



**AGENDA FOR THE  
ORDINARY COUNCIL MEETING  
TO BE HELD ON**

**Wednesday 15 November 2017**

# Shire of Mingenew

## Ordinary Council Meeting Notice Paper

15 November 2017

Madam President and Councillors,

An Ordinary Meeting of Council is called for Wednesday, 15 November 2017, in the Council Chambers, Victoria Street, Mingenew, commencing at 4.30 pm.

**Martin Whitely**  
**Chief Executive Officer**

10 November 2017

### **DISCLAIMER**

The purpose of Council Meetings is to discuss, and where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

Persons should be aware that the provisions of the Local Government Act 1995 (Section 5.25 (e)) establish procedures for revocation or rescission of a Council decision. No person should rely on the decisions made by Council until formal advice of the Council decision is received by that person. The Shire of Mingenew expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council meeting.

**SHIRE OF MINGENEW**

WRITTEN DECLARATION OF INTEREST IN MATTER BEFORE COUNCIL

Chief Executive Officer  
Shire of Mingenew  
PO Box 120  
MINGENEW WA 6522

Dear Sir/Madam,

**Re: Written Declaration of Interest in Matter before Council**

I, (1)\_\_\_\_\_ wish to declare an interest in the following item to be considered by Council at its meeting to be held on

(2)\_\_\_\_\_

Agenda Item (3) \_\_\_\_\_

The type of interest I wish to declare is (4)

- ☐ Financial pursuant to Section 5.60A of the Local Government Act 1995  
☐ Proximity pursuant to Section to 5.60B of the Local Government Act 1995  
☐ Indirect Financial pursuant to Section 5.61 of the Local Government Act 1995  
☐ Impartiality pursuant to regulation 11 of the Local Government (Rule of Conduct) Regulations 2007

The nature of my interest is (5)

\_\_\_\_\_

The extent of my interest is (6)

\_\_\_\_\_

I understand that the above information will be recorded in the minutes of the meeting and recorded in the Financial Interest Register.

Yours faithfully,

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Date

1. Insert Name
2. Insert the date of the Council Meeting at which the item is to be considered.
3. Insert the Agenda Item Number and Title.
4. Tick box to indicate type of interest.
5. Describe the nature of your interest.
6. Describe the extent of your interest (if seeking to participate in the matter under S. 5.68 of the Act).

## Table of Contents

1.0	DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS .....	4
1.1	ELECTION OF SHIRE PRESIDENT .....	5
1.2	ELECTION OF DEPUTY PRESIDENT .....	6
2.0	RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE .....	7
3.0	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE .....	7
4.0	PUBLIC QUESTION TIME/PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS .....	7
5.0	APPLICATIONS FOR LEAVE OF ABSENCE .....	7
6.0	DECLARATIONS OF INTEREST .....	7
7.0	CONFIRMATION OF PREVIOUS MEETING MINUTES .....	8
7.1.1	ORDINARY MEETING HELD 18 OCTOBER 2017 .....	8
7.1.2	EXCEUTIVE COMMITTEE MEETING HELD 16 OCTOBER 2017 .....	33
7.1.3	SPECIAL MEETING HELD 3 NOVEMBER 2017 .....	37
8.0	ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION .....	40
9.0	OFFICERS REPORTS .....	40
9.1	CHIEF EXECUTIVE OFFICER.....	41
9.1.1	DELEGATIONS TO COMMITTEES & COMMUNITY ORGANISATIONS.....	41
9.1.2	COMMITTEES OF COUNCIL .....	44
9.2	FINANCE .....	51
9.2.1	FINANCIAL STATEMENTS FOR PERIOD ENDING 31 OCTOBER 2017 .....	51
9.2.2	ACCOUNTS FOR PAYMENT – MONTH ENDING 31 OCTOBER 2017 .....	82
9.3	ADMINISTRATION .....	90
9.2.3	2016/17 ANNUAL REPORT .....	90
9.4	TOWN PLANNING .....	177
9.5	BUILDING.....	177
10.0	ELECTED MEMBERS/MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN .....	177
11.0	NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING .....	177
11.1	ELECTED MEMBERS.....	177
11.2	STAFF.....	177
14.0	CLOSURE .....	177

## SHIRE OF MINGENEW

### AGENDA FOR ORDINARY MEETING OF COUNCIL TO BE HELD IN COUNCIL CHAMBERS ON 15 November 2017 COMMENCING AT 4.30pm

#### 1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

##### 1.1 ELECTION OF SHIRE PRESIDENT

###### Background

Council is required to elect the President and Deputy President as the first item at the first meeting following an ordinary election day.

The term of the positions is for 2 years (until the next ordinary election).

###### Comment

The process of election is the same *mutatis mutandis* as the process for election of that of a Councillor.

The CEO is to preside at the meeting until the Office of President is filled. Once a Councillor has been elected and completed the declaration, the President is to assume the Chair.

###### Statutory Implications

Section 2 of Schedule 2.3 of the *Local Government Act* provides that, in relation to the Office of President:

- (1) The office is to be filled as the first matter dealt with —
- (a) at the first meeting of the council after an inaugural election or a section 4.13 or 4.14 election or after an ordinary elections day.

Section 3 provides that the CEO is to preside at the meeting until the Office is filled.

Section 4 provides:

- (1) the Council is to elect a Councillor to fill the office.
- (2) the election is to be conducted by the CEO in accordance with the procedure prescribed.
- (3) nominations for the Office are to be given to the CEO in writing before the meeting or during the meeting before the close of nominations.
- (3a) nominations close at the meeting at a time announced by the CEO, which is to be a sufficient time after the announcement by the CEO that nominations are about to close to allow for any nominations made to be dealt with.
- (4) if a Councillor is nominated by another Councillor the CEO is not to accept the nomination unless the nominee has advised the CEO, orally or in writing, that he or she is willing to be nominated for the office.
- (5) the Councillors are to vote on the matter by secret ballot as if they were electors voting at an election.

In relation to the role of the President Section 2.8 provides that:

- (1) The president —
- (a) presides at meetings in accordance with this Act;
- (b) provides leadership and guidance to the community in the district;
- (c) carries out civic and ceremonial duties on behalf of the local government;
- (d) speaks on behalf of the local government;
- (e) performs such other functions as are given to the president by this Act or any other written law; and
- (f) liaises with the CEO on the local government's affairs and the performance of its functions.

Section 5.34 provides that if —

- (a) the office of President is vacant; or
- (b) the President is not available or is unable or unwilling to perform the functions of the mayor or president, then the deputy President may perform the functions of president.

Regulation 13 of the *Local Government (Constitution) Regulations* (Oaths, affirmations and declarations) provides that:

- (1) For the purposes of sections 2.29 and 2.42 —
  - (c) the form of declaration for a mayor, president, deputy mayor, deputy president or Councillor is that in Form 7;
  - (d) the form of declaration for a commissioner is that in Form 8.
- 
- (2) A declaration required by section 2.29 to be made by a person elected as a mayor or president is to be made before —
    - (a) the immediate predecessor of the person in the office of mayor or president; or
    - (b) an authorised person.
  - (3) A declaration required by section 2.29 to be made by a person elected as a Councillor, deputy mayor or deputy president is to be made before an authorised person.
  - (4) A declaration required by section 2.42 to be made by a person appointed as a commissioner is to be made before an authorised person
- .
- (5) In this regulation —

**“authorised person”** means a person before whom a statutory declaration can be made under the *Oaths, Affidavits and Statutory Declarations Act 2005*.

## 1.2 ELECTION OF DEPUTY PRESIDENT

Council is required to elect the President and Deputy President as the first item at the first meeting following an ordinary election day.

### Comment

The process of electing the Deputy President is the same process for the election of the President.

### Statutory Implications

In relation to the Office of Deputy President, Section 7 provides:

- (2) If the local government has a Councillor president the office of deputy president is to be filled
  - (a) as the next matter dealt with after the president is elected at the first meeting of the council after an ordinary elections day;

In relation to the role of the Deputy President Section 2.9 provides that the deputy President performs the functions of the President when authorised to do so under section 5.34.

Regulation 13 of the *Local Government (Constitution) Regulations* provides that:

- (1) For the purposes of sections 2.29 and 2.42 —
- (c) the form of declaration for a mayor, president, deputy mayor, deputy president or Councillor is that in Form 7;
- (d) the form of declaration for a commissioner is that in Form 8.
- (2) A declaration required by section 2.29 to be made by a person elected as a mayor or president is to be made before —
  - (a) the immediate predecessor of the person in the office of mayor or president; or
  - (b) an authorised person.
- (3) A declaration required by section 2.29 to be made by a person elected as a Councillor, deputy mayor or deputy president is to be made before an authorised person.
- (4) A declaration required by section 2.42 to be made by a person appointed as a commissioner is to be made before an authorised person.
- (5) In this regulation —

“**authorised person**” means a person before whom a statutory declaration can be made under the *Oaths, Affidavits and Statutory Declarations Act 2005*.

## **2.0 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE**

## **3.0 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

## **4.0 PUBLIC QUESTION TIME/PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS**

## **5.0 APPLICATIONS FOR LEAVE OF ABSENCE**

## **6.0 DECLARATIONS OF INTEREST**

## **7.0 CONFIRMATION OF PREVIOUS MEETING MINUTES**

### **7.1.1 ORDINARY MEETING HELD 18 OCTOBER 2017**



# **MINUTES FOR THE ORDINARY COUNCIL MEETING HELD ON**

**Wednesday 18 October 2017**

## **DISCLAIMER**

The purpose of Council Meetings is to discuss, and where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

Persons should be aware that the provisions of the Local Government Act 1995 (Section 5.25 (e)) establish procedures for revocation or rescission of a Council decision. No person should rely on the decisions made by Council until formal advice of the Council decision is received by that person. The Shire of Mingenew expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council meeting.



## Table of Contents

1.0	DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS.....	3
2.0	RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE .....	3
3.0	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE .....	3
4.0	PUBLIC QUESTION TIME/PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS .....	3
5.0	APPLICATIONS FOR LEAVE OF ABSENCE .....	3
6.0	DECLARATIONS OF INTEREST .....	3
7.0	CONFIRMATION OF PREVIOUS MEETING MINUTES .....	3
7.1.1	ORDINARY MEETING HELD 20 SEPTEMBER 2017 .....	3
7.1.2	BUSH FIRE ADVISORY MEETING HELD 26 SEPTEMBER 2017 .....	4
8.0	ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION .....	4
9.0	OFFICERS REPORTS .....	4
9.1	CHIEF EXECUTIVE OFFICER.....	5
9.1.1	CORPORATE BUSINESS PLAN 2017-2021 .....	5
9.1.2	APPOINTMENT OF BUSH FIRE CONTROL OFFICERS .....	7
9.1.3	TENDER – SUPPLY OF BLUE METAL & BITUMEN.....	10
9.1.5	SHIRE OFFICE HOURS – NORMAL OFFICE HOURS .....	14
9.1.6	COMMON SEAL.....	16
9.2	FINANCE.....	18
9.2.1	FINANCIAL STATEMENTS FOR PERIOD ENDING 30 SEPTEMBER 2017 .....	18
9.2.2	ACCOUNTS FOR PAYMENT – MONTH ENDING 30 SEPTEMBER 2017 .....	21
9.3	ADMINISTRATION.....	23
9.4	TOWN PLANNING .....	23
9.5	BUILDING.....	23
10.0	ELECTED MEMBERS/MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN .....	23
11.0	NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING .....	23
11.1	ELECTED MEMBERS.....	23
11.2	STAFF.....	23
12.0	CONFIDENTIAL ITEMS.....	23
12.1	CEO PERFORMANCE REVIEW .....	23
13.0	TIME AND DATE OF NEXT MEETING .....	24
14.0	CLOSURE .....	24

## SHIRE OF MINGENEW

### MINUTES FOR ORDINARY MEETING OF COUNCIL HELD IN COUNCIL CHAMBERS ON 18 October 2017 COMMENCING AT 4.30pm

#### 1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The President, Cr Bagley, declared the meeting open at 4.30pm and welcomed all in attendance.

#### 2.0 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

MA Bagley	President	Rural Ward
GJ Cosgrove	Deputy President	Rural Ward
KL Criddle	Councillor	Rural Ward
LM Eardley	Councillor	Town Ward
CR Lucken	Councillor	Town Ward

#### STAFF

M Whitely	Chief Executive Officer
B Bow	Governance Officer
R Brennan	Works Supervisor

#### APOLOGIES

Nil

#### 3.0 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

#### 4.0 PUBLIC QUESTION TIME/PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

There being no members of public the President proceeded with the meeting allowing a period of 15 minutes for questions from the public up until 4:46pm

#### 5.0 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

#### 6.0 DECLARATIONS OF INTEREST

9.2.2 - Cr Eardley declared a financial interest in the item and as such would vacate the meeting during council consideration of item.

#### 7.0 CONFIRMATION OF PREVIOUS MEETING MINUTES

##### 7.1.1 ORDINARY MEETING HELD 20 SEPTEMBER 2017

##### COUNCIL DECISION – ITEM 7.1.1

Moved Cr Cosgrove

Seconded Cr Lucken

That the minutes of the Ordinary Meeting of the Shire of Mingenew held in the Council Chambers on 20 September 2017 be confirmed.

CARRIED 5/0

7.1.2 BUSH FIRE ADVISORY MEETING HELD 26 SEPTEMBER 2017

**COUNCIL DECISION – ITEM 7.1.2**

**Moved Cr Cosgrove**

**Seconded Cr Criddle**

**That the minutes of the Bush Fire Advisory Meeting held at the Mingenew Recreation Centre on 26 September 2017 be received.**

**CARRIED 5/0**

**8.0 ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION**

Nil

**9.0 OFFICERS REPORTS**

## **9.1 CHIEF EXECUTIVE OFFICER**

### **9.1.1 CORPORATE BUSINESS PLAN 2017-2021**

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**Disclosure of Interest:** Nil  
**File Reference:** ADM0120  
**Date:** 13 October 2017  
**Author:** Martin Whitely, Chief Executive Officer

#### **Summary**

This report recommends the endorsement of the Shire of Mingenew Corporate Business Plan 2017-2021.

#### **Attachment**

Shire of Mingenew Corporate Business Plan 2017-2021.

#### **Background**

The Corporate Business Plan ("CBP") is a key component of the Integrated Planning Framework requirements that were introduced in 2012/13. The intent of the Integrated Planning Framework was to ensure improved strategic, financial and asset management planning across the WA local government sector.

#### **Comment**

The Corporate Business Plan outlines the priorities and strategies that Council will pursue over the next four years to deliver on the community vision documented within the Strategic Community Plan. During the recent review of the Plan, the strategies were amended to reflect a more current perception of the areas that would influence the Shire's direction and community expectations over the next few years. These were in turn assessed against available financial and workforce resources.

The priority for each action has been considered in accordance with available resources, but Council may decide to advance or push back tasks as part of the review of the Plan. The CBP will continue to be reviewed annually at various workshops, thereby providing an opportunity to consider any change in priorities based on the circumstances that prevail at that time. Reporting against the measures will form part of Council's regular reporting systems and also be included in the Annual Report.

Council has the option of:

1. Endorsing the Corporate Business Plan 2017 - 2021 without amendment; or
2. Amending any part of the Corporate Business Plan to reflect a change in priorities.

A simplistic approach to the above is that the Corporate Business Plan is reviewed annually each year during the budget process with the adopted budget forming the outcomes to be achieved in the same corresponding year of the Corporate Business Plan with future years to be reviewed on an ongoing basis.

With community consultation for the Community Strategic Plan review to commence in February 2018, the outcomes from this review will need to be reflected in the Corporate Business Plan document.

**Consultation**

Durga Ojha, Finance Manager  
Rocky Brennan, Works Supervisor

**Statutory Environment**

Section 5.56(1) and (2) of the Act requires that each local government is to plan for the future of the district, by developing plans in accordance with the regulations.

The new regulations also require each local government to include in its Annual Report any changes to either of the above plans.

**Policy Implications**

Nil

**Financial Implications**

The Plan is the key driver for the annual budget and the long term financial plan. This linkage ensures that community priorities are adequately funded and that appropriate and endorsed rating strategies are in place to allow any financial impact on the community to be carefully considered.

There is also an ongoing cost associated with the review of the Corporate Business Plan and reporting on the performance measures for each of the actions within the Plan.

**Strategic Implications**

The Corporate Business Plan has direct links to all of the following documents;

- Community Strategic Plan
- Long Term financial Plan
- Workforce Plan
- Asset Management Plan

**Voting Requirements**

Simple Majority

<b>OFFICER RECOMMENDATION – ITEM 9.1.1</b>
--

That Council;

1. Endorses the Shire of Mingenew Corporate Business Plan 2017 – 2021, and
2. Approves a local public notice being published in accordance with the requirements of the Local Government Act 1995 advising of the endorsement of the Corporate Business Plan.

<b>COUNCIL DECISION – ITEM 9.1.1</b>
--------------------------------------

Moved Cr Eardley

Seconded Cr Cosgrove

That Council;

1. Endorses the Shire of Mingenew Corporate Business Plan 2017 – 2021, and
2. Approves a local public notice being published in accordance with the requirements of the Local Government Act 1995 advising of the endorsement of the Corporate Business Plan.

**CARRIED 5/0**

### 9.1.2 APPOINTMENT OF BUSH FIRE CONTROL OFFICERS

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**Disclosure of Interest:** Nil  
**File Reference:** ADM0147  
**Date:** 13 October 2017  
**Author:** Martin Whitely, Chief Executive Officer

#### **Summary**

This report recommends that Council appoints Bush Fire Officers for the Shire of Mingenew for the 2017/18 fire season.

#### **Attachment**

Nil

#### **Background**

The Mingenew Bush Fire Advisory Meeting was held on Tuesday 26 September 2017. At this meeting the Bush Fire Advisory Committee made recommendations for the appointment of Bush Fire Control Officers including the positions of Chief Fire Control Officer, Deputy Chief Fire Control Officer & Fire Weather Officers.

#### **Comment**

The following positions were endorsed at the Bush Fire Advisory Committee meeting;

##### **Chief Bush Fire Control Officer**

Murray Thomas

##### **Deputy Chief Bush Fire Control Officer**

Nick Duane

##### **Permit Issuing Officers**

Murray Thomas

Martin Whitely

##### **Fire Weather Officers**

Murray Thomas

Martin Whitely

##### **Bush Fire Control Officers**

###### **Mingenew Town**

Captain – Anthony Smyth

Deputy Captain – Trevor Anderson

###### **Yandanooka**

Captain - Nick Duane

Deputy Captain - Justin Bagley

###### **Lockier**

Captain - Daniel Michael

Deputy Captain - Tim Dempster

**Guranu**

Captain - Ben Cobley

Deputy Captain – Gavin Elsgood

**Mingenew North**

Captain - Alex Pearce

Deputy Captain - Andrew Green

**Consultation**

Shire of Mingenew Fire Brigades

**Statutory Environment**

Bush Fire Act 1954

**Policy Implications**

Nil

**Financial Implications**

Nil

**Strategic Implications**

Community Strategic Plan

Outcome 3.7.3 – Continuously improve emergency services

**Voting Requirements**

Simple Majority

<b>OFFICER RECOMMENDATION – ITEM 9.1.2</b>
--

That Council endorse the recommendations of the Bush Fire Advisory Committee for the relevant Bush Fire Control Officer dignitaries for the 2017/18 fire season as follows;

Chief Bush Fire Control Officer – Murray Thomas

Deputy Chief Bush Fire Control Officer – Nick Duane

Permit Issuing Officers - Murray Thomas & Martin Whitely

Fire Weather Officers - Murray Thomas & Martin Whitely

**Bush Fire Control Officers**

Mingenew Town

Captain – Anthony Smyth

Deputy Captain – Trevor Anderson

**Yandanooka**

Captain - Nick Duane

Deputy Captain - Justin Bagley

**Lockier**

Captain - Daniel Michael

Deputy Captain - Tim Dempster

**Guranu**

**Captain - Ben Cobley**

**Deputy Captain – Gavin Elsgood**

**Mingenew North**

**Captain - Alex Pearse**

**Deputy Captain - Andrew Green**

<b>COUNCIL DECISION – ITEM 9.1.2</b>
--------------------------------------

**Moved Cr Eardley**

**Seconded Cr Criddle**

**That Council endorse the recommendations of the Bush Fire Advisory Committee for the relevant Bush Fire Control Officer dignitaries for the 2017/18 fire season as follows;**

**Chief Bush Fire Control Officer – Murray Thomas**

**Deputy Chief Bush Fire Control Officer – Nick Duane**

**Permit Issuing Officers - Murray Thomas & Martin Whitely**

**Fire Weather Officers - Murray Thomas & Martin Whitely**

**Bush Fire Control Officers**

**Mingenew Town**

**Captain – Anthony Smyth**

**Deputy Captain – Trevor Anderson**

**Yandanooka**

**Captain - Nick Duane**

**Deputy Captain - Justin Bagley**

**Lockier**

**Captain - Daniel Michael**

**Deputy Captain - Tim Dempster**

**Guranu**

**Captain - Ben Cobley**

**Deputy Captain – Gavin Elsgood**

**Mingenew North**

**Captain - Alex Pearse**

**Deputy Captain - Andrew Green**

**CARRIED 5/0**



### 9.1.3 TENDER – SUPPLY OF BLUE METAL & BITUMEN

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**Disclosure of Interest:** Nil  
**File Reference:** ADM0113  
**Date:** 16 October 2017  
**Author:** Martin Whitely, Chief Executive Officer

#### **Summary**

This report recommends the appointment of a suitably qualified contractor for the supply of bitumen and aggregate of the Shire's 2017/18 road program.

#### **Attachment**

A copy of all the submissions received were tabled.

#### **Background**

Tenders were called for the supply of bitumen and aggregate of the Shire's 2017/18 road program through WALGA eQuotes and closed at 12pm on Monday 16 October 2017.

#### **Comment**

In total three submissions were received and below is a summarised table of the submissions received. All pricing is GST Exclusive;

	<b>Bitutek</b>	<b>Fulton Hogan</b>	<b>Colas</b>
<b>Description of Road Projects to be Completed</b>			
Mingenew Mullewa Rd (3.8km reconstruction - 2 coat seal)	143,640	154,584	149,940
Coalseam Rd (3km reconstruction - 2 coat seal)	113,400	122,040	118,149
<b>TOTAL PROJECT COST</b>	<b>\$257,040</b>	<b>\$276,624</b>	<b>\$268,089</b>

Where submissions received listed separately costs for mobilisation and demobilisation, these costs were apportioned to the road projects on a pro rata basis.

Bitutek were awarded the contract for the works completed in both the 2014/15, 2015/16 and 2016/17 financial years.

All submissions received were within the Shire's budget allocation for the works to be completed.

#### **Consultation**

Nil

#### **Statutory Environment**

Local Government Act 1995

Local Government (Functions & General) Regulations 1996

**Policy Implications**

Policy No. 3007 – Purchasing Policy

**Financial Implications**

All submissions received were within the Shire's budget allocation for the works to be completed.

**Strategic Implications**

Community Strategic Plan

Outcome 2.5.1 – Maintain and improve road assets.

**Voting Requirements**

Simple Majority

**OFFICER RECOMMENDATION – ITEM 9.1.3**

**That Council;**

**Award the supply of bitumen and aggregate of the Shire's 2017/18 road program on a full contract basis for the amount of \$257,040 to Bitutek Pty Ltd.**

**COUNCIL DECISION – ITEM 9.1.3**

**Moved Cr Eardley**

**Seconded Cr Lucken**

**Award the supply of bitumen and aggregate of the Shire's 2017/18 road program on a full contract basis for the amount of \$257,040 to Bitutek Pty Ltd.**

**CARRIED 5/0**

#### 9.1.4 SHIRE OFFICE HOURS – CHRISTMAS PERIOD

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**Disclosure of Interest:** Nil  
**File Reference:** ADM0089  
**Date:** 13 October 2017  
**Author:** Martin Whitely, Chief Executive Officer

##### **Summary**

This report recommends that Council approves the Shire Office to be closed over the Christmas and New Year period.

##### **Attachment**

Nil

##### **Background**

During the Christmas and New Year period it is proposed that the Shire Office be closed from 12pm on Friday 22 December 2017 until Friday 5 January 2018, re-opening as per usual on Monday 8 January 2018. This will mean that any payments or licensing will not be processed during this period. This works out to be four normal working days. With sufficient notification the community will be able to make alternate arrangements for licensing and other payments and a skeleton works crew will still be on board during the break for any road maintenance.

##### **Comment**

Staff will be required to take annual leave or RDO's during this period and the proposed office hours will be as follows;

Wednesday 20 December 2017	8.30am to 5.00pm
Thursday 21 December 2017	8.3am to 5.00pm
Friday 22 December 2017	8.30am to 12.00pm
Saturday 23 December 2017	Closed
Sunday 24 December 2017	Closed
Monday 25 December 2017	Closed
Tuesday 26 December 2017	Closed
Wednesday 27 December 2017	Closed
Thursday 28 December 2017	Closed
Friday 29 December 2017	Closed
Saturday 30 December 2017	Closed
Sunday 31 December 2017	Closed
Monday 1 January 2018	Closed
Tuesday 2 January 2018	Closed
Wednesday 3 January 2018	Closed
Thursday 4 January 2018	Closed
Friday 5 January 2018	Closed
Saturday 6 January 2018	Closed
Sunday 7 January 2018	Closed
Monday 8 January 2018	8.30am to 5.00pm

##### **Consultation**

Notification of the office opening times will be published in the Mingenew Matters and Shire Office noticeboard in the months leading up to Christmas.

**Statutory Environment**

Nil

**Policy Implications**

Nil

**Financial Implications**

Nil

**Strategic Implications**

Nil

**Voting Requirements**

Simple Majority

**OFFICER RECOMMENDATION – ITEM 9.1.4**

That Council;

1. Endorse the Shire Office to be closed for normal business from 12pm on Friday 22 December 2017 through to Friday 5 January 2018 inclusive, and
2. Notification of the office hours over the Christmas period are advertised in the Mingenew Matters

**COUNCIL DECISION – ITEM 9.1.4**

Moved Cr Lucken

Seconded Cr Eardley

That Council;

1. Endorse the Shire Office to be closed for normal business from 12pm on Friday 22 December 2017 through to Friday 5 January 2018 inclusive, and
2. Notification of the office hours over the Christmas period are advertised in the Mingenew Matters

CARRIED 5/0

### 9.1.5 SHIRE OFFICE HOURS – NORMAL OFFICE HOURS

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**Disclosure of Interest:** Nil  
**File Reference:** ADM0089  
**Date:** 13 October 2017  
**Author:** Martin Whitely, Chief Executive Officer

#### **Summary**

This report recommends that Council approves the Shire Office to change the current office hours.

#### **Attachment**

Nil

#### **Background**

Currently the opening hours for the Shire Office are 9.00am – 4.30pm. Licensing is available to the public from 9.00am – 4.00pm which aligns with the Department of Transport operational times.

#### **Comment**

It is likely that the current office opening hours were endorsed to align with the licensing operating hours at the Department of Transport in Perth. Currently staff are in the office from 8.00am – 5.00pm and the phone lines are answered during this time.

I am recommending that the Shire move the opening time forward to 8.30am and keep the closing time at 4.30pm. This will still allow 30 minutes in the morning prior to opening and 30 minutes after the closing time each day to reconcile the till, licensing, petty cash, etc which will be sufficient time to carry out these duties. Licensing will still only be available from 9.00am – 4.00pm, however opening at 8.30am will allow an additional 30 minutes each day for people to attend the office for non licensing enquiries.

#### **Consultation**

Notification of the new office opening times will be published in the Mingenew Matters and Shire Office noticeboard in the months leading up to Christmas.

#### **Statutory Environment**

Nil

#### **Policy Implications**

Nil

#### **Financial Implications**

Nil

#### **Strategic Implications**

Nil

#### **Voting Requirements**

Simple Majority

**OFFICER RECOMMENDATION – ITEM 9.1.5**

**That Council endorse the normal Shire Office opening hours be amended to open at 8.30am and close at 4.30pm Monday to Friday and that public notice is given for the new opening hours.**

**COUNCIL DECISION – ITEM 9.1.5**

**Moved Cr Lucken**

**Seconded Cr Cosgrove**

**That Council endorse the normal Shire Office opening hours be amended to open at 8.30am and close at 4.30pm Monday to Friday and that public notice is given for the new opening hours.**

**CARRIED 5/0**

#### 9.1.6 COMMOM SEAL

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**Disclosure of Interest:** Nil  
**File Reference:** ADM0396  
**Date:** 13 October 2017  
**Author:** Martin Whitely, Chief Executive Officer

##### **Summary**

This report seeks Council endorsement to use the common seal for the purpose of gazetting the local laws endorsed by Council at the September 2017 Ordinary Meeting.

##### **Attachment**

Nil

##### **Background**

At the September 2017 Ordinary Meeting Council resolved to adopt local laws in accordance with section 3.12 of the Local Government Act 1995. Part of this process is to have these local laws gazetted which will require the use of the Shire's common seal to be affixed and the documentation signed by the President and Chief Executive Officer.

##### **Comment**

Section 9.49A of the Local Government Act 1995 requires a document to be executed which contains the common seal to be signed by the President and Chief Executive Officer (or other Senior Employee of which there are none) and to be approved by Council to do so.

##### **Consultation**

Nil

##### **Statutory Environment**

Section 9.49A of the Local Government Act 1995 states;

#### **9.49A. Execution of documents**

- (1) A document is duly executed by a local government if —
  - (a) the common seal of the local government is affixed to it in accordance with subsections (2) and (3); or
  - (b) it is signed on behalf of the local government by a person or persons authorised under subsection (4) to do so.
- (2) The common seal of a local government is not to be affixed to any document except as authorised by the local government.
- (3) The common seal of the local government is to be affixed to a document in the presence of —
  - (a) the mayor or president; and
  - (b) the chief executive officer or a senior employee authorised by the chief executive officer,each of whom is to sign the document to attest that the common seal was so affixed.
- (4) A local government may, by resolution, authorise the chief executive officer, another employee or an agent of the local government to sign documents on behalf of the local government, either generally or subject to conditions or restrictions specified in the authorisation.

- (5) A document executed by a person under an authority under subsection (4) is not to be regarded as a deed unless the person executes it as a deed and is permitted to do so by the authorisation.
- (6) A document purporting to be executed in accordance with this section is to be presumed to be duly executed unless the contrary is shown.
- (7) When a document is produced bearing a seal purporting to be the common seal of the local government, it is to be presumed that the seal is the common seal of the local government unless the contrary is shown.

**Policy Implications**

Nil

**Financial Implications**

Nil

**Strategic Implications**

Community Strategic Plan

Outcome 4.5.1 - Ensure compliance with local, town planning, building and health and all other relevant legislation.

**Voting Requirements**

Simple Majority

**OFFICER RECOMMENDATION – ITEM 9.1.6**

That Council endorse the common seal to be affixed to the following documents;

- Repeal Local Law 2017
- Standing Orders Local Law 2017
- Cemeteries Local Law 2017
- Extractive Industries Local Law 2017
- Health Local Law 2017
- Fencing Local Law 2017
- Animal, Environment and Nuisance Local Law 2017, and
- Waste Local Law 2017

**COUNCIL DECISION – ITEM 9.1.6**

Moved Cr Cosgrove

Seconded Cr Criddle

That Council endorse the common seal to be affixed to the following documents;

- Repeal Local Law 2017
- Standing Orders Local Law 2017
- Cemeteries Local Law 2017
- Extractive Industries Local Law 2017
- Health Local Law 2017
- Fencing Local Law 2017
- Animal, Environment and Nuisance Local Law 2017, and
- Waste Local Law 2017

**CARRIED 5/0**



## 9.2 FINANCE

### 9.2.1 FINANCIAL STATEMENTS FOR PERIOD ENDING 30 SEPTEMBER 2017

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**Disclosure of Interest:** Nil  
**File Reference:** ADM0304  
**Date:** 14 October 2017  
**Author:** Martin Whitely, Chief Executive Officer

#### Summary

This report recommends that the Monthly Statement of Financial Activity report for the period ending 30 September is presented to Council for adoption.

#### Attachment

Finance Report for period ending 30 September 2017

#### Background

The Monthly Financial Report to 30 September 2017 is prepared in accordance with the requirements of the Local Government Act and the Local Government (Financial Management) Regulations and includes the following:

- Statement of Financial Activity by Nature & Type
- Statement of Financial Activity by Program
- Statement of Capital Acquisitions and Capital Funding
- Explanation of Material Variances
- Net Current Funding Position
- Cash and Investments
- Budget Amendments
- Receivables
- Cash Backed Reserves
- Capital Disposals
- Rating Information
- Information on Borrowings
- Grants & Contributions
- Trust

#### Comment

SUMMARY OF FUNDS – SHIRE OF MINGENEW	
Municipal Fund & Cash on Hand	\$458,511
3 Month Term Deposit @ 2.45%	\$750,000
3 Month Term Deposit @ 2.45%	\$750,000
Restricted Funds	\$568,498
Trust Fund	\$69,940
Reserve fund (6 Month Term Deposit) @ 2.55%	\$396,475

# MINGENSHIRE COUNCIL ORDINARY MEETING MINUTES – 18 October 2017

Debtor's accounts continue to be monitored with all efforts being made to ensure that monies are recovered. The following remains outstanding as at 30 September 2017:

	Current	30+ Days	60+ Days	90+ Days	TOTAL
Amount	80,621	3,225	77	704	84,627

Rates Outstanding at 30 September 2017 were:

	September 2017	August 2017
Rates	603,004	1,798,785
Rubbish	23,669	70,850
ESL	7,709	26,482
<b>TOTAL</b>	<b>634,382</b>	<b>1,896,117</b>

The Statement of Financial Activities Report contains explanations of Councils adopted variances for the 2017/18 financial year.

## **Consultation**

Chief Executive Officer

## **Statutory Environment**

Local Government Act 1995 Section 6.4

Local Government (Financial Management) Regulations 1996 Section 34

34. Financial activity statement required each month (Act s. 6.4)

(1A) In this regulation —

**committed assets** means revenue unspent but set aside under the annual budget for a specific purpose.

(1) A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —

- (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c); and
- (b) budget estimates to the end of the month to which the statement relates; and
- (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates; and
- (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
- (e) the net current assets at the end of the month to which the statement relates.

(2) Each statement of financial activity is to be accompanied by documents containing —

- (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets; and
- (b) an explanation of each of the material variances referred to in sub regulation (1)(d); and
- (c) such other supporting information as is considered relevant by the local government.

- (3) The information in a statement of financial activity may be shown —
  - (a) according to nature and type classification; or
  - (b) by program; or
  - (c) by business unit.
- (4) A statement of financial activity, and the accompanying documents referred to in sub regulation (2), are to be —
  - (a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
  - (b) recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.

**Policy Implications**

Nil

**Financial Implications**

Financial implications are outlined in comments.

**Strategic Implications**

Nil

**Voting Requirements**

Simple Majority

**OFFICER RECOMMENDATION - ITEM 9.2.1**

**That the Monthly Statement of Financial Activity for the period 1 July 2017 to 30 September 2017 be received.**

**COUNCIL DECISION – ITEM 9.2.1**

Moved Cr Cosgrove

Seconded Cr Eardley

**That the Monthly Statement of Financial Activity for the period 1 July 2017 to 30 September 2017 be received.**

**CARRIED 5/0**

## **9.2.2 ACCOUNTS FOR PAYMENT – MONTH ENDING 30 SEPTEMBER 2017**

### **Disclosure of Financial Interest Item 9.2.2- Cr Eardley**

Prior to any consideration of item 9.2.2, President Bagley advised the meeting that she had received written disclosure of interest from Cr Eardley relating to this matter. Cr Eardley had disclosed a financial interest under the financial provisions of the Act as her business was listed on the Accounts for Payment Summary.

4:55pm - Cr Eardley left the meeting and did not participate in discussions or vote on the matter.

<b>Location/Address:</b>	Shire of Mingenew
<b>Name of Applicant:</b>	Shire of Mingenew
<b>File Reference:</b>	ADM0042
<b>Disclosure of Interest:</b>	Nil
<b>Date:</b>	13 October 2017
<b>Author:</b>	Martin Whitely, Chief Executive Officer

### **Summary**

This report recommends that Council confirm the payment of creditors for the month of September 2017 in accordance with the Local Government (Financial Management) Regulations 1996 section 13(1).

### **Attachment**

Copy of list of accounts due (EFT & cheque payments), which will enable Council to confirm the payment of its creditors in accordance with Local Government (Financial Management) Regulations 1996, Section 13(1).

### **Background**

Financial Regulations require a schedule of payments made through the Council bank accounts to be presented to Council for their inspection. The list includes details for each account paid incorporating the payee's name, amount of payment, date of payment and sufficient information to identify the transaction.

### **Comment**

Invoices supporting all payments are available for inspection. All invoices and vouchers presented to Council have been certified as to the receipt of goods and the rendition of services and as to prices, computations and costings, and that the amounts shown were due for payment.

### **Consultation**

Nil

### **Statutory Environment**

Local Government Act 1996, Section 6.4

Local Government (Financial Management) Regulations 1996, Sections 12, 13 and 15

### **Policy Implications**

Payments have been made under delegation.

### **Financial Implications**

Funds are available to meet expenditure.

**Strategic Implications**

Nil

**Voting Requirements**

Simple Majority

**OFFICER RECOMMENDATION – ITEM 9.2.2**

That Council confirm the accounts as presented for September 2017 from the Municipal & Trust Fund totalling \$438,678.84 represented by Electronic Funds Transfers of EFT 11022 to 11027, 11029 and EFT 11031 to 11080, Direct Deduction DD8213.1.1, 2, 3, 4, 5 & 6 , DD 8226.1, 2, 3, 4,&6, Municipal Cheque numbers 8523 to 8524 and Trust Cheque number 504.

**COUNCIL DECISION – ITEM 9.2.2**

Moved Cr Cosgrove

Seconded Cr Lucken

That Council confirm the accounts as presented for September 2017 from the Municipal & Trust Fund totalling \$438,678.84 represented by Electronic Funds Transfers of EFT 11022 to 11027, 11029 and EFT 11031 to 11080, Direct Deduction DD8213.1.1, 2, 3, 4, 5 & 6 , DD 8226.1, 2, 3, 4,&6, Municipal Cheque numbers 8523 to 8524 and Trust Cheque number 504.

CARRIED 4/0

4:57pm- Cr Eardley returned to the meeting

President Bagley read aloud for the benefit of Cr Eardley the Council decision for Agenda item 9.2.2

**9.3 ADMINISTRATION**

Nil

**9.4 TOWN PLANNING**

Nil

**9.5 BUILDING**

Nil

**10.0 ELECTED MEMBERS/MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**11.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**

**11.1 ELECTED MEMBERS**

Nil

**11.2 STAFF**

Nil

**12.0 CONFIDENTIAL ITEMS**

**12.1 CEO PERFORMANCE REVIEW**

This matter was dealt with as a confidential item in accordance with Section 5.23 of the Local Government Act as it contains information about a matter affecting an employee which relates to a matter to be discussed at the meeting.

<b>COUNCIL DECISION- MEETING CLOSED TO PUBLIC</b>
---

**Moved Cr Lucken**

**Seconded Cr Cosgrove**

**That the meeting be closed to members of the public in accordance with section 5.23 of the Local Government Act as it contains information about a matter affecting an employee and/or a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting.**

**CARRIED 5/0**

**5:00pm - The meeting was closed to the public**

**5:00pm - The CEO, Governance Officer and Works Supervisor left the meeting**

**COUNCIL DECISION- MEETING REOPENED TO PUBLIC**

Moved Cr Cosgrove

Seconded Cr Lucken

That the meeting be reopened to members of the public

**CARRIED 5/0**

5:10pm - The CEO, Governance Officer and Works Supervisor returned to the meeting

**COUNCIL DECISION- ITEM 12.1**

Moved Cr Cosgrove

Seconded Cr Lucken

That:

1. The performance review of the Chief Executive Officer be received
2. A further 2 year contract extension until 31 December 2019 with a Total Remuneration Package of \$195,800 to the current Chief Executive Officer, Martin Whitely be endorsed.

**CARRIED 5/0**

**13.0 TIME AND DATE OF NEXT MEETING**

Next Ordinary Council Meeting to be held on Wednesday 15 November 2017 commencing at 4.30pm.

**14.0 CLOSURE**

The Presiding Person closed the meeting at 5.12pm.

These minutes were confirmed at an Ordinary Council meeting on 15 November 2017.

Signed \_\_\_\_\_  
Presiding Officer

Date: \_\_\_\_\_

7.1.2 EXCEUTIVE COMMITTE MEETING HELD 16 OCTOBER 2017



Minutes of Executive Committee

CEO Review 2017

16<sup>th</sup> of October 2017

Meeting opened at 4.35 p.m.

Present- MA Bagley, GJ Cosgrove

Apologies – Nil

**General Business**

Councillors Bagley and Cosgrove reviewed the Councillors scores and comments to the CEO review forms.

Listed areas of discussion to provide feedback with the CEO.

Invited the CEO to join meeting at 5.00pm

With the CEO present we went through Objectives that we would like to see achieved in the next year, CEO agreed with them and had some good ideas on how to see these goals achieved.

A further 2 year contract was offered to the CEO.

Meeting closed at 5.25pm

7.1.3 SPECIAL MEETING HELD 3 NOVEMBER 2017

**8.0 ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION**

**9.0 OFFICERS REPORTS**



# **MINUTES FOR THE SPECIAL COUNCIL MEETING HELD ON**

**Friday 3 November 2017**

## **DISCLAIMER**

The purpose of Council Meetings is to discuss, and where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

Persons should be aware that the provisions of the Local Government Act 1995 (Section 5.25 (e)) establish procedures for revocation or rescission of a Council decision. No person should rely on the decisions made by Council until formal advice of the Council decision is received by that person. The Shire of Mingenew expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council meeting.

## Table of Contents

1.0	DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS .....	3
1.1	SWEARING IN OF NEWLY ELECTED COUNCILLORS.....	3
2.0	RECORD OF ATTENDANCE/APOLOGIES .....	3
3.0	PUBLIC QUESTION TIME/PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS .....	3
4.0	OFFICERS REPORTS .....	3
4.1	CHIEF EXECUTIVE OFFICER.....	4
4.1.1	AUDIT COMMITTEE .....	4
5.0	CLOSURE.....	6

## SHIRE OF MINGENEW

### MINUTES FOR SPECIAL MEETING OF COUNCIL HELD IN COUNCIL CHAMBERS ON 3 November 2017 COMMENCING AT 5.30pm

#### 1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Person, Cr Cosgrove declared the meeting open at 5.40pm and welcomed all in attendance.

##### 1.1 SWEARING IN OF NEWLY ELECTED COUNCILLORS

A newly elected member of council needs to make a declaration of office in accordance with section 2.29 of the Act and regulation 13 of the Local Government (Constitution) Regulations 1998, within two months of being declared elected, otherwise the office becomes vacant and a further extraordinary election must be held to fill the vacancy.

LGA s2.29; s2.32(c); Sch 1 Form 7

The following elected Councillors read aloud the Declaration required under the Local Government Act 1995, and were formally sworn in witnessed by the Chief Executive Officer, Martin Whitely;

1. Cr Helen Newton
2. Cr Robert Newton
3. Cr Kym McGlinn
4. Cr Justin Bagley

#### 2.0 RECORD OF ATTENDANCE/APOLOGIES

GJ Cosgrove	Deputy President	Rural Ward
RW Newton	Councillor	Rural Ward
JD Bagley	Councillor	Rural Ward
HM Newton	Councillor	Town Ward
KJ McGlinn	Councillor	Town Ward

##### STAFF

M Whitely	Chief Executive Officer
D Ojha	Finance Manager

##### APOLOGIES

LM Eardley	Councillor	Town Ward
CR Lucken	Councillor	Town Ward

#### 3.0 PUBLIC QUESTION TIME/PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

There being no members of public the Presiding Person proceeded with the meeting allowing a period of 15 minutes for questions from the public up until 5:58pm

#### 4.0 OFFICERS REPORTS

## **4.1 CHIEF EXECUTIVE OFFICER**

### **4.1.1 AUDIT COMMITTEE**

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**Disclosure of Interest:** Nil  
**File Reference:** ADM0213  
**Date:** 1 November 2017  
**Author:** Martin Whitely, Chief Executive Officer

#### **Summary**

Council is requested to appoint delegates to the Audit Committee.

#### **Attachment**

Nil

#### **Background**

It is a requirement of the Local Government Act 1995 for a local government to establish an Audit Committee. The purpose of the Audit Committee is to oversee the allocation of the local government's finances and resources including, but not limited, to such functions as the appointment of an auditor, receiving the annual financial report and reviewing the auditor's report.

#### **Comment**

Section 7.1A of the Local Government Act 1995 ("LGA") requires local governments to establish an Audit Committee of 3 or more persons. It is a condition of the Local Government Act 1995 that the Chief Executive Officer is not to be a member of the Audit Committee.

It is common practice for many smaller local authorities to appoint the Full Council as the representatives to the Audit Committee and historically this has been the case for the Shire of Mingenew.

#### **Consultation**

Nil

#### **Statutory Environment**

Local Government Act 1995

### **Division 1A — Audit committee**

#### **7.1A. Audit committee**

- (1) A local government is to establish an audit committee of 3 or more persons to exercise the powers and discharge the duties conferred on it.
- (2) The members of the audit committee of a local government are to be appointed\* by the local government and at least 3 of the members, and the majority of the members, are to be council members.

*\* Absolute majority required.*

- (3) A CEO is not to be a member of an audit committee and may not nominate a person to be a member of an audit committee or have a person to represent the CEO as a member of an audit committee.
- (4) An employee is not to be a member of an audit committee.

**Policy Implications**

**1003 ELECTION TO COMMITTEES**

Nomination of Councillor/s to Positions in Council/Committees - Prior to any nomination being made the person being nominated be advised of the proposal, and appointment to the position will be subject to the approval of the nominee.

**Financial Implications**

Nil

**Strategic Implications**

Community Strategic Plan

Outcome 4.2.2 – To be strong advocates representing the Shire's interests

Outcome 4.2.3 – Provide long term strategic management

Outcome 4.5.1 - Ensure compliance with local, town planning, building and health and all other relevant legislation.

**Voting Requirements**

Absolute Majority

<b>OFFICER RECOMMENDATION – ITEM 9.1.1</b>
--

That Council appoint the following persons to the Audit Committee for the Shire of Mingenew;

- Cr Gary Cosgrove
- Cr Leah Eardley
- Cr Crispian Lucken
- Cr Helen Newton
- Cr Robert Newton
- Cr Justin Bagley
- Cr Kym McGlinn

<b>COUNCIL DECISION – ITEM 9.1.1</b>
--------------------------------------

Moved Cr RW Newton

Seconded Cr McGlinn

That Council appoint the following persons to the Audit Committee for the Shire of Mingenew;

- Cr Gary Cosgrove
- Cr Leah Eardley
- Cr Crispian Lucken
- Cr Helen Newton
- Cr Robert Newton
- Cr Justin Bagley
- Cr Kym McGlinn

**CARRIED 5/0**

**5.0 CLOSURE**

The Presiding Person closed the meeting at 5.58pm.

**These minutes were confirmed at an Ordinary Council meeting on 15 November 2017.**

**Signed** \_\_\_\_\_  
**Presiding Officer**

**Date:** \_\_\_\_\_



## **9.1 CHIEF EXECUTIVE OFFICER**

### **9.1.1 DELEGATIONS TO COMMITTEES & COMMUNITY ORGANISATIONS**

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**Disclosure of Interest:** Nil  
**File Reference:** ADM0303  
**Date:** 31 October 2017  
**Author:** Martin Whitely, Chief Executive Officer

#### **Summary**

Council is requested to review and appoint delegations to the various committees and community organisations.

#### **Attachment**

Nil

#### **Background**

It is common practice for many local authorities to review appointments of Elected Members and Staff to serve on various Committee's and Community Organisations. It should be noted that this is a separate exercise to appointing members of a Council Committee.

Delegations to Committees & Community Organisations were last reviewed in July 2017 and below is a record of the appointments from the July 2017 Ordinary Council meeting:

#### **WALGA Northern Country Zone**

**Delegates:** Cr Bagley & Cr Cosgrove  
**Proxy:** Cr Lucken

#### **Main Roads Western Australia Regional Road Group**

**Delegates:** Cr Cosgrove  
**Proxy:** Cr Bagley

#### **Tourist & Promotion Committee**

**Delegates:** Community Development Officer  
**Proxy:** Cr Eardley

#### **Silver Chain Branch Committee**

**Delegates:** Cr Eardley  
**Proxy:** Nil

#### **Community Resource Centre Management Committee**

**Delegates:** Cr Criddle  
**Proxy:** Nil

#### **Local Emergency Management Committee**

**Delegates:** Cr Cosgrove  
**Proxy:** Chief Executive Officer

#### **Wildflower Country Inc**

**Delegates:** CEO  
**Proxy:** Cr Bagley & Community Development Officer

**Comment**

Since the delegations were last reviewed in July 2017 the 2017 Council Elections have been held and as a result we now have 4 new Council representatives. As such it is appropriate to revisit any vacancies to the previous delegations to Community Organisations and Committees as a result of the two resignations.

It should be noted that there is an expectation that Council have representation on both the WALGA Northern Country Zone and Main Roads Western Australian Regional Road Group Committee's. It was also the decision of the Wildflower Country Inc. Committee that Council preferably have a Council and a Staff representative. There is no requirement for Councillor's to nominate for other Committee's, it is suggested that if a Councillor has a particular area of interest then they nominate for the respective Committee, alternatively a position on the Committee can be filled by a Staff member in the absence of a Council representative.

**Consultation**

Nil

**Statutory Environment**

Nil

**Policy Implications**

**1003 ELECTION TO COMMITTEES**

Nomination of Councillor/s to Positions in Council/Committees - Prior to any nomination being made the person being nominated be advised of the proposal, and appointment to the position will be subject to the approval of the nominee.

**Financial Implications**

Nil

**Strategic Implications**

Community Strategic Plan

Outcome 4.2.2 – To be strong advocates representing the Shire's interests

**Voting Requirements**

Simple Majority

<b>OFFICER RECOMMENDATION – ITEM 9.1.1</b>
--

**That Council appoint delegates to the various Committees and Community Organisation as follows:**

**WALGA Northern Country Zone**

**Delegates:** \_\_\_\_\_ & \_\_\_\_\_

**Proxy:** \_\_\_\_\_

**Main Roads Western Australia Regional Road Group**

**Delegates:** \_\_\_\_\_ & \_\_\_\_\_

**Proxy:** \_\_\_\_\_

**Tourist & Promotion Committee**

**Delegates:** \_\_\_\_\_ & \_\_\_\_\_

**Proxy:** \_\_\_\_\_

**Silver Chain Branch Committee**

**Delegates:** \_\_\_\_\_ & \_\_\_\_\_

**Proxy:** \_\_\_\_\_

**Community Resource Centre Management Committee**

**Delegates:** \_\_\_\_\_ & \_\_\_\_\_

**Proxy:** \_\_\_\_\_

**Local Emergency Management Committee**

**Delegates:** \_\_\_\_\_ & \_\_\_\_\_

**Proxy:** \_\_\_\_\_

**Wildflower Country Inc**

**Delegates:** \_\_\_\_\_ & \_\_\_\_\_

**Proxy:** \_\_\_\_\_

### 9.1.2 COMMITTEES OF COUNCIL

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**Disclosure of Interest:** Nil  
**File Reference:** ADM0303  
**Date:** 6 November 2017  
**Author:** Martin Whitely, Chief Executive Officer

#### Summary

Council is requested to review and appoint delegates to the various Committees of Council.

#### Attachment

Nil

#### Background

Where Council elect to have Committees of Council each Committee must consist of 3 or more persons as per Section 5.8 of the Local Government Act 1995. Section 5.9 of the Local Government Act 1995 specifies the make up of a Committee with some examples below:

- Council members only
- Council members and employees
- Council members, employees and other persons
- Council members and other persons

#### Comment

Currently Council have 5 Committees of Council, these being;

1. Audit Committee
2. Executive Management Committee
3. RAV Network Committee
4. Town Hall Refurbishment Committee
5. Independent Living Units Working Group Committee

Council is required to review delegations to committees every financial year as per section 5.18 of the Local Government Act 1995 and given the recent Council Elections in October 2017 now is an opportune time to review the delegations to these Committees.

#### Audit Committee

As with other Committees of Council the Audit Committee must consist of at least 3 or more persons and the Chief Executive Officer is not permitted to be a member of the Audit Committee. At the Special Meeting held on Friday 3 November Council resolved to appoint the Full Council as the Audit Committee for the Shire of Mingenew so there is no need to review this delegation.

#### Executive Management Committee

The purpose of the Executive Management Committee is primarily to deal with the appointment of the Chief Executive Officer and the Chief Executive Officer Performance Review, therefore seem appropriate not to include the Chief Executive Officer on this Committee. Historically the Committee has consisted of the President, Deputy President and 1 Councillor. The last meeting was held on Monday 16 October 2017.

As per the resolution made at the July 2017 Ordinary Meeting the Executive Management Committee is made up of the following 3 elected members;

- Cr Bagley
- Cr Cosgrove
- Cr Lucken

#### RAV Network Review Committee

The purpose of the Committee is to provide feedback and advice in relation to the road network within the Shire of Mingenew and providing the CEO with the required information to liaise with Main Roads to allow the assessment of selected roads that would be beneficial in having their current RAV category reviewed.

As per the resolution made at the March 2017 Ordinary Meeting the RAV Network Review Committee is made up of the following 3 members;

- Cr Cosgrove
- Cr Lucken
- Chief Executive Officer

The last meeting was held on 1 June 2017 which resulted in various submissions being made to Main Roads Heavy Vehicle Services in Perth to have the Mingenew Mullewa, Scroops Road, Coalseam Road, Boundary Road, Erangy Springs Road and Milo Road roads reviewed and added to the RAV 7 Network. The Committee is likely to need to meet again in the future.

#### Town Hall Refurbishment Committee

The purpose of the Committee is to provide feedback and advice in relation to the scope of works to be undertaken in the event that refurbishment works do commence on the town hall in the 2017/18 financial year.

As per the resolution made at the March 2017 Ordinary Meeting the RAV Network Review Committee currently consists of the following members;

- Cr Bagley
- Cr Lucken
- Cr Criddle
- Chief Executive Officer

Since there are only 2 current members on this Committee at least one additional person will need to be assigned to the Town Hall Refurbishment Committee.

#### Independent Living Units Working Group Committee

The purpose of the Committee was to provide feedback and advice in relation to the design of the units to ensure that the units were fitted out appropriately for aged person and/or people with disabilities. As per the resolution made at the November 2016 Ordinary Meeting the Committee consists of the following members;

- Cr Bagley
- Cr Cosgrove
- Chief Executive Officer

As the project will be completed in the coming 4-6 weeks my recommendation is that there is no longer a need to have an Independent Living Units Working Group Committee.

#### Consultation

Nil

#### Statutory Environment

Local Government Act 1995

#### **5.8. Establishment of committees**

A local government may establish\* committees of 3 or more persons to assist the council and to exercise the powers and discharge the duties of the local government that can be delegated to committees.

*\* Absolute majority required.*

**5.9. Committees, types of**

- (1) In this section —  
**other person** means a person who is not a council member or an employee.
- (2) A committee is to comprise —
  - (a) council members only; or
  - (b) council members and employees; or
  - (c) council members, employees and other persons; or
  - (d) council members and other persons; or
  - (e) employees and other persons; or
  - (f) other persons only.

**5.10. Committee members, appointment of**

- (1) A committee is to have as its members —
  - (a) persons appointed\* by the local government to be members of the committee (other than those referred to in paragraph (b)); and
  - (b) persons who are appointed to be members of the committee under subsection (4) or (5).

*\* Absolute majority required.*

- (2) At any given time each council member is entitled to be a member of at least one committee referred to in section 5.9(2)(a) or (b) and if a council member nominates himself or herself to be a member of such a committee or committees, the local government is to include that council member in the persons appointed under subsection (1)(a) to at least one of those committees as the local government decides.
- (3) Section 52 of the *Interpretation Act 1984* applies to appointments of committee members other than those appointed under subsection (4) or (5) but any power exercised under section 52(1) of that Act can only be exercised on the decision of an absolute majority of the local government.
- (4) If at a meeting of the council a local government is to make an appointment to a committee that has or could have a council member as a member and the mayor or president informs the local government of his or her wish to be a member of the committee, the local government is to appoint the mayor or president to be a member of the committee.
- (5) If at a meeting of the council a local government is to make an appointment to a committee that has or will have an employee as a member and the CEO informs the local government of his or her wish —
  - (a) to be a member of the committee; or
  - (b) that a representative of the CEO be a member of the committee,

the local government is to appoint the CEO or the CEO's representative, as the case may be, to be a member of the committee.

**5.11. Committee membership, tenure of**

- (1) Where a person is appointed as a member of a committee under section 5.10(4) or (5), the person's membership of the committee continues until —
  - (a) the person no longer holds the office by virtue of which the person became a member, or is no longer the CEO, or the CEO's representative, as the case may be; or
  - (b) the person resigns from membership of the committee; or
  - (c) the committee is disbanded; or
  - (d) the next ordinary elections day,

whichever happens first.

- (2) Where a person is appointed as a member of a committee other than under section 5.10(4) or (5), the person's membership of the committee continues until —
  - (a) the term of the person's appointment as a committee member expires; or
  - (b) the local government removes the person from the office of committee member or the office of committee member otherwise becomes vacant; or
  - (c) the committee is disbanded; or
  - (d) the next ordinary elections day,

whichever happens first.

**5.12. Presiding members and deputies, election of**

- (1) The members of a committee are to elect a presiding member from amongst themselves in accordance with Schedule 2.3, Division 1 as if the references in that Schedule —
  - (a) to "office" were references to "office of presiding member"; and
  - (b) to "council" were references to "committee"; and
  - (c) to "councillors" were references to "committee members".
- (2) The members of a committee may elect a deputy presiding member from amongst themselves but any such election is to be in accordance with Schedule 2.3, Division 2 as if the references in that Schedule —
  - (a) to "office" were references to "office of deputy presiding member"; and
  - (b) to "council" were references to "committee"; and
  - (c) to "councillors" were references to "committee members"; and
  - (d) to "mayor or president" were references to "presiding member".

**5.13. Deputy presiding members, functions of**

If, in relation to the presiding member of a committee —

- (a) the office of presiding member is vacant; or
- (b) the presiding member is not available or is unable or unwilling to perform the functions of presiding member,

then the deputy presiding member, if any, may perform the functions of presiding member.

**5.14. Who acts if no presiding member**

If, in relation to the presiding member of a committee —

- (a) the office of presiding member and the office of deputy presiding member are vacant; or
- (b) the presiding member and the deputy presiding member, if any, are not available or are unable or unwilling to perform the functions of presiding member,

then the committee members present at the meeting are to choose one of themselves to preside at the meeting.

**5.18. Register of delegations to committees**

A local government is to keep a register of the delegations made under this Division and review the delegations at least once every financial year.

**5.19. Quorum for meetings**

The quorum for a meeting of a council or committee is at least 50% of the number of offices (whether vacant or not) of member of the council or the committee.

**5.20. Decisions of councils and committees**

- (1) A decision of a council does not have effect unless it has been made by a simple majority or, if another kind of majority is required under any provision of this Act or has been prescribed by regulations or a local law for the particular kind of decision, by that kind of majority.
- (2) A decision of a committee does not have effect unless it has been made by a simple majority or, if another kind of majority has been prescribed by regulations or a local law for the particular kind of decision, by that kind of majority.
- (3) This section does not apply to elections —
  - (a) by a council of the local government's mayor or president under section 2.11; or
  - (b) by a council of the local government's deputy mayor or president under section 2.15; or
  - (c) by a committee of the committee's presiding member or deputy presiding member under section 5.12.

**5.21. Voting**

- (1) Each council member and each member of a committee who is present at a meeting of the council or committee is entitled to one vote.
- (2) Subject to section 5.67, each council member and each member of a committee to which a local government power or duty has been delegated who is present at a meeting of the council or committee is to vote.
- (3) If the votes of members present at a council or a committee meeting are equally divided, the person presiding is to cast a second vote.
- (4) If a member of a council or a committee specifically requests that there be recorded —
  - (a) his or her vote; or
  - (b) the vote of all members present,

on a matter voted on at a meeting of the council or the committee, the person presiding is to cause the vote or votes, as the case may be, to be recorded in the minutes.

- (5) A person who fails to comply with subsection (2) or (3) commits an offence.

*[Section 5.21 amended by No. 49 of 2004 s. 43.]*

**5.22. Minutes of council and committee meetings**

- (1) The person presiding at a meeting of a council or a committee is to cause minutes to be kept of the meeting's proceedings.
- (2) The minutes of a meeting of a council or a committee are to be submitted to the next ordinary meeting of the council or the committee, as the case requires, for confirmation.
- (3) The person presiding at the meeting at which the minutes are confirmed is to sign the minutes and certify the confirmation.



**5.23. Meetings generally open to public**

- (1) Subject to subsection (2), the following are to be open to members of the public —
  - (a) all council meetings; and
  - (b) all meetings of any committee to which a local government power or duty has been delegated.
- (2) If a meeting is being held by a council or by a committee referred to in subsection (1)(b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following —
  - (a) a matter affecting an employee or employees; and
  - (b) the personal affairs of any person; and
  - (c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting; and
  - (d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting; and
  - (e) a matter that if disclosed, would reveal —
    - (i) a trade secret; or
    - (ii) information that has a commercial value to a person; or
    - (iii) information about the business, professional, commercial or financial affairs of a person,where the trade secret or information is held by, or is about, a person other than the local government; and
  - (f) a matter that if disclosed, could be reasonably expected to —
    - (i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law; or
    - (ii) endanger the security of the local government's property; or
    - (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety;and
  - (g) information which is the subject of a direction given under section 23(1a) of the *Parliamentary Commissioner Act 1971*; and
  - (h) such other matters as may be prescribed.
- (3) A decision to close a meeting or part of a meeting and the reason for the decision are to be recorded in the minutes of the meeting.

**5.24. Question time for public**

- (1) Time is to be allocated for questions to be raised by members of the public and responded to at —
  - (a) every ordinary meeting of a council; and
  - (b) such other meetings of councils or committees as may be prescribed.
- (2) Procedures and the minimum time to be allocated for the asking of and responding to questions raised by members of the public at council or committee meetings are to be in accordance with regulations.

**Policy Implications**

**1003 ELECTION TO COMMITTEES**

Nomination of Councillor/s to Positions in Council/Committees - Prior to any nomination being made the person being nominated be advised of the proposal, and appointment to the position will be subject to the approval of the nominee.

**Financial Implications**

Nil

**Strategic Implications**

Community Strategic Plan

Outcome 4.2.2 – To be strong advocates representing the Shire's interests

Outcome 4.5.1 - Ensure compliance with local, town planning, building and health and all other relevant legislation.

**Voting Requirements**

Absolute Majority

<b>OFFICER RECOMMENDATION – ITEM 9.1.2</b>
--

**That Council**

- 1. Resolve that the Independent Living Units Working Group Committee be disbanded, and**
- 2. Appoint the following representatives to form the following Committees of Council;**

**Executive Management Committee**

- **President**
- **Deputy President**
- **Cr \_\_\_\_\_**

**RAV Network Review Committee**

- **Cr Cosgrove**
- **Cr Lucken**
- **Chief Executive Officer**

**Town Hall Refurbishment Committee**

- **Cr Lucken**
- **Cr \_\_\_\_\_**
- **Cr \_\_\_\_\_**
- **Chief Executive Officer**

## 9.2 FINANCE

### 9.2.1 FINANCIAL STATEMENTS FOR PERIOD ENDING 31 OCTOBER 2017

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**Disclosure of Interest:** Nil  
**File Reference:** ADM0304  
**Date:** 3 November 2017  
**Author:** Durga Ojha, Manager of Finance  
**Senior Officer:** Martin Whitely, Chief Executive Officer

#### Summary

This report recommends that the Monthly Statement of Financial Activity report for the period ending 31 October is presented to Council for adoption.

#### Attachment

Finance Report for period ending 31 October 2017

#### Background

The Monthly Financial Report to 31 October 2017 is prepared in accordance with the requirements of the Local Government Act and the Local Government (Financial Management) Regulations and includes the following:

- Statement of Financial Activity by Nature & Type
- Statement of Financial Activity by Program
- Statement of Capital Acquisitions and Capital Funding
- Explanation of Material Variances
- Net Current Funding Position
- Cash and Investments
- Budget Amendments
- Receivables
- Cash Backed Reserves
- Capital Disposals
- Rating Information
- Information on Borrowings
- Grants & Contributions
- Trust

#### Comment

SUMMARY OF FUNDS – SHIRE OF MINGENEW	
Municipal Fund & Cash on Hand	\$84,919
3 Month Term Deposit @ 2.45%	\$750,000
3 Month Term Deposit @ 2.45%	\$750,000
Restricted Funds ( Unspent Grants)	\$568,498
Trust Fund	\$71,555
Reserve fund (6 Month Term Deposit) @ 2.55%	\$396,475

## MINGENEW SHIRE COUNCIL ORDINARY MEETING AGENDA – 15 November 2017

Debtor's accounts continue to be monitored with all efforts being made to ensure that monies are recovered. The following remains outstanding as at 31 October 2017:

	<b>Current</b>	<b>30+ Days</b>	<b>60+ Days</b>	<b>90+ Days</b>	<b>TOTAL</b>
Amount	455	41,372	925	781	43,532

Rates Outstanding at 31 October 2017 were:

	<b>October 2017</b>	<b>September 2017</b>
Rates	585,914	603,004
Rubbish	22,125	23,669
ESL	7,301	7,709
<b>TOTAL</b>	<b>625,340</b>	<b>634,382</b>

The Statement of Financial Activities Report contains explanations of Councils adopted variances for the 2017/18 financial year.

### **Consultation**

Chief Executive Officer

### **Statutory Environment**

Local Government Act 1995 Section 6.4

Local Government (Financial Management) Regulations 1996 Section 34

34. Financial activity statement required each month (Act s. 6.4)

(1A) In this regulation —

**committed assets** means revenue unspent but set aside under the annual budget for a specific purpose.

- (1) A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —
  - (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c); and
  - (b) budget estimates to the end of the month to which the statement relates; and
  - (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates; and
  - (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
  - (e) the net current assets at the end of the month to which the statement relates.
- (2) Each statement of financial activity is to be accompanied by documents containing —
  - (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets; and
  - (b) an explanation of each of the material variances referred to in sub regulation (1)(d); and
  - (c) such other supporting information as is considered relevant by the local government.

- (3) The information in a statement of financial activity may be shown —
  - (a) according to nature and type classification; or
  - (b) by program; or
  - (c) by business unit.
- (4) A statement of financial activity, and the accompanying documents referred to in sub regulation (2), are to be —
  - (a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
  - (b) recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.

**Policy Implications**

Nil

**Financial Implications**

Financial implications are outlined in comments.

**Strategic Implications**

Nil

**Voting Requirements**

Simple Majority

<b>OFFICER RECOMMENDATION – ITEM 9.2.1</b>
--

**That the Monthly Statement of Financial Activity for the period 1 July 2017 to 31 October 2017 be received.**

**SHIRE OF MINGENEW**  
**MONTHLY FINANCIAL REPORT**

**For the Period Ended 31 October 2017**

**LOCAL GOVERNMENT ACT 1995**  
**LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

**TABLE OF CONTENTS**

Compilation Report	2
Monthly Summary Information	3 - 5
Statement of Financial Activity by Program	6
Statement of Financial Activity By Nature or Type	7
Statement of Capital Acquisitions and Capital Funding	8
 Note 1      Significant Accounting Policies	 9 - 15
Note 2      Explanation of Material Variances	16
Note 3      Net Current Funding Position	17
Note 4      Cash and Investments	18
Note 5      Budget Amendments	19
 Note 6      Receivables	 20
Note 7      Cash Backed Reserves	21
Note 8      Capital Disposals	22
Note 9      Rating Information	23
Note 10      Information on Borrowings	24
Note 11      Grants and Contributions	25
Note 12      Trust	26
Note 13      Capital Acquisitions	27-29

## Report Purpose

This report is prepared to meet the requirements of *Local Government (Financial Management) Regulations 1996*, Regulation 34 .

## Overview

Summary reports and graphical progressive graphs are provided on page 3, 4 and 5.  
No matters of significance are noted.

## Statement of Financial Activity by reporting program

Is presented on page 6 and shows a surplus as at 31 October 2017 of \$2,794,620.

Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary.

## Preparation

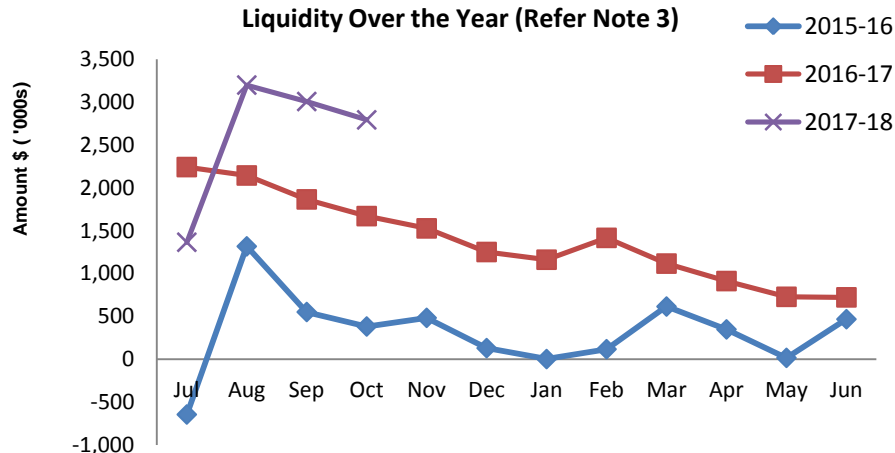
Prepared by: Durga Ojha  
Reviewed by: Martin Whitely  
Date prepared: 3/11/2017

# Shire of Mingenew

## Monthly Summary Information

For the Period Ended 31 October 2017

**Liquidity Over the Year (Refer Note 3)**



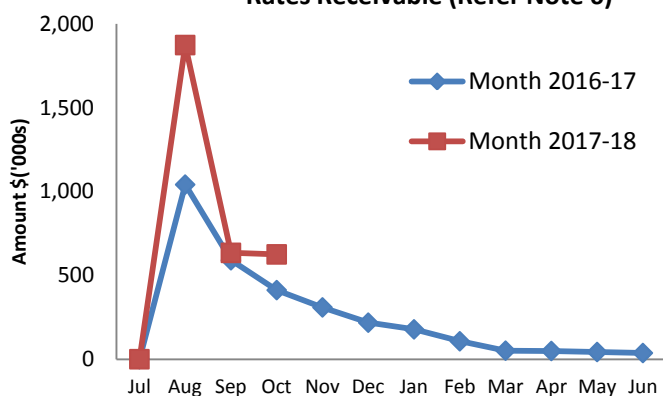
### Cash and Cash Equivalents as at period end

Unrestricted	\$ 1,584,949
Restricted	\$ 964,973
	<u>\$ 2,549,923</u>

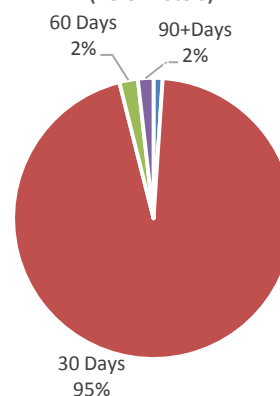
### Receivables

Rates	\$ 625,340
Other	\$ 43,532
	<u>\$ 668,872</u>

**Rates Receivable (Refer Note 6)**



**Accounts Receivable Ageing (non-rates)  
(Refer Note 6)**



### Comments

Rates were issued on 20 August 2017.  
First instalment was due 29 September 2017.  
Second Instalment was due 30 November 2017  
Third instalment was due 31 January 2018  
4th & Final instalment was due 1 April 2018

### SUMMARY OF BILLING

Rates	1,816,567
Rubbish	71,291
ESL	27,450
	<u>1,915,308</u>

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

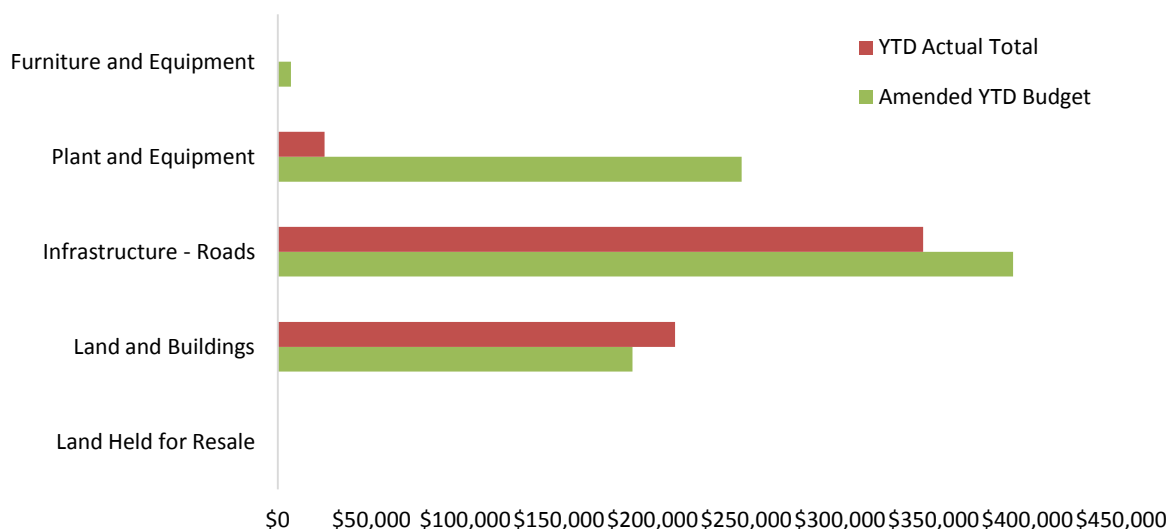


## Shire of Mingenew

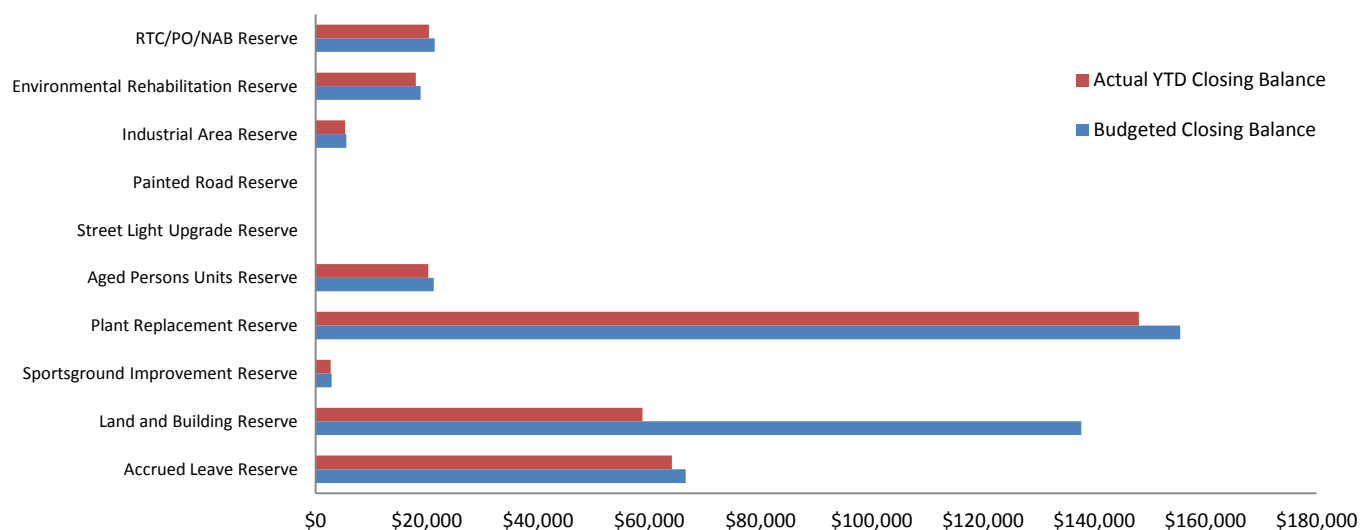
### Monthly Summary Information

For the Period Ended 31 October 2017

#### Capital Expenditure Program YTD (Refer Note 13)



#### Year To Date Reserve Balance to End of Year Estimate (Refer Note 7)



#### Comments

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

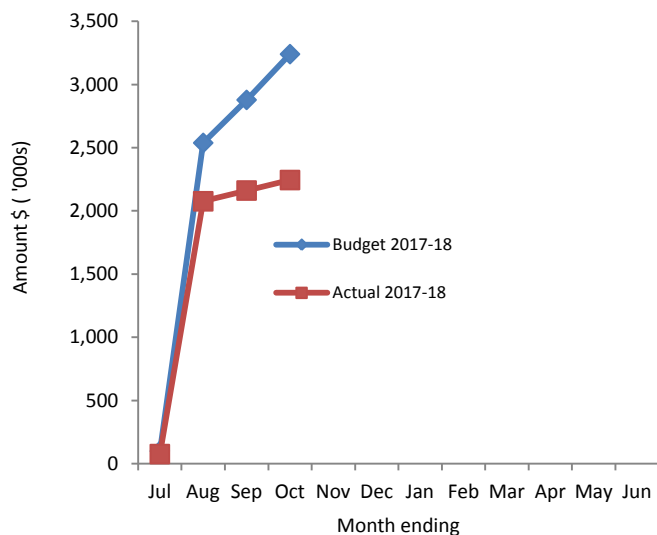
# Shire of Mingenew

## Monthly Summary Information

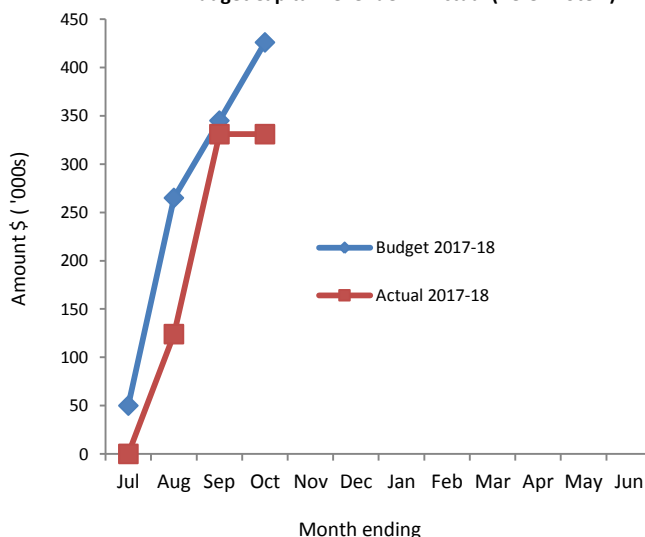
For the Period Ended 31 October 2017

### Revenues

**Budget Operating Revenues -v- Actual (Refer Note 2)**

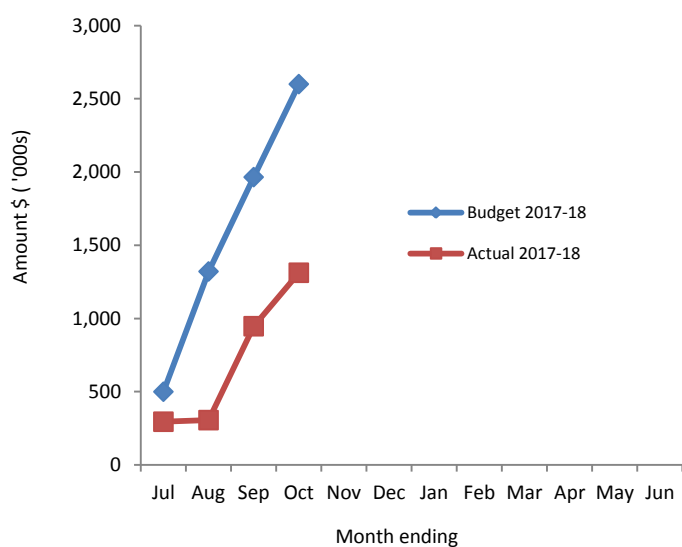


**Budget Capital Revenue -v- Actual (Refer Note 2)**

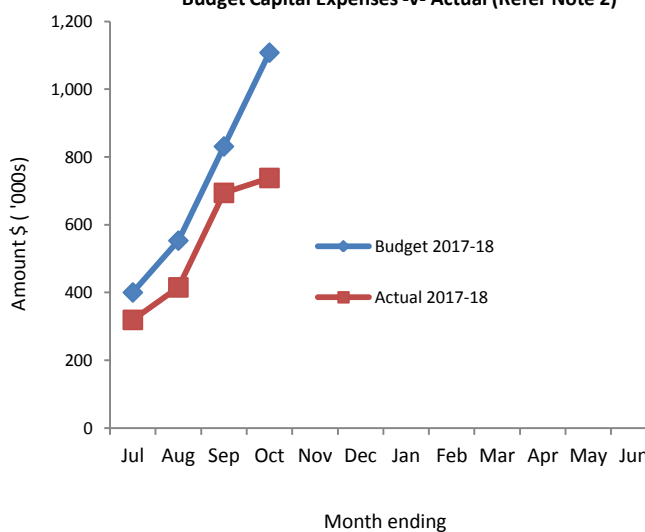


### Expenditure

**Budget Operating Expenses -v- YTD Actual (Refer Note 2)**



**Budget Capital Expenses -v- Actual (Refer Note 2)**



### Comments

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

**SHIRE OF MINGENEW**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(Statutory Reporting Program)**  
**For the Period Ended 31 October 2017**

	Note	2017/18 Original Budget (a)	2017/18 YTD Budget (a)	2017/18 YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
<b>Operating Revenues</b>							
General Purpose Funding		\$ 2,018,070	\$ 1,884,400	\$ 1,904,650	\$ 20,250	1.07%	
Governance		12,586	4,192	8,186	3,994	95.28%	
Law, Order and Public Safety		60,874	44,154	11,311	(32,843)	(74.38%)	▼
Health		371	120	45	(75)	(62.13%)	
Education and Welfare		3,755	1,244	3,909	2,665	214.24%	
Housing		104,924	34,960	28,671	(6,289)	(17.99%)	
Community Amenities		83,595	78,285	77,206	(1,079)	(1.38%)	
Recreation and Culture		38,665	34,085	32,346	(1,739)	(5.10%)	
Transport		3,372,042	1,124,008	152,407	(971,601)	(86.44%)	▼
Economic Services		11,355	3,768	3,369	(399)	(10.59%)	
Other Property and Services		157,475	52,480	22,309	(30,171)	(57.49%)	▼
Total Operating Revenue		5,863,712	3,261,696	2,244,409	(1,037,537)		
<b>Operating Expense</b>							
General Purpose Funding		(47,511)	(15,828)	(20,175)	(4,347)	(27.47%)	
Governance		(205,931)	(117,154)	(106,600)	10,554	9.01%	
Law, Order and Public Safety		(124,627)	(41,508)	(36,639)	4,869	11.73%	▲
Health		(111,511)	(37,140)	(21,748)	15,392	41.44%	▲
Education and Welfare		(76,019)	(25,312)	(17,107)	8,205	32.42%	▲
Housing		(163,757)	(54,524)	(52,836)	1,688	3.10%	
Community Amenities		(314,842)	(96,564)	(93,432)	3,132	3.24%	
Recreation and Culture		(895,693)	(298,500)	(349,918)	(51,418)	(17.23%)	▼
Transport		(5,227,876)	(1,742,524)	(643,242)	1,099,282	63.09%	▲
Economic Services		(400,524)	(133,448)	(101,295)	32,153	24.09%	▲
Other Property and Services		(114,012)	(37,940)	130,605	168,545	444.24%	▲
Total Operating Expenditure		(7,682,303)	(2,600,442)	(1,312,388)	1,288,054		
<b>Funding Balance Adjustments</b>							
Add back Depreciation		2,190,310	730,088	583,871	(146,217)	(20.03%)	▼
Adjust (Profit)/Loss on Asset Disposal	8	(40,000)	0	1,653	1,653		
Adjust Provisions and Accruals		0	0	0	0		
Net Cash from Operations		331,719	1,391,342	1,517,544	105,952		
<b>Capital Revenues</b>							
Grants, Subsidies and Contributions	11	1,429,305	310,802	326,984	16,182	5.21%	
Proceeds from Disposal of Assets	8	365,650	115,578	4,545	(111,033)	(96.07%)	▼
Total Capital Revenues		1,794,955	426,380	331,530	(94,850)		
<b>Capital Expenses</b>							
Land Held for Resale	13	(200,000)	(66,664)	0	66,664	100.00%	▲
Land and Buildings	13	(867,720)	(189,192)	(212,072)	(22,880)	(12.09%)	▼
Infrastructure - Roads	13	(1,177,100)	(392,332)	(344,358)	47,974	12.23%	▲
Infrastructure - Other		(617,000)	(205,400)	(157,164)			
Plant and Equipment	13	(742,364)	(247,444)	(24,909)	222,535	89.93%	▲
Furniture and Equipment	13	(21,000)	(6,996)	0	6,996	100.00%	▲
Total Capital Expenditure		(3,625,184)	(1,108,028)	(738,503)	321,289		
Net Cash from Capital Activities		(1,830,229)	(681,648)	(406,974)	226,438		
<b>Financing</b>							
Transfer from Reserves	7	0	0	0	0		
Procced from new debenture	10	85,507	0	0	0		
Repayment of Debentures	10	(150,774)	(37,356)	(37,356)	0	0.00%	
Transfer to Reserves	7	(125,510)	0	0	0		
Net Cash from Financing Activities		(190,777)	(37,356)	(37,356)	0		
Net Operations, Capital and Financing		(1,689,287)	672,338	1,073,215	332,391		
Opening Funding Surplus(Deficit)	3	1,722,222	1,722,222	1,721,405	(817)	(0.05%)	
Closing Funding Surplus(Deficit)	3	32,937	2,394,560	2,794,620	331,573		

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.  
Refer to Note 2 for an explanation of the reasons for the variance.

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

**SHIRE OF MINGENEW**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(By Nature or Type)**  
**For the Period Ended 31 October 2017**

	Note	2017/18 Original Budget (a)	2017/18 YTD Budget (a)	2017/18 YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	
<b>Operating Revenues</b>							
Rates	9	\$ 1,816,567	\$ 1,817,240	\$ 1,816,568	\$ (672)	% (0.04%)	
Operating Grants, Subsidies and Contributions	11	3,023,945	1,031,830	91,424	(940,406)	(91.14%)	▼
Fees and Charges		257,210	157,326	150,169	(7,157)	(4.55%)	
Interest Earnings		65,440	21,792	15,871	(5,921)	(27.17%)	
Other Revenue		660,550	220,176	170,377	(49,799)	(22.62%)	▼
Profit on Disposal of Assets	8	40,000	13,332	0			
<b>Total Operating Revenue</b>		<b>5,863,712</b>	<b>3,261,696</b>	<b>2,244,409</b>	<b>(1,003,955)</b>		
<b>Operating Expense</b>							
Employee Costs		(1,456,983)	(485,456)	(175,272)	310,184	63.90%	▲
Materials and Contracts		(3,097,470)	(1,067,585)	(240,386)	827,199	77.48%	▲
Utility Charges		(136,355)	(45,416)	(26,499)	18,917	41.65%	▲
Depreciation on Non-Current Assets		(2,190,310)	(730,088)	(583,871)	146,217	20.03%	▲
Interest Expenses		(22,523)	(7,484)	(7,388)	96	1.28%	
Insurance Expenses		(91,762)	(38,439)	(106,984)	(68,545)	(178.32%)	▼
Other Expenditure		(686,900)	(225,974)	(170,336)	55,638	24.62%	▲
Loss on Disposal of Assets	8	0	0	(1,653)			
<b>Total Operating Expenditure</b>		<b>(7,682,303)</b>	<b>(2,600,442)</b>	<b>(1,312,388)</b>	<b>1,289,706</b>		
<b>Funding Balance Adjustments</b>							
Add back Depreciation		2,190,310	730,088	583,871	(146,217)	(20.03%)	▼
Adjust (Profit)/Loss on Asset Disposal	8	(40,000)	0	1,653	1,653		
Adjust Provisions and Accruals		0	0	0	0		
<b>Net Cash from Operations</b>		<b>331,719</b>	<b>1,391,342</b>	<b>1,517,544</b>	<b>141,187</b>		
<b>Capital Revenues</b>							
Grants, Subsidies and Contributions	11	1,429,305	310,802	326,984	16,182	5.21%	
Proceeds from Disposal of Assets	8	365,650	115,578	4,545	(111,033)	(96.07%)	▼
<b>Total Capital Revenues</b>		<b>1,794,955</b>	<b>426,380</b>	<b>331,530</b>	<b>(94,850)</b>		
<b>Capital Expenses</b>							
Land Held for Resale	13	(200,000)	(66,664)	0	66,664	100.00%	▲
Land and Buildings	13	(867,720)	(189,192)	(212,072)	(22,880)	(12.09%)	▼
Infrastructure - Roads	13	(1,177,100)	(392,332)	(344,358)	0	0	
Infrastructure - Other	13	(617,000)	(205,400)	(157,164)			
Plant and Equipment	13	(742,364)	(247,444)	(24,909)	222,535	89.93%	▲
Furniture and Equipment	13	(21,000)	(6,996)	0	6,996	100.00%	▲
<b>Total Capital Expenditure</b>		<b>(3,625,184)</b>	<b>(1,108,028)</b>	<b>(738,503)</b>	<b>273,315</b>		
<b>Net Cash from Capital Activities</b>		<b>(1,830,229)</b>	<b>(681,648)</b>	<b>(406,974)</b>	<b>178,465</b>		
<b>Financing</b>							
Transfer from Reserves	7	0	0	0	0		
Advances to Community Groups	10	85,507	0	0	0		
Repayment of Debentures	10	(150,774)	(37,356)	(37,356)	0	0.00%	
Transfer to Reserves	7	(125,510)	0	0	0		
<b>Net Cash from Financing Activities</b>		<b>(190,777)</b>	<b>(37,356)</b>	<b>(37,356)</b>	<b>0</b>		
<b>Net Operations, Capital and Financing</b>		<b>(1,689,287)</b>	<b>672,338</b>	<b>1,073,215</b>	<b>319,651</b>		
<b>Opening Funding Surplus(Deficit)</b>	3	<b>1,722,222</b>	<b>1,722,222</b>	<b>1,721,405</b>	<b>(817)</b>	<b>(0.05%)</b>	
<b>Closing Funding Surplus(Deficit)</b>	3	<b>32,937</b>	<b>2,394,560</b>	<b>2,794,620</b>	<b>318,834</b>		

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.  
Refer to Note 2 for an explanation of the reasons for the variance.

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

**SHIRE OF MINGENEW**  
**STATEMENT OF CAPITAL ACQUISITIONS AND CAPITAL FUNDING**  
For the Period Ended 31 October 2017

		YTD 31 10 2017					
Capital Acquisitions	Note	YTD Actual New /Upgrade (a)	YTD Actual (Renewal Expenditure) (b)	YTD Actual Total (c) = (a)+(b)	Amended YTD Budget (d)	Amended Annual Budget	Variance (d) - (c)
Land Held for Resale	13	\$ 0	\$ 0	\$ 0	\$ 0	\$ 200,000	\$ 0
Land and Buildings	13	212,072		212,072	189,192	867,720	22,880
Infrastructure - Roads	13	344,358		344,358	392,332	1,177,100	(47,974)
Infrastructure -Other	13	157,164		157,164	205,400	617,000	(48,236)
Plant and Equipment	13	24,909		24,909	247,444	742,364	(222,535)
Furniture and Equipment	13	0		0	6,996	21,000	(6,996)
<b>Capital Expenditure Totals</b>		<b>738,503</b>	<b>0</b>	<b>738,503</b>	<b>1,041,364</b>	<b>3,625,184</b>	<b>(302,861)</b>

Capital Expenditure Program YTD



**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Accounting**

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise.

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

**Critical Accounting Estimates**

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

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

**(b) The Local Government Reporting Entity**

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

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

All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 12.

**(c) Rounding Off Figures**

All figures shown in this statement are rounded to the nearest dollar.

**(d) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

**(e) Goods and Services Tax**

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.

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) Cash and Cash Equivalents**

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

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

**(g) Trade and Other Receivables**

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

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

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

**(h) Inventories**

***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.

***Land Held for Resale***

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

**(i) Fixed Assets**

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation rates and periods are:

Buildings	25 to 50 years
Construction other than Buildings (Public Facilities)	5 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Heritage Assets	25 to 50 years
Roads	25 years
Footpaths	50 years
Sewerage Piping	75 years
Water Supply Piping and Drainage Systems	75 years

**(k) Trade and Other Payables**

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

**(l) Employee Benefits**

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

**(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)**

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Shire has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Shire expects to pay and includes related on-costs.

**(ii) Annual Leave and Long Service Leave (Long-term Benefits)**

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the Shire does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.



**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(m) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

***Borrowing Costs***

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**(n) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

**(o) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council 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 even if not expected to be realised in the next 12 months except for land held for resale where it is held as non current based on Council's intentions to release for sale.

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(p) Nature or Type Classifications**

**Rates**

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

**Operating Grants, Subsidies and Contributions**

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

**Non-Operating Grants, Subsidies and Contributions**

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

**Profit on Asset Disposal**

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

**Fees and Charges**

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

**Service Charges**

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

**Interest Earnings**

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

**Other Revenue / Income**

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

**Employee Costs**

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

**Materials and Contracts**

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

**Utilities (Gas, Electricity, Water, etc.)**

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(q) Nature or Type Classifications (Continued)**

**Insurance**

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

**Loss on asset disposal**

Loss on the disposal of fixed assets.

**Depreciation on non-current assets**

Depreciation expense raised on all classes of assets.

**Interest expenses**

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

**Other expenditure**

Statutory fees, taxes, provision for bad debts, member's fees or levies including WA Fire Brigade Levy and State taxes. Donations and subsidies made to community groups.

**(r) Statement of Objectives**

Council has adopted a 'Plan for the future' comprising a Strategic Community Plan and Corporate Business Plan to provide the long term community vision, aspirations and objectives.

Based upon feedback received from the community the vision of the Shire is:

*"Standing proud, growing strong"*

The Strategic Community Plan defines the key objectives of the Shire as:

*"Economic: To be a diverse and innovative economy with a range of local employment opportunities.*

*Environment: A sustainable natural and built environment that meets current and future community needs.*

*Social: A safe and welcoming community where everyone has the opportunity to contribute and belong.*

*Civic Leadership: A collaborative and innovative community with strong and vibrant leadership."*

**(s) Reporting Programs**

Council operations as disclosed in this statement encompass the following service orientated activities/programs:

**GOVERNANCE**

Expenses associated with provision of services to members of council and elections. Also included are costs associated with computer operations, corporate accounting, corporate records and asset management. Costs reported as administrative expenses are redistributed in accordance with the principle of activity based costing (ABC).

**GENERAL PURPOSE FUNDING**

Rates and associated revenues, general purpose government grants, interest revenue and other miscellaneous revenues. The costs associated with raising the above mentioned revenues, eg. Valuation expenses, debt collection and overheads.

**LAW, ORDER, PUBLIC SAFETY**

Enforcement of Local Laws, fire prevention, animal control and provision of ranger services.

**HEALTH**

Health inspection services, food quality control, mosquito control and contributions towards provision of medical health services.

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(s) Reporting Programs (Continued)**

**EDUCATION AND WELFARE**

Support of day care for children. Autumn Centre for Senior Citizens.  
Youth & seniors projects.

**HOUSING**

Provision and maintenance of rented housing accommodation for pensioners and employees.

**COMMUNITY AMENITIES**

Sanitation, sewerage, stormwater drainage, protection of the environment, public conveniences, cemeteries and town planning.

**RECREATION AND CULTURE**

Parks, gardens and recreation reserves, library services, walk trails, youth recreation,  
Public halls and Mingenew Recreation Centre.

**TRANSPORT**

Construction and maintenance of roads, footpaths, drainage works, parking facilities, traffic control, depot operations, plant purchase and cleaning of streets.

**ECONOMIC SERVICES**

Tourism, community development, pest control, building services and private works.

**OTHER PROPERTY & SERVICES**

Plant works, plant overheads and stock of materials.

**Note 2: EXPLANATION OF MATERIAL VARIANCES**

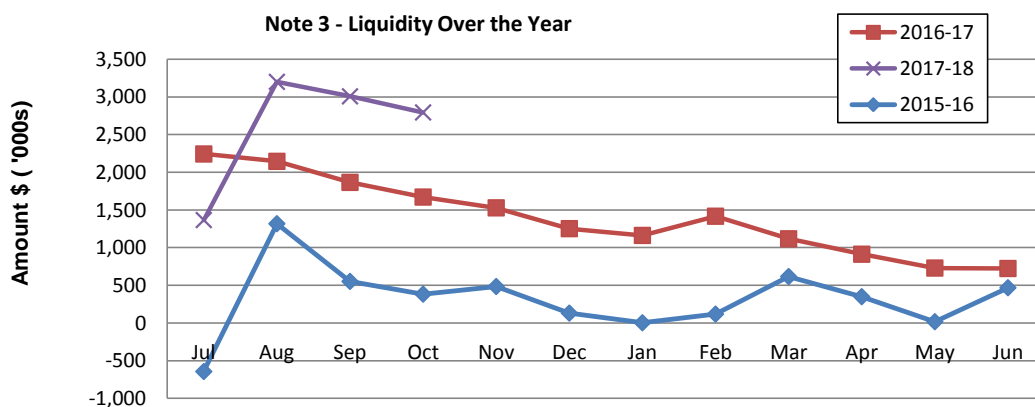
Reporting Program	Var. \$	Var. %	Var.	Timing/ Permanent	Explanation of Variance
<b>Operating Revenues</b>	\$	%			
General Purpose Funding	20,250	1.07%			Nil
Governance	3,994	95.28%			Nil
Law, Order and Public Safety	(32,843)	(74.38%)	▼		Timing of receiving bush fire management plan Grants \$30K
Health	(75)	(62.13%)			Nil
Education and Welfare	2,665	214.24%			Nil
Housing	(6,289)	(17.99%)			Nil
Community Amenities	(1,079)	(1.38%)			Nil
Recreation and Culture	(1,739)	(5.10%)			Nil
Transport	(971,601)	(86.44%)	▼		Timing of receiving flood damage grants \$919K
Economic Services	(399)	(10.59%)			Nil
Other Property and Services	(30,171)	(57.49%)	▼		Nil
<b>Operating Expenses</b>					
General Purpose Funding	(4,347)	(27.47%)			Nil
Governance	10,554	9.01%			Nil
Law, Order and Public Safety	4,869	11.73%	▲		Bush fire management plan expenses is under \$6K
Health	15,392	41.44%	▲		Internal Admin allocations is under \$9K
Education and Welfare	8,205	32.42%	▲		Internal Admin allocations \$8K
Housing	1,688	3.10%			Nil
Community Amenities	3,132	3.24%			Nil
Recreation and Culture	(51,418)	(17.23%)	▼		Assets Depreciation and admin allocations is over \$51K
Transport	1,099,282	63.09%	▲		Flood damage works is under \$1.1 M
Economic Services	32,153	24.09%	▲		Telecommunication project expenses is under \$5K and MIG building maintenance is under \$4K
Other Property and Services	168,545	444.24%	▲		Plant & Overhead Allocations is under 168K
<b>Capital Revenues</b>					
Grants, Subsidies and Contributions	16,182	5.21%			Nil
Proceeds from Disposal of Assets	(111,033)	(96.07%)	▼		Timing of disposal of assets \$111K
<b>Capital Expenses</b>					
Land Held for Resale	66,664	100.00%	▲		Industrial subdivision allocation is under \$66K
Land and Buildings	(22,880)	(12.09%)	▼		More works completed on independent living units earlier than expected.
Infrastructure - Roads	47,974	12.23%	▲		Roads construction cost is under \$22K
Infrastructure - Footpaths	0				Nil
Infrastructure - Drainage & Culverts	0				Nil
Infrastructure - Aerodromes	0				Nil
Plant and Equipment	222,535	89.93%	▲		Timing of purchases
Furniture and Equipment	6,996	100.00%	▲		Timing of purchases
<b>Financing</b>					
Loan Principal	0	0.00%			Nil

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**Note 3: NET CURRENT FUNDING POSITION**

		Positive=Surplus (Negative=Deficit)		
	Note	YTD 31 Oct 2017	30th June 2017	YTD 31 Oct 2016
		\$	\$	\$
<b>Current Assets</b>				
Cash - Unrestricted	4	1,584,949	1,276,249	1,349,634
Cash - Restricted Reserves	4	396,475	396,475	309,454
Cash - Restricted Unspent Grants		568,498	568,498	216,626
Investments		0	0	0
Rates - Current	6	625,340	83,832	582,006
Sundry Debtors	6	43,532	79,873	9,353
Provision for Doubtful Debts		(1,585)	(1,585)	(1,585)
ESL Levy		0	0	0
GST Receivable		11,117	30,077	20,499
Receivables - Other		0	0	0
Inventories - Fuel & Materials		3,197	3,197	8,036
Inventories - Land Held for Resale		40,394	40,394	80,788
		3,271,918	2,477,010	2,574,813
<b>Current Liabilities</b>				
Sundry Creditors		(2,385)	(261,624)	(40,674)
GST Payable		(11,604)	(29,012)	(17,134)
PAYG		(13,193)	(12,709)	(5,256)
Accrued Interest on Debentures		(11,269)	(13,414)	0
Accrued Salaries & Wages		(1,977)	(1,977)	(1,977)
Current Employee Benefits Provision		(231,014)	(231,014)	(261,493)
Current Loan Liability		(113,420)	(150,775)	(108,436)
		(384,863)	(700,525)	(434,970)
<b>NET CURRENT ASSETS</b>		<b>2,887,056</b>	<b>1,776,485</b>	<b>2,139,843</b>
<b>Less:</b>				
Cash - Restricted Reserves		(396,475)	(396,475)	(309,454)
Inventories - Land Held for Resale		(40,394)	(40,394)	(80,788)
<b>Add Back:</b>				
Current Loan Liability		113,420	150,775	108,436
Cash Backed Employee Provisions	7	231,014	231,014	261,493
<b>Net Current Funding Position (Surplus / Deficit)</b>		<b>2,794,620</b>	<b>1,721,405</b>	<b>2,119,529</b>

0.00



**Comments - Net Current Funding Position**

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**Note 4: CASH AND INVESTMENTS**

	Interest Rate	Unrestricted \$	Restricted \$	Trust \$	Total Amount \$	Institution	Maturity Date
(a) <b>Cash Deposits</b>							
3 Month term Deposit	2.45%	1,500,000			1,500,000	NAB	31 December 2017
Municipal Bank Account	1.25%	84,649	568,498		653,147	NAB	At Call
Trust Bank Account	1.25%			71,680	71,680	NAB	At Call
Cash Maximiser Account (Muni)	0.70%	0	0		0	NAB	At Call
Cash On Hand	Nil	300	0		300	NAB	At Call
Reserve Funds	2.55%	0	396,475		396,475	NAB	30 December 2017
(b) <b>Term Deposits</b>							
Short Term Deposits	0.00%	0	0		0		
<b>Total</b>		<b>1,584,949</b>	<b>964,973</b>	<b>71,680</b>	<b>2,621,603</b>		

**Comments/Notes - Investments**

A review of bank accounts held has been undertaken in conjunction with National Australia Bank. Following this review some changes have been made to the type of accounts we use. To improve interest earnings, the Cash Maximiser Accounts are no longer used (they were earning approximately 0.7% interest) and the Municipal, Trust and Reserve accounts are corporate cheque accounts and will earn interest at the RBA cash rate when balances are >\$250,000 and RBA Cash rate -0.25% when balances are <\$250,000

**Restricted Cash**

**(1) Municipal Fund**

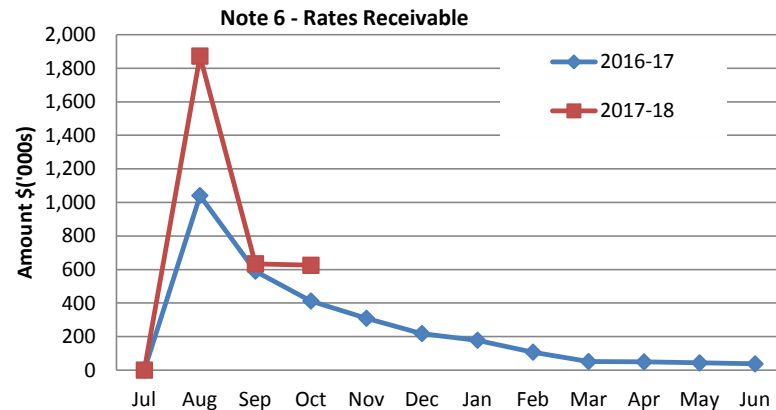
Purpose for Funds Being Restricted	Funding Organisation	Due Date to be Expended	Amount
1 Various Roads	Roads to Recovery	30 June 2019	151,206
2 Town Revitalisation Plan	Department of Planning	30 June 2018	60,000
3 Town Planning Scheme	Department of Planning	30 June 2018	25,000
4 Special Purpose Grants - Bridges	Financial Assistance Grants	30 June 2018	210,000
5 Mingenew Transfer Station	Mid West Development Commission	31 December 2017	45,000
6 Mingenew Museum	Mid West Development Commission	31 December 2017	13,712
7 Little Well Reserve	Lotterywest	30 June 2018	13,580
8 Recreation Oval Lights	DSR	30 June 2018	50,000
<b>Sub-total</b>			<b>568,498</b>

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**Note 6: RECEIVABLES**

**Receivables - Rates & Rubbish Receivable**

	YTD 31 Oct 2017	30 June 2016
Opening Arrears Previous Years	\$ 83,832	\$ 83,832
Levied this year	1,852,748	1,757,549
Less Collections to date	(1,311,240)	(1,757,549)
Equals Current Outstanding	625,340	83,832
<b>Net Rates Collectable</b>	<b>625,340</b>	<b>83,832</b>
% Collected	67.71%	95.45%



**Comments/Notes - Receivables Rates**

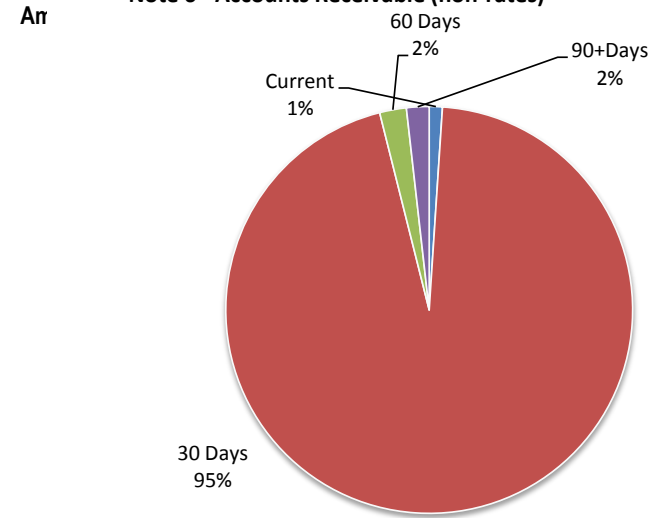
Instalment Due Dates:

Instalment 1	30-Sep-17
Instalment 2	30-Nov-17
Instalment 3	31-Jan-18
Instalment 4	1-Apr-18

**Receivables - General**

	Current	30 Days	60 Days	90+Days
Receivables - General	\$ 455	\$ 41,372	\$ 925	\$ 781
<b>Total Receivables General Outstanding</b>				<b>43,532</b>

**Note 6 - Accounts Receivable (non-rates)**



**Comments/Notes - Receivables General**

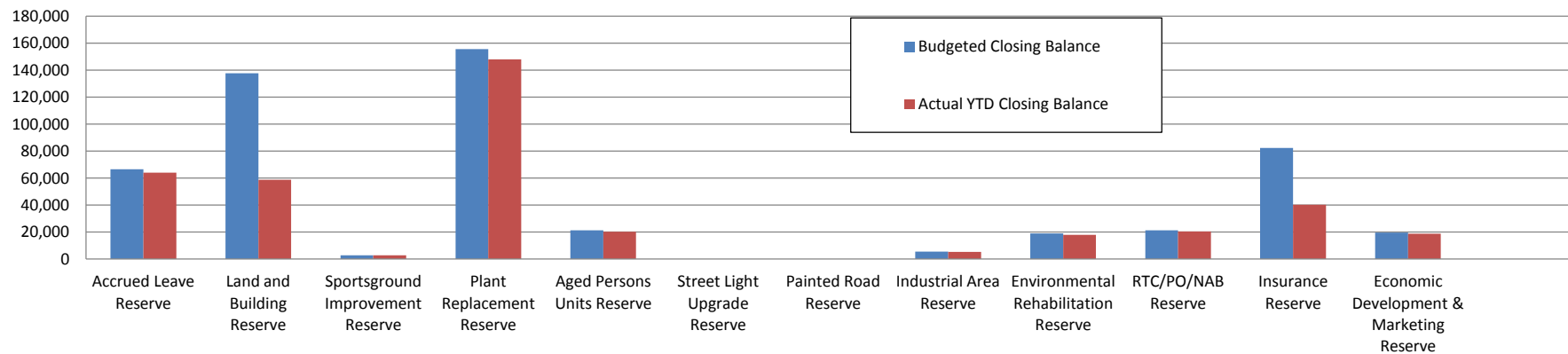


**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
For the Period Ended 31 October 2017

**Note 7: Cash Backed Reserve**

Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	YTD Actual Transfers In (+)	YTD Budget Transfers Out (-)	YTD Actual Transfers Out (-)	Transfer out Reference	Budgeted Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$		\$	\$
Accrued Leave Reserve	64,065	1,250	0	1,250	0	0	0		66,565	64,065
Land and Building Reserve	58,767	1,450	0	77,450	0	0	0		137,667	58,767
Sportsground Improvement Reserve	2,725	60	0	60	0	0	0		2,845	2,725
Plant Replacement Reserve	148,056	3,700	0	3,700	0	0	0		155,456	148,056
Aged Persons Units Reserve	20,230	500	0	500	0	0	0		21,230	20,230
Street Light Upgrade Reserve	0	0	0	0	0	0	0		0	0
Painted Road Reserve	0	0	0	0	0	0	0		0	0
Industrial Area Reserve	5,287	125	0	125	0	0	0		5,537	5,287
Environmental Rehabilitation Reserve	18,002	450	0	450	0	0	0		18,902	18,002
RTC/PO/NAB Reserve	20,382	500	0	500	0	0	0		21,382	20,382
Insurance Reserve	40,243	1,000	0	41,000	0	0	0		82,243	40,243
Economic Development & Marketing Reserve	18,719	475	0	475	0	0	0		19,669	18,719
				0	0	0	0			
	396,475	9,510	0	125,510	0	0	0	0	531,495	396,475

**Note 7 - Year To Date Reserve Balance to End of Year Estimate**



**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
For the Period Ended 31 October 2017

**Note 8 CAPITAL DISPOSALS**

Actual YTD Profit/(Loss) of Asset Disposal				Disposals	Amended Current Budget			Comments
					YTD 31 10 2017			
Cost	Accum Depr	Proceeds	Profit (Loss)		2017/18 Budget Profit/(Loss)	2017/18 Actual Profit/(Loss)	Variance	
\$	\$	\$	\$		\$	\$	\$	
0			0	Plant and Equipment				
			0	CEO Vehicle		0		
			0	DCEO Vehicle			0	
			0	Works Manager Vehicle		0	0	
0	0	0	0		0	0	0	

Comments - Capital Disposal/Replacements

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

LGA S6.2(4)(b)  
FM Reg 23(a)

**9. RATING INFORMATION**

<b>RATE TYPE</b>	<b>Rate in \$</b>	<b>Number of properties</b>	<b>Rateable value \$</b>	<b>2017/18 interim rates \$</b>	<b>2017/18 back rates \$</b>	<b>Actual Rate Revenue \$</b>	<b>2017/18 Budgeted rate revenue \$</b>	<b>2017/18 Budgeted interim rates \$</b>	<b>2017/18 Budgeted back rates \$</b>	<b>2017/18 Budgeted total revenue \$</b>
<b>General rate</b>										
GRV - Mingenew	0.145400	129	1,131,000	0	0	164,447	164,447	0	0	164,447
GRV - Yandanooka	0.145400	2	13,884	0	0	2,019	2,019	0	0	2,019
GRV- Commercial	0.145400	14	349,700			50,846	50,846			50,846
GRV - Industrial	0.145400	1	12,480			1,815	1,815			1,815
UV Rural & Mining	0.013350	120	110,861,500			1,480,001	1,480,001			1,480,001
UV Mining	0.013350	0	0			0	0			0
<b>Sub-Totals</b>		266	112,368,564	0	0	1,699,128	1,699,128	0	0	1,699,128
<b>Minimum payment</b>	<b>Minimum \$</b>									
GRV - Mingenew	682	64	28,026	0	0	43,648	43,648	0	0	43,648
GRV - Yandanooka	682	0	0	0	0	0	0	0	0	0
GRV- Commercial	682	9	6,200			6,138	6,138			6,138
GRV - Industrial	682	2	1,850			1,364	1,364			1,364
UV Rural & Mining	1025	23	671,100			23,575	23,575			23,575
UV Mining	1025	8	39,885			8,200	8,200			8,200
<b>Sub-Totals</b>		106	747,061	0	0	82,925	82,925	0	0	82,925
		<b>372</b>	<b>113,115,625</b>	<b>0</b>	<b>0</b>	<b>1,782,053</b>	<b>1,782,053</b>	<b>0</b>	<b>0</b>	<b>1,782,053</b>
Discounts/concessions (Refer note 13)						(1,009)				(1,009)
<b>Total amount raised from general rates</b>						<b>1,781,044</b>				<b>1,781,044</b>
Specified area rates (Refer note 10)						0				0
Ex Gratia Rates						35,523				35,523
<b>Total rates</b>						<b>1,816,567</b>				<b>1,816,567</b>

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
For the Period Ended 31 October 2017

**10. INFORMATION ON BORROWINGS**

**(a) Debenture Repayments**

Particulars	Principal 1-Jul-17	Refinancing Cost	Principal Repayments		Principal Outstanding		Interest Repayments	
			YTD Actual \$	YTD Budget \$	YTD Actual \$	Budget \$	YTD Actual \$	Budget \$
<b>Education &amp; Welfare</b>								
Loan 137 - Senior Citizens Buildings	91,633	11,102	4,850	19,576	97,885	72,057	928	3,088
					0			
<b>Housing</b>					0			
Loan 133 - Triplex	61,766	7,483	3,250	13,195	65,999	48,571	218	1,967
Loan 134 - SC Housing	46,481	5,631	2,460	9,930	49,652	36,551	163	1,499
Loan 136 - Staff Housing	110,736	13,416	0	23,656	124,152	87,080	382	3,738
Loan 142 - Staff Housing	56,153	6,803	8,729	11,996	54,227	44,157	2,035	1,726
					0			
<b>Recreation &amp; Culture</b>					0			
Loan 138 - Pavilion Fitout	87,967	10,658	4,779	18,792	93,846	69,175	906	2,964
					0			
<b>Transport</b>					0			
Loan 139 - Roller	24,255	2,939	1,284	5,182	25,910	19,073	278	727
Loan 141 - Grader	82,243	9,964	4,353	17,570	87,854	64,673	870	2,523
Loan 143 - 2 x Trucks	0		0	0	0	0	60	0
Loan 144 - Side Tipping Trailer	56,154	6,803	2,972	11,996	59,985	44,158	577	1,726
Loan 145 - Drum Roller	88,381	10,708	4,679	18,881	94,410	69,500	971	2,565
	705,769	85,507	37,356	150,774	753,920	554,995	7,388	22,523

All debenture repayments were financed by general purpose revenue.

**(b) New Debentures**

Nil

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**Note 11: GRANTS AND CONTRIBUTIONS**

Program/Details GL	Grant Provider	Approval	2017-18 Forecast Budget	2017-18 Original Budget	Variations Additions (Deletions)	Operating 2017/18 Budget	Capital 2017/18 Budget	Recoup Status	
								2017-18 YTD Actual	2017-18 YTD Budget
		(Y/N)	\$	\$	\$	\$	\$	\$	\$
<b>GENERAL PURPOSE FUNDING</b>									
Financial Assistance Grant - Roads	Grants Commission	Y	167,449	167,449	0	0	167,449	37,179	41,862
Financial Assistance Grant - General	Grants Commission	Y	142,313	142,313	0	142,313	0	32,436	47,436
<b>LAW, ORDER, PUBLIC SAFETY</b>									
ESL Administration Grant	Department of Fire & Emergency Services	Y	4,000	4,000	0	4,000	0	0	1,332
ESL Annual Grant	Department of Fire & Emergency Services	Y	23,194	23,194	0	23,194	0	6,140	11,598
Bushfire Management Plan	Department of Fire & Emergency Services	Y	30,000	30,000	0	30,000	0	0	30,000
<b>HEALTH</b>									
Nil		N	0	0	0	0	0	0	0
<b>EDUCATION &amp; WELFARE</b>									
Seniors Week Grant	COTAWA	N	1,000	1,000	0	1,000	0	3,000	332
Community Christmas Tree	CBH	N	2,000	2,000	0	2,000	0	909	664
<b>HOUSING</b>									
Independent Living Units	WCHS	Y	0	0	0	0	0	0	0
<b>COMMUNITY AMENITIES</b>									
Thank a Volunteer Day	Department of Local Government & Communities	N	2,000	2,000	0	1,000	0	0	0
Transfer Station	Mid West Development Commission	Y	5,000	5,000	0	0	5,000	0	1,664
<b>RECREATION AND CULTURE</b>									
Museum	MWDC	N	1,523	1,523	0	0	1,523	0	504
Museum	Museum Committee	Y	5,000	5,000	0	0	0	0	1,664
Enanty Barn	TBA	N	0	0	0	0	0	0	0
Littlewell	TBA	N	0	0	0	0	0	0	0
Railway Station	Lotterywest (Town Hall)	N	210,000	210,000	0	0	210,000	0	0
Railway Station	Lotterywest	N	35,000	35,000	0	0	35,000	0	11,664
Football Oval Lights	DSR	Y	200,000	200,000	0	0	200,000	0	0
Football Oval Lights	Football Club	Y	30,000	30,000	0	0	0	0	0
Expo for lighting Tower	Expo Lights	Y	15,000	15,000	0	0	45,000	0	0
Hockey Oval Lights	Hockey Club	Y						0	0
<b>TRANSPORT</b>									
Flood Damage Funding	WADRRRA	Y	2,759,248	2,759,248	0	2,759,248	0	0	919,748
Direct Grant	Main Roads WA	Y	41,594	41,594	0	41,594	0	0	13,864
Blackspot Funding	Main Roads WA	Y	0	0	0	0	0	0	0
Regional Road Group	Main Roads WA	Y	515,333	515,333	0	0	515,333	202,484	171,776
Financial Assistance Special Grant - Bridge	Department of Infrastructure	Y	0	0	0	0	0	124,500	0
Roads To Recovery	Department of Infrastructure	Y	0	0	0	0	0	0	0
Street Lighting	Main Roads WA	Y	2,500	2,500	0	2,500	0	0	832
<b>ECONOMIC SERVICES</b>									
Mingenew Hill Walk Trail	TBA	N	0	0	0	0	0	0	0
<b>OTHER PROPERTY &amp; SERVICES</b>									
Industrial Subdivision	Mid West Development Commission	N	150,000	150,000	0	0	150,000	0	83,332
Rural Residential Subdivision	Mid West Development Commission	N	100,000	100,000	0	0	100,000	0	0
<b>TOTALS</b>			<b>4,442,154</b>	<b>4,442,154</b>	<b>0</b>	<b>3,006,849</b>	<b>1,429,305</b>	<b>406,648</b>	<b>1,338,272</b>
Operating	Operating		3,012,849	3,012,849	0	3,006,849	0	166,985	1,027,470
Non-Operating	Non-operating		1,429,305	1,429,305	0	0	1,429,305	239,663	310,802
Contribution & Reimbursement	Operating & Non Operating		11,096	11,096				11,760	
			<u>4,453,250</u>	<u>4,453,250</u>				<u>418,408</u>	<u>1,338,272</u>

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**Note 12: TRUST FUND**

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

Description	Opening Balance 1 Jul 17	Amount Received	Amount Paid	Closing Balance 31-Oct-17
	\$	\$	\$	\$
Councillors Nomination Fees	0	560	0	560
BCITF Levy	0	495	0	495
BRB Levy	4	511	(458)	57
Autumn Committee	974	0	0	974
Community Bus	2,200	400	(400)	2,200
ANZAC Day Breakfast Donation	501	0	0	501
Building Relocation Bond	1,000	0	0	1,000
Mid West Industry Road Safety Alliance	21,294	68,700	(35,485)	54,510
Mingenew Cemetery Group	4,314	0	0	4,314
Bonds		0	0	0
Housing Bonds	1,428	0	0	1,428
Cool Room Bond	530	145	(145)	530
Outdoor Camera Bond	350	0	0	350
Animal Trap Bond	0	100	(100)	0
Projector Screen	0	0	0	0
Other Bonds	200			200
Rates Incentive Prizes	100	0	0	100
Sinosteel Community Trust Fund	0	0	0	0
Tree Planter - LCDC	88	0	0	88
Weary Dunlop Memorial	87	0	0	87
Mingenew P & C - NBN Rental	0	0	0	0
Joan Trust	2,161	0	0	2,161
Youth Advisory Council	746	0	0	746
Centenary Committee	897	0	0	897
Community Christmas Tree	432	0	0	432
Silverchain Committee	0	0	0	0
Seniors Donations	50	0	0	50
	<b>37,356</b>	<b>70,351</b>	<b>(36,587)</b>	<b>71,680.19</b>

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**Note 13: CAPITAL ACQUISITIONS**

Infrastructure Assets		Amended Annual Budget	Original Full Year Budget	YTD Budget	YTD Actual	Variance (Over)/Under
Land Held for Resale						
Community Amenities						
Other Property & Services						
Industrial Area Development	4504	200,000	200,000	66,664	0.00	200,000
<b>Total Land Held for Resale</b>		<b>200,000</b>	<b>200,000</b>	<b>66,664</b>	<b>0</b>	<b>200,000</b>
<b>Land &amp; Buildings</b>						
Shire Office	A001	10,000	10,000	3,332	0.00	10,000
Child Care Facility	0075	20,000	20,000	6,664	0.00	20,000
Lot 66 Shenton Street	H001	5,000	5,000	1,664	0.00	5,000
13 Moore Street	H005	5,000	5,000	1,664	0.00	5,000
King Street Triplex - Unit 1	H008	4,000	4,000	1,328	0.00	4,000
King Street Triplex - Unit 2	H009	4,000	4,000	1,332	0.00	4,000
King Street Triplex - Unit 3	H010	4,020	4,020	1,336	0.00	4,020
Staff Housing - 34 William Street (ex Silver Chain)	H011	12,000	12,000	3,992	0.00	12,000
Staff Housing - 2 Bedroom Key Worker Housing	H007	5,000	5,000	1,664	0.00	5,000
Lot 5 Field Street	H002	7,500	7,500	2,500	0.00	7,500
Lot 15 Field Street	H003	10,000	10,000	3,328	0.00	10,000
Lot 89 Victoria Street	H004	5,000	5,000	1,664	0.00	5,000
Aged Care Units	0165	265,000	265,000	88,332	212,072.00	52,928
Silver Chain House	0166	0	0	0	0.00	0
Town Hall	2434	300,000	300,000	0	0.00	300,000
Enanty Barn	0067	10,000	10,000	3,332	0.00	10,000
Museum	0068	25,000	25,000	8,332	0.00	25,000
Old Roads Building	0069	6,200	6,200	2,064	0.00	6,200
Old Railway Station	0070	70,000	70,000	23,332	0.00	70,000
Business Incubator	5964	100,000	100,000	33,332	0.00	100,000
<b>Total Land &amp; Building Total</b>		<b>867,720</b>	<b>867,720</b>	<b>189,192</b>	<b>212,072</b>	<b>655,648</b>

**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**Note 13: CAPITAL ACQUISITIONS**

Infrastructure Assets		Amended Annual Budget	Original Full Year Budget	YTD Budget	YTD Actual	Variance (Over)/Under
<b>Infrastructure - Other</b>						
Waste Transfer Station	3084	140,000	140,000	46,656	0.00	140,000
Little Well Project	0071	35,000	35,000	11,660	0.00	35,000
Mingenew Hill Project	0142	40,000	40,000	13,088	0.00	40,000
Net Ball Court	0169	150,000	150,000	50,000	0.00	150,000
Bride Street Recreation Area	0141	100,000	100,000	33,332	0.00	100,000
Football Oval Lights	0140	140,000	140,000	46,664	157,164.0	(17,164)
Water Tanks & Reticulation	0167	12,000	12,000	4,000	0.00	12,000
<b>Total Other Infrastructure</b>		<b>617,000</b>	<b>617,000</b>	<b>205,400</b>	<b>157,164</b>	<b>459,836</b>
<b>Furniture &amp; Office Equip.</b>						
Office PC's & Laptops	A201	8,000	8,000	2,664	0.00	8,000
Council Chamber - Tables & Chairs	A302	10,000	10,000	3,332	0.00	10,000
Christmas Lights	0065	3,000	3,000	1,000	0.00	3,000
<b>Total Furniture &amp; Office Equip.</b>		<b>21,000</b>	<b>21,000</b>	<b>6,996</b>	<b>0</b>	<b>21,000</b>
<b>Plant , Equip. &amp; Vehicles</b>						
<b>Governance</b>						
CEO Vehicle Replacement	A100	135,000	135,000	45,000	0.00	135,000
DCEO Vehicle Replacement	A101	86,000	86,000	28,664	0.00	86,000
Works Manager Vehicle	0170	86,000	86,000	28,664	0.00	86,000
Sundry Plant	0171	10,000	10,000	3,332	0.00	10,000
Portable Traffic Lights	0172	35,000	35,000	11,664	0.00	35,000
Grader	0174	345,000	345,000	115,000	0.00	345,000
Road Broom	0177	25,000	25,000	8,332	0.00	25,000
Slasher	0178	20,364	20,364	6,788	24,909.09	(4,545)
<b>Total Plant, EQUIP &amp; Vehicles</b>		<b>742,364</b>	<b>742,364</b>	<b>247,444</b>	<b>24,909</b>	<b>717,455</b>



**SHIRE OF MINGENEW**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 October 2017**

**Note 13: CAPITAL ACQUISITIONS**

Infrastructure Assets		Amended Annual Budget	Original Full Year Budget	YTD Budget	YTD Actual	Variance (Over)/Under
<b>Roads &amp; Bridges</b>						
Roadworks Construction - Own Resources	0001	72,500	72,500	24,156	0.00	72,500
Mooriary Road (R2R)	6074	121,600	121,600	40,528	115,244.35	6,356
Special Purpose Grant - Yarragadee Bridge	6075	210,000	210,000	70,000	0.00	210,000
Mingenew Mullewa Road Reseal (RRG)	RR65	450,000	450,000	149,992	138,010.35	311,990
Mingenew Mullewa Road Reseal (RRG)	RR63	0	0	0	(317.97)	318
Nanekine Road	1205	0	0	0	213.49	(213)
RRG - Coalseam Road	RR61	323,000	323,000	107,656	91,208.16	231,792
<b>Total Roads &amp; Bridges</b>		<b>1,177,100</b>	<b>1,177,100</b>	<b>392,332</b>	<b>344,358.38</b>	<b>832,742</b>
<b>Capital Expenditure Total</b>		<b>3,625,184</b>	<b>3,625,184</b>	<b>1,108,028</b>	<b>738,503</b>	<b>2,886,681</b>

## **9.2.2 ACCOUNTS FOR PAYMENT – MONTH ENDING 31 OCTOBER 2017**

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**File Reference:** ADM0042  
**Disclosure of Interest:** Nil  
**Date:** 3 November 2017  
**Author:** Durga Ojha, Manager of Finance  
**Senior Officer:** Martin Whitely, Chief Executive Officer

### **Summary**

This report recommends that Council confirm the payment of creditors for the month of October 2017 in accordance with the Local Government (Financial Management) Regulations 1996 section 13(1).

### **Attachment**

Copy of list of accounts due (EFT & cheque payments), which will enable Council to confirm the payment of its creditors in accordance with Local Government (Financial Management) Regulations 1996, Section 13(1).

### **Background**

Financial Regulations require a schedule of payments made through the Council bank accounts to be presented to Council for their inspection. The list includes details for each account paid incorporating the payee's name, amount of payment, date of payment and sufficient information to identify the transaction.

### **Comment**

Invoices supporting all payments are available for inspection. All invoices and vouchers presented to Council have been certified as to the receipt of goods and the rendition of services and as to prices, computations and costings, and that the amounts shown were due for payment.

### **Consultation**

Nil

### **Statutory Environment**

Local Government Act 1996, Section 6.4

Local Government (Financial Management) Regulations 1996, Sections 12, 13 and 15

### **Policy Implications**

Payments have been made under delegation.

### **Financial Implications**

Funds available to meet expenditure.

### **Strategic Implications**

Nil

**Voting Requirements**

Simple Majority

<b>OFFICER RECOMMENDATION – ITEM 9.2.2</b>
--

**That Council confirm the accounts as presented for October 2017 from the Municipal & Trust Fund totalling \$374,094.29 represented by Electronic Funds Transfers of EFT 11083 to EFT11143 & EFT11145, Direct Deduction DD8248.1, 2, 3, 4, 5 & 6 , DD 8249.1, 2, 3, 4,&6, and Municipal Cheque numbers 8525to 8528.**

Date: 03/11/2017  
Time: 3:54:25PM

**Shire of MINGENEW**  
**List of Accounts for 1 October 2017 to 31 October 2017**

USER: Finmanager  
PAGE: 1

<b>Cheque /EFT No</b>	<b>Date</b>	<b>Name</b>	<b>Invoice Description</b>	<b>Bank Code</b>	<b>INV Amount</b>	<b>Amount</b>
8525	31/10/2017	SYNERGY	Power Account for the Period 18/08/2017 - 18/10/2017	M		7,656.50
8526	31/10/2017	WATER CORPORATION	Water Accounts for September 2017	M		1,909.31
8527	31/10/2017	BLACKWOODS	Various PPE for Outside Staff	M		1,475.48
8528	31/10/2017	CITY OF GREATER GERALDTON	Midwest SirsiDynix Consortium Fees	M		6,332.00
EFT11083	18/10/2017	AUSTRALIA POST	September 2017 Postage Fees	M		245.72
EFT11084	18/10/2017	ALCOLIZER TECHNOLOGY	Service of Breath Tester	M		125.40
EFT11085	18/10/2017	Butler Settineri	Final Audit Fees JUNE 2017	M		2,748.46
EFT11086	18/10/2017	BRAMATT INSTALLATIONS WA	Supply & Installation of Lighting Towers at Rec Centre	M		48,739.90
EFT11087	18/10/2017	Central Fumigation & Pest Managment Services	Termite Inspections and Interior/Exterior Pest Spraying for Shire Properties	M		4,306.50
EFT11088	18/10/2017	LANDGATE	Minimum Charge for period 24/06/2017 to 18/08/2017	M		65.50
EFT11089	18/10/2017	DONGARA GOLF CLUB INC	Dongara Club Club Hire Fees LGMA Golf Day 2017	M		3,778.00
EFT11090	18/10/2017	ELDERS LIMITED	Purchase of Fencing Materials	M		3,352.50
EFT11091	18/10/2017	GREAT SOUTHERN FUEL SUPPLIES	Fuel Account for the Month of September 2017	M		7,554.49
EFT11092	18/10/2017	LOCAL GOVERNMENT PROFESSIONALS AUSTRALIA WA	Registration for LG Professionals Annual State Conference 2017	M		1,970.00
EFT11093	18/10/2017	LATERAL ASPECT	Service Fee for Feb 2017	M		3,758.33
EFT11094	18/10/2017	LGIS RISK MANAGEMENT	LGISWA Midwest Regional Risk Coordination Programme	M		2,992.00
EFT11095	18/10/2017	Main Roads Midwest Region	Refund for Overpayment on 2016/2017 RRG Works	M		4,013.90
EFT11096	18/10/2017	STARICK TYRES	Tyres for Various Plant Items	M		1,331.25

Date: 03/11/2017  
Time: 3:54:25PM

**Shire of MINGENEW**  
**List of Accounts for 1 October 2017 to 31 October 2017**

USER: Finmanager  
PAGE: 2

<b>Cheque /EFT No</b>	<b>Date</b>	<b>Name</b>	<b>Invoice Description</b>	<b>Bank Code</b>	<b>INV Amount</b>	<b>Amount</b>
EFT11097	18/10/2017	MIDWEST AERO MEDICAL AIR AMBULANCE P/L	Professional Services Provided in August 2017	M		9,941.45
EFT11098	18/10/2017	PEST A KILL WA	Enanty Barn 5th Year Exterra	M		866.25
EFT11099	18/10/2017	ROAD SIGNS AUSTRALIA	Signs	M		2,236.30
EFT11100	18/10/2017	Roger Arnold	Works to Mingenew Historical Museum Storeroom	M		22,214.20
EFT11101	18/10/2017	SHIRE OF CHAPMAN VALLEY	Planning Service Fees	M		3,004.98
EFT11102	18/10/2017	MINGENEW FABRICATORS	Repairs to Golf Club Mower	M		122.38
EFT11103	25/10/2017	TRAINWEST	Enrolment Fee for Cert 2 Business	M		2,500.00
EFT11104	30/10/2017	FIVE STAR BUSINESS EQUIPMENT & COMMUNICATIONS	September invoice paymnet	M		842.60
EFT11105	30/10/2017	WESTERN AUSTRALIAN TREASURY CORPORATION	Repayment of loan and interest	M		42,103.55
EFT11106	31/10/2017	NAB BUSINESS VISA	September 2017 Credit Card Payment	M		5,065.60
EFT11107	31/10/2017	Australian Taxation Office	BAS Return for the month of September 2017	M		26,377.00
EFT11108	31/10/2017	Australian Services Union	Payroll deductions	M		54.90
EFT11109	31/10/2017	AVON WASTE	Rubbish Collection Services for weeks ending 08/09/2017 & 15/09/2017	M		7,118.59
EFT11110	31/10/2017	Afgri Equipment	Purchase of Mower Blades	M		193.73
EFT11111	31/10/2017	CHILD SUPPORT AGENCY	Payroll deductions	M		536.84
EFT11112	31/10/2017	Central Fumigation & Pest Managment Services	Termite Treatment at Council Properties	M		2,761.00
EFT11113	31/10/2017	EJ DIESEL	Repairs to vehicle MI 599 PO9601	M		1,165.15
EFT11114	31/10/2017	LATERAL ASPECT	Service Fees September 2017	M		8,996.69

Date: 03/11/2017  
Time: 3:54:25PM

**Shire of MINGENEW**  
**List of Accounts for 1 October 2017 to 31 October 2017**

USER: Finmanager  
PAGE: 3

<b>Cheque /EFT No</b>	<b>Date</b>	<b>Name</b>	<b>Invoice Description</b>	<b>Bank Code</b>	<b>INV Amount</b>	<b>Amount</b>
EFT11115	31/10/2017	LGRCEU	Payroll deductions	M		54.82
EFT11116	31/10/2017	MINGENEW SHIRE COUNCIL	Payroll deductions	M		280.00
EFT11117	31/10/2017	LGIS LIABILITY	Property Insurance Second Payment 2017/2018	M		45,415.55
EFT11118	31/10/2017	MCDONALDS WHOLESALEERS	Purchase of Food	M		235.70
EFT11119	31/10/2017	MIDWEST AERO MEDICAL AIR AMBULANCE P/L	Professional Services Provided in October 2017	M		3,000.00
EFT11120	31/10/2017	MINGENEW BAKERY	Mingenew Bakery Account September - October 2017	M		336.54
EFT11121	31/10/2017	MINGENEW IGA X-PRESS & LIQUOR	IGA Account for the Month of September 2017	M		400.26
EFT11122	31/10/2017	MGB DIESEL CONTRACTING PTY LTD	Service & Repairs on JCB Backhoe	M		3,930.58
EFT11123	31/10/2017	Mid West Concert Sound & Lighting	Supply of Equipment for Expo Brand Launch	M		385.00
EFT11124	31/10/2017	OCLC	AMLIB UPGRADE	M		825.00
EFT11125	31/10/2017	Officeworks	Stationary Order	M		95.65
EFT11126	31/10/2017	PEMCO DIESEL PTY LTD	Repairs to MI 027 [PO: 09626]	M		7,188.84
EFT11127	31/10/2017	LANDMARK	Sprinklers for Main Oval	M		1,483.54
EFT11128	31/10/2017	SHIRE OF COOROW	Manager of Regulatory Services for August & September 2017	M		1,887.00
EFT11129	31/10/2017	SV & DJ STRIBLEY CONTRACTING	Repairs to Cornice in Office	M		192.50
EFT11130	31/10/2017	SUNSET IT SOLUTIONS	IT Support Services for July - September 2017	M		3,129.50
EFT11131	31/10/2017	Telstra Corporation	Telstra Accounts for the Month of September 2017	M		1,479.15
EFT11132	31/10/2017	Urbis	Review of Town Planning Scheme	M		35,959.73
EFT11133	31/10/2017	VELPIC	Monthly VELPIC SaaS Fee 15/10/2017-14/11/2017	M		420.20

Date: 03/11/2017  
Time: 3:54:25PM

**Shire of MINGENEW**  
**List of Accounts for 1 October 2017 to 31 October 2017**

USER: Finmanager  
PAGE: 4

<b>Cheque /EFT No</b>	<b>Date</b>	<b>Name</b>	<b>Invoice Description</b>	<b>Bank Code</b>	<b>INV Amount</b>	<b>Amount</b>
EFT11134	31/10/2017	WALGA	Advertising of 2017 Council Elections	M		1,991.00
EFT11135	31/10/2017	MINGENEW FABRICATORS	Repairs to CAT Skid Steer	M		943.97
EFT11136	31/10/2017	ANDREWS & CO	SOCIAL MEDIA AUGUST/ SEPTEMBER 2017	T		1,650.00
EFT11137	31/10/2017	Dingo Promotions	PURCHASE OF PROMOTIONALS PRODUCTS	T		1,446.50
EFT11138	31/10/2017	KICK SOLUTIONS	PURCHASE OF BROCHURE HOLDER	T		368.00
EFT11139	31/10/2017	Cr Michelle Bagley	Final President allowance and sitting fees	M		4,481.33
EFT11140	31/10/2017	CR GARY COSGROVE	1st quarter deputy allowance and sitting fees	M		1,485.75
EFT11141	31/10/2017	CR KARL CRIDDLE	Final sitting fees	M		1,205.33
EFT11142	31/10/2017	CR LEAH EARDLEY	1St Quarter sitting fees	M		904.00
EFT11143	31/10/2017	Crispian Charles Reginald Lucken	1st Quarter sitting fees	M		904.00
EFT11145	31/10/2017	NAB BUSINESS VISA	October 2017 Credit Card	M		2,789.83
DD8248.1	04/10/2017	WA SUPER	Payroll deductions	M		3,578.34
DD8248.2	04/10/2017	PERSONAL CHOICE PRIVATE FUND EWRAP SUPER	Superannuation contributions	M		1,115.21
DD8248.3	04/10/2017	MLC SUPER FUND	Superannuation contributions	M		77.82
DD8248.4	04/10/2017	Sun Super	Superannuation contributions	M		72.50
DD8248.5	04/10/2017	PRIME SUPER	Superannuation contributions	M		274.04
DD8248.6	04/10/2017	BEATTIE PETA SMSF PTY LTD	Superannuation contributions	M		184.66
DD8249.1	18/10/2017	WA SUPER	Payroll deductions	M		3,584.81
DD8249.2	18/10/2017	PERSONAL CHOICE PRIVATE FUND EWRAP SUPER	Superannuation contributions	M		1,115.21

Date: 03/11/2017  
Time: 3:54:25PM

**Shire of MINGENEW**  
**List of Accounts for 1 October 2017 to 31 October 2017**

USER: Finmanager  
PAGE: 5

<b>Cheque /EFT No</b>	<b>Date</b>	<b>Name</b>	<b>Invoice Description</b>	<b>Bank Code</b>	<b>INV Amount</b>	<b>Amount</b>
DD8249.3	18/10/2017	MLC SUPER FUND	Superannuation contributions	M		77.82
DD8249.4	18/10/2017	Sun Super	Superannuation contributions	M		217.50
DD8249.5	18/10/2017	PRIME SUPER	Superannuation contributions	M		274.04
DD8249.6	18/10/2017	BEATTIE PETA SMSF PTY LTD	Superannuation contributions	M		196.62

**REPORT TOTALS**

<b>Bank Code</b>	<b>Bank Name</b>	<b>TOTAL</b>
M	MUNI - NATIONAL AUST BANK	<b>370,629.79</b>
T	TRUST- NATIONAL AUST BANK	<b>3,464.50</b>
<b>TOTAL</b>		<b>374,094.29</b>



## **Licensing , Payroll and Credit Card Transactions**

---

### **Transport Licensing**

Direct Debit from Muni bank

1/10/2017 to 31/10/2017	\$51,098.15
-------------------------	-------------

### **Staff payroll**

PPE 4/10/2017	\$23,518.68
---------------	-------------

PPE 18/10/2017	\$24,225.54
----------------	-------------

### **Credit Card**

CEO's Credit Card - October 2017	\$2,789.83
----------------------------------	------------

## **9.3 ADMINISTRATION**

### **9.2.3 2016/17 ANNUAL REPORT**

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**File Reference:** ADM0243  
**Disclosure of Interest:** Nil  
**Date:** 8 November 2017  
**Author:** Martin Whitely, Chief Executive Officer

#### **Summary**

This report recommends that Council accepts the Draft 2016/2017 Annual Report and considers a date for convening the Annual Electors Meeting.

#### **Attachment**

Draft 2016/17 Annual Report

#### **Background**

The Local Government Act 1995 requires Council to prepare and accept an Annual Report for each financial year by 31 December after that financial year.

The Annual Report highlights, among other inclusions, the Shire of Mingenew's achievements from the Strategic Community Plan in the 2016/17 Financial Year.

#### **Comment**

Section 5.53(1) of the Local Government Act 1995 ("LGA") requires local governments to prepare an Annual Report for each financial year. The report summarises the year's highlights and achievements, and includes major initiatives that are proposed to commence or to continue in the next financial year.

Section 5.53(2) of the LGA specifies the content of the Annual Report is to contain:

- a) a report from the mayor or president;
- b) a report from the CEO;
- c) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year;
- d) the financial report for the financial year;
- e) such information as may be prescribed in relation to the payments made to employees;
- f) the auditor's report for the financial year;
- g) a matter on which a report must be made under section 29(2) of the Disability Services Act 1993;
- h) details of entries made under section 5.121 during the financial year in the register of complaints, including
  - 
  - (i) the number of complaints recorded in the register of complaints;
  - (ii) how the recorded complaints were dealt with; and
  - (iii) any other details that the regulations may require; and
- i) such other information as may be prescribed.

In addition, the State Records Commission Standard 2 requires certain information to be included in the Annual Report.

Section 5.54(1) of the LGA requires the Annual Report for a financial year to be accepted by absolute majority no later than 31 December after the reported financial year.

Section 5.27 (2) of the LGA requires the Annual Electors meeting to be held within 56 days of the Annual Report for the previous financial year being accepted by Council. Should Council accept the draft Annual Report, an Annual Electors Meeting is required to be held no later than 10 January 2018. This report recommends the Annual Electors Meeting is held Wednesday 20 December 2017 commencing at 6.00pm which is after the December Ordinary Meeting of Council.

The attached Annual Report 2016/2017 is in draft format. Following acceptance by Council, arrangements will be made for the final production of the report for availability prior to the Annual Electors Meeting. A copy will also be available on the Shire's website.

### **Consultation**

Consultation on the Annual Report will be undertaken through the presentation of the Report to the Annual General Meeting of Electors.

### **Statutory Environment**

Local Government Act 1995

#### **5.53. Annual reports**

- (1) The local government is to prepare an annual report for each financial year.
- (2) The annual report is to contain —
  - (a) a report from the mayor or president; and
  - (b) a report from the CEO; and
  - [(c), (d) deleted]
  - (e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and
  - (f) the financial report for the financial year; and
  - (g) such information as may be prescribed in relation to the payments made to employees; and
  - (h) the auditor's report prepared under section 7.9(1) or 7.12AD(1) for the financial year; and
  - (ha) a matter on which a report must be made under section 29(2) of the *Disability Services Act 1993*; and
  - (hb) details of entries made under section 5.121 during the financial year in the register of complaints, including —
    - (i) the number of complaints recorded in the register of complaints; and
    - (ii) how the recorded complaints were dealt with; and
    - (iii) any other details that the regulations may require;and
  - (i) such other information as may be prescribed.

#### **5.54. Acceptance of annual reports**

- (1) Subject to subsection (2), the annual report for a financial year is to be accepted\* by the local government no later than 31 December after that financial year.

\* *Absolute majority required.*

- (2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.

**5.55. Notice of annual reports**

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

**5.56. Planning for the future**

- (1) A local government is to plan for the future of the district.
- (2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.

**Division 2 – Council meetings, committees and their meetings and elector's meetings**  
**Subdivision 4 – Electors' meetings**

**5.27. Electors' general meetings**

- (1) A general meeting of the electors of a district is to be held once every financial year.
- (2) A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.
- (3) The matters to be discussed at general electors' meetings are to be those prescribed.

**5.29. Convening electors' meetings**

- (1) The CEO is to convene an electors' meeting by giving —
  - (a) at least 14 days' local public notice; and
  - (b) each council member at least 14 days' notice, of the date, time, place and purpose of the meeting.
- (2) The local public notice referred to in subsection (1)(a) is to be treated as having commenced at the time of publication of the notice under section 1.7(1)(a) and is to continue by way of exhibition under section 1.7(1)(b) and (c) until the meeting has been held.

**Disability Services Act 1993**

**29. Report about disability access and inclusion plan**

- (2) A local government or regional local government that has a disability access and inclusion plan must include in its annual report prepared under section 5.53 of the Local Government Act 1995 a report about the implementation of the plan.

**State Records Commission Standard 2 – Record keeping Plans**

Principle 6 – Compliance

Government organisations ensure their employees comply with the recordkeeping plan.

**Rationale**

An organisation and its employees must comply with the organisations recordkeeping plan.

Organisations should develop and implement strategies for ensuring that each employee is aware of the compliance responsibilities.

**Minimum Compliance Requirements**

The recordkeeping plan is to provide evidence to adduce that:

1. The efficiency and effectiveness of the organisation's recordkeeping systems is evaluated not less than once every 5 years.
2. The organisation conducts a recordkeeping training program.
3. The efficiency and effectiveness of the recordkeeping training program is reviewed from time to time.
4. The organisation's induction program addresses employee roles and responsibilities in regard to their compliance with the organisation's recordkeeping plan.
5. The organisation includes within its annual report an appropriate section that addresses points 1-4.

**Policy Implications**

Nil

**Financial Implications**

There will be a cost for producing the Annual Report in a few format and funds have been allocated in the 2017/18 Budget to meet these costs.

**Strategic Implications**

Nil

**Voting Requirements**

Absolute Majority

<b>OFFICER RECOMMENDATION – ITEM 9.3.1</b>
--

1. Pursuant to Section 5.54(1) of the Local Government Act 1995 Council accepts the Shire of Mingenew Annual Report for the 2016/2017 financial year as contained in the Attachment.
2. Pursuant to Section 5.27 of the Local Government Act 1995 Council convenes an Annual Electors Meeting to be held on Wednesday 20 December 2017 commencing at 6.00pm in the Council Chambers.
3. Notes that in accordance with Section 5.29 and 5.55 of the Local Government Act 1995, the Chief Executive Officer will provide local public notice of the Annual Electors Meeting to be held on Wednesday 20 December 2017 and of the availability of the Shire of Mingenew's Annual Report for 2016/2017.

# SHIRE OF MINGENEW

## ANNUAL REPORT

### 2016/2017



## Table of Contents

SHIRE PRESIDENT'S REPORT .....	4
CEO'S REPORT .....	6
COUNCILLORS.....	11
STAFF .....	12
Organisational Chart.....	13
THE 2016/17 YEAR IN REVIEW .....	14
STRATEGIC COMMUNITY PLAN.....	16
COMMUNITY STRAEGIC PLAN 2013-2023 .....	16
OBJECTIVES & OUTCOMES .....	16
STATUTORY REPORTING.....	20
Employees Remuneration .....	20
National Competition Policy .....	20
Competitive Neutrality.....	20
Legislative Review .....	20
Freedom of Information .....	21
Record Keeping Plan.....	21
Public Interest Disclosures .....	21
Disability Access and Inclusion Plan.....	21
Register of Complaints .....	21
Local Laws.....	21
ANNUAL FINANCIAL STATEMENTS .....	22

## SHIRE PRESIDENT'S REPORT

It is with mixed emotions that I present my report on the activities of the Shire of Mingenew for the 2016/17 financial year as this will be my final report before I step down from Council in October 2017. While it was a challenging year with an Organisational Review carried out in the second half of the financial year, the Shire is continually focussed on consolidating its financial position. This will ensure the Shire has the capacity to deliver community services and undertake projects of significance in future years to come. The Organisational Review was part of this process as were the decisions to look at our current levels of service delivery, discretionary expenditure, refinance our old loans and review our insurance coverage which have all resulted in favourable outcomes for the Shire and will assist the Council to remain sustainable in future years.



### Road Program

Council continued to deliver a comprehensive road maintenance and construction program throughout the year with expenditure of \$833,779 spent on capital road works. Council delivered these projects on time and on budget, demonstrating the depth of skill and expertise within its workforce.

Some of the highlights of the road projects completed during the year included;

- 3.8km gravel sheeting on Depot Hill North Road including 1km of new seal
- 3km of widening and seal on the Mingenew Mullewa Road
- 5.5km gravel sheeting on Yandanooka Melara Road
- 2km gravel sheeting on Moorriary Road

These projects are major roads within the Shire that link visitors and residents to the region, enabling tourism and importantly supporting our agricultural industry and Council remains committed to maintaining and improving the road network within the Shire.

### Independent Living Units

The construction of the 2 new 2 bedroom/2 bathroom independent units on King Street is nearing completion. The 2 new units are being constructed beside the existing 4 units on the same street. Expressions of Interest will now be called for eligible person's to move into the units which we anticipate will be at the beginning of January 2018. The construction of the 2 independent living units was made possible by WA Country Health Services who provided \$435,000 towards the project.

### Community Services

The Shire is pleased to continue supporting various programs and initiatives in which Council see as providing a valuable service to our community members. The Council have been fortunate to maintain the services of Midwest Aero Medical Services for the provision of a visiting medical practitioner who comes to Mingenew on a weekly basis and the medical services continue to be well utilised by our residents. 2016/17 saw the introduction of bulk billing at the Medical Centre after the Shire negotiated an agreement with Midwest Aero to offer this service which has been well utilised during the year.

A regular dental service is also provided courtesy of an agreement between the Shire and Karara Mining Ltd and provides another invaluable health service to our community and Council are keen to pursue opportunities to work with other industry partners that will result in the provision of further services that can be well utilised by our community.



**Finance**

Council is now in a solid financial position and was able to consolidate its financial position considerably during the financial year. The highlights of the 2016/17 financial year were Council's ability to improve its cash position while managing to reduce debt by \$95,904, increase cash reserves by 28% and maintaining our current level of service delivery within the community.

In previous years regional local governments have been very fortunate to benefit greatly from the Country Local Government Fund, an initiative established through the Royalties for Regions program. Now that the Royalties for Regions funding has reduced significantly it is essential that Council explore new funding opportunities to continue to enhance the economic and social activities in our community. Working closely with our potential partners and stakeholders Council are confident that new funding opportunities will be generated to allow our services and infrastructure to be maintained and grown within our community.

Council continues to work closely with our current and future partners and stakeholders to grow these relations with key stakeholders such as Main Roads, Mid West Development Commission, Department of Sport & Recreation, Lotterywest and other key funding bodies to enable the Shire to secure funding to implement the future infrastructure needs of our community as outlined within the Community Strategic Plan.

**Volunteers**

Once again I would like to express my deepest gratitude to all our volunteers. The Mingenew community are privileged to have the quality of volunteers we have and the hard work put in by a range of community members is testament to the number of quality services and events resulting from your efforts within the community.

**Councillors & Staff**

To our dedicated Councillors and Shire staff, thank you very much for your support and efforts during the year as we continue to work together in making a positive difference to our Community.

**Thank You & Farewell**

Finally, I would like to thank everyone for allowing me the opportunity to represent our wonderful community as your elected member for the past 18 years. It has been an interesting, challenging at times, yet rewarding and satisfying experience to see the changes and projects that have been implemented in my time on Council. Everyone has contributed in their own way along the way and for that I thank you all. To all future Councillors and Staff I wish you all the very best in the years to come and look forward to you all carrying on the good work.

**Michelle Bagley**  
**Shire President**

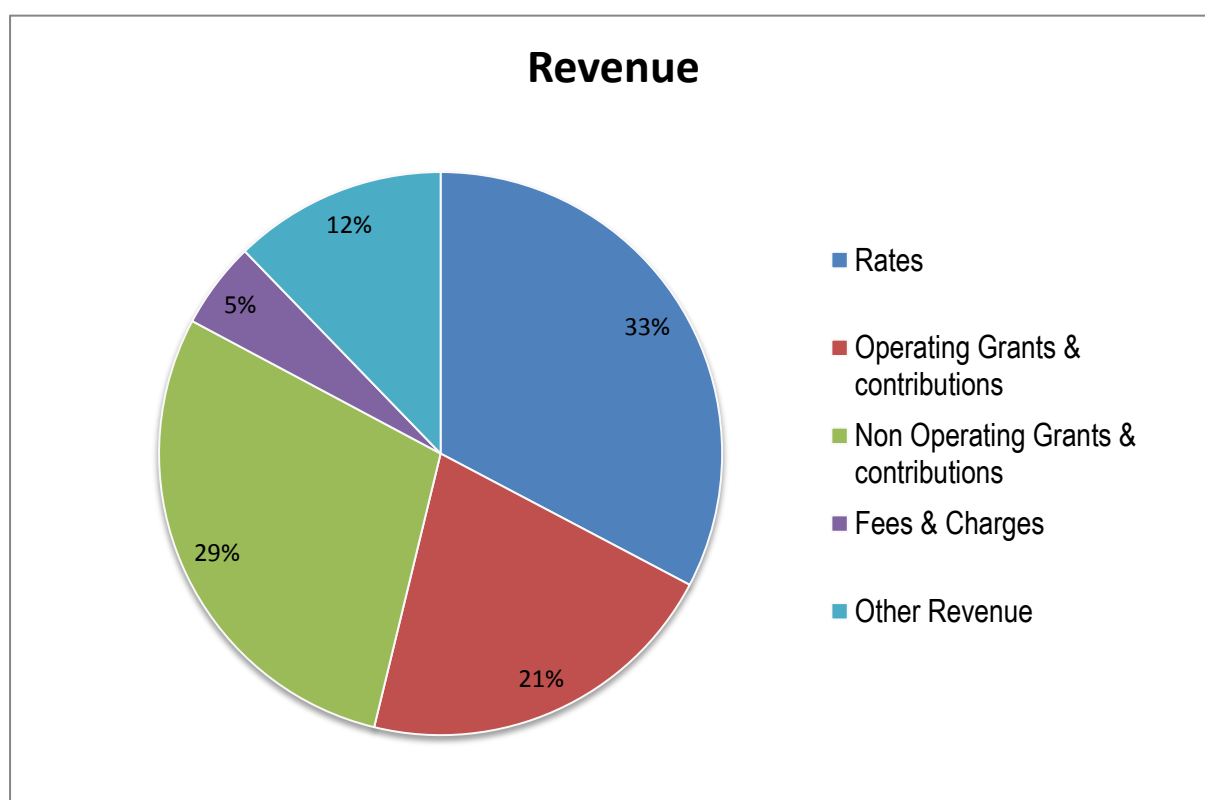
## CEO'S REPORT

It is with great pleasure that I report on the Shire's activities for the 2016/17 financial year. This year was a challenging, yet satisfying year as the Shire successfully managed to consolidate our financial position and moving forward it is important that the Shire continue to manage our financial resources well. Similarly, the Shire needs to explore other avenues to generate income as well as managing our efficiencies to allow us to provide opportunities to sustain and grow our community. Below is a summary of the 2016/17 financial year.



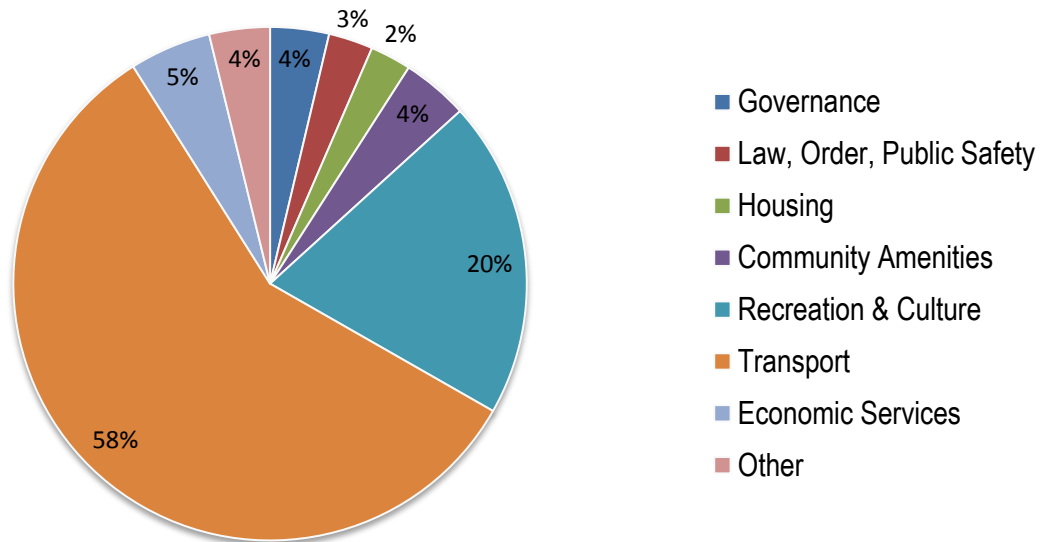
### Finance

The Shire of Mingenew had a Total Operating Revenue of \$5.371m (including operating and capital grants) for the 2016/17 financial year. A total of 29% (\$1.558m) of the Shire's revenue for 2016/17 was Non-Operating Grants which helped to fund a number of key capital projects. Operating Grants and Contributions account for 21% of total revenue, while Rates (33%) and Fees & Charges (5%) are also significant contributing factors to the total revenue figure. The remaining revenue comes from interest received and other miscellaneous services carried out by the Shire and during the financial year. There was a total of 12% (\$657k) of revenue made up of Reimbursements & Other Income. This amount was predominately made up of police licensing (\$544k).



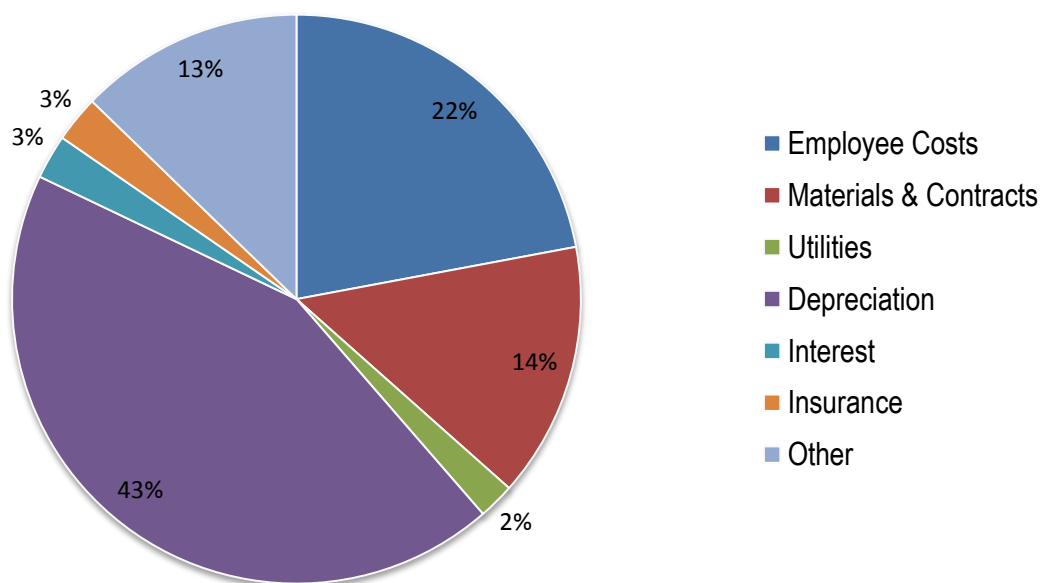
The revenue generated by the Shire is spent providing infrastructure and services for the community. The Shire provides many services including maintaining and improving roads, parks and gardens, leisure services and other community projects. A significant amount of the Shire's resources (78%) are spent on maintaining road infrastructure and the provision of recreation services.

## Expenditure by Program



When comparing the breakdown of these costs by nature and type a massive 43% of all operating expenditure is attributed to depreciation charges. Depreciation is a non cash item and is attributed to the Shire having in excess of \$40m worth of assets, of which 65% is attributed to the Shire's road network and other related infrastructure whilst the remaining 29% is Property Plant & Equipment. Other significant expenditure includes Employee Costs (22%), Materials & Contracts (14%) and Other Expenditure (13%). As with Revenue the majority of these Other Expenditure costs are attributed to police licensing costs.

## Expenditure by Nature & Type



In addition to the normal operating activities a number of significant capital works projects were undertaken during the 2016/17 financial year to the value of \$1.27m. Some of this year's capital works highlights include;

<b>Transport</b>	
Mingenew Mullewa Road – 3km Widen & Reseal	\$346,525
Depot Hill North Road – 3.8km Gravel Sheeting & 1km Bitumen Seal	\$154,149
Yandanooka Melara Road – 5.5km Gravel Sheeting	\$158,716
Depot Hill Road – 3.8km Reseal	\$84,717
Mooriary Road – 2.5km Gravel Sheeting	\$55,651
<b>Land &amp; Buildings</b>	
Independent Living Units	\$226,467
<b>Recreation &amp; Culture</b>	
Hockey Oval Lights	\$35,000

### Reserve Funds

During the year we were able to continue to replenish our reserve accounts. This will assist the Shire to fund major projects and plant and equipment purchases in the future. As at 30 June 2017 the balance in the Reserve Accounts was \$396,475 and comprised as listed below;

<b>RESERVE</b>	<b>BALANCE</b>
Land & Building Reserve	58,767
Sportsground Improvement Reserve	2,725
Plant Replacement Reserve	148,058
Accrued Leave Reserve	64,065
Aged Persons Units Reserve	20,229
Economic Development & Marketing Reserve	18,718
Environmental Rehabilitation Reserve	18,001
Industrial Area Development Reserve	5,286
RTC/PO/NAB Reserve	20,382
Insurance Reserve	40,244
<b>TOTAL</b>	<b>\$396,475</b>

The above represents an increase of 28% from reserves held of \$308,617 at 30 June 2016. The Shire will continue to make a concerted effort to improve our cash reserves for the provision of future acquisitions and proposed developments.

### Loan Liability

As at 30 June 2017 the outstanding principal on all loans was \$791,276 which represents a significant reduction in debt from the outstanding balance of \$887,180 at the end of the last financial year. During the 2016/17 financial year Council also resolved to refinance our existing 11 loans into 1 loan. This decision will not only result in a saving of \$50,379 (after early payout penalties of \$75,183) but also mean that the Shire will be debt free at the end of the 2022/23 financial year as opposed to paying out all previous loans in the 2029/30 financial year as was previously the situation.

### Annual Audit

The annual audit was successfully completed for the 2016/17 financial year and a copy of the report is included within this Annual Report. The audit process went very smoothly and there were no material findings noted within the Auditors Report which is a credit to all those involved throughout the process.

## **Staff Restructure**

As most of you would be aware the Shire completed an Organisation Restructure in April 2017. The restructure came as the result of reviewing our current levels of service delivery and the staff structure of the organisation to look at ways of maintaining and increasing the current levels of service delivery and meeting the demands of increasing compliance within the organisation. The purpose of the Shire's Organisational Restructure review was to address the gaps identified and to enhance the Shire's sustainability into the future.

Some of the highlights of the Restructure being;

- Levels of service have been maintained and in some cases improved
- Our salaries budget was reduced by more than 25% meaning that our forecast salaries budget in 2022/23 will be the same as our budgeted salaries budget were in the 2016/17 financial year
- Forecast savings well in excess of \$1m for the next 7 year period
- Cost savings were made across the organisation by reviewing our current work practices
- The Shire are able to address our Asset Management and Workforce Plans as well as addressing other compliance matters with the appointment of a Governance Officer
- The Shire is now much better positioned to remain a sustainable organisation in the years ahead

While there was a cost involved with the restructure of \$122,875 in the 2016/17 financial year, these costs will be recouped in full as a result of the restructure in the 2017/18 financial year and these cost savings will flow into future years with the savings conservatively forecast to be in excess of \$1m in the next 7 year period.

## **Strategic Direction**

The Shire's Strategic Plan, Long Term Financial Plan and Asset Management Plan will be the key focus for further development and community consultation over the next 12 months. A series of workshops will be held in the 2017/18 financial year to gather input into the Shire's Community Strategic Plan which will assist the Shire in striving to meet the community's hopes and aspirations into the future.

## **WANDRRA**

The Shire of Mingenew, along with other shires in the Mid West region, was declared as an affected Shire in the storm events that took place in January/February 2017 under the Western Australian Natural Disaster Relief and Recovery Arrangements (WANDRRA). As a result, the Shire engaged an independent engineer to undertake a review of the road network and make a submission to Main Roads to allow the Shire to complete any restoration works required. The submission has been reviewed and approved by Main Roads and it is likely that works will now commence in the first half of the 2017/18 financial year.

The WANDRRA declaration is a very favourable outcome for the Shire for several reasons;

- The Shire will be reimbursed for all but \$153k of the estimated \$3m damage
- The works will result in significant road infrastructure improvements on the current condition of the affected roads
- The Shire have been authorised to undertake much of the work in-house, and
- The Shire will be well placed to engage local contractors to assist with the restoration works

**Staff**

We only have a small team at the Shire and at times we are resource challenged, so I would like to acknowledge the efforts of all inside and outside staff for their efforts during the year as we strive to provide a high level of service for the community.

**Council**

Finally, I would like to acknowledge the President, Deputy President and Councillors for their efforts over the past 12 months. The contribution of a Councillor to the Mingenew Community is a significant one and I look forward to continuing our successful working relationship into the future.

I would also like to take this opportunity to acknowledge the efforts of President Michelle Bagley as this will be her final Annual Report before she steps down in October 2017 after 18 years of dedicated service to the Shire of Mingenew.

During her 18 years on Council, Michelle served as a Councillor when first elected to Council in 1999 before stepping into the Deputy President role in 2003 for a period of 2 years. Following this, Michelle has been the President of the Shire of Mingenew for 12 consecutive years since 2005. During this time Michelle has served on many Council Committee's and has been influential in obtaining regional support for many infrastructure projects that have benefited Mingenew.

Thank you Michelle, your efforts and dedication to the Mingenew community for the past 18 years on Council are greatly appreciated and you will be missed.

**Martin Whitely**  
**Chief Executive Officer**

## COUNCILLORS



**SHIRE PRESIDENT**  
Michelle Bagley



**DEPUTY PRESIDENT**  
Helen Newton  
(July 2016 – May 2017)



**DEPUTY PRESIDENT**  
Gary Cosgrove  
(May 2017 – June 2017)



**COUNCILLOR**  
Gary Cosgrove



**COUNCILLOR**  
Crispian Lucken



**COUNCILLOR**  
Marguerite Pearce  
(July 2016 – May 2017)



**COUNCILLOR**  
Karl Criddle



**COUNCILLOR**  
Leah Eardley

## **STAFF**

### **Administration Staff**

Chief Executive Officer  
Finance Manager  
Governance Officer  
Community Development Officer  
Records Officer  
Cleaner  
Trainee

Martin Whitely  
Durga Ojha  
Belinda Bow  
Ella Budrikis  
Vacant  
Stephanie Lucken  
Sarah Kempton

### **Road Construction & Maintenance Crew**

Works Supervisor  
Maintenance Grader Operator  
Plant Operator  
Plant Operator  
Plant Operator  
Plant Operator

Rocky Brennan  
Noel Page  
Edward Brennan  
Brady Brennan  
Phillip Greaves  
Rod Beattie

### **Town Maintenance Crew**

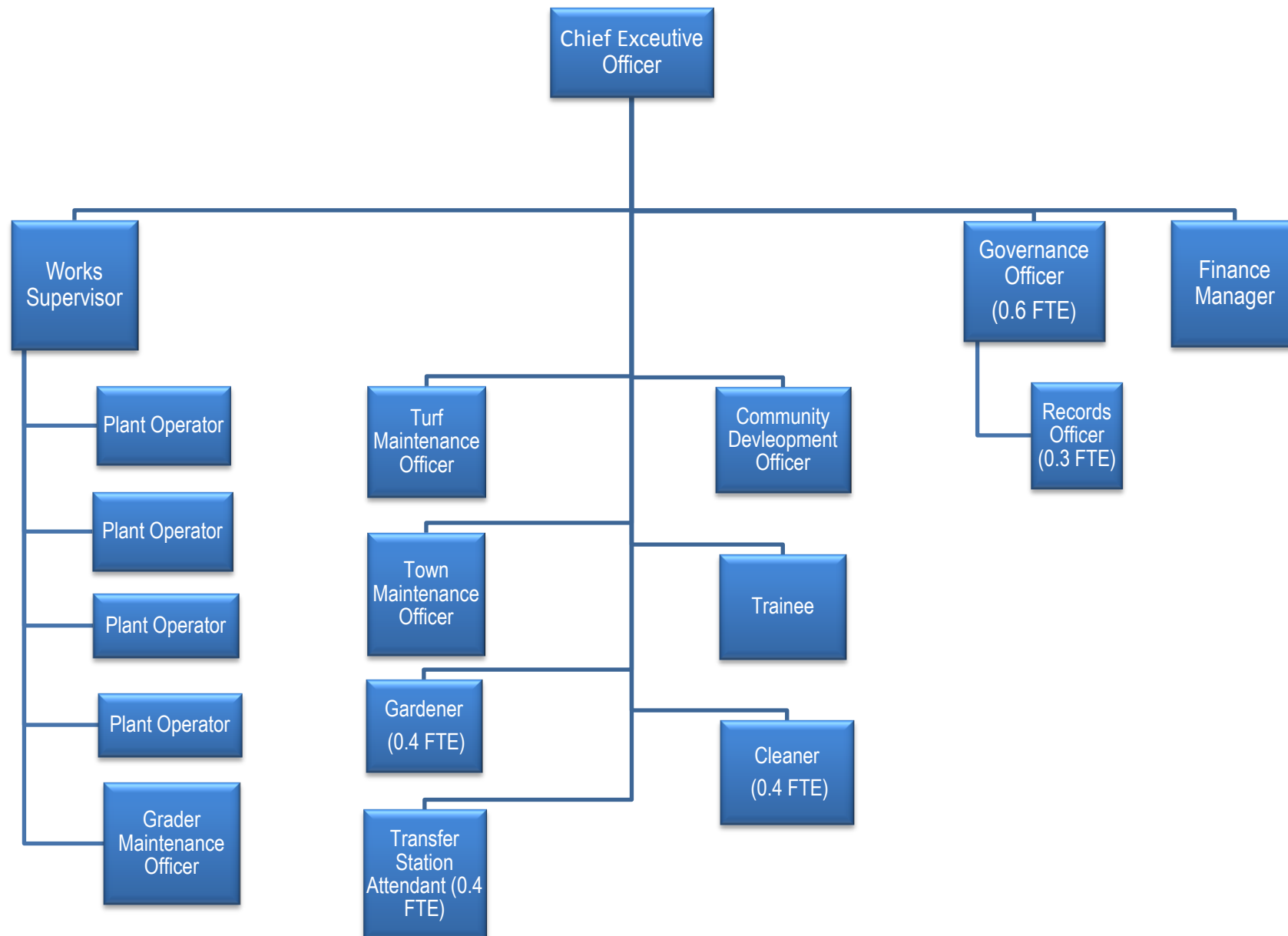
Turf Maintenance Officer  
Town Maintenance Officer  
Gardener

Robert Stephens  
George Whitecross  
Clara Eaton



# Shire of Mingenew

## Organisational Chart



## THE 2016/17 YEAR IN REVIEW



Mingenew Act-Belong-Committ Community Day



Ray Ryder Concert



Mingenew Movie Night



Wildflower Country Installation



Senior of the Year Luncheon





Senior of the Year Mr. Mick McCarthy



Mingenew Re Brand Photo Shoot



Community Christmas Tree



Joint Event with Irwin – Skate Jam



# STRATEGIC COMMUNITY PLAN

## COMMUNITY STRATEGIC PLAN 2013-2023

The Shire of Mingenew Strategic Community Plan reflects a vision for the future and is the principal strategic guide for planning and activities. Based on community engagement, the Shire has set out a vision for the future and captured the community's aspirations and values.

A strategic objective has been developed for each of the four key areas of community interest:

- Economic
- Environmental
- Social
- Civic leadership

Desired outcomes have been determined to achieve each of the four objectives after considering the Shire's current and future resources along with demographic trends.

Strategic plans are only effective if resourced adequately to ensure an outcome. The strategies will be prioritised and actions applied (after an assessment of available resources) through the development of the Corporate Business Plan and subsequently the Annual Budget.

Copies of the Strategic Community Plan 2013 – 2023 are available from the Shire's Administration Office or on Council's website at [www.mingenew.wa.gov.au](http://www.mingenew.wa.gov.au)

## OBJECTIVES & OUTCOMES

### ECONOMIC

#### **To be a diverse and innovative economy with a range of local employment opportunities**

The Shire of Mingenew is fortunate to be supported by one of Western Australia's most productive agricultural regions. The Shire acknowledges the need to proactively stem any population decline and ensure the continued provision of an adequate level of services and infrastructure. The Shire will promote managed growth ensuring Mingenew continues to be recognised as an attractive place to live, work and invest as Council seek to maximise its advantages to secure future economic stability. In addition to supporting existing businesses, the Shire will help facilitate the provision of adequate services to support economic growth and leverage opportunities such as tourism, mining and improved telecommunications.

During the year Council embarked on a branding campaign with the view to increasing awareness of the attractions Mingenew has to offer and promote additional tourism to the region. The Shire are committed to finding new and innovative ways of increasing the number of people travelling through Mingenew and implementing new ideas to attract these visitors to spend time in town and support out local businesses. Council are also committed to supporting a buy local policy and implement campaigns to encourage local residents to do the same.

During the year we saw the completion of two Recreational Vehicle friendly sites at Yandanooka and Enanty Barn as well as implementing the Midlands Wildflower Route which resulted in interpretative signage being installed at Yandanooka, Mingenew Town and the Tracking Station. Funds have also been committed to improving the access to Mingenew Hill and making this a tourism attraction in the 2017/18 financial year.

The Shire was fortunate to obtain funding during the year to undertake a historical and interpretative trails project located in the Little Well Reserve. The project aims to preserve the history of the Littlewell Reserve for the previous residents and future generations as well as sharing these memories with tourists and residents of Mingenew. The project will be completed in the 2017/18 financial year.

Another key aspect identified by the community is the need for improved telecommunications to help support our existing businesses and to enable future business opportunities. During the year a mobile telephone tower was installed in Yandanooka and the Shire are actively pursuing opportunities to improve Mingenew's telecommunications and internet coverage and will continue to lobby state agencies to have new infrastructure implemented within the Mingenew community.

## **ENVIRONMENT**

### **A sustainable natural and built environment that meets current and future community needs**

Mingenew is a well presented and appealing town, which the community is proud to be a part of and Council are continuously looking at opportunities to enhance and improve our heritage assets and ancillary infrastructure. Council also remain proactive in looking to implement sustainable work practises in the maintenance and management of the town's environmental assets whilst continuing to acknowledge our cultural and indigenous heritage.

During the year the Shire implemented a Waste Management Plan and are in the process of developing a transfer station at the front entrance to the existing landfill site to allow a designated point for the public to drop off waste without the need for them to access the tip face. The construction of the transfer station will allow for better waste control and public safety at the existing landfill site and support better recycling and the reduction of waste committed to landfill. A strategy to rehabilitate the existing waste site will also be implemented as part of the Shire's environmental management practises.

Council are also committed to maintaining and enhancing the historical infrastructure in Mingenew. During the year a community survey was conducted to measure the enthusiasm for refurbishing the Mingenew Town Hall. There was an overwhelming response from the community to restore the Mingenew Hall, as such Council have been actively pursuing funding opportunities to make this happen. Funds have also been allocated in the 2017/18 Budget to carry out works on the Old Roads Board and Railway Station and funding will also be sought to carry out similar projects in future years.

Council continued to deliver a comprehensive road maintenance and construction program throughout the year with expenditure of \$833,779 spent on capital road works. Council delivered these projects on time and on budget, demonstrating the depth of skill and expertise within its workforce.

Some of the highlights of the road projects completed during the year included;

- 3.8km gravel sheeting on Depot Hill North Road including 1km of new seal
- 3km of widening and seal on the Mingenew Mullewa Road
- 5.5km gravel sheeting on Yandanooka Melara Road
- 2km gravel sheeting on Moorlary Road

These projects are major roads within the Shire that link visitors and residents to the region, enabling tourism and importantly supporting our agricultural industry and Council remains committed to maintaining and improving the road network within the Shire.



## **SOCIAL**

### **A safe and welcoming community where everyone has the opportunity to contribute and belong**

Mingenew's strength is the strong sense of stewardship held by local residents and businesses. Continuing to support and encourage such a proactive communal spirit will ensure the Town remains an attractive, comfortable and welcoming place to live and visit. Opportunities exist for Mingeneu over the next decade to retain and increase the population base, ensuring services and infrastructure are maintained and enhanced. The Shire acknowledges that nurturing this strong sense of community and local pride and maintaining high quality infrastructure will be vital to Mingeneu's future survival.

The Shire is pleased to continue supporting various programs and initiatives in which Council see as providing a valuable service to our community members. The Council have been fortunate to maintain the services of Midwest Aero Medical Services for the provision of a visiting medical practitioner who comes to Mingeneu on a weekly basis and the medical services continue to be well utilised by our residents. 2016/17 saw the introduction of bulk billing at the Medical Centre after the Shire negotiated an agreement with Midwest Aero Medical Services to offer this service which has been well utilised during the year.

A regular dental service is also provided courtesy of an agreement between the Shire and Karara Mining Ltd and provides another invaluable health service to our community. Council are keen to pursue opportunities to work with other industry partners that will result in the provision of further services that can be well utilised by our community.

The Shire is committed to enhancing the appeal of the Mingeneu Community and aims to achieve this by facilitating events, services and activities that encourage a high level of participation and inclusion. The Shire aims to deliver this outcome through their strong linkages and partnerships with the local community groups and clubs and together with the Mingeneu Community Resource Centre offers a range of diverse activities to the community. The Shire, together with the Mingeneu Community Resource Centre, has worked diligently to provide regular weekly activities and tours for the seniors and these activities will continue to be run throughout the duration of the 2017/18 financial year.

The construction of 2 x 2 bedroom/2 bathroom independent units on King Street is nearing completion. The 2 new units are being constructed beside the existing 4 units on the same street. The construction of the 2 independent living units was made possible by WA Country Health Services who provided \$435,000 towards the project and will assist the Shire in meeting our obligation to the community with the provision of quality housing for our seniors.

Other areas identified under the Community Strategic Plan that have been addressed by the Shire during the year include the provision of youth services, supporting and promoting local traineeships, maintaining our police services, continuing to support and improve our emergency services, providing quality facilities for events and continuing to provide administrative support for event organisations.

## **CIVIC LEADERSHIP**

### **A collaborative and innovative community with strong and vibrant leadership**

Mingenew's volunteers are the backbone of the community and the Shire will continue to encourage young leaders to step up, to ensure civic and volunteer leadership remains as robust and proactive in the future, as it is today. The Community encouraged the Shire to continue to be a respected, professional and trusted organisation and the Shire aims to continue to lead by example and strive to be forward thinking, have strong representation and provide good leadership and planning.

The Mingenew community are privileged to have the quality of volunteers we have and the hard work put in by a range of community members is testament to the number of quality services and events resulting from their efforts within the community. The Shire will continue to support and recognise our volunteers in the community and encourage new volunteers to help share the burden.

The Shire completed an Organisation Restructure in April 2017. The restructure came as the result of reviewing our current levels of service delivery and the staff structure of the organisation to look at ways of maintaining and increasing the current levels of service delivery and meeting the demands of increasing compliance within the organisation. The purpose of the Shire's Organisational Restructure review was to address the gaps identified and to enhance the Shire's sustainability into the future. While there was a cost involved with the restructure in the 2016/17 financial year, these costs will be recouped in full as a result of the restructure in the 2017/18 financial year and these cost savings will flow into future years with the savings conservatively forecast to be in excess of \$1m in the next 7 year period as Council continue to implement strategies to maintain the sustainability of the organisation.

The Shire's Strategic Plan, Long Term Financial Plan and Asset Management Plan will be the key focus for further development and community consultation over the next 12 months. A series of workshops will be held in the 2017/18 financial year to gather input into the Shire's Community Strategic Plan which will assist the Shire in striving to meet the community's hopes and aspirations into the future. Council will also be reviewing our Local Laws and Policies & Procedures in the 2017/18 financial year to ensure compliance with the relevant compliance and legislative requirements of the Shire.

Council continues to work closely with our current and future partners and stakeholders to grow these relations with key stakeholders to enable the Shire to secure funding to implement the future infrastructure needs of our community as outlined within the Community Strategic Plan. The Shire will also continue to investigate resource sharing opportunities with our neighbouring Shire's as a potential solution to meet our increasing governance requirements and to improve on our levels of service to the community without having to incur exorbitant costs in addressing such needs.

## **STATUTORY REPORTING**

### **Employees Remuneration**

For the purpose of Regulation 19B of the Local Government (Administration) Regulations 1996 the following is required to be contained in Council's Annual Report.

The number of employees of the Local Government entitled to an annual salary of \$100,000 or more and the number of those employees with an annual salary entitlement that fall within each band of \$10,000 over \$100,000.

Salary Range	2017	2016
\$140,000 - \$149,999	1	1

### **National Competition Policy**

In 1995 the Council of Australian Governments entered into a number of agreements, collectively known as the National Competition Policy.

Local government is affected mainly where it operates significant business activities which compete, or could compete, with private sector businesses. Local government will also be affected where local laws unnecessarily affect competition.

The Shire is required to comply with certain policies contained with the National Competition Policy Statement and report on progress in connection with Competitive Neutrality Principles and review of Local Laws.

The Shire of Mingenew is not considered a natural monopoly, nor does it conduct any business activities that can be considered a public monopoly. Therefore the principle of Structural Reform of Public Monopolies does not apply to the Shire of Mingenew.

### **Competitive Neutrality**

These principles have been designed to ensure that a Local Authority has no unfair advantage over any competitor in the market place.

The principles also only apply to business activities that receive more than \$200,000 in annual income, of which the Shire of Mingenew has none, and therefore do not apply the Shire of Mingenew.

### **Legislative Review**

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

The Annual Report is to include a statement of which Local Laws have been reviewed, the conclusions of those reviews, and a forward strategy for all Local Laws still to be reviewed. No new Local Laws were created during 2016/17 nor any existing Local Laws reviewed. A comprehensive review of the Shire's local laws will be carried out in the 2017/18 financial year.



## **Freedom of Information**

The Shire of Mingenew has a requirement to comply with the Freedom of Information Act. The Information Statement is published by Council in accordance with the requirements of Section 96 of the Freedom of Information Act 1992 (Western Australia). The Council is pleased to comply with the legislation and welcomes enquiries. A copy of this statement is available from the Shire's Administration Office.

During the 2016/17 financial year no applications were received for information under the terms of this legislation.

## **Record Keeping Plan**

The State Records Act 2000 requires all government organisations to include in their Annual Report, a statement on that organisation's compliance with its recordkeeping plan. Council adopted our Record Keeping Plan in 2015 and has incorporated the plan within the Shire's day to day operational activities through regular reviews of the plan, regular training and inclusion within each employee's roles and responsibilities. It is a requirement of the Record Keeping Plan that the effectiveness of the Shire's record keeping practises are reviewed at least once in every 5 year period.

## **Public Interest Disclosures**

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

There were no Public Interest Disclosures reported to the Shire of Mingenew during the reporting period.

## **Disability Access and Inclusion Plan**

Under the *Disability Services Act 1993*, all Western Australian local governments are required to develop and implement a Disability Access and Inclusion Plan (DAIP), addressing six desired outcomes, to be reviewed on an annual basis and reported on to the Disability Services Commission (DSC) by 31 July each year. Council adopted a DAIP in July 2013, reviewed the plan in August 2014 and made an amendment to the plan in May 2016 to include Outcome 7.

The DAIP is now a document for ongoing assessment and implementation of the activities that have been listed.

## **Register of Complaints**

The Shire of Mingenew did not receive any complaints in the 2016/17 financial year and therefore has no entries in the Register of Complaints, as required under section 5.121 of the Local Government Act 1995.

## **Local Laws**

The Local Government Act 1995 requires all existing Local Laws to be reviewed every eight years. A review is now due and will be completed during the 2017/18 financial year.

**SHIRE OF MINGENEW**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**TABLE OF CONTENTS**

Statement by Chief Executive Officer	2
Statement of Comprehensive Income by Nature or Type	3
Statement of Comprehensive Income by Program	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Rate Setting Statement	8
Notes to and Forming Part of the Financial Report	9
Independent Audit Report	60
Supplementary Ratio Information	63

Principal place of business:  
22 Victoria Street  
Mingenew WA 6522

**SHIRE OF MINGENEW  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2017**

**LOCAL GOVERNMENT ACT 1995  
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Shire being the annual financial report and supporting notes and other information for the financial year ended 30 June 2017 are in my opinion properly drawn up to present fairly the financial position of the Shire at 30 June 2017 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed as authorisation of issue on the

16<sup>th</sup>

day of

OCTOBER

2017



Martin Whitely  
Chief Executive Officer

**SHIRE OF MINGENOW**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	2017 \$	2017 Budget \$	2016 \$
<b>Revenue</b>				
Rates	23	1,757,549	1,786,567	1,709,615
Operating grants, subsidies and contributions	30	1,132,003	834,184	462,647
Fees and charges	29	266,510	264,486	270,945
Interest earnings	2(a)	36,577	22,152	34,300
Other revenue	2(a)	615,808	566,000	718,861
		<u>3,808,447</u>	<u>3,473,389</u>	<u>3,196,368</u>
<b>Expenses</b>				
Employee costs		(1,066,022)	(1,017,429)	(930,317)
Materials and contracts		(701,171)	(1,119,309)	(625,411)
Utility charges		(99,315)	(123,768)	(110,352)
Depreciation on non-current assets	2(a)	(2,100,736)	(2,360,651)	(2,370,889)
Interest expenses	2(a)	(121,634)	(54,270)	(60,064)
Insurance expenses		(127,662)	(143,612)	(138,975)
Other expenditure		(611,374)	(649,328)	(609,530)
		<u>(4,827,914)</u>	<u>(5,468,367)</u>	<u>(4,845,538)</u>
		<u>(1,019,468)</u>	<u>(1,994,978)</u>	<u>(1,649,170)</u>
Non-operating grants, subsidies and contributions	30	1,557,937	1,795,921	823,830
Profit on asset disposals	21	5,060	43,000	16,566
(Loss) on asset disposals	21	(5,340)	(6,235)	(8,543)
Fair value adjustments to financial assets at fair value through profit or loss	4	0	0	0
<b>Net result</b>		<u><b>538,190</b></u>	<u><b>(162,292)</b></u>	<u><b>(817,317)</b></u>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	13	(434,800)	0	(139,829)
<b>Total other comprehensive income</b>		<u><b>(434,800)</b></u>	<u><b>0</b></u>	<u><b>(139,829)</b></u>
<b>Total comprehensive income</b>		<u><u><b>103,390</b></u></u>	<u><u><b>(162,292)</b></u></u>	<u><u><b>(957,146)</b></u></u>

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

**SHIRE OF MINGENEW**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	2017 \$	2017 Budget \$	2016 \$
<b>Revenue</b>	2(a)			
Governance		22,145	7,099	8,718
General purpose funding		2,678,184	2,384,752	2,019,573
Law, order, public safety		31,522	79,070	35,864
Health		2,870	301	436
Education and welfare		2,197	3,745	5,532
Housing		113,631	118,733	108,001
Community amenities		82,713	85,662	160,551
Recreation and culture		57,012	31,619	31,014
Transport		632,685	641,827	641,686
Economic services		6,373	6,824	7,300
Other property and services		179,114	113,757	177,692
		<u>3,808,446</u>	<u>3,473,389</u>	<u>3,196,367</u>
<b>Expenses</b>	2(a)			
Governance		(175,998)	(289,736)	(241,390)
General purpose funding		(63,516)	(88,815)	(54,489)
Law, order, public safety		(135,091)	(170,044)	(116,405)
Health		(66,221)	(75,539)	(88,430)
Education and welfare		(54,768)	(65,336)	(51,739)
Housing		(77,680)	(97,680)	(101,104)
Community amenities		(202,149)	(372,924)	(164,488)
Recreation and culture		(951,002)	(1,116,780)	(990,652)
Transport		(2,748,194)	(2,635,420)	(2,650,701)
Economic services		(248,211)	(395,022)	(210,974)
Other property and services		16,550	(106,801)	(115,102)
		<u>(4,706,280)</u>	<u>(5,414,097)</u>	<u>(4,785,474)</u>
<b>Finance costs</b>	2(a)			
General purpose funding		0	(1,000)	(76)
Education and welfare		(16,063)	(6,424)	(6,659)
Housing		(47,140)	(20,702)	(22,044)
Recreation and culture		(15,421)	(6,167)	(6,393)
Transport		(43,010)	(19,977)	(24,891)
		<u>(121,634)</u>	<u>(54,270)</u>	<u>(60,063)</u>
		<u>(1,019,468)</u>	<u>(1,994,978)</u>	<u>(1,649,170)</u>
Non-operating grants, subsidies and contributions	30	1,557,937	1,795,921	823,830
Profit on disposal of assets	21	5,060	43,000	16,566
(Loss) on disposal of assets	21	(5,340)	(6,233)	(8,543)
<b>Net result</b>		<u>538,190</u>	<u>(162,292)</u>	<u>(817,317)</u>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	13	(434,800)	0	(139,829)
<b>Total other comprehensive income</b>		<u>(434,800)</u>	<u>0</u>	<u>(139,829)</u>
<b>Total comprehensive income</b>		<u>103,390</u>	<u>(162,292)</u>	<u>(957,146)</u>

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

**SHIRE OF MINGENEW**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE 2017**

	NOTE	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	2,241,222	1,146,578
Trade and other receivables	5	192,197	46,466
Inventories	6	43,591	53,679
<b>TOTAL CURRENT ASSETS</b>		<b>2,477,010</b>	<b>1,246,723</b>
<b>NON-CURRENT ASSETS</b>			
Inventories	6	35,000	50,000
Property, plant and equipment	7	11,659,704	10,380,613
Infrastructure	8	26,203,959	28,726,661
<b>TOTAL NON-CURRENT ASSETS</b>		<b>37,898,663</b>	<b>39,157,274</b>
<b>TOTAL ASSETS</b>		<b>40,375,673</b>	<b>40,403,997</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	318,736	244,106
Current portion of long term borrowings	10	150,775	181,410
Provisions	11	231,014	261,493
<b>TOTAL CURRENT LIABILITIES</b>		<b>700,525</b>	<b>687,009</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term borrowings	10	640,502	705,769
Provisions	11	24,552	104,516
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>665,054</b>	<b>810,285</b>
<b>TOTAL LIABILITIES</b>		<b>1,365,579</b>	<b>1,497,294</b>
<b>NET ASSETS</b>		<b>39,010,094</b>	<b>38,906,703</b>
<b>EQUITY</b>			
Retained surplus		28,653,488	28,203,154
Reserves - cash backed	12	396,477	308,621
Revaluation surplus	13	9,960,129	10,394,929
<b>TOTAL EQUITY</b>		<b>39,010,094</b>	<b>38,906,704</b>

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

**SHIRE OF MINGENEW**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

		RETAINED	RESERVES	REVALUATION	TOTAL
	NOTE	SURPLUS	CASH/INVESTMENT	SURPLUS	EQUITY
		\$	\$	\$	\$
<b>Balance as at 1 July 2015</b>		<b>29,057,124</b>	<b>271,968</b>	<b>10,534,758</b>	<b>39,863,850</b>
Comprehensive income					
Net result		(817,317)	0	0	(817,317)
Changes on revaluation of assets	13	0	0	(139,829)	(139,829)
Total comprehensive income		(817,317)	0	(139,829)	(957,146)
Transfers from/(to) reserves		(36,653)	36,653	0	0
<b>Balance as at 30 June 2016</b>		<b>28,203,154</b>	<b>308,621</b>	<b>10,394,929</b>	<b>38,906,704</b>
Comprehensive income					
Net result		538,190	0	0	538,190
Changes on revaluation of assets	13	0	0	(434,800)	(434,800)
Total comprehensive income		538,190	0	(434,800)	103,390
Transfers from/(to) reserves		(87,856)	87,856	0	0
<b>Balance as at 30 June 2017</b>		<b>28,653,488</b>	<b>396,477</b>	<b>9,960,129</b>	<b>39,010,094</b>

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

**SHIRE OF MINGENEW**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	2017 Actual \$	2017 Budget \$	2016 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		1,711,326	1,786,567	1,706,991
Operating grants, subsidies and contributions		1,054,081	834,184	515,434
Fees and charges		270,941	264,486	270,945
Interest earnings		36,577	22,152	34,300
Goods and services tax		(26,017)	0	0
Other revenue		615,808	566,000	718,861
		<u>3,662,716</u>	<u>3,473,389</u>	<u>3,246,531</u>
<b>Payments</b>				
Employee costs		(1,140,269)	(1,017,429)	(903,429)
Materials and contracts		(631,989)	(1,088,256)	(782,584)
Utility charges		(99,315)	(123,768)	(110,352)
Interest expenses		(142,294)	(54,270)	(62,730)
Insurance expenses		(127,662)	(143,612)	(138,975)
Goods and services tax		0	0	(4,060)
Other expenditure		(611,374)	(649,328)	(609,533)
		<u>(2,752,903)</u>	<u>(3,076,663)</u>	<u>(2,611,663)</u>
<b>Net cash provided by (used in) operating activities</b>	14(b)	<u>909,813</u>	<u>396,726</u>	<u>634,868</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for development of Land held for resale		0	(200,000)	0
Payments for purchase of property, plant & equipment		(735,396)	(1,337,500)	(216,654)
Payments for construction of infrastructure		(998,428)	(1,681,362)	(1,118,522)
Non-operating grants, subsidies and contributions		1,557,937	1,795,921	823,830
Proceeds from sale of fixed assets		456,621	447,000	111,364
<b>Net cash provided by (used in) investment activities</b>		<u>280,734</u>	<u>(975,941)</u>	<u>(399,982)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of debentures		(181,409)	(181,409)	(172,462)
Proceeds on re-financing of debentures		85,507	0	0
<b>Net cash provided by (used in) financing activities</b>		<u>(95,902)</u>	<u>(181,409)</u>	<u>(172,462)</u>
<b>Net increase (decrease) in cash held</b>		1,094,645	(760,624)	62,424
Cash at beginning of year		1,146,578	1,156,788	1,084,154
<b>Cash and cash equivalents at the end of the year</b>	14(a)	<u><u>2,241,222</u></u>	<u><u>396,164</u></u>	<u><u>1,146,578</u></u>

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



**SHIRE OF MINGENEW  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2017**

	NOTE	2017 Actual \$	2017 Budget \$	2016 Actual \$
<b>Net current assets at start of financial year - surplus/(deficit)</b>		<u>653,606</u>	<u>688,089</u>	<u>505,333</u>
		653,606	688,089	505,333
<b>Revenue from operating activities (excluding rates)</b>				
Governance		22,145	7,099	8,718
General purpose funding		955,293	598,185	343,452
Law, order, public safety		31,522	79,070	35,864
Health		2,870	301	436
Education and welfare		2,197	3,745	5,532
Housing		113,631	118,733	108,001
Community amenities		82,713	85,662	160,551
Recreation and culture		57,012	31,619	31,014
Transport		637,745	684,827	658,252
Economic services		6,373	6,824	7,300
Other property and services		179,114	113,757	177,692
		<u>2,090,615</u>	<u>1,729,822</u>	<u>1,536,812</u>
<b>Expenditure from operating activities</b>				
Governance		(175,998)	(289,736)	(241,390)
General purpose funding		(63,516)	(89,815)	(54,565)
Law, order, public safety		(135,091)	(170,044)	(116,405)
Health		(66,221)	(75,539)	(88,430)
Education and welfare		(70,831)	(71,760)	(58,398)
Housing		(124,820)	(118,382)	(123,148)
Community amenities		(202,149)	(372,924)	(164,488)
Recreation and culture		(966,423)	(1,122,947)	(997,045)
Transport		(2,796,544)	(2,661,632)	(2,684,135)
Economic services		(248,211)	(395,022)	(210,974)
Other property and services		16,550	(106,801)	(115,102)
		<u>(4,833,254)</u>	<u>(5,474,602)</u>	<u>(4,854,080)</u>
<b>Operating activities excluded from budget</b>				
(Profit) on disposal of assets	21	(5,060)	(43,000)	(16,566)
Loss on disposal of assets	21	5,340	6,235	8,543
Movement in employee benefit provisions (non-current)		(110,443)	0	35,651
Depreciation and amortisation on assets	2(a)	2,100,736	2,360,651	2,370,889
<b>Amount attributable to operating activities</b>		<u>(98,460)</u>	<u>(732,805)</u>	<u>(413,418)</u>
				0
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions		1,557,937	1,795,921	823,830
Proceeds from disposal of assets	21	456,621	447,000	111,364
Purchase of land held for resale		0	(200,000)	0
Purchase of property, plant and equipment	7(b)	(735,396)	(1,337,500)	(216,654)
Purchase and construction of infrastructure	8(b)	(998,428)	(1,681,362)	(1,118,522)
<b>Amount attributable to investing activities</b>		<u>280,734</u>	<u>(975,941)</u>	<u>(399,982)</u>
<b>FINANCING ACTIVITIES</b>				
Repayment of debentures	22(a)	(181,409)	(181,409)	(172,462)
Transfers to reserves (restricted assets)	12	(106,453)	(91,775)	(36,653)
Transfers from reserves (restricted assets)	12	18,597	195,362	0
<b>Amount attributable to financing activities</b>		<u>(183,758)</u>	<u>(77,822)</u>	<u>(209,115)</u>
<b>Surplus(deficiency) before general rates</b>		<u>(1,483)</u>	<u>(1,786,568)</u>	<u>(1,022,515)</u>
<b>Total amount raised from general rates</b>	23	<u>1,722,892</u>	<u>1,786,567</u>	<u>1,676,121</u>
<b>Net current assets at June 30 c/fwd - surplus/(deficit)</b>	24	<u><u>1,721,407</u></u>	<u><u>(1)</u></u>	<u><u>653,606</u></u>

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

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) BASIS OF PREPARATION**

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

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

All figures in the financial report are presented in Australian dollars.

**CRITICAL ACCOUNTING ESTIMATES**

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

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

**THE LOCAL GOVERNMENT REPORTING ENTITY**

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 20 to these financial statements.

**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) Cash and Cash Equivalents**

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

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

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(c) Trade and Other Receivables**

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

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

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

**(d) Inventories**

***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.

***Land held for sale***

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Land held for sale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

**(e) Fixed Assets**

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

***Mandatory requirement to revalue non-current assets***

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

During the year ended 30 June 2013, the Shire commenced the process of adopting Fair Value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at Fair Value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the Shire revalues its asset classes in accordance with this mandatory timetable.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(e) Fixed Assets (Continued)**

***Land under control***

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

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

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

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

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

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

***Revaluation***

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

***Land under roads***

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

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

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

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

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

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(e) Fixed Assets (Continued)**

***Depreciation***

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

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

- a) Restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount; or
- b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

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

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
Formed roads (unsealed)	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years

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

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

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

***Capitalisation threshold***

Expenditure on items of equipment under \$5,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) Fair Value of Assets and Liabilities**

When performing a revaluation, the Shire uses a mix of both independent and management valuations using the following as a guide:

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.

***Fair value hierarchy***

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

***Valuation techniques***

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

**Market approach**

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

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) Fair Value of Assets and Liabilities (Continued)**

**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 an asset at its current service capacity.

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.

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued in accordance with the regulatory framework.

**(g) Financial Instruments**

***Initial recognition and measurement***

Financial assets and financial liabilities are recognised when the Shire becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Shire commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

***Classification and subsequent measurement***

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or at cost.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments and any reduction for impairment; and
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method. □

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Financial Instruments (Continued)**

***Classification and subsequent measurement (continued)***

*(i) Financial assets at fair value through profit and loss*

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss. Assets in this category are classified as current assets.

*(ii) Loans and receivables*

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

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

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Shire has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in current assets, where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

*(iv) Available-for-sale financial assets*

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

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current.

*(v) Financial liabilities*

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



**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Financial Instruments (Continued)**

***Impairment***

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which will have an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

***Derecognition***

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Shire no longer has any significant continual involvement in the risks and benefits associated with the asset. □

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

**(h) Impairment of Assets**

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

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

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

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

**(i) Trade and Other Payables**

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

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Employee Benefits**

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at 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.

**(k) Borrowing Costs**

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

**(l) Provisions**

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

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

**(m) Leases**

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

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

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(n) Investment in Associates**

An associate is an entity over which the Shire has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire's share of net assets of the associate. In addition, the Shire's share of the profit or loss of the associate is included in the Shire's profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Shire's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Shire and the associate are eliminated to the extent of the Shire's interest in the associate.

When the Shire's share of losses in an associate equals or exceeds its interest in the associate, the Shire discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Shire will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

**(o) Interests in Joint Arrangements**

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

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the proportionate consolidation method. Refer below for a description of the proportionate consolidation method of accounting.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Shire's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 17.

**(p) Rates, Grants, Donations and Other Contributions**

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

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

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

**(q) 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.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(r) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. 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 even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the Shire's intentions to release for sale.

**(s) Rounding Off Figures**

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

**(t) 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 statement, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

**(u) 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.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) New Accounting Standards and Interpretations for Application in Future Periods**

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

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

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

Notes:

<sup>(1)</sup> Applicable to reporting periods commencing on or after the given date.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(v) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

	<b>Title</b>	<b>Issued / Compiled</b>	<b>Applicable <sup>(1)</sup></b>	<b>Impact</b>
(iv)	AASB 1058 Income of Not-for-Profit Entities (incorporating AASB 2016-7 and AASB 2016-8)	December 2016	1 January 2019	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> <li>- Assets received below fair value;</li> <li>- Transfers received to acquire or construct non-financial assets;</li> <li>- Grants received;</li> <li>- Prepaid rates;</li> <li>- Leases entered into at below market rates; and</li> <li>- Volunteer services.</li> </ul> <p>Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Shire's operations.</p>

Notes:

<sup>(1)</sup> Applicable to reporting periods commencing on or after the given date.

**(w) Adoption of New and Revised Accounting Standards**

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

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

- (i) AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities

[AASB 10, 124 & 1049]

The objective of this Standard was to extend the scope of AASB 124 *Related Party Disclosures* to include not-for-profit sector entities.

The Standard has had a significant disclosure impact on the financial report of the Shire as both Elected Members and Senior Management are deemed to be Key Management Personnel and resultant disclosures in accordance to AASB 124 have been necessary.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**2. REVENUE AND EXPENSES**

**2017**

**2016**

**\$**

**\$**

**(a) Net Result**

The Net result includes:

(i) Charging as an expense:

**Significant revenue**

Advance Financial Assistance Grants	309,762	0
-------------------------------------	---------	---

Significant amount of roads were damaged by the flood on 29 January 2017.

There has been a claim of \$3,210,715 was submitted to WANDRRA

however no claims funds have been finalised and paid as at 30 June 2017

**Auditors remuneration**

Audit of the Annual Financial Report	10,180	23,986
Audit of grant acquittals	3,200	3,000
Disbursements	3,882	898
Financial management system review	5,500	0

**Depreciation**

Buildings - non-specialised	40,981	430,658
Buildings - specialised	374,960	0
Furniture and equipment	13,421	14,342
Plant and equipment	135,186	240,186
Bushfire equipment	45,399	45,928
Tools	477	536
Infrastructure - Roads	1,216,355	1,369,532
Infrastructure - Footpath	17,791	17,791
Infrastructure - Airfields	9,072	9,072
Infrastructure - Drainage	2,611	2,309
Infrastructure - Bridges	136,245	136,245
Infrastructure - Recreations	97,345	93,397
Infrastructure - Other	10,893	10,893
	<u>2,100,736</u>	<u>2,370,889</u>

**Interest expenses (finance costs)**

Debentures (refer Note 22 (a))	36,127	60,064
Refinancing cost	85,507	0
	<u>121,634</u>	<u>60,064</u>

**Other revenue**

Reimbursements and recoveries	543,945	718,295
Other	71,863	566
	<u>615,808</u>	<u>718,861</u>

**2017**

**2017**

**2016**

**Actual**

**Budget**

**Actual**

**\$**

**\$**

**\$**

**Interest earnings**

Reserve funds	3,509	2,882	3,640
Other funds	15,626	9,000	17,904
Other interest revenue (refer note 28)	17,442	10,270	12,756
	<u>36,577</u>	<u>22,152</u>	<u>34,300</u>

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(b) Statement of Objective**

In order to discharge its responsibilities to the community, the Shire has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Shire's Community Vision, and for each of its broad activities/programs.

In order to discharge its responsibilities to the community, the Shire has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Shire's Community Vision, and for each of its broad activities/programs.

**COMMUNITY VISION**

Standing proud. Growing strong.

**COMMUNITY ASPIRATIONS AND VALUES**

Strong leaders, good decisions.

Striving to be innovative and progressive.

Respecting our environment and each other.

Proud independent community spirit.

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

**GOVERNANCE**

**Objective:**

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

**Activities:**

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

**GENERAL PURPOSE FUNDING**

**Objective:**

To collect revenue to allow for the provision of services.

**Activities:**

Rates, general purpose government grants and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

**Objective:**

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

**Activities:**

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

**HEALTH**

**Objective:**

To provide an operational framework for environmental and community health.

**Activities:**

Inspection of food outlets and their control, noise control and waste disposal compliance.

**EDUCATION AND WELFARE**

**Objective:**

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

**Activities:**

Support of day care centre and Autumn Centre Senior Citizens.

Youth and seniors projects.

**HOUSING**

**Objective:**

To provide and maintain housing for staff, senior citizens and the community.

**Activities:**

Provision and maintenance of housing.



**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**REVENUE AND EXPENSES (Continued)**

**(b) Statement of Objective (Continued)**

**COMMUNITY AMENITIES**

**Objective:**

To provide services required by the community.

**Activities:**

Rubbish collection services, operation of rubbish disposal sites, litter control, administration of town planning schemes, maintenance of the cemetery and public conveniences.

**RECREATION AND CULTURE**

**Objective:**

To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.

**Activities:**

Maintenance of recreational and cultural facilities including the recreation centre and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.

**TRANSPORT**

**Objective:**

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

**Activities:**

Construction and maintenance of roads, streets, footpaths, depots, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

**ECONOMIC SERVICES**

**Objective:**

To help promote the shire and its economic wellbeing.

**Activities:**

Tourism and area promotion including support of the Tourist and Promotions group. Provision of rural services including weed control, vermin control and standpipes. Building Control. Drum Muster.

**OTHER PROPERTY AND SERVICES**

**Objective:**

To monitor and control council's overheads operating accounts.

**Activities:**

Private works operation, plant repair and operation costs and engineering operation costs.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(c) Conditions Over Grants/Contributions**

<b>Grant/Contribution</b>	<b>Opening Balance <sup>(1)</sup> 1/07/15 \$</b>	<b>Received <sup>(2)</sup> 2015/16 \$</b>	<b>Expended <sup>(3)</sup> 2015/16 \$</b>	<b>Closing Balance <sup>(1)</sup> 30/06/16 \$</b>	<b>Received <sup>(2)</sup> 2016/17 \$</b>	<b>Expended <sup>(3)</sup> 2016/17 \$</b>	<b>Closing Balance 30/06/17 \$</b>
<b>General purpose funding</b>							
Special purpose Grants - Bridges	0	0	0	0	210,000	0	210,000
<b>Community amenities</b>							
Office of Crime Prevention	3,643	0	(114)	3,529	0	(3,529)	0
Town Revitalisation Plan	0	60,000	0	60,000	0	0	60,000
Town Planning scheme	0	25,000	0	25,000	0	0	25,000
Mingenew Transfer Station	0	0	0	0	45,000	0	45,000
<b>Recreation and culture</b>							
MWDC - Museum	54,425	0	(54,425)	0	13,712	0	13,712
Lotterywest little well project	0	0	0	0	13,580	0	13,580
DSR - Oval Lighting	0	0	0	0	50,000	0	50,000
<b>Transport</b>							
Royalties for Regions	101,631	0	(101,631)	0	0	0	0
Roads to Recovery	170,119	75,191	(117,214)	128,096	354,802	(331,692)	151,206
<b>Total</b>	<b>329,818</b>	<b>160,191</b>	<b>(273,384)</b>	<b>216,625</b>	<b>687,094</b>	<b>(335,221)</b>	<b>568,498</b>

**Notes:**

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

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

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

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	Note	2017 \$	2016 \$
<b>3. CASH AND CASH EQUIVALENTS</b>			
Unrestricted		1,276,249	621,333
Restricted		964,973	525,245
		<u>2,241,222</u>	<u>1,146,578</u>
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Reserves cash backed			
Building Reserve	12	58,767	43,920
Plant Reserve	12	148,056	146,392
Sports Ground Reserve	12	2,725	2,695
Accrued Leave Reserve	12	64,065	13,907
APU Jointventure Reserve	12	20,230	20,002
Town St Maintenance Reserve	12	0	14,307
Painted Road Reserve	12	0	4,202
Enviromental Rehabilitation	12	18,002	17,799
Industraial Area Dev. Reserve	12	5,287	5,228
RTC/PO/NAB Reserve	12	20,382	20,153
Insurance Reserve	12	40,243	20,016
Economic Development & Marketing Reserve	12	18,719	0
Unspent Grants	2(c)	568,498	216,625
		<u>964,974</u>	<u>525,246</u>
<b>4. INVESTMENTS</b>			
Financial assets at fair value through profit and loss		Nil	Nil

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	2017 \$	2016 \$
<b>5. TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
Rates outstanding	83,832	37,609
Sundry debtors	79,873	1,951
GST receivable	30,077	4,060
Provision for Doubtful Debt	(1,585)	(1,585)
Prepayments	0	4,431
	<u>192,197</u>	<u>46,466</u>

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

<b>Rates outstanding</b>	<u>83,832</u>	<u>37,609</u>
Includes:		
Past due and not impaired	0	0
Impaired	<u>0</u>	<u>0</u>
<b>Sundry debtors</b>	<u>79,873</u>	<u>1,951</u>
Includes:		
Past due and not impaired	18,371	39
Impaired	<u>61,502</u>	<u>1,912</u>

**6. INVENTORIES**

<b>Current</b>		
Fuel & Materials	3,197	13,285
Land held for resale - cost	40,394	40,394
	<u>43,591</u>	<u>53,679</u>
<b>Non-current</b>		
Land held for resale - cost	35,000	50,000
	<u>35,000</u>	<u>50,000</u>

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	2017 \$	2016 \$
<b>7 (a). PROPERTY, PLANT AND EQUIPMENT</b>		
Land - freehold land		
- Independent valuation 2014- level 2	0	1,471,016
- Independent valuation 2017 - level 2	859,100	0
- Independent valuation 2017 - level 3	253,000	0
	<u>1,112,100</u>	<u>1,471,016</u>
Land - vested in and under the control of Council at:		
- Independent valuation 2014 - level 3	0	15,000
- Independent valuation 2017 - level 3	200,000	0
	<u>200,000</u>	<u>15,000</u>
	<u>1,312,100</u>	<u>1,486,016</u>
Buildings - non-specialised at:		
- Independent valuation 2014 - level 2	0	7,732,912
- Independent valuation 2017 - level 2	625,000	0
- Additions after valuation - cost	0	346,844
Less: accumulated depreciation	0	(850,659)
	<u>625,000</u>	<u>7,229,097</u>
Buildings - specialised at:		
- Independent valuation 2017 - level 3	7,514,500	0
- Management valuation 2017 - level 3	443,592	0
- Additions after valuation - cost	230,618	0
	<u>8,188,710</u>	<u>0</u>
	<u>8,813,710</u>	<u>7,229,097</u>
Total land and buildings	<u>10,125,810</u>	<u>8,715,113</u>
Furniture and equipment at:		
- Management valuation 2016 - level 3	81,914	81,914
- Additions after valuation - cost	3,318	0
Less: accumulated depreciation	(13,421)	0
	<u>71,811</u>	<u>81,914</u>
Plant and equipment at:		
- Independent valuation 2016 - level 2	1,118,085	1,118,085
- Disposals after valuation	(441,901)	0
- Additions after valuation - cost	501,460	0
Less: accumulated depreciation	(135,186)	0
	<u>1,042,458</u>	<u>1,118,085</u>
Bushfire equipment at:		
- Independent valuation 2016- level 2	460,885	460,885
Less: accumulated depreciation	(45,399)	0
	<u>415,486</u>	<u>460,885</u>

Tools at:

- Independent valuation 2016 - level 2

Less: accumulated depreciation

4,616	4,616
(477)	0
<u>4,139</u>	<u>4,616</u>
<u>11,659,704</u>	<u>10,380,613</u>

The fair value of property, plant and equipment is determined at least every three years in accordance with the regulatory framework. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires property, plant and equipment to be shown at fair value.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(b) Movements in Carrying Amounts**

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

	Balance at the Beginning of the Year \$	Additions \$	(Disposals) \$	Revaluation Increments/ (Decrements) Transferred to Revaluation \$	Revaluation (Losses)/ Reversals Through to Profit or Loss \$	Impairment (Losses)/ Reversals \$	Depreciation (Expense) \$	Transfers \$	Carrying Amount at the End of Year \$
Land - freehold land	1,471,016	0	(14,397)	(246,600)	0	0	0	(97,919)	1,112,100
Land - vested in and under the control of Council	15,000	0	0	185,000	0	0	0	0	200,000
<b>Total land</b>	<b>1,486,016</b>	<b>0</b>	<b>(14,397)</b>	<b>(61,600)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(97,919)</b>	<b>1,312,100</b>
Buildings - non-specialised	7,229,097	0	0	(198,017)	0	0	(40,981)	(6,365,099)	625,000
Buildings - specialised	0	230,618	14,397	1,855,638	0	0	(374,960)	6,463,018	8,188,710
<b>Total buildings</b>	<b>7,229,097</b>	<b>230,618</b>	<b>14,397</b>	<b>1,657,621</b>	<b>0</b>	<b>0</b>	<b>(415,941)</b>	<b>97,919</b>	<b>8,813,711</b>
<b>Total land and buildings</b>	<b>8,715,113</b>	<b>230,618</b>	<b>0</b>	<b>1,596,021</b>	<b>0</b>	<b>0</b>	<b>(415,941)</b>	<b>0</b>	<b>10,125,811</b>
Furniture and equipment	81,914	3,318	0	0	0	0	(13,421)	0	71,811
Plant and equipment	1,118,085	501,460	(441,901)	0	0	0	(135,186)	0	1,042,458
Bushfire equipment	460,885	0	0	0	0	0	(45,399)	0	415,486
Tools	4,616	0	0	0	0	0	(477)	0	4,139
<b>Total property, plant and equipment</b>	<b>10,380,613</b>	<b>735,396</b>	<b>(441,901)</b>	<b>1,596,021</b>	<b>0</b>	<b>0</b>	<b>(610,424)</b>	<b>0</b>	<b>11,659,705</b>

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

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

**(c) Fair Value Measurements**

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
<b>Land - freehold land</b>					
land - Freehold land	2	Market approach using recent observable market data for similar properties	Independent Registered Valuer	June 2017	Price per hectare
Land - freehold land	3	Market approach using recent observable market data for similar properties	Independent Registered Valuer	June 2017	Price per hectare
Land - vested in and under the control of Council	3	Market approach using recent observable market data for similar properties	Independent Registered Valuer	June 2017	Market data/improvements to land using construction costs and current condition (level 2), residual values and remaining useful life assessments (Level 3) inputs.
Buildings - non-specialised	3	Cost approach using depreciated replacement cost	Independent Registered Valuer	June 2017	Market data/improvements to land using construction costs and current condition (level 2), residual values and remaining useful life assessments (Level 3) inputs.
Buildings - specialised	2	Market approach using recent observable market data for similar properties	Independent Registered Valuer	June 2017	Market data/improvements to land using construction costs and current condition (level 2), residual values and remaining useful life assessments (Level 3) inputs.
<b>Furniture and equipment</b>	3	Market approach using recent observable market data for similar properties	Management Valuation	June 2016	Market data/costs and current condition (Level 2), residual values and remaining useful life assessments
<b>Plant and equipment</b>					
- Independent valuation 2016	3	Market approach using recent observable market data for similar assets/cost approach using depreciated replacement cost	Independent Registered Valuer	June 2016	Market data/costs and current condition (Level 2), residual values and remaining useful life assessments
- Disposals after valuation	3	Market approach using recent observable market data for similar assets/cost approach using depreciated replacement cost	Management Valuation	June 2016	Market data/costs and current condition (Level 2), residual values and remaining useful life assessments
<b>Bushfire equipment</b>	2	Market approach using recent observable market data for similar assets/cost approach using depreciated replacement cost	Management Valuation	June 2016	Market data/costs and current condition (Level 2), residual values and remaining useful life assessments
<b>Tools</b>	2	Market approach using recent observable market data for similar assets/cost approach using depreciated replacement cost	Management Valuation	June 2016	Market data/costs and current condition (Level 2), residual values and remaining useful life assessments

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.



**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	2017 \$	2016 \$
<b>8 (a). INFRASTRUCTURE</b>		
Infrastructure - Roads		
- Independent valuation 2015- level 3	0	39,526,453
- Management valuation 2017 - level 3	37,731,065	0
- Additions after valuation - cost	835,729	1,094,256
Less: accumulated depreciation	<u>(17,720,928)</u>	<u>(16,504,574)</u>
	20,845,866	24,116,135
Infrastructure - Footpath		
- Independent valuation 2015 - level 3	834,860	834,860
- Additions after valuation - cost	0	0
Less: accumulated depreciation	<u>(609,294)</u>	<u>(591,503)</u>
	225,566	243,357
Infrastructure - Airfields		
- Management valuation 2015 - level 3	147,420	147,420
- Additions after valuation - cost	0	0
Less: accumulated depreciation	<u>(63,504)</u>	<u>(54,432)</u>
	83,916	92,988
Infrastructure - Drainage		
- Independent valuation 2015 - level 3	206,064	184,000
- Additions after valuation - cost	3,102	22,064
Less: accumulated depreciation	<u>(50,920)</u>	<u>(48,309)</u>
	158,246	157,755
Infrastructure - Bridges		
- Independent valuation 2015 - level 3	6,812,250	6,812,250
- Additions after valuation - cost	0	0
Less: accumulated depreciation	<u>(3,798,281)</u>	<u>(3,662,036)</u>
	3,013,969	3,150,214
Infrastructure - Recreations		
- Independent valuation 2014 - level 3	0	948,800
- Independent valuation 2017 - level 3	1,525,457	0
- Management valuation 2017 - level 3	32,658	0
- Additions after valuation - cost	35,424	2,202
Less: accumulated depreciation	<u>0</u>	<u>(93,397)</u>
	1,593,539	857,605
Infrastructure - Other		
- Independent valuation 2014 - level 3	0	119,500
- Independent valuation 2017 - level 3	132,900	0
- Management valuation 2017 - level 3	25,784	0
- Additions after valuation - cost	124,173	0
Less: accumulated depreciation	<u>0</u>	<u>(10,893)</u>
	282,857	108,607
	<u>26,203,959</u>	<u>28,726,661</u>

The fair value of infrastructure is determined at least every three years in accordance with the regulatory framework. Additions since the date of valuation are shown as cost. Given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and, where appropriate, the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A(2) which requires infrastructure to be shown at fair value.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**8. INFRASTRUCTURE (Continued)**

**(b) Movements in Carrying Amounts**

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

	Balance as at the Beginning of the Year	Additions	(Disposals)	Revaluation Increments/ (Decrements) Transferred to Revaluation	Revaluation (Loss)/ Reversal Transferred to Profit or Loss	Impairment (Losses)/ Reversals	Depreciation (Expense)	Transfers	Carrying Amount at the End of the Year
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Infrastructure - Roads	24,116,135	835,729	0	0	0	(2,889,644)	(1,216,355)	0	20,845,865
Infrastructure - Footpath	243,357	0	0	0	0	0	(17,791)	0	225,566
Infrastructure - Airfields	92,988	0	0	0	0	0	(9,072)	0	83,916
Infrastructure - Drainage	157,755	3,102	0	0	0	0	(2,611)	0	158,246
Infrastructure - Bridges	3,150,214	0	0	0	0	0	(136,245)	0	3,013,969
Infrastructure - Recreations	857,605	35,424	0	797,854	0	0	(97,345)	0	1,593,538
Infrastructure - Other	108,607	124,173	0	60,969	0	0	(10,893)	0	282,856
<b>Total infrastructure</b>	<b>28,726,661</b>	<b>998,428</b>	<b>0</b>	<b>858,823</b>	<b>0</b>	<b>(2,889,644)</b>	<b>(1,490,312)</b>	<b>0</b>	<b>26,203,956</b>

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**8. INFRASTRUCTURE (Continued)**

**(c) Fair Value Measurements**

<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of valuation</b>	<b>Date of last Valuation</b>	<b>Inputs used</b>
<b>Infrastructure - Roads</b>	3	Depreciated Cost	Independent specialist valuer	June 2015	Depreciated cost value of similar assets adjusted for condition and comparability.
<b>Infrastructure - Footpath</b>	3	Depreciated Cost	Independent specialist valuer	June 2015	Depreciated cost value of similar assets adjusted for condition and comparability.
<b>Infrastructure - Airfields</b>	3	Depreciated Cost	Independent specialist valuer	June 2015	Depreciated cost value of similar assets adjusted for condition and comparability.
<b>Infrastructure - Drainage</b>	3	Depreciated Cost	Independent specialist valuer	June 2015	Depreciated cost value of similar assets adjusted for condition and comparability.
<b>Infrastructure - Bridges</b>	3	Depreciated Cost	Independent specialist valuer	June 2015	Depreciated cost value of similar assets adjusted for condition and comparability.
<b>Infrastructure - Recreations</b>	3	Depreciated Cost	Independent specialist valuer	June 2017	Depreciated cost value of similar assets adjusted for condition and comparability.
<b>Infrastructure - Other</b>	3	Depreciated Cost	Independent specialist valuer	June 2017	Depreciated cost value of similar assets adjusted for condition and comparability.

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 MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	2017 \$	2016 \$
<b>9. TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Sundry creditors	261,624	195,750
Accrued Expenses	13,414	34,074
Accrued salaries and wages	1,977	1,977
ATO liabilities	41,721	5,525
Income received in advance	0	6,780
	<u>318,736</u>	<u>244,106</u>

**10. LONG-TERM BORROWINGS**

<b>Current</b>		
Secured by floating charge		
Debentures	<u>150,775</u>	<u>181,410</u>
	<u>150,775</u>	<u>181,410</u>
<b>Non-current</b>		
Secured by floating charge		
Debentures	<u>640,502</u>	<u>705,769</u>
	<u>640,502</u>	<u>705,769</u>

Additional detail on borrowings is provided in Note 22.

**11. PROVISIONS**

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
<b>Opening balance at 1 July 2016</b>			
Current provisions	150,847	110,646	261,493
Non-current provisions	0	104,516	104,516
	<u>150,847</u>	<u>215,162</u>	<u>366,009</u>
Additional provision	(64,737)	(45,706)	(110,443)
<b>Balance at 30 June 2017</b>	<u>86,110</u>	<u>169,456</u>	<u>255,566</u>
<b>Comprises</b>			
Current	86,110	144,904	231,014
Non-current	0	24,552	24,552
	<u>86,110</u>	<u>169,456</u>	<u>255,566</u>

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**12. RESERVES - CASH BACKED**

	Actual 2017 Opening Balance \$	Actual 2017 Transfer to \$	Actual 2017 Transfer (from) \$	Actual 2017 Closing Balance \$	Budget 2017 Opening Balance \$	Budget 2017 Transfer to \$	Budget 2017 Transfer (from) \$	Budget 2017 Closing Balance \$	Actual 2016 Opening Balance \$	Actual 2016 Transfer to \$	Actual 2016 Transfer (from) \$	Actual 2016 Closing Balance \$
Building Reserve	43,920	14,847	0	58,767	43,920	439	(40,000)	4,359	43,342	578	0	43,920
Plant Reserve	146,394	1,664	0	148,058	146,394	1,460	(100,000)	47,854	131,625	14,767	0	146,392
Sports Ground Reserve	2,694	31	0	2,725	2,694	27	0	2,721	2,658	36	0	2,694
Accrued Leave Reserve	13,907	50,158	0	64,065	13,907	50,139	0	64,046	13,724	183	0	13,907
APU Jointventure Reserve	20,002	227	0	20,229	20,002	200	0	20,202	19,739	263	0	20,002
Town St Maintenance Reserve	14,306	70	(14,376)	0	14,306	143	(14,449)	0	14,118	188	0	14,306
Painted Road Reserve	4,201	20	(4,221)	0	4,201	42	(4,243)	0	4,146	55	0	4,201
Enviromental Rehabilitation	17,799	202	0	18,001	17,799	178	(17,977)	0	17,565	234	0	17,799
Industraial Area Dev. Reserve	5,227	59	0	5,286	5,227	52	0	5,279	5,159	68	0	5,227
RTC/PO/NAB Reserve	20,153	229	0	20,382	20,153	202	0	20,355	19,888	265	0	20,153
Insurance Reserve	20,016	20,228	0	40,244	20,016	20,200	0	40,216	0	20,016	0	20,016
Economic Development & Marketing Reserve	0	18,718	0	18,718	0	18,693	(18,693)	0	0	0	0	0
	<u>308,617</u>	<u>106,453</u>	<u>(18,597)</u>	<u>396,475</u>	<u>308,619</u>	<u>91,775</u>	<u>(195,362)</u>	<u>205,030</u>	<u>271,964</u>	<u>36,653</u>	<u>0</u>	<u>308,617</u>

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

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

<b>Name of Reserve</b>	<b>Anticipated date of use</b>	<b>Purpose of the reserve</b>
Building Reserve	TBD	To be used for the acquisition, construction and maintenance of land and building.
Plant Reserve	TBD	To be used for the purchase of plant & equipment.
Sports Ground Reserve	TBD	To be used for the improvement of the sportsground.
Accrued Leave Reserve	TBD	To be used to fund annual and long service leave requirements.
APU Jointventure Reserve	TBD	To be used for the funding of future operating shortfalls of the aged person's units in accordance with the management agreement Council has with Homewest.
Town St Maintenance Reserve	TBD	To be closed and funds transfered to Economic Development and Marketing Reserve.
Painted Road Reserve	TBD	To be used for the painted road and associated projects.
Enviromental Rehabilitation	TBD	To be used for the rehabilitation of gravel pits.
Industraial Area Dev. Reserve	TBD	To be used for the development of the industrial area.
RTC/PO/NAB Reserve	TBD	To be used for the maintenance and upkeep of the Rural Transaction Centre.
Insurance Reserve	TBD	To be used for the settlement of minor property expenses under \$5,000.
Economic Development & Marketing Reserve	TBD	To be used for Economic Development and Marketing of the Shire of Mingenew.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**13. REVALUATION SURPLUS**

	30/6/2017	30/6/2017	30/6/2017	30/6/2017	30/6/2017	30/6/2016	30/6/2016	30/6/2016	30/6/2016	30/6/2016
	Opening	Revaluation	Revaluation	Total	Closing	Opening	Revaluation	Revaluation	Total	Closing
	Balance	Increment	(Decrement)	Movement on	Balance	Balance	Increment	(Decrement)	Revaluation	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Free hold land	4,713,033	(246,600)	0	(246,600)	4,466,433	4,713,033	0	0	0	4,713,033
Revaluation surplus - Land - vested in and under the control of Council	0	185,000	0	185,000	185,000	0	0	0	0	0
Revaluation surplus - Buildings - non-specialised	0	(198,017)	0	(198,017)	(198,017)	0	0	0	0	0
Revaluation surplus - Buildings - specialised	0	1,855,638	0	1,855,638	1,855,638	0	0	0	0	0
Revaluation surplus - Plant and equipment	156,598	0	0	0	156,598	296,427	40,401	(180,230)	(139,829)	156,598
Revaluation surplus - Infrastructure -bridges	1,169,324	0	0	0	1,169,324	1,169,324	0	0	0	1,169,324
Revaluation surplus - Infrastructure - Roads	3,560,385	0	(2,889,644)	(2,889,644)	670,741	3,560,385	0	0	0	3,560,385
Revaluation surplus - Infrastructure - Footpaths	99,085	0	0	0	99,085	99,085	0	0	0	99,085
Revaluation surplus - Infrastructure - Drainage	132,054	797,854	0	797,854	929,908	132,054	0	0	0	132,054
Revaluation surplus - Infrastructure - Recreations	354,493	60,969	0	60,969	415,462	354,493	0	0	0	354,493
Revaluation surplus - Infrastructure - Other	107,897	0	0	0	107,897	107,897	0	0	0	107,897
Revaluation surplus - Infrastructure - Airfield	102,060	0	0	0	102,060	102,060	0	0	0	102,060
	10,394,929	2,454,844	(2,889,644)	(434,800)	9,960,129	10,534,758	40,401	(180,230)	(139,829)	10,394,929

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

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**14. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

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

	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>Budget</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	<u>2,241,222</u>	<u>396,164</u>	<u>1,146,578</u>

**(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result**

Net result	538,190	(162,290)	(817,317)
Non-cash flows in Net result:			
Depreciation	2,100,736	2,360,651	2,370,889
(Profit)/Loss on sale of asset	279	(36,765)	(8,023)
Changes in assets and liabilities:			
(Increase)/Decrease in receivables	(145,731)	0	41,670
(Increase)/Decrease in inventories	10,088	0	(4,260)
Increase/(Decrease) in payables	74,630	31,053	(159,913)
Increase/(Decrease) in provisions	(110,443)	0	35,652
Grants contributions for the development of assets	<u>(1,557,937)</u>	<u>(1,795,921)</u>	<u>(823,830)</u>
Net cash from operating activities	<u>909,813</u>	<u>396,728</u>	<u>634,868</u>

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>(c) Undrawn Borrowing Facilities</b>		
<b>Credit Standby Arrangements</b>		
Bank overdraft limit	50,000	400,000
Bank overdraft at balance date	50,000	400,000
Credit card limit	9,500	14,500
Credit card balance at balance date	<u>9,500</u>	<u>(510)</u>
<b>Total amount of credit unused</b>	<u>119,000</u>	<u>813,990</u>
<b>Loan facilities</b>		
Loan facilities - current	150,775	181,410
Loan facilities - non-current	<u>640,502</u>	<u>705,769</u>
<b>Total facilities in use at balance date</b>	<u>791,277</u>	<u>887,179</u>
<b>Unused loan facilities at balance date</b>	<u>NIL</u>	<u>NIL</u>

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**15. CONTINGENT LIABILITIES**

No known contingent liabilities.

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>

**16. CAPITAL AND LEASING COMMITMENTS**

**(a) Operating Lease Commitments**

Non-cancellable operating leases contracted for but not capitalised in the accounts.

Payable:

- not later than one year	5,056	4,656
- later than one year but not later than five years	863	5,432
	<u>5,918</u>	<u>10,088</u>

**(b) Capital Expenditure Commitments**

The Shire did not have any future capital expenditure commitments at the reporting date.



**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**17. JOINT VENTURE ARRANGEMENTS**

In 1997/98, Council, in conjunction with Homeswest, constructed 3 x two bedroom and 1 x one bedroom Aged Persons' Units in the Mingenew townsite. The terms of the joint venture agreement provided for Council to contribute \$59,136 which equates to an equity of 13.92%. Council has subsequently capitalised expenditure on the units. The recalculated equity for Council is 18.58%. Fair Value assessment of the property was undertaken in 2013/14 along with all other Council Land and Building Assets. The amount shown below is 18.58% of the fair value of \$470,000 and is included in Land & Buildings in note 7.

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Non-current assets</b>		
Land and buildings	87,326	117,110
Less: accumulated depreciation	0	(7,156)
	<u>87,326</u>	<u>109,954</u>

**18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Governance	462,608	462,608
General purpose funding	2,521,524	44,514
Law, order, public safety	511,495	511,495
Health	36,265	36,265
Education and welfare	775,698	775,698
Housing	2,469,341	2,469,341
Community amenities	359,798	359,798
Recreation and culture	4,488,348	3,473,471
Transport	26,453,670	28,504,483
Economic services	532,821	532,821
Other property and services	1,355,965	1,355,965
Unallocated	408,140	1,877,538
	<u>40,375,673</u>	<u>40,403,997</u>

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	2017	2016	2015
<b>19. FINANCIAL RATIOS</b>			
Current ratio	2.38	1.07	0.75
Asset sustainability ratio	0.83	0.49	1.10
Debt service cover ratio	3.97	3.40	5.33
Operating surplus ratio	(0.39)	(0.60)	(0.32)
Own source revenue coverage ratio	0.54	0.57	0.57

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{Depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

**Notes:**

Information relating to the **asset consumption ratio** and the **asset renewal funding ratio** can be found at Supplementary Ratio Information on Page 62 of this document.

Three of the 2017 ratios disclosed above were distorted by the early receipt of half of the allocation of the 2017-18 Financial Assistance Grant in June 2017.

The early payment of the grant increased operating revenue in 2017 by \$309,762.

Three of the 2016 and 2015 ratios disclosed above were distorted by the early receipt of half of the allocation of the 2015-16 Financial Assistance Grant on 30 June 2015.

The early payment of the grant increased operating revenue in 2015 and decreased operating revenue in 2016 by \$(300,764).

If recognised in the year to which the allocation related, the calculations in the 2017, 2016 and 2015 columns above would be as follows:

	2017	2016	2015
Current ratio	1.89	1.5	0.8
Debt service cover ratio	2.95	4.69	3.9
Operating surplus ratio	(0.50)	(0.49)	(0.3)

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**20. TRUST FUNDS**

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

	1 July 2016 \$	Amounts Received \$	Amounts Paid (\$)	30 June 2017 \$
BCITF Levy	1,374	641	(2,014)	0
BRB Levy	1,086	801	(1,883)	4
Autumn Committee	974	0	0	974
Community Bus	2,460	140	(400)	2,200
ANZAC Day Breakfast Donation	501	0	0	501
Building Relocation Bond	1,000	0	0	1,000
Mid West Industry Road Safety Alliance	39,650	52,250	(70,606)	21,294
Mingenew Cemetery Group	4,314	0	0	4,314
Housing Bonds	1,428	0	0	1,428
Cool Room Bond	530	0	0	530
Outdoor Camera Bond	350	0	0	350
Animal Trap Bond	50	0	(50)	0
Projector Screen	0	20	(20)	0
Other Bonds	200	0	0	200
Rates Incentive Prizes	200	0	(100)	100
Sinosteel Community Trust Fund	63,415	0	(63,415)	0
Tree Planter - LCDC	88	0	0	88
Weary Dunlop Memorial	87	0	0	87
Mingenew P & C - NBN Rental	0	6,190	(6,190)	0
Joan Trust	961	1,200	0	2,161
Youth Advisory Council	746	0	0	746
Centenary Committee	897	0	0	897
Community Christmas Tree	132	300	0	432
Silverchain Committee	2,268	0	(2,268)	0
Seniors Donations	0	50	0	50
	122,711	61,592	(146,947)	37,356

## 21. DISPOSALS OF ASSETS - 2016/17 FINANCIAL YEAR

The following assets were disposed of during the year.

	Actual Net Book Value \$	Actual Sale Proceeds \$	Actual Profit \$	Actual Loss \$	Budget Net Book Value \$	Budget Sale Proceeds \$	Budget Profit \$	Budget Loss \$
<b>Plant and Equipment</b>								
<u>Governance</u>								
Holden Caprice MI 1 (7/9/2016)	40,846	41,170	324	0	43,000	43,000	0	0
Mitsubishi Pajero MI 177 (8/7/2016)	40,477	39,647	0	(830)	43,000	43,000	0	0
Mitsubishi Pajero MI 177 (13/10/2016)	40,887	39,787	0	(1,100)	43,000	43,000	0	0
Holden Caprice MI 1 (9/1/2017)	41,899	41,170	0	(729)	43,000	43,000	0	0
Mitsubishi Pajero MI 177(9/2/2016)	40,389	40,000	0	(389)	43,000	43,000	0	0
Holden Caprice MI 1 (1/6/2017)	39,765	40,842	1,077	0	43,000	43,000	0	0
Mitsubishi Pajero MI 177(27/6/2016)	39,069	39,860	792	0	0	0	0	0
<u>Transport</u>								
Mitsubishi Pajero MI 108(3/8/2016)	40,136	38,978	0	(1,158)	43,000	43,000	0	0
Mitsubishi Pajero MI 108(28/11/2016)	37,376	40,000	2,624	0	43,000	43,000	0	0
Mitsubishi Pajero MI 108 (17/3/2017)	39,756	40,000	244	0	43,000	43,000	0	0
Mitsubishi Pajero MI 108(26/6/2017)	39,710	39,860	0	150	0	0	0	0
Victa Mower	1,590	909	0	(681)	0	0	0	0
11 Tonne Dual Cab Truck	0	0	0	0	17,000	60,000	43,000	0
Ride on Mower	0	0	0	0	5,355		0	(5,355)
Road Broom	0	0	0	0	878	0	0	(878)
<u>Other property and services</u>								
Industrial Areas Land	15,000	14,397	0	(603)	0	0	0	0
	456,900	456,621	5,060	(5,340)	410,233	447,000	43,000	(6,233)

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**22. INFORMATION ON BORROWINGS**

(a) Repayments - Debentures

Particulars	Principal 1 July 2016	Refinancing Cost	Principal Repayments		Principal 30 June 2017		Interest Repayments	
	\$		Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<b>Education and welfare</b>								
Loan 137 - Seniors Citizens Bldg	96,720	11,102	5,086	5,086	102,736	91,634	4,961	6,424
<b>Housing</b>								
Loan 133 - Triplex	73,136	7,483	11,770	11,370	68,849	61,766	2,415	3,639
Loan 134 - Silver Chain House	52,130	5,631	5,649	5,649	52,112	46,481	2,314	3,516
Loan 136 - Staff Housing	116,262	13,416	7,727	7,727	121,951	108,535	5,792	8,230
Loan 142 - Staff Housing	65,811	6,803	9,658	9,658	62,956	56,153	1,655	2,603
<b>Recreation and culture</b>								
Loan 138 - Pavilion Fitout	95,050	10,658	4,483	4,883	101,225	90,167	4,277	6,909
<b>Transport</b>								
Loan 139 - Roller	39,169	2,939	14,913	14,913	27,194	24,256	1,365	2,329
Loan 141 - Grader	106,509	9,964	24,266	24,266	92,207	82,243	2,415	3,639
Loan 143 - 2 x Trucks	54,771	0	54,771	54,771	0	0	2,884	4,497
Loan 144 - Side Tipping Trailer	65,811	6,803	9,658	9,658	62,956	56,153	4,763	7,167
Loan 145 - Drum Roller	121,811	10,708	33,429	33,429	99,090	88,382	3,286	5,317
	887,180	85,507	181,411	181,410	791,276	705,770	36,127	54,270
	887,180	85,507	181,409	181,409	791,276	705,770	36,127	54,270

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**22. INFORMATION ON BORROWINGS (Continued)**

(b) New Debentures - 2016/17

The Shire did not take up any new debentures during the year ended 30 June 2017.

(c) Unspent Debentures

The Shire did not have any unspent debentures as at 30 June 2017.

(d) Council established an overdraft facility of \$50,000 to assist with short term liquidity requirements. The balance of the bank overdraft at 1 July 2016 and 1 July 2017 was NIL.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**23. RATING INFORMATION - 2016/17 FINANCIAL YEAR**

<b>RATE TYPE</b>	<b>Rate in \$</b>	<b>Number of Properties</b>	<b>Rateable Value \$</b>	<b>Rate Revenue \$</b>	<b>Interim Rates \$</b>	<b>Back Rates \$</b>	<b>Total Revenue \$</b>	<b>Budget Rate Revenue \$</b>	<b>Budget Interim Rate \$</b>	<b>Budget Back Rate \$</b>	<b>Budget Total Revenue \$</b>
<b>Differential general rate / general rate</b>											
<b>Gross rental value valuations</b>											
GRV - Mingenew & Yandanooka	13.5884	145	1,568,940	212,194	(50)	0	212,143	213,194	0	0	213,194
<b>Unimproved value valuations</b>											
UV - Rural & Mining	1.4014	113	102,310,000	1,433,773	(13,793)	0	1,419,980	1,433,767	0	0	1,433,767
<b>Sub-Total</b>		258	103,878,940	1,645,967	(13,844)	0	1,632,124	1,646,961	0	0	1,646,961
<b>Minimum payment</b>	<b>Minimum \$</b>										
<b>Gross rental value valuations</b>											
GRV - Mingenew & Yandanooka	655	77	90,176	50,435	655	0	51,090	55,675	0	0	55,675
<b>Unimproved value valuations</b>											
UV - Rural & Mining	1,500	37	1,353,478	55,500	0		55,500	55,500	0	0	55,500
<b>Sub-Total</b>		114	1,443,654	105,935	655	0	106,590	111,175	0	0	111,175
		<b>372</b>	<b>105,322,594</b>	<b>1,751,902</b>	<b>(13,189)</b>	<b>0</b>	<b>1,738,714</b>	<b>1,758,136</b>	<b>0</b>	<b>0</b>	<b>1,758,136</b>
Discounts/Concessions (refer note 27)							(15,822)				(6,235)
<b>Total amount raised from general rate</b>							<b>1,722,892</b>				<b>1,751,901</b>
Specified Area Rate (refer note 25)							0				0
Ex-gratia rates							34,657				34,666
<b>Totals</b>							<b>1,757,549</b>				<b>1,786,567</b>

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**24. NET CURRENT ASSETS**

Composition of net current assets

	2017	2017	2016
	(30 June 2017	(1 July 2016	(30 June 2016
	Carried	Brought	Carried
	Forward)	Forward)	Forward)
	\$	\$	\$
<b>Surplus/(Deficit) 1 July 16 brought forward</b>	<b>1,721,405</b>	<b>653,606</b>	<b>653,606</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents			
Unrestricted	1,276,249	621,333	621,333
Restricted	964,973	525,245	525,245
Receivables			
Rates outstanding	83,832	37,609	37,609
Sundry debtors	79,873	1,951	1,951
GST receivable	30,077	4,060	4,060
Provision for Doubtful Debt	(1,585)	(1,585)	(1,585)
Prepayments	0	4,431	4,431
Inventories			
Fuel & Materials	3,197	13,285	13,285
Land held for resale - cost	40,394	40,394	40,394
<b>LESS: CURRENT LIABILITIES</b>			
Trade and other payables			
Sundry creditors	(261,624)	(195,750)	(195,750)
Accrued Expenses	(13,414)	(34,074)	(34,074)
Accrued salaries and wages	(1,977)	(1,977)	(1,977)
ATO liabilities	(41,721)	(5,525)	(5,525)
Income received in advance	0	(6,780)	(6,780)
Current portion of long term borrowings			
Secured by floating charge	(150,775)	(181,410)	(181,410)
Provisions			
Provision for annual leave	(86,110)	(150,847)	(150,847)
Provision for long service leave	(144,904)	(110,646)	(110,646)
<b>Unadjusted net current assets</b>	<b>1,776,485</b>	<b>559,714</b>	<b>559,714</b>
<b>Adjustments</b>			
Less: Reserves - restricted cash	(396,475)	(308,617)	(308,617)
Add: Secured by floating charge	150,775	181,410	181,410
Land held for resale - cost	(40,394)	(40,394)	(40,394)
Provision for annual & long service leave	231,014	261,493	261,493
<b>Adjusted net current assets - surplus/(deficit)</b>	<b>1,721,405</b>	<b>653,606</b>	<b>653,606</b>

**Difference**

There was no difference between the surplus/(deficit) 1 July 2016 brought forward position used in the 2017 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2016 audited financial report.



**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**25. SPECIFIED AREA RATE - 2016/17 FINANCIAL YEAR**

No specified area rates were imposed by the Shire during the ended 30 June 2017.

**26. SERVICE CHARGES - 2016/17 FINANCIAL YEAR**

No service charges were imposed by the Shire during the year ended 30 June 2017.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**27. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS**  
**- 2016/17 FINANCIAL YEAR**

**Rates Discounts**

No discounts were offered in Financial Year 2016/17.

**Rate or Fee and  
Charge to which**

**the Waiver or  
Concession is Granted**

	Type	Concession %	Concession \$	Actual \$	Budget \$
Yandanooka GRV Rates	Concession	50.00%	1,000	1,000	6,235
UV Minimum	Concession		500	14,822	0
				<u>15,822</u>	<u>6,235</u>

**Rate or Fee and  
Charge to which**

**the Waiver or  
Concession is Granted**

Yandanooka GRV Rates

**Circumstances in which  
the Waiver or Concession is  
Granted and to whom it was  
available**

Properties in Yandanooka Town site

**Objects of the Waiver  
or Concession**

Recognise reduced level of service provided to these ratepayers.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**28. INTEREST CHARGES AND INSTALMENTS - 2016/17 FINANCIAL YEAR**

	<b>Date Due</b>	<b>Instalment Plan Admin Charge</b>	<b>Instalment Plan Interest Rate</b>	<b>Unpaid Rates Interest Rate</b>
<b>Instalment Options</b>		<b>\$</b>	<b>%</b>	<b>%</b>
<b>Option One</b>	12 September 16	0	%	11.00%
Single full payment				
<b>Option Two</b>				
First Instalment	12 September 16			
Second Instalment	16 November 16	15	5.50%	11.00%
<b>Option Three</b>				
First Instalment	12 September 16			
Second Instalment	16 November 16	15	5.50%	11.00%
Third Instalment	27 January 17	15	5.50%	11.00%
Fourth Instalment	29 March 17	15	5.50%	11.00%
			<b>Revenue</b>	<b>Budgeted Revenue</b>
			<b>\$</b>	<b>\$</b>
Interest on unpaid rates			15,698	10,270
Interest on instalment plan			1,744	0
Charges on instalment plan			2,900	2,775
			<u>20,342</u>	<u>13,045</u>

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>29. FEES &amp; CHARGES</b>		
Governance	6,110	3,977
General purpose funding	3,560	3,431
Law, order, public safety	2,724	5,511
Health	270	436
Education and welfare	1,115	2,537
Housing	100,619	105,567
Community amenities	78,510	74,599
Recreation and culture	33,543	30,788
Transport	14,622	13,670
Economic services	6,003	6,984
Other property and services	19,433	23,445
	<u>266,510</u>	<u>270,945</u>

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

**30. GRANT REVENUE**

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

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>By Nature or Type:</b>		
<b>Operating grants, subsidies and contributions</b>		
Governance	13,457	0
General purpose funding	884,157	275,946
Law, order, public safety	28,649	29,775
Health	2,600	0
Education and welfare	1,000	2,889
Housing	12,286	0
Community amenities	4,000	85,187
Recreation and culture	23,438	0
Transport	74,576	68,225
Other property and services	87,840	625
	<u>1,132,003</u>	<u>462,647</u>
<b>Non-operating grants, subsidies and contributions</b>		
General purpose funding	210,000	0
Education and welfare	0	3,447
Housing	395,455	0
Community amenities	45,000	0
Recreation and culture	153,907	0
Transport	698,135	820,383
Economic services	55,440	0
	<u>1,557,937</u>	<u>823,830</u>
	<u>2,689,940</u>	<u>1,286,477</u>

**31. EMPLOYEE NUMBERS**

The number of full-time equivalent employees at balance date

<u>14</u>	<u>19</u>
-----------	-----------

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

<b>32. ELECTED MEMBERS REMUNERATION</b>	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>2017</b>	<b>Budget</b>	
	<b>\$</b>	<b>\$</b>	<b>\$</b>
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees	27,565	28,140	26,893
President's allowance	7,150	7,150	7,100
Deputy President's allowance	1,794	1,790	1,627
Travelling expenses	0	500	0
	<u>36,508</u>	<u>37,580</u>	<u>35,620</u>

**33. RELATED PARTY TRANSACTIONS**

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

**2017**  
**\$**

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

Short-term employee benefits	593,509
Post-employment benefits	62,525
Other long-term benefits	65,034
Termination benefits	<u>111,241</u>
	<u>832,309</u>

**Short-term employee benefits**

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found at Note 32.

**Post-employment benefits**

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

**Other long-term benefits**

These amounts represent long service benefits accruing during the year.

**Termination benefits**

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

**Related Parties**

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

*i. Key management personnel*

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

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

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

*iii. Joint venture entities accounted for under the proportionate consolidation method*

The Shire has a one-third interest in an environmental health and building service. The interest in the joint venture entity is accounted for in these financial statements using the proportionate consolidation method of accounting. For details of interests held in joint venture entities, refer to Note 17.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**33. RELATED PARTY TRANSACTIONS (Continued)**

**Transactions with related parties**

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

The following transactions occurred with related parties:

**2017**  
**\$**

**Associated companies/individuals:**

Sale of goods and services	0
Purchase of goods and services	50,501

**Joint venture entities:**

Distributions received from joint venture entities	0
--	---

**Amounts outstanding from related parties:**

Trade and other receivables	0
Loans to associated entities	0
Loans to key management personnel	0

**Amounts payable to related parties:**

Trade and other payables	0
Loans from associated entities	0

**Additional disclosures**

- a. The former Works Manager's wife was working for the Shire of Mingenew as the Finance Officer.
- b. There is an identifiable relationship between one of the plumbing contractors (Irwin Plumbing) employee and the former Works Manager who awarded the plumbing work to the contractor and approved the financial transactions for such.
- c. The wife of a Councillor is employed by the Shire of Mingenew as a cleaner and his sister was employed as an Administration Officer.
- d. The President of the Shire of Mingenew donated gravel to the Shire free of charge to complete gravel sheeting works. The value of the gravel is estimated to be worth \$12,000.

Note: Transitional provisions contained within AASB 2015-6 do not require comparative related party disclosures to be presented in the period of initial application. As a consequence, only disclosures in relation to the current year have been presented.

**34. MAJOR LAND TRANSACTIONS**

The Shire did not participate in any major land transactions during the 2016/2017 financial year.

**35. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

The Shire did not participate in any trading undertakings or major trading undertakings during the 2016/2017 financial year.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**36. FINANCIAL RISK MANAGEMENT**

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

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

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

*The Shire held the following financial instruments at balance date:*

	<b>Carrying Value</b>		<b>Fair Value</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>				
Cash and cash equivalents	2,241,222	1,146,578	2,241,222	1,146,578
Receivables	192,197	46,466	192,197	46,466
	<u>2,433,419</u>	<u>1,193,044</u>	<u>2,433,419</u>	<u>1,193,044</u>
<b>Financial liabilities</b>				
Payables	318,736	244,106	318,736	244,106
Borrowings	791,277	887,179	791,277	887,179
	<u>1,110,013</u>	<u>1,131,285</u>	<u>1,110,013</u>	<u>1,131,285</u>

Fair value is determined as follows: □

- Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.
- Borrowings, held to maturity investments, estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.
- Financial assets at fair value through profit and loss, available for sale financial assets - based on quoted market prices at the reporting date or independent valuation.

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**36. FINANCIAL RISK MANAGEMENT (Continued)**

**(a) Cash and Cash Equivalents**

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

**Available-for-sale financial assets**

**Held-to-maturity investments**

The Shire's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). Council has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with investments is price risk - the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns.

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

The Shire manages these risks by diversifying its portfolio and only investing in investments authorised by *Local Government (Financial Management) Regulation 19C*. Council also seeks advice from independent advisers (where considered necessary) before placing any cash and investments.

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% <sup>(1)</sup> movement in interest rates on cash		
- Equity	22,412	11,466
- Statement of Comprehensive Income	22,412	11,466

**Notes:**

<sup>(1)</sup> Sensitivity percentages based on management's expectation of future possible market movements.



**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**36. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Receivables**

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

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

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

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

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

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

	<b>2017</b>	<b>2016</b>
Percentage of rates and annual charges		
- Current	0%	0%
- Overdue	100%	100%
Percentage of other receivables		
- Current	23%	2%
- Overdue	77%	98%

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**36. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Payables**

**Borrowings**

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

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

	<b>Due within 1 year \$</b>	<b>Due between 1 &amp; 5 years \$</b>	<b>Due after 5 years \$</b>	<b>Total contractual cash flows \$</b>	<b>Carrying values \$</b>
<b><u>2017</u></b>					
Payables	318,736	0	0	318,736	318,736
Borrowings	150,775	640,502	0	791,277	791,277
	<u>469,511</u>	<u>640,502</u>	<u>0</u>	<u>1,110,013</u>	<u>1,110,013</u>
<b><u>2016</u></b>					
Payables	244,106	0	0	244,106	244,106
Borrowings	229,017	559,069	318,209	1,106,295	887,179
	<u>473,123</u>	<u>559,069</u>	<u>318,209</u>	<u>1,350,401</u>	<u>1,131,285</u>

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**36. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Payables**

**Borrowings (continued)**

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

<b>Year ended 30 June 2017</b>	<b>&lt;1 year \$</b>	<b>&gt;1&lt;2 years \$</b>	<b>&gt;2&lt;3 years \$</b>	<b>&gt;3&lt;4 years \$</b>	<b>&gt;4&lt;5 years \$</b>	<b>&gt;5 years \$</b>	<b>Total \$</b>	<b>Weighted Average Effective Interest Rate %</b>
<b>Borrowings</b>								
<b>Fixed rate</b>								
Council loan 133,134,136,137,138,139,141,142,144 &145	150,774	115,472	197,118	161,995	165,918		791,277	
Weighted average Effective interest rate	2.40%	2.40%	2.40%	2.40%	2.40%			2.4%

**SHIRE OF MINGENEW**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2017**

**Borrowings**

**Fixed rate**

	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
Debentures								
Loan 133	11,370	12,160	13,004	13,908	14,874	7,819	73,135	
Loan 134	5,649	6,005	6,384	6,786	7,214	20,092	52,130	
Loan 136	7,727	8,225	8,755	9,320	9,922	74,513	118,462	
Loan 137	5,086	5,397	5,726	6,076	6,448	67,986	96,719	
Loan 138	4,882	5,181	5,497	5,833	6,190	65,268	92,851	
Loan 139	14,913	15,907	8,348	0	0	0	39,168	
Loan 141	24,266	25,777	27,381	29,085	0	0	106,509	
Loan 142	9,658	10,148	10,662	11,203	11,771	12,370	65,812	
Loan 143	54,770	0	0	0	0	0	54,770	
Loan 144	9,658	10,148	10,662	11,203	11,771	12,370	65,812	
Loan 145	33,429	34,511	35,627	18,244	0	0	121,811	
	(181,408)	(133,459)	(132,046)	(111,658)	(68,190)	(260,418)	(887,179)	5.76%
Weighted average								
Effective interest rate	5.64%	5.73%	5.73%	5.64%	5.92%	5.92%		

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SHIRE OF MINGENEW

### Report on the Financial Report

#### Opinion

We have audited the financial report of the Shire of Mingenew, which comprises the statement of financial position as at 30 June 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by the Chief Executive Officer.

In our opinion, the financial report of the Shire of Mingenew is in accordance with the underlying records of the Shire, including:

- a) giving a true and fair view of the Shire's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australia Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

#### Basis for Opinion

We have conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the Shire in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical requirements in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

The Council are responsible for the other information. The other information comprises the information in the Shire's annual report for the year ended 30 June 2017 but does not include the financial report and the auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Council's Responsibility for the Financial Report**

Council is responsible for the preparation of the financial report which gives a true and fair view in accordance with Australian Accounting Standards (including Australia Accounting Interpretations), the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and for such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives 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 our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australia Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide Council with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Emphasis of Matter**

Without modifying our opinion, we draw attention to page 63 of the financial report “Supplementary Ratio Information”, which describes certain ratio information relating to the financial report. Management’s calculation of these ratios includes assumptions about future capital expenditure and hence falls outside our audit scope. We do not therefore express an opinion on these ratios.

However, we have reviewed the calculations as presented and in our opinion these are based on verifiable information and appear reasonable.

### **Reporting on Other Legal and Regulatory Requirements**

We did not, during the course of our audit, become aware of any instances where the Shire did not comply with the statutory requirements of the Local Government Act (1995) (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

In accordance with the Local Government (audit) Regulations 1996, we also report that:

- a) Apart from the operating surplus ratio and asset sustainability ratio there are no material matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Shire.
- b) The Shire substantially complied with Part 6 of the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).
- c) All information and explanations required were obtained by us.
- d) All audit procedures were satisfactorily completed in conducting our audit.

BUTLER SETTINERI (AUDIT) PTY LTD



MARIUS VAN DER MERWE  
Director

Perth

Date: 16 October 2017

**SHIRE OF MINGENEW  
SUPPLEMENTARY RATIO INFORMATION  
FOR THE YEAR ENDED 30TH JUNE 2017**

**RATIO INFORMATION**

The following information relates to those ratios which only require attestation they have been checked and are supported by verifiable information. It does not form part of the audited financial report.

	<b>2017</b>	<b>2016</b>	<b>2015</b>
Asset consumption ratio	0.63	0.50	0.51
Asset renewal funding ratio	0.39	0.95	0.92

The above ratios are calculated as follows:

Asset consumption ratio	$\frac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$



**9.4 TOWN PLANNING**

Nil

**9.5 BUILDING**

Nil

**10.0 ELECTED MEMBERS/MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**11.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**

**11.1 ELECTED MEMBERS**

Nil

**11.2 STAFF**

Nil

**12.0 CONFIDENTIAL ITEMS**

**13.0 TIME AND DATE OF NEXT MEETING**

Next Ordinary Council Meeting to be held on Wednesday 20 December 2017 commencing at 4.30pm.

**14.0 CLOSURE**