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Annual Report
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Shire of **PLANTAGENET**



Annual Report

For the Year Ended 30 June 2019

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Administration Details

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The Shire of Plantagenet is a local government area in the Great Southern region of Western Australia.

The Shire's administrative centre, Mount Barker serves a wide and diverse agricultural area, including the settlements of Kendenup, Narrikup, Rocky Gully and Porongurup.

The region is noted for agriculture, principally wheat, sheep, beef cattle, canola and olives. Since the 1960's, Plantagenet has become a significant wine growing area, with a number of vineyards and wine makers in the region. Plantations of Tasmanian Blue Gums have also become a major industry in the shire.



Mount Barker was first explored in late 1829, nearly four years after the establishment of the penal colony at Albany. The penal colony's surgeon Dr Thomas Braidwood Wilson with a small party consisting of two convicts, an Aboriginal guide named Mokare, a soldier and a Mr Kent, Albany's commissariat officer, set off from Albany on 2 December 1829 to explore the hinterland. They reached Mount Barker (which was named after Captain Collett Barker, the settlement's commandant) in late 1829 and then turned west and south reaching the coast near the present day site of Denmark.

Wilson's report on the area was favourable. Upon his return he wrote of one of the local creeks: '...we observed that its banks were covered with luxuriant grass, sprinkled with yellow buttercups which put us in mind of home' and that the 'gently swelling lightly wooded adjacent hills are well adapted for sheep-walks'.

The first settler into the area was Sir Richard Spencer, the Government Resident in Albany. In 1835 he bought 1,940 acres from Captain James Stirling who had been granted 100,000 acres in the area. This farm was an immediate success and although Spencer died in 1839 his wife continued to operate the farm until her death in 1855.

A rough track was eventually established between Perth and Albany which had reached Mount Barker by late 1835 and by 1860 the traffic on the track was sufficient for William Cooper to build the Bush Inn to cater for passing trade.

The Plantagenet Road Board was gazetted on 24 January 1871 as one of 18 elected boards to manage roads and services in Western Australia, and initially included a reasonably large section of the Great Southern Region. On 1 July 1961, it became the Shire of Plantagenet following changes to the Local Government Act.

The area has always been agriculturally rich. Mixed farming was established towards the end of the nineteenth century and by 1910 there were 75 commercial orchards (mostly concentrating on apple growing) in the area. In 1917 the Mount Barker Fruitgrowers Cool Storage Co-operative was established.

The orchards have largely given way to a thriving grape growing industry with high quality vineyards producing a range of excellent wines.



The Shire has some spectacular scenery such as the Porongurup National Park which lies east of Mount Barker and covers 2,350 ha. The Porongurup Range boasts a number of good walks and unusual rock formations such as Castle Rock and the Balancing Rock.

The Stirling Range to the north is breathtaking, being one of the few true rugged mountain ranges in Western Australia. It is one of the world's most spectacular wildflower areas with approximately 1,525 species of plants, of which 87 are found nowhere else in the world.



The chief historical attraction in Mount Barker is the old Police Station Museum. Built in 1867-68 by a convict road party, it originally consisted of a living quarters, coach house and stables for the police horses. Today it is an unusual thematic museum with each room being a careful recreation of the way the rooms were used originally.

Plantagenet at a Glance

• Distance from Perth (from Mount Barker)	359 km
• Distance from Albany (from Mount Barker)	51 km
• Population	5,168 (ABS 2017 ERP)
• Area	4,792 km ²
• Number of elected members (Shire)	9
• Number of dwellings	2,540
• Number of rate assessments	3,512
• Length of sealed roads	384 km
• Length of unsealed roads	935 km
• Number of electors	3,584
• Number of bushfire brigades	12



It is with great pleasure that I present the 2018/19 Annual Report for the Shire of Plantagenet. This report provides an overview of the Shire's activities during the year.

The 2018/19 year has again been very busy with the successful completion of a major roadworks program totalling \$3 million and some other minor building and infrastructure projects.

Some of those projects include:

- Continuation of upgrades to the Frost Park Pavilion with the installation of reverse cycle air conditioning and rewiring the main switchboard;
- New eaves were installed to the rear and the side of the Mount Barker Community Resource Centre;
- The Shire has carried out a number of upgrades at the Saleyards including a new receival ramp, modification of an out loading ramp bugle, bitumen repairs and replacement of lamps in several light towers. A program for applying protective coating was also started for the steel roofs and walkways; and
- Plant purchases included an Isuzu FRR 107-210 Tipper, HD Condor, UD tipper and two Isuzu GIGA side tippers.



This year has been somewhat of a consolidation year with the finishing touches to the grounds of the \$9.5 million Sounness Park Precinct and refurbishment of our 100-year-old Town Hall.

Projects on the drawing board

Medical Centre - During the year, the Council held discussions with the operators of the Mount Barker Medical Centre regarding additions to the building which will include six doctor consulting rooms, one physiotherapy room and an allied health professional room. While further discussions will be required to work through the details, the additions will provide increased health service delivery to the community that will support population growth and retention.

Mount Barker Memorial Swimming Pool - The pool is an attraction in Mount Barker with many happy memories not only for locals but for people across the region. At nearly 50 years old, the pool is approaching that time where some refurbishment may be necessary. Accordingly, the Shire is engaging with the Shire's residents, local and regional sporting clubs and other potential stakeholders in preparation of a Swimming Pool Redevelopment Feasibility Study. The study will look at suitable and sustainable upgrades to service the Great Southern as a regional aquatic facility.

Trails – A comprehensive community review and planning exercise has been initiated for Plantagenet to be a trails hub with walking, cycling, riding and driving options in Mount Barker, Porongurup and the hinterlands. The 'Great Southern Centre for Outdoor Recreational Excellence' has facilitated this journey with the assistance of a Plantagenet Community Working Group.

Water Security – The Council has formed a committee to look at our future water needs and the pathway to drought proof our communities. Minimal water runoff this winter has highlighted the requirement for strategic planning for our future water requirements.

Mount Barker Hill Lookout – The Council has also initiated the development of a master plan for this iconic lookout. Following the lead by Rotary who installed the boardwalk deck and signage, some options include flood lighting our iconic tower and more parking with room for an increase in both tourists and buses.

Albany Highway – The Council is continuing with options to find a special feature that may be located in our main roundabout that would provide a lasting impression to users of Albany Highway. This will include increased signage of our Shire attractions and services with landscaping and other features.

Regional Partnerships

Representatives from member councils of the Southern Link VROC continued to meet to progress initiatives of mutual interest. Discussions have continued in respect to resource sharing and joint approaches to activities such as Public Health Plans. We have also discussed potential opportunities from immigration to rural areas and our ability as a region to house piggeries, poultry, horticulture and other agricultural pursuits.

Since March 2017, the Southern Alliance Inc. members have been working with tourism groups to progress a tourism organisational structure and funding model that is able to undertake marketing, engage industry and advocate for destination development. In February 2018, the Council received the detailed design document outlining a proposed model for a new Regional Destination Marketing Organisation (DMO) and agreed to support that model.

In 2018/19, Special General Meetings were held by the Discover Albany Foundation, Denmark Tourism Inc. and Mount Barker Tourist Bureau and their respective memberships resolved to dissolve or merge existing organisations as necessary in order to establish a single DMO for the region. The Amazing South Coast Inc. (ASC) has now been successfully incorporated and will take on the role of the single DMO for the region.

Planning and advocating for the community

Councillors are continuing to meet each quarter to review key strategic issues. Significant progress was made towards a new Corporate Business Plan which sets out the Council's operational priorities over the next four years. This will guide the delivery of the Council's and community's shared vision and be used to inform the Shire's budgets.

During the year, the changes and added complexities to the aged care system led to concerns being raised with Councillors about the service levels being provided to seniors in our community. The Council established a Seniors Advisory Committee to examine services provided to seniors and monitor the change in service providers and actual services to aged care.

In March 2019, the Council received the final report from the Committee. The research undertaken has clarified the processes for seniors to access aged care services and has also identified issues that will need further advocacy by the Council on behalf of seniors in the district.

Community events

During the year, I again had the pleasure of attending quite a number of community events.

On 6 September 2018, another joint Sponsorship Night was held with the Bendigo Community Bank and Mount Barker Co-operative. The Shire of Plantagenet is extremely pleased to participate in this event to celebrate and showcase the organisations that are giving back to the community. Without the commitment and drive of community organisations, this community would not be what it is today.

On 21 February 2019, the Shire held its annual Thank a Volunteer event at the Plantagenet District Hall. Approximately 80 volunteers from various community organisations and sporting groups came together to watch the movie 'Hunt for the Wilderpeople'. Declining volunteerism is a common issue in Western Australia and we are very lucky to live in a country town with such high volunteer numbers.

In August 2018, the Council received a petition requesting 'that the Aboriginal Flag be flown daily on a flagpole erected for that purpose in front of the Shire Offices in Lowood Road'. The Council agreed to erect two new flagpoles out the front of the Shire office to accommodate the permanent addition of the Aboriginal flag and the Shire flag.

I was pleased to be able to work with community members on a way of commemorating this and on 30 May 2019, a Flag Raising Ceremony was conducted with representatives of the Noongar people and was a dual celebration of the new flags and reconciliation week. The flag was raised by Quinton Colbung and Lester Yorkshire, accompanied by didgeridoo.

In closing, I take this opportunity to thank my fellow councillors and the staff for their continued efforts. In particular, I acknowledge the efforts of departing managers Peter Duncan and Fiona Pengel who have made significant contributions to the successes of the Shire in recent times.

I look forward to continuing to support local residents and to achieve good strategic outcomes on behalf of our community and future generations.



Cr Chris Pavlovich

Shire President

As the Financial Year closes and the new one starts, we often look back at the previous 12 months while doing our best to chart a course for the next twelve months and beyond.

It's also a time to reflect on the decisions made and how they are affecting the future of the organisation, those who work in it, the elected members, our neighbours and, most importantly, those who live, work and own property within the Shire of Plantagenet.



The business of local government is broad and all-encompassing, impacting the daily lives of people potentially both negatively and positively, but always with the wider good in mind. Even a cursory glance at the minutes of council meetings will give a reader some insight as to the role of local government. Provide advice about proposed subdivisions of land, erect obstructions on roads, expend literally millions of dollars on wages and projects are issue building licences include just a small percentage of actions.

Each one of these decisions (except in a small minority of special cases) is made under the full scrutiny of the public: or at least they could be.

Very few members of the public attend council meetings. Council meetings are one of the most basic building blocks of our democracy and public scrutiny often comes only for matters of personal interest and influence or on those rare occasions when something has gone wrong.

Every once in a while though, bigger things happen that affect us.

Over the years we have had a few of these. Develop a new cattle sale yard, build a new medical centre, build a new administration centre, have involvement with a new school or completely refurbish a main street. Take advantage of grants to construct new playing fields and associated infrastructure. Empower other groups to take on initiatives such as the Community Resource Centre. Projects such as these are satisfying and the local government knows that such projects bring economic development and have positive impacts on all residents.

During the year though, a rare 'big thing' happened in Plantagenet. At the time our involvement in this 'big thing' created a good deal of questioning regarding 'core responsibilities' although in hindsight involvement was always going to be beneficial.

This 'big thing' of course was the production of a major motion picture with big name actors coming to live and work in Plantagenet. Arrangements made with the production company resulted in a zero net cost to the Shire but with significant economic benefits to many individuals and businesses as people were employed and businesses engaged.

Events such as the production of a motion picture are comparatively rare events. Our elected members though, embraced positively the chance to cooperate and assist and to make the experience of the production company a positive one.

Why Mount Barker and Plantagenet? Any production company will scout locations. There is no doubt that the decision to come to Plantagenet had its own inherent risks. However, in answering the question at a public forum, the producers said that they were made to feel welcome with friendliness and a 'can do' attitude that wasn't immediately apparent in other places.

In helping and assisting the production company, the Shire was doing nothing more than reflect the attitude of the people who live and work here: friendly with a can do attitude.

To return to the theme of looking back while trying to shape our future, what better start can we have than 'friendly with a can do attitude'?

Finally, as we look at the record of council meetings over the past financial year, we can see the planning already underway for things to happen in the future. All projects must have a planning phase (look forward) and a review phase (look back).

One meeting looked at refurbishment of the Mount Barker Memorial Swimming Pool. Another looked at restructuring of the council's staff establishment and risk management. We looked at changes to the Local Government Act and asked how this would impact our ability to provide services. We formed a Seniors Advisory Committee, the results of which helped up form new policy direction. We looked at our relationships with our neighbouring local government authorities and how such relationships benefit our whole region as well as our own electorate. We looked very closely at tourism and its part in creating economic advantage. We especially looked at our role as a taxing authority and how decisions made in this sphere impact those who receive rates notices.

Although a role of the Council is to provide leadership, that leadership must reflect the needs and wants of those who elect those leaders.

As we reflect on the past year and look at the decisions of those elected people, we see that the decision making does indeed reflect the needs and wants of the electorate, not always to the liking of individuals, but always with the greater good as a determining factor.



Rob Stewart
CHIEF EXECUTIVE OFFICER

Current Council



Back Row – Cr Len Handasyde, Cr Ken Clements, Cr Karen Woltering, Cr Brett Bell, Cr Jeff Moir

Front Row – Cr Marie O’Dea, Shire President Cr Chris Pavlovich, Deputy Shire President Cr Jon Oldfield, Cr Sue Etherington

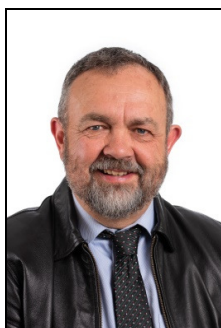
Councillors – 2018/2019



Shire President
Cr Chris Pavlovich



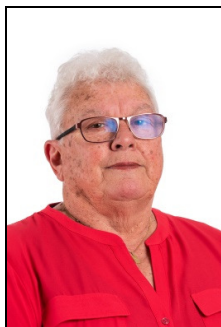
Deputy Shire
President
Cr Jon Oldfield



Cr Brett Bell



Cr Sue Etherington



Cr Len Handasyde



Cr Ken Clements



Cr Bevan Lang



Cr Jeff Moir



Cr Marie O'Dea



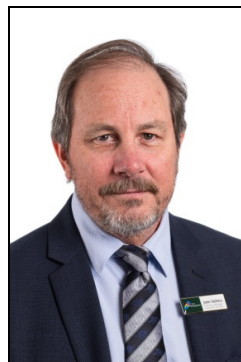
Chief Executive Officer – Rob Stewart

- Governance
- Minutes and Agendas
- Intergovernment Relations
- Policies and Delegations
- Occupational Health and Safety
- Legal Services
- Internal Audit
- Naming of Roads and Reserves
- Monitoring
- Advocacy
- Risk Management
- Community Safety



Executive Manager Works & Services – David Lynch

- Infrastructure
- Natural Resource Management
- Waste Management
- Regulatory Services
- Sporting Services



Executive Manager Corporate Services – John Fathers

- Financial Management
- Administration
- Organisational Practice
- Trading Undertakings
- Information Technology



Executive Manager Strategic Development – Andrus Budrikis

- Health Services
- Building Control
- Statutory Town Planning
- Community Development
- Strategic Town Planning
- Strategic Development



Former Manager Development Services – Peter Duncan (Retired in October 2018)



Former Manager Community Services – Fiona Pengel (Resigned in February 2019)

EXECUTIVE SERVICES

Governance

Council Committees

Membership of the Roadwise Committee changed with the appointment of Ms Deborah Smith representing the Mount Barker Community College Parents & Citizens Association and Ms Andrea Smithson representing the Western Australian Local Government Association. Sergeant David Johnson was also appointed as a committee member on the RoadWise Committee representing the Mount Barker Police following the resignation of Sergeant Andy McRae.

A new Seniors Advisory Committee was formed to:

- a. Examine services provided to seniors in the Shire of Plantagenet;
- b. Monitor the change in service providers and actual services to aged care; and
- c. Report back to the Council by 26 March 2019.

A Plantagenet Trails Working Group was formed to review the Plantagenet Trails Masterplan 2006, investigate new trail proposals and advise the Council on appropriate trail developments.

External Committees

Cr Marie O'Dea was elected to the board of the Australian Livestock Markets Association Inc.

Renewal of Register of Delegations

During the year, a review of the Register of Delegated Authority was undertaken. At its meeting held on 21 May 2019 the Council adopted the Shire of Plantagenet Register of Delegations, Sub Delegations, Appointments and Authorisations (Register of Delegated Authority).

Citizenship Ceremonies

Six ceremonies were conducted during the year, which conferred citizenship on seven people, four from Afghanistan, one from Pakistan, one from Vietnam and one from New Zealand.

Policies Adopted

- IT/I/2 – Communications and Social Media.

Policies Reviewed

The following Council policies were reviewed during 2018/2019:

- I/R/6 – Log Haul Requirements;
- CS/SC/1 – Advertising Signage at Sounness Park;
- F/FM/10 – Payment of Councillors' Attendance Fees and Allowances;
- F/FM/4 – Telecommunications – Councillors and Staff;
- OP/HRP/3 – Code of Conduct;
- C/RM/1 - Risk Management;
- I/FM/2 – Vehicle Specifications;
- I/RR/1 Future Street and Reserve Names;
- CF/DG/1 – Financial Assistance (Capital) to Organisations and Clubs;
- F/FM/7 - Purchasing and Tendering Policy;
- A/PA/4 – Halls – Hall Hire Donations;
- A/PA/1 – Hire of Council Controlled Property;

- F/FM/14 – Regional Price Preference;
- I/PRP/1 - Playground Equipment Maintenance and Improvement;
- A/PA/11 – Vehicle Registration Plates PL 1 and PL 2 Issue;
- F/FM/6 – Financial Management – Borrowing Program and Asset Financing;
- CE/ED/1 – Tourism;
- I/RR/2 - Rural Road Verge Vegetation Management;
- CS/SC/3 – Ball Sports and Equine Activities – Sounness and Frost Parks;
- RS/BTRC/1 – Lowood Road Promotion Banners;
- RS/EF/1 – Use of a Circus Venue;
- F/FM/8 – Pensioner Rebates on Rural Properties;
- OP/CS/1 - Public Electronic Notice Board – Messages;
- I/R/7 Roads – Unconstructed Roads;
- A/PA/12 – Vehicle Registration Plates;
- I/R/17 Roads – Heavy Vehicle Access;
- NRM/C/2 - Native Flora and Vegetation Collection;
- I/RR/5 - Rural Road and Reserve Vegetation Management – Trees across Fences and Boundaries;
- F/FM/1 – Self Supporting Loans; and
- I/T/1 Tenders – Canvassing of Councillors.

Policies Revoked

- F/AMR/1- Asset Register; and
- RS/G/1 Gate Permits.

Administration

Property Transactions

- Renewal of licence with Arc Infrastructure to use and occupy land for the Kendenup Skate Park precinct.
- lease agreement with the Mount Barker Turf Club Inc for Lot 81 McDonald Avenue, Mount Barker, for the purpose of an equine training track.
- Renewal of licence with Arc Infrastructure to use and occupy land for the carpark adjacent to the Plantagenet District Hall and the recreation area on Hannan Way, Narrikup.
- The Council property at Lot 337 Martin Street, Mount Barker was offered for sale by public tender, however no tenders were received.
- The Council called for expressions of interest in the potential disposal of the former Council depot land (lots 500, 411, 412, 413 and 414) and lot 40 Langton Road, however no expressions of interest were received.
- Renewal of lease agreement with Wanslea Early Learning and Development for Lot 7 Marmion Street, Mount Barker for the purpose of a child care centre.
- Renewal of lease agreement with the Mount Barker Speedway Club Incorporated for a portion of Reserve 16271, being Lot 504 Porongurup Road, Mount Barker for the purposes of a speedway.
- Renewal of the lease agreement with the Kendenup Community Grounds Committee Inc for part of Lot 150 Beverley Road, Kendenup (Kendenup Agricultural Grounds).

- New licence with the Mount Barker Turf Club Incorporated for parts of Frost Park, Reserve 1790 McDonald Avenue, Mount Barker.
- Renewal of the lease agreement with the Kendenup Tennis Club Incorporated for part of Lot 150 Beverley Road, Kendenup.

Projects

During the year, the Council received a request from the Plantagenet Historical Society Inc for approval to construct an archive repository addition at the Police Station Museum in Mount Barker, which is a Shire building.

The proposal involves the construction of an ante room and a records room and will house elements of the collection and records that are kept on shelving and in filing and map cabinets. The proposed addition will be contemporary in design but will use complementary materials and colours. At its meeting held on 18 June 2019, no objection was raised to the construction of the new archive repository addition.

During the year, the town was somewhat 'taken over' by a film crew for the film 'Rams' being produced in the Shire of Plantagenet. The Shire assisted with provision of office space, administrative staff, traffic control and use of Frost Park for filming. The Council also provided a grant to assist with the production.

The production provided some excitement around the district with filming in the main street and other locations. It also provided an opportunity for some local people to be extras in the film.

Audits

On 18-20 March 2019, representatives of the Shire's auditors conducted a preliminary audit of financial practices, the results of which will form part of the annual audit report.

The 2018 Department of Local Government Sport and Cultural Industries Compliance Audit was fully compliant.

During the year, the Shire's Audit and Risk Management Committee regularly reviewed the strategic risk register. In February 2019, Shire staff undertook a workshop with Local Government Insurance Services (LGIS) to start the development of a new Risk Management Framework. This will result in a revised risk register.

Shire staff also undertook a workshop with LGIS in February 2019 to develop a Business Continuity Plan. The document is a collection of checklists developed and maintained in readiness for use during an incident, particularly if the incident results in a disruption to business-as-usual activities.

Occupational Health and Safety

Workplace safety and health practices were a continued focus throughout the year. As an employer, the Shire of Plantagenet has a responsibility to maintain a safe working environment under the provisions of Occupational Safety and Health Regulations 1996.

The Shire in conjunction with our Local Government Insurance Services (LGIS) Regional Risk Co-ordinator has updated processes to comprehensively record, track and analyse all Occupational Safety and Health data.

In 2018/2019, facility emergency response plans were developed for Shire staffed facilities in conjunction with Local Government Insurance Services (LGIS), aimed at mitigating identified emergency events and scenarios. Further, LGIS assisted the Shire with preparations for an audit under the '3 Steps to Safety' program, which was established to recognise and meet the needs of Western Australian local government.

Staffing

The 2018/2019 year saw a number of staff changes within the Shire of Plantagenet.

In Corporate Services, Elizabeth Beech (Customer Service Officer) finished her contract of employment in October 2018. Elizabeth had been employed on a relief basis to cover our full time Customer Service Officer who was on a period of long service leave.

Peter Duncan (Manager Development Services) retired after a twelve year tenure with the Shire in October 2018. Andrus Budrikis took up the position in February 2019, making a move from the Shire of Katanning.

In Community Services, Glenise Bailey's position of Grants Officer was made redundant in November 2018. Joanne Weekes (Community Emergency Services Manager) left the Shire in April 2019 after her contract was not renewed. Fiona Pengel (Manager Community Services) also left the Shire in February 2019.

The departure of Fiona Pengel lead to a restructure of the organisation in April 2019. The position of Manager Community Services was deleted and the functional responsibilities of the Community Services Department were absorbed by the remaining three departments. As part of this restructure, the Development Services Department was renamed Strategic Development. Strategic Development took on responsibility for community engagement and the Mount Barker Library while Ranger Services, Emergency Services, the Swimming Pool and Recreation Centre were moved to the portfolio of Works and Services.

In Parks and Gardens, the position of Supervisor Parks and Gardens was made redundant in August 2018 and longtime employee Jamie Rutter left to pursue his own gardening business. Dean Poulish and Brian Rowley were employed on full time, 6 month contracts as general hands in the parks and gardens area. These contracts finished in May 2019 and while Brian Rowley left the employ of the Shire, Dean Poulish was offered permanent employment in the same position.

The 2018/2019 year saw the Shire lose two of its longest serving employees in Geoffrey Scott and Peter Biggers (Plant Operator/General Hands). Geoff Scott retired in October 2018 after 39 years and Peter Biggers retired in May 2019 after almost 33 years. These positions were filled by Alan Crawford and Gavin Jackson.

At the Mount Barker Regional Saleyards, Stewart Smith hung up his cattle prod in November 2018 and in December 2018 Greg Moore was appointed as the new Saleyards Manager.

Strategic Community Planning

At its meeting held on 5 December 2017, the Council adopted a new Strategic Community Plan for the period 2017 – 2026.

The Strategic Community Plan drives the development of the Corporate Business Plan, both of which are integrated with and informed by the Council's Asset Management, Workforce and Long Term Financial Plans. Together they form the Local Government Integrated Planning and Reporting Framework. The Asset Management and Long Term Financial Plans are now continually updated.

During 2018/2019, the Council held a number of future planning workshops, guiding the ongoing development of corporate plans and the budget process.

CORPORATE SERVICES

Finance

The Shire's operating net result was minus \$353,996 in 2018/2019 (Large depreciation figures in particular result in a negative net result). Rate revenue increased from \$6.74 million in 2017/2018 to \$6.86 million in 2018/2019. Outstanding borrowings decreased from \$2.81 million in 2017/2018 to \$1.97 million in 2018/2019. A \$500,000 short term liquidity facility to cover storm damage payments was repaid.

The Council spent \$113,685 on land and buildings and \$264,083 on parks and ovals and other infrastructure. The amount spent on roads, drainage and footpaths was \$2,972,105 with \$919,266 on purchases of plant, furniture and equipment.

The level of reserve funds increased from \$2,336,867 in 2017/2018 to \$2,506,993 in 2018/2019. The level of unrestricted cash at year end decreased marginally from \$906,696 to \$896,018.

The Council received grants and contributions for the development of assets of \$1.25 million in 2018/2019. Total grants and contributions received was \$5.17 million. The level of year end rates debtors decreased marginally from \$419,667 to 416,195.

Regulation 17 of the Local Government (Audit) Regulations requires a review of the appropriateness and effectiveness of organisational systems and procedures in relation to risk management, internal control and legislative compliance at least once every two calendar years. The review undertaken in December 2018 was carried out with process considered to be appropriate and robust for the size of the organisation.

Rates Prize

The annual prize draw for the early payment of rates was again completed by John Howard, Chairman of the local Bendigo Bank. First prize was a \$500.00 bank account kindly donated by the Mount Barker Community Bank Branch Bendigo Bank and was won by Norm and Beate Handasyde.



John Howard (Bendigo Bank), Norm Handasyde, Lisa Clode (Bendigo Bank) and Deputy Shire President, Cr Jon Oldfield

Second prize was a two night weekend stay for two people including full buffet breakfast each morning, at the Perth Ambassador Hotel in a new, refurbished premium deluxe room and was won by Miette and Bryce Skinner.

Third Prize was a dozen mixed bottles of wine from the Mount Barker Wine Producers' Association. This was won by Steven and Brad Lynch.

Community Grants

The Shire again provided financial assistance grants to not-for-profit organisations for services and projects that will benefit the community. This year, \$90,464 was returned to the community.

Mount Barker Regional Saleyards

Throughput was in line with recent years with a total 68,230 head of cattle being processed. Cattle market price continued to be very strong with producers capitalising on good competition among buyers.

The Council continued with its preventative maintenance program with servicing and repair of panel scanners and calibration of weighbridges. Ten concrete trough rings were commissioned to alleviate the need to clean them out so frequently. They are also now removable for animal welfare purposes. A second hand irrigator was supplied by the Parks and Gardens crew, rather than purchasing a new one. Rust repairs were required for one of the main water storage tanks.

A number of issues with the pond aerators were worked through during the year, with the replacement of bearings, reinstalling the aerator mixer motors and electrical control switches being required.

The major project undertaken in 2018/2019 was the construction of a new receival ramp. Following advice from all of the three stock agents that a new loading ramp is a high priority, the Council progressed with a design of a 7th ramp. In July 2018, the Council approved the design of a new loading ramp and associated receival pens for the purposes of progressing tender documentation and authorised tenders being sought.

In December 2018, the Council accepted a tender for the project. Work was commenced on 10 December 2018 and completed in March 2019. Unfortunately, there are some issues with the concrete in the pens which are being investigated with the contractor.



New ramp under construction



Saleyards Manager, Greg Moore in front of completed ramp

During the year, a number of other substantial items were progressed during the year, including:

- Modifying the bugle on dispersal ramp 5.
- Three washdown pumps have had stacks replaced.
- Large areas of the driveway have been re-sealed.

- A program of applying protective coating was also started for the steel roofs and walkways.
- Lighting modifications and an upgrade to overhead light towers at southern end have now been completed.
- A new diesel engine for the paddock irrigator has been ordered.

The Shire submitted its 2018 Annual Environmental Report to the Department of Water and Environment Regulation (DWER) in February 2019. A total of 22,377 kL of water was discharged via the licensed irrigation system. The total volume discharged was approximately 8% lower than 2017.

The Saleyards was compliant with licence limits relating to total nutrient loadings in 2017/2018. One breach in licence conditions was reported, being that some weeds and grasses emerged on the pond banks. DWER was advised that the spraying program had been largely successful, however, has not completely prevented all emergent weed and grass growth.

As mentioned above Stewart Smith called time on his career as Saleyards Manager after ten years in the job. Stewart tenure saw many challenges including increased compliance and environmental requirements.

He introduced a number of improvements, including texting sale day information to buyers, improving access to water pipes and installing isolation valves, improvements to truck wash and irrigation systems, improved signage and an emergency power supply to name a few.

Stewart has helped build good relationships between the Shire and all stakeholders. He and his staff have taken much pride in improving presentation and making the facility a better place to work and visit. Sale days provide a good social event for vendors, buyers and stock agents.

Under Stewart's guidance, the Shire has also carried out a number of upgrades which have significantly improved operations and animal welfare standards and continue to do so. In 2017, all of this hard work was acknowledged when the facility won the Australian Livestock Markets Association National Award for Animal Welfare in Saleyards and Lairages.

We all thank Stewart for his efforts over that time and wish him well. In December 2018 Greg Moore was appointed as the new Saleyards Manager.

STRATEGIC DEVELOPMENT

Community Programs and Development

The Shire continued to engage with Australian Skateboarding Community Initiative (ASCI) to present skateboarding coaching clinics in Mount Barker and Kendenup. A skate clinic was conducted in Kendenup and Mount Barker had a #roadtorumble contest Fun Day in May with great prizes and entertainment.

The Disability Advisory Group met twice this year and continued with initiatives making the Shire, its services and its facilities more accessible for all.

On 19 November 2018, the Shire's official Facebook Page was launched. A Communications and Social Media Policy was endorsed by the Council on 9 October 2018 to guide and oversee management of the new page.

The Shire's art collection incorporates a famous painting by Kathleen O'Connor titled 'In a Bohemian Atmosphere' c.1928. This valuable painting was loaned to the City of Fremantle for a major exhibition of the work of that artist at the Fremantle Arts Centre from 13 September to 4 November 2018. The exhibition was staged at the anniversary of her death (August 1968) and coincided with the launch of Amanda Curtin's book (non-fiction narrative) 'Kathleen O'Connor of Paris' published by Fremantle Press. The Community Development Team provided extensive assistance to the author with some of the researched information featured in the book.

Support to local Sporting and Recreational Clubs continued. The Community Development Officer assisted local clubs with the development, review and implementation of their new organizational constitutions, which were due by 30 June 2019. Three workshops for clubs were presented by Katie McDonnell from Crazy Communities including Club Governance (March), Club Planning (April) and Grants, Sponsorship and Marketing (June). A total of 61 attendees across 15 clubs attended, with attendees providing positive feedback.



Mount Barker skate clinic



Thank a Volunteer Event

The Shire's annual Thank a Volunteer Event was held on Thursday 21 February 2019 at the Plantagenet District Hall. Approximately 80 volunteers from various community organisations and sporting groups came together for an afternoon movie and watched the 'Hunt for the Wilderpeople'. Cool drinks, movie snacks and freshly made popcorn created an authentic cinema setting and volunteers who also received a little thank you lolly bag to take home. The event was kindly supported by the Department of Communities, as part of the Thank a Volunteer Day Celebration Grants.

Recreation Services

The Rec.Centre has had a very progressive and productive year providing quality services to the local community.

Group fitness instructors were successful in the completion of 'Metapwr', a thirty minute circuit class that combines resistance and bodyweight exercises to target and develop strength, power, agility, and cardiovascular efficiency.

The Rec.Centre continued to deliver group fitness classes in the mornings and evenings as well as Living Longer Living Stronger, Staying Young Circuit, Teen Hour, Sporting Schools and Social Sports programs with badminton and volleyball proving to be very popular. A stand-alone gymnastic session was implemented which will be expanded to include toddlers due to increasing popularity.

The Rec.Centre provides assistance to the Shire of Cranbrook with the safe development of their gymnasium and trainer upskilling, performing supervised classes for the older population in six week blocks.

After a slow start to the season due to cold weather in November, the Mount Barker Swimming Pool experienced another busy summer period with 22,815 visits, a significant increase on the previous season.



Swimming Pool staff with Walter the watch dog, at the annual Watch Around Water Day party

The pool had plenty of programs and activities on offer including the annual Watch Around Water Party Day and two pool parties that attracted over 350 children, January Vacswim classes and four swimming carnivals to finish the season. The pool was well supported by local and regional schools with Cranbrook, Frankland, Kendenup and Mount Barker attending lessons over February and March.

As the Swimming Pool is nearing its 50th anniversary, it is showing signs of its pedigree. Consulting Great Southern were engaged to examine options going into the next 20 to 30 years which involved considerable community consultation to identify what residents expect from

their local aquatic facility. The final report is due in November and will provide recommendations for the future of the Mount Barker Swimming Pool.

Library Services

The Mount Barker Library had a busy year with 13,699 customer visits and 43,737 loans issued. On one level, these figures are relatively disappointing, representing a 7% decrease in visitors and a 12% decrease in items issued. However, continued growth in e-Resource use offsets this deficit with a 63% increase. This increase represents both the improved access to internet in our community and the supportive work of library staff in facilitating access to free e-books, magazines and video streaming.

New Management System

Following on from the move to the Spydus Management System and the donation of two tickets to the movie Breath, a library card, 'name the dog' competition was run. Our library card dog is now called Atticus. Changing the card has allowed the library to note the number of former patrons returning to the library after absences prior to March 2018.

Library Programs

Early childhood programs remained popular with 564 participants for Wiggle, Giggle and Grow (29% increase), and 1,005 participants (5% decrease) for Play in the Park.

Activities for school aged children included board games, virtual reality goggling and Lego supplied by the library. School holiday events, such as the family focused Summer Discovery Program and craft activities throughout the year were well attended. Approximately 200 children and teachers participated in the yearly Children's Book Week events in August. The Better Beginning program was delivered to Mount Barker and Kendenup Primary Schools. The Travelling Sketchbook Exhibition attracted both students and adults. Overall, 335 children attended a library event.

The teen YuGiOh group continues to meet every Saturday and has held an inter group competition this year in partnership with the Community Resource Centre.

Programs for adults have included an author visit, Book Club and Senior focused events totaling 225 participants. Visits to Overton and Banksia Lodge continued once a fortnight with a range of books and DVDs for residents to borrow. House-bound customers were supported by a staff selection which was collected on their behalf.

Specialist groups that use the Library include Alzheimers Australia, Speech and Literacy specialist consultations, supervised family contact, Book Club and after school tutoring.

The figures indicate a community desire for Early Childhood and family focused programs. Author visits and outreach to seniors have been popular. Anecdotally, there seems to have been an increase in the need for technical support for people accessing government service forms or fulfilling MyGov requirements.

Library Collaboration

The Great Southern consortium of libraries using the Spydus Library Management System has been an effective resource, especially in supplying items no longer supplied through the State Library Inter Library Loans system.

Towards the end of the financial year, there was a renewed collaboration between the Library, TAFE and CRC with a view to facilitating communication and developing programs and events better tailored to our community.

Other community collaborations have been the supply of books to Pardelup Prison and assistance with the Table Top Games initiative of the Plantagenet Players.

The Library hosted the last Regional Meeting with guest speakers from Civica (Spydus) and State Library of W.A. It was attended by representatives from all the libraries in the Consortium.

State Library Reform Model

The most significant development this past year has been the reform of the State Library designation of libraries for funding. The new three tier system will allow greater flexibility in the use of State funding for materials and projects. There will be more grants available for professional development and service delivery programs. Mount Barker Library has been accepted as a Tier One library on the basis of its current services and the position of a qualified librarian. Whilst the Regional model has ceased, new collaborations are possible. Katanning and Kojonup libraries have expressed interest in working together with Mount Barker to further service initiatives in our local government areas.



Town Planning

Local Planning Scheme No. 5 (Scheme)

A report was presented to the Council on 14 August 2018. On 17 August 2018 the Scheme was forwarded to the Western Australian Planning Commission (WAPC) for final approval. The WAPC will be presenting its final report to the Statutory Planning Committee in the 2019/2020 financial year.

Scheme Amendments

One amendment to the Shire of Plantagenet Town Planning Scheme No. 3 (TPS3) have progressed through various stages of the legislative process. This was Amendment No. 61 – Lot 51 Porongurup Road, Mount Barker. The Amendment was approved by the Minister for Planning on 22 August 2018 and gazetted on 4 September 2018.

Policy Reviews

The Council has been regularly reviewing its various policies including those adopted as Town Planning Scheme Policies under the provisions of Town Planning Scheme No. 3. Town Planning Scheme No. 3 policies have not been reviewed over the past year as the Council is in the process of preparing Local Planning Scheme No. 5. Once the Local Planning Scheme No. 5 is completed the policies will need to be reviewed.

Development and Subdivision Applications

A broad range of development applications were processed and received planning consent under Town Planning Scheme No. 3. In 2018/2019, 26 applications were processed which is a decrease from the 46 last year.

During 2018/2019, 11 subdivision applications were considered and recommendations provided to the WAPC which is the government agency that determines subdivisions. This is a decrease from the 15 received last year.

Building Services

In total, 86 Building Permits were issued. Approvals included 17 houses (including one two-storey dwellings), five carports, seven patios/verandas and 35 sheds and garages. The total of 86 permits is a decrease from 127 issued in the 2017/2018 financial year.

The Council's Principal Building Surveyor continues to update the building maintenance asset register for all of the Council's buildings. Building project works included an upgrade of the District Hall, new depot kitchen, continuing upgrades at Frost Pavilion and the external painting of Narrikup Hall. The Building Surveyor also provides support to the Shire of Denmark on occasion.

Environmental Health Services

Environmental Health Services involves monitoring of food premises, waste water management, providing input to various development applications, investigating notifiable contagious diseases, nuisance complaints, unauthorised camping, temporary accommodation, regulating offensive trades, and inspecting public buildings for health and safety compliance. The following statistics provide a guide into the routine environmental health activities during the year:

Food Premises

The Shire has a total of 70 registered food businesses/premises. These food businesses range from:

- High risk food businesses - supermarket, child care centre, caterers;
- Medium risk food businesses - cafes, canteens, grocers etc; and
- Low risk food businesses - wineries, home food production, community kitchens etc.

In total, 59 inspections of food businesses were conducted, including routine inspections and follow-up reinspections. A total of 12 assessments for new premises also occurred.

In total, 43 temporary food stall applications were assessed and approvals issued for an assortment of community fetes, markets and fundraising events.

Permits were also assessed and issued for alfresco dining (four) and trading activities (two) within the Shire.

Food Sampling

One food sample under the Local Health Authorities Analytical Committee (LHAAC) co-ordinated sampling project was collected. A single food item was also collected for the purpose of foreign body contamination testing.

Water Sampling

Swimming Pools – Six water samples were collected for microbiological analysis.

Potable Water Supplies – In total, 33 potable water samples were collected from 19 food and accommodation premises for microbiological analysis.

Environmental Waters – Recycled waste water is stored/used privately and this does not need to be sampled by the Shire.

Registered Premises

Two inspections were conducted at registered premises. Registered premises included hairdressers, body care, child care, family day care and second hand clothing stores.

Public Buildings

Eight inspections were conducted on public buildings to ensure compliance with relevant legislation and public safety. Public buildings include community halls, hotels, recreation centre, sporting clubs and meeting venues.

Offensive Trades

Registration of nine offensive trades was carried out.

Public Events

Four major public events were approved this year. These events were the Porongurup Wine Festival, Mount Barker Grapes and Gallops, Kendenup Markets and the Ulysses Odyssey. The event applications detailed assessment and consultation with the various promoters and event organisers.

Holiday Accommodation

Four inspections were carried out at various forms of holiday accommodation including caravan parks and bed and breakfast establishments.

Advice to Building Services

As part of the building services process, each building permit application is assessed for health standards, access to potable water supplies and on-site wastewater treatment and disposal. Each on-site wastewater treatment and disposal system application requires an initial site inspection by the Environmental Health Officer to enable site assessment and approval and a second inspection at the time of the systems installation including the issuing of a 'Permit to Use the Apparatus'. In total, 29 septic applications were received and subsequently approved.

Complaints

Nineteen complaints were investigated throughout the year on various health matters which included things such as excessive noise, failing effluent systems, chemical spray drift, illegal dumping, unauthorised occupation, unregistered egg producers and expired produce being sold. These complaints have the potential to require extensive time and resource allocation and in most cases, each complaint will involve multiple issues, detailed investigation, assessment and mediation to resolve.

Staffing

The Environmental Coordinator is a qualified Environmental Officer and is currently studying to become qualified as an Environmental Health Officer. The City of Albany continues to provide qualified support and mentorship to the Environmental Coordinator.

WORKS AND SERVICES

The 2019/2020 year saw a large road construction program completed by the Works and Services Department with a greater emphasis this year on sealing projects. Approximately 39km of road was resealed with 2.3km of road newly sealed for the first time. Just under 60km of gravel roads was also resheeted.

Road Program

External grants are sourced to supplement the Council's own funds in maintaining 935 km of unsealed roads and 384 km of sealed roads. The funds are used to deliver road projects that promote safety, asset management and improvements to the Shire's road network.



Contractor sealing a section of Lake Matilda Road, Kendenup

Untied Federal and State Grants are as follows:

- Grants Commission (Federal) \$906,042; and
- Main Roads (State) \$201,570.

Federal and State Government 'tied' road grants contribute to the funding required to maintain and upgrade the Shire's road infrastructure. Amounts received in 2018/2019 were as follows:

- Roads to Recovery \$443,787;
- Commodity Route Funding \$254,600; and
- Regional Roads Group \$525,996.

Works completed in 2018/2019 included the road projects listed below:

Roads to Recovery (RTR) Federal Government Funded

- Coopers Road – resheet gravel \$ 34,096;
- Millinup Road – resheet gravel \$137,407;
- Montem Street – reseal entire length \$ 39,067;
- Langton Road* - drainage and reseal \$ 15,162;
- Lake Matilda Road SLK 0.00 to 2.23 – resheet gravel and seal \$234,832;
- Surrey Downs Road SLK 0.00 to 1.22 - resheet gravel and seal intersection \$110,855;
- Muir Street SLK 0.00 to 0.75 – reseal entire length \$ 29,013;
- Boyup Road SLK 0.00 to 13.71 \$ 51,160;
- Sturdee Road SLK 0.00 to 10.72 \$ 38,879;
- Jackson Road SLK 0.00 to 6.06 \$ 29,517; and
- Nornalup Road SLK 0.00 to 8.18 \$ 23,273.

* Part funded by RTR



Montem Street – resealed in
December 2019

Regional Road Group (RRG)

- Porongurup Road SLK 3.99 to 8.94 – second coat seal \$173,050;
- Porongurup Road SLK 0.00 to 3.98 – second coat seal \$ 49,239;
- Settlement Road SLK 4.71 to 10.40 - reseal \$235,733;
- Settlement Road SLK 10.41 to 14.80 - reseal \$189,598; and
- Poorarecup Road SLK 1.16 to 8.45 – reseheet gravel \$183,194.

The State Government contribution for RRG funding is on a two thirds one thirds basis.



Second coat seal on Porongurup Road
– December 2018

Commodity Route Funding

- Watermans Road SLK 9.39 to 13.68 – resheet gravel \$166,024; and
- Eulup Manurup Road SLK 9.62 to 16.70 – reseheet gravel \$211,973.

The State Government contribution for Commodity Route funding is on a two thirds one thirds basis.

Black Spot – Federal and State

The Woogenellup Road Floodway upgrades funded by the State Black Spot program were completed and included resealing, line marking and the installation of guide posts and raised pavement markers.

The Pile Road / Muir Highway intersection upgrade commenced with some minor works to be completed in 2019/2020. The Lake Matilda/Red Gum Pass Road intersection improvements were carried over to 2019/2020.



Woogenellup Road

Own Source Funding

The Council spent just over \$1 million on own source funded projects, which included:

- Langton Road – drainage and reseal \$ 57,279;
- Stothard Road – resheet entire length \$ 38,339;
- Wragg Road – resheet, improve drainage and corner at SLK 2.95 \$ 23,078;
- Albany Highway – improve school crossing zone, footpath and pram ramps \$ 37,200;
- Lord Street – reseal \$ 6,180;
- Marion Street – reseal entire length \$ 19,955;
- Mount Barker Road – reseal SLK 0.07 to 0.73 \$ 28,112;
- Kwormicup Road – resheet, upgrade floodway and culverts at SLK 8.65 \$ 52,716;
- Mallawillup Road – improve floodway and resheet sections \$132,808; and
- Poorarecup Road – improve floodway \$ 60,339.



Floodway improvements on Mallawillup Road and Poorarecup Road

Footpaths

A number of footpaths were resealed (hot mixed) during 2019/2020. The section of footpath on the eastern side of Albany Highway from the railway crossing, past the school crossing to the tourist pull-in bay was hot mixed in February 2019. The southern side of the railway crossing on Albany Highway to Ormond Road was sealed as was the northern side of Oatlands Road from Fellows Street to Deane Street.



Section of Oatlands Road - footpath before and after hot mix – June 2019



Storm Damage

Another storm damage event was declared following heavy rain on 19 March 2019. Yellanup Road in particular suffered major damage. Due to funding now coming from a Federal pool, works to repair sections of road damaged in the event have been delayed.

The eastern end of Yellanup Road was one of the sections of road damaged by the storm event. So too was sections of Porongurup and Spencer Roads.



Yellanup Road



Spencer Road

Road Maintenance – Rural Roads and Town Streets

As part of its regular road construction and maintenance program, the following tasks were carried out:

- Grading of unsealed roads;
- Repair and clearing of drains and culverts;
- Repair and maintenance of road infrastructure;
- Verge spraying, pruning and mulching;
- Townsite rubbish removal;
- Replacement and maintenance of traffic and information signs; and
- Emergency works and call-outs.

The total amount of expenditure for all aspects of road maintenance was approximately \$1.78 million.

The road maintenance crew undertakes a vast array of duties to keep Shire roads at a safe and trafficable standard. In 2018/2019 the works crew recorded 339 maintenance requests of which the majority were requests for grading due to potholes or corrugations. Once again, this figure is a significant decrease from previous years.



Shire grader with Broons roller attached for winter grading - October 2018

Plant Replacement

In accordance with the Council's 12 Year Plant Replacement Program, a number of items of plant were replaced or purchased in 2018/2019.

Two trucks (Isuzu Tipper and an Isuzu GIGA) which were ordered in the 2017/2018 financial year were delivered in September 2018.

The Shire's Hino 4 x 2 Truck was replaced with a UD 4 x 2 Tipper and a new Isuzu GIGA was purchased.

Light vehicles were traded and replaced for the Executive Manager Works and Services, the Works Supervisor and a Works Crew Transporter.

Minor plant purchased include a Brushcat rotary cutter attachment to be used with the Bobcat skid steer loader, tank sprayer, 600L fire fighter unit to be installed on a utility tray, an angle broom for the skid steer loader and a mower for Parks and Gardens.



New Isuzu Giga truck – Delivered June 2019

Parks and Gardens

Maintenance of the various public parks and gardens and recreation facilities takes up approximately 95% of the Parks and Gardens Budget which, for the last financial year was approximately \$467,000.



Centennial Park

In June 2018, tenders were invited for the provision of mowing services on specified sports grounds, passive and streetscape areas, dryland reserves and roads/verges within the Shire.

A contract was awarded following the July 2019 Council meeting. Contractor mowing of these areas has freed up Shire Parks and Gardens staff for other tasks which include maintenance of the sporting facilities within the Mount Barker townsite.



Rocky Gully Cemetery

Waste Management

Almost 5,000 tonnes of waste was received at the O'Neill Road waste site and the Kamballup, Porongurup, Kendenup and Rocky Gully transfer stations. Of the rubbish collected, 32% was recovered and recycled, which included 859 tyres, 332 mattresses, 5,550 litres of oil, 1 tonne of gas bottles, 3.3 tonnes of lead acid batteries and 29 tonnes of steel waste. A total of 372 tonnes of co-mingled recycling was collected and sorted by Cleanaway at their Albany Material Recovery Facility (MRF) and 1,625 DrumMuster containers were collected and processed for recycling by CLAW Environmental.



Shire truck with a hook lift bin transferring waste to the O'Neill Road WMF.

A new disposal process for small domestic quantities of asbestos was introduced at the O'Neill Road waste management site. This process means that it is now easier for residents to safely dispose of small amounts of asbestos that may be lying around yards or homes and helping to reduce the safety impact for the community and the local environment.

The continued tightening of restrictions on the exportation of recycled material has meant that waste education programs have continued to be a major focus for the Shire and Cleanaway. Education programs have included kerbside bin tagging, pamphlet drops, Facebook posts and media articles in the Plantagenet News and this has resulted in the co-mingled recycling contamination rate dropping in townsites by one third over the last two years.



Bin tagging



Recycling at the O'Neill Road WMF

Other Projects

Other projects currently managed by Works and Services include traffic management and support in-kind for the following events:

- Grapes and Gallops at Frost Park;
- Porongurup Wine Festival;
- ANZAC day; and
- Plantagenet RoadWise Driver Revivers.

Roadwise

Works and Services staff are involved in the coordination of and participation in Roadwise events including a driver reviver which took place over the long weekend in March, a Road Ribbons for Road Safety and Sober Super Hero campaigns. Also, speed signs were borrowed from WALGA RoadWise and these were placed on Albany Highway over the Easter holiday period to alert motorists to their speed.

Initiated by the RoadWise Committee, RoadWise signs were installed at the four entrances to the Mount Barker townsite and interchangeable drop down tags were placed underneath to remind motorists about road safety. Committee members decided upon short slogans to attract the attention of motorists.



Emergency Services

The 2018/2019 year was busy with 83 activations or 'turnouts' by local Bush Fire Brigades within the Shire of Plantagenet.

A number of fire hazard reduction burns were conducted by the Shire's Bush Fire Brigades pre-fire season. Also, pre and post fire season workshops were held in Mount Barker and were well attended by local brigade members. The workshops addressed and assisted with preparation for the fire season and provided valuable de-brief sessions after the busy fire season.



Yellanup Road fire – June 2019

Local Governments are required to report on many matters which have been imposed through legislation. In particular these are Records Management, National Competition Policy and Disability Services. The following reports are the Council's compliance with these requirements.

Record Keeping

The Shire of Plantagenet is committed to the reliable and systematic management of records. All elected members, staff and contractors are responsible for maintaining complete, accurate and reliable evidence of all business transactions and ensuring all corporate documents are retained within the Shire's official record keeping system at the point of creation regardless of the format, in accordance with:

- State Records Act 2000;
- Evidence Act 1906;
- Acts Amendment (Evidence) Act 2000;
- Freedom of Information Act 1992;
- Local Government Act 1995 and associated regulations.

All must abide by the recordkeeping requirements of the Shire as defined in the Recordkeeping Plan, which is a requirement of the State Records Act 2000.

The Shire's Record Keeping Plan provides for continuous education of all staff and elected members, to maintain a stable knowledge and base skills platform for the Electronic Record Management System (RMS), Record Keeping Plan (RKP) and State Records requirements.

To maintain this base level of skills for all staff and elected members the Shire has implemented a number of training and evaluation systems including formal training and presentations to the Council covering topics such as:

- What is a Record;
- Penalties for non-compliance with the Record Keeping Plan;
- Record Keeping responsibilities; and
- Freedom of Information Act.

Evaluation of staff is conducted at induction stage for all new staff, to ascertain level of Records understanding, with follow-up three months later, ensuring that any issues are dealt with. Evaluation of this procedure is based on feedback from staff that undergo this process. Surveys have been conducted to ascertain the effectiveness of the Electronic Records Keeping System and understanding by staff of their responsibilities under the State Records Act, Freedom of Information Act and Evidence Act.

The Shire's RKP was reviewed during 2011/2012, and initially it was thought that no formal amendment was required. The State Records Office has since recommended that the RKP be amended to reflect updated practices.

In 2012/2013, the Plan was formally amended and accepted by the State Records Office. There have been significant changes to, or development of, recordkeeping practices since the previous RKP was approved in 2007. These changes include:

- Approval of a Shire Policy for record keeping;
- Development of formalised procedures for several aspects of recordkeeping, including correspondence control, disposal, website management, systems management and migration;
- The intention to develop a group repository for storage of records; and
- Development of a Records Disaster Management Plan.

On the basis of the review of the RKP, staff training, information sessions, publications and 2010/2011 survey, the record keeping systems were assessed as being efficient and effective, although there is room for improvement.

In 2017/2018, the Plan was reviewed and again formally accepted by the State Records Office.

Disability Access and Inclusion Plan

It is a requirement of the Western Australian Disability Services Act that all local governments report annually on the implementation of their Disability Access and Inclusion Plan (DAIP) that outlines the ways in which the authority will ensure that people with disabilities have equal access to its facilities and services.

Other legislation underpinning access and inclusion includes the Western Australian Equal Opportunity Act and the Commonwealth Disability Discrimination Act.

The Shire of Plantagenet is committed to facilitating the inclusion of people with disabilities through the improvement of access to its facilities and services. The Shire's DAIP provides guidance for the Council and the Shire of Plantagenet community to become accessible and inclusive to people with disabilities, their families and carers.

Several strategies from the DAIP have been implemented by the Shire in 2018/2019, including:

- The Shire provides programs accessible for people with all abilities. The Rec.Centre is running programs such as Living Longer Living Stronger, Staying Young Circuit and Les Mills classes that are suitable for participants with a disability. The gym at the Rec.Centre is all ability friendly and is wheelchair accessible.
- The Mount Barker Public Library is providing free online library services as well as an Outreach Service to patrons who cannot physically get to the library. It continues to increase its book and audio selection including large print books, dyslexic friendly prints and E-resources.
- The Shire ran several events this year including a Community Consultation Workshop in Mount Barker on 11 April 2019 to assist with the development of the Great Southern Age-Friendly Charter, a Thank a Volunteer Movie Night on 21 February 2019 and its inaugural Aboriginal Flag Raising Ceremony on 30 May 2019. All events were disability friendly and advertised according to DAIP recommendations. International Day for People with Disability was celebrated in Mount Barker with a movie night, held on 3 December 2018 and a media campaign raising awareness of disability was conducted around Disability Awareness Week, by people with disability and their families.
- New ramps were installed at Frost Park to access the building and four disabled parking bays implemented. Three access ramps were fitted to the Kendenup Community Hall to enable improved access to the building and a ramp was installed at the Old Police Station Museum in Mount Barker for improved access to the office.
- Several hotmix footpaths were installed in Mount Barker which incorporated a slope towards the road as part of the Shire's footpath improvement program.
- A key staff member attended Disability Awareness Training.

National Competition Policy

Local governments are required to implement the National Competition Policy (NCP) to ensure that it opens up service delivery to competition and that local laws and Council policies do not unduly restrict competition. The obligation arises from the Competition Principles Agreements signed by the State and Territory Governments and the Commonwealth Government.

Each local government must report its progress in achieving NCP reforms in its Annual Report broadly under the following categories:

- Competitive Neutrality
- Legislation Review
- Structural Reform

Competitive Neutrality

The Shire of Plantagenet has not acquired any entities in the 2018/2019 financial year that have required competitive neutrality testing.

Legislation Review

The Council has a limited number of local laws, which were reviewed in the 2007/2008 financial year including a review of compliance with the reporting requirements. Those local laws are all currently under review. The Shire undertook all other relevant NCP checks required as part of its normal review processes.

Structural Reform

The Shire of Plantagenet did not undertake any formal Structural Reform during the 2018/2019 financial year, although the Shire continued to work with its partners in the Southern Link Voluntary Regional Organisation of Councils and Lower Great Southern Alliance to progress a number of initiatives.

Employee Remuneration

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

Salary Range	2017/2018	2018/2019
100,000 - 109,999	0	0
110,000 - 119,999	2	1
120,000 - 129,999	1	0
130,000 - 139,999	1	1
140,000 - 149,999	0	0
150,000 - 159,999	0	0
160,000 - 169,999	0	0
170,000 - 179,999	0	0
180,000 – 189,999	0	0
190,000 – 199,999	0	0
200,000 – 209,999	1	0
210,000 – 219,999	0	0
220,000 – 229,999	0	1

Complaints

There were no complaints that resulted in action against Councillors under section 5.121 of the Local Government Act 1995.

Plan for the Future

All local governments are currently required to produce a plan for the future under S5.56 (1) of the Local Government Act 1995 (the Act). Regulations were made under S5.56 (2) of the Act in August 2011 which changed the minimum requirements to achieve this.

At its meeting held on 12 June 2012, the Council adopted a Strategic Community Plan for the period 2012 – 2022, which followed an extensive public consultation process.

Changes were sought to the Council's adopted Strategic Community Plan by the Department of Local Government and therefore a new version of the Plan starting from 2013/2014 was adopted by the Council on 25 June 2013.

At its meeting held on 8 November 2016, the Council adopted a revised Corporate Business Plan 2016/2017 to 2020/2021. The plan was reviewed in line with adjustments to long term priorities identified in the 2016/2017 budget process and was modified by the deletion of 2015/2016 items and addition of 2020/2021 items.

At its meeting held on 5 December 2017, the Council adopted 'Plantagenet 2026', the Shire of Plantagenet Strategic Community Plan for the period 2017 – 2026. Following community input via another census, the plan was reviewed for currency and amended in response to the many changes and pressures facing the Shire of Plantagenet.

As at the end of 2018/2019, the Council was making good progress on the adoption of a new Corporate Business Plan.

2019/2020 Budget Initiatives

The major initiatives that are included in the 2019/2020 budget are as follows:

Income

The budget provides for:

- No increase in overall rate revenue.
- Rubbish collection charge to increase from \$205.00 to \$330.00 for domestic collections and \$440.00 for non-domestic collections.
- Waste Rate to increase from \$50.00 to \$56.00.
- Minimum rate to remain at \$900.00.

Expenses

Preventive Services

- Plantagenet Medical Centre Facilities Upgrade \$400,000

Waste Disposal Sites

- O'Neill Road Landfill Site - Recycled Oil Receptacle and Shed Cover \$ 15,000
- Kamballup Transfer Station - Infrastructure \$ 16,250

Halls and Buildings

- Kendenup Hall - Upgrade Playground and Reticulation \$ 25,000
- Narrikup Hall - Repaint Exterior \$ 14,000

Swimming Pool

- Replace Swimming Pool Blanket Covers \$ 18,000

Rec Centre

- Gym Expansion into Squash Court \$ 25,000

Parks and Reserves

- Frost Park - Pavilion Upgrade \$ 26,000
- Water Transfer - Lot 81 Dam to Sounness Park (via Frost Park) \$ 80,000
- Bonnyup Park - New Playground \$ 25,000
- Mount Barker Toilets - Upgrade \$ 14,000

Recreation and Culture

- Museum Complex - Archive Repository \$135,000
- Community Resource Centre - Replace Box Gutters & Walkway \$ 45,000

Saleyards (Funded by Saleyards Reserve)

- Painting of Galvanised Elements - Roof and Walkways \$ 23,000
- Modify Outloading Ramp Bugle \$ 17,000
- Aeration Ponds - Waste Water Treatment System Modifications \$ 50,000
- 2nd hand skidsteer loader \$ 40,000
- Dam Extension \$ 5,000
- Undercover area - Generator and Lunch Space \$ 20,000
- Pneumatic Ram Replacement \$ 7,000
- Extend Yards and New Gates \$ 14,000

Road program totalling \$3.3 million, including:

Roads to Recovery (Fully Federal funded)

- Mount Barker Road - SLK 4.05 to 5.93 \$273,270
- Mount Barker Road - SLK 0.745 - 4.05 \$106,193
- Hannan Way - SLK 0.74 - 1.27 \$ 96,900
- Pile Road - Total length \$ 85,000

Regional Road Group (2/3 State & 1/3 Shire)

- Spencer Road - SLK 0.00 to 5.24 \$252,240

Commodity Routes Funded (This year is fully State funded)

- Woogenellup Road - SLK 0.00 - 5.89 \$228,700
- Chillinup Road - SLK 0 - 7.87 \$452,870
- Mallawillup Road - SLK 0.00 to 16.08 and SLK 16.09 to 27.54 \$403,315

Council Funded

- Drainage Construction \$ 40,000
- Footpath and Bike Path Construction \$ 50,000
- Roadworks - Minor Renewal \$200,000
- Road Replenishment Sealing \$ 45,000

➤ Reseal Rural and Townsite Roads	\$150,000
➤ O'Neill Road - SLK 1.55 to 1.72	\$ 65,000
➤ Sounness Park - Internal roads	\$ 59,290
➤ Harvey Road - SLK 0.00 to 0.46	\$ 25,000
➤ Hassell Ave - SLK 0.0 to 0.576	\$ 48,250
➤ Wilson Road - SLK 0 - 2.35 (west of Craddock Road)	\$328,855
➤ Hassell Ave Footpaths - Beverley Road to De Garis Road (325m)	\$ 31,000
➤ Narpund Road / Hassell St drainage project	\$268,625
➤ Langton Road - Reseal - SLK 0.217 - 1.28	\$ 58,500
➤ Langton Road - Islands and Planters - SLK 0.00 - 0.22	\$ 16,000
➤ St Werburghs Road - SLK 0.29 to 4.31	\$ 75,000

1 INTRODUCTION

1.1 Function of Local Government

The purpose of this Information Statement, in accordance with requirements of part 5 of the Freedom of Information Act 1992, is to provide information to the public on:

- The structure and function of the Shire of Plantagenet;
- The process and formulation of Council policy;
- Documentation available to the public and how to obtain it.

2 STRUCTURE OF THE COUNCIL

2.1 Function of Local Government

The general function of local government as defined in Section 3.1(1) of the Local Government Act 1995 is *‘to provide for the good government of persons in its district.’*

2.2 Role of the Council

Section 2.7 of the Local Government Act 1995 defines the role of the Council as:

‘2.7

(1) The council –

- (a) governs the local government’s affairs; and*
- (b) is responsible for the performance of the local government’s functions.*

(2) Without limiting subsection (1), the council is to –

- (a) oversee the allocation of the local government’s finances and resources;*
- (b) determine the local government’s policies.’*

2.3 Vision, Mission and Values Statements

Vision

Plantagenet, building a sustainable community, where natural beauty and diversity provide opportunities for all.

Mission

To enhance the quality of life for the people of Plantagenet and the region, through the provision of leadership, services and infrastructure.

Values

- Integrity through honesty, ethical behaviour and trustworthiness;
- Professionalism through understanding our roles and responsibility, the need to work efficiently and strive for excellence;
- Accountability through openness and transparency;
- Supportiveness by being patient, caring and friendly;
- Responsibility by taking ownership and not blaming others; and
- Customer Focus by understanding needs, being proactive and responsive.

2.4 Council Structure

Council elections are held every two years. The current Council decision making body consist of nine Councillors, including the Shire President, who is elected by the Council. The structure of the Shire of Plantagenet for 2018/2019 was:

Shire President	Chris Pavlovich
Deputy Shire President	Jon Oldfield
Councillors	Brett Bell
	Ken Clements
	Sue Etherington
	Len Handasyde
	Bevan Lang
	Jeff Moir
	Marie O'Dea

Chief Executive Officer	Rob Stewart
Executive Manager Corporate Services	John Fathers
Executive Manager Strategic Development	Andrus Budrikis
Executive Manager Works and Services	David Lynch

2.5 Council Meetings

Ordinary meetings of Council are held at four weekly intervals commencing at 3.00pm. Members of the public are welcome to attend. Meetings are held in the Council Chambers, Lowood Road Mount Barker.

2.6 Council Committees

Committees, comprising elected members, and advisory committees and consultative groups, that may also include staff and the public, are established from time to time to investigate issues with in the community. The Council has established the following internal committees:

Audit and Risk Management Committee

The brief of this committee is to:

1. Provide guidance and assistance to the local government -
 - a) as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and
 - b) as to the development of a process to be used to select and appoint a person to be an auditor; and
2. May provide guidance and assistance to the local government as to -
 - a) matters to be audited; and
 - b) the scope of audits; and
 - c) its functions under Part 6 of the Act; and

- d) the carrying out of its functions relating to other audits and other matters related to financial management; and
- 3. Is to review a report given to it by the CEO under Regulation 17(3) (the CEO's report) and is to -
 - a) report to the Council the results of that review; and
 - b) give a copy of the CEO's report to the Council.

Bush Fire Advisory Committee

This Committee is designed to advise the Council on all matters relating to the preventing, controlling and extinguishing of bush fires, the planning of the layout of fire-breaks in the district, prosecutions for breaches of the Bush Fire Act 1954, the formation of bush fire brigades and the grouping thereof under group brigade officers and the ensuring of co-operation and co-ordination of bush fire brigades in their efforts and activities.

Each bush fire brigade nominates a delegate to represent them on the Committee. To become a member of your local bush fire brigade you are required to contact your brigade delegate.

Heavy Haulage Advisory Committee

The brief of this committee is to:

- Advise the Council relating to heavy haulage movement within the Shire of Plantagenet; and
- Make recommendations to the Council relating to the use of local roads by classes of heavy vehicles.

Heavy Plant Committee

The brief of this committee is to:

Review the existing policy 12 Year Plant Replacement Program annually prior to budget adoption and to make recommendations to the Council as to plant purchases to be funded.

Recreation Advisory Committee

The brief of this committee is to:

- Prepare a draft Shire of Plantagenet Recreation Strategic Plan for the consideration of the Council;
- Utilise the July 2008 Plantagenet Sport and Recreation Needs Assessment and any other report considered pertinent by the Committee; and
- Liaise as necessary with community groups Recreation Centre Advisory Group, the Department of Sport and Recreation and other bodies.

Public participation is encouraged on the following committees:

Roadwise Committee

This committee has been created to provide a structured forum for stakeholders to consider and discuss road safety issues and discuss and make recommendation regarding the identification and appropriate counter measures to negative attitudinal, behavioural and environment factors lined to enforcement, engineering, education, encouragement and evaluation of road safety initiatives.

Saleyards Advisory Committee

The brief of this committee is to:

- Make recommendation to the Council regarding the strategic direction of the Saleyards;
- Make recommendation to the Council regarding the Environmental Action Plan for the Saleyards;
- Bring to the attention of the Chief Executive Officer, industry matters regarding the cattle industry that may not be readily available to persons external to that industry; and
- Make recommendation to the Council regarding development works on the site.

Seniors Advisory Committee

The duties of this committee are:

- Examine services provided to seniors in the Shire of Plantagenet.
- Monitor the change in service providers and actual services to aged care.
- Report back to the Council by 26 March 2019.

2.7 Delegations

The Chief Executive Officer and other officers have the delegated authority from the Council to make decisions on a number of specified administrative and policy matters. These delegations are listed in the Delegation Register and are reviewed annually by the Council.

3 DETAILS OF LEGISLATION ADMINISTERED

The Shire of Plantagenet is wholly or partly responsible for administering the following legislation and regulations within the Shire of Plantagenet:

- Animal Welfare Act 2003
- Building Act 2011
- Building Regulations 2012
- Bush Fires Act 1954
- Bush Fire Regulations 1954
- Caravan Parks and Camping Grounds Act 1995
- Caravan Parks and Camping Grounds Regulations 1997
- Cat Act 2011
- Cat Regulations 2012
- Cemeteries Act 1986
- Control of Vehicles (Off Road Areas) Act 1978
- Control of Vehicles (Off Road Areas) Regulations 1979
- Disability Services Act 1993
- Dog Act 1976
- Dog Regulations 1976
- Dog (Restricted Breeds) Regulations 2002
- Environmental Protection (Noise) Regulations 1997
- Freedom of Information Act 1992

- Freedom of Information Regulations 1993
- Food Act 2008
- Food Regulations 2009
- Hairdressing Establishment Regulations 1972
- Health Act 1911
- Health (Air Handling and Water Systems) Regulations 1994
- Health (Aquatic Facilities) Regulations 2007
- Health (Asbestos) Regulations 1992
- Health Act (Carbon Monoxide) Regulations 1975
- Health (Cloth Materials) Regulations 1985
- Health (Garden Soil) Regulations 1998
- Health Act (Laundries and Bathrooms) Regulations
- Health (Pesticides) Regulations 2011
- Health (Poultry Manure) Regulations 2001
- Health (Public Buildings) Regulations 1992
- Health (Skin Penetration Procedure) Regulations 1998
- Health (Temporary Sanitary Conveniences) Regulations 1997
- Health (Treatment of Sewerage and Disposal of Effluent and Liquid Waste) Regulations 1974
- Heritage of Western Australia Act 1990
- Land Administration Act 1997
- Legal Deposit Act 2012
- Legal Deposit Regulations 2013
- Litter Act 1979
- Litter Regulations 1981
- Liquor Licensing Act 1988
- Local Government Act 1995
- Local Government (Administration) Regulations 1996
- Local Government (Audit) Regulations 1996
- Local Government (Constitution) Regulations 1998
- Local Government (Building Surveyors) Regulations 2008
- Local Government (Elections) Regulations 1997
- Local Government (Financial Management) Regulations 1996
- Local Government (Functions & General) Regulations 1996
- Local Government (Miscellaneous Provisions) Act 1960
- Local Government (Rules of Conduct) Regulations 2007
- Local Government (Uniform Local Provision) Regulations 1996
- Local Government Grants Act 1978
- Local Government Regulations
- Main Roads Act 1930

- Navigable Waters Regulations 1958
- Parks and Reserves Act 1895
- Planning & Development Act 2005
- Planning & Development (Consequential & Transitional) Act 2005
- Planning & Development Regulations 2009
- Planning & Development (Consequential) Regulations 2006
- Planning & Development (Transitional) Regulations 2006
- Rates and Charges (Rebates and Deferments) Act 1992
- Residential Design Codes of WA 2002
- Sewerage, Lighting, ventilation and Construction Regulations 1971
- Strata Titles Act 1985
- Town Planning Regulation 1967
- Valuation of Land Act 1978

The Shire of Plantagenet is wholly responsible for administering the following Local Laws:

- Activities in Thoroughfares and Public Places Local Law 2008
- Bush Fire Brigades Local Law 2008
- Cemeteries Local Law 2008
- Dogs Local Law 2008
- Extractive Industries Local Law 2008
- Health Local Law 2008
- Landfill and Transfer Station Facilities Local Law 2004
- Local Government Property Local Law 2008
- Parking and Parking Facilities Local Law 2008
- Pest Plants Local Law 1987
- Standing Orders Local Law 2008

4 SERVICES TO THE COMMUNITY

Function	Brief Description
Aged Services	The function of providing facilities and services for the aged.
Commercial Activities	The function of competing commercially or providing services to other councils or agencies on a fee for service basis. Includes undertaking activities on a consultancy or contract basis.
Community Relations	The function of establishing rapport with the community and raising and advancing the Council's public image and its relationships with outside bodies, including the media and the public.
Community Services	The function of providing, operating or contracting services to assist local residents and the community.
Corporate Management	The function of applying broad systematic planning to define the corporate mission and determine methods of Council operation.
Council Properties	The function of acquiring, constructing, designing, developing, disposing and maintaining facilities and premises owned, leased or otherwise occupied by the Council.
Customer Service	The function of planning, monitoring and evaluating services provided to customers by the Council.
Development and Building Controls	The function of regulating and approving building and development applications for specific properties, buildings, fences, signs, antennae, etc. covered by the Building Code of Australia and the Town Planning and Development Act
Economic Development	The function of improving the local economy through encouragement of industry, employment, tourism, regional development and trade.
Emergency Services	The function of preventing loss and minimising threats to life, property and the natural environment, from fire and other emergency situations.
Environmental Management	The function of managing, conserving and planning of air, soil and water qualities and environmentally sensitive areas such as remnant bush lands and threatened species.
Financial Management	The function of managing the Council's financial resources.
Governance	The function of managing the election of Council representatives, the boundaries of the Council districts, and the terms and conditions for Councillors.
Government Relations	The function of managing the relationship between the Council and other governments, particularly on issues which are not related to normal Council business such as Land Use and Planning or Environment Management.
Grants and Subsidies	The function of managing financial payments to the Council from the State and Federal Governments and other agencies for specific purposes.

Information Statement

Human Resources	The function of managing the conditions of employment and administration of personnel at the Shire including consultants and volunteers.
Information Management	The function of managing the Council's information resources, including the storage, retrieval, archives, processing and communications of all information in any format.
Information Services	The function of providing and managing public access library facilities and services.
Information Technology	The function of acquiring and managing communications and information technology and databases to support the business operations of the Council.
Land Use and Planning	The function of establishing a medium to long term policy framework for the management of the natural and built environments.
Laws and Enforcement	The function of regulating, notifying, prosecuting, and applying penalties in relation to the Council's regulatory role.
Parks and Reserves	The function of acquiring, managing, designing and constructing parks and reserves, either owned or controlled and managed by the Council.
Plant, Equipment and Stores	The function of managing the purchase, hire or leasing of all plant and vehicles, and other equipment. Includes the management of the Council's stores. Does not include the acquisition of information technology and telecommunications.
Public Health	The function of managing, monitoring and regulating activities to protect and improve public health under the terms of the Public Health Act, health codes, standards and regulations.
Rates and Valuations	The function of managing, regulating, setting and collecting Council income through the valuation of rateable land and other charges.
Recreation and Cultural Services	The function of the Council arranging, promoting or encouraging programs and events in visual arts, craft, music, performing arts, sports and recreation, cultural activities and services.
Risk Management	The function of managing and reducing the risk of loss of Council properties and equipment and risks to personnel.
Roads and Bridges	The construction, maintenance and management of roads and bridges within the Council area.
Sewerage and Drainage	The function of designing and constructing, maintaining and managing the drainage system, septic collection services, storm water and flood mitigation works.
Traffic and Transport	The function of planning for transport infrastructure and the efficient movement and parking of traffic. Encompasses all service/facilities above the road surface.
Youth Services	The function of providing services that promote the wellbeing and independence of youth.
Waste Management	The function of providing services to ratepayers for the removal of solid waste, destruction and waste reduction.

5 PUBLIC PARTICIPATION

5.1 Council Meetings

Members of the public have a number of opportunities to put forward their views on particular issues before the Council.

These are:

- a) Deputations - Members of the public can address the Council (or with the permission of the Committee Chairman, a Committee) on behalf of a group of residents.
- b) Residents are notified of some Development Applications requiring the approval of the Council. A number of applications are exempted from public notification by Town Planning Scheme No. 3. When an application is publicly notified, residents have the opportunity to write to the Council expressing their view of the application and/or to subsequently personally address the Council before a decision is made.
- c) Petitions - Written petitions can be addressed to the Council on any issue within its jurisdiction.
- d) Presentations – With prior notification and approval, a member of the public can address the Council on any issue relevant to the Council.
- d) Written Requests - Members of the public can write to the Council on any Council policy, activity or service.
- e) Question Time – Time is made available at every Council Meeting for members of the public to ask questions and have them responded to by the Council, unless the question is outside the legislation or deemed unreasonable.
- f) Elected Members - Members of the public can contact their elected members of Council to discuss any issue relevant to the Council.

5.2 Community Consultation

To ensure that all the community's needs and expectations can be expressed, community consultation is carried out on various issues that affect the Shire and can take the form of:

- Public Forums;
- Submissions;
- Community Survey; and
- Survey of people registered on a community database.

Sufficient time is allocated to allow stakeholders and the community adequate time to respond to issues. Advising the community and stakeholders of issues can take the form of:

- Media articles;
- Local newspaper advertisements;
- Council publications;
- Shire website and Facebook page;
- Newsletters/direct mail outs;
- Posters/flyers;
- Information displays; and
- Public forums.

6 COUNCIL DOCUMENTS

6.1 Policies, Strategies and Plans

- Policy Manual;
- Strategic Community Plan;
- Corporate Business Plan;
- Asset Management Plans;
- Long Term Financial Plan;
- Workforce Plan;
- Planning Vision;
- Local Planning Strategy;
- Town Planning Scheme No. 3;
- Public Open Space Strategy;
- Mount Barker and Kendenup Sport and Recreation Plans;
- Disability Access and Inclusion Plan;
- Equal Employment Opportunity Management Plan;
- Information Technology Strategic Plan;
- Saleyards Strategic Plan and Business Plan;
- Plantagenet Trails Masterplan;
- Asset Register;
- Gravel Sheetting Strategy;
- Townsite Drainage Plans;
- RAMM 2 Database;
- Twelve year Plant Replacement Program;
- Five Year Road Construction Program.

6.2 Brochures/Booklets

Brochures and booklets are available on a range of topics relating to the Shire such as the Annual Financial Report, Annual Report, Strategic Community Plan; environmental health; licensing and other topics of community interest.

6.3 Documents Available for inspection

The following documents are available for public inspection at the Council Office or via our Website (www.plantagenet.wa.gov.au) free of charge. Copies may be subject to a photocopy charge of \$0.30 per A4 single page.

Document	Details
Annual Budget	Council Office and Website
Annual Report	Council Office and Website
Audit Financial Statements	Council Office and Website
Code of Conduct	Council Office / Website

Council Policies	Council Office / Website
Council / Committee Agendas	Council Office / Website
Council / Committee Minutes	Council Office / Website
Freedom of Information Statement	Council Office / Website
Rate Book	Council Office
Register of Fees and Charges levied	Council Office / Website
Local Laws	Council Office / Website
Register of Interest (Elected Members)	Council Office
Register of Tenders	Council Office
Strategic / Management Plans	Council Office / Website

6.4 Other Information Requests

Requests for information, not shown above will be considered in accordance with the Freedom of Information Act provisions. Under this legislation, applications must be submitted in written form and will be subject to an application fee where applicable unless the applicant is granted as exemption.

Should the application require copies of any documents inspected pursuant to a Freedom of Information request, the charges will apply. It should be noted that some documents are for viewing only and cannot be copied as such copy would breach the Copyright Act 1968.

7 FREEDOM OF INFORMATION PROCEDURES AND ACCESS ARRANGEMENTS

It is the aim of the Shire of Plantagenet to make information available promptly and at the least possible cost, and whenever possible documents will be provided outside the FOI process.

If information is not routinely available, the Freedom of Information Act 1992 provides the right to apply for documents held by the Council and to enable the public to ensure that personal information in documents is accurate, complete, up to date and not misleading.

7.1 FOI Applications

Access applications have to:

- be in writing;
- give enough information so that the documents requested can be identified;
- give an Australian address to which notices can be sent; and
- be lodged at the Shire with any application fee payable.

Applications and enquiries should be addressed to the Freedom of Information Coordinator, PO Box 48, Mount Barker WA 6324 or telephone 08 9892 1111.

Applications will be acknowledged in writing. The applicant will be notified of the decision within 45 days.

7.2 FOI Fees and Charges

A scale of fees and charges is set under the FOI Act Regulations. Apart from the application fee for non-personal information all charges are discretionary. The charges are as follows:

Type of Fee

- | | |
|--|---------|
| • Personal information about the applicant | No Fee |
| • Application fee (for non personal information) | \$30.00 |

Type of charge

- | | |
|---|-------------|
| • Charge for time dealing with application (per hour or pro rata) | Budget cost |
| • Access time supervised by staff (per hour or pro rata) | Budget cost |
| • Photocopying staff time (per hour or pro rata) | Budget cost |
| • Per photocopy | Budget cost |
| • Duplicating a tape, film or computer information | Actual cost |
| • Delivery, packaging and postage | Actual cost |

Deposits

- | | |
|--|-----|
| • Advance deposit which may be required of the estimated charges | 25% |
| • Further advance deposit may be required to meet the charges for dealing with the application | 75% |
| • Pension concession | 25% |

7.3 Access Arrangements

Access to documents can be granted by way of inspection, a copy of a document, a copy of an audio or video tape, a computer disk, a transcript of a recorded, shorthand or encoded document from which words can be reproduced.

7.4 Notice of Decision

As soon as possible, but in any case within 45 days, you will be provided with a notice of decision which will include details such as:

- the date which the decision was made;
- the name and the designation of the officer who made the decision;
- if the document is an exempt document the reasons for classifying the matter exempt; or the fact that access is given to an edited document; and/or
- information on the right to review and the procedures to be followed to exercise those rights.

7.5 Refusal of Access

Applicants who are dissatisfied with a decision of the Council are entitled to ask for an internal review by the Shire. Applications should be made in writing within 30 days of receiving the notice of decision.

Applicants will be notified of the outcome of the review within 15 days.

Applicants can apply to the Information Commissioner for an external review, and details would be advised to applicants when the internal review decision is issued.

8 AMENDMENT OF COUNCIL RECORDS

A member of the public may gain access to Council documents to seek amendments concerning their personal affairs by making a request under the Local Government Act 1995. A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date.

To gain access to Council records, a member of the public must make a written application to the Freedom of Information Officer as indicated above outlining the records that he/she wishes to inspect.

Strategic Planning Framework

The Local Government Act 1995 requires each local government to prepare a Plan for the Future. Part of this planning involves considering how the Shire will continue to deliver services to the community on a long term basis.

The Corporate Business Plan together with the Strategic Community Plan 2017-2026, is the Shire of Plantagenet's Plan for the Future. The highest level of plan is our Strategic Community Plan 2017—2026, which sets out the visions, aspirations and objectives for our community over a 10 year period. This plan guides all of the work, advocacy and partnerships that are undertaken by the Council.

While the Strategic Community Plan guides the overall direction of the Council, it is vital that we also translate this aspirational plan into concrete operational priorities. The Council has a Corporate Business Plan which sets out the Council's operational priorities and their resourcing over the next four years.

The Plan highlights what is important, anticipating the many challenges that are likely to occur. This will guide the delivery of the Council's and community's shared vision.

The plan recognises the regional approach to strategic planning, which requires the ongoing development of partnerships with other local governments and stakeholders. These partnerships are fundamental to the collaborative approach to regional development and growth.

The Plan incorporates four year priorities set by the Council and a ten year rolling financial plan (by reference to the Long Term Financial Plan). Reviews of this plan will drive the operations of the Shire of Plantagenet within its resourcing capabilities.

A number of potential projects have been developed and the following is the list of high priority listed projects. These and other projects will continue to be progressed over the life of this plan.

Project	Priority	Progress
Mount Barker CBD - Wayfinding	High	Workshops held on an Albany Highway - Lowood Road - Signage and Place Strategy. Basic signage to be implemented from operating budget (\$7,500). \$35K in 2019/2020 budget to develop themes. Proposal to be provided to councillors, to include Albany Highway roundabout.
Ingoldby Street Public Open Space	High	A sum of \$45k has been allocated for Ingoldby Street public open space from POS Trust Funds. Awaiting clearing permit. Environment Officer has this on a watching brief.
Medical Centre Expansion	High	\$30,000 allocated in 2018/2019 for preliminary investigations. Project initiated with lessee, with an allocation to be made from Medical Centre Reserve.
Staff Housing Renewal	High	Recent tender for sale of staff houses in Martin Street (unsuccessful).
Swimming Pool Facilities Upgrade	High	Feasibility Study into the refurbishment of the Mount Barker Memorial Swimming Pool will be undertaken. RFQ for swimming pool closed 28/5/2019.
Water Security (Sounness and Frost Parks and Industry)	High	\$80k in 2019/2020 draft budget for Water Transfer - Lot 81 Dam to Sounness Park (via Frost Park).
Yerriminup Industrial Estate - Development	High	Advocacy ongoing.
Youth Precinct at Mount Barker Skate Park	High	Will be referred to the Recreation Advisory Committee to develop a plan.

Measuring our Performance

In 2018/2019, the Shire of Plantagenet joined with all local governments in the Great Southern to undertake a community survey (scorecard) to support the development of strategic community and business planning.

The local peer support group initiated the proposal. The survey fully satisfies the minor review (of strategic community plans) requirement with the report providing invaluable feedback from our communities. The survey was carried out in May 2019.

Strategic Plan Outcomes

The Shire's Corporate Business Plan is under review in line with adjustment to priorities identified in this survey, future planning workshops and the 2019/2020 budget process. Key performance indicators and progress against strategies and actions will be reported on in that document.

At a very high level, the report indicated that, in comparison to other councils taking part in similar surveys, Plantagenet is a high performer as a place to visit, customer service, sport and recreation facilities, library services, and access to goods, services, education and training.

Moving forward, the survey identified focus areas to be roads, footpaths, trails and cycleways, streetscapes, waste collections and services, facilities and care for seniors. Secondary priorities include community consultation, economic development and youth services and facilities.

A summary table of the results follows:

Community Scorecard - May 2019 Levels of community satisfaction (performance index score)	WA High	WA Average	Great Southern High	Great Southern Average	Plantagenet 2018/2019
Community Pride and Wellbeing					
Feeling of belonging in my local community	75%	59%	68%	60%	68%
Services and facilities for families and children	71%	59%	66%	60%	57%
Services and facilities for youth	70%	48%	52%	48%	43%
Services and care available for seniors	67%	55%	61%	58%	53%
Access to services and facilities for people with disabilities	66%	51%	56%	52%	48%
Participation in volunteering (volunteered in last 12 months)	86%	61%	86%	59%	67%
Adequate opportunities for residents and visitors to lead a healthy and active lifestyle	74%	49%	74%	62%	55%
Public health and wellbeing programs and education	61%	50%	61%	57%	52%
Access to health and community services	69%	54%	63%	59%	61%
Library and information services	89%	71%	79%	74%	73%
Festivals, events, art and cultural activities	78%	62%	74%	66%	62%
How Aboriginal history and heritage is recognised and respected	67%	54%	67%	61%	51%
How local history and heritage is preserved and promoted	79%	60%	75%	66%	63%
Safety and security	76%	55%	76%	59%	59%
Feeling of safety being out in public in my local community	94%	72%	94%	70%	80%
Natural disaster management (education, prevention and relief for bushfires, flooding, etc)	66%	56%	66%	58%	59%
<i>Average</i>	<i>74%</i>	<i>57%</i>	<i>70%</i>	<i>61%</i>	<i>59%</i>
Enhancing Natural and Built Environment					
Conservation and environmental management	76%	58%	73%	56%	54%
Managing responsible growth and development	58%	48%	58%	50%	49%
Promoting and adopting sustainable practices	68%	54%	62%	55%	51%
Efforts to adapt to climate change	54%	48%	54%	50%	47%
Efforts to reduce waste	66%	53%	66%	56%	51%
Waste collection services	85%	69%	76%	63%	53%
Animal and pest control	69%	53%	55%	49%	50%
The area's character and identity	85%	59%	67%	63%	57%
Planning and building approvals	65%	46%	60%	44%	48%
Access to housing that meets your needs	68%	57%	66%	52%	56%
Community buildings, halls and toilets	78%	60%	78%	60%	60%
Sport and recreation facilities	85%	66%	85%	73%	73%
Playgrounds, parks and reserves	86%	68%	86%	69%	66%
Building and maintaining local roads	80%	53%	62%	44%	44%
Traffic management and control on local roads	67%	55%	64%	53%	54%
Footpaths, cycleways and trails	71%	53%	62%	52%	42%
Streetscapes	83%	54%	62%	53%	48%
Lighting of streets and public places	65%	56%	64%	57%	53%
<i>Average</i>	<i>76%</i>	<i>58%</i>	<i>68%</i>	<i>56%</i>	<i>54%</i>

Strategic Plan Outcomes

Community Scorecard - May 2019 Levels of community satisfaction (performance index score)	WA High	WA Average	Great Southern High	Great Southern Average	Plantagenet 2018/2019
Prosperous and sustainable local economy					
The Shire of Plantagenet as a place to live	95%	75%	84%	79%	75%
The Shire of Plantagenet as a place to visit	87%	64%	87%	76%	71%
Agricultural development (efforts to grow and develop agriculture and protect prime agricultural land)	64%	48%	64%	48%	52%
Economic development (efforts to attract investors, attract and retain businesses, grow tourism and create more job opportunities)	63%	43%	43%	40%	43%
Tourism attractions and marketing	60%	46%	60%	55%	51%
How the local town centre is being developed	69%	51%	54%	49%	54%
Access to goods and services in the local area	61%	48%	56%	50%	56%
Access to education, training and personal development opportunities	63%	49%	59%	56%	57%
<i>Average</i>	72%	54%	64%	55%	54%
Effective Governance and Organisation					
The Shire of Plantagenet as the organisation that governs the local area	74%	56%	68%	54%	57%
Value for money from Council rates	64%	45%	57%	41%	47%
The Shire has developed and communicated a clear vision for the area	61%	35%	52%	29%	32%
The Shire has a good understanding of community needs	62%	34%	54%	29%	38%
The Shire listens to and respects residents' views	52%	33%	52%	25%	31%
The Council's leadership within the community	67%	50%	60%	49%	52%
Advocacy and lobbying on behalf of the community to influence decisions, support local causes	68%	50%	64%	48%	50%
The Shire's efforts to work with regional partners	79%	59%	79%	56%	60%
Openness and transparency of Council processes	61%	45%	61%	44%	49%
How the Shire embraces change, innovation and new technology	65%	52%	65%	51%	53%
How the community is consulted about local issues	63%	46%	58%	44%	43%
How the community is informed about what's happening in the local area	66%	54%	64%	52%	54%
Shire's website	68%	58%	63%	57%	54%
Customer service	79%	63%	72%	64%	71%
Social media presence on Facebook	65%	54%	61%	50%	48%
<i>Average</i>	66%	49%	62%	46%	49%

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

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COMMUNITY VISION

Plantagenet, building a sustainable and respectful community, where the environment is preserved and natural beauty and diversity provide opportunities for all.

Principal Place of Business:
22-24 Lowood Road, Mount Barker, 6324
Postal Address P.O.Box 48, Mount Barker, 6324

SHIRE OF PLANTAGENET

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2019

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Plantagenet for the financial year ended 30 June 2019 is based on proper accounts and records to present fairly the financial position of the Shire of Plantagenet at 30 June 2019 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the

26th

day of

NOVEMBER

2019



Acting Chief Executive Officer

David Lynch

Name of Acting Chief Executive Officer

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

	NOTE	2019 Actual	2019 Budget	2018 Actual
		\$	\$	\$
Revenue				
Rates	23(a)	6,861,909	6,849,069	6,744,149
Operating grants, subsidies and contributions	2(a)	3,917,061	1,256,244	2,111,045
Fees and charges	2(a)	2,025,616	1,987,283	1,795,683
Interest earnings	2(a)	192,524	137,000	171,157
Other revenue	2(a)	293,966	2,398,330	339,215
		<u>13,291,076</u>	<u>12,627,926</u>	<u>11,161,249</u>
Expenses				
Employee costs		(4,923,837)	(5,278,645)	(4,738,122)
Materials and contracts		(2,856,004)	(3,320,108)	(3,509,830)
Utility charges		(318,323)	(320,813)	(351,093)
Depreciation on non-current assets	11(c)	(6,060,195)	(6,116,934)	(5,995,673)
Interest expenses	2(b)	(133,325)	(124,482)	(141,928)
Insurance expenses		(253,744)	(285,095)	(251,864)
Other expenditure		(443,108)	(400,758)	(395,441)
		<u>(14,988,536)</u>	<u>(15,846,835)</u>	<u>(15,383,951)</u>
		<u>(1,697,460)</u>	<u>(3,218,909)</u>	<u>(4,222,702)</u>
Non-operating grants, subsidies and contributions	2(a)	1,254,529	1,711,189	1,843,626
Profit on asset disposals	11(a)	5,407	31,294	15,283
(Loss) on asset disposals	11(a)	(39,605)	(130,996)	(32,369)
Recognition of Equity Share - Local Government House	8(b)	87,586	0	0
Investment				
Net result for the period		<u>(389,543)</u>	<u>(1,607,422)</u>	<u>(2,396,162)</u>
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	12	37,989,564	0	391,442
Total other comprehensive income for the period		<u>37,989,564</u>	<u>0</u>	<u>391,442</u>
Total comprehensive income for the period		<u><u>37,600,021</u></u>	<u><u>(1,607,422)</u></u>	<u><u>(2,004,720)</u></u>

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

SHIRE OF PLANTAGENET
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
Revenue	2(a)			
Governance		83,656	55,300	61,731
General purpose funding		8,992,680	8,056,312	8,710,819
Law, order, public safety		230,802	213,918	219,999
Health		73,425	83,950	93,625
Education and welfare		49,337	49,376	53,961
Community amenities		724,686	712,470	551,706
Recreation and culture		287,764	240,005	334,947
Transport		1,721,460	2,121,170	418
Economic services		977,812	1,033,665	1,080,720
Other property and services		131,395	61,760	53,262
		<u>13,273,017</u>	<u>12,627,926</u>	<u>11,161,188</u>
Expenses	2(b)			
Governance		(722,289)	(767,428)	(739,300)
General purpose funding		(414,224)	(397,976)	(352,469)
Law, order, public safety		(908,840)	(963,561)	(871,794)
Health		(274,481)	(298,289)	(218,810)
Education and welfare		(133,965)	(127,198)	(106,654)
Community amenities		(1,408,421)	(1,537,792)	(1,416,734)
Recreation and culture		(2,910,383)	(2,966,286)	(2,836,814)
Transport		(5,910,437)	(6,737,249)	(6,778,615)
Economic services		(2,013,529)	(1,952,128)	(1,864,721)
Other property and services		(142,638)	25,555	(56,051)
		<u>(14,839,207)</u>	<u>(15,722,352)</u>	<u>(15,241,962)</u>
Finance costs	2(b)			
Governance		(88,036)	(84,777)	(92,991)
Education and welfare		(26,346)	(25,343)	(29,392)
Recreation and culture		(9,449)	(8,978)	(12,000)
Economic services		(7,439)	(5,385)	(7,545)
		<u>(131,270)</u>	<u>(124,483)</u>	<u>(141,928)</u>
Non-operating grants, subsidies and contributions	2(a)	1,254,529	1,711,189	1,843,626
Profit on disposal of assets	11(a)	5,407	31,294	15,283
(Loss) on disposal of assets	11(a)	(39,605)	(130,996)	(32,369)
Recognition of Equity Share - Local Government House Investment	8(b)	87,586	0	0
		<u>1,307,917</u>	<u>1,611,487</u>	<u>1,826,540</u>
Net result for the period		(389,543)	(1,607,422)	(2,396,162)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	12	37,989,564	0	391,442
Total other comprehensive income for the period		37,989,564	0	391,442
Total comprehensive income for the period		37,600,021	(1,607,422)	(2,004,720)

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

SHIRE OF PLANTAGENET
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	NOTE	2019	2018
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	3,459,207	3,243,563
Trade receivables	5	762,182	616,041
Other financial assets	8(a)	128,373	123,777
Inventories	6	64,420	49,154
Other current assets	7	132,484	11,237
TOTAL CURRENT ASSETS		4,546,666	4,043,772
NON-CURRENT ASSETS			
Trade receivables	5	99,523	80,658
Other financial assets	8(b)	434,459	475,247
Property, plant and equipment	9	40,645,352	41,855,228
Infrastructure	10	187,881,323	150,724,918
TOTAL NON-CURRENT ASSETS		229,060,657	193,136,051
TOTAL ASSETS		233,607,323	197,179,823
CURRENT LIABILITIES			
Trade and other payables	13	355,047	764,252
Short term borrowings	14	0	500,000
Borrowings	15(a)	356,812	340,898
Employee related provisions	16	874,686	815,121
TOTAL CURRENT LIABILITIES		1,586,545	2,420,271
NON-CURRENT LIABILITIES			
Borrowings	15(a)	1,612,737	1,969,549
Employee related provisions	16	112,263	94,246
TOTAL NON-CURRENT LIABILITIES		1,725,000	2,063,795
TOTAL LIABILITIES		3,311,545	4,484,066
NET ASSETS		230,295,778	192,695,757
EQUITY			
Retained surplus		62,608,943	63,168,612
Reserves - cash backed	4	2,506,993	2,336,867
Revaluation surplus	12	165,179,842	127,190,278
TOTAL EQUITY		230,295,778	192,695,757

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

**SHIRE OF PLANTAGENET
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

		RESERVES			
	NOTE	RETAINED SURPLUS \$	CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 30 June 2017		65,767,119	2,134,522	126,798,836	194,700,477
Comprehensive income					
Net result for the period		(2,396,162)	0	0	(2,396,162)
Other comprehensive income	12	0	0	391,442	391,442
Total comprehensive income		(2,396,162)	0	391,442	(2,004,720)
Transfers from / (to) reserves		(202,345)	202,345	0	0
Balance as at 30 June 2018		63,168,612	2,336,867	127,190,278	192,695,757
Comprehensive income					
Net result for the period		(389,543)	0	0	(389,543)
Other comprehensive income	12	0	0	37,989,564	37,989,564
Total comprehensive income		(389,543)	0	37,989,564	37,600,021
Transfers from / (to) reserves		(170,126)	170,126	0	0
Balance as at 30 June 2019		62,608,943	2,506,993	165,179,842	230,295,778

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

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

	Note	2019 Actual	2019 Budget	2018 Actual
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		6,845,691	6,849,068	6,720,805
Operating grants, subsidies and contributions		3,710,886	1,256,244	2,073,689
Fees and charges		2,025,616	1,987,283	1,813,672
Interest earnings		192,524	137,000	174,620
Goods and services tax		261,962	595,284	276,722
Other revenue		293,966	2,398,330	354,925
		<u>13,330,645</u>	<u>13,223,209</u>	<u>11,414,433</u>
Payments				
Employee costs		(4,945,401)	(5,278,644)	(4,841,733)
Materials and contracts		(3,309,488)	(3,320,108)	(3,268,038)
Utility charges		(318,323)	(320,813)	(352,468)
Insurance expenses		(253,744)	(285,095)	(251,864)
Interest expenses		(126,412)	(124,482)	(143,139)
Goods and services tax		(215,030)	(595,284)	(229,055)
Other expenditure		(432,654)	(400,758)	(366,884)
		<u>(9,601,052)</u>	<u>(10,325,184)</u>	<u>(9,453,181)</u>
Net cash provided by (used in) operating activities	17	<u>3,729,593</u>	<u>2,898,025</u>	<u>1,961,252</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant and equipment		(1,032,951)	(2,203,273)	(1,300,280)
Payments for construction of infrastructure		(3,218,188)	(3,053,447)	(2,590,222)
Non-operating grants, subsidies and contributions		1,254,529	1,711,189	1,861,360
Proceeds from sale of property, plant & equipment		199,781	352,409	133,764
Net cash provided by (used in) investing activities		<u>(2,796,829)</u>	<u>(3,193,122)</u>	<u>(1,895,378)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings		(840,898)	(846,898)	(350,832)
Proceeds from new borrowings		0	0	500,000
Proceeds from Self Supporting Loans		123,777	123,777	144,442
Net cash provided by (used in) financing activities		<u>(717,121)</u>	<u>(723,121)</u>	<u>293,610</u>
Net increase (decrease) in cash held		215,644	(1,018,218)	359,484
Cash at Beginning of Year		3,243,563	3,252,137	2,884,079
Cash and cash equivalents at the end of the year	17	<u><u>3,459,207</u></u>	<u><u>2,233,919</u></u>	<u><u>3,243,563</u></u>

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

**SHIRE OF PLANTAGENET
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2019 \$	2019 Budget \$	2018 \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	24(b)	866,962	1,179,764	1,033,076
		866,962	1,179,764	1,033,076
Revenue from operating activities (excluding rates)				
Governance		84,557	55,300	64,013
General Purpose Funding		2,130,771	1,207,243	1,966,670
Law, Order, Public Safety		230,802	213,918	219,999
Health		73,425	83,950	93,625
Education and Welfare		49,337	49,376	53,961
Community Amenities		724,686	712,470	553,544
Recreation and Culture		287,764	240,005	334,947
Transport		1,721,460	2,121,170	418
Economic Services		977,812	1,042,960	1,090,213
Other Property and Services		135,901	83,759	54,932
		6,416,515	5,810,151	4,432,322
Expenses from operating activities				
Governance		(810,325)	(856,022)	(832,291)
General Purpose Funding		(414,224)	(397,976)	(352,469)
Law, Order, Public Safety		(911,935)	(965,940)	(871,794)
Health		(274,481)	(298,289)	(218,810)
Education and Welfare		(160,311)	(152,541)	(136,047)
Community Amenities		(1,408,421)	(1,537,792)	(1,420,382)
Recreation and Culture		(2,919,832)	(2,975,263)	(2,848,814)
Transport		(5,910,437)	(6,737,251)	(6,778,614)
Economic Services		(2,020,968)	(1,957,512)	(1,872,266)
Other Property and Services		(179,148)	(99,244)	(84,772)
		(15,010,082)	(15,977,830)	(15,416,259)
Non-cash amounts excluded from operating activities	24(a)	6,159,154	6,270,709	5,895,520
Amount attributable to operating activities		(1,567,451)	(2,717,206)	(4,055,341)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		1,254,529	1,711,189	1,843,626
Proceeds from disposal of assets	11(a)	199,781	352,409	133,764
Proceeds from self-supporting loans	15(b)	123,777	123,777	144,442
Purchase of property, plant and equipment	9(a)	(1,032,951)	(2,203,273)	(1,300,279)
Purchase and construction of infrastructure	10(a)	(3,218,188)	(3,412,139)	(2,590,222)
Amount attributable to investing activities		(2,673,052)	(3,428,037)	(1,768,669)
FINANCING ACTIVITIES				
Proceeds from borrowings	14	0	0	500,000
Repayment of borrowings	15(c)	(840,898)	(846,898)	(350,832)
Transfers to reserves (restricted assets)	4	(1,299,363)	(1,175,380)	(943,440)
Transfers from reserves (restricted assets)	4	1,129,237	1,318,455	741,095
Amount attributable to financing activities		(1,011,024)	(703,823)	(53,177)
Surplus (deficit) before imposition of general rates		(5,251,527)	(6,849,068)	(5,877,187)
Total amount raised from general rates	23	6,861,909	6,849,068	6,744,149
Surplus (deficit) after imposition of general rates	24(b)	1,610,382	0	866,962

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

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

1. BASIS OF PREPARATION

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

The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance.

Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

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

CRITICAL ACCOUNTING ESTIMATES

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All moneys held in the Trust Fund are excluded from the financial statements. A separate statement of those moneys appears at Note 26 to these financial statements.

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

2. REVENUE AND EXPENSES

(a) Revenue

Grant revenue

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

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Operating grants, subsidies and contributions			
General purpose funding	1,928,418	997,893	1,757,377
Law, order, public safety	150,732	131,351	137,438
Recreation and culture	27,559	40,000	59,082
Transport	1,720,660	0	0
Economic services	89,692	47,000	157,148
Other Property & Services	0	40,000	0
	3,917,061	1,256,244	2,111,045
Non-Operating grants, subsidies and contributions			
Law, order, public safety	0	383,900	184,911
Recreation and culture	47,244	51,000	378,905
Transport	1,207,285	1,276,289	1,279,810
	1,254,529	1,711,189	1,843,626
Total grants, subsidies and contributions	5,171,590	2,967,433	3,954,671

SIGNIFICANT ACCOUNTING POLICIES

Grants, donations and other contributions

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

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

Grants, donations and other contributions (Continued)

a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 22. 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.

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)	2019 Actual \$	2019 Budget \$	2018 Actual \$
Other revenue			
Reimbursements and recoveries	216,460	2,279,130	235,767
Other	77,506	56,200	103,448
	<u>293,966</u>	<u>2,335,330</u>	<u>339,215</u>
Fees and Charges			
Governance	534	300	1,116
General purpose funding	35,390	71,150	36,169
Law, order, public safety	15,866	20,000	18,958
Health	73,425	83,900	93,625
Education and welfare	22,689	24,033	24,251
Community amenities	721,620	711,470	544,495
Recreation and culture	220,415	185,005	184,444
Transport	800	0	418
Economic services	844,497	869,665	879,091
Other property and services	90,380	21,760	13,116
	<u>2,025,616</u>	<u>1,987,283</u>	<u>1,795,683</u>

During the year, there were two changes to the amount of the fees or charges detailed in the original budget.

At its meeting held on 9 October 2018, the Council introduced a new fee for an additional recycling bin service of \$110.00, effective from 18 October 2018.

At its meeting held on 4 December 2018, the Council introduced a new fee for a refundable Infrastructure Bond of \$1,000.00 for building works valued at \$20,000.00 or greater and \$1,500.00 for building work valued at \$250,000.00 or greater, effective from 1 February 2019.

Interest Earnings

Loans receivable - clubs / institutions	26,648	25,343	31,333
Reserve accounts interest	67,796	34,657	63,280
Rates instalment and penalty interest (refer Note 23(c))	59,962	57,000	59,437
Other interest earnings	38,118	20,000	20,408
	<u>192,524</u>	<u>137,000</u>	<u>171,157</u>

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

2. REVENUE AND EXPENSES (Continued)

(b) Expenses

Significant expense

The significant expense relates to works to rectify damage done to roads by storms on 20-21 January 2016 and 25-26 September 2017. These storms were declared as events under the WA Natural Disaster Relief and Recovery Arrangements (WANDRRA).

Auditor's Remuneration

- Audit of the Annual Financial Report
- Other Services

Interest expenses (finance costs)

- Long term borrowings (*refer Note 15(b)*)
- Short term borrowings

Rental charges

- Operating leases

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
	483,833	1,119,141	1,422,221
	21,336	26,000	21,714
	14,859	12,000	16,975
	<u>36,195</u>	<u>38,000</u>	<u>38,689</u>
	131,270	124,482	141,928
	2,055	0	0
	<u>133,325</u>	<u>124,482</u>	<u>141,928</u>
	39,905	32,903	33,463
	<u>39,905</u>	<u>32,903</u>	<u>33,463</u>

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

3. CASH AND CASH EQUIVALENTS

NOTE	2019	2018
	\$	\$

Cash at bank and on hand	1,559,589	1,350,893
Term deposits	1,899,618	1,892,670
	<u>3,459,207</u>	<u>3,243,563</u>

Comprises:

- Unrestricted cash and cash equivalents	831,375	905,796
- Restricted cash and cash equivalents	2,627,832	2,337,767
	<u>3,459,207</u>	<u>3,243,563</u>

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

Reserve accounts

Employee Reserve	4	141,914	116,193
Plant Replacement Reserve	4	425,013	841,962
Drainage and Water Management Reserve	4	84,347	82,346
Waste Management Reserve	4	304,994	124,311
Computer Software/Hardware Upgrade Reserve	4	155,026	31,349
Mount Barker Regional Saleyards Capital Improvements Reserve	4	149,123	215,872
Mount Barker Regional Saleyards Operating Loss Reserve	4	279,090	257,702
Shire Development and Building Improvements Reserve	4	0	115,692
Outstanding Land Resumptions Reserve	4	9,272	36,871
Natural Disaster Reserve	4	43,364	2,336
Plantagenet Medical Centre Reserve	4	357,751	283,778
Spring Road Roadworks Reserve	4	55,086	53,780
Mount Barker Swimming Pool Revitalisation Reserve	4	7,024	6,857
Hockey Ground Carpet Replacement	4	56,728	37,383
Community Resource Centre Building Reserve	4	22,712	14,963
Museum Complex Shingle Roof Reserve	4	68,050	69,433
Standpipe Reserve	4	11,212	947
Paths and Trails Reserve	4	31,237	20,496
Capital Improvements and Major Refurbishments Reserve	4	305,050	24,596
		<u>2,506,993</u>	<u>2,336,867</u>

Other restricted cash and cash equivalents

Unspent grants/contributions	22	44,805	0
Bonds and deposits held		76,034	900
Total restricted cash and cash equivalents		<u>2,627,832</u>	<u>2,337,767</u>

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Cash and cash equivalents (Continued)

and which are subject to an insignificant risk of changes in value. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

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

4. RESERVES - CASH BACKED

	2019 Actual Opening Balance	2019 Actual Transfer to	2019 Actual Transfer (from)	2019 Actual Closing Balance	2019 Budget Opening Balance	2019 Budget Transfer to	2019 Budget Transfer (from)	2019 Budget Closing Balance	2018 Actual Opening Balance	2018 Actual Transfer to	2018 Actual Transfer (from)	2018 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Employee entitlements reserve	116,193	25,721	0	141,914	115,517	22,362	0	137,879	88,380	27,813	0	116,193
(b) Plant replacement reserve	841,962	270,524	(687,473)	425,013	841,577	274,182	(933,075)	182,684	798,170	449,049	(405,257)	841,962
(c) Drainage and water management reserve	82,346	2,001	0	84,347	81,801	1,416	0	83,217	80,352	1,994	0	82,346
(d) Waste management reserve	124,311	180,683	0	304,994	123,724	178,730	0	302,454	148,057	3,254	(27,000)	124,311
(e) Computer software/hardware upgrade reserve	31,349	123,677	0	155,026	31,179	122,711	0	153,890	20,590	10,759	0	31,349
(f) Mount Barker Regional Saleyards capital improvements reserve	215,872	135,730	(202,479)	149,123	215,651	138,628	(203,386)	150,893	180,112	122,682	(86,922)	215,872
(g) Mount Barker Regional Saleyards operating loss reserve	257,702	21,388	0	279,090	256,290	19,425	0	275,715	173,682	84,020	0	257,702
(h) Building renewal reserve	115,692	0	(115,692)	0	114,924	1,989	(116,913)	0	112,891	2,801	0	115,692
(i) Outstanding land resumptions reserve	36,871	442	(28,041)	9,272	36,625	634	(30,000)	7,259	35,978	893	0	36,871
(j) Natural disaster reserve	2,336	41,028	0	43,364	3,178	40,779	0	43,957	41,556	40,780	(80,000)	2,336
(k) Plantagenet medical centre reserve	283,778	83,055	(9,082)	357,751	282,181	80,733	0	362,913	202,407	81,371	0	283,778
(l) Spring Road roadworks reserve	53,780	1,306	0	55,086	53,423	925	0	54,348	52,478	1,302	0	53,780
(m) Mount Barker swimming pool revitalisation reserve	6,857	167	0	7,024	8,017	139	0	8,156	96,496	33,277	(122,916)	6,857
(n) Hockey ground carpet replacement	37,383	19,345	0	56,728	37,204	18,970	0	56,174	18,478	18,905	0	37,383
(o) Community resource centre building reserve	14,963	7,749	0	22,712	14,892	7,598	0	22,490	7,391	7,572	0	14,963
(p) Museum complex shingle roof reserve	69,433	1,639	(3,022)	68,050	68,973	1,194	0	70,167	67,752	1,681	0	69,433
(q) Standpipe reserve	947	10,265	0	11,212	1,146	10,201	0	11,347	9,752	10,195	(19,000)	947
(r) Paths and trails reserve	20,496	10,741	0	31,237	20,437	10,000	0	30,437	0	20,496	0	20,496
(s) Major projects and renewals reserve	24,596	363,902	(83,448)	305,050	24,524	244,766	(35,081)	234,210	0	24,596	0	24,596
	2,336,867	1,299,363	(1,129,237)	2,506,993	2,331,263	1,175,380	(1,318,455)	2,188,188	2,134,522	943,440	(741,095)	2,336,867

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

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

Name of reserve	Anticipated date of use	Purpose of the reserve
(a) Employee entitlements reserve	Ongoing	To fund sick, annual and long service leave entitlements for former staff and unplanned payments of annual leave and long service leave
(b) Plant replacement reserve	Ongoing	To fund the purchase of vehicles, plant and machinery
(c) Drainage and water management reserve	Ongoing	To fund the purchase of land for drainage purposes
(d) Waste management reserve	Ongoing	To fund waste management infrastructure and major items of associated plant and equipment
(e) Computer software/hardware upgrade reserve	Ongoing	To fund the upgrade of business system software and hardware with latest versions and additional functionality
(f) Mount Barker Regional Saleyards capital improvements reserve	Ongoing	To fund capital works and purchases at the Mount Barker Regional Saleyards
(g) Mount Barker Regional Saleyards operating loss reserve	Ongoing	To retain a proportion of Saleyards operating surpluses to fund operating deficits
(h) Building renewal reserve	Ongoing	To be cancelled, with balance to be transferred to Major projects and renewals reserve
(i) Outstanding land resumptions reserve	Ongoing	To fund old / outstanding obligations To fund land resumptions associated with road realignments and the like
(j) Natural disaster reserve	Ongoing	To fund the Council's proportion of natural disaster events in the Shire of Plantagenet
(k) Plantagenet medical centre reserve	Ongoing	To fund the renewal, refurbishment and improvements to the Plantagenet Medical Centre
(l) Spring Road roadworks reserve	Ongoing	To fund the construction of roadworks in Spring Road, Porongurup as required by the relevant subdivision condition
(m) Mount barker swimming pool revitalisation reserve	Ongoing	To fund planning and capital works associated with the revitalisation of the Mount Barker Memorial Swimming Pool
(n) Hockey ground carpet replacement	Ongoing	To contribute towards the planned replacement of carpet at the Sounness Park Hockey Ground
(o) Community resource centre building reserve	Ongoing	To contribute to the maintenance, renewal, refurbishment and improvements to the Mount Barker Community Resource Centre
(p) Museum complex shingle roof reserve	Ongoing	To fund the renewal of shingle roofs on buildings at the Mount Barker Historical Museum complex
(q) Standpipe reserve	Ongoing	To fund the repair, renewal and upgrade of water standpipes
(r) Paths and trails reserve	Ongoing	To fund the development of new pathways, cycleway infrastructure and trails
(s) Major projects and renewals reserve	Ongoing	To fund new, improvements or refurbishments to existing Shire buildings and / or infrastructure and planned major building renewal projects

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

5. TRADE RECEIVABLES

Current

	2019	2018
	\$	\$
Rates receivable	417,020	419,667
Trade receivables	340,112	140,344
Allowance for impairment of trade receivables	(2,598)	(663)
Infringement receivables	12,491	15,709
Allowance for impairment of infringement receivables	(8,520)	(9,625)
GST receivable	3,677	50,609
	762,182	616,041

Non-current

Pensioner's rates and ESL deferred	99,523	80,658
	99,523	80,658

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

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

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 25.

Previous accounting policy: Impairment of trade receivables

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

Classification and subsequent measurement

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

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

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

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

6. INVENTORIES

	2019	2018
	\$	\$
Current		
Fuel and materials	64,420	49,154
	<u>64,420</u>	<u>49,154</u>
Carrying amount at 1 July	49,154	43,452
Inventories expensed during the year	(298,952)	(277,821)
Additions to inventory	314,218	283,523
Carrying amount at 30 June	<u>64,420</u>	<u>49,154</u>

SIGNIFICANT ACCOUNTING POLICIES

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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

**7. OTHERS ASSETS AND ASSETS CLASSIFIED
AS HELD FOR RESALE**

	<u>2019</u>	<u>2018</u>
	\$	\$
Other current assets		
Prepayments	2,500	0
Accrued Income	129,984	11,237
	<u>132,484</u>	<u>11,237</u>

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

Non-current assets held for sale

Assets are classified as held for sale where the carrying amount will be recovered through a sale rather than continuing use and the asset is available for immediate sale with a sale being highly probable.

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

8. OTHER FINANCIAL ASSETS

	2019	2018
	\$	\$
(a) Current assets		
Other financial assets at amortised cost	128,373	0
Other loans and receivables	0	123,777
	<u>128,373</u>	<u>123,777</u>
Other financial assets at amortised cost		
- Financial assets at amortised cost - self supporting loans	128,373	0
	<u>128,373</u>	<u>0</u>
Financial assets previously classified as loans and receivables		
- Loans receivable - clubs/institutions	0	123,777
	<u>0</u>	<u>123,777</u>
(b) Non-current assets		
Other financial assets at amortised cost	342,181	470,555
Financial assets at fair value through profit and loss	92,278	4,692
	<u>434,459</u>	<u>475,247</u>
Other financial assets at amortised cost		
- Financial assets at amortised cost - self supporting loans	342,181	470,555
	<u>342,181</u>	<u>470,555</u>
Financial assets at fair value through profit and loss		
- Unlisted equity investments (Mount Barker Co-operative shares - shareholding of 8,320 shares at cost)	4,692	4,692
- Units in Local Government House Trust	87,586	0
	<u>92,278</u>	<u>4,692</u>

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 14(b) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 25.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Previous accounting policy: available for sale financial assets

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

Previous accounting policy: Loans and receivables

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

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

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Carrying Amounts

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

	Land - freehold land	Land - vested in and under the control of the Council	Total land	Buildings - non- specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2017	4,385,500	2,045,000	6,430,500	2,808,600	25,987,432	28,796,032	35,226,532	891,539	6,345,648	42,463,719
Additions	43,125	0	43,125	52,647	657,034	709,681	752,806	8,990	538,483	1,300,279
Disposals	0	0	0	0	0	0	0	0	(150,849)	(150,849)
Depreciation (expense)	0	0	0	(130,247)	(939,250)	(1,069,497)	(1,069,497)	(69,202)	(619,222)	(1,757,921)
Carrying amount at 30 June 2018	4,428,625	2,045,000	6,473,625	2,731,000	25,705,216	28,436,216	34,909,841	831,327	6,114,060	41,855,228
Comprises:										
Gross carrying amount at 30 June 2018	4,428,625	2,045,000	6,473,625	2,861,247	26,644,466	29,505,713	35,979,338	957,991	7,228,468	44,165,797
Accumulated depreciation at 30 June 2018	0	0	0	(130,247)	(939,250)	(1,069,497)	(1,069,497)	(126,664)	(1,114,408)	(2,310,569)
Carrying amount at 30 June 2018	4,428,625	2,045,000	6,473,625	2,731,000	25,705,216	28,436,216	34,909,841	831,327	6,114,060	41,855,228
Additions	0	0	0	0	113,685	113,685	113,685	45,629	873,637	1,032,951
(Disposals)	0	0	0	0	0	0	0	(4,286)	(229,693)	(233,979)
Revaluation increments / (decrements transferred to revaluation surplus)	0	0	0	0	0	0	0	(87,315)	(135,433)	(222,748)
Depreciation (expense)	0	0	0	(124,336)	(910,333)	(1,034,669)	(1,034,669)	(52,761)	(568,560)	(1,655,990)
Transfers	0	0	0	0	0	0	0	(75,933)	(54,177)	(130,110)
Carrying amount at 30 June 2019	4,428,625	2,045,000	6,473,625	2,606,664	24,908,568	27,515,232	33,988,857	656,661	5,999,834	40,645,352
Comprises:										
Gross carrying amount at 30 June 2019	4,428,625	2,045,000	6,473,625	2,861,247	26,758,151	29,619,398	36,093,023	693,222	6,019,730	42,805,975
Accumulated depreciation at 30 June 2019	0	0	0	(254,583)	(1,849,583)	(2,104,166)	(2,104,166)	(36,561)	(19,896)	(2,160,623)
Carrying amount at 30 June 2019	4,428,625	2,045,000	6,473,625	2,606,664	24,908,568	27,515,232	33,988,857	656,661	5,999,834	40,645,352

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

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and Buildings					
Land - freehold land	2	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Independent registered valuers	June 2017	Price per hectare / market borrowing rate
Land - vested in and under the control of the Council	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - non-specialised	2/3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - specialised	3	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Independent registered valuers	June 2017	Price per square metre / market borrowing rate
Furniture and equipment	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2019	Construction costs and current condition, residual values and remaining useful life assessments inputs
Plant and equipment					
- Independent valuation 2019	2/3	Market approach using recent observable market data for similar vehicles	Independent valuers	June 2019	Market price per item
- Management valuation 2019	3	Cost approach using depreciated replacement cost	Management Valuation	June 2019	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

SHIRE OF PLANTAGENET
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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10 . INFRASTRUCTURE

(a) Movements in Carrying Amounts

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

	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - parks and ovals	Infrastructure - other	Total Infrastructure
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2017	121,337,634	1,422,286	11,914,850	4,781,950	12,524,286	151,981,006
Additions	1,838,921	73,088	418,842	143,558	115,813	2,590,222
Revaluation increments/ (decrements) transferred to revaluation surplus	(404,633)	527,714	(1,131,850)	785,261	614,951	391,443
Depreciation (expense)	(3,295,234)	(92,894)	(163,813)	(274,942)	(410,870)	(4,237,753)
Carrying amount at 30 June 2018	119,476,688	1,930,194	11,038,029	5,435,827	12,844,180	150,724,918
Comprises:						
Gross carrying amount at 30 June 2018	191,012,921	2,933,088	15,594,842	10,449,827	23,392,079	243,382,757
Accumulated depreciation at 30 June 2018	(71,536,233)	(1,002,894)	(4,556,813)	(5,014,000)	(10,547,899)	(92,657,839)
Carrying amount at 30 June 2018	119,476,688	1,930,194	11,038,029	5,435,827	12,844,180	150,724,918
Additions	2,581,826	104,580	285,699	50,539	195,544	3,218,188
Revaluation increments / (decrements) transferred to revaluation surplus	38,212,312	0	0	0	0	38,212,312
Depreciation (expense)	(3,204,826)	(92,045)	(166,691)	(352,535)	(588,109)	(4,404,206)
Transfers	0	0	0	0	130,111	130,111
Carrying amount at 30 June 2019	157,066,000	1,942,729	11,157,037	5,133,831	12,581,726	187,881,323
Comprises:						
Gross carrying amount at 30 June 2019	194,265,000	3,037,668	15,880,541	10,500,366	23,717,734	247,401,309
Accumulated depreciation at 30 June 2019	(37,199,000)	(1,094,939)	(4,723,504)	(5,366,535)	(11,136,008)	(59,519,986)
Carrying amount at 30 June 2019	157,066,000	1,942,729	11,157,037	5,133,831	12,581,726	187,881,323

SHIRE OF PLANTAGENET
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10. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2019	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - footpaths	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - drainage	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - parks and ovals	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2018	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - other	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2018	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

11. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost where the fair value of the asset at date of acquisition is equal to or above \$5,000. All assets are subsequently revalued in accordance with the mandatory measurement framework.

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

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

Revaluation

The fair value of fixed assets is determined at least every three years and no more than five years in accordance with the regulatory framework. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

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

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under control

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

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

Land under roads

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

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

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

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

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

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

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

(a) Disposals of Assets

The following assets were disposed of during the year:

	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss	2019 Budget Net Book Value	2019 Budget Sale Proceeds	2019 Budget Profit	2019 Budget Loss	2018 Actual Net Book Value	2018 Actual Sale Proceeds	2018 Actual Profit	2018 Actual Loss
Plant and equipment	\$ 229,693	\$ 198,683	\$ 5,407	\$ (36,417)	\$ 452,111	\$ 352,409	\$ 31,294	\$ (130,996)	\$ 150,850	\$ 133,764	\$ 15,283	\$ (32,369)
Furniture and equipment	4,286	1,098	0	(3,188)	0	0	0	0	0	0	0	0
	<u>233,979</u>	<u>199,781</u>	<u>5,407</u>	<u>(39,605)</u>	<u>452,111</u>	<u>352,409</u>	<u>31,294</u>	<u>(130,996)</u>	<u>150,850</u>	<u>133,764</u>	<u>15,283</u>	<u>(32,369)</u>

The following assets were disposed of during the year:

	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
Plant and Equipment	\$	\$	\$	\$
Law, Order and Public Safety				
Isuzu Crew Cab Tray Top - Ranger (LV40)	17,641	14,546	0	(3,095)
Community amenities				
Ford Ranger 2WD - Building Maintenance (LV27)	8,918	8,182	0	(736)
Economic Services				
Hyundai I40 wagon - Principal Building Surveyor	10,190	11,091	901	0
Public Works Overheads				
Isuzu D-Max LST Crew Cab 4x4 - MWS (LV46)	30,421	25,455	0	(4,966)
Ford PX Ranger - Principal Works Supervisor (LV36)	27,920	18,182	0	(9,738)
Ford Ranger XL 4x2 - Works Crew Transporter (LV52)	6,383	8,182	1,799	0
Plant Operating				
Isuzu Tipper (T1)	23,579	25,909	2,330	0
2008 Kenworth DAF Tip Truck (T32)	49,359	45,000	0	(4,359)
Hino Tip Truck (T3)	46,031	38,000	0	(8,031)
Gravely Zero Turn Ride On Mower (TC10)	6,628	1,136	0	(5,492)
Ariens Zoom XL42 Ride On Mower (TC11)	2,623	3,000	377	0
	<u>229,693</u>	<u>198,683</u>	<u>5,407</u>	<u>(36,417)</u>
Furniture and Equipment				
Public Works Overheads				
Metrocount traffic counters	4,286	1,098	0	(3,188)
	<u>4,286</u>	<u>1,098</u>	<u>0</u>	<u>(3,188)</u>
	<u>233,979</u>	<u>199,781</u>	<u>5,407</u>	<u>(39,605)</u>

(b) Fully Depreciated Assets in Use

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

	2019	2018
	\$	\$
Plant and Equipment	3,290	25,390
Infrastructure	<u>52,000</u>	<u>52,000</u>
	<u>55,290</u>	<u>77,390</u>

(c) Depreciation

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Buildings - non-specialised	124,336	103,049	130,247
Buildings - specialised	910,333	743,591	939,250
Plant and Equipment	568,560	638,982	619,222
Furniture and Equipment	52,760	309,164	69,202
Infrastructure - roads	3,204,825	3,364,980	3,295,233
Infrastructure - footpaths	92,046	94,860	92,894
Infrastructure - drainage	166,691	167,280	163,813
Infrastructure - parks and ovals	352,535	286,286	274,942
Infrastructure - other	588,109	408,742	410,870
	<u>6,060,195</u>	<u>6,116,934</u>	<u>5,995,673</u>

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

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

(c) Depreciation (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

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

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

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

Depreciation rates

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

Asset Class	Useful Life
Buildings	25-50 years
Furniture and equipment	5 to 25 years
Plant and equipment	7 to 25 years
Sealed roads and streets:	
Pavement formation	Not depreciated
Pavement structure	40 to 70 years
Pavement surface	12 to 35 years
Gravel roads	
Pavement formation	Not depreciated
Pavement structure	12 to 15 years
Surface water channel	50 years
Pathways	30 to 40 years
Water supply piping and drainage systems	50 to 100 years
Parks and reserves:	
Parks and ovals	15 to 50 years
Skate Parks	20 years
Swimming pool	50 years
Other Infrastructure:	
Saleyards Infrastructure	20 to 50 years
Other infrastructure	20 to 45 years

Depreciation (Continued)

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

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

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

12. REVALUATION SURPLUS

	2019 Opening Balance	2019 Revaluation Increment	2019 Revaluation Decrement	Total Movement on Revaluation	2019 Closing Balance	2018 Opening Balance	2018 Revaluation Increment	2018 Revaluation Decrement	Total Movement on Revaluation	2018 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land and buildings	33,314,890	0	0	0	33,314,890	33,314,890	0	0	0	33,314,890
Revaluation surplus - Plant and equipment	1,501,083	0	(135,433)	(135,433)	1,365,650	1,501,083	0	0	0	1,501,083
Revaluation surplus - Furniture and equipment	312,878	0	(87,315)	(87,315)	225,563	312,878	0	0	0	312,878
Revaluation surplus - Infrastructure - roads	79,531,418	38,212,312	0	38,212,312	117,743,730	79,936,051	0	(404,633)	(404,633)	79,531,418
Revaluation surplus - Infrastructure - footpaths	1,161,153	0	0	0	1,161,153	633,440	527,713	0	527,713	1,161,153
Revaluation surplus - Infrastructure - drainage	9,713,963	0	0	0	9,713,963	10,845,813	0	(1,131,850)	(1,131,850)	9,713,963
Revaluation surplus - Infrastructure - parks and ovals	785,261	0	0	0	785,261	0	785,261	0	785,261	785,261
Revaluation surplus - Infrastructure - other	869,632	0	0	0	869,632	254,681	614,951	0	614,951	869,632
	127,190,278	38,212,312	(222,748)	37,989,564	165,179,842	126,798,836	1,927,925	(1,536,483)	391,442	127,190,278

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

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

13. TRADE AND OTHER PAYABLES

	2019	2018
	\$	\$
Current		
Sundry creditors	117,669	519,750
Other creditors	193,538	108,430
ATO liabilities	0	98,276
Accrued interest on debentures	12,962	6,048
Accrued salaries and wages	30,878	31,748
	355,047	764,252

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

Trade and other payables (Continued)

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

14. SHORT-TERM BORROWINGS

	2019	2018
	\$	\$
Unsecured		
WATC - short term facility	0	500,000

In 2017/18, authority was granted to the Chief Executive Officer to enter into a short term liquidity lending facility between the Shire of Plantagenet and the Western Australian Treasury Corporation to maintain positive cash flow while undertaking storm damage works. The facility limit is \$1.5 million, terminating on 28 February 2020. A sum of \$500,000.00 was drawn down on 26 June 2018 and fully repaid on 10 August 2018.

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

15. INFORMATION ON BORROWINGS

(a) Borrowings		2019	2018
		\$	\$
Current		356,812	340,898
Non-current		1,612,737	1,969,549
		1,969,549	2,310,447

(b) Repayments - Borrowings																										
Particulars	Loan Number	Institution	Interest Rate	Actual Principal	30 June 2019	Actual Principal	30 June 2019	Actual Interest	30 June 2019	Actual Principal	30 June 2019	Budget Principal	30 June 2019	Budget New	30 June 2019	Budget Principal	30 June 2019	Budget Interest	30 June 2019	Actual Principal	30 June 2018	Actual Principal	30 June 2018	Actual Interest	30 June 2018	Actual Principal
				1 July 2018	New Loans	repayments	repayments	outstanding		1 July 2018	Loans	repayments	repayments	outstanding		1 July 2017	repayments	repayments	outstanding	1 July 2017	repayments	repayments	outstanding			
				\$	\$	\$	\$	\$		\$	\$	\$	\$	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Governance																										
New administration centre	90	WATC*	5.82%	1,308,362	0	156,325	88,036	1,152,037		1,308,362	0	156,325	84,777	1,152,037		1,455,972	147,610	92,991	1,308,362							
Recreation and culture																										
Sounness Park	94	WATC*	3.84%	202,539	0	37,486	9,449	165,053		202,539	0	37,486	8,978	165,053		238,626	36,087	10,408	202,539							
Economic services																										
Saleyards roof	95	WATC*	2.70%	205,215	0	23,310	7,439	181,905		205,215	0	23,310	5,385	181,905		227,908	22,693	7,545	205,215							
				1,716,116	0	217,121	104,924	1,498,995		1,716,116	0	217,121	99,140	1,498,995		1,922,506	206,390	110,944	1,716,116							
Self Supporting Loans																										
Health																										
Plantagenet Village Homes	93	WATC*	3.68%	594,331	0	123,777	26,346	470,554		594,331	0	123,777	25,343	470,554		713,675	119,344	29,392	594,331							
Recreation and culture																										
Mount Barker Golf Club	91	WATC*	7.26%	0	0	0	0	0		0	0	0	0	0		25,098	25,098	1,592	0							
				594,331	0	123,777	26,346	470,554		594,331	0	123,777	25,343	470,554		738,773	144,442	30,984	594,331							
				2,310,447	0	340,898	131,270	1,969,549		2,310,447	0	340,898	124,482	1,969,549		2,661,279	350,832	141,928	2,310,447							

* WA Treasury Corporation

Self supporting loans financed by payments from third parties. These are shown in Note 8 as other financial assets at amortised cost.
All other loan repayments were financed by general purpose revenue.

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

15. INFORMATION ON BORROWINGS (Continued)

- (c) Unspent Borrowings
Nil

(d) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit
Bank overdraft at balance date
Credit card limit
Credit card balance at balance date

Total amount of credit unused

2019	2018
\$	\$
500,000	500,000
0	0
20,000	20,000
(4,274)	0
515,726	520,000

Loan facilities

Loan facilities - current
Loan facilities - non-current

Total facilities in use at balance date

356,812	840,898
1,612,737	1,969,549
1,969,549	2,810,447

Unused loan facilities at balance date

WATC - short term facility limit
WATC - short term facility balance at balance date

Total loan facilities unused

1,500,000	1,500,000
0	(500,000)
1,500,000	1,000,000

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Borrowing costs

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

Risk

Information regarding exposure to risk can be found at Note 25.

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

16. EMPLOYEE RELATED PROVISIONS

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance as at 1 July 2018			
Current provisions	398,088	417,033	815,121
Non-current provisions	0	94,246	94,246
	398,088	511,279	909,367
Additional provisions	346,827	148,177	495,004
Amounts used	(285,567)	(131,855)	(417,422)
Balance as at 30 June 2019	459,348	527,601	986,949
Comprises			
Current	459,348	415,338	874,686
Non-current	0	112,263	112,263
	459,348	527,601	986,949
	2019	2018	
	\$	\$	
Amounts are expected to be settled on the following basis:			
Less than 12 months after the reporting date	372,105	457,105	
More than 12 months from the reporting date	614,844	452,262	
	986,949	909,367	

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees.

Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

SIGNIFICANT ACCOUNTING POLICIES

Employee Benefits

Short-Term Employee Benefits

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

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

Other Long-Term Employee Benefits (Continued)

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.

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.

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

17. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Cash and cash equivalents	3,459,207	2,233,919	3,243,563

**Reconciliation of net cash provided by
Operating Activities to Net Result**

Net Result	(389,543)	(1,607,422)	(2,396,162)
Non-cash flows in net result:			
Adjustments to fair value of financial assets	(87,586)	0	0
Depreciation	6,060,195	6,116,934	5,995,673
(Profit) / loss on sale of assets	34,198	99,702	17,085
Changes in Assets and Liabilities:			
(Increase) / decrease in receivables	(165,007)	(114,154)	(33,329)
(Increase) / decrease in other assets	(121,246)	0	0
(Increase) / decrease in inventories	(15,266)	750	(5,702)
Increase / (decrease) in payables	(409,205)	189,716	353,517
Increase / (decrease) in employee provisions	77,582	(76,311)	(108,470)
Grants / contributions for the development of assets	(1,254,529)	(1,711,190)	(1,861,360)
Net cash From operating activities	3,729,593	2,898,025	1,961,252

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

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2019	2018
	\$	\$
Governance	5,098,073	5,240,739
Law, Order, Public Safety	3,999,058	4,434,344
Education and Welfare	794,999	830,948
Community Amenities	3,199,639	3,354,053
Recreation and Culture	23,033,483	23,736,543
Transport	170,165,767	132,444,911
Economic Services	13,233,171	13,643,609
Other Property and Services	9,002,489	8,895,000
Unallocated	5,080,644	4,599,676
	233,607,323	197,179,823

19. CONTINGENT LIABILITIES

- (a) The Council has a joint contingent liability with the Baptist Union of WA for the repayment of a \$100,000 loan (for the Mount Barker Community Centre) to the Minister for Regional Development in the event of default of the service at the new centre. The Council has received a letter from the Baptist Union of WA advising that they have undertaken to carry on the service in event of the local Baptist Church defaulting.

20. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

	2019	2018
	\$	\$
Contracted for:		
- capital expenditure projects	13,473	15,585
- plant and equipment purchases	0	282,034
	13,473	297,619
Payable:		
- not later than one year	13,473	297,619

The capital expenditure projects outstanding at the end of the current reporting period represents electrical works at Frost Pavilion . The prior year commitment represents lining of walls at Frost Pavillion, brick paving of footpaths in Langton Road and the purchase of two trucks (Izuzu GIGA 455 and Isuzu FRR 107-210).

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts.

Payable:		
- not later than one year	35,678	38,562
- later than one year but not later than five years	36,624	25,147
	72,302	63,709

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

Leases (Continued)

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

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

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

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

21. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

The following fees, expenses and allowances were paid to the Shire President and Councillors.

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
President's Allowance	7,971	6,700	6,088
Deputy President's Allowance	1,675	1,675	1,522
Elected Members' Sitting Fees	79,100	80,370	77,195
Travelling Allowance	961	1,995	1,507
Other Allowances and Indirects	19,267	20,000	19,532
Conferences and Training	8,479	33,000	9,902
	<u>117,453</u>	<u>143,740</u>	<u>115,746</u>

Key Management Personnel (KMP) Compensation Disclosure

	2019 Actual	2018 Actual
	\$	\$
The total of remuneration paid to KMP of the Shire during the year are as follows:		
Short-term employee benefits	694,685	714,422
Post-employment benefits	85,681	90,262
Other long-term benefits	35,658	18,017
Termination benefits	<u>28,448</u>	<u>0</u>
	<u>844,472</u>	<u>822,701</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 above.

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

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

21. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

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

The following transactions occurred with related parties:

	2019 Actual \$	2018 Actual \$
Sale of goods and services	3,169	2,579
Purchase of goods and services	182,278	188,367
Amounts outstanding from related parties:		
Trade and other receivables	331	0

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.

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22. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening Balance ⁽¹⁾ 1/07/2017	Received ⁽²⁾ 2017/2018	Expended ⁽³⁾ 2017/2018	Closing Balance ⁽¹⁾ 30/06/2018	Received ⁽²⁾ 2018/2019	Expended ⁽³⁾ 2018/2019	Closing Balance 30/06/2019
	\$	\$	\$	\$	\$	\$	\$
Law, order and Public Safety							
- BFB 1st quarter operating grant	0	0	0	0	41,871	0	41,871
- SES 1st quarter operating grant	0	0	0	0	2,934	0	2,934
Total	0	0	0	0	44,805	0	44,805

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 have 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

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23. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	2018/19 Actual Rateable Value \$	2018/19 Actual Rate Revenue \$	2018/19 Actual Interim Rates \$	2018/19 Actual Back Rates \$	2018/19 Actual Total Revenue \$	2018/19 Budget Rate Revenue \$	2018/19 Budget Interim Rate \$	2018/19 Budget Back Rate \$	2018/19 Budget Total Revenue \$	2017/18 Actual Total Revenue \$
General Rate												
Gross Rental Valuations												
GRV - Mount Barker Townsite	11.4970	821	10,401,135	1,195,818	(76)	673	1,196,415	1,195,818	0	0	1,195,818	1,178,291
GRV - Strata Title	11.4970	10	114,556	13,170	60	10	13,240	13,171	0	0	13,171	13,016
GRV - Rural Townsites	11.4970	193	1,848,308	212,500	107	18	212,625	212,500	0	0	212,500	208,999
GRV - Rural	11.4970	45	1,226,640	141,027	3,826	15	144,868	141,027	0	0	141,027	139,077
Unimproved Valuations												
UV - Rural	0.86947	1,248	488,258,000	4,245,257	(471)	610	4,245,395	4,245,253	0	0	4,245,253	4,239,638
Sub-Total		2,317	501,848,639	5,807,772	3,446	1,326	5,812,543	5,807,769	0	0	5,807,769	5,779,021
Minimum Payment												
Gross Rental Valuations												
GRV - Mount Barker Townsite	900	225	1,125,636	202,500	4,509	181	207,191	202,500	0	0	202,500	202,920
GRV - Strata Title	900	82	162,900	73,800	0	0	73,800	73,800	0	0	73,800	72,980
GRV - Rural Townsites	900	339	807,100	305,100	1,194	125	306,419	305,100	0	0	305,100	302,751
GRV - Rural	900	28	154,185	25,200	0	0	25,200	25,200	0	0	25,200	24,920
Unimproved Valuations												
UV - Rural	900	476	39,165,900	428,400	2,371	228	430,999	429,300	0	0	429,300	356,066
UV - Mining	900	6	61,124	5,400	284	73	5,757	5,400	0	0	5,400	5,491
Sub-Total		1,156	41,476,845	1,040,400	8,358	607	1,049,366	1,041,300	0	0	1,041,300	965,128
Total amount raised from general rate		3,473	543,325,484	6,848,172	11,804	1,933	6,861,909	6,849,069	0	0	6,849,069	6,744,149

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

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23. RATING INFORMATION (Continued)

(b) Discounts, Incentives, Concessions and Write-Offs

	Type	Disc %	Actual	Budget
			\$	\$
General rates	Write-Off	N/A	18,059	0

Rates balances under \$2.00 are written off at the end of each year.

(c) Interest Charges and Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
Option One				
Single full payment	20-Aug-18	0.00	0.0%	9.0%
Option Two				
First Instalment	20-Aug-18	0.00	0.0%	9.0%
Second Instalment	07-Jan-19	7.50	5.5%	9.0%
Option Three				
First Instalment	20-Aug-18			
Second Instalment	22-Oct-18	7.50	5.5%	9.0%
Third Instalment	07-Jan-19	7.50	5.5%	9.0%
Fourth Instalment	11-Mar-19	7.50	5.5%	9.0%

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Interest on unpaid rates	37,633	35,000	37,459
Interest on instalment plans	22,329	22,000	21,978
	59,962	57,000	59,437
Charges on Instalment plan	16,075	16,000	15,930
	76,037	73,000	75,367

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24. RATE SETTING STATEMENT INFORMATION

	2018/19 (30 June 2019 Carried Forward)	2018/19 Budget (30 June 2019 Carried Forward)	2018/19 (1 July 2018 Brought Forward)
Note	\$	\$	\$

(a) Non-cash amounts excluded from operating activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with Financial Management Regulation 32.

Adjustments to operating activities

Less: Profit on asset disposals	11(a)	(5,407)	(31,294)	(15,283)
Movement in accrued interest	13	6,914	0	(1,211)
Movement in accrued salaries and wages	13	(870)	0	3,445
Movement in pensioner deferred rates (non-current)	5	(18,865)	0	(11,003)
Movement in employee benefit provisions	16	77,582	54,073	(108,470)
Add: Loss on disposal of assets	11(a)	39,605	130,996	32,369
Add: Depreciation on assets	11(c)	6,060,195	6,116,934	5,995,673
Non cash amounts excluded from operating activities		6,159,154	6,270,709	5,895,520

(b) Surplus/(deficit) after imposition of general rates

The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with Financial Management Regulation 32 to agree to the surplus/(deficit) after imposition of general rates.

Adjustments to net current assets

Less: Reserves - restricted cash	3	(2,506,993)	(2,188,188)	(2,336,867)
Less: - Financial assets at amortised cost - self supporting loans	8(a)	(128,373)	0	(123,777)
Add: - Employee related provisions	16	874,686	1,051,279	815,121
Add: - Accrued Payables and Provision for Doubtful Debts	5, 13	54,129	0	48,086
Add: Borrowings	15(a)	356,812	340,898	840,898
Total adjustments to net current assets		(1,349,739)	(796,011)	(756,539)

Net current assets used in the Rate Setting Statement

Total current assets		4,546,666	2,691,418	4,043,772
Less: Total current liabilities		(1,586,545)	(1,895,407)	(2,420,271)
Less: Total adjustments to net current assets		(1,349,739)	(796,011)	(756,539)
Net current assets used in the Rate Setting Statement		1,610,382	0	866,962

25. FINANCIAL RISK MANAGEMENT

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

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

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2019					
Cash and cash equivalents	1.16%	3,459,207	1,899,618	1,556,289	3,300
2018					
Cash and cash equivalents	1.52%	3,243,563	1,892,670	1,347,393	3,500

Sensitivity

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

	2019	2018
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	15,563	13,474

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 14(a).

25. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade Receivables

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

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

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

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

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

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

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2019					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	0.00%
Gross carrying amount	109,233	178,778	62,340	66,669	417,020
Loss allowance	0	0	0	0	0
01 July 2018					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	0.00%
Gross carrying amount	122,767	156,327	50,761	89,812	419,667
Loss allowance	0	0	0	0	0

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25. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (continued)

Trade Receivables (continued)

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2019					
Trade Receivables					
Expected credit loss	0.48%	0.98%	4.95%	9.11%	
Gross carrying amount	314,243	10,383	10,163	5,323	340,112
Loss allowance	1,508	102	503	485	2,598
Infringement Receivables					
Expected credit loss	0.00%	0.00%	0.00%	68.21%	
Gross carrying amount	0	0	0	12,491	12,491
Loss allowance	0	0	0	8,520	8,520
01 July 2018					
Trade Receivables					
Expected credit loss	0.20%	0.42%	2.11%	4.52%	
Gross carrying amount	129,380	2,081	449	8,434	140,344
Loss allowance	265	8	9	381	663
Infringement Receivables					
Expected credit loss	0.00%	0.00%	0.00%	61.27%	
Gross carrying amount	0	0	0	15,709	15,709
Loss allowance	0	0	0	9,625	9,625

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25. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables are subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 15(d).

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

	Due Within 1 Year	Due Between 1 and 5 Years	Due After 5 Years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<u>2019</u>					
Payables	355,047	0	0	355,047	355,047
Borrowings	463,475	1,569,234	291,822	2,324,531	1,969,549
	818,522	1,569,234	291,822	2,679,578	2,324,596
<u>2018</u>					
Payables	764,252	0	0	764,252	764,252
Borrowings	477,439	1,730,843	549,814	2,758,096	2,310,447
	1,241,691	1,730,843	549,814	3,522,348	3,074,699

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26. 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:

In previous years, bonds and deposits were held as trust monies. They are now included in restricted cash at Note 3 and shown as a current liability at Note 13.

Particulars	1 July 2018	Amounts Received	Amounts Paid	Reclassification to Restricted Cash	30 June 2019
	\$	\$	\$		\$
Feral Pig Eradication Committee	109,295	19,913	0	0	129,208
Contribution - Public Open Space	97,992	9,080	0	0	107,072
Bonds - Planning Advertising	3,000	500	(2,000)	(1,500)	0
Bonds - Infrastructure Bond	0	5,000	0	(5,000)	0
Bonds - Relocatable Dwelling	15,000	15,000	0	(30,000)	0
Bonds - Extractive Industries	2,000	500	0	(2,500)	0
Bonds - Tree / Garden / Planting	1,757	0	(1,757)	0	0
Bonds - Short Term	0	4,665	(925)	(3,740)	0
Bonds - Other	357,624	11,873	(700)	(32,394)	336,403
	586,668	66,531	(5,382)	(75,134)	572,683

27. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

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

Whilst many reflected consequential changes associated with the amendment of existing standards, the only new standard with material application is AASB 9 *Financial Instruments*.

AASB 9 Financial instruments

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

The Shire applied AASB 9 prospectively, with an initial application date of 1 July 2018. The adoption of AASB 9 has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with AASB 9.7.2.15, the Shire has not restated the comparative information which continues to be reported under AASB 139. Differences arising from adoption have been recognised directly in accumulated surplus/(deficit).

(a) Classification and measurement

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

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

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

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

(b) Impairment

The adoption of AASB 9 has fundamentally changed the Shire's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the Shire to recognise an allowance for ECLs for all financial assets not held at fair value through P/L. Upon adoption of AASB 9, the Shire has not recognised a revised impairment on the Shire's trade receivables and infringement debtors, as the impact of this is not material. No adjustment to accumulated surplus/(deficit) as at 1 July 2018 was performed.

28. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE YEARS

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

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

(a) Revenue from Contracts with Customers

The Shire will adopt AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the Shire will adopt the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments are expected to be made to the amounts recognised in the Statement of Financial Position at the date of initial application (1 July 2019):

		AASB 118 carrying amount		AASB 15 carrying amount
	Note	30 June 2019	Reclassification	01 July 2019
		\$	\$	\$
Contract liabilities - current				
Unspent grants, contributions and reimbursements		0	44,805	44,805
Adjustment to retained surplus from adoption of AASB 15	28(d)		(44,805)	

(b) Leases

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

On adoption of AASB 16, the Shire will recognise lease liabilities in relation to leases which had previously been classified as an 'operating lease' applying AASB 117. These lease liabilities will be measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate on 1 July 2019. The weighted average lessee's incremental borrowing rates applied to the lease liabilities on 1 July 2019 is 3.50%.

	Note	2019
		\$
Operating lease commitments disclosed as at 30 June 2019	20(b)	72,302
Right-of-use asset recognised at 1 July 2019		0
Low-value leases recognised on a straight-line basis as an expense		72,302

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

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

In applying AASB 16 for the first time, the Shire will use the following practical expedient permitted by the standard.
- The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

28. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE YEARS (Continued)

(c) Income For Not-For-Profit Entities

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

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

		AASB 1004		AASB 1058
		carrying amount		carrying amount
	Note	30 June 2019	Reclassification	01 July 2019
		\$	\$	\$
Trade and other payables		355,047	0	355,047
Adjustment to retained surplus from adoption of AASB 1058	28(d)		0	

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

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

(d) Impact of changes to Retained Surplus

The impact on the Shire of the changes as at 1 July 2019 is as follows:

	Note	Adjustments	2019
			\$
Retained surplus - 30 June 2019			62,608,943
Adjustment to retained surplus from adoption of AASB 15	28(a)	(44,805)	
Adjustment to retained surplus from adoption of AASB 1058		0	(44,805)
Retained surplus - 1 July 2019			62,564,139

29. SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

The City 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 City are consistent with one or more of the following valuation approaches:

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

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

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

30. ACTIVITIES / PROGRAMS

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

PROGRAM NAME AND OBJECTIVES

GOVERNANCE

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

ACTIVITIES

Administration and operation of facilities and services to members of the Council;
Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services.

Rates, general purpose government grants and investments.

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer community.

Fire prevention, emergency services, animal control and administration of local laws.

HEALTH

To provide an operational framework for good community health.

Inspection of food outlets and their control, noise control, pest control, immunisation services, inspection of abattoir.

EDUCATION AND WELFARE

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

Maintenance of Child Care Centre, assistance to playgroup, Plantagenet Village Homes and other voluntary services.

COMMUNITY AMENITIES

Provide services required by the community.

Rubbish collection services, cemeteries, public toilets, operation of refuse sites and administration of the Town Planning Scheme.

RECREATION AND CULTURE

To establish and manage infrastructure and resources to assist the social well being of the community.

Operation of community halls and pavilions, ovals, public swimming pool, libraries, art gallery, recreation centre and various reserves. Provision of Mitchell House (Arts Centre).

TRANSPORT

To provide effective and efficient transport infrastructure to the community.

Construction and maintenance of streets, roads and bridges and lighting of streets.

ECONOMIC SERVICES

To promote the Shire and improve its economic wellbeing.

The development of tourism and area promotion. Regulation of building control. Provision of standpipes.

OTHER PROPERTY AND SERVICES

To monitor and control the Council's overheads operating accounts.

Private works, Public works and plant overhead allocations.

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

31. FINANCIAL RATIOS

	2019 Actual	2018 Actual	2017 Actual
Current ratio	1.328	0.741	0.962
Asset consumption ratio	0.692	0.538	0.524
Asset renewal funding ratio	0.878	1.022	0.919
Asset sustainability ratio	0.604	0.484	0.684
Debt service cover ratio	9.593	3.851	7.248
Operating surplus ratio	(0.177)	(0.473)	(0.294)
Own source revenue coverage ratio	0.620	0.581	0.602

The above ratios are calculated as follows:

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

INDEPENDENT AUDITOR'S REPORT TO THE COUNCILLORS OF THE SHIRE OF PLANTAGENET

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REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the accompanying financial report of the Shire of Plantagenet (the Shire), which comprises the Statement of Financial Position as at 30 June 2019, Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and the Rate Setting Statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement by Chief Executive Officer.

In our opinion, the financial report of the Shire of Plantagenet:

- i. is based on proper accounts and reports; and
- ii. fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2019 and its financial position at the end of that period in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

We 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 ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities 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.

Emphasis of Matter – Basis of Preparation

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

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF
THE SHIRE OF PLANTAGENET (CONTINUED)**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives of the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Shire's ability to continue as a going concern. If 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, as we cannot predict future events or conditions that may have an impact.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF
THE SHIRE OF PLANTAGENET (CONTINUED)**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) In our opinion, the following matters indicate a significant adverse trend in the financial position of the Shire:
 - i. The Asset Sustainability Ratio has been below the DLGSCI standard for all 3 years reported in the annual financial report.
 - ii. The Operating Surplus Ratio has been below the DLGSCI standard for all 3 years reported in the annual financial report.
- b) All required information and explanations were obtained by us.
- c) All audit procedures were satisfactorily completed in conducting our audit.
- d) In our opinion, the asset consumption ratio and the asset renewal funding ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

MATTERS RELATING TO THE ELECTRONIC PUBLICATION OF THE AUDITED FINANCIAL REPORT

This auditor's report relates to the annual financial report of the Shire of Plantagenet for the year ended 30 June 2019 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.



DAVID TOMASI
PARTNER



MOORE STEPHENS
CHARTERED ACCOUNTANTS

Signed at Perth this 26th day of November 2019.