (Continued)**

(c) Adjustments have been made between the closing 30 June 2022 and opening 1 July 2022 balances in some areas as detailed above. Some of these changes were necessitated to comply with changes to the accounting standard that now require Long Service Leave due from other councils to be held as either current or non-current assets. Previously these amounts were offset against the total employee leave provisions.

Other changes have been made to standardise the methodology used to determine the items to be included as adjustments to net current assets. The employee benefit provision to be added back is now linked to the amount held in the Shires' Leave Reserve account. This had not previously been the case. This will set the standard moving forward and is in line with most councils accounting procedures.

SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023

22. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget			
		Principal			Principal at 30 June 2022	Principal			Principal at 1 July 2022	Principal		
		Principal at 1 July 2021	New Loans During 2021-22	Repayments During 2021-22		New Loans During 2022-23	Repayments During 2022-23	Principal at 30 June 2023		New Loans During 2022-23	Repayments During 2022-23	Principal at 30 June 2023
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Recreation Centre Development	131	40,030	0	(10,553)	29,477	0	(29,477)	0	29,477	0	(11,238)	18,239
Swimming Pool Redevelopment	139	201,300	0	(14,016)	187,284	0	(14,746)	172,538	187,284	0	(14,746)	172,538
Staff Housing	137	141,515	0	(14,778)	126,737	0	(15,693)	111,044	126,737	0	(15,693)	111,044
Doctor Housing	138	65,969	0	(11,617)	54,352	0	(12,357)	41,995	54,353	0	(12,357)	41,996
<b>Total</b>		448,814	0	(50,964)	397,850	0	(72,273)	325,577	397,851	0	(54,033)	343,818
<b>Self Supporting Loans</b>												
Wagin Ag Society	141	117,416	0	(19,925)	97,491	0	(20,535)	76,955	97,491	0	(20,535)	76,955
<b>Total Self Supporting Loans</b>		117,416	0	(19,925)	97,491	0	(20,535)	76,955	97,491	0	(20,535)	76,955
<b>Total Borrowings</b>	13	566,230	0	(70,889)	495,341	0	(92,808)	402,532	495,342	0	(74,569)	420,773

Self supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.

Borrowing Finance Cost Payments

Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ended 30 June 2023	Budget for year ended 30 June 2023	Actual for year ended 30 June 2022
						\$	\$	\$
Recreation Centre Development		131	NAB	6.39%	Repaid	(910)	(1,707)	(2,392)
Swimming Pool Redevelopment		139	WATC	5.11%	11/05/2032	(9,291)	(9,291)	(9,923)
Staff Housing		137	WATC	6.02%	26/03/2029	(7,201)	(7,201)	(8,101)
Doctor Housing		138	WATC	6.27%	20/04/2026	(3,217)	(3,217)	(3,819)
<b>Total</b>						(20,619)	(21,416)	(24,235)
<b>Self Supporting Loans Finance Cost Payments</b>								
Wagin Ag Society	141		WATC	3.04%	30/11/2026	(2,809)	(2,809)	(3,370)
<b>Total Self Supporting Loans Finance Cost Payments</b>						(2,809)	(2,809)	(3,370)
<b>Total Finance Cost Payments</b>						(23,428)	(24,225)	(27,604)

\* WA Treasury Corporation

**SHIRE OF WAGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

23. RESERVE ACCOUNTS	2023	2023	2023	2023	2023	2023	2023	2023	2022	2022	2022	2022
	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance	Budget Opening Balance	Budget Transfer to	Budget Transfer (from)	Budget Closing Balance	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by council</b>												
(a) Leave Reserve	395,708	82,654	0	478,362	395,708	3,957	0	399,665	379,536	56,172	(40,000)	395,708
(b) Plant Replacement Reserve	459,304	283,556	0	742,860	459,304	66,429	0	525,733	287,747	171,557	0	459,304
(c) Recreation Centre Equipment Reserve	14,751	362	0	15,113	14,751	148	0	14,899	12,926	1,825	0	14,751
(d) Aerodrome Maintenance & Development Res	23,740	8,975	0	32,715	23,740	8,737	0	32,477	17,855	5,885	0	23,740
(e) Municipal Buildings Reserve	71,902	1,764	0	73,666	71,902	719	0	72,621	71,763	139	0	71,902
(f) Admin Centre Furniture, Equipment & IT Res	15,559	381	0	15,940	15,559	156	0	15,715	10,539	5,020	0	15,559
(g) Land Development Reserve	10,774	264	0	11,038	10,774	108	0	10,882	10,753	21	0	10,774
(h) Community Bus Reserve	19,006	2,115	0	21,121	19,006	190	0	19,196	17,429	1,577	0	19,006
(i) Homecare Reserve	108,061	2,650	0	110,711	108,061	1,081	0	109,142	90,465	17,596	0	108,061
(j) Recreation Development Reserve	226,940	25,566	0	252,506	226,940	22,269	0	249,209	281,894	30,546	(85,500)	226,940
(k) Refuse Site / Waste Management Reserve	209,291	46,120	0	255,411	209,291	31,529	0	240,820	167,511	41,780	0	209,291
(l) Water Management Reserve	71,214	1,747	0	72,961	71,214	712	0	71,926	71,076	138	0	71,214
(m) Staff Housing Reserve	300,000	82,358	0	382,358	300,000	78,000	0	378,000	0	300,000	0	300,000
(n) Refuse Site Rehabilitation Reserve	138,775	23,404	0	162,179	138,775	21,388	0	160,163	118,545	20,230	0	138,775
(o) Community Events Reserve	9,017	222	0	9,239	9,017	90	0	9,107	9,000	17	0	9,017
(p) Electronic Sign Reserve	14,883	365	0	15,248	14,883	149	0	15,032	14,854	29	0	14,883
(q) Community Gym Reserve	19,174	3,786	0	22,960	19,174	2,742	(8,000)	13,916	11,888	7,286	0	19,174
(r) Sportsground Precinct Redevelopment Reser	168,573	104,134	0	272,707	168,573	101,686	0	270,259	128,324	100,249	(60,000)	168,573
(s) Emergency/Bushfire Control Reserve	12,069	12,658	0	24,727	12,069	121	0	12,190	6,526	5,543	0	12,069
(t) Roadwork Reserve	0	100,000	0	100,000	0	100,000	0	100,000	0	0	0	0
	2,288,741	783,081	0	3,071,822	2,288,741	440,211	(8,000)	2,720,952	1,708,631	765,610	(185,500)	2,288,741

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

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

<b>Name of reserve account</b>	<b>Purpose of the reserve account</b>
<b>Restricted by council</b>	
(a) Leave Reserve	Provide provisions to meet Council's Long Service and Accrued Annual Leave liabilities to minimise effect on Council's budget annually.
(b) Plant Replacement Reserve	Provide funds for the ongoing replacement and upgrading of Plant necessary in the performance of Council's core functions.
(c) Recreation Centre Equipment Reserve	Provide funds for the purchase of equipment, fixtures and fittings at the Wagin Community Recreation Centre.
(d) Aerodrome Maintenance & Development Reserve	Provide funds for major maintenance (eg resealing runway area) and development works (eg runway reconstruction) at the Wagin Airstrip.
(e) Municipal Buildings Reserve	Provide for the upgrading, renovating and restoration of existing Council owned buildings as well as construction of new Council owned buildings.
(f) Admin Centre Furniture, Equipment & IT Reserve	Provide for the purchase of furniture, fittings, equipment and IT requirements in relation to the Council Administration Building.
(g) Land Development Reserve	Provide funds for the purchase and development of land within the Wagin Shire as the need arises and Council see fit.
(h) Community Bus Reserve	Provide funds for the maintenance, upgrade and change-over of the Wagin Community Bus.
(i) Homecare Reserve	Provide funds to meet Homecare staff leave provisions, replacement of plant and equipment and on-going operations of the Homecare program.
(j) Recreation Development Reserve	Provide funds for the expansion, upgrading and development of Council's recreation and sporting facilities.
(k) Refuse Site / Waste Management Reserve	Provide funds for a new waste site, on-going operation with the Shire's waste management and recycling program and working towards zero waste.
(l) Water Management Reserve	To ensure Council spends the surplus Rural Towns Funds on measures and projects in line with Council's Water Management Plan.
(m) Staff Housing Reserve	Provide funds for future staff housing requirements
(n) Refuse Site Rehabilitation Reserve	Provide funds to rehabilitate the existing refuse site once the site has been decommissioned.
(o) Community Events Reserve	Provide funds for future Community Events.
(p) Electronic Sign Reserve	Provide funds for the purchase and installation of an electronic sign in the Wagin townsite in the future.
(q) Community Gym Reserve	Provide funds for the maintenance, upgrade and change-over of the Wagin Community Gym equipment as required.
(r) Sportsground Precinct Redevelopment Reserve	Provide funds for the future Sportsground Precinct Redevelopment.
(s) Emergency/Bushfire Control Reserve	Provide funds for unexpected times of extreme emergency recovery and provide adequate assistance for bushfire requirements.
(t) Roadwork Reserve	Provide funds for weather events or other circumstances that would have an impact on the road work programme.



# Auditor General

## INDEPENDENT AUDITOR'S REPORT 2023 Shire of Wagin

To the Council of the Shire of Wagin

### Opinion

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

- the Statement of Financial Position as at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Activity for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2023 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, the Australian Accounting Standards.

### Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial report and my auditor's report.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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

The Chief Executive Officer (CEO) of the Shire is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the Shire's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- 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**

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

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

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

## **My independence and quality management relating to the report on the financial report**

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## **Matters relating to the electronic publication of the audited financial report**

This auditor's report relates to the financial report of the Shire of Wagin for the year ended 30 June 2023 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.

*Mark Ambrose*

Mark Ambrose  
Senior Director Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
29 November 2023