



ANNUAL REPORT 2023/2024



CONTENTS

Contents

INTRODUCTION	1
SHIRE SNAPSHOT	2
SHIRE PRESIDENT'S REPORT	3
CHIEF EXECUTIVE OFFICER'S REPORT	4
YOUR COUNCIL FOR 2023/2024	5
SUMMARY OF ACTIVITIES – 2023/2024.....	6
Governance	6
Community Facilities.....	8
Community Development.....	10
Wagin Homecare	13
Emergency Management.....	14
Building and Planning	16
Works and Services	17
STATUTORY REPORTING	19
Elected Member Remuneration and Allowances	19
Elected Member Council and Committee Meeting Attendance.....	19
Elected Member Demographic Information	20
Complaints.....	20
Employee Remuneration.....	20
Planning for the Future	20
Overview of the 2024/2025 Budget Proposals	21
Disability Access and Inclusion Plan	22
Public Interest Disclosure.....	23
Freedom of Information Act 1992.....	23
National Competition Policy	23
Competitive Neutrality.....	24
Record Keeping	24
Equal Opportunity	24
Freedom of Information Act 1992.....	25
Local Laws.....	25
ANNUAL FINANCIAL REPORT.....	26
INDEPENDENT AUDITOR'S REPORT.....	62



Introduction

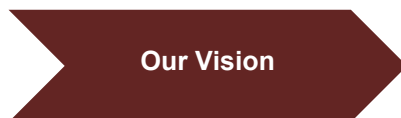
Welcome to the Shire of Wagin. Our employees and councillors are proud to call Wagin home.

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.

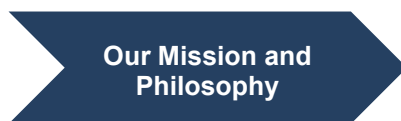
The Local Government Act 1995 requires local governments to produce an Annual Report by 31 December each year.

This document provides an overview of the Shire of Wagin's financial status and performance for the 2023/2024 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.

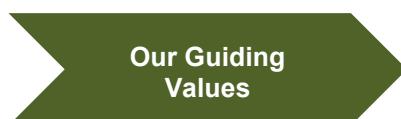
The following graphic summarises the Shire of Wagin's mandate to the community as stated in its Strategic Community Plan.



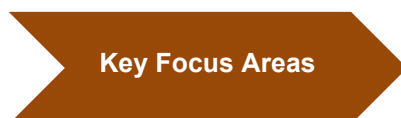
Wagin is a community where individuals, families and businesses can invest and prosper, preserving the safe, affordable and inclusive country lifestyle and ensuring that Wagin is a place people like to live in and visit.



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



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



- ❖ 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.

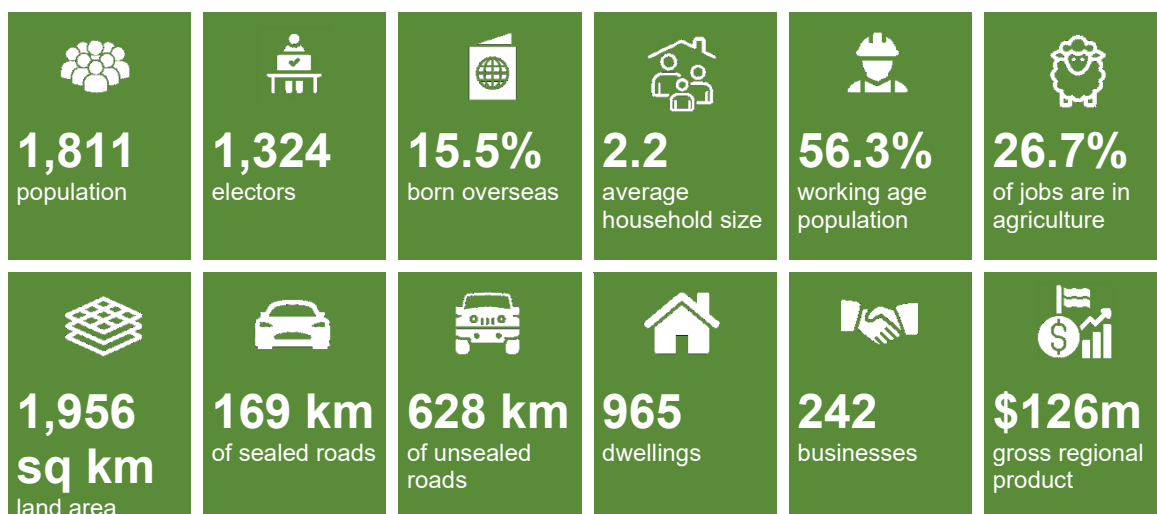
Additionally, Wagin is serviced by the Royal Flying Doctor Service which assists in the air transport of patients who require emergency elsewhere. Wagin has a sealed airstrip and is serviced by a Patient Transfer Building and Pilot Activated lighting.

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, Norring 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 President's Report (5.53(2)(a))

The 2023-24 financial year showcased the continuing resilience of the Wagin community. The Commonwealth Government's decision to ban the live export of sheep will have lasting impacts on our community but I am proud of the way that our entire community rallied in support of rural and regional Western Australia behind the message of Keep the Sheep.



This decision made for the wrong reasons using a flawed process and a predetermined outcome is the very antithesis of the principles of local democracy of which that the Shire is a part of.

The Shire will continue to advocate for our community and fight for the sustainability of the industries and businesses that support our town.

In sharp contrast, to the Commonwealth Government's neglect of rural communities, the Shire's investment in people in 2023-24 resulted in important changes. The Shire's homecare unit which provides domestic services to our most vulnerable members of the community celebrated its 40th year at its new home at the former Town Hall. This service is delivered by remarkable people and demonstrates the Shire's commitment to deliver services required by the community beyond the traditional sphere of local government, where others will not.

Likewise, the Shire continues to support the provision of GP medical services through its funding to St Lukes Family Practice and deliver transport licencing services on behalf of the Western Australian Department of Transport.

The Shire also delivers an ever-expanding range of regulatory services related to building, public health and dog and cat management without support from State or Commonwealth Governments. In 2023-24, regulation of short-stay accommodation services like Airbnb was added by the State Government to the suite of local government's regulatory responsibilities without compensation and with the expectation that it will be funded by ratepayers.

On a more positive note the Shire continued to deliver on its commitment to serving the community through implementation of a capital works program of roads, footpaths and kerbing. The Shire also delivered its new library facility within the old Court House while the Shire pool kept young and old alike cool in an especially hot summer.

The efforts of the Shire would mean little however without the community of committed volunteers that spend their time giving back to the community. Our sporting clubs, our cinema, our historical village, our care and share, our volunteer emergency services and our agricultural society are only possible because of the effort that our Wagin community puts in.

We have, like many other entities, had a turnover of staff and have been very fortunate to secure the services of Dr Ken Parker to manage the Shire. Ken has a strong governance background and has fitted in well with Council and community as has his young family. I also recognise the stability provided by our long-term Manager of Works Allen Hicks and his staff underpinning all that the Shire does.

Cr Philip Blight
Shire President



Chief Executive Officer's Report

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

It is my pleasure to present the CEO's Report for the 2023-24 financial year.

2023-24 was framed by movement.

Key services being the Shire's Library and Homecare moved to new homes in the Old Court Building and Town Hall respectively.

The Shire has movements in respect Councillors with Cr Bronwyn Hegarty retiring in September 2023 having served a four year term on Council.

The Shire also experienced considerable movement in respect to the composition of the administration. The Shire farewelled a Chief Executive Officer in September 2023 and was ably assisted by Mark Hook as Acting Chief Executive Officer between September and January.

In January 2024 I commenced as the Shire's 9th Chief Executive Officer. The Shire also welcomed a new Deputy Chief Executive Officer and Manager Finance in 2023-24 resulting in a stable executive team in the second half of the financial year. This is a foundation for the Shire to build upon.

Moving residents and visitors to the Shire safely is of critical importance and I am proud of the Shire's delivery of its capital roads program in 2023-24 which delivered more than \$1.4m of works in the financial year. Like all country local governments, this investment is not possible without the support of the Commonwealth and State Government road grant programs.

To that end, the major item in the 2023-24 plant replacement program was a new roller. We also invested in a new roof for the Carvan Park Ablutions Block to ensure continuity of service for visitors and permanent residents of the park.

In February 2024, the Shire agreed to acquire Puntapin Dam from the Water Corporation following almost a decade of discussions. This acquisition will eventually assist the Shire moving forward securing water supply for parks, gardens and sporting facilities. Water management remains a key challenge for the Shire and the capture, storage and movement of water is a current and future focus.

I would like to acknowledge the support of Council and contribution of the Shire's elected members. The Shire is fortunate to have a stable and strong Council under the leadership of President Phil Blight. I would also like to acknowledge the broader Wagin community welcoming me to the Shire.

Finally, I would like to acknowledge the contribution of my colleagues who aid our elderly age in place through Homecare; maintain our parks, gardens and verges, work tirelessly on our roads, run our pool and library and assist in the administration of an increasingly complex regulatory and administrative environment.

Dr Kenneth Parker
Chief Executive Officer

Your Council for 2023/2024

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 in 2023.

Cr Phillip Blight
Shire President



Cr Bryan Kilpatrick
Deputy Shire
President (from
October 2023)



Cr Greg Ball
(Deputy Shire
President until
October 2023)



Cr Sherryl Chilcott



Cr Bronwyn
Hegarty
(Councillor until
October 2023)



Cr Wade Longmuir



Cr Ann O'Brien



Cr Geoff West



Summary of Activities – 2023/2024

Governance

Finance

The Shire's operating net result was (\$1,171,843) in 2023/2024. Rate revenue increased from \$2.51 million in 2022/2023 to \$2.61 million in 2023/2024. Outstanding borrowings reduced from \$402,533 in 2022/2023 to \$394,755 in 2023/2024.

The Council spent \$206,517 on buildings and \$707,099 on purchases of plant, furniture and equipment. The amount spent on roads, drainage and other infrastructure was \$1,643,323.

The level of reserve funds increased from \$3,071,820 in 2022/2023 to \$3,328,331 in 2023/2024. Unrestricted cash at year end decreased from \$2,670,237 to \$2,185,229. Similar to last year, most of the 2024/2025 Commonwealth Financial Assistance Grants were paid in advance on 30 June 2023 and had to be classified as 2023/2024 income.

The Council received grants and contributions for the development of assets of \$820,766 in 2023/2024. Total grants and contributions received was \$3.50 million.

Capital grant / contributions liabilities reduced from \$260,213 in 2022/2023 to \$96,251 in 2023/2024. 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) increased from \$37,369 to \$68,449, which is only 2.6% of rates.

Depreciation decreased from \$3,458,468 in 2022/2023 to \$3,380,940 in 2023/2024, a significant rise of \$752,318 (27.8%).

Council and Committees

Council has previously resolved that it utilise eight formal Committees of Council defined under section 5.8 of the Local Government Act 1995. At the November 2023 Ordinary Council Meeting, Council resolved to adopt terms of reference for a further two formal Committees of Council be at a later meeting.

Council agreed to a range of recommendations to change the committee structure to replace formal Committees with Advisory Groups and streamline groups would reduce red tape and enable Committees to better serve Council.

At its meeting held on 28 May 2024, Council supported the installation of audio recording technology in Chambers that will meet the minimum legislation requirements in January 2025 to record Council meetings.

Property Transactions

The Council renewed the leases to the Wagin Historical Village, Wagin Riding and Pony Club, Wagin Gun Club and Wagin Agricultural Society. The Council reassigned the lease for Aerial Landing Ground Hangar number 4, from Mr Greg Ball to Mr Paul Drayton.

Council approved the request from the Wagin Frail Aged Inc to transfer the sublease for aged care facilities to Uniting Church Homes trading as Juniper.

That Council sold Lot 220 (7) Vernal Street to Mr Ron Walker.

Council approved an assignment and variation of Lease for the Wagin Dental Centre premises at 11 (Lot 299) Tavistock Street, Wagin from Dr Norris to Dr Jeetash Kumar.



Council also approved a Lease Agreement of a back room in the new Court House Library with the Wagin Toy Library Inc.

Staffing

During the 2023/2024 financial year twelve Officers left the organisation and eleven Officers commenced.

During the year, two Officers completed the Women and Leadership Australia Impact Program, while an Officer also completed a Certificate III in Local Government.

Strategic Staff Housing Plan

Housing demand and the availability of suitable housing stock has become an issue of strategic importance across the region.

At its meeting held on 24 October 2023, the Council adopted the Strategic Staff Housing Plan 2023/2033. The objectives of this plan are to:

1. Provide adequate and acceptable housing to all members of staff.
2. Dispose of older stocks of other and staff housing.
3. Improve the quality of other and staff housing.
4. Provide opportunities for staff to purchase their current staff house.
5. Improve the current level of GROH Housing Stock.

Following this, the Council agreed to issue a tender for a transportable 3 x 2 residence for the purposes of long-term accommodation for Shire employees and endorsed a proposal to renovate the accommodation quarters at the NAB Building for Shire short term employee, contractor and guest short term accommodation. Note that the Council has since requested the Chief Executive Officer to investigate the acquisition of two 2 x 1 modular dwellings for the Wagin Townsite instead of acting on the previous Council decision.

Workplace Health and Safety

In May 2024, the Shire's insurers LGIS provided an assessment of the Shire's preparedness from a Workplace Health and Safety perspective. The results of the review indicate that the Shire has ample room for improvement.

In considering the findings of the report, staff developed a response that targets the greatest risk with a focus on hazard identification and mitigation through rather than solely document/policy development. A number of steps were proposed, including establishing a team of WHS representatives to include the CEO, representatives from the Administration, Homecare and two representatives from Operations. This WHS team will be a key consultative group on future WHS planning which is a requirement under legislation.

A systematic response to the issues identified in the LGIS assessment was developed in the form of a Workplace Health and Safety Action Plan.

Citizenship Ceremonies

Two citizenship ceremonies were held during the year. Citizenship was conferred to two Wagin residents from New Zealand and Thailand.

Community Facilities

Wagin Swimming Pool

The pool was emptied in September 2023 for major maintenance works to be carried out. The 50m pool and all of the pool gutters were painted. Typically pools require painting and gutters works to be done every 5–7 years. This will ensure that longevity of the pool infrastructure remains solid and safe for use.

The pool opened on 3 November 2023 with a great turnout of 160 patrons, who enjoyed their first swim and a free sausage sizzle. A pool party was held with the inflatable one weekend before Christmas.

November was especially busy, topping the highest numbers we have ever had for that month (2,532 attendees) with lot positive feedback. There have been a few issues but considering our November average at close to 100 per day, it can become difficult with one lifeguard on deck. Changes have been to made to stop a recurrence of these.

Number of attendees increased compared to 2021/2022 and 2022/2023. It great to see the higher numbers coming through the gate and the pool being used by both locals and travellers.

For the 2024 season, we will be arranging additional casual lifeguard staff to ensure we meet the Royal Lifesaving recommendation of one lifeguard per 100 people in the water.

Activities included:

- Vacation Swimming lessons - December 2023
- Teenage Pool Party Music, with the large inflatable, big games and a sausage sizzle
- Under 10 Pool Party (must be accompanied by adult)
- School swimming Carnival
- End of season Easter egg hunt and free sausage sizzle
- Early morning swimmer wind-up breakfast.

Wagin Caravan Park and RV Park

During the year, there were a total of 3,495 bookings in the caravan park. The park's ablution block roof was renewed 5 and 13 February 2024, with the park's permanent residents and travellers being diverted to the RV Park at the Sports Ground during that time.

In 2023/2024, six caravan clubs stayed at the RV Park for a period of four days or longer with the same staying at the Wagin Caravan Park during this time. 2025 already has two clubs booked in for Easter. Many of these clubs are returning groups with only two being new groups to Wagin.

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 Update

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.

In 2022 the Council initiated tenders for demolition of several buildings and a sum of \$150,000 was included in the 2022/2023 budget for this purpose.

In May 2024, the Council nominated the Wagin Cricket and Hockey Club clubrooms as the main project to be funded under the Shire's Round 4 Local Roads and Community Infrastructure Program Part A. This will involve demolishing the existing clubrooms and construction of shed on that site, to be fitted out to suit the two clubs. So far, demolition has been arranged and a concept plan for the new building is being worked through.

Wagin Library and Gallery

The library was relocated to the old Court House and opened on 23 November 2023. An official opening was held on Thursday 14 December 2023.

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 of the move 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.

Renovations included painting, new carpets, library shelves, wire hanging artwork system, renovating the witness and accused boxes to be functional, removal of old gas heaters and replacing with air conditioning units and installation of CCTV.

The move to the Courthouse venue for the library has been well received by members of the public. The opening event was attended by Rick Wilson MP who officially declared the venue open. We also had a presentation by Jill Nalder who spoke about her father sitting on the bench and some of the interesting requests presented to him.



Rick Wilson MP opening the new Library facility at the Court House

Library Statistics for the year:

- 2,907 patron visits.
- 249 inter-library loans requests 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 and Blind date with a book

During the year, the Shire joined the Regional WA Library Consortium. The consortium currently involves 10 regional local governments. The key component of a Library is its Library Management System software (LMS) that integrates all aspects of the Library information system processes.

In 2016, Albany Public Library changed its LMS from Amlib to Spydus as Amlib is no longer being supported by the supplier. With the support of Albany Public Library, the Wagin Library began a process of transitioning its library system to Spydus.

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, \$23,000 was allocated to five incorporated bodies for a variety of uses.

Food Trucks Initiative Trial

Food trucks are a means to activate public space and increase community vibrancy. Following interest from Food Truck vendors who attended the 2024 Woolorama, the Council agreed to a six month trial that would schedule trucks to visit the Shire to increase foot traffic in town and ensure that brick and motor businesses are not negatively impacted. The initiative has seen several food trucks provide the service which have been well received by residents.

Events

Black Dog Ride – 15 November 2023

The Black Dog Ride stopped in Wagin for their annual long-distance ride, connecting in with communities along the way to bring attentions to their cause. Regional awareness raising adventure, starting conversations around mental health and suicide prevention right across Australia.

Christmas Street Carnival – 15 December 2023

The 2023 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. The event was well attended by the community with a number of rides and entertainment on hand. As usual the climbing wall was the most popular activity, with many kids having a good time and coming back multiple times. Another winner was cornholes, with kids spending a lot of time improving their skills in getting the bean bags through the holes.



Christmas Street Carnival

Australia Day - 26 January 2024

Our Australia Day breakfast went off without a hitch, with a good number of local people attending as well as a return of last year's guests from the Western Rovers Motor Home club. The Australia Day Ambassador, Naveen Ahmed presented his very interesting story to the community, speaking of his life over a number of countries and experiences.

This was followed by the well deserved presentation to Dwight Kellow as Community citizen for all his many years of volunteering the both sport, emergency and social clubs. The Wagin Frail Aged team were also praised for the work they have done in keeping Waratah lodge as a functioning asset to the community.



Australia Day Ambassador, Naveen Ahmed with the Shire President and Dwight Kellow

There was an unveiling of art work designs taken from the works the students completed last year, to be installed at the sports ground, then live music and big games, with newly purchased cornhole, big jenga and others.



Australia Day festivities

Woolorama – March 2024

Shire staff and the Woolorama Committee were required to undertake a number of improvements required by Worksafe prior to the 2024 Woolorama. This included items such as:

- All power boxes being inspected, numbered and registered and tested by an electrician
- Removal of one of the grandstands at the dog area as it was in disrepair and could not be moved

- All the grandstands used by Woolorama being rated with signs advising total carrying capacity.
- Trees in the public area being inspected by an arborist.

Overall, the Woolorama attracted an estimated 26,000 attendees over the two days and was judged to be a tremendous success.

The Shire stand at the Woolorama was successful with a large number of community members asking questions about various topics from street trees to homecare, the cemetery to the new CEO.

The display covered the sporting groups of Wagin and a lot of people stopped to take pictures of the clubs they were keen to participate in. We also had a PowerPoint presentation which displayed a wide range of images and our supplied seating saw quite a few people sit and watch.



Shire's stand at Woolorama

Advocacy for live sheep export

Following the Commonwealth Government's announcement of the introduction of legislation to ban the export of live sheep, the Shire has been advocating for a reversal of the decision. On 21 May 2024, Officers assisted the Shire President write to 227 members of the Commonwealth Parliament inviting them to the Wagin to see the contribution that the sheep industry makes to the community.

On 14 June 2024, the Shire President presented to the House of Representatives Standing Committee on Agriculture, Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024 public hearing at Muresk.

This was a significant event with the Committee comprising Federal MPs and attended by farmers from across WA. The Shire President was joined by representatives from the Shire of Katanning and Northam as well as the North Eastern Wheatbelt Regional Organisation of Councils.

Finally, most prominently, the district's iconic Ram statue has been decorated with banners with displaying the 'Keep the Sheep' message which prompted a visit from a Queensland Senator.



Senator Pauline Hanson and her team visit the Shire

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 112 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, 3,451 domestic assistance and 1,139 gardening hours were delivered this financial year.

The overall aim for Wagin Homecare is to continue to provide a safe and best practice service. Three key focus areas to achieve this are training and upskilling of staff, continuation of financial oversight for reporting noting the imminent departure of Manager of Finance and a more suitable and functional space for operations. All of these were achieved to some degree.

All aged care support workers are required to attain a certificate level to be able to offer care to our frail and aged. All Homecare staff have now enrolled with TAFE, most to complete the Certificate III – Individual Support (Aging). For one of our workers, undertaking Certificate IV will be another step closer to the eventual dream to become a Registered Nurse, via considered scheduling, we ensure each worker is exposed to services that contribute to the training pathway they have outlined via our professional development reviews.

As 2023 drew to a close, so did an era end for Wagin Homecare. The service departed the back office of the Shire Administration building and relocated to the Town Hall thus presenting a more accessible option for our clients. The proximity to the GP, chemist, Co-op and the new Library, have benefited our seniors to have easy access to Homecare admin and management in a confidential space where they are able to communicate freely.

The Town Hall presented some challenges for the renovation, due mostly to the inactivity and lack of regular use of the building. There have been wall cracks and water leaks to address. Walls and floors that had parted ways and wet disintegrating beams to replace.

The opening was attended by 52 people members of the Green Shoots program. Arts Narrogin provided a free screening of the Narrogin Hay Bales Concert. Our thanks to the Shire president, Cr Blight who conducted the formalities and offered some information on the history of the service. There have only been four managers in what we now know, is closer to four decades of service provision for both Wagin and West Arthur. Quite a significant term and it demonstrates the passion and commitment of the managers and the need in community for this service.



Opening of Homecare service at refurbished Town Hall

Service providers and other essential service stakeholders gathered in the Lesser Hall on 13 February 2024 to discuss health and aged care service provision for the communities of Wagin, West Arthur and surrounds. The purpose of this meeting was to facilitate face to face discussions with the key stakeholders to highlight what services are available and who delivers and funds those services. What the gaps are and how they affect the community with input from attendees to address possible solutions.

A separate cooperative has since been established known as Care Cooperative Wagin. Its mission is to empower access to health and social care by all Wagin residents to enable independent living. It aims to set up a concierge/linking service providing mapping of care and workforce development.

The Shire of Wagin has been notified by the Aged Care Safety and Quality Commission (ACSQC – the regulator for service providers of aged care services) of a proposed audit of Wagin Homecare. The audit will take place in July. Homecare staff have been working towards more formal evidence of our commitment to improvement and consumer engagement which includes carrying out a self-assessment.

Emergency Management

The Shire's Local Emergency Management Arrangements (LEMA) were updated in May 2024. The LEMA arrangements require regular updates, mainly due to staffing changes with emergency contact list.

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.

The Shire also purchased a water tanker for the BFB members to transport to a fire should it be required. The tanker is basically a mobile dam with a pump system installed, and with clean water, which can then be transferred into the BFB fire fighting units and then onto the fire. The tanker includes a system allowing two fire units (one each side) to fill at the same time.



On 12 April 2024, administrative staff ran a generator test run at the office to learn the process of using the generator should the power be disconnected to the office for any reason. The process worked very well, with staff being able to use phones, computers, printers, CCTV, GPOs, air conditioning and the oven.

New water tanker

Officers responded to an unusual emergency event on Thursday, 30 May 2024 when a concrete mixer left a trail of concrete of approximately four kilometres in length through town.



The concrete mixer, which was bound for Main Roads bridge works some 20km out of town, was carrying 5 cubic metres of concrete before the incident. Impromptu traffic control had to be established while Officers cleared the gravel and concrete mix initially by shovel and later with the assistance of Fulton Hogan.

Manpower was tested as the Shire's civils team was deployed elsewhere on the Shire completing time sensitive road works but the sticky situation was cleaned over the coming days.

Concrete spill through Wagin

Building and Planning

Planning Approvals

Eight planning approvals were issued during 2023/2024, as detailed below. The total value of constructions was \$1,729,233.

Type	Quantity	Value
Commercial operation	2	\$700,000
Granny Flat	1	\$18,500
Machinery Shed	2	\$39,000
New residence	2	\$392,000
Patio	2	\$53,733
Sea containers and caravan	1	\$105,000
Storage Shed	3	\$171,000
Telecommunications Infrastructure	5	\$250,000

Building Permits

Nine building permits were issued, the total construction value being \$1,910,630.

Type	Quantity	Value
Addition	1	\$180,000
Commercial operation	3	\$1,571,000
Hangar	1	\$60,000
Patio	1	\$12,580
Shed	1	\$40,000
Transportable Building	1	\$30,000
Verandah	1	\$17,050

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.

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. Key areas are the Sportsground, Wetlands Park, Town Square and Town Park.

Plant / Machinery

Plant purchases included the following.

Description	Price
Isuzu Truck - FRR 107-210 6T	\$89,590
Isuzu Crew Cab - NPR 190-65	\$78,060
Isuzu Side-Tipper FVZ 1400 W1015	\$212,424
MOW - New Ute	\$48,036
Multi Tyre Roller	\$173,186
Isuzu D-Max - Gardener	\$33,625



New multi tyre roller

Capital works

The main projects for the financial year included:

Description	Funding	Cost
Roadworks		
Dongolocking Road - Reconstruct Seal Widen	RRG	\$286,938
Bullocks Hill Road - Shoulder widening	R2R	\$94,029
Beaufort Road - Shoulder widening	R2R	\$119,131
Dwelyerdine Road - Gravel sheet	Shire	\$53,091
Hyde Road - Gravel Sheet	R2R	\$45,432
Ballagin Road (Piesseville - Tarwonga) - Reconstruct seal	RRG	\$143,365
Heights Road - Gravel Sheet	Shire	\$33,395
Angwins Road - Gravel Sheet	Shire	\$42,742
Etelowie Street - Reseal	Shire	\$13,397
Theta Street - Reseal	Shire	\$5,844
Vine Street - Reseal	Shire	\$13,429
Dongolocking Road - Shoulder widening	RRG	\$396,607
Morgan Road - Gravel sheet	Shire	\$27,641
Behn-ord Road - Gravel sheet	R2R	\$31,452
Delyanine North Road - Gravel sheet	R2R	\$29,607



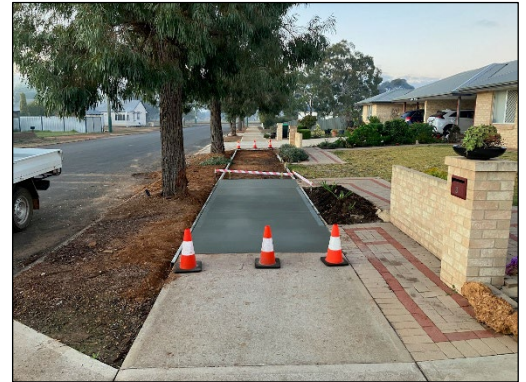
Etelowie Street Reseal



Bullock Hills Road shoulder widening

Description	Funding	Cost
Kerbing		
Leonora Street - Both Sides	Shire	\$12,667
Ware Street - Both Sides	Shire	\$12,664

Description	Funding	Cost
Footpaths		
Tarbet Street - Trimdon to Tudhoe Sts	Shire	\$39,855
Upland Street - Tudor To Strickland Sts	Shire	\$37,930
Ware Street - Arnott to Khedive Sts	Shire	\$29,790
Arthur Road - Wetlands to Bridge	Shire	\$40,190
Lukin Street - Tudhoe to Trenton Sts	Shire	\$26,322



Footpath - Khedive Street

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	\$6,612.00	\$15,656.00	\$1,040.00	\$0.00	\$23,308.00
Cr Gregory Ball	\$2,681.00	\$979.50	\$1,040.00	\$342.00	\$5,042.50
Cr Bryan Kilpatrick	\$3,243.00	2938.50	\$1,040.00	\$0.00	\$7,221.50
Cr Geoff West	\$2,057.00	\$0.00	\$1,040.00	\$0.00	\$3,097.00
Cr Sherryl Chilcott	\$3,242.00	\$0.00	\$1,040.00	\$0.00	\$4,282.00
Cr Bronwyn Hegarty (councillor until October 2023)	\$935.00	\$0.00	\$260.00	\$0.00	\$1,195.00
Cr Wade Longmuir	\$2,494.00	\$0.00	\$1,040.00	\$0.00	\$3,534.00
Cr Ann O'Brien	\$2,556.00	\$0.00	\$1,040.00	\$0.00	\$3,596.00

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		4		6	
Elected Member	Present	Apology / LOA	Present	Apology / LOA	Present	Apology / LOA
Cr Phillip Blight	11	0	4	0	5	1
Cr Greg Ball	9	2	4	0	2	1
Cr Sherryl Chilcott	11	0	4	0	3	0
Cr Bronwyn Hegarty (councillor until October 2023)	3	0	1	1	0	0
Cr Bryan Kilpatrick	9	2	4	0	3	1
Cr Wade Longmuir	9	2	3	1	2	1
Cr Ann O'Brien	9	2	4	0	3	0
Cr Geoff West	7	4	3	1	0	3

Elected Member Demographic Information

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

During 2023/2024, there were five male (62.5%) and three female councillors (37.5%).

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 2023/2024.

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 2023/2024:

\$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 all persons in the position of Chief Executive Officer during the 2023/2024 financial year. Actual amounts paid, including superannuation are:

1. Ian McCabe – CEO 03/01/2023 – 21/09/2023 - Cash salary \$65,999.14. (Terminated as at 6 August 2023 payment of salary in lieu of notice to 21 September 2023)
2. Mark Hook – Acting CEO 07/08/2023 – 24/01/2024 – Cash salary \$90,684.88.
3. Kenneth Parker – CEO from 29/01/2024 – 30/06/2024 – Cash salary \$78,447.07.

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 removed 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. Since the end of 2023/2024 year, the Shire has prepared a new Corporate Business Plan 2024/25 – 2027/28, which was adopted at its meeting held on 30 July 2024. This plan is available to the public on our website.

Overview of the 2024/2025 Budget Proposals

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

The 2024/2025 budget was formulated with an overall increase of 3.4% in rate revenue with the minimum rates increasing from \$650 to \$675. This year the Shire continued with differential rating within the GRV category. This followed on from the revaluation of GRV properties carried out by the Valuer General in 2022/2023 which saw a wide variance between commercial and residential property value increases.

Most of the annual Commonwealth Financial Assistance Grant (\$1,672,732 or 85%) was paid in advance on 30 June 2024 and was classified as 2023/24 income.

Regional Road Group funds of \$372,268 have been allocated to Piesseville Tarwonga, Jaloran and Dongolocking Roads.

Roads to Recovery funding has increased to \$549,364 and these funds will be spent on Ballagin, Beaufort, Bullock Hills and Behn Ord Roads. The untied Direct Road Grants amount has increased to \$190,170.

Council will receive \$550,251 from the Commonwealth Government's Local Roads and Community Infrastructure Program (LRCIP Phase 4). This will be allocated towards new cricket and hockey clubrooms, Wetlands Park accessibility upgrades and several roads construction projects.

The following major capital expenditure items have been factored in the budget.

• Purchase of new Loader (P11)	\$310,000
• Demolish old and build new Hockey / Cricket Pavilion (LRCIP4)	\$289,000
• RRG - Dongolocking Road - Reconstruct seal widen	\$253,000
• RTR - Ballagin Road - Reconstruct seal widen	\$207,219
• RTR - Beaufort Road - Reconstruct seal widen	\$180,000
• RRG - Piesseville-Tarwonga Road - Reconstruct seal failed section	\$155,186
• RRG - Jaloran Street - Reseal 2 coat	\$150,216
• LRCIP4 - Bullock Hills Road - Reconstruct seal widen	\$137,423
• RTR - Bullock Hills Road - Reconstruct seal widen	\$100,000
• Dongolocking Road SLK 10.42 - Culvert replace sleepers	\$74,251
• RTR - Behn Ord Road - Reconstruct seal failed section	\$62,145
• Wetlands - Upgrades including Disabled Access Ramp (LRCIP4)	\$60,000
• New Server - Administration	\$56,000

• Shire - Rowells road - Gravel Sheet	\$55,000
• Shire - Footpath Trenton Street - Tarbet St to Theta St	\$50,000
• Sportsground Water Tank	\$48,500
• Shire - Vernon street - Reseal 2 coat	\$46,000
• Shire - Wagin-Wickepin Road - Gravel Sheet	\$45,000
• Shire - Toolibin South Road - Gravel sheet	\$45,000
• Purchase of new Ride-on Mower (P43)	\$45,000
• Christmas Lights & Decorations	\$40,000
• Shire - Footpath Khedive Street - Ware St to Warwick St	\$38,000
• LRCIP4 - Beaufort Road SLK 6.29 - Culvert repairs / replace sleepers	\$35,652
• Shire - Piesseville -Tarwonga Road - Gravel sheet shoulders	\$35,000
• Speed Safety Signage	\$35,000
• Upgrade toilet at sportsground - Disable Access (C/fwd)	\$35,000
• Purchase of new Homecare Sedan (P80)	\$30,000
• Purchase of new Homecare Sedan (P27)	\$30,000
• Purchase of new Homecare Sedan - Darkan (P86)	\$30,000
• Shire - Collanilling road - Reconstruct seal failed section	\$25,000
• Shire - Footpath Caravan park to bridge	\$25,000
• Rec Centre - Replace Alsynite Roof Sheets	\$25,000
• Shire - Arthur Road - Wetlands Horseshoe to Bridge (C/fwd)	\$24,870
• Shire - Hunt street – Reseal	\$24,000
• Swimming Pool Shade Sail	\$20,500
• Shire - Main Drain/Padbury Lane (C/fwd)	\$20,000
• Shire - Thornton Street - Kerbing both sides	\$20,000
• Shire - Trenton Street - Kerbing north side	\$20,000
• Shire - Town Drain - Main Drain/Padbury lane (Cement Wall)	\$20,000
• CCTV Server replacement	\$20,000
• Admin Building - Roof & Gutter repairs	\$20,000
• Recreation Centre - New meter box	\$20,000
• Town Hall - Annex roof repairs	\$20,000

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.

The following two actions helped improved disability access to Shire venues during 2023/2024.

The transfer of the Wagin Library and Gallery from the older roads board building to the original courthouse building has provided a much better service opportunity to the community. The venue is large, allowing more movement access around the venue ensuring people with movement disabilities are able to get around and look at all the books in a much safer, open and light area.

The Shire's Homecare service was also relocated from the Shire office to the Town Hall. The result of this is:

- Physical access – previous location of the shire office meant few people attended as the office space is busy and noisy. Clients are now able to attend during office hours, the space is specific to their needs (no-one needing to register a vehicle or cat or pay rates etc)
- Multi use – previously Homecare had weekly social events at a local venue, now they have the space to host their social events at the location of their work. Meaning they can address any access issues directly, on the spot and have been able to install physical improvements which benefits their clients with disability.
- Inviting – the ramped access into the venue is gentle, the office is open and welcoming with room to manoeuvre a wheeled, framed, aid of any sort.
- Home ground – as the venue is now set up for Homecare and their clients, they have all sorts of equipment onsite to provide assistance or provide equipment for the home to assist the client.

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 2023/2024.

Freedom of Information Act 1992

In complying with the Freedom of Information Act 1992, the Shire of Wagin is required to prepare and publish an Information Statement. The Shire of Wagin's Information Statement is reviewed annually and is available to download from the Shire's website:

www.wagin.wa.gov.au/documents/11896/freedom-of-information-statement

A printed copy can be viewed at the Shire Administration Office. The information statement contains information on the type of documents available to the public and how to access those documents. During the 2023/24 year, Council received zero requests for information under the Freedom of Information Act.

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.

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.

At its meeting on 27 November 2023 the State Records Commission approved the amended Recordkeeping Plan for the Shire of Wagin.

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.



Freedom of Information Act 1992

In complying with the Freedom of Information Act 1992, the Shire of Wagin is required to prepare and publish an Information Statement. The Shire of Wagin's Information Statement is available to download from the Shire of Wagin website:

www.wagin.wa.gov.au/documents/11896/freedom-of-information-statement

A printed copy can be viewed at the Shire Administration Office. The information statement contains information on the type of documents available to the public and how to access those documents. During the 2023/24 year, Council received no requests for information under the Freedom of Information Act.

Local Laws

There was no review of a local law undertaken in 2023/2024.

SHIRE OF WAGIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

TABLE OF CONTENTS

Statement by Chief Executive Officer	2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Statement of Financial Activity	7
Index of Notes to the Financial Report	8
Independent Auditor's Report	37

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 that 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 2024

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 2024 and the financial position as at 30 June 2024.

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

Signed on the 15 day of November 2024



CEO

Dr Kenneth Parker

Name of CEO



SHIRE OF WAGIN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),21	2,618,543	2,618,623	2,511,175
Grants, subsidies and contributions	2(a)	2,675,898	768,281	3,028,840
Fees and charges	2(a)	768,505	822,908	807,785
Interest revenue	2(a)	207,745	128,682	109,635
Other revenue	2(a)	474,073	364,315	424,272
		6,744,764	4,702,809	6,881,707
Expenses				
Employee costs	2(b)	(2,918,650)	(2,874,534)	(2,663,417)
Materials and contracts		(1,731,757)	(1,772,310)	(1,463,561)
Utility charges		(360,390)	(359,668)	(335,926)
Depreciation		(3,380,940)	(3,351,231)	(3,458,468)
Finance costs		(21,358)	(20,785)	(23,078)
Insurance		(210,584)	(202,712)	(173,131)
Other expenditure	2(b)	(262,434)	(292,798)	(143,292)
		(8,886,113)	(8,874,038)	(8,260,873)
		(2,141,349)	(4,171,229)	(1,379,166)
Capital grants, subsidies and contributions	2(a)	820,766	974,682	1,845,297
Profit on asset disposals		152,177	90,919	6,872
Loss on asset disposals		(5,118)	(5,396)	0
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,681	0	3,684
		969,506	1,060,205	1,855,853
Net result for the period		(1,171,843)	(3,111,024)	476,687
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	1,685,011	0	26,370,471
Total other comprehensive income for the period	15	1,685,011	0	26,370,471
Total comprehensive income for the period		513,168	(3,111,024)	26,847,158

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



SHIRE OF WAGIN
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	NOTE	2024	2023
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	2,358,959	6,043,307
Trade and other receivables	5	247,622	203,917
Other financial assets	4(a)	3,292,250	21,164
Inventories	6	49,128	63,263
Other assets	7	82,825	35,709
TOTAL CURRENT ASSETS		6,030,784	6,367,360
NON-CURRENT ASSETS			
Trade and other receivables	5	98,109	69,937
Other financial assets	4(b)	173,163	137,281
Property, plant and equipment	8	19,736,958	20,446,427
Infrastructure	9	130,377,486	128,965,345
TOTAL NON-CURRENT ASSETS		150,385,716	149,618,990
TOTAL ASSETS		156,416,500	155,986,350
CURRENT LIABILITIES			
Trade and other payables	11	199,754	178,718
Other liabilities	12	113,142	278,098
Borrowings	13	72,505	66,486
Employee related provisions	14	550,278	524,737
TOTAL CURRENT LIABILITIES		935,679	1,048,039
NON-CURRENT LIABILITIES			
Borrowings	13	322,250	336,047
Employee related provisions	14	76,186	33,047
TOTAL NON-CURRENT LIABILITIES		398,436	369,094
TOTAL LIABILITIES		1,334,115	1,417,133
NET ASSETS		155,082,385	154,569,217
EQUITY			
Retained surplus		32,179,660	33,608,012
Reserve accounts	24	3,328,331	3,071,822
Revaluation surplus	15	119,574,394	117,889,383
TOTAL EQUITY		155,082,385	154,569,217

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 2024

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2022		33,914,406	2,288,741	91,518,912	127,722,059
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	24	(783,081)	783,081	0	0
Balance as at 30 June 2023		33,608,012	3,071,822	117,889,383	154,569,217
Comprehensive income for the period					
Net result for the period		(1,171,843)	0	0	(1,171,843)
Other comprehensive income for the period	15	0	0	1,685,011	1,685,011
Total comprehensive income for the period		(1,171,843)	0	1,685,011	513,168
Transfers from reserve accounts	24	137,209	(137,209)	0	0
Transfers to reserve accounts	24	(393,718)	393,718	0	0
Balance as at 30 June 2024		32,179,660	3,328,331	119,574,394	155,082,385

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 2024

	NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		2,522,888	2,518,645
Grants, subsidies and contributions		2,684,504	3,014,291
Fees and charges		769,148	811,413
Interest revenue		207,745	109,635
Other revenue		474,073	418,761
		<u>6,658,358</u>	<u>6,872,745</u>
Payments			
Employee costs		(2,849,830)	(2,587,550)
Materials and contracts		(1,730,307)	(1,496,197)
Utility charges		(360,390)	(335,926)
Finance costs		(21,358)	(23,078)
Insurance paid		(210,584)	(173,131)
Other expenditure		(262,434)	(143,292)
		<u>(5,434,903)</u>	<u>(4,759,174)</u>
Net cash provided by operating activities		<u>1,223,455</u>	<u>2,113,571</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for financial assets at amortised cost - self supporting loans		(60,000)	0
Payments for purchase of property, plant & equipment	8(a)	(954,083)	(724,919)
Payments for construction of infrastructure	9(a)	(1,643,323)	(1,585,816)
Capital grants, subsidies and contributions		656,804	1,617,622
Proceeds for financial assets at amortised cost		(3,267,743)	2,000,000
Proceeds from financial assets at amortised cost - self supporting loans		22,455	30,573
Proceeds from sale of property, plant & equipment		345,864	12,718
Net cash provided by (used in) investing activities		<u>(4,900,026)</u>	<u>1,350,178</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	23(a)	(67,777)	(92,808)
Proceeds from new borrowings	23(a)	60,000	0
Net cash (used in) financing activities		<u>(7,777)</u>	<u>(92,808)</u>
Net increase (decrease) in cash held		<u>(3,684,348)</u>	<u>3,370,945</u>
Cash at beginning of year		6,043,307	2,672,362
Cash and cash equivalents at the end of the year		<u><u>2,358,959</u></u>	<u><u>6,043,307</u></u>

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 2024

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	21	2,603,123	2,603,204	2,496,320
Rates excluding general rates	21	15,420	15,419	14,855
Grants, subsidies and contributions		2,675,898	768,281	3,028,840
Fees and charges		768,505	822,908	807,785
Interest revenue		207,745	128,682	109,635
Other revenue		474,073	364,315	424,272
Profit on asset disposals		152,177	90,919	6,872
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,681	0	3,684
		6,898,622	4,793,728	6,892,263
Expenditure from operating activities				
Employee costs		(2,918,650)	(2,874,534)	(2,663,417)
Materials and contracts		(1,731,757)	(1,772,310)	(1,463,561)
Utility charges		(360,390)	(359,668)	(335,926)
Depreciation		(3,380,940)	(3,351,231)	(3,458,468)
Finance costs		(21,358)	(20,785)	(23,078)
Insurance		(210,584)	(202,712)	(173,131)
Other expenditure		(262,434)	(292,798)	(143,292)
Loss on asset disposals		(5,118)	(5,396)	0
		(8,891,231)	(8,879,434)	(8,260,873)
Non cash amounts excluded from operating activities	22(a)	3,324,252	3,265,708	3,486,197
Amount attributable to operating activities		1,331,643	(819,998)	2,117,587
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		820,766	974,682	1,845,297
Proceeds from disposal of assets		345,864	275,453	12,718
Proceeds from financial assets at amortised cost - self supporting loans	23(a)	22,455	22,560	30,573
		1,189,085	1,272,695	1,888,588
Outflows from investing activities				
Payments for financial assets at amortised cost - self supporting loans		(60,000)	(60,000)	0
Purchase of property, plant and equipment	8(a)	(954,083)	(1,051,819)	(724,919)
Purchase and construction of infrastructure	9(a)	(1,643,323)	(1,987,470)	(1,585,816)
		(2,657,406)	(3,099,289)	(2,310,735)
Amount attributable to investing activities		(1,468,321)	(1,826,594)	(422,146)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	23(a)	60,000	60,000	0
Transfers from reserve accounts	24	137,209	143,957	0
		197,209	203,957	0
Outflows from financing activities				
Repayment of borrowings	23(a)	(67,777)	(67,881)	(92,808)
Transfers to reserve accounts	24	(393,718)	(312,405)	(783,081)
		(461,495)	(380,286)	(875,889)
Amount attributable to financing activities		(264,286)	(176,329)	(875,889)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	22(b)	2,771,184	2,827,597	1,951,632
Amount attributable to operating activities		1,331,643	(819,998)	2,117,587
Amount attributable to investing activities		(1,468,321)	(1,826,594)	(422,146)
Amount attributable to financing activities		(264,286)	(176,329)	(875,889)
Surplus or deficit after imposition of general rates	22(b)	2,370,220	0	2,771,184

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

SHIRE OF WAGIN
FOR THE YEAR ENDED 30 JUNE 2024
INDEX OF NOTES TO THE FINANCIAL REPORT

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	12
Note 4	Other Financial Assets	12
Note 5	Trade and Other Receivables	13
Note 6	Inventories	14
Note 7	Other Assets	15
Note 8	Property, Plant and Equipment	16
Note 9	Infrastructure	18
Note 10	Fixed Assets	20
Note 11	Trade and Other Payables	22
Note 12	Other Liabilities	23
Note 13	Borrowings	24
Note 14	Employee Related Provisions	25
Note 15	Revaluation Surplus	26
Note 16	Restrictions Over Financial Assets	27
Note 17	Undrawn Borrowing Facilities and Credit Standby Arrangements	27
Note 18	Contingent Liabilities	28
Note 19	Related Party Transactions	29
Note 20	Other Material Accounting Policies	31
 Information required by legislation		
Note 21	Rating Information	32
Note 22	Determination of Surplus or Deficit	33
Note 23	Borrowing and Lease Liabilities	34
Note 24	Reserve accounts	35

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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 *Local Government Act 1995*, 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 Leases which would have required the Shire to measure any vested improvements at zero cost.

The *Local Government (Financial Management) Regulations 1996* provide that:

- land and buildings classified as property, plant and equipment; or
 - infrastructure; or
 - vested improvements that the local government controls;
- and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 Property, Plant and Equipment which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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.

Critical accounting estimates and judgements

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 amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
 - Expected credit losses on financial assets - note 5
 - Measurement of employee benefits - note 14
- Fair value hierarchy information can be found in note 20

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.

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 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates

This standard resulted in terminology changes relating to material accounting policies (formerly referred to as significant accounting policies).

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 2021-7c 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

These amendments are not expected to have any material impact on the financial report on initial application.

- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

These amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

- AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements

These amendments may result in additional disclosures in the case of applicable finance arrangements.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
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 Shire office	None	On payment of the token fee
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 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	2,618,543	0	2,618,543
Grants, subsidies and contributions	120,658	0	0	2,555,240	2,675,898
Fees and charges	696,251	0	40,854	31,400	768,505
Interest revenue	0	0	15,731	192,014	207,745
Other revenue	140,556	0	237,367	96,150	474,073
Capital grants, subsidies and contributions	0	820,766	0	0	820,766
Total	957,465	820,766	2,912,495	2,874,804	7,565,530

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
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
Total	3,028,840	1,845,297	3,328,738	524,129	8,727,004



SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2024 Actual \$	2023 Actual \$
Interest revenue		
Financial assets at amortised cost - self supporting loans	4,326	2,809
Interest on reserve account	102,405	58,142
Trade and other receivables overdue interest	15,731	9,778
Other interest revenue	85,283	38,906
	<u>207,745</u>	<u>109,635</u>
The 2024 original budget estimate in relation to: Trade and other receivables overdue interest was \$0.		
Fees and charges relating to rates receivable		
Charges on instalment plan	4,897	4,077
The 2024 original budget estimate in relation to: Charges on instalment plan was \$5,000.		

(b) Expenses

Auditors remuneration		
- Audit of the Annual Financial Report	23,340	26,250
- Other services – grant acquittals	5,700	2,500
	<u>29,040</u>	<u>28,750</u>
Employee Costs		
Employee benefit costs	2,918,650	2,663,417
	<u>2,918,650</u>	<u>2,663,417</u>
Other expenditure		
Sundry expenses	262,434	143,292
	<u>262,434</u>	<u>143,292</u>

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Term deposits
Total cash and cash equivalents

Held as

- Unrestricted cash and cash equivalents
- Restricted cash and cash equivalents

Note	2024	2023
	\$	\$
	2,358,959	4,009,833
	0	2,033,474
	2,358,959	6,043,307
	2,185,229	2,693,387
16	173,730	3,349,920
	2,358,959	6,043,307

MATERIAL 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
- Restricted other financial assets at amortised cost

Note	2024	2023
	\$	\$
	3,292,250	21,164
	3,292,250	21,164
22(b)	24,507	21,164
	3,267,743	0
	3,292,250	21,164
16	24,507	21,164
	3,267,743	0
	3,292,250	21,164

(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
Movement attributable to fair value increment
Units in Local Government House Trust - closing balance

	89,993	55,791
	83,170	81,490
	173,163	137,281
	89,993	55,791
	89,993	55,791
	81,489	77,806
	1,681	3,684
	83,170	81,490

MATERIAL 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 20 (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 2024

5. TRADE AND OTHER RECEIVABLES

	Note	2024	2023
		\$	\$
Current			
Rates and statutory receivables		137,848	66,651
Trade receivables		96,788	159,956
Receivables for employee related provisions	14	47,001	10,682
Allowance for credit losses of rates and statutory receivables		(32,013)	(29,282)
Allowance for credit losses of trade receivables		(2,002)	(4,090)
		247,622	203,917
Non-current			
Rates and statutory receivables		78,653	67,730
Receivables for employee related provisions		19,456	2,207
		98,109	69,937

The carrying amounts of the trade and other receivables include receivables which are subject to a factoring arrangement. Under the factoring arrangement, the Shire of Wagin has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables, late payment and credit risk remains with the Shire of Wagin, therefore the Shire continues to recognise the transferred assets in their entirety. The amount repayable under the factoring arrangement is presented as a secured borrowing under other loans at Note 13. The Shire considers that the held to collect business model remains appropriate for these receivables and continues measuring them at amortised cost.

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 2024 Actual	30 June 2023 Actual	1 July 2022 Actual
		\$	\$	\$
Contract assets	7	25,534	25,534	0
Allowance for credit losses of trade receivables	5	(2,002)	(4,090)	0
Total trade and other receivables from contracts with customers		23,532	21,444	0

MATERIAL 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 or for the construction of recognisable non financial assets as part of the ordinary course of business.

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 2024

6. INVENTORIES

	Note	2024	2023
Current		\$	\$
Fuel and materials		49,128	63,263
		49,128	63,263

The following movements in inventories occurred during the year:

Balance at beginning of year		63,263	52,102
Inventories expensed during the year		(14,135)	0
Additions to inventory		0	11,161
Balance at end of year		49,128	63,263

MATERIAL 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 2024

7. OTHER ASSETS

	2024	2023
	\$	\$
Other assets - current		
Accrued income	57,291	10,175
Contract assets	25,534	25,534
	82,825	35,709

Contract Assets

The Shire's contract assets represent work completed, which have not been invoiced at year end. This is due to the Shire not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The Shire applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Shire has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

MATERIAL 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.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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.

	Assets not subject to operating lease		Assets subject to operating lease		Total Property		Plant and equipment		Total property, plant and equipment	
	Buildings - non-specialised		Buildings - non-specialised		Land		Furniture and equipment			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Balance at 1 July 2022	1,683,600	9,135,369	1,631,000	6,540,448	3,314,600	15,675,817	18,990,416	321,050	1,824,723	21,136,189
Additions	0	13,755	0	46,327	0	60,082	60,082	93,140	571,697	724,919
Disposals	0	0	0	0	0	0	0	0	(5,846)	(5,846)
Depreciation	0	(630,009)	0	(430,046)	0	(1,060,054)	(1,060,054)	(42,732)	(306,048)	(1,408,834)
Balance at 30 June 2023	1,683,600	8,519,115	1,631,000	6,156,729	3,314,600	14,675,844	17,990,444	371,458	2,084,525	20,446,427
Comprises:										
Gross balance amount at 30 June 2023	1,683,600	9,149,124	1,631,000	6,586,775	3,314,600	15,735,899	19,050,499	514,816	3,096,027	22,661,342
Accumulated depreciation at 30 June 2023	0	(630,009)	0	(430,046)	0	(1,060,055)	(1,060,055)	(143,358)	(1,011,502)	(2,214,915)
Balance at 30 June 2023	1,683,600	8,519,115	1,631,000	6,156,729	3,314,600	14,675,844	17,990,444	371,458	2,084,525	20,446,427
Additions	6,625	206,517	0	33,842	6,625	240,359	246,984	0	707,099	954,083
Disposals	(19,000)	0	0	0	(19,000)	0	(19,000)	0	(179,805)	(198,805)
Depreciation	0	(633,517)	0	(437,879)	0	(1,071,396)	(1,071,396)	(50,677)	(342,674)	(1,464,747)
Balance at 30 June 2024	1,671,225	8,092,115	1,631,000	5,752,692	3,302,225	13,844,807	17,147,032	320,781	2,269,145	19,736,958
Comprises:										
Gross balance amount at 30 June 2024	1,671,225	9,355,640	1,631,000	6,620,617	3,302,225	15,976,257	19,278,482	514,814	3,469,453	23,262,749
Accumulated depreciation at 30 June 2024	0	(1,263,525)	0	(867,925)	0	(2,131,450)	(2,131,450)	(194,033)	(1,200,308)	(3,525,791)
Balance at 30 June 2024	1,671,225	8,092,115	1,631,000	5,752,692	3,302,225	13,844,807	17,147,032	320,781	2,269,145	19,736,958

**SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Land and buildings					
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. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.					
(ii) Cost					
Furniture and equipment		N/A	Cost	N/A	N/A
Plant and equipment		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 2024

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	Infrastructure - drainage	Infrastructure - other	Total Infrastructure
	\$	\$	\$	\$
Balance at 1 July 2022	88,475,530	3,211,599	11,371,564	103,058,693
Additions	1,200,513	0	385,303	1,585,816
Revaluation increments / (decrements) transferred to revaluation surplus	24,763,736	0	1,606,734	26,370,470
Depreciation	(1,542,180)	(68,332)	(439,122)	(2,049,634)
Balance at 30 June 2023	112,897,599	3,143,267	12,924,479	128,965,345
Comprises:				
Gross balance at 30 June 2023	112,897,599	3,416,594	12,924,479	129,238,672
Accumulated depreciation at 30 June 2023	0	(273,327)	0	(273,327)
Balance at 30 June 2023	112,897,599	3,143,267	12,924,479	128,965,345
Additions	1,381,099	0	262,224	1,643,323
Revaluation increments / (decrements) transferred to revaluation surplus	0	1,685,011	0	1,685,011
Depreciation	(1,396,042)	(68,332)	(451,819)	(1,916,193)
Balance at 30 June 2024	112,882,656	4,759,946	12,734,884	130,377,486
Comprises:				
Gross balance at 30 June 2024	114,278,699	8,549,391	13,186,703	136,014,793
Accumulated depreciation at 30 June 2024	(1,396,043)	(3,789,445)	(451,819)	(5,637,307)
Balance at 30 June 2024	112,882,656	4,759,946	12,734,884	130,377,486

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

9. INFRASTRUCTURE (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Infrastructure - roads	3	Cost Approach using current replacement cost	Independent Registered Valuers	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - footpaths	3	Cost Approach using current replacement cost	Independent Registered Valuers	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - drainage	3	Cost Approach using current replacement cost	Independent Registered Valuers	June 2024	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 2024

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:

Asset Class	Useful life
Buildings	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
- 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 2024

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the 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. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition.

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 *Local Government (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.

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 reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable Value

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are *land and buildings classified as property, plant and equipment*, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

Revaluation

Land and buildings classified as property, plant and equipment, *infrastructure or vested improvements that the local government controls* and measured at reportable value, are only required to be revalued 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 land vested in the Shire.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Shire to revalue earlier if it chooses to do so.

For land, buildings 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.

Impairment

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the Shire is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the 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 2024

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
ATO liabilities
Bonds and deposits held
Other payables - Accrued interest on loans

2024	2023
\$	\$
138,495	99,926
40,116	53,651
140	0
18,731	23,152
2,272	1,989
199,754	178,718

MATERIAL 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 2024

12. OTHER LIABILITIES

Current

Contract liabilities

Capital grant/contributions liabilities

Reconciliation of changes in contract liabilities

Opening balance

Additions

Revenue from contracts with customers included as a contract liability at the start of the period

The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$55,757 (2023: \$19,908)

The Shire expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.

Reconciliation of changes in capital grant/contribution liabilities

Opening balance

Additions

	2024	2023
	\$	\$
Contract liabilities	16,891	17,885
Capital grant/contributions liabilities	96,251	260,213
	113,142	278,098
Reconciliation of changes in contract liabilities		
Opening balance	17,885	22,000
Additions	16,891	17,885
Revenue from contracts with customers included as a contract liability at the start of the period	(17,885)	(22,000)
	16,891	17,885
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	260,213	487,889
Additions	(163,962)	(227,676)
	96,251	260,213

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.

MATERIAL 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.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 20(i)) due to the unobservable inputs, including own credit risk.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

13. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		72,505	322,250	394,755	66,486	336,047	402,533
Total secured borrowings	23(a)	72,505	322,250	394,755	66,486	336,047	402,533

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 2024 and 2023 years.

MATERIAL 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 20(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 23(a).



SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2024	2023
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	221,490	194,417
Long service leave	267,419	272,389
	488,909	466,806
Employee related other provisions		
Employment on-costs	61,369	57,931
	61,369	57,931
Total current employee related provisions	550,278	524,737
Non-current provisions		
Employee benefit provisions		
Long service leave	68,174	29,890
	68,174	29,890
Employee related other provisions		
Employment on-costs	8,012	3,157
	8,012	3,157
Total non-current employee related provisions	76,186	33,047
Total employee related provisions	626,464	557,784

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.

	Note	2024	2023
		\$	\$
Expected reimbursements of employee related provisions from other WA local governments included within other receivables	5	47,001	10,682

MATERIAL 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
FOR THE YEAR ENDED 30 JUNE 2024

15. REVALUATION SURPLUS

	2024 Opening Balance	Total Movement on Revaluation	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	2,950,342	0	2,950,342	2,950,342	0	2,950,342
Revaluation surplus - Buildings - non-specialised	10,226,965	0	10,226,965	10,226,965	0	10,226,965
Revaluation surplus - Plant and equipment	106,181	0	106,181	106,181	0	106,181
Revaluation surplus - Infrastructure - roads	89,838,269	0	89,838,269	65,074,532	24,763,737	89,838,269
Revaluation surplus - Infrastructure - drainage	3,416,594	1,685,011	5,101,605	3,416,594	0	3,416,594
Revaluation surplus - Infrastructure - other	11,351,032	0	11,351,032	9,744,298	1,606,734	11,351,032
	117,889,383	1,685,011	119,574,394	91,518,912	26,370,471	117,889,383

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

16. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2024 Actual \$	2023 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	173,730	3,349,920
- Financial assets at amortised cost	4	3,267,743	0
		<u>3,441,473</u>	<u>3,349,920</u>
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	24	3,328,331	3,071,822
Contract liabilities	12	16,891	17,885
Capital grant liabilities	12	96,251	260,213
Total restricted financial assets		<u>3,441,473</u>	<u>3,349,920</u>
17. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS			
Credit card limit		16,000	16,000
Credit card balance at balance date		(1,987)	0
Total amount of credit unused		<u>14,013</u>	<u>16,000</u>
Loan facilities			
Loan facilities - current		72,505	66,486
Loan facilities - non-current		322,250	336,047
Total facilities in use at balance date		<u>394,755</u>	<u>402,533</u>
Unused loan facilities at balance date		Nil	Nil



**SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

18. CONTINGENT LIABILITIES

In compliance with the Contaminated Sites Act 2003, the Shire has listed sites to be possible sources of contamination. Details of those sites are:

- Wagin Airfield
- Wagin Refuse Disposal Site

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Water and Environmental Regulation on the need and criteria for remediation of a risk based approach, the Shire is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Water and Environmental Regulation Guidelines.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

19. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

Note	2024 Actual	2024 Budget	2023 Actual
	\$	\$	\$
President's annual allowance	15,656	15,656	12,300
President's meeting attendance fees	6,612	6,398	4,320
President's other expenses	0	1,250	0
President's annual allowance for ICT expenses	1,040	755	1,040
President's travel and accommodation expenses	0	100	0
	23,308	24,159	17,660
Deputy President's annual allowance	3,918	3,918	3,075
Deputy President's meeting attendance fees	3,056	3,278	2,002
Deputy President's other expenses	0	1,250	0
Deputy President's annual allowance for ICT expenses	1,040	755	1,040
Deputy President's travel and accommodation expenses	0	100	547
	8,014	9,301	6,664
All other council members' meeting attendance fees	14,152	17,325	14,222
All other council members' other council member expenses	0	6,500	0
All other council members' annual allowance for ICT expenses	5,460	4,035	7,260
All other council members' travel and accommodation expenses	342	0	0
All other council members' annual allowance for travel and accommodation expenses	0	550	0
	19,954	28,410	21,482
19(b)	51,276	61,870	45,806

(b) Key Management Personnel (KMP) Compensation

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

Short-term employee benefits	570,793	511,778
Post-employment benefits	64,059	58,789
Employee - other long-term benefits	9,281	10,403
Employee - termination benefits	30,089	42,647
Council member costs	51,276	45,806
19(a)	725,498	669,423

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 accruing during the year.

Termination benefits

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

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 2024

19. 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.

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

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

	2024 Actual \$	2023 Actual \$
Sale of goods and services	10,681	15,766
Purchase of goods and services	22,745	23,652
Short term employee benefits - other related parties	942	0
Payment of council member costs (Refer to Note 19(a))	51,276	45,806
Amounts outstanding from related parties:		
Trade and other receivables	4,094	3,812
Amounts payable to related parties:		
Trade and other payables	85	4

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Shire, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 19(a) and 19(b).

ii. Other Related Parties

Short-term employee benefits related to an associate person (wife) of the Deputy Chief Executive Officer who was employed by the Shire to cover a staff absence for two weeks on a casual basis 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 2024

20. OTHER MATERIAL 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 *Fair Value Measurement* 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 except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

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 *Property, Plant and Equipment*) 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 2024

21. RATING INFORMATION

(a) General Rates

RATE TYPE	Rate in \$	Number of Properties	2023/24 Actual Rateable Value*	2023/24 Actual Rate	2023/24 Actual Interim Rates	2023/24 Actual Total Revenue	2023/24 Budget Rate	2023/24 Budget Interim Rate	2023/24 Budget Total Revenue	2022/23 Actual Total Revenue
GRV - Non-commercial	8.9977	678	8,752,637	787,536	822	788,358	787,536	4,000	791,536	757,274
GRV Commercial	11.9453	66	1,592,995	190,287	209	190,496	190,288	0	190,288	183,322
UV	0.4803	300	327,083,073	1,570,980	918	1,571,898	1,570,980	2,000	1,572,980	1,516,627
Total general rates		1,044	337,428,705	2,548,803	1,949	2,550,752	2,548,804	6,000	2,554,804	2,457,222
Minimum payment	\$									
GRV - Non-commercial	650	134	200,950	87,100	0	87,100	87,100	0	87,100	85,625
GRV Commercial	650	14	37,764	9,100	0	9,100	9,100	0	9,100	8,125
UV	650	88	7,337,166	57,200	0	57,200	57,200	0	57,200	52,500
Total minimum payments		236	7,575,880	153,400	0	153,400	153,400	0	153,400	146,250
Total general rates and minimum payments		1,280	345,004,585	2,702,203	1,949	2,704,152	2,702,204	6,000	2,708,204	2,603,472
Ex-gratia Rates										
CBH										
Total amount raised from rates (excluding general rates)		0	0	15,420	0	15,420	15,419	0	15,419	14,855
Discounts										
Concessions										
Total Rates										
						(99,698)			(100,000)	(103,144)
						(1,331)			(5,000)	(4,008)
						2,618,543			2,618,623	2,511,175
Rate instalment interest										
Rate overdue interest										
						4,368			4,000	4,250
						10,703			6,000	5,249

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 2024

22. DETERMINATION OF SURPLUS OR DEFICIT

		2023/24 (30 June 2024 Carried Forward)	2023/24 Budget (30 June 2024 Carried Forward)	2022/23 (30 June 2023 Carried Forward)
	Note	\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals		(152,177)	(90,919)	(6,872)
Less: Movement in liabilities associated with restricted cash		77,085	0	82,654
Less: Fair value adjustments to financial assets at fair value through profit or loss		(1,681)	0	(3,684)
Add: Loss on disposal of assets		5,118	5,396	0
Add: Depreciation	8(a), 9(a)	3,380,940	3,351,231	3,458,468
Non-cash movements in non-current assets and liabilities:				
Pensioner deferred rates		(10,923)	0	(11,664)
Employee benefit provisions		25,890	0	(32,705)
Non-cash amounts excluded from operating activities		3,324,252	3,265,708	3,486,197
(b) Surplus or deficit after imposition of general rates				
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.				
Adjustments to net current assets				
Less: Reserve accounts	24	(3,328,331)	(3,234,677)	(3,071,822)
Less: Financial assets at amortised cost - self supporting loans	4(a)	(24,507)	(21,164)	(21,164)
Less: Financial assets at amortised cost				
Less: Current assets not expected to be received at end of year				
- Rates Receivable		0	(42,115)	0
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	13	72,505	58,605	66,486
- Employee benefit provisions		555,448	494,157	478,362
Total adjustments to net current assets		(2,724,885)	(2,745,194)	(2,548,138)
Net current assets used in the Statement of Financial Activity				
Total current assets		6,030,784	3,501,478	6,367,361
Less: Total current liabilities		(935,679)	(756,284)	(1,048,039)
Less: Total adjustments to net current assets		(2,724,885)	(2,745,194)	(2,548,138)
Surplus or deficit after imposition of general rates		2,370,220	0	2,771,184

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

23. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual					Budget			
		Principal		Repayments		Principal at 30 June 2023	New Loans		Principal	
		1 July 2022	New Loans During 2022-23	During 2022-23	During 2022-23		During 2023-24	During 2023-24	Repayments During 2023-24	Principal at 30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Recreation Centre Development		29,477	0	0	(29,477)	0	0	0	0	0
Swimming Pool Redevelopment		187,284	0	0	(14,746)	172,538	0	0	(16,664)	155,874
Staff Housing		126,737	0	0	(15,693)	111,044	0	0	(13,144)	97,900
Doctor Housing		54,352	0	0	(12,357)	41,995	0	0	(15,514)	26,482
Total		397,850	0	0	(72,273)	325,577	0	0	(45,322)	280,255
Self Supporting Loans										
Wagin Ag Society		97,491	0	0	(20,535)	76,955	0	0	(21,164)	55,791
Wagin Bowling Club		0	0	0	0	0	60,000	60,000	(1,291)	58,709
Total Self Supporting Loans		97,491	0	0	(20,535)	76,955	60,000	60,000	(22,455)	114,500
Total Borrowings	13	495,341	0	0	(92,808)	402,532	60,000	60,000	(67,777)	394,755

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	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
					\$	\$	\$
Recreation Centre Development	131	NAB	6.39%	Repaid	0	0	(910)
Swimming Pool Redevelopment	139	WATC*	5.11%	11/05/2032	(8,437)	(8,523)	(9,291)
Staff Housing	137	WATC*	6.02%	26/03/2029	(6,266)	(6,230)	(7,201)
Doctor Housing	138	WATC*	6.27%	20/04/2026	(2,271)	(2,430)	(3,217)
Total					(16,974)	(17,183)	(20,619)
Self Supporting Loans Finance Cost Payments							
Wagin Ag Society	141	WATC*	3.04%	30/11/2026	(2,132)	(2,180)	(2,809)
Wagin Bowling Club	142	WATC*	5.71%	2/11/2038	(2,253)	(1,422)	0
Total Self Supporting Loans Finance Cost Payments					(4,385)	(3,602)	(2,809)
Total Finance Cost Payments					(21,359)	(20,785)	(23,428)

* WA Treasury Corporation

(b) New Borrowings - 2023/24

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
				%	2024 Actual	2024 Budget	2024 Actual	2024 Budget	\$	\$
Wagin Bowling Club	WATC*	Debenture	15	5.71%	60,000	60,000	60,000	60,000	30,108	0
Total					60,000	60,000	60,000	60,000	30,108	0

* WA Treasury Corporation

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

24. RESERVE ACCOUNTS

Restricted by council

	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
(a) Leave Reserve	478,362	77,086	0	555,448	472,769	12,146	0	484,915	395,708	82,654	0	478,362
(b) Plant Replacement Reserve	742,860	24,155	(77,119)	689,896	742,860	22,269	(143,957)	621,172	459,304	283,556	0	742,860
(c) Recreation Centre Equipment Reserve	15,113	493	0	15,606	15,113	453	0	15,566	14,751	362	0	15,113
(d) Aerodrome Maintenance & Development Reserve	32,715	10,831	0	43,546	32,715	10,751	0	43,466	23,740	8,975	0	32,715
(e) Municipal Buildings Reserve	73,666	2,401	0	76,067	73,666	2,207	0	75,873	71,902	1,764	0	73,666
(f) Admin Centre Furniture, Equipment & IT Reserve	15,940	520	0	16,460	15,940	478	0	16,418	15,559	381	0	15,940
(g) Land Development Reserve	11,038	360	0	11,398	11,038	331	0	11,369	10,774	264	0	11,038
(h) Community Bus Reserve	21,121	2,188	0	23,309	21,121	2,083	0	23,204	19,006	2,115	0	21,121
(i) Homecare Reserve	110,711	5,844	(60,090)	56,465	110,711	6,977	0	117,688	108,061	2,650	0	110,711
(j) Recreation Development Reserve	252,506	28,225	0	280,731	252,506	27,566	0	280,072	226,940	25,566	0	252,506
(k) Refuse Site / Waste Management Reserve	255,411	13,829	0	269,240	255,411	12,821	0	268,232	209,291	46,120	0	255,411
(l) Water Management Reserve	72,961	2,378	0	75,339	72,961	2,186	0	75,147	71,214	1,747	0	72,961
(m) Staff Housing Reserve	382,358	87,446	0	469,804	382,358	86,459	0	468,817	300,000	82,358	0	382,358
(n) Refuse Site Rehabilitation Reserve	162,179	25,281	0	187,460	162,179	24,860	0	187,039	138,775	23,404	0	162,179
(o) Community Events Reserve	9,239	301	0	9,540	9,239	277	0	9,516	9,017	222	0	9,239
(p) Electronic Sign Reserve	15,248	496	0	15,744	15,248	457	0	15,705	14,883	365	0	15,248
(q) Community Gym Reserve	22,960	3,622	0	26,582	22,960	3,540	0	26,500	19,174	3,786	0	22,960
(r) Sportsground Precinct Redevelopment Reserve	272,707	93,867	0	366,574	272,707	93,174	0	365,881	168,573	104,134	0	272,707
(s) Emergency/Bushfire Control Reserve	24,727	11,156	0	35,883	24,727	370	0	25,097	12,069	12,658	0	24,727
(t) Roadwork Reserve	100,000	3,239	0	103,239	100,000	3,000	0	103,000	0	100,000	0	100,000
	3,071,822	393,718	(137,209)	3,328,331	3,066,229	312,405	(143,957)	3,234,677	2,288,741	783,081	0	3,071,822

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

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

24. RESERVE ACCOUNTS (Cont'd)

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

Name of reserve account Restricted by council	Purpose of the reserve account
(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 program.



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

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 2024, 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 material 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 2024 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section 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 2024, 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, the Regulations and 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.

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 2024 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
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
18 November 2024