



AGENDA

Audit Committee Meeting

9 March 2021

5.30pm

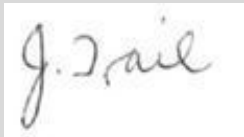
Council Chambers, Bayley Street, Coolgardie

SHIRE OF COOLGARDIE

NOTICE OF AUDIT COMMITTEE MEETING

Dear Elected Member

The next Audit Committee Meeting of the Shire of Coolgardie will be held on Tuesday 9 March 2021 commencing at 5.30pm.

A rectangular box containing a handwritten signature in black ink that reads "J. Trail".

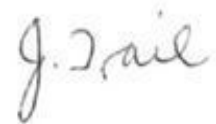
JAMES TRAIL
CHIEF EXECUTIVE OFFICER

AUDIT COMMITTEE MEETING**9 March 2021**

Welcome to the Audit Committee Meeting of the Shire of Coolgardie.

The dates, times and locations of the Audit Committee Meetings for 2020 are listed hereunder.

<u>Day</u>	<u>Date</u>	<u>Time</u>	<u>Venue</u>
Tuesday	January 2021	NN/A	-
Tuesday	23 February 2021	6.00pm	Kambalda
Tuesday	23 March 2021	6.00pm	Coolgardie
Tuesday	27 April 2021	6.00pm	Kambalda
Tuesday	25 May 2021	6.00pm	Coolgardie
Tuesday	22 June 2021	6.00pm	Kambalda
Tuesday	27 July 2021	6.00pm	Coolgardie
Tuesday	24 August 2021	6.00pm	Kambalda
Tuesday	28 September 2021	6.00pm	Coolgardie
Tuesday	26 October 2021	6.00pm	Kambalda
Tuesday	23 November 2021	6.00pm	Coolgardie
Tuesday	21 December 2021	6.00pm	Kambalda



James Trail
Chief Executive Officer

DISCLAIMER

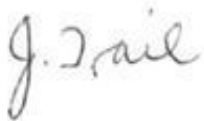
INFORMATION FOR PUBLIC ATTENDING COUNCIL MEETINGS

PLEASE NOTE:

THE RECOMMENDATIONS CONTAINED IN THIS AGENDA ARE OFFICERS RECOMMENDATIONS ONLY AND SHOULD NOT BE ACTED UPON UNTIL COUNCIL HAS RESOLVED TO ADOPT THOSE RECOMMENDATIONS.

THE RESOLUTIONS OF COUNCIL SHOULD BE CONFIRMED BY PERUSING THE MINUTES OF THE COUNCIL MEETING AT WHICH THESE RECOMMENDATIONS WERE CONSIDERED.

MEMBERS OF THE PUBLIC SHOULD ALSO NOTE THAT THEY ACT AT THEIR OWN RISK IF THEY ENACT ANY RESOLUTION PRIOR TO RECEIVING OFFICIAL WRITTEN NOTIFICATION OF COUNCILS DECISION.



James Trail
CHIEF EXECUTIVE OFFICER

COUNCIL MEETING INFORMATION NOTES

1. Your Council generally handles all business at Ordinary or Special Council Meetings.
2. From time to time Council may form a Committee to examine subjects and then report to Council.
3. Generally all meetings are open to the public; however, from time to time Council will be required to deal with personal, legal and other sensitive matters. On those occasions Council will generally close that part of the meeting to the public. Every endeavour will be made to do this as the last item of business of the meeting.
4. Public Question Time. It is a requirement of the Local Government Act 1995 to allow at least fifteen (15) minutes for public question time following the opening and announcements at the beginning of the meeting. Should there be a series of questions the period can be extended at the discretion of the Chairman.

Written notice of each question should be given to the Chief Executive Officer prior to 12:30pm on the day of the meeting. A summary of each question and response is included in the Minutes.

When a question is not able to be answered at the Council Meeting a written answer will be provided after the necessary research has been carried out. Council staff will endeavour to provide the answers prior to the next meeting of Council.

5. **Councillors** may from time to time have a financial interest in a matter before Council. Councillors must declare an interest and the extent of the interest in the matter on the Agenda. However, the Councillor can request the meeting to declare the matter **trivial, insignificant or in common with a significant number of electors or ratepayers**. The Councillor must leave the meeting whilst the matter is discussed and cannot vote unless those present agree as above.

Members of staff, who have delegated authority from Council to act on certain matters, may from time to time have a financial interest in a matter on the Agenda. The member of staff must declare that interest and generally the Chairman of the meeting will advise the Officer if he/she is to leave the meeting.

6. Agendas including an Information Bulletin are delivered to Councillors within the requirements of the Local Government Act 1995, i.e. seventy-two (72) hours prior to the advertised commencement of the meeting. Whilst late items are generally not considered there is provision on the Agenda for items of an urgent nature to be considered.

Should an elector wish to have a matter placed on the Agenda the relevant information should be forwarded to the Chief Executive Officer in time to allow the matter to be fully researched by staff. An Agenda item including a recommendation will then be submitted to Council for consideration.

The Agenda closes the Monday week prior to the Council Meeting (i.e. ten (10) days prior to the meeting).

The Information Bulletin produced as part of the Agenda includes items of interest and information, which does not require a decision of Council.

7. Agendas for Ordinary Meetings are available in the Coolgardie and Kambalda Offices/Libraries seventy-two (72) hours prior to the meeting and the public are invited to secure a copy.
8. Agenda items submitted to Council will include a recommendation for Council consideration. Electors should not interpret and/or act on the recommendations until after they have been considered by Council. Please note the Disclaimer in the Agenda (page 3).
9. Public Question Time – Statutory Provisions – Local Government Act 1995

Time is to be allocated for questions to be raised by members of the public and responded to at:

- (a) Every ordinary meeting of a council; and
- (b) Such other meetings of councils or committees as may be prescribed

Procedures and the minimum time to be allocated for the asking of and responding to questions raised by members of the public at council or committee meetings are to be in accordance with regulations.

9A. Question Time for the Public at Certain Meetings – s5.24 (1) (b)

Local Government (Administration) Regulations 1996

Reg 5 For the purpose of section 5.24(1)(b), the meetings at which time is to be allocated for questions to be raised by members of the public and responded to are:

- (a) every special meeting of a council; and
- (b) every meeting of a committee to which the local government has delegated a power or duty.

Minimum Question Time for the Public – s5.24 (2)

- Reg 6 (1) The minimum time to be allocated for the asking of and responding to questions raised by members of the public at ordinary meetings of councils and meetings referred to in regulation 5 is fifteen (15) minutes.
- (2) Once all the questions raised by members of the public have been asked and responded to at a meeting referred to in sub regulation (1), nothing in these regulations prevents the unused part of the minimum question time period from being used for other matters.

Procedures for Question Time for the Public – s5.24 (2)

Local Government (Administration) Regulations 1996

- Reg 7 (1) Procedures for the asking of and responding to questions raised by members of the public at a meeting referred to in regulation 6 (1) are to be determined:
- (a) by the person presiding at the meeting; or
 - (b) in the case where the majority of members of the council or committee present at the meeting disagree with the person presiding, by the majority of members, having regard to the requirements of sub regulations (2) and (3).
- (2) The time allocated to the asking and responding to questions raised by members of the public at a meeting referred to in regulation 6(1) is to precede the discussion of any matter that requires a decision to be made by the council or the committee, as the case may be.
- (3) Each member of the public who wishes to ask a question at a meeting referred to in regulation 6(1) is to be given an equal and fair opportunity to ask the question and receive a response.
- (4) Nothing in sub regulation (3) requires:
- (a) A council to answer a question that does not relate to a matter affecting the local government;
 - (b) A council at a special meeting to answer a question that does not relate to the purpose of the meeting; or
 - (c) A committee to answer a question that does not relate to a function of the committee.

2. Public Inspection of Unconfirmed Minutes (Reg 13)

A copy of the unconfirmed Minutes of Ordinary and Special Meetings will be available for public inspection in the Coolgardie and Kambalda Offices/Libraries within ten (10) working days after the Meeting.

NOTE:**10.3 Unopposed Business**

- (1) Upon a motion being moved and seconded, the person presiding may ask the meeting if any member opposes it.
- (2) If no member signifies opposition to the motion the person presiding may declare the motion in sub clause (1) carried without debate and without taking a vote on it,
- (3) A motion carried under sub clause (2) is to be recorded in the minutes as a unanimous decision of the Council or committee.
- (4) If a member signifies opposition to a motion the motion is to be dealt with according to this Part.
- (5) This clause does not apply to any motion or decision to revoke or change a decision which has been made at a Council or committee meeting.

QUESTION TIME FOR THE PUBLIC

(Please Write Clearly)

DATE: _____

NAME: _____

TELEPHONE: _____

ADDRESS: _____

QUESTION TO THE PRESIDENT:-

- **GENERAL QUESTION / QUESTION RELATED TO THE AGENDA**
(Strike out unnecessary words)

ITEM NO: _____ PAGE NO: _____

PLEASE PASS TO THE CHIEF EXECUTIVE OFFICER FOR REFERRAL TO THE PRESIDENT BY 2.30PM ON THE DAY OF THE MEETING AT THE KAMBALDA OFFICE, IRISH MULGA DRIVE, KAMBALDA OR AT THE COOLGARDIE OFFICE, BAYLEY STREET, COOLGARDIE.

SHIRE OF COOLGARDIE

DISCLOSURE OF INTERESTS

TO THE CHIEF EXECUTIVE OFFICER:

Under the Provisions of Division 6 of Part 5 of the Local Government Act 1995, I hereby disclose a Financial Interest/s in the matter/s listed on this form, which is/are scheduled for consideration at the meeting of Council to be held on:

TUESDAY _____	2021
----------------------	-------------

Where indicated by the word 'YES' in column 6, I will be seeking a determination (under Section 5.68) by the meeting, for reasons I will expand on.

(Print Name) _____ (Signature) _____ (Date)

NOTE: Members of Council are asked to deliver this completed form to the Chief Executive Officer on the day of the Council Meeting as required by the Act. Where this is not practicable the Disclosure/s may be telephoned to the Council Office on 9080 2111 and/or the form subsequently passed to the Chief Executive Officer prior to the meeting.

ITEM	PAGE No.	TYPE	REASON

For inclusion for interest declaration

Interests Affecting Impartiality: Disclosing Statement

“With regard to....(the matter in item)... I disclose that I have an association with the applicant. As a consequence, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly.”



APPLICATION FOR LEAVE OF ABSENCE

I Cr, _____ hereby request leave of absence for the following

Dates, From _____ to _____

Signed Cr: _____

Date _____

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- 1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**
- 2 RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE**
- 3 DECLARATIONS OF INTEREST**
 - 3.1 Declarations of Financial Interests – Local Government Act Section 5.60A**
 - 3.2 Declarations of Proximity Interests – Local Government Act Section 5.60B**
 - 3.3 Declarations of Impartiality Interests – Administration Regulation 34C**
- 4 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**
 - 4.1 Audit Committee Meeting - 10 December 2020**

AUDIT COMMITTEE RESOLUTION AND OFFICER RECOMMENDATION

That the minutes of the Audit Committee Meeting held on 10 December 2020 be confirmed.

4.2 MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 10 DECEMBER 2020

Date: 4 March 2021

Author: Amy Tregoweth, Executive Assistance to Director of Operations

ATTACHMENTS

- 1. Minutes of the Audit Committee Meeting held on 10 December 2020**

VOTING REQUIREMENT

Simple majority

AUDIT COMMITTEE RESOLUTION AND OFFICER RECOMMENDATION

That the Minutes of the Audit Committee Meeting held on 10 December 2020 be confirmed as a true and accurate record.



MINUTES

Audit Committee Meeting

10 December 2020

6:00pm

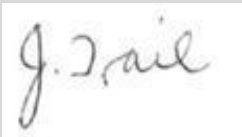
Kambalda Recreation Centre

SHIRE OF COOLGARDIE

NOTICE OF AUDIT COMMITTEE MEETING

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The next Audit Committee Meeting of the Shire of Coolgardie will be held on Thursday 10 December 2020 Electronically commencing at 6:00pm.

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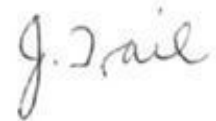
JAMES TRAIL
CHIEF EXECUTIVE OFFICER

AUDIT COMMITTEE MEETING**10 December 2020**

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James Trail
Chief Executive Officer

DISCLAIMER

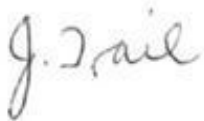
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James Trail
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**MINUTES OF SHIRE OF COOLGARDIE
AUDIT COMMITTEE MEETING
HELD AT THE KAMBALDA RECREATION CENTRE
ON THURSDAY, 10 DECEMBER 2020 AT 6:00PM**

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

Shire President, M Cullen declared the meeting open at 6:00pm and welcomed fellow Councillors, visitors and staff and thanked them for their attendance.

2 RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE

PRESENT:

Cr Malcolm Cullen (President), Cr Tracey Rathbone (Deputy President), Cr Sherryl Botting, Cr Tammee Keast.

IN ATTENDANCE:

James Trail (Chief Executive Officer), Robert Hicks (Director of Operations).

APOLOGIES

Cr Eugen Winter.

LEAVE OF ABSENCE

Nil

3 DECLARATIONS OF INTEREST

3.1 Declarations of Financial Interests – Local Government Act Section 5.60A

3.2 Declarations of Proximity Interests – Local Government Act Section 5.60B

3.3 Declarations of Impartiality Interests – Administration Regulation 34C

4 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Nil

5 REPORTS OF OFFICERS

5.1 Executive Services

5.1.1 ANNUAL REPORT 2019/2020

Location:	Nil
Applicant:	Nil
Disclosure of Interest:	Nil
Date:	30 November 2020
Author:	James Trail, Chief Executive Officer

SUMMARY

Audit Committee to recommend to Council to adopt the Draft Annual Report for the year ended 30 June 2020 and set the date of the Annual Meeting of Electors

BACKGROUND

The annual Meeting of Electors is to consider the Annual Report for the year ended 30 June 2020. If Council were like minded the meeting could be held in Coolgardie on Tuesday 12 January 2021.

COMMENT

The Annual Report for the year ended 30 June 2020 is presented to Council for adoption. The report will be available to the public at the Administration Office and the Library, Barnes Drive Kambalda, and the Library in the Recreation Centre, Sylvester Street Coolgardie.

The Annual Financial Report is included in the Annual Report and it is noted the following matter to be reported in accordance with Reg 10(3) of the Local Government (Audit) Regulations 1996:

There is a significant adverse trend in the financial position of the Shire as the Operating Surplus Ratio has been below the industry benchmark for the past 3 years.

The primary tool set by the Department of Local Government and Communities for the measurement of the performance of each local government are the financial ratios. These have been presented for many years and demonstrate that there is a need for either an increase in revenue or reduction of operating expenditure.

Financial ratios are numerical representations of the organisation's performance. The ratios referred to are set for all local governments in Western Australia and are calculated as follows;

Current ratio	current assets minus restricted assets
	current liabilities minus liabilities associated with restricted assets
Asset sustainability ratio	capital renewal and replacement expenditure
	Depreciation expenses
Debt service cover ratio	annual operating surplus before interest and depreciation
	principal and interest

Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

The results for these ratios are shown in the following table.

Ratio	Standard	2020	2019	2018	2017
Current Ratio	>= 1.00	1.01	2.48	3.21	2.06
Asset Consumption	>= 0.75	0.95	0.97	0.75	0.97
Asset Renewal	>= 1.05	1.10	1.11	N/A	N/A
Asset Sustainability	>= 1.10	1.51	0.80	0.27	0.39
Debt Service Cover	>= 2.00	0.66	11.76	3.84	5.21
Operating Surplus	>= 0.15	(0.40)	(0.32)	(0.42)	(0.35)
Own Source Revenue Coverage	>= 0.90	0.62	0.65	0.61	0.62

COMMENT ON RATIOS

Current Ratio

The current ratio is a liquidity ratio that measures whether the Shire has enough resources to meet its short-term obligations. If current liabilities exceed current assets the current ratio will be less than 1 and is an early indicator that the Shire may have problems meeting its short-term obligations.

There has been a significant reduction in this ration for 2019/20. The ratio remains just above the standard. The reduction in the ratio from 2018/19 is due to a significant reduction in cash and cash equivalents, increased operating expenditure due to COVID-19 and provision for remediation on the Kambalda Tip Site

The net decrease in net cash for the 2019/20 Financial year was significant at \$5.5 million. This was a direct result of:

- Loan funding of \$2.697 million being used in 2019/20 for the Kambalda Aquatic Facility
- Reduction in net cash provided for operating activities of \$1.1 million. This was due to an increase in operating expenditure in material and contracts. This increase in expenditure was on road, parks, verges and drainage maintenance and operational costs associated with COVID-19. This was estimated at \$337,730.
- A reduction in reserve funds of \$1.46 million. \$497,000 of reserve funds was allocated to the Kambalda Swimming Pool

The increase in current liabilities is a direct result of;

- Provision for the remediation of the Kambalda Tip Site of \$450,000

Asset Sustainability Ratio

The Asset Sustainability ratio expresses capital expenditure on renewal and replacement of existing assets as a percentage of depreciation costs. This ratio is used to identify any potential decline or improvement in asset conditions. A percentage of less than 100% on an ongoing basis indicates assets may be deteriorating at a greater rate than spending on renewal or replacement.

The significant increase in this ratio is a direct result of the renewal expenditure on the Kambalda Aquatic Facility. Sustaining the ratio at this level or improvement to this ratio will assist the Shire maintain its asset base at the right level into the future.

Asset Renewal Funding Ratio

This ratio indicates whether Shire's planned capital renewal expenditure over the next 10 years as per its Long Term Financial Plan (LTFP) is sufficient to meet the required capital renewal expenditure over the next 10 years as per its Asset Management Plans (AMPs).

The ratio for 2019/20 is 1.10. This is consistent with the 2018/19 financial year.

Operating Surplus Ratio

The Operating Surplus Ratio represents the percentage by which the operating surplus (or deficit) differs from the Shire's own source revenue which includes rates.

This ratio has increased from (0.32) in 2018/19 to (0.40) in 2019/20. The negative impact in the ratio is directly due to both;

- Increased operating expenditure in materials and contracts and employee costs due to COVID-19 and;
- Reduction in operating revenue fees and charges and rate revenue due to COVID-19. The significance of a zero increase in the rate in the \$ impacts directly on the Shire's own source revenue.

In the Independent Auditor's Report from the Office Auditor General the following comment was made;

In accordance with the Local Government (Audit) Regulations 1996 I report that:

(i) In my opinion, the following material matters indicate significant adverse trends in the financial position of the Shire:

- a. The Operating Surplus Ratio has been below the Department of Local Government, Sport and Cultural Industries standard for the past 3 years. The financial ratios are reported at Note 33 to the financial report.

Operating Revenue minus operating expenditure divided by own source revenue is the measure for the Operating Surplus Ratio. For 2019/20 the difference between operating revenue and operating expenditure was (\$3,705,156) an increase of \$867,317. Consequently, there was a reduction in the ratio from (0.32) to (0.40). In order to meet the standard and improve the ratio Council needs to continue to have the following strategic conversation with the community;

1. Increase revenue generated from non - rating sources such as Kambalda airstrip, Shire Landfill facilities and commercial activities
2. Increase rates revenue through rating of mining infrastructure
3. Reduce levels of service on all operating activities

Council and management will continue to explore areas to help improve the operating position of the Shire. However this will not significantly improve the operating surplus ratio without the Council having a strategic conversation as suggested above.

CONSULTATION

Auditor – Moore Stephens – Wen-Shien Chai

Auditor General

Council Staff

Shire Contractor

STATUTORY ENVIRONMENT

Section 5.54 Local Government Act 1995 as amended.
Local Government (Financial Management) Regulations 1996

POLICY IMPLICATIONS

N/A

FINANCIAL IMPLICATIONS

N/A

STRATEGIC IMPLICATIONS**Accountable and effective leaders**

High quality corporate governance, accountability and compliance

ATTACHMENTS

1. Draft Annual Report 2019/2020

VOTING REQUIREMENT

Absolute Majority

AUDIT COMMITTEE RESOLUTION AND OFFICER RECOMMENDATION

Moved: Cr Tammee Keast

Seconded: Cr Tracey Rathbone

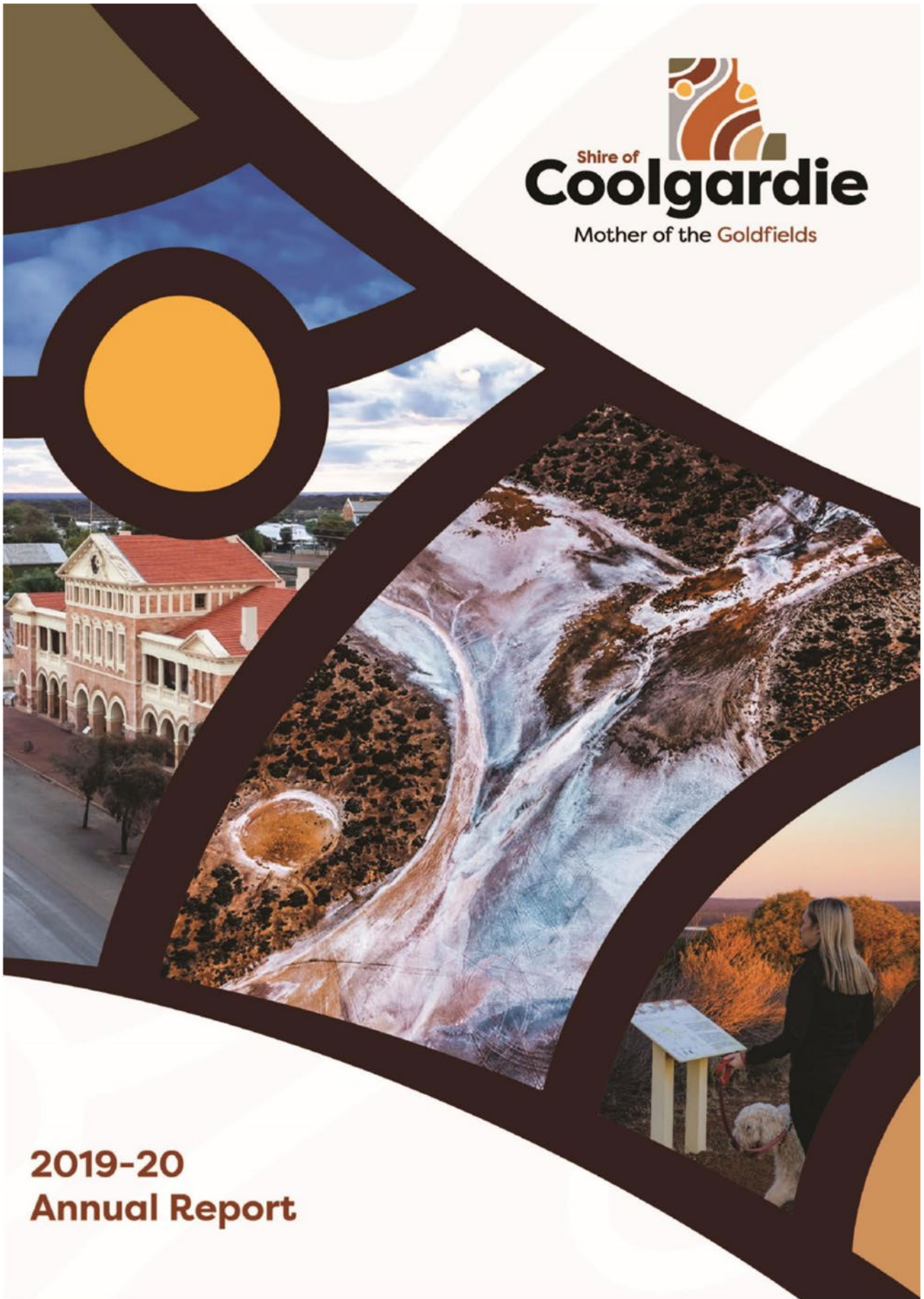
That Audit Committee,

1. Recommend to Council to adopt the Draft Annual Report for the year ended 30 June 2020 in accordance with Section 5.54 of the Local Government Act 1995,
2. Recommend to Council to set the date for the Annual meeting of Electors to be Tuesday 12 January 2021 at 6.30pm at the Coolgardie Recreation Centre

In Favour: Crs Malcolm Cullen, Tracey Rathbone, Sherryl Botting and Tammee Keast

Against: Nil

CARRIED BY ABSOLUTE MAJORITY 4/0



2019-20
Annual Report

SHIRE OF COOLGARDIE - PROFILE

The Shire of Coolgardie, known as the 'Mother of the Goldfields', encompasses an area of 30,400 km² and includes the towns of Coolgardie, Kambalda, Widgiemooltha and the Aboriginal community of Kurrawang.

Celebrated for the gold and nickel discoveries in Coolgardie and Kambalda, the Shire continues to thrive with a multitude of mining and processing companies operating in the area. These companies are at the forefront of mining innovation and offer fantastic career opportunities.

The Shire is the largest producer of minerals in the region with gold and nickel mining operations supporting globally significant regional exports.

Over 3,600 people live in the Shire and enjoy a relaxed lifestyle, quality recreational facilities and a stunning natural environment.

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SHIRE PRESIDENT'S REPORT

I am pleased to present the Shire of Coolgardie Annual Report for 2019/20.

The unprecedented COVID-19 pandemic threw Shire business-as-usual into turmoil in the last four months of the financial year. This pandemic crisis came on the back of an extreme bush fire season which consumed significant staff time and resources.

The Shire of Coolgardie, like many Councils, fatigued by disaster and recovery, and with limited funds, found themselves in the middle of another storm as they were forced to withdraw services, close facilities and stand down staff as a direct response to escalating COVID-19 protocols. Once the social distancing protocols were announced by the WA State Government, Councils had no choice but to act on their occupational health and safety obligations to ensure staff and community safety.

The Shire of Coolgardie (SOC) Pandemic Action Plan was developed and implemented on 17 March 2020.

The Shire immediately had to focus on "Survival" doing all things necessary to protect lives in the community by implementing social distancing and lockdown measures which included:

- Cancellation/postponement of events and gatherings – including sporting activity at all levels;
- Withdrawal of non-essential services – including library services; and
- Closure of facilities – including recreation/community centres.

The Shire then had to quickly focus on "Support" – assisting the community, particularly the vulnerable (frail, aged and aboriginal communities) with self-isolation and quarantine, providing all the things they needed to get through the self-isolation/quarantine and lockdown phase including:

- access to meals;
- telephone wellness checks; and
- development of COVID-19 portal to provide access to virtual services, events and information.

An important factor and priority was the adoption of supportive policies to assist with staff retention and redeployment during the pandemic. The CEO quickly identified that stand downs, or redundancies among staff would lead to them (and their family) leaving the district and would make "gearing" back up post COVID - 19 difficult with the need to source skillsets lost to the Shire as a result. In the meantime the Shire continued to maintain essential services such as rubbish services, street cleaning, road maintenance and administration.

Accordingly, the CEO attached great priority to engaging with staff and providing a supportive framework, including flexibility with leave entitlements to reassure them, wherever possible.

The cost to the Shire of dealing with Covid-19 as at 30th June 2020 was estimated at \$712,400 – in excess of 9% of the Shire's rates revenue.

Even with the unprecedented impact of the COVID-19 pandemic, the Shire's managed to end the financial year with an operating surplus of \$761,644. As at June 30, 2020 the Shire's outstanding principle on loan liability is at \$2.9 million down from \$3.5 million as at 30th June 2019.

Our reserve fund account sits with a balance of \$1.8 million invested in restricted bank accounts. The Shire invested \$1.46 million reserve funds into infrastructure assets during 2019/20. The capital expenditure was \$8.46 million in 2019/20 an increase of \$3.91 million from the previous year.

The impact of COVID-19 was significant on the Shire's resources. The Shire spent \$712,400 keeping staff engaged and meeting the daily operational

The annual audit was successfully completed for the 2019/20 financial year and council will continue to implement and recommended changes raised by the auditors that will improve the Shire's level of Governance, compliance and improve the financial position of the organisation.

The Year's Highlights

- Work on the renewal of Durkin Road and Coolgardie North Road totalling \$757,140
- The footpath upgrade program for this financial year was completed in both Coolgardie and Kambalda
- The provision of medical services to the value of \$242,000 after the signing of an MOU with St Johns in 2018/19
- The completion of the renewal of the Kambalda Aquatic Facility for in excess of \$4.2 million was a true highlight for the year. The state of the art facility with a new heated leam to swim pool and the retention of the 50 metre pool is something for the whole community to be proud of.
- After seven years of planning the opening of the Coolgardie Road Train Assembly Park was also a major highlight. The usage of the \$1.47 million transit park continues to grow often with 10 or 11 trucks and trailers parked overnight. The Shire is looking forward to providing shower and toilet facilities during the 2020/21 financial year.
- The year was a significant one for the renewal of plant and equipment. Four utility's and 2 passenger vehicles were changed over.
- After a wait of over 2 years miscellaneous building works were completed in Coolgardie on buildings significantly impacted by the storms. After the insurance company finally agreed to the building works of \$508,000.
- The construction of the transfer station at the Kambalda Landfill was also completed. This will allow the Shire to now concentrate on the rehabilitation of the Kambalda Landfill and focus on the redevelopment of the Coolgardie Landfill in 2020/21.
- Volunteer Ambulance and Fire fighters continued to keep our community safe throughout the year with significant volunteer hours and effort dedicated during the bushfire season.
- the Federal Government's trial of the cashless debit card was extended, after significant lobbying by the Shire, to Dec 2020.

The Shire will focus on facilitating local/regional "Recovery" by adopting a 20/21 Budget with the single purpose of stimulating local economic development through:

- adopting shovel ready projects for State/Federal Government funding;
- progressing Council's capital works and major projects; and
- assisting/supporting the community with job creation initiatives.

The Shire's agenda priorities, post COVID-19, will consist of the following elements:

- Ensure staff remain safe, healthy and employed;
- Manage the Shire's Cashflow;
- Develop an Economic Stimulus Strategy;
- Develop shovel ready projects for funding opportunities such as;

- Coolgardie Landfill Upgrade
- R & D Facility
- Bayley Street Enhancement
- Cave Hill Road
- Coolgardie North Road
- Coolgardie Micro Grid
- Rating of Mining Infrastructure.

The Shire will adopt a range of projects/activity to stimulate the local economy. In addition, it will develop shovel ready projects for when suitable funding becomes available.

I would thank my fellow Councillors, CEO, the staff, and dedicated service providers for their efforts and commitment to the Shire throughout a year unprecedented in the history of the Shire.



Malcolm Cullen
Shire President

CEO'S REPORT

The last four months of the 2019/20 financial year has been something never experienced in Local Government. It was unprecedented due to the COVID-19 Pandemic. The financial impact on the Local Government industry was extreme. The most important and significant factor for me as the Chief Executive Officer became the retention, health and wellbeing of the staff, contractors and the broader community whilst the Shire continued to service the needs of the community during rapidly evolving pandemic events.

The Shire of Coolgardie (SOC) Pandemic Action Plan was developed and implemented on the 17th March 2020. This included the implementation of a community information campaign detailing:

- reopening of facilities and return of services and programs/activities;
- steps the Shire will take to ensure all community members using services and participating in various programs/activities will be safe;
- preventative measures in place to prevent the spread of infection; and
- continued use of online services.

The cost to the Shire of dealing with Covid-19 as at 30th June 2020 was estimated at \$712,400 – in excess of 9% of the Shire's rates revenue.

The 2019/20 financial year has seen the final year of the service level review implemented. This certainly assisted to enable the Shire to end the year with an operating surplus of \$761,644. This represented a significant reduction from the previous years' surplus of \$5,382,766. This reduction was attributable to the utilisation of previously unspent loans for the Kambalda Swimming Pool (\$2,697,101) and a reduction in unrestricted cash of \$1,306,085 used to fund operations and capital projects. Total revenue for the period was \$14,332,147 with total operating expenditure of \$15,199,228.

The Shire finished the financial year with cash and cash equivalents of \$2,554,442. Unrestricted cash amounted to \$636,396. Restricted cash and cash equivalents totalled \$1,918,046 consisting of \$1,804,223 cash backed reserves.

The Shire continued to increase expenditure on its rural road network, streets and verges with maintenance expenditure of \$1,185,928 in 2019/2020 compared to \$947,562 in 2018/2019. Over the last three years this is an increase of 106%.

The financial year 2019/20 also saw the Shire utilise loan funding of \$2,697,101 for the refurbishment of the Kambalda Aquatic Facility.

Rate collection for the 2019/20 financial year saw a continued improvement in the % of rates collected for the year. Rates collection for 2017/18 was 77% , 2018/19 increasing to 96% with 2019/20 being 98.8%. It is a credit to the internal and external rates officer for this significant improvement. This has had an extremely positive impact on Shire cash flow.

The year ended 30 June 2020 saw the Shire's operating result in a net operating surplus of \$761,644 – see Note 25 (b) of the Annual Financial Report. Net Cash from operating activities at year ended 30th June 2020 was \$790,062 – see Note 19 of the Annual Financial Report. This was a decrease of \$1,070,948 from the year ended 30th June 2019. This was a direct result of costs associated with COVID-19 and the extreme bushfire season.

The Operating Surplus Ratio represents the percentage by which the operating surplus (or deficit) differs from the Shire's own source revenue which includes rates.

This ratio has increased from (0.32) in 2018/19 to (0.40) in 2019/20. The negative impact in the ratio is directly due to both;

- Increased operating expenditure in materials and contracts and employee costs due to COVID-19 and;
- Reduction in operating revenue fees and charges and rate revenue due to COVID-19. The significance of a zero increase in the rate in the \$ impacts directly on the Shire's own source revenue.

Operating Revenue minus operating expenditure divided by own source revenue is the measure for the Operating Surplus Ratio. For 2019/20 the difference between operating revenue and operating expenditure was (\$3,705,156) an increase of \$867,317. Consequently, there was a reduction in the ratio from (0.32) to (0.40). in order to meet the standard and improve the ratio Council needs to continue to have the following strategic conversation with the community;

1. Increase revenue generated from non - rating sources such as Kambalda airstrip, Shire Landfill facilities and commercial activities
2. Increase rates revenue through rating of mining infrastructure
3. Reduce levels of service on all operating activities

I would like to acknowledge the commitment from all Shire staff and thank them for their continued support during a period of great change and uncertainty over the past four months. They embraced the need for the Shire to review the way we do does business and consequently a number of changes had to be made and implemented.

More than ever it became a time for Systems Thinking – a holistic approach to how everything is connected together. Nothing will be more important coming out of this situation than for us to ensure financial sustainability and flexibility and the ability to develop good strategy and decide actions rapidly where it matters most.

A special thank you also to the Council who continue to govern the Shire with the community's interest always at the forefront of their decision making.



James Trail
Chief Executive Officer

PRESIDENT AND COUNCILLORS

Each Shire of Coolgardie elected member represents the whole of the municipality.

Back Row (left to right)

Cr Norm Karafilis	Term ends 2021	Mobile 0429 795 139
Cr Sherryl Botting	Term ends 2021	Mobile: 0438 133 217
Cr Tammee Keast	Term ends 2023	Mobile: 0467 980 847
Cr Eugen Winter JP	Term ends 2021	Mobile: 0439 815 539

Front Row (left to right)

Deputy President Cr Tracey Rathbone	Term ends 2023	Mobile: 0459 999 296
Shire President Cr Malcolm Cullen	Term ends 2021	Mobile: 0417 266 191
Cr Kathie Lindup	Term ends 2023	Mobile: 0402 819 468

MANAGEMENT TEAM**James Trail**

Chief Executive Officer

Responsible for:

- Financial Oversight
- Governance and Compliance
- Regulatory services

**Mia Hicks**

Director of Economic and Community Development

Responsible for:

- Economic Development
- Community Development
- Community Assistance Funding
- Large Scale Community Events and Activities
- Stakeholder and Partnership Development

**Robert Hicks**

Director of Operations

Responsible for:

- Technical Services
- Financial Services
- Ranger Services
- Recreation, Museum and Visitor Centre's
- Community Resource Centre's and libraries
- Cashless Debit Card
- Community Events and Activities
- Disability Access and Inclusion



Rebecca Horan

Manager - Executive Services

Responsible for:

- Human Resources
- Occupational Health and Safety
- Risk Management
- Payroll



Rod Franklin

Commercial Manager

Responsible for:

- Waste and Sewerage Facilities
- Building Infrastructure Maintenance

Community Events



Community Events



Key Facts

The Shire of Coolgardie, known as the 'Mother of the Goldfields', includes the towns of Coolgardie, Kambalda, Widgemooltha and the Aboriginal community of Kurrawang.

Area
30,400 km²

Population
3,610

Median Age
33 years
(Source ABS 2016 Census Report)

Length of Roads
1,279 km of roads

Area of Parks and Ovals
14ha

Towns
Coolgardie
Kambalda
Widgemooltha
Kurrawang

Number of Dwellings
1,745

Number of Electors
1,723

Number of Council Employees
45 (FTE)

Number of Elected Members
Shire President and
six (6) Councillors

Distance from Perth City
550km

Distance to
Esperance-Port
336km

• PERTH

Strategic Community Plan 2018-2028



THE SHIRE OF COOLGARDIE'S COMMUNITY VISION

A connected, progressive and welcoming community

The Community Strategic Plan was endorsed by Council in 2018 and reflects the aspirations and goals of the community and guides the services, activities, and infrastructure investment delivered by the Shire of Coolgardie.

Aspiration
ACCOUNTABLE AND EFFECTIVE LEADERS

Goals -

- Engagement and consultation
- Transparent, accountable and effective governance
- Advocate for the community

Aspiration
A THRIVING LOCAL ECONOMY

Goals -

- Build economic capacity
- Facilitate local business development and retention
- Provide support for traineeship development

Aspiration
AN INCLUSIVE, SAFE AND VIBRANT COMMUNITY

Goals -

- Build a sense of place and belonging
- A safe and healthy Community
- Celebrate our culturally diverse community

Aspiration
EFFECTIVE MANAGEMENT OF INFRASTRUCTURE, HERITAGE AND ENVIRONMENT

Goals -

- Value local culture and heritage
- Sustainable management of resources
- Enhance our build environment

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INTRODUCTION

The Annual Report 2019/20 provides the community with an overview of the highlights from the year and details the progress being made against the Shire of Coolgardie's Strategic Community Plan 2018 – 2028.

This year, the Shire of Coolgardie achieved a responsible budget by -

- Implementing second year of service level review
- Keeping fees and charges low
- Streamlining administration by reducing salaries
- Engaging experienced finance, planning, plant/ fleet and road consultants on an as needed basis

WHERE TO FIND THIS REPORT

Hard copies of the report can be obtained at the Kambalda Community Recreation Facility and Coolgardie Community Recreation Centre or on-line at www.coolgardie.wa.gov.au or by emailing mail@coolgardie.wa.gov.au.

SETTING OUR DIRECTION

INTEGRATED PLANNING

The Shire of Coolgardie's Strategic Directions Plan underpins all future planning and development and current undertakings for the next 10 years and is designed to ensure that all Shire operations are directed toward achieving the identified outcomes.

THE COMMUNITY STRATEGIC PLAN

Community Strategic Plans outline the community's long-term vision, goals and strategies to 2028. In 2010, the Department of Local Government and Communities introduced the Integrated Planning and Reporting Framework and Guidelines for all Western Australian local governments. The framework integrates community priorities, as articulated in the Community Strategic Plan, with other local government plans, information, and resourcing capabilities.

The Local Government's Integrated Planning and Reporting Standard directs that all local governments undertake a Desktop Review of their Community Strategic Plans biannually and a complete review including community engagement activities every four years. As the Shire of Coolgardie's community trends and priorities evolve, stakeholders will be invited to revise and update the Plan.

The Shire of Coolgardie's Measures of Success for 2018 to 2028 are;

ACCOUNTABLE AND EFFECTIVE LEADERS

- Bi-annual Community Satisfaction Survey
- Delivery of an efficiency dividend
- Adherence to compliance calendar and statutory requirements
- Current ratio meets required standard
- Operating surplus ratio meets required standard
- Number of partnerships established

AN INCLUSIVE, SAFE AND VIBRANT COMMUNITY

- Bi-annual Community Satisfaction Survey
- Community Chest Fund

A THRIVING LOCAL ECONOMY

- Value of Gross Domestic Product
- Value of Mining and Industry Rates
- Bi-annual Community Satisfaction Survey
- Number of businesses in Shire
- Number of education and industry partnerships supporting trainees and youth

EFFECTIVE MANAGEMENT OF INFRASTRUCTURE, HERITAGE AND ENVIRONMENT

- Bi-annual Community Satisfaction Survey
- Cultural and historical activities delivered
- Visitors to the Shire
- Number of re-use water initiatives
- Compliance with license conditions
- Asset renewal funding ratio meets required standard
- Asset sustainability ratio meets required standard
- Asset consumption ratio meets required standard
- Number of planning approvals
- Adherence to local planning scheme and strategy

ACCOUNTABLE AND EFFECTIVE LEADERS

THE CORPORATE BUSINESS PLAN

The purpose of the Plan is to demonstrate the operational capacity of the Shire to achieve its aspiration outcomes and objectives over the medium-term. The Plan is reviewed annually and reported against quarterly.

The Shire undertook a comprehensive review in 2019/2020 of the Corporate Plan which was adopted by Council during the year.

COMMUNITY ASSISTANCE FUND

The Community Assistance Fund (CAF) is offered to assist community groups and clubs who provide valuable community, cultural, environmental, sporting and recreational services and activities. The funding allows Council to support not for profit local community organisations to hold events, improve or repair infrastructure, and undertake activities that assist with community capacity building, and community liveability.

The provision of approximately \$15,000 of grants to community groups and service providers, assisted with the delivery of programs that benefited the community and helped them achieve their goals. This year, CAF funding was provided to several local community groups including Kambalda Primary School's P&F, Coolgardie and Kambalda Men's Sheds.

Significant in-kind contributions were also provided through the provision of the community bus to enable local groups to travel to participate in several events throughout Western Australia to represent the community.

Funding was also provided to community events such as the Seniors Christmas Lunch, Coolgardie Day, the Kambalda Christmas Tree, Australia Day, and other community events.

POLICIES, PROCESSES AND PROCEDURES

All staff undertake regular professional development appropriate to their roles. The Shire has adopted a zero tolerance to drugs and alcohol with regular random drug and alcohol testing.

Over the past three years, the Shire has also introduced a centralised records management system which ensures that all incoming correspondence is registered and responded to.

CODE OF CONDUCT

Councillors, Committee and Working Group Members and Employees Section 5.103 of the Local Government Act 1995 requires every Local Government to prepare and adopt a Code of Conduct (the Code) to be observed by all Council members, committee members and employees.

The Code provides Council Members, Committee and Working Group Members and Employees with consistent guidelines for an acceptable standard of professional conduct. The Code addresses in a concise manner the broader issue of ethical responsibility and encourages greater transparency and accountability.

OFFICIAL CONDUCT

Report on Freedom of Information

In accordance with the requirements of section 96 of the Freedom of Information Act 1992 (FOI), the Shire of Coolgardie is required to publish an annual Freedom of Information Statement

This statement advises that, as at 30 June 2020, the Shire did not receive any FOI applications.

Report on Official Conduct – Complaints Register.

Pursuant to Section 4.121 of the Local Government Act 1995, a complaints register has been maintained. As at 30 June 2020, there were no complaints registered.

Record Keeping Plan Report on the State Records Act 2000

In accordance with the provisions of the State Records Act 2000, the Shire of Coolgardie has a Record Keeping Plan in place. A further review of the Record Keeping Plan commenced in 2018/2019 and was completed in this financial year.

The Record Keeping Plan provides a description of current record keeping practices and focuses on the following six principles:

- Proper and Adequate Records
- Policies and Procedures
- Language Control
- Preservation
- Retention and Disposal
- Compliance

DISABILITY ACCESS AND INCLUSION PLAN

The Disability Service Act ensures that people with disabilities have the same opportunities as other members of the community. The Plan is currently being reviewed to ensure appropriate access and inclusion throughout the Shire for people with disabilities.

PAYMENT TO EMPLOYEES

Set out in bands of \$10,000 is the number of employees of the Shire entitled to an annual Salary of \$100,000 or more. The following information is at 30 June 2020.

Report on Employees Remuneration

Salary Range	2020	2019	2018	2017	2016
\$10,000 - \$110,000	47	45	41	45	53
\$110,000 - \$140,000	3	3	3	1	1
\$140,000 and above	1	1	1	3	4

Report on Employee Numbers

Salary Range	2020	2019	2018	2017	2016
The number of full-time equivalent employees at balance date	51	49	45	49	58

AN INCLUSIVE, SAFE AND VIBRANT COMMUNITY

COMMUNITY RESOURCE CENTRE'S

The Coolgardie and Kambalda Community Resource Centre's (CRC's) are funded through the Shire of Coolgardie and the Department of Primary Industries and Regional Development. The CRCs provide a wide array of information and community-based services, workshops and activities to residents, businesses, and visitors.

Government information is provided through self-service computer access to all residents and visitors. Assistance is also available to community members, including not-for-profit groups through the Association Support program for scanning, copying, meeting rooms, access to computers and free Wi-Fi.

2019/20 HIGHLIGHTS

Kambalda

- Our local businesses were invited to free business workshop with the Kalgoorlie Boulder Chamber of Commerce and Australian Taxation Office to provide specific business taxation information and to answer important one on one business taxation questions.
- We hosted a successful business over coffee event that provided over 12 local businesses the opportunity to discuss what their business offers, what they would like to see in the community and how the Kambalda Community Resource Centre can provide support. There has been ongoing communication from the event.
- This year the Kambalda community resources center joined with the Kambalda Playgroup to host a cleanup Australia day in Kambalda west. The activity was supported by 30 people who tidied up the bush area which is well used by many children that walk to school.
- Sci-tech visited in October for Children's week where they created a celebrate-play-discover event for nearly 100 locals. Children learnt problem solving skills, how to create sustainability in their own backyards, virtual reality an many exciting interactive learning activities.
- The bi-monthly PINGO continues to be ever popular with a theme for the event always attracting a crowd.

Coolgardie

There was wide range of activities delivered to our Coolgardie community that focused on connection, collaboration, and creativity for all ages. Despite the challenges and closures that we experienced due to the Covid-19 Pandemic and the insurance building repairs completed (from the 2018 storms) Our centre was closed for three months from March 2020 and re-opened at the end of June 2020.

- Barefoot Bands delivered a range of School and Community music and song writing workshops, studio recordings for local artists of all skill levels as well as community engagement activities at the Coolgardie Railway Station, Coolgardie CRC, Coolgardie Park and the Coolgardie Skate Park.
- The Coolgardie Police delivered five fun themed discos where we welcomed many superheroes, jungle animals, spooky Halloween characters, Christmas fun and bouncy easter excitement.
- Our bi-monthly PINGO was very popular with our attendees dressing up for the occasion. The Halloween and Christmas Pingo were filled with lots of fun, humour and creative outfits on the night.

- The Coolgardie local businesses received one on one support with onsite visits with KBCCI to assist with Website design, business and financial plans and general support.
- Coolgardie hosted 60 stranded Road Train Drivers with the Coolgardie to Esperance road being closed due to December 2019 bush Fires. The Coolgardie community came together to welcome and accommodate the travelers.

CRC Activities Attendees: 1,680

LIBRARIES

The Shire libraries in Coolgardie and Kambalda offer a range of resources for all ages and abilities in the community. This includes inter-library loans, where we work with other libraries across the state to provide requested books to residents.

Story Time is offered to the youngest members of the community on a weekly basis with themed events throughout the year. The "Better Beginnings" program is offered to parents of newborns to primary school children in both communities.

Our annual book week event was hosted at Halloween and included playgroup, One Tree Day care and the west Kambalda primary school students dress up as their favourite character to enjoy an entertaining Storytime, crafts and spooky morning tea.

"Reading is my Superpower" was the theme for Book Week in August 2019. School Children attended a very special story time session dressed as their favourite hero's and enjoyed a healthy morning tea before going back to school in their energized magical learning outfits. Seniors are offered computer assistance from staff to help them become digitally connected which includes basic computer skills to web browsing. They also have access to the computerschool.net and other web-based programs which teach a variety of computer lessons.

Seniors are offered computer assistance from staff to help them become digitally connected which includes basic computer skills to web browsing. They also have access to the computerschool.net and other website based programs which teach a variety of computer lessons.

Job seekers are provided support through Work Link for the preparation of resumes and job application. Libraries provide a professional area for jobseekers to attend interviews. Access computers and video conferencing for inductions and interviews.

Achievements

- Early Literacy Activities – 36
- Early Literacy Participants – 425
- Better Beginning Books Provided – 70

COMMUNITY EVENTS

The annual senior Christmas function was held at the Kambalda Community Recreation Facility in late November, hosting 100 residents from the Shire of Coolgardie and the Dundas Shire.

Local community groups and businesses support this event with many donations contributed. This successful event provides great food, local entertainment including and a special social event to our senior community.

The Kambalda Community Christmas Tree event was held in December and continues to attract a large a large crowd from local and neighboring Shires. The Kambalda Community Christmas Tree Committee were provided financial and in-kind support from the Shire of Coolgardie.

Australia Day Breakfast and celebrations were held in both towns of the Coolgardie Shire. Our local emergency services assisted with the Breakfast cook up and the Australia Day Citizenship Awards were presented to well deserving recipients.

Achievements

- Number of Shire managed events: 7

Participants to Shire managed events: 650 (No basketball game this financial year)

RECREATION FACILITIES

The Coolgardie Community Recreation Centre continues to hold a variety of sport and recreation activities for all community members. These local, social inclusive activities provide physical activity for all abilities and ensures that everyone has an interest in the local community hub.

2019/20 HIGHLIGHTS

Kambalda

- Seniors have a go day continued to grow again this year. We hosted an inclusive event for all ages and abilities from tissue toss to table tennis. Men and women from around the region got involved in a variety of activities to have fun, meet new people, and enjoy a memorable day.
- Our partnership with MEEDAC allowed us to continue with the annual job's expo held in March in both Kambalda and Coolgardie. This event seen over 20 local stall holders all providing job opportunities, employee information and training opportunities.
- The Kambalda Recreation Facility continues to hold a variety of sport and recreation activities for all community members. These local, social inclusive activities provide physical activity for all abilities and ensures that everyone has an interest in the local community hub.

Coolgardie

- Our partnership with MEEDAC allowed us to continue with the annual job's expo held in March. In both Coolgardie and Kambalda. This event seen over 20 local stall holders all providing job opportunities, employee information, assistance and training or upskilling opportunities.
- The Coolgardie Community Recreation Centre continues to hold a variety of sport and recreation activities for all community members. These local, social inclusive activities provide physical activity for all abilities and ensures that everyone has an interest in the local community hub.
- The Coolgardie Recreation Centre in conjunction with the Aquatic Manager and the Coolgardie Pool Staff took 15 local students for a day trip to Laverton for a "Swim for Fruit" excursion. It was a fantastic day out and the children visited the Leonora Pool, Laverton Pool, Gwalia and Menzies. The Shire of Coolgardie provided the range of fresh fruit and healthy food for the day and is looking forward to hosting Laverton this year for their visit.

Sport Development and Youth

This year with the employment of a Sport Development Officer provided more specific programs for developing popular sports locally. The Shire of Coolgardie provided a financial contribution to assist with over 30 children from both towns to attend a fun Auskick game during a half time break of an AFL game in Perth. The Shire of Coolgardie also provided financial assistant for the Miniroos soccer program. This allowed over 40 local children to attend the soccer sport development program, which has become a year-round ongoing program now offered in both towns.

Kambalda introduced a fortnightly youth night program which consistently proved to be well attended. Over 40 youth aged between 13 and 17 were able to use the Community Activity room for movies, sport nights and the stadium was well utilized with social sports.

Achievements

- Recreation Activities Participants – 570
- Group Fitness Participants – 3,900
- School Holiday Program Participants – 1,020

CASHLESS DEBIT CARD

The Cashless Debit Card (CDC) trial continued this year with Local Partner Shop Fronts located at the Coolgardie Recreation Centre and Kambalda Community Recreation Centre. Shire staff assisted clients with enquiries from participants throughout the year. The Shire of Coolgardie encouraged the extension of the CDC trial until June 2020, and its rollout into other regions.

2019/2020 Highlights:

- Work Link Services and Centrecare Financial Counselling from Kalgoorlie have continued to be provided and offered to participants to assist the Local Partner Shopfronts and participants in both towns.
- As part of the announcement to extend the CDC trial in June 2020, in addition the Government passed an amendment allowing participants to lodge EXIT applications providing, they can demonstrate reasonable and responsible management of their affairs generally, including financial affairs. This has seen an increase in appointments and complexity of service provided at the Local Partner Shopfronts with support offered in the months following the announcement.
- During November and December 2019, the University of Adelaide attended Coolgardie and Kambalda to conduct interviews with stakeholders and CDC participants with both Meedac and Shire of Coolgardie staff assisting the University of Adelaide conducting those interviews for the 'Evaluation of the CDC trial'.
- A Minister Meeting with Jacqui Lambie was attended by the Shire of Coolgardie, held in Coolgardie on 20 January 2020 during her visit of WA trial sites.
- During the Covid-19 outbreak and therefore forced closure of facilities in the Shire of Coolgardie all face-to-face support for CDC participants at the Coolgardie and Kambalda Local Partner Shopfronts was unavailable as of 25 March 2020 - with face-to-face service by appointments recommencing from 21 May 2020 in Kambalda, and 29 June 2020 in Coolgardie. During the closures over the phone assistance was available during normal Local Partner Shopfront opening hours from Monday to Friday.

Achievements

- Coolgardie Local Partner Shopfront – 44 enquiries
- Kambalda Local Partner Shopfront - 96 enquiries

AQUATIC FACILITIES

Kambalda Aquatic Facility

Delays with project on Friday 20th March Practical Completion of the Kambalda Aquatic Facility was finalised with contractors ACORP and Project Managers Core Business.

Aquatic staff received training within a closed soft opening with the Kambalda Swim club on Saturday 21st March 2020 to prepare to open for remainder of season

All swimming pools received notice from the State Government on Wednesday 25th March to close due to the COVID-19 pandemic and this was a shock to the community who had waited for this moment to enjoy this facility.

With COVID-19 there was an uncertainty of what impact this would have on our facilities and the Grand Opening was place on hold, this meant that the community would not be allowed to enjoy the fruits of the labours of many, over the past 18months to finally have an efficient, modern facility that has inclusive access for all abilities and ages.

Coolgardie Pool

Shire of Coolgardie Council made a decision to allow free entry into the Coolgardie Pool, this meant all Shire residents had access to a pool as the Kambalda Aquatic Facility was under construction. The locals and broader community welcomed this opportunity and the numbers of visits increase substantially in the period of the 19/20 season with a lot of visits by patrons who live outside the Shire boundaries.

Coolgardie Pool was a refreshing stop to all the stranded travellers during a road closure due to major bush fires, staff extended the opening and closing times to accommodate these people.

Royal Life Saving WA Swim 4 Fruit program for the first time was presented to the community to increase the water awareness message and provide basic skills to learn to swim. Staff visited local Primary schools in Coolgardie and Kambalda to spread the messages about Watch Around Water, to keep safe in all water bodies.

Other programs held was a mums and bubs picnic at the pool with a toddler lesson, Seniors Aqua session, School Holiday program with children from Kambalda travelling to the pool, and the highlight, Coolgardie children that participated in the swim 4 fruit program went to Laverton for a Goldfields mini Swim 4 Fruit carnival which proved very exciting for all children.

A THRIVING LOCAL ECONOMY

ECONOMIC DEVELOPMENT – LOOKING TO THE FUTURE

The Shire of Coolgardie is the one of the largest producers of minerals in the region with gold and nickel mining operations continuing to support globally significant regional exports.

In 2019/20, the value of mineral production achieved in the Shire reached \$3.59 billion; a 5.10% increase from 2018/19.

This financial year has seen continued exploration of all minerals and re-emergence of the nickel industry once again in the Kambalda region. Together with the continued rise in the gold price, the mining industry is investing significantly in our region.

POWER, WATER AND WASTE INFRASTRUCTURE REVIEW

The Goldfields region represents a Critical Minerals Hub, a priority for investment growth and employment in both a regional and Australian context. The Shire of Coolgardie contains a significant proportion of the minerals value in the region. Essential infrastructure in the Shire of Coolgardie is a key element in the ongoing operation and future growth of the region post the current humanitarian and financial crisis.

However, essential power, water and waste management infrastructure is significantly under-developed within the Shire placing at risk the growth of the existing industry and new investment attraction as well as economic and employment growth.

Unlocking key components across the essential infrastructure elements is a key requirement to removing current limitations and enabling the recovery economic and employment growth.

This financial year, the Shire has established a series of key objectives and associated activities to establish robust and resilient investment opportunities that will deliver economic and employment outcomes in the region. The program includes investigations into demand and supply requirements, sourcing external funding, attraction of investment, development of partnerships and finally, establishment of infrastructure.

COOLGARDIE – REGIONAL WASTE FACILITY

The Coolgardie Landfill has been identified as a strategic waste management asset for the Goldfields-Esperance region.

Waste management, treatment and beneficiation (the conversion of waste into energy, fuel and other products) is a significant opportunity for the Goldfields region due to the lack of current infrastructure.

The development of a centralised waste collection and treatment facility in Coolgardie is proposed to provide waste treatment and beneficiation for all industrial, commercial and residential waste in the region. The Shire is currently at the design phase of the project for a Class III facility with approvals being progressed through the State government.

REGIONAL WASTE RECYCLING FACILITY

The Shire intends to develop a regional waste recycling "Centre of Excellence" to address recyclable waste management in response to Federal government's ban on overseas export of rubber, glass and plastic products. A beneficiation plant would complement the Class 3 Regional Waste Facility by

incorporating a waste to energy process with carbon free fuel to support fit-for-purpose energy solutions. The construction phase is estimated to require 15-20 full-time equivalent employees with ongoing operations of the facility stimulating an additional 20 new full-time jobs in the Shire. The Shire is pursuing government funding to support the development of this project.

BAYLEY STREET UPGRADE

The Shire of Coolgardie is experiencing a significant growth in mining activity with the value of mineral production in the area increasing by 25% in the last financial year. This growth has brought increased pressure on the Shire's local road network with mining companies transporting larger quantities of raw minerals faster than ever before.

Bayley Street facilitates last mile logistics from the Eastern States to Perth and to the Port of Esperance. It forms a key part of the national highway system and is an essential component of freight logistics between the eastern and western seaboard of Australia.

Community consultation held last financial year assisted in the development of concept designs for the roadworks required to improve drainage issues and movement of traffic on Bayley Street. In May 2020, the Shire of Coolgardie completed costings and engineering reports to support its funding submission to the Federal Government's Heavy Vehicle Safety and Productivity Program (Round 7).

COOLGARDIE INDUSTRIAL LAND RELEASE

The town of Coolgardie has allocated 200 hectares of land towards the development of an industrial estate which will suit a range of industries including downstream processing. The lots will range between 2,500m² to 6+ hectare sites and be complemented by access to underground power, water, and telecommunications.

The sites will offer dual-road frontage lots for easy access suitable for triple road trains. Industry will have direct logistical access to the Great Eastern Highway (connection to East and Western States), Esperance Port and Northern Goldfields.

This financial year, the Shire completed the re-zoning for the land with a structure plan being progressed to develop the estate.

RESIDENTIAL LAND DEVELOPMENT

The Shire of Coolgardie is continuing the planning works associated with the subdivision of the Coolgardie Horse Blocks, a 110-hectare block of land that is located west of Coolgardie. The subdivision will see the creation of large residential land parcels for semi-rural operations.

The project will respond to the lack of residential land parcels for these purposes within and outside the district, whilst maintaining the amenities and facilities of the area.

This Financial Year, the Shire of Coolgardie received conditional approval for the development of subdivisions from the WA Planning Commission with planning activities continuing for 2020/21 FY.

COOLGARDIE INNOVATION AND ECONOMIC DEVELOPMENT CENTRE (HISTORICAL POST OFFICE COMPLEX)

The historical value of the Post Office Complex is well-known throughout Western Australia. Built in 1894, when Coolgardie was the third largest town in WA (after Perth and Fremantle), the building housed government services for 25,000 residents.

The Coolgardie Innovation and Economic Development Centre project will revitalise the internal areas of the Post Office Complex to create Aboriginal Training facilities, a Cultural and Community Hub, a micro-business shared office area and a variety of museum and visitor spaces.

The project received funding support of \$233,500 from Lotterywest and \$916,000 from the Federal Government's Building Better Regions Funding. In January 2020, the Shire of Coolgardie was successful in securing an additional \$100,000 for the project from the State Government's Regional Economic Development grant program.

This financial year, the project progressed from concept planning stage to the finalisation of several actions to prepare the project for construction.

This included the completion of specifications for tender, land tenure, final architectural designs, heritage council approval, development of a conservation management plan and interpretation strategy, building classification, fire separation and site survey investigations into drainage surrounding the building. The project will be ready to tender in November 2020.

BEN PRIOR PARK

This financial year realised the commencement of the Ben Prior Park redevelopment which kicked off with the development of a concept plan in April 2020. Shire Officers held numerous meetings with MEEDAC, Men's Shed Coolgardie, Vic Dale and other community members to encourage local participation in the development of the Park. Focus Minerals offered for the Shire to relocate Jack Cairns shack from its mine site so that it could once again be enjoyed by visitors and the community.

Refurbishment works and construction of the nature playground, gazebos and other new facilities at the Park commenced in May 2020.

GRANT/SPONSORSHIP FUNDING SECURED – 2019/20 - \$358,600

Organisation	Funding	Project	Amount
Gold Fields St Ives Foundation	Sponsorship	Kambalda Aquatic Facility Upgrade	\$200,000
Swimming Australia	Community Swimming Grants Program	Lifeguard training and mobility equipment	\$8,600
WA State Government – Department of Primary Industries and Regional Development	Regional Economic Development grant program	Coolgardie Innovation and Economic Development Centre	\$100,000
Gold Fields St Ives	Sponsorship	Meals on Wheels for Seniors	\$25,000
Northern Star	Sponsorship	Meals on Wheels for Seniors	\$25,000 value

MEDIA AND COMMUNICATIONS

This financial year, the Shire of Coolgardie undertook a comprehensive communication and branding audit which resulted in a complete refresh and improvement of the Shire's communication strategies and branding.

Completed 2019/20

- Development of a new Shire of Coolgardie brand and style guide
- Development of Marketing & Communications Strategy and Implementation Plan
- Development of a Social Media Strategy and implementation of a Social Media Plan
- Development of a refreshed website – produced to industry best practice standards, improved accessibility and compliant with legislative requirements as per the Local Government Legislation Amendment Act 2019
- Website includes community and business directory and events portal for public to list their services and events
- Signage audit of all signs in the Shire requiring rebranding
- Increased media releases highlighting “good news stories” in Shire (40 published in external media)
- Creation of a rolling content for all the key projects occurring in the Shire that impact stakeholders internally and externally
- Internal Communications Strategies and development of intranet
- Update and implementation of a Communications Policy
- The creation of a community engagement checklist/toolkit - a methodical approach to ensure the community is consulted and informed on major projects
- Digital newsletter approach – delivered monthly to subscribers (E-Newsletter)
- Increased digital consultation opportunities through survey monkey and website
- Held first virtual ANZAC Day due to COVID-19 social distancing restrictions which went viral throughout Australia with 13,162 views and internationally with 19,720 views
- Introduction of Shire President videos as updates to the community
- complete refresh of all visitor pamphlets and town maps

Highlights

Facebook	18/19	19/20
Followers	375	1,594
Posts	64	650
Shire President Videos	Nil	14
Website	18/19	19/20
Website Users	14,493	21,670

PARTNERSHIPS ESTABLISHED**St John Medical’s Integrated Health Care Model**

In 2018, the Shire of Coolgardie signed a Memorandum of Understanding (MOU) with St John WA to develop the St John Country Primary Health Care Model. The model not only addresses day-to-day health issues but coordinates care for Aboriginal Australians and people with chronic diseases.

Services also include weekly GP tele-health sessions, a Community Transport Service, and a resilient ambulance service.

To build on the St John Country Primary Health Care Model, the Shire has entered into MOUs with a range of allied-health service providers including physiotherapists, paediatric occupational therapists and disability services providers. The delivery of a coordinated, integrated health care system that helps people get the right care, at the right time, in the right place, is the Shire's goal.

Goldfields Community Legal Centre

The Goldfields Community Legal Centre Inc. is a not-for-profit organisation that provides advice and information to low income earners and other disadvantaged members of the community. In 2019, the GCLC commenced the delivery of the Goldfields Migration Employment Project (GMEP) which aims to alleviate the labour and skills shortage in the Goldfields region by engaging with migrant communities based in metropolitan areas of WA and assisting employment seekers with access to Goldfields based job opportunities and ancillary settlement support services.

The Shire of Coolgardie continues to be a major producer of minerals in the region with gold and nickel mining operations supporting globally significant regional exports. With the rapid increase in mineral production, skills shortages throughout the region, and decline of the Shire's population (10.8% in 5 years), the Shire is committed to implementing attraction and retention strategies to its towns.

The partnership commenced in July 2020 which realised the attraction of three families to the town of Coolgardie in January 2020. The Shire of Coolgardie provided support to these families by welcoming them and assisting them integrate into the Coolgardie community.

Business Local Partnership

The Shire of Coolgardie has continued its relationship with Business Local, through the Kalgoorlie-Boulder Chamber of Commerce, to support local businesses in accessing several training sessions with a focus this year on social media. One-on-one assistance is also provided to individual businesses at their premises.

COMMUNITY DEVELOPMENT PROGRAMS

Meals on Wheels

The Meals on Wheels service in Kambalda commenced on 28 April 2020 when COVID-19 restrictions were put in place for people over the ages of 70+ to not leave their homes. The CEO initiated this project in Kambalda with funding support from Goldfields St Ives and discounted meals from ESS and in Coolgardie with funding support from Northern Star Resources.

Shire staff deliver more than a nutritious meal as the program acts as a wellness check on these residents and the Shire continues to work closely with St John WA, the Kambalda Nursing Post and the Kalgoorlie Regional Hospital for the continued wellness of these residents. St John WA and MEEDAC volunteers assist the Shire in delivering the meals and the St John WA community transport vehicle is being used weekly for deliveries.

Community Support – COVID-19

Wellness checks for seniors was initiated through the Department of Economic and Community Development to ensure the well-being of the most vulnerable members of our community during COVID-19 restrictions.

This project commenced on 30 March 2020, after the Prime Minister, that due to COVID-19, "people aged 70 and over should stay at home and self-isolate for their own protection to the maximum extent practicable."

These were gratefully appreciated by community members and continued past the end of this financial year.

In May 2020, the Shire of Coolgardie developed a Community Connection portal on the website to provide factual health information, online services, video content, pre-recorded classes and online tools for adults and children. The Shire staff developed their own virtual content which was linked through the website and included events such as interactive virtual Sing & Rhyme Time.

"The Shire doing such a wonderful job in arranging this kind gesture to look after the community through these difficult times."

"Please pass on my gratitude to the Shire for being so caring. Along with the Meals on Wheels which I am so grateful for and to receive a weekly phone call checking in - I truly believe I live in the best community ever."

EFFECTIVE MANAGEMENT OF INFRASTRUCTURE, HERITAGE AND ENVIRONMENT

REGULATORY SERVICES

Building

A total of 84 building permits were issued by the Shire of Coolgardie in 2019/2020, and the total value of these approvals issued was \$8,722,664. These numbers were less than the previous year, as the amount of applications for storm repairs for both Coolgardie and Kambalda have decreased considerably. One significant project was the construction of the Sandy Ridge Facility.

Environmental Health

The Shire of Coolgardie engaged the services of a contract Environmental Health professional during 2019/2020. This ensured that the focus was solely on the needs of the Shire, and the level of service and expertise has been invaluable to the community.

WASTE SERVICES

2019/2020 seen some changes from long term plans come to fruition resulting in better services and efficiencies to the Shire of Coolgardie. This included a major review of the Shire Landfill facilities. The Shire Wheelie Bin weekly service continues to operate efficiently and with minimal issues other than the occasional stolen or damaged wheelie bin.

The verge pick-up conducted by the Shire outside crew was completed and the crew collected approximately 55 tonnes of hard waste.

Coolgardie Wastewater Treatment Plant

The Annual Environmental Report and Annual Compliance Return on the operations of the Coolgardie Wastewater Treatment plant were once again submitted to the Department of Environment Regulation satisfying the requirements of the Shire's license conditions for the premises under the Environmental Protection Act 1986 of WA.

Maintenance on the sewerage facility was conducted throughout the year. The Shire tendered for services to maintain the Coolgardie Sewerage system during 2019/20.

As per last financial year, ongoing regulatory conditions have been met –

- Installation of sewer inflow meter – for license reporting
- Installation of sewer out flow meter – for license reporting
- Installation of Liquid Chlorine Injection – to meet Health Department Standards
- Several major line breaks repaired

Several major blockages have occurred throughout the reporting period mainly due to items being placed in the sewer system by residents and commercial operators. This was significant during the period March 2020 to 30th June 2020 as a direct result of COVID-19. The cost of blockages due to rags, paper, sheets, shirts and other items being disposed of in the sewerage system was extremely high. The Shire budget for 2019/20 for the sewerage system in Coolgardie was \$380,000 with an actual cost for the financial year of \$520,138.

It is estimated that the reuse of water from the sewerage plant saves more than \$40,000 annually on water charges from Water Corp. The treated water from this service is used to reticulate many of the

green spaces in the Coolgardie town site. Given the reuse of water generates annual savings, the Council has resolved an annual transfer of \$40,000 to the sewerage reserve.

Kambalda Refuse Site Transfer Station

Annual Environmental Report and Annual Compliance Return on the operations of the Kambalda Landfill Site were submitted to the Department of Environment Regulation satisfying the requirements of the Shire's license conditions for the premises under the Environmental Protection Act 1986 of WA.

The Transfer Station was completed and operational during the 2019/20 financial year. All residential waste and commercial waste has commenced being transferred to Coolgardie. The Transfer Station is open 7 days a week and operating efficiently.

The remediation plan for the Kambalda Landfill continues to be a work in progress between DWER and the Shire. It is expected a solution will be agreed between DWER and the Shire early in the new calendar year.

Coolgardie Landfill

The site has been operating on extended hours since the end of October and open to the public and commercial contractors seven days a week from 10am-3pm.

One extra casual staff member has been employed to cover these hours. In addition to this, the one part time staff at the site has had his hours increased by 15 hours per fortnight in order to meet regulatory commitments due to the gradual increase in tonnages coming from Kambalda.

Design Plans and a Works Approval to upgrade the site to a Class 3 Facility is currently being prepared by GHD. It is anticipated the Class 3 approval will be in place for the 2021/22 financial year.

Feasibility Studies – Expansion of Coolgardie Landfill Site

The Coolgardie Tip Site has been identified as a strategic waste management asset for the Goldfields-Esperance region.

Waste management, treatment and beneficiation (the conversion of waste into energy, fuel and other products) is a significant opportunity for the Goldfields region due to the lack of current infrastructure.

The development of a centralised waste collection and treatment facility in Coolgardie is proposed to provide waste treatment and beneficiation for all industrial, commercial and residential waste in the region. The Shire is currently at the design phase of the project for a Class III facility with approvals being progressed through the State government.

The Shire intends to develop a regional waste recycling "Centre of Excellence" to address recyclable waste management in response to Federal government's ban on overseas export of rubber, glass and plastic products. A beneficiation plant would complement the Class 3 Regional Waste Facility by incorporating a waste to energy process with carbon free fuel to support fit-for-purpose energy solutions. The construction phase is estimated to require 15-20 full-time equivalent employees with ongoing operations of the facility stimulating an additional 20 new full-time jobs in the Shire. The Shire is pursuing government funding to support the development of this project.

PLANNING

The Shire of Coolgardie's statutory planning service provides a wide range of planning advice in the area of land zoning, residential standards and heritage requirements. This year, most of the development in the Shire has been residential expansion such as sheds and patios.

2019/20 HIGHLIGHTS

- Processed a significant number of mining tenement enquiries and clearing permit notifications
- Proposed road dedication and clearing permits on several significant roads
- Planning and Heritage Council approval for the redevelopment of the Coolgardie Post Office complex
- Pursued three (3) scheme amendments - Scheme Amendments 2 and 3 are in the final stages with the Department of Planning, Lands and Heritage, whilst Scheme Amendment 4 is in the early stages of proposal development.

ROAD WORKS

The annual road construction program for 2019/2020 resulted in expenditure of \$1,429,205

Blackspot Program

The Federal Government's Department of Infrastructure, Transport, Cities and Regional Development's Black Spot funding targets road locations with high levels of risk of vehicle crashes. By funding measures such as traffic signals and roundabouts at dangerous locations, the program reduces the risk of crashes. In 2019/2020, there were no Blackspot projects undertaken within the Shire.

Roads to Recovery Program

The Federal Government's Roads to Recovery Program supports the maintenance of local road infrastructure assets, which improves safety, economic and social outcomes.

Reseal work was carried out on various streets and roads within the townsites of Coolgardie and Kambalda. The total spent on these projects in 2019/20 was approximately \$332,080.

Regional Road Group Program

The Shire of Coolgardie's President is a member of the Regional Road Group (RRG) which is responsible for making recommendations to a State Advisory Committee (SAC) regarding annual local government roads programs in the region.

The Group is comprised of elected representatives from each Local Government, who serve a vital and valuable role in ensuring that road funding decisions maximise community benefits and improve the road system across the region.

Major road construction works were carried out on Coolgardie North Road estimated at \$696,834

CAPITAL WORKS EXPENDITURE

Items	Capital & Maintenance
Drainage	~\$109,000
Footpaths	~\$137,000
Parks and verges	~\$1,069,000
Playground (renewal)	~\$32,400
Kambalda Aquatic Facility	~\$4,140,206

PLANT & EQUIPMENT

The Shire has not expanded its fleet of plant and equipment this financial year.

THE FINANCIAL YEAR IN SUMMARY

OPERATING SURPLUS

As shown in Note 26 of the Annual Financial Report, the Shire's operating result for the financial year ended 30 June 2020 was an operating surplus of **\$761,644**. This represents a significant reduction from the previous years' surplus of \$5,382,766.

This reduction is attributable to the utilisation of previously unspent loans for the Kambalda Swimming Pool (\$2,697,101) and a reduction in unrestricted cash of \$1,306,085 used to fund operations and capital projects.

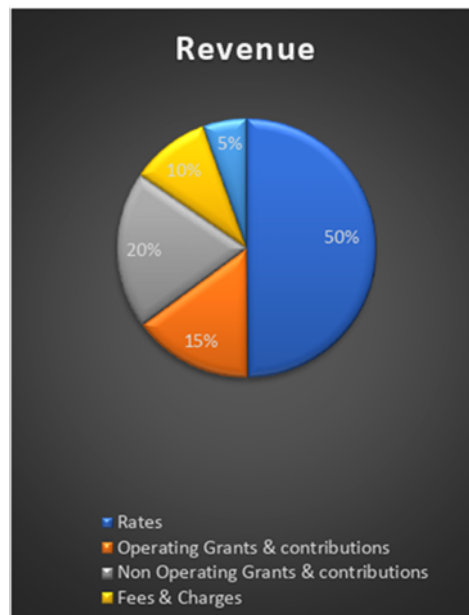
REVENUE

The Shire of Coolgardie had a Total Operating Revenue of \$14.33m (including operating and capital grants) for the 2019/20 financial year.

A total of 20% of the Shire's revenue for 2019/20 was Non-Operating Grants which helped to fund several key capital projects.

Operating Grants and Contributions account for 15% of revenue, while Rates (50%) and Fees & Charges (10%) are also significant contributing factors to the total revenue figure.

The remaining 5% of Other Revenue comes from several various sources including interest received, profit on sale of assets and miscellaneous contributions and reimbursements received during the financial year.



The revenue generated by the Shire is spent providing infrastructure and services for the community.

The Shire provides many services including maintaining and improving roads, parks and gardens, leisure services and other community projects.

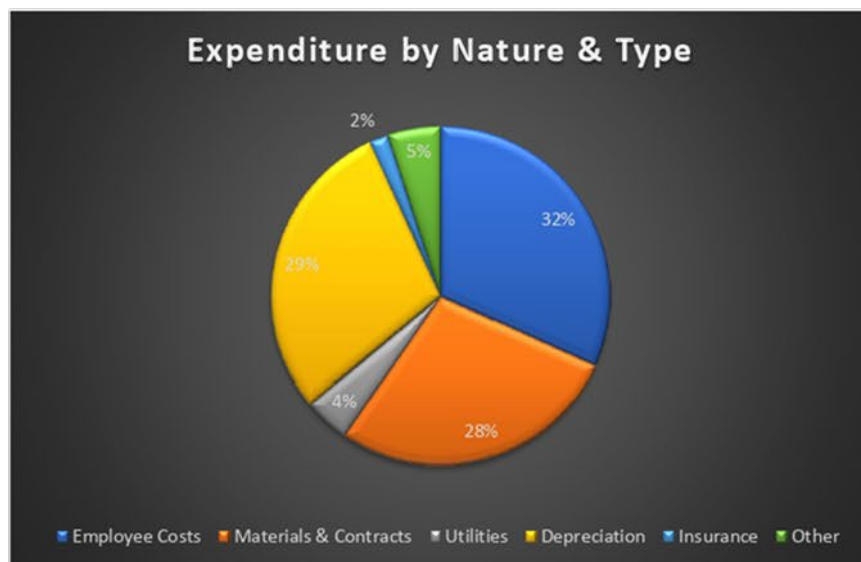
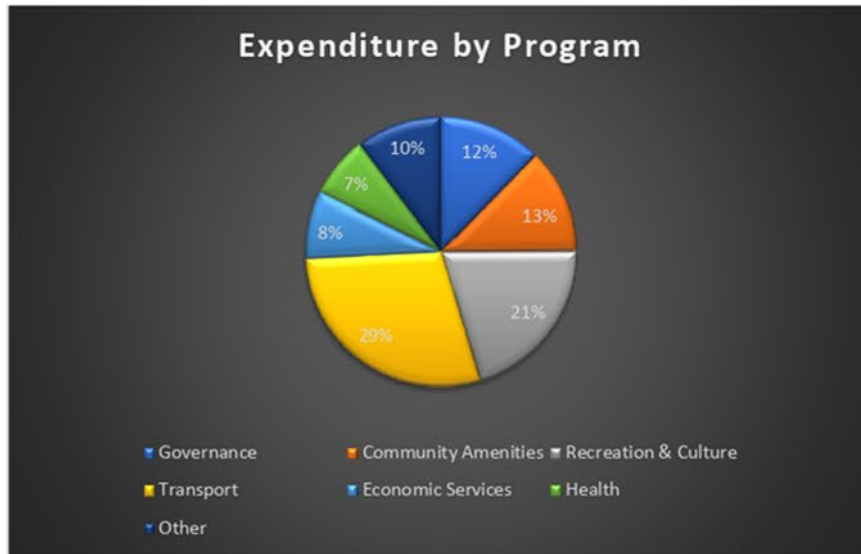
A significant amount of the Shire's resources (50%) is spent on maintaining road infrastructure and the provision of recreation services.

EXPENDITURE

When comparing the breakdown of these costs by nature and type, a significant 29% of all operating expenditure is attributed to depreciation charges.

Depreciation is a non-cash item and is the result of the Shire having in excess of \$191m worth of assets, of which 80% is attributed to the Shire's road network and other related infrastructure whilst a further 17% relates to Property, Plant & Equipment.

Other significant expenditure includes Employee Costs (32%), Materials & Contracts (28%), with Utilities (4%), Insurance (2%) and Other Expenditure (5%) making up the balance.



CAPITAL WORKS PROJECTS

In addition to the normal operating activities, some significant capital works projects were undertaken during the 2019/20 financial year to the value of \$8.46m. Some of this year's capital works highlights include;

Transport	
Coolgardie Transit Park	\$1,469,843
Coolgardie North Road	\$585,045
Durkin Road	\$172,095
Jobson Street	\$97,747
Jaurdi Hills Road	\$88,694
Plant Replacement Program	\$226,825
Footpath Renewal	\$53,158
Drainage Renewal	\$39,333
Land & Buildings	
Coolgardie Recreation Centre (Reimbursed through Insurance)	\$513,943
Coolgardie Cultural & Community Hub	\$91,939
Coolgardie Depot	\$60,502
Recreation & Culture	
Kambalda Aquatic Facility	\$4,140,206
Playground Renewal	\$37,875
Community Amenities	
Kambalda Transfer Station	\$122,658
Coolgardie Refuse Site	\$74,384
Kambalda Refuse Site Rehabilitation	\$69,788

RESERVE FUNDS

As at 30 June 2020 the balance in the Reserve Accounts was \$1,804,223 as listed below;

RESERVE	BALANCE
Plant Reserve	253,226
Land & Building Reserve	166,512
Landfill Reserve	201,709
Sewerage Reserve	174,719
Environmental Reserve	292,105
Community & Recreation Reserve	25,400
IT & Communications Reserve	10,727
Aerodrome Reserve	19,817
Road Reserve	219,134
Infrastructure Reserve	440,874
TOTAL	\$1,804,223

Council utilised its cash reserves to help fund some significant capital projects in the past 12 months and will look to build up these reserves in coming years to help with meeting future requirements as identified in the Shire's key strategic plans.

LOAN LIABILITY

As at 30 June 2020 the outstanding principal on all loans was \$2,902,507. This represents a significant reduction in debt from the outstanding balance of \$3,479,715 at the end of the last financial year and is a direct result of the loans for the Kambalda Swimming Pool.

FINANCIAL RATIOS

Ratios provide useful information when compared to internal and industry benchmarks and assist in identifying trends. Whilst not conclusive in themselves, understanding ratios, their trends and how they interact is beneficial for the allocation of the Shire's resources and planning for the future. Information relating to the statutory ratios disclosed in the financial report is summarised in the table below, with a commentary provided on some selected ratios.

Ratio	Standard	2020	2019	2018	2017
Current Ratio	>= 1.00	1.01	2.48	3.21	2.06
Asset Consumption	>= 1.10	0.95	0.97	0.75	0.97
Asset Renewal	>= 1.05	1.10	1.11	N/A	N/A
Asset Sustainability	>= 1.10	1.49	0.79	0.27	0.39
Debt Service Cover	>= 2.00	0.66	11.56	3.84	5.21
Operating Surplus	>= 0.15	(0.40)	(0.33)	(0.42)	(0.35)
Own Source Revenue Coverage	>= 0.90	0.62	0.65	0.61	0.62

CURRENT RATIO

The current ratio is a liquidity ratio that measures whether the Shire has enough resources to meet its short-term obligations. If current liabilities exceed current assets the current ratio will be less than 1 and is an early indicator that the Shire may have problems meeting its short-term obligations.

This ratio improved over recent years before declining in the 2019/20 financial year. This is attributable to both a decrease in unrestricted cash and an increase in current liabilities as a result of drawing down on the loan for the Kambalda Swimming Pool.

ASSET SUSTAINABILITY RATIO

The Asset Sustainability ratio expresses capital expenditure on renewal and replacement of existing assets as a percentage of depreciation costs. This ratio is used to identify any potential decline or improvement in asset conditions. A percentage of less than 100% on an ongoing basis indicates assets may be deteriorating at a greater rate than spending on renewal or replacement.

This ratio continues to remain at constant levels each year. Continued improvement to this ratio will assist the Shire maintain its asset base at the right level into the future. Interpretation of this ratio should also be considered together with the Asset Consumption Ratio and the Asset Renewal Funding Ratio.

DEBT SERVICE COVER RATIO

The Debt Service Cover Ratio measures the Shire's ability to service debt from its committed or general purpose funds available. This ratio has been trending above both the Regional and State 5 year averages for a period of time before dropping below the desired level of 2.00 in the 2019/20 financial year.

The reason for the sharp fall is a result of both a reduction on the Shire's Operating Surplus position and an increase in the loan principal repayments during the 2019/20 financial year. As both the operating surplus position improves and/or the principal repayments reduce over the period of the loans this ratio will again rise above the industry standards required.

The Shire will continue to identify practical ways of improving the Shire's operating position in future years. This includes considering the sustainability of the current rates structure, identifying potential revenue streams and finding the optimum level of the Shire's operating expenses.

OPERATING SURPLUS RATIO

The Operating Surplus Ratio represents the percentage by which the operating surplus (or deficit) differs from the Shire's own source revenue which includes rates.

This ratio in 2019/20 decreased from (0.33) to (0.40). The ratio remains below the target level and is heavily weighted around the Shire's ability to increase revenue through rates and fees and charges.

Essentially there are only a few ways to improve this ratio;

1. Increase rates
2. Increase existing fees & charges
3. Introduce new fees & charges
4. Reduce Operating costs
5. Reduce the level of services

Council are continually looking at opportunities of increasing revenue streams without burdening the community with significant rate increases to try and meet the industry standards for this ratio. One example of this is the Coolgardie Refuse Site project, which if progressed has the potential to significant increase revenue from fees and charges.

The impact of this additional revenue is such that it could raise the current ratio to above the minimum standard which would have a significant positive impact on the Shire's Financial Health Indicator.

In the Independent Auditor's Report from the Office Auditor General the following comment was made;

In accordance with the Local Government (Audit) Regulations 1996 I report that:

(i) In my opinion, the following material matters indicate significant adverse trends in the financial position of the Shire:

a. The Operating Surplus Ratio has been below the Department of Local Government, Sport and Cultural Industries standard for the past 3 years. The financial ratios are reported at Note 33 to the financial report

ASSET RENEWAL FUNDING RATIO

This ratio indicates whether the Shire's planned capital renewal expenditure over the next 10 years as per its Long Term Financial Plan is sufficient to meet the required capital renewal expenditure over the next 10 years as per its Asset Management Plans.

The ratio currently indicates that the Shire is maintaining the desired level of capital renewal. Council will continue to review the above plans to allow the calculation of this ratio and help identify any potential gaps between planned and required capital expenditure.

ANNUAL AUDIT

The annual audit was successfully completed for the 2019/20 financial year and a copy of the report is included within this Annual Report.

Council will continue to implement any recommended changes raised by the auditors that will improve the Shire's level of governance and compliance and help to improve the financial position of the organisation.

SHIRE OF COOLGARDIE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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COMMUNITY VISION

A connected, progressive & welcoming community

Principal place of business:
Irish Mulga Drive, Kambala WA 6442



SHIRE OF COOLGARDIE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Coolgardie for the financial year ended 30 June 2020 is based on proper accounts and records to present fairly the financial position of the Shire of Coolgardie at 30 June 2020 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 7TH day of DECEMBER 2020

J. Trail

James Trail
Chief Executive Officer



SHIRE OF COOLGARDIE
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	Restated * 2019 Actual \$
Revenue				
Rates	24(a)	7,147,278	7,150,490	6,682,397
Operating grants, subsidies and contributions	2(a)	2,153,047	1,377,027	1,950,012
Fees and charges	2(a)	1,417,917	1,583,649	1,507,378
Interest earnings	2(a)	181,800	208,750	224,933
Other revenue	2(a)	577,797	57,500	336,931
		11,477,839	10,377,416	10,701,651
Expenses				
Employee costs		(4,824,233)	(4,575,660)	(3,904,631)
Materials and contracts		(4,252,615)	(4,292,921)	(4,051,493)
Utility charges		(662,610)	(586,840)	(572,048)
Depreciation on non-current assets	10(b)	(4,419,623)	(4,182,961)	(4,153,840)
Interest expenses	2(b)	(118,943)	(100,519)	(45,171)
Insurance expenses		(270,704)	(274,653)	(293,333)
Other expenditure		(634,267)	(591,269)	(518,974)
		(15,182,995)	(14,604,823)	(13,539,490)
		(3,705,156)	(4,227,407)	(2,837,839)
Non-operating grants, subsidies and contributions	2(a)	2,826,984	6,288,074	1,961,832
Profit on asset disposals	10(a)	27,324	34,500	80,620
(Loss) on asset disposals	10(a)	(16,233)	(87,000)	(130,807)
Fair value adjustments to financial assets at fair value through profit or loss	5	1,440	0	0
		2,839,515	6,235,574	1,911,645
Net result for the period		(865,641)	2,008,167	(926,194)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	0	0	46,167
Total other comprehensive income for the period		0	0	46,167
Total comprehensive income for the period		(865,641)	2,008,167	(880,027)

* See note 28 for details regarding the impact for the treatment of remediation costs and joint operation for aged housing.

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



SHIRE OF COOLGARDIE
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	Restated * 2019 Actual \$
Revenue				
	2(a)			
Governance		19,593	22,000	95,068
General purpose funding		8,147,787	7,760,517	7,521,031
Law, order, public safety		73,832	34,300	46,260
Health		24,718	3,000	209
Education and welfare		225,462	222,304	239,336
Housing		96,072	113,681	142,291
Community amenities		1,039,189	1,042,666	1,061,489
Recreation and culture		451,250	298,000	160,362
Transport		1,033,837	490,496	917,192
Economic services		330,484	331,742	384,222
Other property and services		35,615	58,710	134,191
		11,477,839	10,377,416	10,701,651
Expenses				
	2(b)			
Governance		(1,869,522)	(1,833,407)	(1,916,584)
General purpose funding		(500,463)	(384,767)	(261,156)
Law, order, public safety		(482,778)	(429,626)	(302,628)
Health		(1,120,820)	(480,198)	(245,184)
Education and welfare		(304,269)	(366,561)	(291,712)
Housing		(241,851)	(277,485)	(257,289)
Community amenities		(1,923,004)	(1,680,482)	(1,767,795)
Recreation and culture		(3,029,598)	(3,257,851)	(2,861,389)
Transport		(4,364,388)	(4,594,385)	(4,395,429)
Economic services		(1,223,524)	(1,154,542)	(1,071,725)
Other property and services		(3,835)	(45,000)	(123,428)
		(15,064,052)	(14,504,304)	(13,494,319)
Finance Costs				
	2(b)			
Community amenities		0	0	(203)
Recreation and culture		(79,301)	(62,630)	(17,082)
Transport		0	(13,624)	(4,262)
Economic services		(24,016)	(24,265)	(23,624)
Other property and services		(15,626)	0	0
		(118,943)	(100,519)	(45,171)
		(3,705,156)	(4,227,407)	(2,837,839)
Non-operating grants, subsidies and contributions	2(a)	2,826,984	6,288,074	1,961,832
Profit on disposal of assets	10(a)	27,324	34,500	80,620
(Loss) on disposal of assets	10(a)	(16,233)	(87,000)	(130,807)
Fair value adjustments to financial assets at fair value through profit or loss	5	1,440	0	0
		2,839,515	6,235,574	1,911,645
Net result for the period		(865,641)	2,008,167	(926,194)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	0	0	46,167
Total other comprehensive income for the period		0	0	46,167
Total comprehensive income for the period		(865,641)	2,008,167	(880,027)

See note 28 for details regarding the impact for the treatment of remediation costs and joint operation for aged housing.

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



SHIRE OF COOLGARDIE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	NOTE	2020	2019 Restated *	1 July 2018 Restated *
		\$	\$	\$
CURRENT ASSETS				
Cash and cash equivalents	3	2,554,442	8,034,401	5,614,140
Trade and other receivables	6	1,763,583	2,007,511	1,616,187
Inventories	7	15,350	9,299	5,043
Other assets		0	0	54,872
TOTAL CURRENT ASSETS		4,333,375	10,051,211	7,290,242
NON-CURRENT ASSETS				
Trade and other receivables	6	100,415	100,415	68,237
Other financial assets	5	89,026	87,586	87,586
Property, plant and equipment	8	32,564,481	32,751,382	33,555,761
Infrastructure	9	152,344,201	148,017,368	147,181,521
Right of use assets	11(a)	536,764	0	0
TOTAL NON-CURRENT ASSETS		185,634,887	180,956,751	180,893,105
TOTAL ASSETS		189,968,262	191,007,962	188,183,347
CURRENT LIABILITIES				
Trade and other payables	13	1,344,236	1,536,102	633,043
Contract liabilities	14	4,894	0	0
Lease liabilities	15(a)	132,083	0	0
Borrowings	16(a)	292,693	700,151	68,253
Employee related provisions	17	284,222	232,379	275,125
Other provisions	18	450,000	0	0
TOTAL CURRENT LIABILITIES		2,508,128	2,468,632	976,421
NON-CURRENT LIABILITIES				
Lease liabilities	15(a)	433,348	0	0
Borrowings	16(a)	2,609,814	2,779,564	624,715
Employee related provisions	17	84,825	106,813	72,590
Other provisions	18	347,815	797,815	774,456
TOTAL NON-CURRENT LIABILITIES		3,475,802	3,684,192	1,471,761
TOTAL LIABILITIES		5,983,930	6,152,824	2,448,182
NET ASSETS		183,984,332	184,855,138	185,735,165
EQUITY				
Retained surplus		61,929,590	61,337,530	61,617,540
Reserves - cash backed	4	1,804,223	3,267,089	3,913,273
Revaluation surplus	12	120,250,519	120,250,519	120,204,352
TOTAL EQUITY		183,984,332	184,855,138	185,735,165

* See note 28 for details regarding the impact for the treatment of remediation costs and joint operation for aged housing.

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



SHIRE OF COOLGARDIE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 30 June 2018		61,902,746	3,913,273	120,987,102	186,803,121
Prior year adjustments	28	(285,206)	0	(782,750)	(1,067,956)
Balance at 1 July 2018		61,617,540	3,913,273	120,204,352	185,735,165
Comprehensive income					
Net result for the period (restated)		(926,194)	0	0	(926,194)
Other comprehensive income	12	0	0	46,167	46,167
Total comprehensive income		(926,194)	0	46,167	(880,027)
Transfers from reserves	4	1,071,213	(1,071,213)	0	0
Transfers to reserves	4	(425,029)	425,029	0	0
Balance as at 30 June 2019		61,337,530	3,267,089	120,250,519	184,855,138
Change in accounting policies	29(b)	(5,165)	0	0	(5,165)
Restated total equity at 1 July 2019		61,332,365	3,267,089	120,250,519	184,849,973
Comprehensive income					
Net result for the period		(865,641)	0	0	(865,641)
Other comprehensive income	12	0	0	0	0
Total comprehensive income		(865,641)	0	0	(865,641)
Transfers from reserves	4	2,825,710	(2,825,710)	0	0
Transfers to reserves	4	(1,362,844)	1,362,844	0	0
Balance as at 30 June 2020		61,929,590	1,804,223	120,250,519	183,984,332

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



SHIRE OF COOLGARDIE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates	7,094,707	7,950,490	6,425,189
Operating grants, subsidies and contributions	2,397,503	1,567,027	1,974,089
Fees and charges	1,417,917	1,583,649	1,507,378
Interest received	181,800	208,750	224,933
Goods and services tax received	1,367,790	10,000	973,657
Other revenue	570,097	57,500	336,931
	13,029,814	11,377,416	11,442,177
Payments			
Employee costs	(4,897,651)	(4,575,660)	(3,913,482)
Materials and contracts	(4,357,827)	(3,792,921)	(3,253,249)
Utility charges	(662,610)	(586,840)	(572,048)
Interest expenses	(116,252)	(100,519)	(35,928)
Insurance paid	(270,704)	(274,653)	(293,333)
Goods and services tax paid	(1,300,441)	0	(1,017,512)
Other expenditure	(634,267)	(591,269)	(495,615)
	(12,239,752)	(9,921,862)	(9,581,167)
Net cash provided by (used in) operating activities	19 790,062	1,455,554	1,861,010
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a) (981,481)	(4,609,345)	(676,985)
Payments for construction of infrastructure	9(a) (7,478,985)	(9,100,768)	(3,875,099)
Non-operating grants, subsidies and contributions	2(a) 2,826,984	6,288,074	1,961,832
Proceeds from financial assets at amortised cost - self supporting loans	0	484,453	0
Proceeds from sale of property, plant & equipment	10(a) 78,268	291,364	362,756
Net cash provided by (used in) investment activities	(5,555,214)	(6,646,222)	(2,227,496)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	16(b) (1,179,321)	(700,150)	(68,253)
Payments for principal portion of lease liabilities	15(b) (137,599)	0	0
Proceeds from new borrowings	16(b) 602,113	0	2,855,000
Net cash provided by (used in) financing activities	(714,807)	(700,150)	2,786,747
Net increase (decrease) in cash held	(5,479,959)	(5,890,818)	2,420,261
Cash at beginning of year	8,034,401	7,819,414	5,614,140
Cash and cash equivalents at the end of the year	19 2,554,442	1,928,596	8,034,401

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

SHIRE OF COOLGARDIE
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

		2020	2020	Restated *
	NOTE	Actual	Budget	2019
		\$	\$	Actual
				\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	25 (b)	5,377,601	5,787,599	2,870,477
		5,377,601	5,787,599	2,870,477
Revenue from operating activities (excluding rates)				
Governance		21,033	22,000	95,068
General purpose funding		980,860	565,027	833,366
Law, order, public safety		73,832	34,300	46,260
Health		24,718	3,000	209
Education and welfare		225,462	222,304	239,336
Housing		96,072	113,681	211,866
Community amenities		1,039,189	1,042,666	1,061,489
Recreation and culture		451,250	298,000	160,362
Transport		1,061,161	524,996	928,237
Economic services		330,484	331,742	384,222
Other property and services		35,615	58,710	134,191
		4,339,676	3,216,426	4,094,606
Expenditure from operating activities				
Governance		(1,869,522)	(1,833,407)	(1,916,584)
General purpose funding		(500,463)	(384,767)	(261,156)
Law, order, public safety		(482,778)	(429,626)	(302,628)
Health		(1,120,820)	(480,198)	(245,184)
Education and welfare		(304,269)	(366,561)	(291,712)
Housing		(241,851)	(360,485)	(356,431)
Community amenities		(1,923,004)	(1,680,482)	(1,767,998)
Recreation and culture		(3,108,899)	(3,320,481)	(2,878,471)
Transport		(4,380,621)	(4,612,009)	(4,431,356)
Economic services		(1,247,540)	(1,178,807)	(1,095,349)
Other property and services		(19,461)	(45,000)	(123,428)
		(15,199,228)	(14,691,823)	(13,670,297)
Non-cash amounts excluded from operating activities	25(a)	3,883,823	4,235,461	4,194,880
Amount attributable to operating activities		(1,598,128)	(1,452,337)	(2,510,334)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	2,826,984	6,288,074	1,961,832
Proceeds from disposal of assets	10(a)	78,268	291,364	362,756
Proceeds from financial assets at amortised cost - self supporting loans		0	484,453	0
Purchase of property, plant and equipment	8(a)	(981,481)	(4,609,345)	(676,985)
Purchase and construction of infrastructure	9(a)	(7,478,985)	(9,100,768)	(3,875,099)
Amount attributable to investing activities		(5,555,214)	(6,646,222)	(2,227,496)
FINANCING ACTIVITIES				
Repayment of borrowings	16(b)	(1,179,321)	(700,150)	(68,253)
Proceeds from borrowings	16(c)	602,113	0	2,855,000
Payments for principal portion of lease liabilities	15(b)	(137,599)	0	0
Transfers to reserves (restricted assets)	4	(1,362,844)	(339,645)	(425,029)
Transfers from reserves (restricted assets)	4	2,825,710	1,942,863	1,071,213
Amount attributable to financing activities		748,059	903,068	3,432,931
Surplus/(deficit) before imposition of general rates		(6,405,283)	(7,195,490)	(1,304,899)
Total amount raised from general rates	24(a)	7,166,927	7,195,490	6,687,665
Surplus/(deficit) after imposition of general rates	25(b)	761,644	0	5,382,766

* See note 28 for details regarding the impact for the treatment of remediation costs and joint operation for aged housing.

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

**SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

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.

AMENDMENTS TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Prior to 1 July 2019, Financial Management Regulation 16 arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. 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 pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Shire. This was not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

From 1 July 2019, the Shire has applied AASB 16 Leases which requires leases to be included by lessees in the statement of financial position. Also, the Local Government (Financial Management) Regulations 1996 have been amended to specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position) rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

Therefore the departure from AASB 1051 and AASB 16 in respect of the comparatives for the year ended 30 June 2019 remains.

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.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

On 1 July 2020 the following new accounting standards are to be adopted:

- AASB 1059 Service Concession Arrangements: Grantors
- AASB 2018-7 Amendments to Australian Accounting Standards - Materiality

AASB 1059 Service Concession Arrangements: Grantors is not expected to impact the financial report.

Specific impacts of AASB 2018-7 Amendments to Australian Accounting Standards - Materiality, have not been identified.

CRITICAL ACCOUNTING ESTIMATES

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 30 to these financial statements.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event canceled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

(a) Grant revenue

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Operating grants, subsidies and contributions			
Governance	0	22,000	20,390
General purpose funding	609,379	369,077	512,791
Law, order, public safety	15,052	16,500	9,211
Health	21,360	0	0
Education and welfare	216,305	213,304	213,938
Community amenities	5,280	6,240	0
Recreation and culture	2,455	4,500	5,018
Transport	1,032,181	490,496	912,825
Economic services	247,342	241,200	270,079
Other property and services	3,693	13,710	5,760
	2,153,047	1,377,027	1,950,012
Non-operating grants, subsidies and contributions			
Health	0	1,000,000	0
Housing	0	1,200,000	0
Recreation and culture	1,021,461	1,062,823	258,559
Transport	965,061	932,090	1,703,273
Economic services	840,462	2,093,161	0
	2,826,984	6,288,074	1,961,832
Total grants, subsidies and contributions	4,980,031	7,665,101	3,911,844
Fees and charges			
General purpose funding	22,197	32,200	26,070
Law, order, public safety	58,781	17,800	36,042
Health	3,358	3,000	209
Education and welfare	7,619	9,000	17,346
Housing	96,072	113,681	142,291
Community amenities	1,033,909	1,036,425	1,055,043
Recreation and culture	114,794	293,500	129,442
Transport	273	0	0
Economic services	80,914	78,042	100,935
	1,417,917	1,583,648	1,507,378

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020
 2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

**Contracts with customers and transfers
 for recognisable non-financial assets**

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:

Non-operating grants, subsidies and contributions

	2020 Actual \$	2020 Budget \$	2019 Actual \$
	2,826,984	6,288,074	1,961,832
	<u>2,826,984</u>	<u>6,288,074</u>	<u>1,961,832</u>
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:			
Contracts with customers included as a contract liability at the start of the period	5,165	0	0
Other revenue from performance obligations satisfied during the year	2,821,819	6,288,074	1,961,832
	<u>2,826,984</u>	<u>6,288,074</u>	<u>1,961,832</u>
Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:			
Trade and other receivables from contracts with customers	166,715	0	0
Contract liabilities from contracts with customers	<u>(4,894)</u>	<u>0</u>	<u>0</u>

Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'. Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met. Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less. Consideration from contracts with customers is included in the transaction price. Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

Revenue from statutory requirements

Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:

General rates
 Statutory permits and licences
 Fines

	2020 Actual \$	2020 Budget \$	2019 Actual \$
	7,166,927	7,195,490	6,687,665
	27,389	36,000	63,448
	1,779	4,800	3,450
	<u>7,196,095</u>	<u>7,236,290</u>	<u>6,754,563</u>
Other revenue			
Reimbursements and recoveries	224,983	116,270	182,740
Other	352,814	57,500	154,191
	<u>577,797</u>	<u>173,770</u>	<u>336,931</u>
Interest earnings			
Interest on reserve funds	35,310	69,000	76,311
Rates instalment and penalty interest (refer Note 24(c))	106,988	122,500	119,450
Other interest earnings	39,502	17,250	29,172
	<u>181,800</u>	<u>208,750</u>	<u>224,933</u>

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020
 2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

Interest earnings (continued)

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

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services

Interest expenses (finance costs)

- Borrowings
- Lease liabilities

Other expenditure

- Impairment loss on trade and other receivables from contracts with customers
- Sundry expenses

Note	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
	59,500	50,000	45,359
	13,686	25,000	64,594
	73,186	75,000	109,953
16(b)	102,855	100,519	45,171
15(b)	16,088	0	0
	118,943	100,519	45,171
	142,170	0	153,077
	492,097	591,269	365,897
	634,267	591,269	518,974

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

3. CASH AND CASH EQUIVALENTS

	NOTE	2020 \$	2019 \$
Cash at bank and on hand		750,217	1,108,009
Term deposits		1,804,225	6,926,392
Total cash and cash equivalents		2,554,442	8,034,401
Restrictions			
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents		1,918,046	6,091,920
		1,918,046	6,091,920

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

Reserves - cash backed	4	1,804,223	3,267,089
Contract liabilities from contracts with customers	14	4,894	0
Bonds & Deposits	13	108,929	122,575
Unspent grants, subsidies and contributions		0	5,155
Unspent loans	16(c)	0	2,697,101
Total restricted assets		1,918,046	6,091,920

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Restricted assets

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

4. RESERVES - CASH BACKED

	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance	2020 Budget Opening Balance	2020 Budget Transfer to	2020 Budget Transfer (from)	2020 Budget Closing Balance	2019 Actual Opening Balance	2019 Actual Transfer to	2019 Actual Transfer (from)	2019 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Land & Building Reserve	312,769	3,743	(150,000)	166,512	312,769	0	0	312,769	306,915	5,854	0	312,769
(b) Plant Reserve	397,698	83,029	(227,501)	253,226	397,697	111,364	(377,364)	131,697	453,046	8,642	(63,990)	397,698
(c) Sewerage Reserve	133,125	41,594	0	174,719	133,125	40,000	0	173,125	157,712	43,008	(67,595)	133,125
(d) Landfill Reserve	468,981	5,386	(272,658)	201,709	468,981	0	(268,000)	200,981	715,444	31,245	(277,708)	468,981
(e) Community & Recreation Reserve	371,418	3,982	(350,000)	25,400	371,418	0	(250,000)	121,418	413,530	7,888	(50,000)	371,418
(f) Environmental Reserve	357,726	4,167	(69,788)	292,105	357,726	0	(300,000)	57,726	506,073	9,653	(158,000)	357,726
(g) IT & Communications Reserve	89,654	1,073	(80,000)	10,727	89,654	0	0	89,654	99,261	1,893	(11,500)	89,654
(h) Aerodrome Reserve	158,000	1,817	(140,000)	19,817	158,000	0	(129,000)	29,000	0	158,000	0	158,000
(i) Road Reserve	333,857	3,776	(118,499)	219,134	333,857	0	(118,499)	215,358	545,188	10,399	(221,730)	333,857
(j) Infrastructure Renewal Reserve	643,861	264,277	(467,264)	440,874	643,863	188,281	(500,000)	332,144	716,104	148,447	(220,690)	643,861
(k) COVID-19 Reserve	0	950,000	(950,000)	0	0	0	0	0	0	0	0	0
	3,267,089	1,362,844	(2,825,710)	1,804,223	3,267,090	339,645	(1,942,863)	1,663,872	3,913,273	425,029	(1,071,213)	3,267,089

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Land & Building Reserve	Ongoing	To finance purchase or capital improvements to Council buildings and facilitate subdivisions and developments
(b) Plant Reserve	Ongoing	To be used for the purchase of major and minor plant and equipment
(c) Sewerage Reserve	Ongoing	To repair, replace or extend the Coolgardie Sewerage Infrastructure
(d) Landfill Reserve	Ongoing	To reinstate landfill sites at the end of their current purpose or to fund improvements at landfill sites
(e) Community & Recreation Reserve	Ongoing	To fund capital and maintenance requirements to improve Community and Recreational Facilities
(f) Environmental Reserve	Ongoing	Funding of infrastructure and building improvements to meet environmental challenges and to promote efficient use of power & water
(g) IT & Communications Reserve	Ongoing	To fund capital and maintenance of Computer and communications hardware and software
(h) Aerodrome Reserve	Ongoing	For the construction and maintenance of aerodrome facilities
(i) Road Reserve	Ongoing	For the construction and maintenance of Roads and for which contributions have been received for Heavy Haulage Campaigns
(j) Infrastructure Renewal Reserve	Ongoing	To meet the needs of renewal funding for future Capital renewal infrastructure generally
(k) COVID-19 Reserve	30/06/2020	To meet the costs associated with COVID-19

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

5. OTHER FINANCIAL ASSETS

Non-current assets

Financial assets at fair value through profit and loss

	2020	2019
	\$	\$
	89,026	87,586
	<u>89,026</u>	<u>87,586</u>
	89,026	87,586
	<u>89,026</u>	<u>87,586</u>

Financial assets at fair value through profit and loss

Units in Local Government House Trust

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 26.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	1,560,356	1,476,726
Trade and other receivables	166,715	396,846
GST receivable	166,988	234,337
Allowance for impairment of receivables	(142,170)	(153,077)
Emergency Services Levy	8,338	23,820
Pensioner Rebates	3,356	28,859

Non-current

Pensioner's rates and ESL deferred	100,415	100,415
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	2020	2019
	\$	\$
	1,560,356	1,476,726
	166,715	396,846
	166,988	234,337
	(142,170)	(153,077)
	8,338	23,820
	3,356	28,859
	1,763,583	2,007,511
	100,415	100,415
	100,415	100,415

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 26.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

7. INVENTORIES

Current

Museum Memorabilia & Giftware

	2020	2019
	\$	\$
	15,350	9,299
	<u>15,350</u>	<u>9,299</u>
	9,299	5,043
	6,051	4,256
	<u>15,350</u>	<u>9,299</u>

The following movements in inventories occurred during the year:

Carrying amount at beginning of period

Additions to inventory

Carrying amount at end of period

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 COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Carrying Amounts

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

	Land - freehold land	Total land	Buildings - non- specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 30 June 2018	1,127,600	1,127,600	1,367,820	29,789,235	31,157,055	32,284,655	552,543	1,459,563	34,296,761
Prior year adjustment (Note 28)	0	0	0	(741,000)	(741,000)	(741,000)	0	0	(741,000)
Balance at 1 July 2018	1,127,600	1,127,600	1,367,820	29,048,235	30,416,055	31,543,655	552,543	1,459,563	33,555,761
Additions	0	0	0	333,495	333,495	333,495	0	343,490	676,985
(Disposals)	(20,000)	(20,000)	(193,989)	(123,766)	(317,755)	(337,755)	0	(75,188)	(412,943)
Depreciation (expense)	0	0	(24,831)	(745,512)	(770,343)	(770,343)	(109,773)	(188,305)	(1,068,421)
Carrying amount at 30 June 2019	1,107,600	1,107,600	1,149,000	28,512,452	29,661,452	30,769,052	442,770	1,539,560	32,751,382
Comprises:									
Gross carrying amount at 30 June 2019	1,107,600	1,107,600	1,200,000	30,007,325	31,207,325	32,314,925	768,671	2,028,451	35,112,047
Accumulated depreciation at 30 June 2019	0	0	(51,000)	(1,494,873)	(1,545,873)	(1,545,873)	(325,901)	(488,891)	(2,360,665)
Carrying amount at 30 June 2019	1,107,600	1,107,600	1,149,000	28,512,452	29,661,452	30,769,052	442,770	1,539,560	32,751,382
Additions	0	0	0	741,763	741,763	741,763	12,893	226,825	981,481
(Disposals)	0	0	0	0	0	0	0	(67,177)	(67,177)
Depreciation (expense)	0	0	(25,500)	(753,879)	(779,379)	(779,379)	(110,305)	(211,521)	(1,101,205)
Carrying amount at 30 June 2020	1,107,600	1,107,600	1,123,500	28,500,336	29,623,836	30,731,436	345,358	1,487,687	32,564,481
Comprises:									
Gross carrying amount at 30 June 2020	1,107,600	1,107,600	1,200,000	30,730,087	31,930,087	33,037,687	781,563	2,094,938	35,914,188
Accumulated depreciation at 30 June 2020	0	0	(76,500)	(2,229,751)	(2,306,251)	(2,306,251)	(436,205)	(607,251)	(3,349,707)
Carrying amount at 30 June 2020	1,107,600	1,107,600	1,123,500	28,500,336	29,623,836	30,731,436	345,358	1,487,687	32,564,481

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SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land - freehold land	2 & 3	Market approach using recent observable market data for similar properties	Independent Registered Valuer	June 2017	Price per hectare, with reference to current zoning of land. Market values were used unless there were some restrictions or other factors associated with the land.
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties	Independent Registered Valuer	June 2017	Observable open market values of similar assets adjusted for condition and comparability at the highest and best use
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent Registered Valuer	June 2017	Construction costs based on recent contract prices, current condition, residual values and remaining useful life assessments
Furniture and equipment	3	Cost approach using depreciated replacement cost	Management Valuation	June 2016	Purchase costs of similar assets adjusted for condition and comparability, residual values and remaining useful life assessments
Plant and equipment	2 & 3	Market approach using recent observable market data for similar assets and cost approach using depreciated replacement cost	Independent Registered Valuer & Management Valuation	June 2016	Purchase costs of similar assets adjusted for condition and comparability, residual values and remaining useful life assessments

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

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

Following a change to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

9. INFRASTRUCTURE

(a) Movements in Carrying Amounts

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

	Infrastructure - Roads	Infrastructure - Footpaths	Infrastructure - Drainage	Infrastructure - Parks & Ovals	Infrastructure - Sewerage	Infrastructure - Other	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 30 June 2018	130,221,205	2,849,438	1,145,778	4,836,100	3,717,500	3,964,000	146,734,021
Prior year adjustment (Note 28)	0	0	0	0	0	447,500	447,500
Balance at 1 July 2018	130,221,205	2,849,438	1,145,778	4,836,100	3,717,500	4,411,500	147,181,521
Additions	2,584,800	54,173	77,886	131,475	0	1,026,765	3,875,099
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	0	0	0	46,167	46,167
Depreciation (expense)	(2,564,186)	(82,600)	(30,554)	(196,044)	(37,925)	(174,110)	(3,085,419)
Carrying amount at 30 June 2019	130,241,819	2,821,011	1,193,110	4,771,531	3,679,575	5,310,322	148,017,368
Comprises:							
Gross carrying amount at 30 June 2019	132,806,005	2,903,611	1,223,664	4,967,575	3,717,500	5,699,106	151,317,461
Accumulated depreciation at 30 June 2019	(2,564,186)	(82,600)	(30,554)	(196,044)	(37,925)	(388,784)	(3,300,093)
Carrying amount at 30 June 2019	130,241,819	2,821,011	1,193,110	4,771,531	3,679,575	5,310,322	148,017,368
Additions	1,417,065	53,158	39,333	84,071	0	5,885,358	7,478,985
Depreciation (expense)	(2,615,083)	(84,170)	(32,631)	(200,183)	(37,924)	(182,161)	(3,152,152)
Carrying amount at 30 June 2020	129,043,801	2,789,999	1,199,812	4,655,419	3,641,651	11,013,519	152,344,201
Comprises:							
Gross carrying amount at 30 June 2020	134,223,070	2,956,768	1,262,998	5,051,646	3,717,500	11,584,464	158,796,446
Accumulated depreciation at 30 June 2020	(5,179,269)	(166,769)	(63,186)	(396,227)	(75,849)	(570,945)	(6,452,245)
Carrying amount at 30 June 2020	129,043,801	2,789,999	1,199,812	4,655,419	3,641,651	11,013,519	152,344,201

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

9. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Footpaths	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Drainage	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Parks & Ovals	3	Cost approach using depreciated replacement cost	Independent Registered Valuer	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Sewerage	3	Cost approach using depreciated replacement cost	Independent Registered Valuer	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Other	3	Cost approach using depreciated replacement cost	Independent Registered Valuer	June 2018	Construction costs and current condition, residual values and remaining useful life assessments

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

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

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

10. FIXED ASSETS

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

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

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

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 zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets that are land, buildings and infrastructure acquired between 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 land, buildings and infrastructure is determined at least every 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 land, buildings and infrastructure 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 prior to 1 July 2019

In accordance with the then Local Government (Financial Management) Regulation 16(a)(ii), the Shire was previously required to include as an asset (by 30 June 2013), vested 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.

Land under roads prior to 1 July 2019

In Western Australia, most 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 then Local Government (Financial Management) Regulation 16(a)(i) which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then Local Government (Financial Management) Regulation 16(a)(i) prohibited 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 was not included as an asset of the Shire.

Land under roads from 1 July 2019

As a result of amendments to the Local Government (Financial Management) Regulations 1996, effective from 1 July 2019, vested land, including land under roads, are treated as right-of-use assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

Refer to Note 11 that details the significant accounting policies applying to leases (including right of use assets).

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

10. FIXED ASSETS

(a) Disposals of Assets

	2020		2020		2020		2020		2019		2019	
	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual
	Net Book	Sale	Actual	Actual	Net Book	Sale	Budget	Budget	Net Book	Sale	Actual	Actual
	Value	Proceeds	Profit	Loss	Value	Proceeds	Profit	Loss	Value	Proceeds	Profit	Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	0	0	0	0	0	0	0	0	20,000	0	0	(20,000)
Buildings - non-specialised	0	0	0	0	263,000	180,000	0	(83,000)	193,989	263,564	69,575	0
Buildings - specialised	0	0	0	0	0	0	0	0	123,766	44,625	11,045	(90,186)
Plant and equipment	67,177	78,268	27,324	(16,233)	80,864	111,364	34,500	(4,000)	75,188	54,567	0	(20,621)
	67,177	78,268	27,324	(16,233)	343,864	291,364	34,500	(87,000)	412,943	362,756	80,620	(130,807)

The following assets were disposed of during the year.

	2020		2020	
	Actual	Actual	Actual	Actual
	Net Book	Sale	Actual	Actual
	Value	Proceeds	Profit	Loss
Plant and Equipment				
Transport				
P306 - Holden Cruze	1,920	5,850	3,930	0
P323 - Holden Evoke	5,198	8,775	3,577	0
P324 - Holden Evoke	4,857	7,800	2,943	0
P327 - Holden Evoke	5,394	7,800	2,406	0
P337 - Ford Ranger	8,032	16,575	8,543	0
P301 - Mitsubishi Utility	3,706	6,338	2,632	0
P214 - Mitsubishi Tip Truck	6,045	7,800	1,755	0
P332 - Self Levelling Planner	20,888	4,655	0	(16,233)
P230 - Hino Dutro 6500	11,137	12,675	1,538	0
	67,177	78,268	27,324	(16,233)

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

10. FIXED ASSETS

(b) Depreciation

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Buildings - non-specialised	25,500	25,000	24,831
Buildings - specialised	753,879	637,200	745,512
Furniture and equipment	110,305	122,473	109,773
Plant and equipment	211,521	266,393	188,305
Infrastructure - Roads	2,615,083	2,650,000	2,564,186
Infrastructure - Footpaths	84,170	80,000	82,600
Infrastructure - Drainage	32,631	30,721	30,554
Infrastructure - Parks & Ovals	200,183	208,000	196,044
Infrastructure - Sewerage	37,924	38,805	37,925
Infrastructure - Other	182,161	124,369	174,110
Right of use assets - plant and equipment	166,266	0	0
	4,419,623	4,182,961	4,153,840

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

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

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

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

Depreciation rates

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

Asset Class	Useful life
Buildings - non-specialised	30-50 years
Buildings - specialised	3-50 years
Furniture and equipment	3-40 years
Plant and equipment	5-20 years
Infrastructure - Roads	20-150 years
Infrastructure - Footpaths	30-60 years
Infrastructure - Drainage	75 years
Infrastructure - Parks & Ovals	5-50 years
Infrastructure - Sewerage	10-100 years
Infrastructure - Other Infrastructure	2-50 years
Infrastructure - Kerbing	50 years
Right of use (plant and equipment)	3-7 Years

Depreciation on revaluation

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:

- 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
- Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

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

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

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the note above.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

11. LEASES

(a) Right of Use Assets

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

Carrying amount at 30 June 2019

Recognised on initial application of AASB 16
Restated total equity at the beginning of the financial year
Depreciation (expense)
Carrying amount at 30 June 2020

(b) Cash outflow from leases

Interest expense on lease liabilities
Lease principal expense
Total cash outflow from leases

Right of use assets - plant and equipment	Right of use assets Total
\$	\$
0	0
703,030	703,030
703,030	703,030
(166,266)	(166,266)
536,764	536,764
16,088	16,088
137,599	137,599
153,687	153,687

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Leases for right-of-use assets are secured over the asset being leased.

Right-of-use assets - valuation

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

The Shire does not have any vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

12. REVALUATION SURPLUS

	2020 Opening Balance	2020 Revaluation Increment	2020 Revaluation (Decrement)	Total Movement on Revaluation	2020 Closing Balance	2019 Original Opening Balance	2019 Prior Year Adjustment	2019 Restated Opening Balance	2019 Revaluation Increment	2019 Revaluation (Decrement)	Total Movement on Revaluation	2019 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Buildings - specialised	15,257,193	0	0	0	15,257,193	16,039,943	(782,750)	15,257,193	0	0	0	15,257,193
Revaluation surplus - Furniture and equipment	344,808	0	0	0	344,808	344,808	0	344,808	0	0	0	344,808
Revaluation surplus - Infrastructure - Roads	96,296,313	0	0	0	96,296,313	96,296,313	0	96,296,313	0	0	0	96,296,313
Revaluation surplus - Infrastructure - Footpaths	1,529,985	0	0	0	1,529,985	1,529,985	0	1,529,985	0	0	0	1,529,985
Revaluation surplus - Infrastructure - Drainage	522,500	0	0	0	522,500	522,500	0	522,500	0	0	0	522,500
Revaluation surplus - Infrastructure - Parks & Ovals	2,912,938	0	0	0	2,912,938	2,912,938	0	2,912,938	0	0	0	2,912,938
Revaluation surplus - Infrastructure - Sewerage	2,607,447	0	0	0	2,607,447	2,607,447	0	2,607,447	0	0	0	2,607,447
Revaluation surplus - Infrastructure - Other	779,335	0	0	0	779,335	733,168	0	733,168	46,167	0	46,167	779,335
	120,250,519	0	0	0	120,250,519	120,987,102	(782,750)	120,204,352	46,167	0	46,167	120,250,519

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 COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

13. TRADE AND OTHER PAYABLES

Current

Sundry creditors	934,272	596,196
Prepaid rates	162,093	146,516
Accrued salaries and wages	7,858	113,673
ATO liabilities	101,320	98,778
Income Received in Advance	0	7,700
Bonds and deposits held	108,929	122,575
Accrued Expenditure	6,000	429,591
Accrued Interest on borrowings	23,764	21,073
	1,344,236	1,536,102

	2020	2019
	\$	\$
Sundry creditors	934,272	596,196
Prepaid rates	162,093	146,516
Accrued salaries and wages	7,858	113,673
ATO liabilities	101,320	98,778
Income Received in Advance	0	7,700
Bonds and deposits held	108,929	122,575
Accrued Expenditure	6,000	429,591
Accrued Interest on borrowings	23,764	21,073
	1,344,236	1,536,102

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 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

Prepaid rates

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

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

14. CONTRACT LIABILITIES

	2020	2019
	\$	\$
Current		
Contract liabilities from contracts with customers	4,894	0
	4,894	0
Performance obligations from contracts with customers are expected to be recognised as revenue in accordance with the following time bands:		
- Less than 1 year	4,894	0
	4,894	0

SIGNIFICANT ACCOUNTING POLICIES

Contract Liabilities

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

With respect to transfers for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.

Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

15. LEASE LIABILITIES

(a) Lease Liabilities

	2020	2019
	\$	\$
Current	132,083	0
Non-current	433,348	0
	565,431	0

(b) Movements in Carrying Amounts

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Actual	30 June 2020	30 June 2020	30 June 2020	Budget	30 June 2020	30 June 2020	30 June 2020	Actual	30 June 2019	30 June 2019	30 June 2019
					Lease Principal 1 July 2019	Actual Lease Principal Repayments	Lease Principal Outstanding	Lease Interest Repayments	Lease Principal 1 July 2019	Lease Principal Repayments	Lease Principal Outstanding	Lease Interest Repayments	Lease Principal 1 July 2018	Actual Lease Principal Repayments	Lease Principal Outstanding	Lease Interest Repayments
Recreation and culture																
Kambalda Gym Equipment	333804-06	De Lage Landen	2.54%	5 yrs	26,379	17,476	8,903	492	0	0	0	0	0	0	0	0
Transport																
P351 Hino 700 Series	6320171	Kooya	2.54%	7 yrs	200,259	21,888	178,371	4,778	0	0	0	0	0	0	0	0
P355 Hino 500 Series	6344697	Kooya	2.54%	7 yrs	150,413	14,585	144,828	3,835	0	0	0	0	0	0	0	0
P358 Hino 500 Series	6374651	Kooya	2.54%	7 yrs	198,637	16,921	141,716	3,801	0	0	0	0	0	0	0	0
Other property and services																
IT Hardware	45325-003	All Leasing	2.54%	3 yrs	158,342	66,729	91,613	3,212	0	0	0	0	0	0	0	0
					703,030	137,599	565,431	16,088	0	0	0	0	0	0	0	0

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

16. INFORMATION ON BORROWINGS

(a) Borrowings

	2020	2019
	\$	\$
Current	292,693	700,151
Non-current	2,609,814	2,779,564
	2,902,507	3,479,715

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	30 June 2020						30 June 2020				30 June 2019			
				Actual Principal 1 July 2019	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding	Budget Principal 1 July 2019	Budget Principal repayments	Budget Interest repayments	Budget Principal outstanding	Actual Principal 1 July 2018	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding
Community amenities				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Coolgardie Effluent System	99	WATC*	5.75%	0	0	0	0	0	0	0	0	0	13,960	0	13,960	203	0
Recreation and culture																	
Coolgardie Aquatic Facilities	112	WATC*	4.34%	206,442	0	37,821	9,263	168,621	205,643	19,011	9,354	186,632	242,674	0	38,232	10,293	206,442
Kambalda Aquatic Facilities	114	WATC*	2.17%	1,905,000	0	172,489	55,770	1,732,511	1,905,000	172,489	53,276	1,732,511	0	1,905,000	0	6,789	1,905,000
Kambalda Aquatic Facilities	115	WATC*	1.55%	950,000	0	950,000	13,806	0	0	0	0	0	950,000	0	4,262	950,000	
Kambalda Aquatic Facilities	116	WATC*	1.23%	0	602,113	0	0	602,113	0	0	0	0	0	0	0	0	0
Economic services																	
Coolgardie Post Office	113	WATC*	5.19%	418,273	0	19,011	24,016	399,262	416,817	37,821	24,265	378,996	436,334	0	18,061	23,624	418,273
				3,479,715	602,113	1,179,321	102,855	2,902,507	2,527,460	229,321	86,895	2,298,139	692,968	2,855,000	68,253	45,171	3,479,715
Self Supporting Loans																	
Transport																	
Binnering Road	115	WATC*	1.55%	0	0	0	0	0	950,000	470,829	13,624	479,171	0	0	0	0	0
				0	0	0	0	0	950,000	470,829	13,624	479,171	0	0	0	0	0
				3,479,715	602,113	1,179,321	102,855	2,902,507	3,477,460	700,150	100,519	2,777,310	692,968	2,855,000	68,253	45,171	3,479,715

* WA Treasury Corporation

Loan 115 - Change of Purpose

At a Special Council Meeting held 30 October 2019, Council resolved to change the purpose of Loan 115 from completing proposed works on Binnering Road to the refurbishment of the Kambalda Aquatic Facilities Upgrade. The decision to change the purpose of the loan was carried unanimously.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

16. INFORMATION ON BORROWINGS (Continued)

(c) Unspent Borrowings

Particulars	Institution	Date Borrowed	Unspent	Borrowed	Expended	Unspent
			Balance 1 July 2019	During Year	During Year	Balance 30 June 2020
			\$	\$	\$	\$
Loan 113 - Coolgardie Post Office	WATC *	15/04/2014	30,503	0	(30,503)	0
Loan 114 - Kambalda Swimming Pool	WATC *	10/05/2019	1,716,598	0	(1,716,598)	0
Loan 115 - Binneringie Road / Kambalda Pool	WATC *	10/05/2019	950,000	0	(950,000)	0
			2,697,101	0	(2,697,101)	0

* WA Treasury Corporation

	2020	2019
	\$	\$
(d) Undrawn Borrowing Facilities		
Credit Standby Arrangements		
Bank overdraft limit	500,000	500,000
Bank overdraft at balance date	0	0
Credit card limit	55,000	35,000
Credit card balance at balance date	(5,428)	(2,764)
Total amount of credit unused	549,572	532,236
Loan facilities		
Loan facilities - current	292,693	700,151
Loan facilities - non-current	2,609,814	2,779,564
Lease liabilities - current	132,083	0
Lease liabilities - non-current	433,348	0
Total facilities in use at balance date	3,467,938	3,479,715
Unused loan facilities at balance date	0	2,697,101

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. The Shire has elected not to capitalise borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

Risk

Information regarding exposure to risk can be found at Note 26.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

17. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

	Provision for Annual Long Service Leave		Total
	Leave	Leave	
	\$	\$	\$
Opening balance at 1 July 2019			
Current provisions	155,308	77,071	232,379
Non-current provisions	0	106,813	106,813
	155,308	183,884	339,192
Additional provision	210,579	29,579	240,158
Amounts used	(174,550)	(35,753)	(210,303)
Balance at 30 June 2020	191,337	177,710	369,047
Comprises			
Current	191,337	92,885	284,222
Non-current	0	84,825	84,825
	191,337	177,710	369,047
Amounts are expected to be settled on the following basis:	2020	2019	
	\$	\$	
Less than 12 months after the reporting date	176,879	200,071	
More than 12 months from reporting date	192,168	139,121	
	369,047	339,192	

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

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

Other long-term employee benefits (Continued)

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

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

Provisions

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

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

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

18. OTHER PROVISIONS

	Note	Provision for Remediation	
		Costs	Total
		\$	\$
Balance at 30 June 2018		0	0
Prior year adjustment	28	774,456	774,456
Balance at 1 July 2018		774,456	774,456
Additional provision		23,359	23,359
Balance at 30 June 2019		797,815	797,815
Current provisions		0	0
Non-current provisions		797,815	797,815
		797,815	797,815
Additional provision		0	0
Balance at 30 June 2020		797,815	797,815
Comprises			
Current		450,000	450,000
Non-current		347,815	347,815
		797,815	797,815

Provision for remediation costs

Under the licence for the operation of the Kambalda Landfill Facility, the Shire has a legal obligation to restore the site.

A provision for remediation is recognised when:

- there is a present obligation as a result of waste activities undertaken;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

The estimated future obligations include the costs of restoring the affected areas and continued monitoring of the site.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

19. 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:

	2020 Actual \$	2020 Budget \$	Restated 2019 Actual \$
Cash and cash equivalents	2,554,442	1,928,596	8,034,401
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	(865,641)	2,008,167	(926,194)
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(1,440)	0	0
Depreciation on non-current assets	4,419,623	4,182,961	4,153,840
(Profit)/loss on sale of asset	(11,091)	52,500	50,187
Changes in assets and liabilities:			
(Increase)/decrease in receivables	243,928	1,000,000	(276,986)
(Increase)/decrease in other assets	0	0	54,872
(Increase)/decrease in inventories	(6,051)	0	(4,256)
Increase/(decrease) in payables	(191,866)	316,603	756,543
Increase/(decrease) in provisions	29,855	0	14,836
Increase/(decrease) in contract liabilities	(271)	183,397	0
Non-operating grants, subsidies and contributions	(2,826,984)	(6,288,074)	(1,961,832)
Net cash from operating activities	790,062	1,455,554	1,861,010

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

20. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2020	Restated 2019
	\$	\$
Governance	115,910	167,670
General purpose funding	2,379,500	6,095,883
Law, order, public safety	67,479	33,519
Health	84,618	6,310
Education and welfare	188,502	215,865
Housing	2,143,323	2,505,077
Community amenities	6,925,759	7,842,460
Recreation and culture	34,017,501	30,350,635
Transport	136,077,875	136,146,428
Economic services	5,927,758	6,035,930
Other property and services	2,040,037	1,461,669
Unallocated	0	146,516
	<u>189,968,262</u>	<u>191,007,962</u>

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

21. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects

	2020	2019
	\$	\$
	0	4,304,112
	0	4,304,112
Payable:		
- not later than one year	0	4,304,112

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts (short term and low value leases).

Payable:

- not later than one year

- later than one year but not later than five years

- later than five years

	2020	2019
	\$	\$
	0	142,392
	0	330,847
	0	125,340
	0	598,579

SIGNIFICANT ACCOUNTING POLICIES

Leases

Up to 30 June 2019, operating leases were expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from leased assets.

From 1 July 2019, the Shire has recognised right of use assets and corresponding lease liabilities for all non-cancellable operating lease commitments, apart from short term and low value assets.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

22. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Meeting fees	123,196	122,321	121,388
President's allowance	32,800	32,800	28,354
Deputy President's allowance	8,200	8,200	7,110
Travelling expenses	0	10,000	9,186
Telecommunications allowance	23,695	24,500	24,420
	<u>187,891</u>	<u>197,821</u>	<u>190,458</u>

Key Management Personnel (KMP) Compensation Disclosure

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

	2020 Actual	2019 Actual
	\$	\$
Short-term employee benefits	751,359	568,047
Post-employment benefits	75,790	57,416
Other long-term benefits	35,057	20,339
	<u>862,206</u>	<u>645,802</u>

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

22. 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.

The following transactions occurred with related parties:	2020 Actual	2019 Actual
	\$	\$
Purchase of goods and services	18,348	880

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

The associate person of KMP was employed by the Shire under normal employment terms and conditions.

iii. 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.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

23. JOINT ARRANGEMENTS

Share of joint arrangements

- (a) In June 2012 the Shire of Coolgardie became part of a joint venture arrangement with nine other Councils, being the Shire's of Dundas, Esperance, Laverton, Leonora, Menzies, Ngaanyatjaraku, Ravensthorpe, Wiluna and the City of Kalgoorlie-Boulder (collectively called the Goldfields Voluntary Regional Organisation of Councils - GVROC) for the provision of a regional records facility. The facility is located in Kalgoorlie and the only assets are the vehicle and the building which the Shire of Coolgardie has a 1/10th share.

	2020	2019
	\$	\$
Statement of Financial Position		
Land & Buildings	72,500	72,500
Less: Accumulated Depreciation	(5,438)	(2,900)
Total assets	67,062	69,600
Plant & Equipment	8,200	8,204
Less: Accumulated Depreciation	(3,608)	(3,106)
Total assets	4,592	5,098
Furniture & Equipment	4,200	4,182
Less: Accumulated Depreciation	(2,016)	(1,114)
Total assets	2,184	3,068
Light Vehicles	3,200	3,200
Less: Accumulated Depreciation	(1,920)	(1,440)
Total assets	1,280	1,760
Statement of Comprehensive Income		
Other revenue	6,457	18,372
Other expenditure	(18,137)	(13,378)
Net result for the period	(11,680)	4,994

- (b) The Shire has a joint arrangement with the Department of Housing & Works to provide aged housing in Kambalda. The Shire's share of the joint arrangement is 50% and the Shire is required to set aside the equivalent of 1% of the current replacement cost of the properties from the annual rental income for the long term maintenance needs of the properties.

	2020	Restated 2019
	\$	\$
Statement of Financial Position		
Land & Buildings	760,000	760,000
Less: Accumulated Depreciation	(57,000)	(38,000)
Total assets	703,000	722,000
Statement of Comprehensive Income		
Other revenue	7,574	11,962
Other expenditure	(13,097)	(12,416)
Net result for the period	(5,523)	(454)

SIGNIFICANT ACCOUNTING POLICIES

Interests in joint arrangements

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

Separate joint arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method. The equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire's share of net assets of the associate. In addition, the Shire's share of the profit or loss of the associate is included in the Shire's profit or loss.

Interests in joint arrangements (Continued)

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

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

24. RATING INFORMATION

(a) Rates

RATE TYPE

Differential general rate / general rate

Gross rental valuations

Residential

Unimproved valuations

Mining

Rural / Pastoral

Sub-Total

Minimum payment

Gross rental valuations

Residential

Unimproved valuations

Mining

Rural / Pastoral

Sub-Total

Total amount raised from general rate

Concessions (Note 24(b))

Totals

	Rate in \$	Number of Properties	2019/20 Actual Rateable Value \$	2019/20 Actual Rate Revenue \$	2019/20 Actual Interim Rates \$	2019/20 Actual Back Rates \$	2019/20 Actual Total Revenue \$	2019/20 Budget Rate Revenue \$	2019/20 Budget Interim Rate \$	2019/20 Budget Back Rate \$	2019/20 Budget Total Revenue \$	2018/19 Actual Total Revenue \$
Residential	0.076107	1,135	16,317,541	1,241,879	0	0	1,241,879	1,241,879	0	0	1,241,879	1,214,275
Mining	0.220435	1,159	22,636,584	4,989,895	83,391	8,047	5,081,333	4,989,895	120,000	0	5,109,895	4,630,294
Rural / Pastoral	0.110513	29	1,134,784	125,408	0	0	125,408	125,408	0	0	125,408	105,928
Sub-Total		2,323	40,088,909	6,357,182	83,391	8,047	6,448,620	6,357,182	120,000	0	6,477,182	5,950,497
Minimum \$												
Residential	708	656	4,185,895	464,448	0	0	464,448	464,448	0	0	464,448	456,652
Mining	437	559	598,076	244,283	0	0	244,283	244,283	0	0	244,283	270,940
Rural / Pastoral	684	14	13,500	9,576	0	0	9,576	9,576	0	0	9,576	9,576
Sub-Total		1,229	4,797,471	718,307	0	0	718,307	718,307	0	0	718,307	737,168
		3,552	44,886,380	7,075,489	83,391	8,047	7,166,927	7,075,489	120,000	0	7,195,490	6,687,665
Concessions (Note 24(b))							7,166,927				7,195,490	6,687,665
							(19,649)				(45,000)	(5,268)
Totals							7,147,278				7,150,490	6,682,397

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period.

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

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

24. RATING INFORMATION (Continued)

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

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount %	Discount \$	2020 Actual \$	2020 Budget \$	2019 Actual \$
Community Groups	Waiver	100.00%	Various	0	5,000	0
Rural pursuit properties	Concession	50.00%	Various	16,223	15,000	0
Bona Fide Prospectors	Concession	20.00%	Various	533	5,000	0
Financial hardship	Waiver	100.00%	Various	2,893	20,000	5,268
				19,649	45,000	5,268
Total discounts/concessions (Note 24(a))				19,649	45,000	5,268

Rate or Fee and Charge to which the Waiver or Concession is Granted	Circumstances in which the Waiver or Concession is Granted and to whom it was available	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
Rates	Community groups who lease or own their own premise and meet the criteria as per Council	Support community groups	Support community groups by reducing the financial cost
Rates	Property being used for rural pursuits	Support rural pursuits	Support rural pursuits by reducing the financial cost
Rates	Bona Fide Prospectors	Support bona fide prospectors	Support bona fide prospectors by reducing the financial cost
Rates	Write Off	Rates debts written off	To bring to account uncollectable rates debts

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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24. RATING INFORMATION (Continued)

(c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan	Instalment Plan	Unpaid Rates
		Admin Charge	Interest Rate	Interest Rate
		\$	%	%
Option One				
Single full payment	9/09/2019	\$0	N/A	6.00%
Option Two				
First instalment	9/09/2019	\$0	5.50%	6.00%
Second instalment	11/11/2019	\$10	5.50%	6.00%
Third instalment	13/01/2020	\$10	5.50%	6.00%
Fourth instalment	16/03/2020	\$10	5.50%	6.00%

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Interest on unpaid rates	80,027	120,000	118,783
Interest on instalment plan	26,961	2,500	667
Charges on instalment plan	22,170	21,400	19,220
	129,158	143,900	138,670

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

25. RATE SETTING STATEMENT INFORMATION

	2019/20 (30 June 2020 Carried Forward)	2019/20 Budget (30 June 2020 Carried Forward)	2019/20 (1 July 2019 Brought Forward)	Restated 2018/19 (30 June 2019 Carried Forward)
Note	\$	\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
	Less: Profit on asset disposals			
10(a)	(27,324)	(34,500)	(80,620)	(80,620)
	Less: Fair value adjustments to financial assets at fair value through profit and loss			
	(1,440)	0	0	0
	Movement in pensioner deferred rates (non-current)	0	(32,178)	(32,178)
	Movement in accrued interest on debentures	2,691	0	9,243
	Movement in employee benefit provisions (current)	(53,972)	0	(43,794)
	Movement in employee benefit provisions (non-current)	(21,988)	0	34,223
	Movement in other provisions (non-current)	(450,000)	0	23,359
	Add: Loss on disposal of assets	16,233	87,000	130,807
10(a)				
	Add: Depreciation on non-current assets	4,419,623	4,182,961	4,153,840
10(b)				
	Non cash amounts excluded from operating activities	3,883,823	4,235,461	4,194,880
(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 <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
	Less: Reserves - cash backed			
4	(1,804,223)	(1,663,872)	(3,267,089)	(3,267,089)
	Add: Current liabilities not expected to be cleared at end of year			
	- Current portion of borrowings	292,693	712,645	700,151
16(a)				
	- Current portion of contract liability held in reserve	0	183,397	0
	- Accrued Interest on long term borrowings	23,764	0	21,073
	- Accrued Salaries & Wages	7,858	0	113,673
	- Bonds & Deposits	0	18,908	0
	- Current portion of lease liabilities	132,083	0	0
	- Employee benefit provisions	284,222	238,493	232,379
	Total adjustments to net current assets	(1,063,603)	(510,429)	(2,199,813)
Net current assets used in the Rate Setting Statement				
	Total current assets	4,333,375	2,728,615	10,051,211
	Less: Total current liabilities	(2,508,128)	(2,218,186)	(2,468,632)
	Less: Total adjustments to net current assets	(1,063,603)	(510,429)	(2,199,813)
	Net current assets used in the Rate Setting Statement	761,644	0	5,382,766
(c) Adjustments to current assets and liabilities at 1 July 2019 on application of new accounting standards				
	Total current assets at 30 June 2019			10,051,211
	- Contract assets			0
27(a)				10,051,211
	Total current liabilities at 30 June 2019			(2,468,632)
	- Contract liabilities from contracts with customers			(5,165)
27(a)				(2,473,797)

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

26. 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	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. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
2020					
Cash and cash equivalents	0.30%	2,554,442	1,804,225	749,005	1,212
2019					
Cash and cash equivalents	1.60%	8,034,401	6,926,392	1,107,097	912

Sensitivity

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

	2020 \$	2019 \$
Impact of a 1% movement in interest rates on profit and loss and equity*	25,544	80,344

* 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 16(b).

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

26. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

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

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 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 2020 and 30 June 2019 was determined as follows for rates receivable.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2020					
Rates receivable					
Expected credit loss	0.14%	3.71%	8.45%	1.86%	
Gross carrying amount	171,231	572,650	334,882	582,008	1,660,771
Loss allowance	13	21,245	28,298	10,825	60,381
30 June 2019					
Rates receivable					
Expected credit loss	0.27%	4.80%	8.26%	2.16%	
Gross carrying amount	153,603	620,476	267,580	535,482	1,577,141
Loss allowance	19	29,783	22,102	11,567	63,471

The loss allowance as at 30 June 2020 and 30 June 2019 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	90+ Days Specific Loss Allowance	Total
30 June 2020						
Trade and other receivables						
Expected credit loss	1.18%	4.28%	4.48%	4.48%	100.00%	
Gross carrying amount	51,333	6,975	5,580	23,189	79,638	166,715
Loss allowance	563	299	250	1,039	79,638	81,789
30 June 2019						
Trade and other receivables						
Expected credit loss	2.10%	3.87%	5.90%	5.90%	100.00%	
Gross carrying amount	197,395	61,370	17,523	40,920	79,638	396,846
Loss allowance	4,145	2,375	1,034	2,414	79,638	89,606

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

26. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 16(d).

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

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2020					
Payables	1,344,236	0	0	1,344,236	1,344,236
Borrowings	363,364	1,407,081	1,534,420	3,304,865	2,902,507
Contract liabilities	4,894	0	0	4,894	4,894
Lease liabilities	144,718	346,734	118,516	609,968	565,431
	<u>1,857,212</u>	<u>1,753,815</u>	<u>1,652,936</u>	<u>5,263,963</u>	<u>4,817,068</u>
2019					
Payables	1,536,102	0	0	1,536,102	1,536,102
Borrowings	783,735	1,681,579	1,466,914	3,932,228	3,479,715
	<u>2,319,837</u>	<u>1,681,579</u>	<u>1,466,914</u>	<u>5,468,330</u>	<u>5,015,817</u>

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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.

(a) AASB 15: Revenue from Contracts with Customers

The Shire adopted 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 adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments were made to the amounts recognised in the Statement of Financial Position at the date of initial application (1 July 2019):

	Note	AASB 118 carrying amount 30 June 2019	Reclassification	AASB 15 carrying amount 01 July 2019
		\$	\$	\$
Contract liabilities - current				
Contract liabilities from contracts with customers	14	0	(5,165)	(5,165)
Adjustment to retained surplus from adoption of AASB 15	29(b)		(5,165)	

(b) AASB 1058: Income For Not-For-Profit Entities

The Shire adopted 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 adopted the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods was not restated in accordance with AASB 1058 transition requirements.

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 gave rise to a financial liability that is within the scope of AASB 9. In accordance with the Shire's current accounting policies, prepaid rates were recognised as a liability as at 30 June 2019. Therefore the initial application of AASB 1058 Income for Not for Profit Entities on 1 July 2019 will not have an impact on the recognition and classification of prepaid rates.

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.

Volunteer Services in relation to Volunteer Fire Services will not be recognised as the fair value of the services cannot be reliably estimated.

The table below provides details of the amount by which each financial statement line item is affected in the current reporting period by the application of this Standard as compared to AASB 118 and 1004 and related Interpretations that were in effect before the change.

	Note	As reported under AASB 15 and AASB 1058 2020 \$	Adjustment due to application of AASB 15 and AASB 1058	Compared to AASB 118 and AASB 1004 2020 \$
Statement of Comprehensive Income				
Revenue				
Rates	24(a)	7,147,278	0	7,147,278
Operating grants, subsidies and contributions	2(a)	2,153,047	4,894	2,157,941
Fees and charges	2(a)	1,417,917	0	1,417,917
Non-operating grants, subsidies and contributions	2(a)	2,826,984	0	2,826,984
Net result		(865,641)	4,894	(860,747)
Statement of Financial Position				
Trade and other payables	13	1,344,236	0	1,344,236
Contract liabilities	14	4,894	(4,894)	0
Net assets		183,984,332	(4,894)	183,979,438
Statement of Changes in Equity				
Net result		(865,641)	4,894	(860,747)
Retained surplus		61,929,590	4,894	61,934,484

Refer to Note 2(a) for new revenue recognition accounting policies as a result of the application of AASB 15 and AASB 1058.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

27. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

(c) AASB 16: 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 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 recognised lease liabilities in relation to leases which had previously been classified as an 'operating lease' applying AASB 117 (excluding short term and low value leases). These lease liabilities were measured at the present value of the the remaining lease payments, discounted using the lessee's incremental borrowing rate on 1 July 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 July 2019 was 2.54%.

	Note	2020 \$
Operating lease commitments at 30 June 2019 applying AAS 117		598,579
Impact of lease renewal options		165,076
Discount applied using incremental borrowing rate		<u>(60,625)</u>
Lease liability recognised as 1 July 2019	15(b)	703,030
Lease liability - current		137,599
Lease liability - non-current		<u>565,431</u>
Right-of-use assets recognised at 1 July 2019		703,030

On adoption of AASB 16, the Shire recognised a right-of-use asset in relation to leases which had previously been classified as an 'operating lease' applying AASB 117. This right-of-use asset is deemed to be equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments.

Property, plant and equipment and lease liabilities increased by \$703,030 on 1 July 2019 resulting in no impact on retained surplus.

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.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

28. PRIOR YEAR ADJUSTMENTS

(a) Unrecognised Provision for Landfill closure and rehabilitation

The Shire has been operating a landfill facility in Kambalda since 2013. Under the license for the operation, the Shire has a legal obligation to restore the site.

During the year a provision for the closure and rehabilitation of the waste cells at the Kambalda landfill facility was recognised. As recognition of this should have been made at the inception of the landfill facility, the provision is now being recognised as a prior period error.

The provision was recognised and a corresponding rehabilitation / post closure asset was created, to be amortised over the remaining life of the site.

(b) Recognition of share of Kambalda aged accommodation units owned by Department of Housing & Works

In previous years the Shire had shown its joint share in the Kambalda aged accommodation with the Department of Housing & Works at 100% of the value of the units. This has now been corrected to reflect the Shire's true share of 50% of the carrying value of the aged accommodation buildings and related depreciation.

The errors have been corrected by restating each of the affected financial statement line items for the prior periods as follows;

	30 June 2018 Original Balance	Increase/ (Decrease)	1 July 2018 Restated
	\$	\$	\$
2018 Statement of Financial Position			
Non Current Assets			
Property, Plant & Equipment	34,296,761	(741,000)	33,555,761
Infrastructure	146,734,021	447,500	147,181,521
Non Current Liabilities			
Other Provisions	0	774,456	774,456
Equity			
Retained Surplus	61,902,746	(285,206)	61,617,540
Revaluation Surplus	120,987,102	(782,750)	120,204,352
30 June 2019			
	Original Balance	Increase/ (Decrease)	30 June 2019 Restated
	\$	\$	\$
2019 Statement of Financial Position			
Non Current Assets			
Property, Plant & Equipment	33,473,382	(722,000)	32,751,382
Infrastructure	147,617,503	399,865	148,017,368
Non Current Liabilities			
Other Provisions	0	797,815	797,815
Equity			
Retained Surplus	61,674,730	(337,200)	61,337,530
Revaluation Surplus	121,033,269	(782,750)	120,250,519

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FOR THE YEAR ENDED 30 JUNE 2020

28. PRIOR YEAR ADJUSTMENTS (continued)

	30 June 2019 Original Balance	Increase/ (Decrease)	30 June 2019 Restated
Statement of Comprehensive Income			
By Nature or Type			
Expenses			
Depreciation Expense	(4,125,205)	(28,635)	(4,153,840)
Other Expenditure	(495,615)	(23,359)	(518,974)
By program			
Expenses			
Housing	(276,289)	19,000	(257,289)
Community amenities	(1,696,801)	(70,994)	(1,767,795)
Net result for the period	(874,200)	(51,994)	(926,194)
Total comprehensive income for the period	(828,033)	(51,994)	(880,027)
Rate Setting Statement			
Expenditure from operating activities			
Housing	(375,431)	19,000	(356,431)
Community amenities	(1,697,004)	(70,994)	(1,767,998)
Non cash amounts excluded from operating activities	4,142,886	51,994	4,194,880
Note 8 - Property, Plant & Equipment			
Opening Balance	34,296,761	(741,000)	33,555,761
Additions	676,985	0	676,985
Disposals	(412,943)	0	(412,943)
Revaluation increments / (decrements)	0	0	0
Depreciation	(1,087,421)	19,000	(1,068,421)
Carrying amount	33,473,382	(722,000)	32,751,382
Note 9 - Infrastructure			
Opening Balance	146,734,021	447,500	147,181,521
Additions	3,875,099	0	3,875,099
Disposals	0	0	0
Revaluation increments / (decrements)	46,167	0	46,167
Depreciation	(3,037,784)	(47,635)	(3,085,419)
Carrying amount	147,617,503	399,865	148,017,368
Note 10(b) - Fixed Assets Depreciation			
Buildings - specialised	764,512	(19,000)	745,512
Infrastructure - Other	126,475	47,635	174,110
Total	4,125,205	28,635	4,153,840
Note 12 - Revaluation Surplus			
Revaluation surplus - Buildings - specialised	16,039,943	(782,750)	15,257,193
	121,033,269	(782,750)	120,250,519

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

28. PRIOR YEAR ADJUSTMENTS (continued)

	30 June 2019 Original Balance	Increase/ (Decrease)	30 June 2019 Restated
	\$	\$	\$
Note 18 - Other Provisions			
Kambalda Landfill Facility			
Current	0	0	0
Non-current	0	797,815	797,815
	0	797,815	797,815
Note 19 - Notes to Statement of Cash Flows			
Net Result	(874,200)	(51,994)	(926,194)
Depreciation	(4,125,205)	(28,635)	(4,153,840)
Increase/(decrease) in provisions	(8,523)	23,359	14,836
Note 20 - Total Assets Classified by Function & Activity			
Housing	3,227,077	(722,000)	2,505,077
Community amenities	7,442,595	399,865	7,842,460
Note 25 - Rate Setting Statement Information			
(a) Non-cash amounts excluded from operating activities			
Movement in other provisions (non-current)	0	23,359	23,359
Depreciation on non current assets	4,125,205	28,635	4,153,840
Note 32 - Financial Ratios			
2019 Financial Statements			
Asset sustainability ratio	0.80	(0.01)	0.79
Debt service cover ratio	11.76	(0.20)	11.56
Operating surplus ratio	(0.32)	(0.01)	(0.33)
Own source revenue coverage ratio	0.65	0.00	0.65
Asset consumption ratio	0.97	0.00	0.97
2018 Financial Statements			
Asset sustainability ratio	0.27	0.00	0.27
Debt service cover ratio	3.85	(0.01)	3.84
Operating surplus ratio	(0.41)	(0.01)	(0.42)
Own source revenue coverage ratio	0.61	0.00	0.61
Asset consumption ratio	0.75	0.00	0.75

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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29. CHANGE IN ACCOUNTING POLICIES

(a) Change in Accounting Policies due to regulation changes

Effective 6 November 2020, *Local Government (Financial Management) Regulation 16* was deleted and *Local Government (Financial Management) Regulation 17A* was amended with retrospective application. The changes were effective for financial years ending on or after 30 June 2020 so are required to be applied retrospectively with cumulative effect applied initially on 1 July 2019.

In accordance with the changes, the Shire was required to remove the values attributable to certain crown land assets previously required to be recognised, as well as the associated revaluation surplus at 1 July 2019. These assets have been measured as concessionary lease right-of-use assets at zero cost in accordance with AASB 16. For further details relating to these changes, refer to Note 10.

In summary no adjustments were made to the amounts recognised in the statement of financial position at the date of initial application (1 July 2019).

Also, following changes to *Local Government (Financial Management) Regulation 17A*, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously or during the year were not reversed as it was deemed fair value approximates cost at the date of the change.

(b) Changes in equity due to change in accounting policies

There was no impact on the Shire's opening retained surplus due to the adoption of AASB 15 and AASB 1058 as at 1 July 2019 was as follows:

	Note	Adjustments	2019
Retained surplus - 30 June 2019			\$ 61,337,530
Adjustment to retained surplus from adoption of AASB 15	27(a)	(5,165)	(5,165)
Adjustment to retained surplus from adoption of AASB 1058	27(b)	0	0
Retained surplus - 1 July 2019			61,332,365

There was no impact on the Shire's opening revaluation surplus resulting from *Local Government (Financial Management) Regulation 16* being deleted and the amendments to *Local Government (Financial Management) Regulation 17A* as at 1 July 2019.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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30. TRUST FUNDS

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

	1 July 2019	Amounts Received	Amounts Paid	30 June 2020
	\$	\$	\$	\$
Councillor Nominations	80	0	(80)	0
	80	0	(80)	0

**SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

31. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regularity 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.

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SHIRE OF COOLGARDIE
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FOR THE YEAR ENDED 30 JUNE 2020

32. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
<p>GOVERNANCE To provide a decision making process for the efficient allocation of scarce resources.</p>	Administration and operation of facilities and services to members of council; other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services
<p>GENERAL PURPOSE FUNDING To collect revenue to allow for the provision of services.</p>	Rates, general purpose government grants and interest revenue.
<p>LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer community.</p>	Fire prevention, animal control and safety.
<p>HEALTH To provide services to help ensure a safer community.</p>	Food quality, pest control and meat inspections.
<p>EDUCATION AND WELFARE To meet the needs of the community in these areas.</p>	Includes education programs, youth based activities and resources centres. Care of families and the aged & disabled activities and resources centres.
<p>HOUSING Provide housing services required by the community and for staff.</p>	Maintenance of staff, aged and rental housing.
<p>COMMUNITY AMENITIES Provide services required by the community.</p>	Rubbish collection services, landfill maintenance, effluent disposal, town site storm water drainage control and maintenance, administration of the Town Planning Scheme and maintenance of cemeteries.
<p>RECREATION AND CULTURE To establish and manage efficiently, infrastructure and resources which will help the social well being of the community.</p>	Maintenance of halls, the aquatic centres, recreation centres and various reserves, operation of library, support of arts and community festivals. Also matters relating to heritage.
<p>TRANSPORT To provide effective and efficient transport services to the community.</p>	Construction and maintenance of streets, road and footpaths, cleaning and lighting of streets, roads and footpaths, traffic signs and depot maintenance.
<p>ECONOMIC SERVICES To help promote the Shire and improve its economic wellbeing.</p>	The regulation and provision of tourism, area promotion, building control, noxious weeds.
<p>OTHER PROPERTY AND SERVICES To provide effective and efficient administration, works operations and plant and fleet services.</p>	Private works operations, plant repairs and operational costs and administration overheads.

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SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

33. FINANCIAL RATIOS

	2020 Actual	2019 Restated	2018 Restated
Current ratio	1.01	2.48	3.21
Asset consumption ratio	0.95	0.97	0.75
Asset renewal funding ratio	1.10	1.11	N/A
Asset sustainability ratio	1.49	0.79	0.27
Debt service cover ratio	0.66	11.56	3.84
Operating surplus ratio	(0.40)	(0.33)	(0.42)
Own source revenue coverage ratio	0.62	0.65	0.61

The above ratios are calculated as follows:

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

34 EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Shire of Coolgardie did not have any events occurring after the reporting date that have a significant effect on the financial statements.



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Councillors of the Shire of Coolgardie

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the Shire of Coolgardie which comprises the Statement of Financial Position as at 30 June 2020, and the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, as well as notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In my opinion the annual financial report of the Shire of Coolgardie:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2020 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the annual financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Accounting

I draw attention to Note 1 to the annual financial report, which describes the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the Shire's annual financial reporting responsibilities under the Act. In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), did not allow a local government to recognize some categories of land, including land under roads, as assets in the financial report. My opinion is not modified in respect of this matter.

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

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

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

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

Auditor's Responsibility for the Audit of the Financial Report

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

A further description of my responsibilities for the audit of the annual financial report is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This includes the identification and assessment of the risk of material misstatement due to fraud arising from management override of controls. This description forms part of my auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) In my opinion, the following material matters indicate significant adverse trends in the financial position of the Shire:
 - a. The Operating Surplus Ratio has been below the Department of Local Government, Sport and Cultural Industries standard for the past 3 years. The financial ratios are reported at Note 33 to the financial report.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

Other Matter

The annual financial report of the Shire for the year ended 30 June 2019 was audited by another auditor who expressed an unmodified opinion on that annual financial report. The financial ratios for 2018 and 2019 in Note 33 of the audited annual financial report were included in the audited annual financial report for those years.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the Shire of Coolgardie for the year ended 30 June 2020 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this annual financial report. If users of the annual financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the annual audited financial report to confirm the information contained in this website version of the annual financial report.



ALOHA MORRISSEY
ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT
Delegate of the Auditor General for Western Australia
Perth, Western Australia
10 December 2020

5.1.2 FINANCIAL REPORT FOR THE YEAR ENDED 30TH JUNE 2020

Location: Shire Coolgardie
Applicant: Nil
Disclosure of Interest: None Required
Date: 2 December 2020
Author: James Trail, Chief Executive Officer

SUMMARY

That the Audit Committee,

1. Recommend Council receive the Audit Management Report dated 10 December 2020
2. Recommend Council adopts the Annual Financial Report and Audit Report for the year ended 30 June 2020

BACKGROUND

Pursuant to Section 7.9 of the *Local Government Act 1995* ("LGA"), an Auditor is required to examine the accounts and annual financial report submitted by a local government for audit. The Auditor is also required, by 31 December following the financial year to which the accounts and report relate, prepare a report thereon and forward a copy of that report to:

- (a) Mayor or President; and
- (b) The Chief Executive Officer; and
- (c) The Minister.

Furthermore, in accordance with Regulation 10(4) of the *Local Government (Audit) Regulations 1996* ("Audit Regulations"), where it is considered appropriate to do so, the Auditor may prepare a Management Report to accompany the Auditor's Report, which is also to be forwarded to the persons specified in Section 7.9 of the LGA.

On finalisation of the Shire's 2019/20 final audit, the Auditors have forwarded the Annual Financials Statements along with the Audit Report and the Audit Concluding Memorandum.

The Audit Committee is required to examine the reports of the auditor after receiving a report from the Chief Executive Officer ("CEO") on the matters reported and:

- Determine if any matters raised require action to be taken by the local government; and
- Ensure that appropriate action is taken in respect of those matters.

The Audit Committee is also required to review a report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and present the report to Council for adoption. A copy of the report is to be forwarded to the Minister prior to the end of the next financial year or 6 months after the last report prepared by the auditor is received, whichever is the latest in time.

The Audit Committee is requested to consider and recommend adoption of the annual financial report to Council.

COMMENT

Following is the CEO's report to the Audit Committee on matters arising from the audit and management reports.

Audit Report

1. There is a significant adverse trend in the financial position of the Shire. The Operating Surplus Ratio has been below the industry benchmark for the past 3 years.
2. Emphasis of Matter – Basis of Accounting - Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), did not allow a local government to recognize some categories of land, including land under roads, as assets in the financial report
3. Revenue not recognised in accordance with new accounting standards - During the interim audit sample testing of revenue transactions (rates, grants and fees & charges) noted that:
 - waste collection fees have not been recognised in accordance with AASB 15;
 - sewerage charges have not been recognised in accordance with AASB 15; and
 - 3 instances out of a total of 17 grant revenue transactions tested (18%) have not been recognised in accordance with the requirements of AASB 1058 in relation to capital grants.

Furthermore, the impact of the application of AASB 15 and AASB 1058 had not been recognised at 1 July 2019.

4. Purchase orders - Sample testing of 10 payment transactions noted an instance where a purchase order was not raised and another instance where a purchase order was raised after the date of the corresponding supplier invoice.

Management Comment

1. The difference between operating revenue and operating expenditure was \$3,695,625 (2018/19 - \$2,888,026). Consequently, in order to meet the standard and improve the ratio Council needs to have the following strategic conversation with the community;
 - a. Increase revenue generated from fees & charges
 - b. Increase rates at a much higher rate than currently imposed for the next 5-10 years
 - c. Increase rates revenue through rating of mining infrastructure
 - d. Reduce levels of service on all operating activities

Council and management will continue to explore areas to help improve the operating position of the Shire.

2. Land vested to the Shire shown in the 2018/19 Annual Financial Statements was removed retrospectively with the restated financial data is shown in the 2019/20 Annual Financial Statements
3. This matter raised in the Interim Management Report was addressed at year end with the position being stated correctly as at 30 June 2020 in the Annual Financial Report.
4. Training and support in the areas of governance and compliance is ongoing within the organisation and resources engaged by the Shire in these areas are available for staff to utilise at any time.

CONSULTATION

Moore Stephens

Office Auditor General

External Contractor

STATUTORY ENVIRONMENT**Local Government Act 1995****6.4. Financial report**

- (1) A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.
- (2) The financial report is to —
 - (a) be prepared and presented in the manner and form prescribed; and
 - (b) contain the prescribed information.
- (3) By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —
 - (a) the accounts of the local government, balanced up to the last day of the preceding financial year; and
 - (b) the annual financial report of the local government for the preceding financial year.

7.9. Audit to be conducted

- (1) An auditor is required to examine the accounts and annual financial report submitted for audit and, by the 31 December next following the financial year to which the accounts and report relate or such later date as may be prescribed, to prepare a report thereon and forward a copy of that report to —
 - (a) the mayor or president; and
 - (b) the CEO of the local government; and
 - (c) the Minister.
- (2) Without limiting the generality of subsection (1), where the auditor considers that —
 - (a) there is any error or deficiency in an account or financial report submitted for audit; or
 - (b) any money paid from, or due to, any fund or account of a local government has been or may have been misapplied to purposes not authorised by law; or
 - (c) there is a matter arising from the examination of the accounts and annual financial report that needs to be addressed by the local government,details of that error, deficiency, misapplication or matter, are to be included in the report by the auditor.
- (3) The Minister may direct the auditor of a local government to examine a particular aspect of the accounts and the annual financial report submitted for audit by that local government and to —
 - (a) prepare a report thereon; and
 - (b) forward a copy of that report to the Minister,and that direction has effect according to its terms.
- (4) If the Minister considers it appropriate to do so, the Minister is to forward a copy of the report referred to in subsection (3), or part of that report, to the CEO of the local government.

7.12A. Duties of local government with respect to audits

- (1) A local government is to do everything in its power to —

- (a) assist the auditor of the local government to conduct an audit and carry out the auditor's other duties under this Act in respect of the local government; and
 - (b) ensure that audits are conducted successfully and expeditiously.
- (2) Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.
- (3) A local government must —
- (aa) examine an audit report received by the local government; and
 - (a) determine if any matters raised by the audit report, require action to be taken by the local government; and
 - (b) ensure that appropriate action is taken in respect of those matters.
- (4) A local government must —
- (a) prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and
 - (b) give a copy of that report to the Minister within 3 months after the audit report is received by the local government.
- (5) Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.

5.54. Acceptance of annual reports

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

** Absolute majority required.*

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

Local Government (Audit) Regulations 1996

10. Report by auditor

- (1) An auditor's report is to be forwarded to the persons specified in section 7.9(1) within 30 days of completing the audit.
- (2) The report is to give the auditor's opinion on —
- (a) the financial position of the local government; and
 - (b) the results of the operations of the local government.
- (3) The report is to include —
- (a) any material matters that in the opinion of the auditor indicate significant adverse trends in the financial position or the financial management practices of the local government; and
 - (b) any matters indicating non-compliance with Part 6 of the Act, the *Local Government (Financial Management) Regulations 1996* or applicable financial controls in any other written law; and
 - (c) details of whether information and explanations were obtained by the auditor; and

- (d) a report on the conduct of the audit; and
- (e) the opinion of the auditor as to whether or not the following financial ratios included in the annual financial report are supported by verifiable information and reasonable assumptions —
 - (i) the asset consumption ratio; and
 - (ii) the asset renewal funding ratio.

(4A) In subregulation (3)(e) —

asset consumption ratio has the meaning given in the *Local Government (Financial Management) Regulations 1996* regulation 50(2);

asset renewal funding ratio has the meaning given in the *Local Government (Financial Management) Regulations 1996* regulation 50(2).

- (4) Where it is considered by the auditor to be appropriate to do so, the auditor is to prepare a management report to accompany the auditor's report and to forward a copy of the management report to the persons specified in section 7.9(1) with the auditor's report.

Local Government (Financial Management) Regulations 1996

17A. Assets, valuation of for financial reports etc.

- (1) In this regulation —

carrying amount, in relation to an asset, means the carrying amount of the asset determined in accordance with the AAS;

fair value, in relation to an asset, means the fair value of the asset measured in accordance with the AAS.

- (2) Subject to subregulation (3), the value of an asset shown in a local government's financial reports must be the fair value of the asset.
- (3) A local government must show in each financial report —
 - (a) for the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and
 - (b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government —
 - (i) that are plant and equipment; and
 - (ii) that are —
 - (I) land and buildings; or
 - (II) infrastructure;and
 - (c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.
- (4) A local government must revalue an asset of the local government —
 - (a) whenever the local government is of the opinion that the fair value of the asset is likely to be materially different from its carrying amount; and

- (b) in any event, within a period of at least 3 years but no more than 5 years after the day on which the asset was last valued or revalued.
- (5) An asset is to be excluded from the assets of a local government if the fair value of the asset as at the date of acquisition by the local government is under \$5 000.

[Regulation 17A inserted by Gazette 20 Apr 2012 p. 1699-700; amended by Gazette 21 Jun 2013 p. 2451; 26 Jun 2018 p. 2388.]

17B. CEO to take steps to protect excluded portable and attractive assets

A CEO must take all reasonable steps to prevent the theft or loss of —

- (a) a non-consumable asset that is susceptible to theft or loss due to its portable nature and attractiveness for personal use or resale; and
- (b) an asset referred to in regulation 17A(5).

[Regulation 17B inserted by Gazette 26 Jun 2018 p. 2388.]

POLICY IMPLICATIONS

Investment of Surplus Funds 02

Risk Management 21

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Accountable and effective leaders

High quality corporate governance, accountability and compliance

ATTACHMENTS

1. Audit Management Action List 2019/2020
2. 2019/2020 Management Report
3. Annual Financial Report 2019/2020

VOTING REQUIREMENT

Absolute Majority

AUDIT COMMITTEE RESOLUTION AND OFFICER RECOMMENDATION

Moved: Cr Tracey Rathbone

Seconded: Cr Sherryl Botting

That the Audit Committee,

1. Recommend Council receive the Chief Executive Officer response to the Audit Report for the period ending 30th June 2020 dated 10 December 2020
2. Receive the Action Report as attached and recommend the Report be received by Council
3. Recommend Council receive the Audit Management Report dated 10 December 2020
4. Recommend Council adopts the Annual Financial Report and Audit Report for the year ended 30 June 2020
5. Recommend to Council that the action report be forwarded to the Minister in accordance with s 7.12A (4) of the Local Government Act 1995.

In Favour: Crs Malcolm Cullen, Tracey Rathbone, Sherryl Botting and Tammee Keast

Against: Nil

CARRIED BY ABSOLUTE MAJORITY 4/0

**Shire of Coolgardie
2019/20 Audit Management Report
Action List**

Matter Raised	Area of Concern	Action Taken / Proposed Action	Measurement of Success
<p>There is a significant adverse trend in the financial position of the Shire</p>	<p>The Operating Surplus Ratio has been below the industry benchmark for the past 3 years.</p>	<p>The difference between operating revenue and operating expenditure was \$3,695,625 (2018/19 - \$2,888,026). Consequently, in order to meet the standard and improve the ratio Council needs to have the following strategic conversation with the community;</p> <ul style="list-style-type: none"> • Increase revenue generated from fees & charges • Increase rates at a much higher rate than currently imposed for the next 5-10 years • Increase rates revenue through rating of mining infrastructure • Reduce levels of service on all operating activities <p>Council and management will continue to explore areas to help improve the operating position of the Shire.</p>	<p>A reasonable measure of success is to see a steady improvement in the ratio over a period of time.</p> <p>Council have an expectation of meeting the benchmark within a 10 year period as highlighted in the Shire's Long Term Financial Plan.</p>
<p>Emphasis of Matter – Basis of Accounting</p>	<p>Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), did not allow a local government to recognize some categories of land, including land under roads, as assets in the financial report</p>	<p>Land vested to the Shire shown in the 2018/19 Annual Financial Statements was removed retrospectively with the restated financial data is shown in the 2019/20 Annual Financial Statements</p>	<p>The changes in the 2019/20 Annuals Financial Statements are in line Regulation 16 of the Local Government (Financial Management) Regulations 1996</p>

<p>Revenue not recognised in accordance with new accounting standards</p>	<p>During the interim audit sample testing of revenue transactions (rates, grants and fees & charges) noted that:</p> <ul style="list-style-type: none"> • waste collection fees have not been recognised in accordance with AASB 15; • sewerage charges have not been recognised in accordance with AASB 15; and • 3 instances out of a total of 17 grant revenue transactions tested (18%) have not been recognised in accordance with the requirements of AASB 1058 in relation to capital grants. <p>Furthermore, the impact of the application of AASB 15 and AASB 1058 had not been recognised at 1 July 2019.</p>	<p>This matter raised in the Interim Management Report was addressed at year end with the position being stated correctly as at 30 June 2020 in the Annual Financial Report.</p>	<p>Continual adherence with the revenue recognition principles outlined in AASB 15 & AASB 1058.</p>
<p>Purchase orders</p>	<p>Sample testing of 10 payment transactions noted an instance where a purchase order was not raised and another instance where a purchase order was raised after the date of the corresponding supplier invoice.</p>	<p>Training and support in the areas of governance and compliance is ongoing within the organisation and resources engaged by the Shire in these areas are available for staff to utilise at any time.</p>	<p>Adherence with the Shire's Procurement Policy.</p>



Our Ref: 8645

7th Floor, Albert Facey House
469 Wellington Street, Perth

Mr James Trail
Chief Executive Officer
Shire of Coolgardie
PO Box 138
KAMBALDA WA 6442

Mail to: Perth BC
PO Box 8489
PERTH WA 6849
Tel: 08 6557 7500
Fax: 08 6557 7600
Email: info@audit.wa.gov.au

Dear Mr Trail

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

The Office has completed the audit of the annual financial report for your Shire. In accordance with section 7.12AD (2) of the *Local Government Act 1995*, we enclose the Auditor General's auditor's report, together with the audited annual financial report.

We have also forwarded the reports to the President and the Minister for Local Government, as required by the Act. You are required to publish the annual report, including the auditor's report and the audited financial report, on your Shire's official website within 14 days after the annual report has been accepted by your Council.

Matters indicating significant adverse trends in the financial position are reported on page 2 of the auditor's report.

Management Control Issues

While the result of the audit was generally satisfactory, I would like to draw your attention to the attached listing of deficiencies in internal control and other matters that were identified during the audit. These matters were previously reported to you in my interim management letter and have been included here for completeness of reporting.

Please note that the purpose of our audit was to express an opinion on the financial report. The audit included consideration of internal control relevant to the preparation of the financial report in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

An audit is not designed to identify all internal control deficiencies that may require management attention. The matters being reported are limited to those deficiencies that have been identified during the audit that are of sufficient importance to warrant being reported. It is possible that other irregularities and deficiencies may have occurred and not been identified as a result of our audit.

This letter has been provided for the purposes of the Shire and the Minister for Local Government and may not be suitable for other purposes.

I would like to take this opportunity to thank you, the management and the staff of the Shire for their cooperation with the audit team during our audit.

Feel free to contact me on 6557 7574 if you would like to discuss these matters further.

Yours faithfully

RENUKA VENKATRAMAN
DIRECTOR FINANCIAL AUDIT
10 December 2020

Attach



Our Ref: 8645

7th Floor, Albert Facey House
469 Wellington Street, Perth

Mr James Trail
Chief Executive Officer
Shire of Coolgardie
PO Box 138
KAMBALDA WA 6442

Mail to: Perth BC
PO Box 8489
PERTH WA 6849

Tel: 08 6557 7500
Fax: 08 6557 7600
Email: info@audit.wa.gov.au

Dear Mr Trail

**ANNUAL FINANCIAL REPORT
INTERIM AUDIT RESULT FOR THE YEAR ENDING 30 JUNE 2020**

We have completed the interim audit for the year ending 30 June 2020. We performed this phase of the audit in accordance with our audit plan. The focus of our interim audit was to evaluate your overall control environment, but not for the purpose of expressing an opinion on the effectiveness of internal control, and to obtain an understanding of the key business processes, risks and internal controls relevant to our audit of the annual financial report.

Management Control Issues

I would like to draw your attention to the attached deficiencies in internal control that were identified during the course of the interim audit. The matters have been discussed with management and their comments have been included on the attachment. The matters reported are limited to the deficiencies that were identified during the interim audit that we have concluded are of sufficient importance to merit being reported to management. Matters we report may be included in our auditor's report in accordance with section 7.9(2) of the *Local Government Act 1995* or regulation 10(3)(a) and (b) of the *Local Government (Audit) Regulations 1996*. If so, we will inform you before we finalise the report.

This letter has been provided for the purposes of your local government and may not be suitable for other purposes.

We have forwarded a copy of this letter to the President. A copy will also be forwarded to the Minister for Local Government when we forward our auditor's report on the annual financial report to the Minister on completion of the audit.

Feel free to contact me on 6557 7536 if you would like to discuss any matters concerning the audit.

Yours faithfully

EFTHALIA SAMARAS
ACTING SENIOR DIRECTOR
FINANCIAL AUDIT
26 June 2020

Attach

ATTACHMENT

SHIRE OF COOLGARDIE

PERIOD OF AUDIT: 1 JULY 2019 TO 30 JUNE 2020

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
1. Revenue Not Recognised In Accordance With New Accounting Standards	✓		
2. Purchase Orders		✓	

KEY TO RATINGS

The ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

ATTACHMENT

SHIRE OF COOLGARDIE**PERIOD OF AUDIT: 1 JULY 2019 TO 30 JUNE 2020****FINDINGS IDENTIFIED DURING THE INTERIM AUDIT****FINDINGS****1. Revenue Not Recognised In Accordance With New Accounting Standards****Finding**

New accounting standards AASB 15 Revenue from contracts with customers and AASB 1058 income of not-for-profit entities came into effect for the Shire on 1 July 2019 superseding previous accounting standards.

During the interim audit our sample testing of revenue transactions (rates, grants and fees & charges) noted that:

- waste collection fees have not been recognised in accordance with AASB 15;
- sewerage charges have not been recognised in accordance with AASB 15; and
- 3 instances out of a total of 17 grant revenue transactions tested (18%) have not been recognised in accordance with the requirements of AASB 1058 in relation to capital grants.

Furthermore, impact of the application of AASB 15 and AASB 1058 has not been recognised at 1 July 2019.

Rating: Significant**Implication**

This is very likely to result in non-compliance with AASB 15 or 1058. As application of these standards may result in delayed income recognition, the Shire's revenue may be overstated for the 2019-20 financial year. In addition, monthly financial information used by management and Council may not be accurate and financial decision making may be ill-informed.

Recommendation

The Shire should complete a detailed revenue recognition assessment of all revenue streams in order to conclude if a particular revenue stream or transaction arises from an enforceable contract with a customer and has sufficiently specific performance obligations. The assessment will trigger the revenue recognition requirements under AASB 15, or if it falls outside of this scope, under AASB 1058.

The Shire should also measure the impact of the application of AASB 15 and AASB 1058 at 1 July 2019 and process appropriate adjustments in the accounts, as well as considering the required disclosures and amending accounting policies that will need to be disclosed in the 30 June 2020 financial report in advance of year-end.

Management comment

Acknowledged that the application of AASB 15 and AASB 1058 was not recognised at 1 July and that recognition of revenue in accordance with these standards has not been followed at all times during the financial year. As this is the first full financial year the standards have come into effect, it has been a learning process and all efforts will be made to ensure revenue is recognised correctly going forward and that the position is stated correctly as at 30 June 2020 in the Annual Financial Report.

**Responsible person(s)
Completion date**

Nav Kaur & Martin Whitely
Transactions completed and corrected for the month ending
30 June 2020

ATTACHMENT

SHIRE OF COOLGARDIE**PERIOD OF AUDIT: 1 JULY 2019 TO 30 JUNE 2020****FINDINGS IDENTIFIED DURING THE INTERIM AUDIT****2. Purchase Orders****Finding**

Our sample testing of 10 payment transactions noted an instance where a purchase order was not raised and another instance where a purchase order was raised after the date of the corresponding supplier invoice.

Rating: Moderate**Implication**

There was no evidence that the ordering of goods or services was approved prior to ordering, this increases the risk of unauthorised expenditure.

Recommendation

All authorised officers should be reminded of the need to ensure purchase orders are raised prior to the authorising of works/services or ordering of goods.

Management comment

All staff with delegated authority are aware that purchase orders need to be raised prior to obtaining the good or service. This is an area that has been identified by management previously and is continually being reviewed to ensure compliance with the Shire's Procurement Policy.

Responsible person(s) All staff with purchasing authority / Robert Hicks.
Completion date Ongoing

SHIRE OF COOLGARDIE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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COMMUNITY VISION

A connected, progressive & welcoming community

Principal place of business:
Irish Mulga Drive, Kambala WA 6442



SHIRE OF COOLGARDIE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Coolgardie for the financial year ended 30 June 2020 is based on proper accounts and records to present fairly the financial position of the Shire of Coolgardie at 30 June 2020 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 7TH day of DECEMBER 2020

J. Trail

James Trail
Chief Executive Officer



SHIRE OF COOLGARDIE
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	Restated * 2019 Actual \$
Revenue				
Rates	24(a)	7,147,278	7,150,490	6,682,397
Operating grants, subsidies and contributions	2(a)	2,153,047	1,377,027	1,950,012
Fees and charges	2(a)	1,417,917	1,583,649	1,507,378
Interest earnings	2(a)	181,800	208,750	224,933
Other revenue	2(a)	577,797	57,500	336,931
		11,477,839	10,377,416	10,701,651
Expenses				
Employee costs		(4,824,233)	(4,575,660)	(3,904,631)
Materials and contracts		(4,252,615)	(4,292,921)	(4,051,493)
Utility charges		(662,610)	(586,840)	(572,048)
Depreciation on non-current assets	10(b)	(4,419,623)	(4,182,961)	(4,153,840)
Interest expenses	2(b)	(118,943)	(100,519)	(45,171)
Insurance expenses		(270,704)	(274,653)	(293,333)
Other expenditure		(634,267)	(591,269)	(518,974)
		(15,182,995)	(14,604,823)	(13,539,490)
		(3,705,156)	(4,227,407)	(2,837,839)
Non-operating grants, subsidies and contributions	2(a)	2,826,984	6,288,074	1,961,832
Profit on asset disposals	10(a)	27,324	34,500	80,620
(Loss) on asset disposals	10(a)	(16,233)	(87,000)	(130,807)
Fair value adjustments to financial assets at fair value through profit or loss	5	1,440	0	0
		2,839,515	6,235,574	1,911,645
Net result for the period		(865,641)	2,008,167	(926,194)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	0	0	46,167
Total other comprehensive income for the period		0	0	46,167
Total comprehensive income for the period		(865,641)	2,008,167	(880,027)

* See note 28 for details regarding the impact for the treatment of remediation costs and joint operation for aged housing.

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



SHIRE OF COOLGARDIE
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	Restated * 2019 Actual \$
Revenue				
	2(a)			
Governance		19,593	22,000	95,068
General purpose funding		8,147,787	7,760,517	7,521,031
Law, order, public safety		73,832	34,300	46,260
Health		24,718	3,000	209
Education and welfare		225,462	222,304	239,336
Housing		96,072	113,681	142,291
Community amenities		1,039,189	1,042,666	1,061,489
Recreation and culture		451,250	298,000	160,362
Transport		1,033,837	490,496	917,192
Economic services		330,484	331,742	384,222
Other property and services		35,615	58,710	134,191
		11,477,839	10,377,416	10,701,651
Expenses				
	2(b)			
Governance		(1,869,522)	(1,833,407)	(1,916,584)
General purpose funding		(500,463)	(384,767)	(261,156)
Law, order, public safety		(482,778)	(429,626)	(302,628)
Health		(1,120,820)	(480,198)	(245,184)
Education and welfare		(304,269)	(366,561)	(291,712)
Housing		(241,851)	(277,485)	(257,289)
Community amenities		(1,923,004)	(1,680,482)	(1,767,795)
Recreation and culture		(3,029,598)	(3,257,851)	(2,861,389)
Transport		(4,364,388)	(4,594,385)	(4,395,429)
Economic services		(1,223,524)	(1,154,542)	(1,071,725)
Other property and services		(3,835)	(45,000)	(123,428)
		(15,064,052)	(14,504,304)	(13,494,319)
Finance Costs				
	2(b)			
Community amenities		0	0	(203)
Recreation and culture		(79,301)	(62,630)	(17,082)
Transport		0	(13,624)	(4,262)
Economic services		(24,016)	(24,265)	(23,624)
Other property and services		(15,626)	0	0
		(118,943)	(100,519)	(45,171)
		(3,705,156)	(4,227,407)	(2,837,839)
Non-operating grants, subsidies and contributions	2(a)	2,826,984	6,288,074	1,961,832
Profit on disposal of assets	10(a)	27,324	34,500	80,620
(Loss) on disposal of assets	10(a)	(16,233)	(87,000)	(130,807)
Fair value adjustments to financial assets at fair value through profit or loss	5	1,440	0	0
		2,839,515	6,235,574	1,911,645
Net result for the period		(865,641)	2,008,167	(926,194)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	0	0	46,167
Total other comprehensive income for the period		0	0	46,167
Total comprehensive income for the period		(865,641)	2,008,167	(880,027)

See note 28 for details regarding the impact for the treatment of remediation costs and joint operation for aged housing.

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



SHIRE OF COOLGARDIE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	NOTE	2020	2019 Restated *	1 July 2018 Restated *
		\$	\$	\$
CURRENT ASSETS				
Cash and cash equivalents	3	2,554,442	8,034,401	5,614,140
Trade and other receivables	6	1,763,583	2,007,511	1,616,187
Inventories	7	15,350	9,299	5,043
Other assets		0	0	54,872
TOTAL CURRENT ASSETS		4,333,375	10,051,211	7,290,242
NON-CURRENT ASSETS				
Trade and other receivables	6	100,415	100,415	68,237
Other financial assets	5	89,026	87,586	87,586
Property, plant and equipment	8	32,564,481	32,751,382	33,555,761
Infrastructure	9	152,344,201	148,017,368	147,181,521
Right of use assets	11(a)	536,764	0	0
TOTAL NON-CURRENT ASSETS		185,634,887	180,956,751	180,893,105
TOTAL ASSETS		189,968,262	191,007,962	188,183,347
CURRENT LIABILITIES				
Trade and other payables	13	1,344,236	1,536,102	633,043
Contract liabilities	14	4,894	0	0
Lease liabilities	15(a)	132,083	0	0
Borrowings	16(a)	292,693	700,151	68,253
Employee related provisions	17	284,222	232,379	275,125
Other provisions	18	450,000	0	0
TOTAL CURRENT LIABILITIES		2,508,128	2,468,632	976,421
NON-CURRENT LIABILITIES				
Lease liabilities	15(a)	433,348	0	0
Borrowings	16(a)	2,609,814	2,779,564	624,715
Employee related provisions	17	84,825	106,813	72,590
Other provisions	18	347,815	797,815	774,456
TOTAL NON-CURRENT LIABILITIES		3,475,802	3,684,192	1,471,761
TOTAL LIABILITIES		5,983,930	6,152,824	2,448,182
NET ASSETS		183,984,332	184,855,138	185,735,165
EQUITY				
Retained surplus		61,929,590	61,337,530	61,617,540
Reserves - cash backed	4	1,804,223	3,267,089	3,913,273
Revaluation surplus	12	120,250,519	120,250,519	120,204,352
TOTAL EQUITY		183,984,332	184,855,138	185,735,165

* See note 28 for details regarding the impact for the treatment of remediation costs and joint operation for aged housing.

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



SHIRE OF COOLGARDIE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 30 June 2018		61,902,746	3,913,273	120,987,102	186,803,121
Prior year adjustments	28	(285,206)	0	(782,750)	(1,067,956)
Balance at 1 July 2018		61,617,540	3,913,273	120,204,352	185,735,165
Comprehensive income					
Net result for the period (restated)		(926,194)	0	0	(926,194)
Other comprehensive income	12	0	0	46,167	46,167
Total comprehensive income		(926,194)	0	46,167	(880,027)
Transfers from reserves	4	1,071,213	(1,071,213)	0	0
Transfers to reserves	4	(425,029)	425,029	0	0
Balance as at 30 June 2019		61,337,530	3,267,089	120,250,519	184,855,138
Change in accounting policies	29(b)	(5,165)	0	0	(5,165)
Restated total equity at 1 July 2019		61,332,365	3,267,089	120,250,519	184,849,973
Comprehensive income					
Net result for the period		(865,641)	0	0	(865,641)
Other comprehensive income	12	0	0	0	0
Total comprehensive income		(865,641)	0	0	(865,641)
Transfers from reserves	4	2,825,710	(2,825,710)	0	0
Transfers to reserves	4	(1,362,844)	1,362,844	0	0
Balance as at 30 June 2020		61,929,590	1,804,223	120,250,519	183,984,332

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



SHIRE OF COOLGARDIE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates	7,094,707	7,950,490	6,425,189
Operating grants, subsidies and contributions	2,397,503	1,567,027	1,974,089
Fees and charges	1,417,917	1,583,649	1,507,378
Interest received	181,800	208,750	224,933
Goods and services tax received	1,367,790	10,000	973,657
Other revenue	570,097	57,500	336,931
	13,029,814	11,377,416	11,442,177
Payments			
Employee costs	(4,897,651)	(4,575,660)	(3,913,482)
Materials and contracts	(4,357,827)	(3,792,921)	(3,253,249)
Utility charges	(662,610)	(586,840)	(572,048)
Interest expenses	(116,252)	(100,519)	(35,928)
Insurance paid	(270,704)	(274,653)	(293,333)
Goods and services tax paid	(1,300,441)	0	(1,017,512)
Other expenditure	(634,267)	(591,269)	(495,615)
	(12,239,752)	(9,921,862)	(9,581,167)
Net cash provided by (used in) operating activities	19 790,062	1,455,554	1,861,010
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a) (981,481)	(4,609,345)	(676,985)
Payments for construction of infrastructure	9(a) (7,478,985)	(9,100,768)	(3,875,099)
Non-operating grants, subsidies and contributions	2(a) 2,826,984	6,288,074	1,961,832
Proceeds from financial assets at amortised cost - self supporting loans	0	484,453	0
Proceeds from sale of property, plant & equipment	10(a) 78,268	291,364	362,756
Net cash provided by (used in) investment activities	(5,555,214)	(6,646,222)	(2,227,496)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	16(b) (1,179,321)	(700,150)	(68,253)
Payments for principal portion of lease liabilities	15(b) (137,599)	0	0
Proceeds from new borrowings	16(b) 602,113	0	2,855,000
Net cash provided by (used in) financing activities	(714,807)	(700,150)	2,786,747
Net increase (decrease) in cash held	(5,479,959)	(5,890,818)	2,420,261
Cash at beginning of year	8,034,401	7,819,414	5,614,140
Cash and cash equivalents at the end of the year	19 2,554,442	1,928,596	8,034,401

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

SHIRE OF COOLGARDIE
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

		2020	2020	Restated *
	NOTE	Actual	Budget	2019
		\$	\$	Actual
				\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	25 (b)	5,377,601	5,787,599	2,870,477
		5,377,601	5,787,599	2,870,477
Revenue from operating activities (excluding rates)				
Governance		21,033	22,000	95,068
General purpose funding		980,860	565,027	833,366
Law, order, public safety		73,832	34,300	46,260
Health		24,718	3,000	209
Education and welfare		225,462	222,304	239,336
Housing		96,072	113,681	211,866
Community amenities		1,039,189	1,042,666	1,061,489
Recreation and culture		451,250	298,000	160,362
Transport		1,061,161	524,996	928,237
Economic services		330,484	331,742	384,222
Other property and services		35,615	58,710	134,191
		4,339,676	3,216,426	4,094,606
Expenditure from operating activities				
Governance		(1,869,522)	(1,833,407)	(1,916,584)
General purpose funding		(500,463)	(384,767)	(261,156)
Law, order, public safety		(482,778)	(429,626)	(302,628)
Health		(1,120,820)	(480,198)	(245,184)
Education and welfare		(304,269)	(366,561)	(291,712)
Housing		(241,851)	(360,485)	(356,431)
Community amenities		(1,923,004)	(1,680,482)	(1,767,998)
Recreation and culture		(3,108,899)	(3,320,481)	(2,878,471)
Transport		(4,380,621)	(4,612,009)	(4,431,356)
Economic services		(1,247,540)	(1,178,807)	(1,095,349)
Other property and services		(19,461)	(45,000)	(123,428)
		(15,199,228)	(14,691,823)	(13,670,297)
Non-cash amounts excluded from operating activities	25(a)	3,883,823	4,235,461	4,194,880
Amount attributable to operating activities		(1,598,128)	(1,452,337)	(2,510,334)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	2,826,984	6,288,074	1,961,832
Proceeds from disposal of assets	10(a)	78,268	291,364	362,756
Proceeds from financial assets at amortised cost - self supporting loans		0	484,453	0
Purchase of property, plant and equipment	8(a)	(981,481)	(4,609,345)	(676,985)
Purchase and construction of infrastructure	9(a)	(7,478,985)	(9,100,768)	(3,875,099)
Amount attributable to investing activities		(5,555,214)	(6,646,222)	(2,227,496)
FINANCING ACTIVITIES				
Repayment of borrowings	16(b)	(1,179,321)	(700,150)	(68,253)
Proceeds from borrowings	16(c)	602,113	0	2,855,000
Payments for principal portion of lease liabilities	15(b)	(137,599)	0	0
Transfers to reserves (restricted assets)	4	(1,362,844)	(339,645)	(425,029)
Transfers from reserves (restricted assets)	4	2,825,710	1,942,863	1,071,213
Amount attributable to financing activities		748,059	903,068	3,432,931
Surplus/(deficit) before imposition of general rates		(6,405,283)	(7,195,490)	(1,304,899)
Total amount raised from general rates	24(a)	7,166,927	7,195,490	6,687,665
Surplus/(deficit) after imposition of general rates	25(b)	761,644	0	5,382,766

* See note 28 for details regarding the impact for the treatment of remediation costs and joint operation for aged housing.

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

**SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

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.

AMENDMENTS TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Prior to 1 July 2019, Financial Management Regulation 16 arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. 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 pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Shire. This was not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

From 1 July 2019, the Shire has applied AASB 16 Leases which requires leases to be included by lessees in the statement of financial position. Also, the Local Government (Financial Management) Regulations 1996 have been amended to specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position) rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

Therefore the departure from AASB 1051 and AASB 16 in respect of the comparatives for the year ended 30 June 2019 remains.

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.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

On 1 July 2020 the following new accounting standards are to be adopted:

- AASB 1059 Service Concession Arrangements: Grantors
- AASB 2018-7 Amendments to Australian Accounting Standards - Materiality

AASB 1059 Service Concession Arrangements: Grantors is not expected to impact the financial report.

Specific impacts of AASB 2018-7 Amendments to Australian Accounting Standards - Materiality, have not been identified.

CRITICAL ACCOUNTING ESTIMATES

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 30 to these financial statements.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event canceled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

(a) Grant revenue

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Operating grants, subsidies and contributions			
Governance	0	22,000	20,390
General purpose funding	609,379	369,077	512,791
Law, order, public safety	15,052	16,500	9,211
Health	21,360	0	0
Education and welfare	216,305	213,304	213,938
Community amenities	5,280	6,240	0
Recreation and culture	2,455	4,500	5,018
Transport	1,032,181	490,496	912,825
Economic services	247,342	241,200	270,079
Other property and services	3,693	13,710	5,760
	2,153,047	1,377,027	1,950,012
Non-operating grants, subsidies and contributions			
Health	0	1,000,000	0
Housing	0	1,200,000	0
Recreation and culture	1,021,461	1,062,823	258,559
Transport	965,061	932,090	1,703,273
Economic services	840,462	2,093,161	0
	2,826,984	6,288,074	1,961,832
Total grants, subsidies and contributions	4,980,031	7,665,101	3,911,844
Fees and charges			
General purpose funding	22,197	32,200	26,070
Law, order, public safety	58,781	17,800	36,042
Health	3,358	3,000	209
Education and welfare	7,619	9,000	17,346
Housing	96,072	113,681	142,291
Community amenities	1,033,909	1,036,425	1,055,043
Recreation and culture	114,794	293,500	129,442
Transport	273	0	0
Economic services	80,914	78,042	100,935
	1,417,917	1,583,648	1,507,378

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020
 2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

**Contracts with customers and transfers
 for recognisable non-financial assets**

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:

Non-operating grants, subsidies and contributions

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Non-operating grants, subsidies and contributions	2,826,984	6,288,074	1,961,832
	<u>2,826,984</u>	<u>6,288,074</u>	<u>1,961,832</u>
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:			
Contracts with customers included as a contract liability at the start of the period	5,165	0	0
Other revenue from performance obligations satisfied during the year	2,821,819	6,288,074	1,961,832
	<u>2,826,984</u>	<u>6,288,074</u>	<u>1,961,832</u>
Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:			
Trade and other receivables from contracts with customers	166,715	0	0
Contract liabilities from contracts with customers	(4,894)	0	0

Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'. Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met. Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less. Consideration from contracts with customers is included in the transaction price. Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

Revenue from statutory requirements

Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:

General rates

Statutory permits and licences

Fines

	2020 Actual \$	2020 Budget \$	2019 Actual \$
General rates	7,166,927	7,195,490	6,687,665
Statutory permits and licences	27,389	36,000	63,448
Fines	1,779	4,800	3,450
	<u>7,196,095</u>	<u>7,236,290</u>	<u>6,754,563</u>
Other revenue			
Reimbursements and recoveries	224,983	116,270	182,740
Other	352,814	57,500	154,191
	<u>577,797</u>	<u>173,770</u>	<u>336,931</u>
Interest earnings			
Interest on reserve funds	35,310	69,000	76,311
Rates instalment and penalty interest (refer Note 24(c))	106,988	122,500	119,450
Other interest earnings	39,502	17,250	29,172
	<u>181,800</u>	<u>208,750</u>	<u>224,933</u>

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020
 2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

Interest earnings (continued)

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

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services

Interest expenses (finance costs)

- Borrowings
- Lease liabilities

Other expenditure

- Impairment loss on trade and other receivables from contracts with customers
- Sundry expenses

Note	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
	59,500	50,000	45,359
	13,686	25,000	64,594
	73,186	75,000	109,953
16(b)	102,855	100,519	45,171
15(b)	16,088	0	0
	118,943	100,519	45,171
	142,170	0	153,077
	492,097	591,269	365,897
	634,267	591,269	518,974

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

3. CASH AND CASH EQUIVALENTS

	NOTE	2020 \$	2019 \$
Cash at bank and on hand		750,217	1,108,009
Term deposits		1,804,225	6,926,392
Total cash and cash equivalents		2,554,442	8,034,401
Restrictions			
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents		1,918,046	6,091,920
		1,918,046	6,091,920

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

Reserves - cash backed	4	1,804,223	3,267,089
Contract liabilities from contracts with customers	14	4,894	0
Bonds & Deposits	13	108,929	122,575
Unspent grants, subsidies and contributions		0	5,155
Unspent loans	16(c)	0	2,697,101
Total restricted assets		1,918,046	6,091,920

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Restricted assets

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

4. RESERVES - CASH BACKED

	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance	2020 Budget Opening Balance	2020 Budget Transfer to	2020 Budget Transfer (from)	2020 Budget Closing Balance	2019 Actual Opening Balance	2019 Actual Transfer to	2019 Actual Transfer (from)	2019 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Land & Building Reserve	312,769	3,743	(150,000)	166,512	312,769	0	0	312,769	306,915	5,854	0	312,769
(b) Plant Reserve	397,698	83,029	(227,501)	253,226	397,697	111,364	(377,364)	131,697	453,046	8,642	(63,990)	397,698
(c) Sewerage Reserve	133,125	41,594	0	174,719	133,125	40,000	0	173,125	157,712	43,008	(67,595)	133,125
(d) Landfill Reserve	468,981	5,386	(272,658)	201,709	468,981	0	(268,000)	200,981	715,444	31,245	(277,708)	468,981
(e) Community & Recreation Reserve	371,418	3,982	(350,000)	25,400	371,418	0	(250,000)	121,418	413,530	7,888	(50,000)	371,418
(f) Environmental Reserve	357,726	4,167	(69,788)	292,105	357,726	0	(300,000)	57,726	506,073	9,653	(158,000)	357,726
(g) IT & Communications Reserve	89,654	1,073	(80,000)	10,727	89,654	0	0	89,654	99,261	1,893	(11,500)	89,654
(h) Aerodrome Reserve	158,000	1,817	(140,000)	19,817	158,000	0	(129,000)	29,000	0	158,000	0	158,000
(i) Road Reserve	333,857	3,776	(18,499)	219,134	333,857	0	(118,499)	215,358	545,188	10,399	(221,730)	333,857
(j) Infrastructure Renewal Reserve	643,861	264,277	(467,264)	440,874	643,863	188,281	(500,000)	332,144	716,104	148,447	(220,690)	643,861
(k) COVID-19 Reserve	0	950,000	(950,000)	0	0	0	0	0	0	0	0	0
	3,267,089	1,362,844	(2,825,710)	1,804,223	3,267,090	339,645	(1,942,863)	1,663,872	3,913,273	425,029	(1,071,213)	3,267,089

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Land & Building Reserve	Ongoing	To finance purchase or capital improvements to Council buildings and facilitate subdivisions and developments
(b) Plant Reserve	Ongoing	To be used for the purchase of major and minor plant and equipment
(c) Sewerage Reserve	Ongoing	To repair, replace or extend the Coolgardie Sewerage Infrastructure
(d) Landfill Reserve	Ongoing	To reinstate landfill sites at the end of their current purpose or to fund improvements at landfill sites
(e) Community & Recreation Reserve	Ongoing	To fund capital and maintenance requirements to improve Community and Recreational Facilities
(f) Environmental Reserve	Ongoing	Funding of infrastructure and building improvements to meet environmental challenges and to promote efficient use of power & water
(g) IT & Communications Reserve	Ongoing	To fund capital and maintenance of Computer and communications hardware and software
(h) Aerodrome Reserve	Ongoing	For the construction and maintenance of aerodrome facilities
(i) Road Reserve	Ongoing	For the construction and maintenance of Roads and for which contributions have been received for Heavy Haulage Campaigns
(j) Infrastructure Renewal Reserve	Ongoing	To meet the needs of renewal funding for future Capital renewal infrastructure generally
(k) COVID-19 Reserve	30/06/2020	To meet the costs associated with COVID-19

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

5. OTHER FINANCIAL ASSETS

Non-current assets

Financial assets at fair value through profit and loss

	2020	2019
	\$	\$
	89,026	87,586
	<u>89,026</u>	<u>87,586</u>
	89,026	87,586
	<u>89,026</u>	<u>87,586</u>

Financial assets at fair value through profit and loss

Units in Local Government House Trust

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 26.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	1,560,356	1,476,726
Trade and other receivables	166,715	396,846
GST receivable	166,988	234,337
Allowance for impairment of receivables	(142,170)	(153,077)
Emergency Services Levy	8,338	23,820
Pensioner Rebates	3,356	28,859

Non-current

Pensioner's rates and ESL deferred	100,415	100,415
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	2020	2019
	\$	\$
	1,560,356	1,476,726
	166,715	396,846
	166,988	234,337
	(142,170)	(153,077)
	8,338	23,820
	3,356	28,859
	1,763,583	2,007,511
	100,415	100,415
	100,415	100,415

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 26.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

7. INVENTORIES

Current

Museum Memorabilia & Giftware

	2020	2019
	\$	\$
	15,350	9,299
	<u>15,350</u>	<u>9,299</u>
	9,299	5,043
	6,051	4,256
	<u>15,350</u>	<u>9,299</u>

The following movements in inventories occurred during the year:

Carrying amount at beginning of period

Additions to inventory

Carrying amount at end of period

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 COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Carrying Amounts

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

	Land - freehold land	Total land	Buildings - non- specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 30 June 2018	1,127,600	1,127,600	1,367,820	29,789,235	31,157,055	32,284,655	552,543	1,459,563	34,296,761
Prior year adjustment (Note 28)	0	0	0	(741,000)	(741,000)	(741,000)	0	0	(741,000)
Balance at 1 July 2018	1,127,600	1,127,600	1,367,820	29,048,235	30,416,055	31,543,655	552,543	1,459,563	33,555,761
Additions	0	0	0	333,495	333,495	333,495	0	343,490	676,985
(Disposals)	(20,000)	(20,000)	(193,989)	(123,766)	(317,755)	(337,755)	0	(75,188)	(412,943)
Depreciation (expense)	0	0	(24,831)	(745,512)	(770,343)	(770,343)	(109,773)	(188,305)	(1,068,421)
Carrying amount at 30 June 2019	1,107,600	1,107,600	1,149,000	28,512,452	29,661,452	30,769,052	442,770	1,539,560	32,751,382
Comprises:									
Gross carrying amount at 30 June 2019	1,107,600	1,107,600	1,200,000	30,007,325	31,207,325	32,314,925	768,671	2,028,451	35,112,047
Accumulated depreciation at 30 June 2019	0	0	(51,000)	(1,494,873)	(1,545,873)	(1,545,873)	(325,901)	(488,891)	(2,360,665)
Carrying amount at 30 June 2019	1,107,600	1,107,600	1,149,000	28,512,452	29,661,452	30,769,052	442,770	1,539,560	32,751,382
Additions	0	0	0	741,763	741,763	741,763	12,893	226,825	981,481
(Disposals)	0	0	0	0	0	0	0	(67,177)	(67,177)
Depreciation (expense)	0	0	(25,500)	(753,879)	(779,379)	(779,379)	(110,305)	(211,521)	(1,101,205)
Carrying amount at 30 June 2020	1,107,600	1,107,600	1,123,500	28,500,336	29,623,836	30,731,436	345,358	1,487,687	32,564,481
Comprises:									
Gross carrying amount at 30 June 2020	1,107,600	1,107,600	1,200,000	30,730,087	31,930,087	33,037,687	781,563	2,094,938	35,914,188
Accumulated depreciation at 30 June 2020	0	0	(76,500)	(2,229,751)	(2,306,251)	(2,306,251)	(436,205)	(607,251)	(3,349,707)
Carrying amount at 30 June 2020	1,107,600	1,107,600	1,123,500	28,500,336	29,623,836	30,731,436	345,358	1,487,687	32,564,481

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SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land - freehold land	2 & 3	Market approach using recent observable market data for similar properties	Independent Registered Valuer	June 2017	Price per hectare, with reference to current zoning of land. Market values were used unless there were some restrictions or other factors associated with the land.
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties	Independent Registered Valuer	June 2017	Observable open market values of similar assets adjusted for condition and comparability at the highest and best use
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent Registered Valuer	June 2017	Construction costs based on recent contract prices, current condition, residual values and remaining useful life assessments
Furniture and equipment	3	Cost approach using depreciated replacement cost	Management Valuation	June 2016	Purchase costs of similar assets adjusted for condition and comparability, residual values and remaining useful life assessments
Plant and equipment	2 & 3	Market approach using recent observable market data for similar assets and cost approach using depreciated replacement cost	Independent Registered Valuer & Management Valuation	June 2016	Purchase costs of similar assets adjusted for condition and comparability, residual values and remaining useful life assessments

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

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

Following a change to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

9. INFRASTRUCTURE

(a) Movements in Carrying Amounts

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

	Infrastructure - Roads	Infrastructure - Footpaths	Infrastructure - Drainage	Infrastructure - Parks & Ovals	Infrastructure - Sewerage	Infrastructure - Other	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 30 June 2018	130,221,205	2,849,438	1,145,778	4,836,100	3,717,500	3,964,000	146,734,021
Prior year adjustment (Note 28)	0	0	0	0	0	447,500	447,500
Balance at 1 July 2018	130,221,205	2,849,438	1,145,778	4,836,100	3,717,500	4,411,500	147,181,521
Additions	2,584,800	54,173	77,886	131,475	0	1,026,765	3,875,099
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	0	0	0	46,167	46,167
Depreciation (expense)	(2,564,186)	(82,600)	(30,554)	(196,044)	(37,925)	(174,110)	(3,085,419)
Carrying amount at 30 June 2019	130,241,819	2,821,011	1,193,110	4,771,531	3,679,575	5,310,322	148,017,368
Comprises:							
Gross carrying amount at 30 June 2019	132,806,005	2,903,611	1,223,664	4,967,575	3,717,500	5,699,106	151,317,461
Accumulated depreciation at 30 June 2019	(2,564,186)	(82,600)	(30,554)	(196,044)	(37,925)	(388,784)	(3,300,093)
Carrying amount at 30 June 2019	130,241,819	2,821,011	1,193,110	4,771,531	3,679,575	5,310,322	148,017,368
Additions	1,417,065	53,158	39,333	84,071	0	5,885,358	7,478,985
Depreciation (expense)	(2,615,083)	(84,170)	(32,631)	(200,183)	(37,924)	(182,161)	(3,152,152)
Carrying amount at 30 June 2020	129,043,801	2,789,999	1,199,812	4,655,419	3,641,651	11,013,519	152,344,201
Comprises:							
Gross carrying amount at 30 June 2020	134,223,070	2,956,768	1,262,998	5,051,646	3,717,500	11,584,464	158,796,446
Accumulated depreciation at 30 June 2020	(5,179,269)	(166,769)	(63,186)	(396,227)	(75,849)	(570,945)	(6,452,245)
Carrying amount at 30 June 2020	129,043,801	2,789,999	1,199,812	4,655,419	3,641,651	11,013,519	152,344,201

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

9. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Footpaths	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Drainage	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Parks & Ovals	3	Cost approach using depreciated replacement cost	Independent Registered Valuer	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Sewerage	3	Cost approach using depreciated replacement cost	Independent Registered Valuer	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - Other	3	Cost approach using depreciated replacement cost	Independent Registered Valuer	June 2018	Construction costs and current condition, residual values and remaining useful life assessments

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

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

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

10. FIXED ASSETS

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

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

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

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 zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets that are land, buildings and infrastructure acquired between 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 land, buildings and infrastructure is determined at least every 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 land, buildings and infrastructure 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 prior to 1 July 2019

In accordance with the then Local Government (Financial Management) Regulation 16(a)(ii), the Shire was previously required to include as an asset (by 30 June 2013), vested 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.

Land under roads prior to 1 July 2019

In Western Australia, most 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 then Local Government (Financial Management) Regulation 16(a)(i) which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then Local Government (Financial Management) Regulation 16(a)(i) prohibited 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 was not included as an asset of the Shire.

Land under roads from 1 July 2019

As a result of amendments to the Local Government (Financial Management) Regulations 1996, effective from 1 July 2019, vested land, including land under roads, are treated as right-of-use assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

Refer to Note 11 that details the significant accounting policies applying to leases (including right of use assets).

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

10. FIXED ASSETS

(a) Disposals of Assets

	2020		2020		2020		2020		2019		2019	
	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual
	Net Book	Sale	Actual	Actual	Net Book	Budget	Profit	Loss	Net Book	Sale	Actual	Actual
	Value	Proceeds	Profit	Loss	Value	Proceeds	Profit	Loss	Value	Proceeds	Profit	Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	0	0	0	0	0	0	0	0	20,000	0	0	(20,000)
Buildings - non-specialised	0	0	0	0	263,000	180,000	0	(83,000)	193,989	263,564	69,575	0
Buildings - specialised	0	0	0	0	0	0	0	0	123,766	44,625	11,045	(90,186)
Plant and equipment	67,177	78,268	27,324	(16,233)	80,864	111,364	34,500	(4,000)	75,188	54,567	0	(20,621)
	67,177	78,268	27,324	(16,233)	343,864	291,364	34,500	(87,000)	412,943	362,756	80,620	(130,807)

The following assets were disposed of during the year.

	2020		2020	
	Actual	Actual	Actual	Actual
	Net Book	Sale	Actual	Actual
	Value	Proceeds	Profit	Loss
Plant and Equipment				
Transport				
P306 - Holden Cruze	1,920	5,850	3,930	0
P323 - Holden Evoke	5,198	8,775	3,577	0
P324 - Holden Evoke	4,857	7,800	2,943	0
P327 - Holden Evoke	5,394	7,800	2,406	0
P337 - Ford Ranger	8,032	16,575	8,543	0
P301 - Mitsubishi Utility	3,706	6,338	2,632	0
P214 - Mitsubishi Tip Truck	6,045	7,800	1,755	0
P332 - Self Levelling Planner	20,888	4,655	0	(16,233)
P230 - Hino Dutro 6500	11,137	12,675	1,538	0
	67,177	78,268	27,324	(16,233)

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

10. FIXED ASSETS

(b) Depreciation

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Buildings - non-specialised	25,500	25,000	24,831
Buildings - specialised	753,879	637,200	745,512
Furniture and equipment	110,305	122,473	109,773
Plant and equipment	211,521	266,393	188,305
Infrastructure - Roads	2,615,083	2,650,000	2,564,186
Infrastructure - Footpaths	84,170	80,000	82,600
Infrastructure - Drainage	32,631	30,721	30,554
Infrastructure - Parks & Ovals	200,183	208,000	196,044
Infrastructure - Sewerage	37,924	38,805	37,925
Infrastructure - Other	182,161	124,369	174,110
Right of use assets - plant and equipment	166,266	0	0
	4,419,623	4,182,961	4,153,840

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

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

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

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

Depreciation rates

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

Asset Class	Useful life
Buildings - non-specialised	30-50 years
Buildings - specialised	3-50 years
Furniture and equipment	3-40 years
Plant and equipment	5-20 years
Infrastructure - Roads	20-150 years
Infrastructure - Footpaths	30-60 years
Infrastructure - Drainage	75 years
Infrastructure - Parks & Ovals	5-50 years
Infrastructure - Sewerage	10-100 years
Infrastructure - Other Infrastructure	2-50 years
Infrastructure - Kerbing	50 years
Right of use (plant and equipment)	3-7 Years

Depreciation on revaluation

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:

- 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
- Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

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

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

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the note above.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

11. LEASES

(a) Right of Use Assets

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

Carrying amount at 30 June 2019

Recognised on initial application of AASB 16
Restated total equity at the beginning of the financial year
Depreciation (expense)
Carrying amount at 30 June 2020

(b) Cash outflow from leases

Interest expense on lease liabilities
Lease principal expense
Total cash outflow from leases

Right of use assets - plant and equipment	Right of use assets Total
\$	\$
0	0
703,030	703,030
703,030	703,030
(166,266)	(166,266)
536,764	536,764
16,088	16,088
137,599	137,599
153,687	153,687

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Leases for right-of-use assets are secured over the asset being leased.

Right-of-use assets - valuation

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

The Shire does not have any vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

12. REVALUATION SURPLUS

	2020 Opening Balance	2020 Revaluation Increment	2020 Revaluation (Decrement)	Total Movement on Revaluation	2020 Closing Balance	2019 Original Opening Balance	2019 Prior Year Adjustment	2019 Restated Opening Balance	2019 Revaluation Increment	2019 Revaluation (Decrement)	Total Movement on Revaluation	2019 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Buildings - specialised	15,257,193	0	0	0	15,257,193	16,039,943	(782,750)	15,257,193	0	0	0	15,257,193
Revaluation surplus - Furniture and equipment	344,808	0	0	0	344,808	344,808	0	344,808	0	0	0	344,808
Revaluation surplus - Infrastructure - Roads	96,296,313	0	0	0	96,296,313	96,296,313	0	96,296,313	0	0	0	96,296,313
Revaluation surplus - Infrastructure - Footpaths	1,529,985	0	0	0	1,529,985	1,529,985	0	1,529,985	0	0	0	1,529,985
Revaluation surplus - Infrastructure - Drainage	522,500	0	0	0	522,500	522,500	0	522,500	0	0	0	522,500
Revaluation surplus - Infrastructure - Parks & Ovals	2,912,938	0	0	0	2,912,938	2,912,938	0	2,912,938	0	0	0	2,912,938
Revaluation surplus - Infrastructure - Sewerage	2,607,447	0	0	0	2,607,447	2,607,447	0	2,607,447	0	0	0	2,607,447
Revaluation surplus - Infrastructure - Other	779,335	0	0	0	779,335	733,168	0	733,168	46,167	0	46,167	779,335
	120,250,519	0	0	0	120,250,519	120,987,102	(782,750)	120,204,352	46,167	0	46,167	120,250,519

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 COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

13. TRADE AND OTHER PAYABLES

Current

Sundry creditors	934,272	596,196
Prepaid rates	162,093	146,516
Accrued salaries and wages	7,858	113,673
ATO liabilities	101,320	98,778
Income Received in Advance	0	7,700
Bonds and deposits held	108,929	122,575
Accrued Expenditure	6,000	429,591
Accrued Interest on borrowings	23,764	21,073
	1,344,236	1,536,102

	2020	2019
	\$	\$
Sundry creditors	934,272	596,196
Prepaid rates	162,093	146,516
Accrued salaries and wages	7,858	113,673
ATO liabilities	101,320	98,778
Income Received in Advance	0	7,700
Bonds and deposits held	108,929	122,575
Accrued Expenditure	6,000	429,591
Accrued Interest on borrowings	23,764	21,073
	1,344,236	1,536,102

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 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

Prepaid rates

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

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

14. CONTRACT LIABILITIES

	2020	2019
	\$	\$
Current		
Contract liabilities from contracts with customers	4,894	0
	4,894	0
Performance obligations from contracts with customers are expected to be recognised as revenue in accordance with the following time bands:		
- Less than 1 year	4,894	0
	4,894	0

SIGNIFICANT ACCOUNTING POLICIES

Contract Liabilities

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

With respect to transfers for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.

Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

15. LEASE LIABILITIES

(a) Lease Liabilities	2020	2019
	\$	\$
Current	132,083	0
Non-current	433,348	0
	<u>565,431</u>	<u>0</u>

(b) Movements in Carrying Amounts

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Actual	30 June 2020	30 June 2020	30 June 2020	Budget	30 June 2020	30 June 2020	30 June 2020	Actual	30 June 2019	30 June 2019	30 June 2019	
					Lease Principal 1 July 2019	Actual Lease Principal Repayments	Lease Principal Outstanding	Lease Interest Repayments	Lease Principal 1 July 2019	Lease Principal Repayments	Lease Principal Outstanding	Lease Interest Repayments	Lease Principal 1 July 2018	Actual Lease Principal Repayments	Lease Principal Outstanding	Lease Interest Repayments	
					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Recreation and culture																	
Kambalda Gym Equipment	333804-06	De Lage Landen	2.54%	5 yrs	26,379	17,476	8,903	492	0	0	0	0	0	0	0	0	0
Transport																	
P351 Hino 700 Series	6320171	Kooya	2.54%	7 yrs	200,259	21,888	178,371	4,778	0	0	0	0	0	0	0	0	0
P355 Hino 500 Series	6344697	Kooya	2.54%	7 yrs	150,413	14,585	144,828	3,835	0	0	0	0	0	0	0	0	0
P358 Hino 500 Series	6374651	Kooya	2.54%	7 yrs	158,637	16,921	141,716	3,801	0	0	0	0	0	0	0	0	0
Other property and services																	
IT Hardware	45325-003	All Leasing	2.54%	3 yrs	158,342	66,729	91,613	3,212	0	0	0	0	0	0	0	0	0
					<u>703,030</u>	<u>137,599</u>	<u>565,431</u>	<u>16,088</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

16. INFORMATION ON BORROWINGS

(a) Borrowings

	2020	2019
	\$	\$
Current	292,693	700,151
Non-current	2,609,814	2,779,564
	2,902,507	3,479,715

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	30 June 2020						30 June 2020				30 June 2019				
				Actual Principal 1 July 2019	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding	Budget Principal 1 July 2019	Budget Principal repayments	Budget Interest repayments	Budget Principal outstanding	Actual Principal 1 July 2018	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding	
Community amenities				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Coolgardie Effluent System	99	WATC*	5.75%	0	0	0	0	0	0	0	0	0	0	13,960	0	13,960	203	0
Recreation and culture																		
Coolgardie Aquatic Facilities	112	WATC*	4.34%	206,442	0	37,821	9,263	168,621	205,643	19,011	9,354	186,632	242,674	0	36,232	10,293	206,442	0
Kambalda Aquatic Facilities	114	WATC*	2.17%	1,905,000	0	172,489	55,770	1,732,511	1,905,000	172,489	53,276	1,732,511	0	1,905,000	0	6,789	1,905,000	0
Kambalda Aquatic Facilities	115	WATC*	1.55%	950,000	0	950,000	13,806	0	0	0	0	0	950,000	0	4,262	950,000	0	
Kambalda Aquatic Facilities	116	WATC*	1.23%	0	602,113	0	0	602,113	0	0	0	0	0	0	0	0	0	0
Economic services																		
Coolgardie Post Office	113	WATC*	5.19%	418,273	0	19,011	24,016	399,262	416,817	37,821	24,265	378,996	436,334	0	18,061	23,624	418,273	0
				3,479,715	602,113	1,179,321	102,855	2,902,507	2,527,460	229,321	86,895	2,298,139	692,968	2,855,000	68,253	45,171	3,479,715	0
Self Supporting Loans																		
Transport																		
Binnering Road	115	WATC*	1.55%	0	0	0	0	0	950,000	470,829	13,624	479,171	0	0	0	0	0	0
				0	0	0	0	0	950,000	470,829	13,624	479,171	0	0	0	0	0	0
				3,479,715	602,113	1,179,321	102,855	2,902,507	3,477,460	700,150	100,519	2,777,310	692,968	2,855,000	68,253	45,171	3,479,715	0

* WA Treasury Corporation

Loan 115 - Change of Purpose

At a Special Council Meeting held 30 October 2019, Council resolved to change the purpose of Loan 115 from completing proposed works on Binnering Road to the refurbishment of the Kambalda Aquatic Facilities Upgrade. The decision to change the purpose of the loan was carried unanimously.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

16. INFORMATION ON BORROWINGS (Continued)

(c) Unspent Borrowings

Particulars	Institution	Date Borrowed	Unspent	Borrowed	Expended	Unspent
			Balance 1 July 2019	During Year	During Year	Balance 30 June 2020
			\$	\$	\$	\$
Loan 113 - Coolgardie Post Office	WATC *	15/04/2014	30,503	0	(30,503)	0
Loan 114 - Kambalda Swimming Pool	WATC *	10/05/2019	1,716,598	0	(1,716,598)	0
Loan 115 - Binneringie Road / Kambalda Pool	WATC *	10/05/2019	950,000	0	(950,000)	0
			2,697,101	0	(2,697,101)	0

* WA Treasury Corporation

(d) Undrawn Borrowing Facilities

	2020	2019
	\$	\$
Credit Standby Arrangements		
Bank overdraft limit	500,000	500,000
Bank overdraft at balance date	0	0
Credit card limit	55,000	35,000
Credit card balance at balance date	(5,428)	(2,764)
Total amount of credit unused	549,572	532,236
Loan facilities		
Loan facilities - current	292,693	700,151
Loan facilities - non-current	2,609,814	2,779,564
Lease liabilities - current	132,083	0
Lease liabilities - non-current	433,348	0
Total facilities in use at balance date	3,467,938	3,479,715
Unused loan facilities at balance date	0	2,697,101

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. The Shire has elected not to capitalise borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

Risk

Information regarding exposure to risk can be found at Note 26.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

17. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

	Provision for Provision for		Total
	Annual Leave	Long Service Leave	
	\$	\$	\$
Opening balance at 1 July 2019			
Current provisions	155,308	77,071	232,379
Non-current provisions	0	106,813	106,813
	155,308	183,884	339,192
Additional provision	210,579	29,579	240,158
Amounts used	(174,550)	(35,753)	(210,303)
Balance at 30 June 2020	191,337	177,710	369,047
Comprises			
Current	191,337	92,885	284,222
Non-current	0	84,825	84,825
	191,337	177,710	369,047
Amounts are expected to be settled on the following basis:	2020	2019	
	\$	\$	
Less than 12 months after the reporting date	176,879	200,071	
More than 12 months from reporting date	192,168	139,121	
	369,047	339,192	

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

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

Other long-term employee benefits (Continued)

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

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

Provisions

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

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

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

18. OTHER PROVISIONS

	Note	Provision for Remediation	
		Costs	Total
		\$	\$
Balance at 30 June 2018		0	0
Prior year adjustment	28	774,456	774,456
Balance at 1 July 2018		774,456	774,456
Additional provision		23,359	23,359
Balance at 30 June 2019		797,815	797,815
Current provisions		0	0
Non-current provisions		797,815	797,815
		797,815	797,815
Additional provision		0	0
Balance at 30 June 2020		797,815	797,815
Comprises			
Current		450,000	450,000
Non-current		347,815	347,815
		797,815	797,815

Provision for remediation costs

Under the licence for the operation of the Kambalda Landfill Facility, the Shire has a legal obligation to restore the site.

A provision for remediation is recognised when:

- there is a present obligation as a result of waste activities undertaken;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

The estimated future obligations include the costs of restoring the affected areas and continued monitoring of the site.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

19. 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:

	2020 Actual \$	2020 Budget \$	Restated 2019 Actual \$
Cash and cash equivalents	2,554,442	1,928,596	8,034,401
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	(865,641)	2,008,167	(926,194)
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(1,440)	0	0
Depreciation on non-current assets	4,419,623	4,182,961	4,153,840
(Profit)/loss on sale of asset	(11,091)	52,500	50,187
Changes in assets and liabilities:			
(Increase)/decrease in receivables	243,928	1,000,000	(276,986)
(Increase)/decrease in other assets	0	0	54,872
(Increase)/decrease in inventories	(6,051)	0	(4,256)
Increase/(decrease) in payables	(191,866)	316,603	756,543
Increase/(decrease) in provisions	29,855	0	14,836
Increase/(decrease) in contract liabilities	(271)	183,397	0
Non-operating grants, subsidies and contributions	(2,826,984)	(6,288,074)	(1,961,832)
Net cash from operating activities	790,062	1,455,554	1,861,010

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

20. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2020	Restated 2019
	\$	\$
Governance	115,910	167,670
General purpose funding	2,379,500	6,095,883
Law, order, public safety	67,479	33,519
Health	84,618	6,310
Education and welfare	188,502	215,865
Housing	2,143,323	2,505,077
Community amenities	6,925,759	7,842,460
Recreation and culture	34,017,501	30,350,635
Transport	136,077,875	136,146,428
Economic services	5,927,758	6,035,930
Other property and services	2,040,037	1,461,669
Unallocated	0	146,516
	<u>189,968,262</u>	<u>191,007,962</u>

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

21. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

	2020	2019
	\$	\$
Contracted for:		
- capital expenditure projects	0	4,304,112
	0	4,304,112
Payable:		
- not later than one year	0	4,304,112

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts (short term and low value leases).

	2020	2019
	\$	\$
Payable:		
- not later than one year	0	142,392
- later than one year but not later than five years	0	330,847
- later than five years	0	125,340
	0	598,579

SIGNIFICANT ACCOUNTING POLICIES

Leases

Up to 30 June 2019, operating leases were expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from leased assets.

From 1 July 2019, the Shire has recognised right of use assets and corresponding lease liabilities for all non-cancellable operating lease commitments, apart from short term and low value assets.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

22. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Meeting fees	123,196	122,321	121,388
President's allowance	32,800	32,800	28,354
Deputy President's allowance	8,200	8,200	7,110
Travelling expenses	0	10,000	9,186
Telecommunications allowance	23,695	24,500	24,420
	<u>187,891</u>	<u>197,821</u>	<u>190,458</u>

Key Management Personnel (KMP) Compensation Disclosure

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

	2020 Actual	2019 Actual
	\$	\$
Short-term employee benefits	751,359	568,047
Post-employment benefits	75,790	57,416
Other long-term benefits	35,057	20,339
	<u>862,206</u>	<u>645,802</u>

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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22. 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.

The following transactions occurred with related parties:	2020 Actual	2019 Actual
	\$	\$
Purchase of goods and services	18,348	880

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

The associate person of KMP was employed by the Shire under normal employment terms and conditions.

iii. 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.

SHIRE OF COOLGARDIE
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FOR THE YEAR ENDED 30 JUNE 2020

23. JOINT ARRANGEMENTS

Share of joint arrangements

- (a) In June 2012 the Shire of Coolgardie became part of a joint venture arrangement with nine other Councils, being the Shire's of Dundas, Esperance, Laverton, Leonora, Menzies, Ngaanyatjaraku, Ravensthorpe, Wiluna and the City of Kalgoorlie-Boulder (collectively called the Goldfields Voluntary Regional Organisation of Councils - GVROC) for the provision of a regional records facility. The facility is located in Kalgoorlie and the only assets are the vehicle and the building which the Shire of Coolgardie has a 1/10th share.

	2020	2019
	\$	\$
Statement of Financial Position		
Land & Buildings	72,500	72,500
Less: Accumulated Depreciation	(5,438)	(2,900)
Total assets	67,062	69,600
Plant & Equipment	8,200	8,204
Less: Accumulated Depreciation	(3,608)	(3,106)
Total assets	4,592	5,098
Furniture & Equipment	4,200	4,182
Less: Accumulated Depreciation	(2,016)	(1,114)
Total assets	2,184	3,068
Light Vehicles	3,200	3,200
Less: Accumulated Depreciation	(1,920)	(1,440)
Total assets	1,280	1,760
Statement of Comprehensive Income		
Other revenue	6,457	18,372
Other expenditure	(18,137)	(13,378)
Net result for the period	(11,680)	4,994

- (b) The Shire has a joint arrangement with the Department of Housing & Works to provide aged housing in Kambalda. The Shire's share of the joint arrangement is 50% and the Shire is required to set aside the equivalent of 1% of the current replacement cost of the properties from the annual rental income for the long term maintenance needs of the properties.

	2020	Restated 2019
	\$	\$
Statement of Financial Position		
Land & Buildings	760,000	760,000
Less: Accumulated Depreciation	(57,000)	(38,000)
Total assets	703,000	722,000
Statement of Comprehensive Income		
Other revenue	7,574	11,962
Other expenditure	(13,097)	(12,416)
Net result for the period	(5,523)	(454)

SIGNIFICANT ACCOUNTING POLICIES

Interests in joint arrangements

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

Separate joint arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method. The equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire's share of net assets of the associate. In addition, the Shire's share of the profit or loss of the associate is included in the Shire's profit or loss.

Interests in joint arrangements (Continued)

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

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

24. RATING INFORMATION

(a) Rates

RATE TYPE

Differential general rate / general rate

Gross rental valuations

Residential

Unimproved valuations

Mining

Rural / Pastoral

Sub-Total

Minimum payment

Gross rental valuations

Residential

Unimproved valuations

Mining

Rural / Pastoral

Sub-Total

Total amount raised from general rate

Concessions (Note 24(b))

Totals

	Rate in \$	Number of Properties	2019/20 Actual Rateable Value \$	2019/20 Actual Rate Revenue \$	2019/20 Actual Interim Rates \$	2019/20 Actual Back Rates \$	2019/20 Actual Total Revenue \$	2019/20 Budget Rate Revenue \$	2019/20 Budget Interim Rate \$	2019/20 Budget Back Rate \$	2019/20 Budget Total Revenue \$	2018/19 Actual Total Revenue \$
Residential	0.076107	1,135	16,317,541	1,241,879	0	0	1,241,879	1,241,879	0	0	1,241,879	1,214,275
Mining	0.220435	1,159	22,636,584	4,989,895	83,391	8,047	5,081,333	4,989,895	120,000	0	5,109,895	4,630,294
Rural / Pastoral	0.110513	29	1,134,784	125,408	0	0	125,408	125,408	0	0	125,408	105,928
Sub-Total		2,323	40,088,909	6,357,182	83,391	8,047	6,448,620	6,357,182	120,000	0	6,477,182	5,950,497
Minimum \$												
Residential	708	656	4,185,895	464,448	0	0	464,448	464,448	0	0	464,448	456,652
Mining	437	559	598,076	244,283	0	0	244,283	244,283	0	0	244,283	270,940
Rural / Pastoral	684	14	13,500	9,576	0	0	9,576	9,576	0	0	9,576	9,576
Sub-Total		1,229	4,797,471	718,307	0	0	718,307	718,307	0	0	718,307	737,168
		3,552	44,886,380	7,075,489	83,391	8,047	7,166,927	7,075,489	120,000	0	7,195,490	6,687,665
							7,166,927				7,195,490	6,687,665
							(19,649)				(45,000)	(5,268)
							7,147,278				7,150,490	6,682,397

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period.

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

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

24. RATING INFORMATION (Continued)

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

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount %	Discount \$	2020 Actual \$	2020 Budget \$	2019 Actual \$
Community Groups	Waiver	100.00%	Various	0	5,000	0
Rural pursuit properties	Concession	50.00%	Various	16,223	15,000	0
Bona Fide Prospectors	Concession	20.00%	Various	533	5,000	0
Financial hardship	Waiver	100.00%	Various	2,893	20,000	5,268
				<u>19,649</u>	<u>45,000</u>	<u>5,268</u>
Total discounts/concessions (Note 24(a))				19,649	45,000	5,268

Rate or Fee and Charge to which the Waiver or Concession is Granted	Circumstances in which the Waiver or Concession is Granted and to whom it was available	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
Rates	Community groups who lease or own their own premise and meet the criteria as per Council	Support community groups	Support community groups by reducing the financial cost
Rates	Property being used for rural pursuits	Support rural pursuits	Support rural pursuits by reducing the financial cost
Rates	Bona Fide Prospectors	Support bona fide prospectors	Support bona fide prospectors by reducing the financial cost
Rates	Write Off	Rates debts written off	To bring to account uncollectable rates debts

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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24. RATING INFORMATION (Continued)

(c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan	Instalment Plan	Unpaid Rates
		Admin Charge	Interest Rate	Interest Rate
		\$	%	%
Option One				
Single full payment	9/09/2019	\$0	N/A	6.00%
Option Two				
First instalment	9/09/2019	\$0	5.50%	6.00%
Second instalment	11/11/2019	\$10	5.50%	6.00%
Third instalment	13/01/2020	\$10	5.50%	6.00%
Fourth instalment	16/03/2020	\$10	5.50%	6.00%

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Interest on unpaid rates	80,027	120,000	118,783
Interest on instalment plan	26,961	2,500	667
Charges on instalment plan	22,170	21,400	19,220
	129,158	143,900	138,670

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

25. RATE SETTING STATEMENT INFORMATION

	2019/20 (30 June 2020 Carried Forward)	2019/20 Budget (30 June 2020 Carried Forward)	2019/20 (1 July 2019 Brought Forward)	Restated 2018/19 (30 June 2019 Carried Forward)
Note	\$	\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
	Less: Profit on asset disposals			
10(a)	(27,324)	(34,500)	(80,620)	(80,620)
	Less: Fair value adjustments to financial assets at fair value through profit and loss			
	(1,440)	0	0	0
	Movement in pensioner deferred rates (non-current)	0	(32,178)	(32,178)
	Movement in accrued interest on debentures	2,691	0	9,243
	Movement in employee benefit provisions (current)	(53,972)	0	(43,794)
	Movement in employee benefit provisions (non-current)	(21,988)	0	34,223
	Movement in other provisions (non-current)	(450,000)	0	23,359
	Add: Loss on disposal of assets	16,233	87,000	130,807
10(a)				
	Add: Depreciation on non-current assets	4,419,623	4,182,961	4,153,840
10(b)				
	Non cash amounts excluded from operating activities	3,883,823	4,235,461	4,194,880
(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 <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
	Less: Reserves - cash backed			
4	(1,804,223)	(1,663,872)	(3,267,089)	(3,267,089)
	Add: Current liabilities not expected to be cleared at end of year			
	- Current portion of borrowings	292,693	712,645	700,151
16(a)				
	- Current portion of contract liability held in reserve	0	183,397	0
	- Accrued Interest on long term borrowings	23,764	0	21,073
	- Accrued Salaries & Wages	7,858	0	113,673
	- Bonds & Deposits	0	18,908	0
	- Current portion of lease liabilities	132,083	0	0
	- Employee benefit provisions	284,222	238,493	232,379
	Total adjustments to net current assets	(1,063,603)	(510,429)	(2,199,813)
Net current assets used in the Rate Setting Statement				
	Total current assets	4,333,375	2,728,615	10,051,211
	Less: Total current liabilities	(2,508,128)	(2,218,186)	(2,468,632)
	Less: Total adjustments to net current assets	(1,063,603)	(510,429)	(2,199,813)
	Net current assets used in the Rate Setting Statement	761,644	0	5,382,766
(c) Adjustments to current assets and liabilities at 1 July 2019 on application of new accounting standards				
	Total current assets at 30 June 2019			10,051,211
	- Contract assets			0
27(a)				10,051,211
	Total current liabilities at 30 June 2019			(2,468,632)
	- Contract liabilities from contracts with customers			(5,165)
27(a)				(2,473,797)

SHIRE OF COOLGARDIE
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FOR THE YEAR ENDED 30 JUNE 2020

26. 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	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. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
2020					
Cash and cash equivalents	0.30%	2,554,442	1,804,225	749,005	1,212
2019					
Cash and cash equivalents	1.60%	8,034,401	6,926,392	1,107,097	912

Sensitivity

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

	2020 \$	2019 \$
Impact of a 1% movement in interest rates on profit and loss and equity*	25,544	80,344

* 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 16(b).

SHIRE OF COOLGARDIE
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FOR THE YEAR ENDED 30 JUNE 2020

26. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

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

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 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 2020 and 30 June 2019 was determined as follows for rates receivable.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2020					
Rates receivable					
Expected credit loss	0.14%	3.71%	8.45%	1.86%	
Gross carrying amount	171,231	572,650	334,882	582,008	1,660,771
Loss allowance	13	21,245	28,298	10,825	60,381
30 June 2019					
Rates receivable					
Expected credit loss	0.27%	4.80%	8.26%	2.16%	
Gross carrying amount	153,603	620,476	267,580	535,482	1,577,141
Loss allowance	19	29,783	22,102	11,567	63,471

The loss allowance as at 30 June 2020 and 30 June 2019 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	90+ Days Specific Loss Allowance	Total
30 June 2020						
Trade and other receivables						
Expected credit loss	1.18%	4.28%	4.48%	4.48%	100.00%	
Gross carrying amount	51,333	6,975	5,580	23,189	79,638	166,715
Loss allowance	563	299	250	1,039	79,638	81,789
30 June 2019						
Trade and other receivables						
Expected credit loss	2.10%	3.87%	5.90%	5.90%	100.00%	
Gross carrying amount	197,395	61,370	17,523	40,920	79,638	396,846
Loss allowance	4,145	2,375	1,034	2,414	79,638	89,606

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26. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 16(d).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2020					
Payables	1,344,236	0	0	1,344,236	1,344,236
Borrowings	363,364	1,407,081	1,534,420	3,304,865	2,902,507
Contract liabilities	4,894	0	0	4,894	4,894
Lease liabilities	144,718	346,734	118,516	609,968	565,431
	<u>1,857,212</u>	<u>1,753,815</u>	<u>1,652,936</u>	<u>5,263,963</u>	<u>4,817,068</u>
2019					
Payables	1,536,102	0	0	1,536,102	1,536,102
Borrowings	783,735	1,681,579	1,466,914	3,932,228	3,479,715
	<u>2,319,837</u>	<u>1,681,579</u>	<u>1,466,914</u>	<u>5,468,330</u>	<u>5,015,817</u>

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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.

(a) AASB 15: Revenue from Contracts with Customers

The Shire adopted 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 adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments were made to the amounts recognised in the Statement of Financial Position at the date of initial application (1 July 2019):

	Note	AASB 118 carrying amount 30 June 2019	Reclassification	AASB 15 carrying amount 01 July 2019
		\$	\$	\$
Contract liabilities - current				
Contract liabilities from contracts with customers	14	0	(5,165)	(5,165)
Adjustment to retained surplus from adoption of AASB 15	29(b)		(5,165)	

(b) AASB 1058: Income For Not-For-Profit Entities

The Shire adopted 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 adopted the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods was not restated in accordance with AASB 1058 transition requirements.

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 gave rise to a financial liability that is within the scope of AASB 9. In accordance with the Shire's current accounting policies, prepaid rates were recognised as a liability as at 30 June 2019. Therefore the initial application of AASB 1058 Income for Not for Profit Entities on 1 July 2019 will not have an impact on the recognition and classification of prepaid rates.

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.

Volunteer Services in relation to Volunteer Fire Services will not be recognised as the fair value of the services cannot be reliably estimated.

The table below provides details of the amount by which each financial statement line item is affected in the current reporting period by the application of this Standard as compared to AASB 118 and 1004 and related Interpretations that were in effect before the change.

	Note	As reported under AASB 15 and AASB 1058 2020 \$	Adjustment due to application of AASB 15 and AASB 1058	Compared to AASB 118 and AASB 1004 2020 \$
Statement of Comprehensive Income				
Revenue				
Rates	24(a)	7,147,278	0	7,147,278
Operating grants, subsidies and contributions	2(a)	2,153,047	4,894	2,157,941
Fees and charges	2(a)	1,417,917	0	1,417,917
Non-operating grants, subsidies and contributions	2(a)	2,826,984	0	2,826,984
Net result		(865,641)	4,894	(860,747)
Statement of Financial Position				
Trade and other payables	13	1,344,236	0	1,344,236
Contract liabilities	14	4,894	(4,894)	0
Net assets		183,984,332	(4,894)	183,979,438
Statement of Changes in Equity				
Net result		(865,641)	4,894	(860,747)
Retained surplus		61,929,590	4,894	61,934,484

Refer to Note 2(a) for new revenue recognition accounting policies as a result of the application of AASB 15 and AASB 1058.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

27. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

(c) AASB 16: 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 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 recognised lease liabilities in relation to leases which had previously been classified as an 'operating lease' applying AASB 117 (excluding short term and low value leases). These lease liabilities were 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 rate applied to the lease liabilities on 1 July 2019 was 2.54%.

	Note	2020 \$
Operating lease commitments at 30 June 2019 applying AAS 117		598,579
Impact of lease renewal options		165,076
Discount applied using incremental borrowing rate		<u>(60,625)</u>
Lease liability recognised as 1 July 2019	15(b)	703,030
Lease liability - current		137,599
Lease liability - non-current		<u>565,431</u>
Right-of-use assets recognised at 1 July 2019		703,030

On adoption of AASB 16, the Shire recognised a right-of-use asset in relation to leases which had previously been classified as an 'operating lease' applying AASB 117. This right-of-use asset is deemed to be equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments.

Property, plant and equipment and lease liabilities increased by \$703,030 on 1 July 2019 resulting in no impact on retained surplus.

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.

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

28. PRIOR YEAR ADJUSTMENTS

(a) Unrecognised Provision for Landfill closure and rehabilitation

The Shire has been operating a landfill facility in Kambalda since 2013. Under the license for the operation, the Shire has a legal obligation to restore the site.

During the year a provision for the closure and rehabilitation of the waste cells at the Kambalda landfill facility was recognised. As recognition of this should have been made at the inception of the landfill facility, the provision is now being recognised as a prior period error.

The provision was recognised and a corresponding rehabilitation / post closure asset was created, to be amortised over the remaining life of the site.

(b) Recognition of share of Kambalda aged accommodation units owned by Department of Housing & Works

In previous years the Shire had shown its joint share in the Kambalda aged accommodation with the Department of Housing & Works at 100% of the value of the units. This has now been corrected to reflect the Shire's true share of 50% of the carrying value of the aged accommodation buildings and related depreciation.

The errors have been corrected by restating each of the affected financial statement line items for the prior periods as follows;

	30 June 2018 Original Balance	Increase/ (Decrease)	1 July 2018 Restated
	\$	\$	\$
2018 Statement of Financial Position			
Non Current Assets			
Property, Plant & Equipment	34,296,761	(741,000)	33,555,761
Infrastructure	146,734,021	447,500	147,181,521
Non Current Liabilities			
Other Provisions	0	774,456	774,456
Equity			
Retained Surplus	61,902,746	(285,206)	61,617,540
Revaluation Surplus	120,987,102	(782,750)	120,204,352
30 June 2019			
	Original Balance	Increase/ (Decrease)	30 June 2019 Restated
	\$	\$	\$
2019 Statement of Financial Position			
Non Current Assets			
Property, Plant & Equipment	33,473,382	(722,000)	32,751,382
Infrastructure	147,617,503	399,865	148,017,368
Non Current Liabilities			
Other Provisions	0	797,815	797,815
Equity			
Retained Surplus	61,674,730	(337,200)	61,337,530
Revaluation Surplus	121,033,269	(782,750)	120,250,519

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SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

28. PRIOR YEAR ADJUSTMENTS (continued)

	30 June 2019		30 June 2019
	Original	Increase/	Restated
Statement of Comprehensive Income	Balance	(Decrease)	
By Nature or Type			
Expenses			
Depreciation Expense	(4,125,205)	(28,635)	(4,153,840)
Other Expenditure	(495,615)	(23,359)	(518,974)
By program			
Expenses			
Housing	(276,289)	19,000	(257,289)
Community amenities	(1,696,801)	(70,994)	(1,767,795)
Net result for the period	(874,200)	(51,994)	(926,194)
Total comprehensive income for the period	(828,033)	(51,994)	(880,027)
Rate Setting Statement			
Expenditure from operating activities			
Housing	(375,431)	19,000	(356,431)
Community amenities	(1,697,004)	(70,994)	(1,767,998)
Non cash amounts excluded from operating activities	4,142,886	51,994	4,194,880
Note 8 - Property, Plant & Equipment			
Opening Balance	34,296,761	(741,000)	33,555,761
Additions	676,985	0	676,985
Disposals	(412,943)	0	(412,943)
Revaluation increments / (decrements)	0	0	0
Depreciation	(1,087,421)	19,000	(1,068,421)
Carrying amount	33,473,382	(722,000)	32,751,382
Note 9 - Infrastructure			
Opening Balance	146,734,021	447,500	147,181,521
Additions	3,875,099	0	3,875,099
Disposals	0	0	0
Revaluation increments / (decrements)	46,167	0	46,167
Depreciation	(3,037,784)	(47,635)	(3,085,419)
Carrying amount	147,617,503	399,865	148,017,368
Note 10(b) - Fixed Assets Depreciation			
Buildings - specialised	764,512	(19,000)	745,512
Infrastructure - Other	126,475	47,635	174,110
Total	4,125,205	28,635	4,153,840
Note 12 - Revaluation Surplus			
Revaluation surplus - Buildings - specialised	16,039,943	(782,750)	15,257,193
	121,033,269	(782,750)	120,250,519

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

28. PRIOR YEAR ADJUSTMENTS (continued)

	30 June 2019 Original Balance	Increase/ (Decrease)	30 June 2019 Restated
	\$	\$	\$
Note 18 - Other Provisions			
Kambalda Landfill Facility			
Current	0	0	0
Non-current	0	797,815	797,815
	0	797,815	797,815
Note 19 - Notes to Statement of Cash Flows			
Net Result	(874,200)	(51,994)	(926,194)
Depreciation	(4,125,205)	(28,635)	(4,153,840)
Increase/(decrease) in provisions	(8,523)	23,359	14,836
Note 20 - Total Assets Classified by Function & Activity			
Housing	3,227,077	(722,000)	2,505,077
Community amenities	7,442,595	399,865	7,842,460
Note 25 - Rate Setting Statement Information			
(a) Non-cash amounts excluded from operating activities			
Movement in other provisions (non-current)	0	23,359	23,359
Depreciation on non current assets	4,125,205	28,635	4,153,840
Note 32 - Financial Ratios			
2019 Financial Statements			
Asset sustainability ratio	0.80	(0.01)	0.79
Debt service cover ratio	11.76	(0.20)	11.56
Operating surplus ratio	(0.32)	(0.01)	(0.33)
Own source revenue coverage ratio	0.65	0.00	0.65
Asset consumption ratio	0.97	0.00	0.97
2018 Financial Statements			
Asset sustainability ratio	0.27	0.00	0.27
Debt service cover ratio	3.85	(0.01)	3.84
Operating surplus ratio	(0.41)	(0.01)	(0.42)
Own source revenue coverage ratio	0.61	0.00	0.61
Asset consumption ratio	0.75	0.00	0.75

SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

29. CHANGE IN ACCOUNTING POLICIES

(a) Change in Accounting Policies due to regulation changes

Effective 6 November 2020, *Local Government (Financial Management) Regulation 16* was deleted and *Local Government (Financial Management) Regulation 17A* was amended with retrospective application. The changes were effective for financial years ending on or after 30 June 2020 so are required to be applied retrospectively with cumulative effect applied initially on 1 July 2019.

In accordance with the changes, the Shire was required to remove the values attributable to certain crown land assets previously required to be recognised, as well as the associated revaluation surplus at 1 July 2019. These assets have been measured as concessionary lease right-of-use assets at zero cost in accordance with AASB 16. For further details relating to these changes, refer to Note 10.

In summary no adjustments were made to the amounts recognised in the statement of financial position at the date of initial application (1 July 2019).

Also, following changes to *Local Government (Financial Management) Regulation 17A*, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously or during the year were not reversed as it was deemed fair value approximates cost at the date of the change.

(b) Changes in equity due to change in accounting policies

There was no impact on the Shire's opening retained surplus due to the adoption of AASB 15 and AASB 1058 as at 1 July 2019 was as follows:

	Note	Adjustments	2019
Retained surplus - 30 June 2019			\$ 61,337,530
Adjustment to retained surplus from adoption of AASB 15	27(a)	(5,165)	(5,165)
Adjustment to retained surplus from adoption of AASB 1058	27(b)	0	0
Retained surplus - 1 July 2019			61,332,365

There was no impact on the Shire's opening revaluation surplus resulting from *Local Government (Financial Management) Regulation 16* being deleted and the amendments to *Local Government (Financial Management) Regulation 17A* as at 1 July 2019.

SHIRE OF COOLGARDIE
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

30. TRUST FUNDS

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

	1 July 2019	Amounts Received	Amounts Paid	30 June 2020
	\$	\$	\$	\$
Councillor Nominations	80	0	(80)	0
	80	0	(80)	0

**SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

31. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regularity 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.

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SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

32. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
<p>GOVERNANCE To provide a decision making process for the efficient allocation of scarce resources.</p>	Administration and operation of facilities and services to members of council; other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services
<p>GENERAL PURPOSE FUNDING To collect revenue to allow for the provision of services.</p>	Rates, general purpose government grants and interest revenue.
<p>LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer community.</p>	Fire prevention, animal control and safety.
<p>HEALTH To provide services to help ensure a safer community.</p>	Food quality, pest control and meat inspections.
<p>EDUCATION AND WELFARE To meet the needs of the community in these areas.</p>	Includes education programs, youth based activities and resources centres. Care of families and the aged & disabled activities and resources centres.
<p>HOUSING Provide housing services required by the community and for staff.</p>	Maintenance of staff, aged and rental housing.
<p>COMMUNITY AMENITIES Provide services required by the community.</p>	Rubbish collection services, landfill maintenance, effluent disposal, town site storm water drainage control and maintenance, administration of the Town Planning Scheme and maintenance of cemeteries.
<p>RECREATION AND CULTURE To establish and manage efficiently, infrastructure and resources which will help the social well being of the community.</p>	Maintenance of halls, the aquatic centres, recreation centres and various reserves, operation of library, support of arts and community festivals. Also matters relating to heritage.
<p>TRANSPORT To provide effective and efficient transport services to the community.</p>	Construction and maintenance of streets, road and footpaths, cleaning and lighting of streets, roads and footpaths, traffic signs and depot maintenance.
<p>ECONOMIC SERVICES To help promote the Shire and improve its economic wellbeing.</p>	The regulation and provision of tourism, area promotion, building control, noxious weeds.
<p>OTHER PROPERTY AND SERVICES To provide effective and efficient administration, works operations and plant and fleet services.</p>	Private works operations, plant repairs and operational costs and administration overheads.

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SHIRE OF COOLGARDIE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

33. FINANCIAL RATIOS

	2020 Actual	2019 Restated	2018 Restated
Current ratio	1.01	2.48	3.21
Asset consumption ratio	0.95	0.97	0.75
Asset renewal funding ratio	1.10	1.11	N/A
Asset sustainability ratio	1.49	0.79	0.27
Debt service cover ratio	0.66	11.56	3.84
Operating surplus ratio	(0.40)	(0.33)	(0.42)
Own source revenue coverage ratio	0.62	0.65	0.61

The above ratios are calculated as follows:

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

34 EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Shire of Coolgardie did not have any events occurring after the reporting date that have a significant effect on the financial statements.



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Councillors of the Shire of Coolgardie

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the Shire of Coolgardie which comprises the Statement of Financial Position as at 30 June 2020, and the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, as well as notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In my opinion the annual financial report of the Shire of Coolgardie:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2020 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the annual financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Accounting

I draw attention to Note 1 to the annual financial report, which describes the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the Shire's annual financial reporting responsibilities under the Act. In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), did not allow a local government to recognize some categories of land, including land under roads, as assets in the financial report. My opinion is not modified in respect of this matter.

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

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

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

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

Auditor's Responsibility for the Audit of the Financial Report

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

A further description of my responsibilities for the audit of the annual financial report is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This includes the identification and assessment of the risk of material misstatement due to fraud arising from management override of controls. This description forms part of my auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) In my opinion, the following material matters indicate significant adverse trends in the financial position of the Shire:
 - a. The Operating Surplus Ratio has been below the Department of Local Government, Sport and Cultural Industries standard for the past 3 years. The financial ratios are reported at Note 33 to the financial report.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

Other Matter

The annual financial report of the Shire for the year ended 30 June 2019 was audited by another auditor who expressed an unmodified opinion on that annual financial report. The financial ratios for 2018 and 2019 in Note 33 of the audited annual financial report were included in the audited annual financial report for those years.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the Shire of Coolgardie for the year ended 30 June 2020 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this annual financial report. If users of the annual financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the annual audited financial report to confirm the information contained in this website version of the annual financial report.



ALOHA MORRISSEY
ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT
Delegate of the Auditor General for Western Australia
Perth, Western Australia
10 December 2020

6 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

6.1 Elected Members

6.2 Council Officers

7 CLOSURE OF MEETING

The Meeting closed at 6:10pm.

5 REPORTS OF OFFICERS**5.1 Executive Services****5.1.1 OSH MONITORING REPORT - MARCH 2021**

Location: Shire of Coolgardie
Applicant: NIL
Disclosure of Interest: NIL
Date: 4 March 2021
Author: Nichole Tynan, OSH Consultant

SUMMARY

That Council receive the updated OSH Monitoring Report

BACKGROUND

Council at its Ordinary Meeting held on the 27th August 2019 resolved:-

That Council approve the engagement of Core Business Australia for the preparation of a comprehensive OSH Management System (Task 1 and 2) for \$50,373.40.

COMMENT

Core Business has been working with staff over the past 8 months to ensure that the recommendations in the OSH Management System are implemented.

An audit was conducted in December 2020 which resulted in a score of 82% compliance. The previous audit conducted in September 2019 only received a 33% compliant score.

CONSULTATION

Lucy Karafilis, Administration Officer

STATUTORY ENVIRONMENT

NIL

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS**Accountable and effective leaders**

High quality corporate governance, accountability and compliance

ATTACHMENTS**1. OSH Monitoring Report**

VOTING REQUIREMENT

Simple majority

AUDIT COMMITTEE RESOLUTION AND OFFICER RECOMMENDATION

That the Audit Committee receive the updated OSH Monitoring Report.



SHIRE OF COOLGARDIE
COOLGARDIE OHS MANAGEMENT SYSTEM
OSH SYSTEM STATUS REPORT



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Shire of Coolgardie – OSH Management System – Monitoring Report



DOCUMENT CONTROL

DOCUMENT CONTROL	
Core Business Australia PO Box 797 Busselton WA 6280 Ph: +61 8 9754 1117 Mobile: +61 418 931 067 Email: bruce@corebusiness.net.au	Document: This document provides an overview of the status of the Shires OSH system at the date of the report.
	Project Manager: Bruce Lorimer/ Nichole Tynan / Mark Weller
	Author: Mark Weller/ Nichole Tynan
	Date: 4 March 2021
	Synopsis: This report contains information from the Shires OSH Monitoring Spreadsheet as well as associated commentary and recommendations. The report provides a snapshot of relevant information, particularly relating to achievement of the 'Activity Plan' and 'KPI's' however is not intended to be fully comprehensive as information can be gained from a variety of databases and sources.

DISTRIBUTION SCHEDULE

Version No.	Date	Distribution	Reference
Version 1.1-1.2	4 March 2021	Internal CORE document – circulated for team review	Coolgardie OSH Monitoring Report (V1.1)
Version 2			
Version 3			
Version 4			

Note: this is a Confidential Report and contains Commercial in Confidence information. The report is only to be issued to the CEO and Senior Officers of the Shire of Coolgardie

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Cover: Whole of team OSH day, Kambalda (Core, 5th December 2019)

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1.0 Executive Summary

1.1 Executive Summary

During late 2019 and early 2020 the Shire conducted a review of its Occupational Health and Safety system. In May 2020 the Shire finalised implementation of a comprehensive and completely revised new OSH Management system and commenced the change management required for compliance.

As detailed in the Shires OSH Management Manual, a monitoring spreadsheet will be utilised to monitor the status of the Shire's OSH system (OSH Monitoring Spreadsheet).

The monitoring spreadsheet will be checked monthly (or earlier as needed); and a reminder will be issued direct to the Manager of Executive Services / CEO in the instance of:

- Key activities or milestones due in the next 90, 60 and 30 days; and
- Any agreed KPI or parameter that appears in danger of not being met and action is likely required.

This report is intended as a 'snapshot' of the status of the Shires OSH system at the date of report issue. Parameters assessed related to the OSH Activity plan and Objectives & Targets (KPIs) respectively.

This report contains information from the Shires OSH Monitoring Spreadsheet as well as associated commentary and recommendations.

1.2 Recommendations

Recommendation 1. Next internal Audit to be undertaken in June 2021 by OHS Advisor to ensure the continued effectiveness of the OHSMS and for compliance obligations.

Recommendation 2. Contractor Management is reviewed by Bec Horan with the view of looking into adding a Contractors module to the Myosh program or alternative program in order to assist the Shire and Project Managers in licencing requirements and Contractors OHS Obligations, thus mitigating risk to the Shire.

Recommendation 3. SOP's continue to be updated by the OHS Advisor over the next 4 months, commencing in the Waste Department to assist in effective hazard control, risk mitigation and staff management and to ensure that the Shire is continuing to take an active role in OHS Management for compliance obligations.

Recommendation 4. Staff Inductions (Department Specific) need to be updated to include SOP's signed off by each staff member and updated with HR Manager (Manager Executive Services) this will assist in Managing Staff and Managing Safety. This is scheduled to take place in March to June 2021.

Recommendation 5. Altus Risk requires training for key staff as data that is being added is at risk of being incorrect. Training in Altus has been scheduled for end of March 2021 at this stage.

Recommendation 6. Chemical Sheds in Works Depots require significant attention to meet current standards, this includes disposing of out of date chemicals, sufficient storage of chemicals, updated MSDS's and updated Safety Boards and MSDS Stations and sufficient PPE when diluting and using chemicals.

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2.0 Introduction

2.1 Background

During late 2019 and early 2020 the Shire conducted a review of its Occupational Health and Safety system. In May 2020 the Shire finalised implementation of a comprehensive and completely revised new OSH Management system. The system is designed with reference to AS/NZS 4801:2001 Occupational Health and Safety Management Systems, however is customised to the Shires specific requirements.

As with any OSH system, the Shires system is designed to be continuously updated on a 'plan', 'act', 'review' cycle. this ensures that the system remains relevant and assists in achieving the objectives contained in the Shires OSH Policy:

- The Shire of Coolgardie will take all reasonable and practical steps to:
 - Improve work safety conditions;
 - Continuously review and improve its safety performance; and
 - Strive to uphold its core values of safety, knowledge, integrity and leadership in order to achieve its goal of zero harm to people, equipment and the environment.

2.2 About this Report

As detailed in the Shires OSH Management Manual, a monitoring spreadsheet will be utilised to monitor the status of the Shire's OSH system (OSH Monitoring Spreadsheet).

The monitoring spreadsheet will be checked monthly (or earlier as needed); and a reminder will be issued direct to the Manager of Executive Services / CEO in the instance of:

- Key activities or milestones due in the next 90, 60 and 30 days; and
- Any agreed KPI or parameter that appears in danger of not being met and action is likely required.

This report is intended as a 'snapshot' of the status of the Shires OSH system at the date of report issue. Parameters assessed include the due date and status of:

- Activity Plan:
 - Review date for OSH Activity Plan;
 - OSH Policy actions;
 - OSH Planning actions;
 - OSH Implementation actions;
 - OSH Measurement and evaluation actions;
- Objectives & Targets (KPIs):
 - Review date for KPI's;
 - Strategic KPI's; and
 - Operational KPI's.

While the report provides a snapshot of relevant parameters, it is not intended to be fully comprehensive – follow-up information will be sourced from other databases maintained as part of the within the Shires comprehensive system.

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2.3 Activity Plan – Status at Report Date

2.3.1 Extract from Monitoring Spreadsheet

Monitoring Spreadsheet - Next Review Due Date	Review Status
28/03/2021	Greater than 30 Days Until Deadline

Table 1: Activity Plan – Status at Report Date

2.3.2 Discussion/ Comment

The monitoring spreadsheet should be reviewed at a minimum monthly. The next review is due within 30 days of this report.

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2.4 OSH Policy – Status at Report Date

2.4.1 Extract from Monitoring Spreadsheet

Action No.	Action Officers	Required Outcome	Risk Ranking	Evidence	Date Due	Status	Currently Outstanding?	Notes
1	OSH Policy							
1.1	Manager of Executive Services; CEO; Executive Leadership Team	All OSH Policies are reviewed by the Shire’s leadership team, any changes made, and final drafts approved.	HIGH	Executive Leadership team meeting minutes		Complete	Achieved	Achieved and must be continued to be reviewed annually.
1.2	Manager of Executive Services; CEO	All OSH related policies are presented to and adopted by Council.	HIGH	Council minutes		Complete	Achieved	Council Approved Draft July 2020
1.3	Manager of Executive Services; CEO; Executive Leadership Team	All OSH related polices are reviewed at each safety meeting and a running agenda item with all being reviewed by the end of the calendar year.	MEDIUM	OSH Monitoring spreadsheet. Record of annual OSH review.	30/12/2020	Complete	Achieved	A review is currently underway at each Safety Meeting as a fixed Agenda Item with a full review annually.

Table 2: Activity Plan – Status at Report Date

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2.4.2 Discussion / Comment

This document is the first monitoring report, produced on implementation of the Shires new OSH system. The above actions relate to adoption and review of Policies. Policies adopted by Council provide direction for staff at all levels and are a highly important part of governance. The above actions should be addressed as a priority.

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2.5 OSH Planning – Status at Report Date

2.5.1 Extract from Monitoring Spreadsheet

2	OSH Planning							
2.1	OSH Committee; Manager of Executive Services; CEO; Executive Leadership Team; OSH Advisor	All OSH procedures and forms are reviewed, and any required changes made. New procedures / forms required are identified and developed. All content within the OSH Manual is confirmed as fit-for-purpose / meeting the Shire’s specific requirements.	HIGH	OSH Monitoring spreadsheet. Record of annual OSH review.	30/12/2020	Complete	Achieved	A review is currently underway at each Safety Meeting as a fixed Agenda Item
2.2	OSH Advisor; CEO	OSH Monitoring spreadsheet is implemented. OSH advisor issues notifications as required	HIGH	Spreadsheet implemented and reviewed weekly by the OHS Administrator OSH Administrator provides notifications as required for task deadlines; and in the event KPI’s / deadlines are	30/12/2020	Complete	Achieved	This is being actioned and actions discussed at the Monthly Safety Committee Meetings.

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				at risk of not being achieved.				
2.3	OSH Advisor; Procurement; Executive, Director of Operations	A Pre-Purchase Risk Assessment form (accessed through ALTUS) is to be utilised in every purchase of chemicals and substances, plant and equipment, in line with the Shire’s procedure. Once approved, the Pre-Purchase Risk Assessment form for chemicals or substances is to remain with the applicable Senior Staff and updated on the Risk Register in ALTUS. The Shire’s Quotation Procedure is to be reviewed to ensure the form is embedded adequately.	HIGH	OSH Representative site inspections. Internal site audits. Procurement screening and procedure reviewed and updated.	28/03/2021	Not Started	Greater than 30 Days Until Deadline	OSH Advisor to check with Executive of Manager Services

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2.4	Governance and Risk Manager; Document Owners; Senior Staff; Finance Managers; OSH Advisor	Compliance with the Shire’s procedure: Corporate Document Development and Review Procedure is to be achieved to ensure compliance with legislation and Australian Standards across all Shire documents.	MEDIUM	Internal site audits. External audits. Management of documents to ensure they are reviewed within 365 days. Procurement ensure compliance of OSH Contract Management.	30/03/2021	In Progress	Greater than 30 Days Until Deadline	OSH Advisor is currently looking into this.
2.5	OSH Advisor; Manager of Executive Services	OSH KPI’s and individual responsibilities are to be embedded in all staff PD’s including Senior Staff and Executive Directors.	HIGH	Discussed by OSH Advisor monthly. Position descriptions link to OSH KPI’s.	30/08/2020	Complete	Achieved	Executive of Manager Services confirmed that this has been actioned for all staff.
2.6	OSH Advisor; Manager of Executive Services	Review the OSH Management Plan and system annually.	HIGH	Annual review results provided to CEO / Council.	15/12/2020	Complete	Achieved	

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2.7	Executive Leadership Team; OSH Advisor; Manager of Executive Services	Executive Leadership Team to review the OSH system annually. Focus includes, but is not limited to: OSH Improvement Management Plan; OSH Objectives and Targets; recommendations and corrective actions from internal and external audits	HIGH	Version control on all documents shows review date and confirms CEO to sign off on key revised documents. OSH Committee Minutes and Agenda items show adoption of OSH review findings and revised documents. Council minutes show adoption of revised Policies if any.	30/12/2020	Complete	Achieved	There is a running agenda item at each Safety Committee Meeting where review of the OHS System is underway
2.8	OSH Advisor; Manager of Executive Services; Site Managers	Conduct two (2) audits per annum to ensure effectiveness of the OSHMS, and corrective actions and recommendations are implemented and maintained. Conduct one (1) site	HIGH	Audits guide the review of the OSH Improvement Management Plan and OSH Objectives and Targets. Increase Audit compliance	16/06/2021	In Progress	Greater than 30 Days Until Deadline	An Audit is scheduled to be completed in December 2020 and again in June 2021 - Site Inspections have begun and are currently being added to MYOSH.

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		inspection at each of the staffed sites per annum.		and number of inspections completed.				
2.9	Manager of Executive Services; OSH Advisor	The Shire is to identify and maintain a training and skills matrix. This will track qualifications and training while linking to progression, professional development and upskilling staff, to ensure they have the required skills and competency to work safely. Competency assessments are to be formally defined for tasks using chemicals / plant and equipment, and expanded to cover casuals, labour hire (when working unsupervised) and volunteers.	HIGH	Independent plant / equipment / task competency assessments are further embedded in inductions and the probation period.	30/03/2021	In Progress	Greater than 30 Days Until Deadline	Chemical Training scheduled for February 2021, Hazard Training Completed

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2.10	OSH Committee; Manager of Executive Services; CEO; Executive Leadership Team; OSH Advisor	All required SOP's to be completed as per procedure. Risks are to be prioritised when conducting inspections and effectiveness of controls to be tracked. SOP's to be assessed and updated into SWMS design to account for secondary risk ratings. The online OSH Management System is to include site-specific inspection checklists (intranet).	HIGH	All SOPs complete. Review and expand or change MYOSH / Risk Program to cover the hazard / risk assessments of work tasks and the evaluation process. Risk Assessments are to be included in inspections along with staff to recognise access and use of the Risk Framework. OSHMS to include site specific inspections	30/03/2021	In Progress	Greater than 30 Days Until Deadline	JSA's and SOP's are being reviewed now per department commencing at Waste in January 2021
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Table 3: OSH Planning – Status at Report Date

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**2.5.2 Recommendations**

- Recommendation 1.** Next internal Audit to be undertaken in June 2021 by OHS Advisor to ensure the continued effectiveness of the OHSMS and for compliance obligations.
- Recommendation 2.** Contractor Management is reviewed by Bec Horan with the view of looking into adding a Contractors module to the Myosh program or alternative program in order to assist the Shire and Project Managers in licencing requirements and Contractors OHS Obligations, thus mitigating risk to the Shire.
- Recommendation 3.** SOP's continue to be updated by the OHS Advisor over the next 4 months, commencing in the Waste Department to assist in effective hazard control, risk mitigation and staff management and to ensure that the Shire is continuing to take an active role in OHS Management for compliance obligations.
- Recommendation 4.** Staff Inductions (Department Specific) need to be updated to include SOP's signed off by each staff member and updated with HR Manager (Manager Executive Services) this will assist in Managing Staff and Managing Safety. This is scheduled to take place in March to June 2021.
- Recommendation 5.** Altus Risk requires training for key staff as data that is being added is at risk of being incorrect. Training in Altus has been scheduled for end of March 2021 at this stage.
- Recommendation 6.** Chemical Sheds in Works Depots require significant attention to meet current standards, this includes disposing of out of date chemicals, sufficient storage of chemicals, updated MSDS's and updated Safety Boards and MSDS Stations and sufficient PPE when diluting and using chemicals.

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2.6 OSH Implementation – Status at Report Date

2.6.1 Extract from Monitoring Spreadsheet

3		OSH Implementation						
3.1	OSH Advisor; Manager of Executive Services	Review OSH plan implementation progress every month. Review and discuss with HR each quarter.		OSH plan on HR agenda quarterly.	30/12/2020	Complete	Achieved	Implementation is being reviewed
3.2	OSH Committee	Monitor effectiveness of: <ul style="list-style-type: none"> • Hazard identification, hazard / risk assessment; • Investigating, responding to and taking action to minimise any harm caused from incidents; • Initiating and completing appropriate corrective and preventive action. 		OSH Committee Minutes documenting monthly review has occurred. Recommendations made by OSH Committee are achieved.	30/10/2020	Complete	Achieved	This has been actioned and commenced and Hazards have been identified in Chemical Storage Facilities at Works Depots, Training requirements have been identified for all Depot Workers. In October/November a deeper dive into Hazards will be undertaken with all Safety Committee Members each month at Safety Committee Meetings

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3.3	Managers; OSH Advisor; Director of Operations	Responsible Officers and Senior Staff / those in control of workplaces will ensure all contractors implement and maintain safe standards of work adhering to Procurement and OSH Contract Management Policies and Procedures. HR are made aware of any issues with contractors as well as Executive Directors being aware of any ongoing disciplinary action and involved if appropriate.		Site inductions, pre-qualification assessments. OSH inspections and post-contract evaluations undertaken.	30/03/2021	In Progress	Greater than 30 Days Until Deadline	Meeting with New Project Manager Barry took place in January 2021 and review of online contractor induction and licences via MyOSH is currently being considered.
3.4	OSH Reps; Senior Staff; OSH Advisor	Inspections are to be conducted monthly in line with the ACT and best practice. The Hazard Register is to be expanded to cover work and workplace tasks and defined through JSA's if needed. Corrective actions are to be reviewed and documented.		Monthly inspections in MYOSH / Risk Program, Risk Register expanded over all work / workplaces. MYOSH or another system utilised to link risk / controls into inspections.	30/03/2021	Complete	Achieved	This is currently being undertaken and inspections have been added to MYOSH whereby any actions will be discussed and followed up at Safety Committee Meetings as of November 2020.

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Shire of Coolgardie – OSH Management System – Monitoring Report



3.5	OSH Advisor; OSH Committee; HR; Senior Staff	Evaluation of hazard identification, risk assessment and control procedure to be aligned with the OSH Management System and reflective of the Shire’s OSH Objectives and Targets. The OSH Committee is to review inspections where notable hazards were identified and perform an evaluation of controls.	HIGH	Review and expand or change MYOSH / Risk Program to cover the evaluation process and include risk assessments in inspections. Review the Shire’s OSH Objectives and Targets and inspection reports.	30/03/2021	Complete	Achieved	Currently underway Nic Tynan and Lucy working through current entries in ALTUS and Report discussed monthly at safety meetings as a fixed Agenda Item
3.6	OSH Advisor; HR; Senior Staff	Ensure corrective actions relating to Hazards are re-evaluated post Hazard report for effectiveness and standardised within the Shire’s operations.	EXTREME	OSH Committee Minutes reflect corrective actions. Number of corrective actions complete and outstanding also assessed in annual review.	30/11/2020	Complete	Achieved	This is currently in progress and steps have been taken to work through this as a running agenda item at the Safety Committee Meetings.
3.7	OSH Advisor; HR; Senior Staff	Develop specific OSH Staff Induction Procedure	EXTREME	OSH Staff Induction Procedure developed.	30/03/2021	In Progress	Greater than 30 Days Until Deadline	Lucy and Nic are currently reviewing this

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3.8	OSH Advisor; HR; Senior Staff	Develop specific OSH Contractors Induction Procedure. Online preferred, will include procedures for pre-notification of when to be on-site and actual notification of when on-site.	EXTREME	OSH Contractors Induction Procedure developed.	30/10/2020	Complete	Achieved	Completed
3.9	OSH Advisor; HR; Senior Staff	Develop Working in Adverse Weather Procedure (i.e. hot, cold or wet conditions).	EXTREME	Working in Adverse Weather Procedure developed.	30/10/2020	Complete	Achieved	Completed

Table 4: OSH Implementation – Status at Report Date

2.6.2 Discussion / Comment

Please note: The above due dates for items 3.1-3.6 (inclusive) relate only to the deadline for the OSH committee to prioritise each task and provide a due date. The 29/05 is not the actual date due for this task.

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2.7 Measurement and Evaluation – Status at Report Date

2.7.1 Extract from Monitoring Spreadsheet

4	Measurement and Evaluation							
4.1	Record Management	Are records maintained, as appropriate to the system and to the organisation, to demonstrate conformance to the requirements of this Standard?	EXTREME		30/10/2020	Complete	Achieved	Completed
4.2	Senior Management	Has the organisation's top management, at intervals that it determines, reviewed the OHSMS to ensure its continuing suitability, adequacy and effectiveness?	MEDIUM		30/12/2020	Complete	Achieved	Managers Department Checklists have been implemented with a trial in December and the first to commence in March 2021 and every quarter afterwards.
4.3	Senior Management	Has the management reviewed processes to ensure that the necessary information is collected to allow management to carry out this evaluation? Is this review documented	MEDIUM		30/12/2020	Complete	Achieved	This is taking part in Safety Committee meetings with Senior Management Present

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3.0 Objectives and Targets (KPI's)

3.1 KPI Monitoring Database – Next Review Due

3.1.1 Extract from Monitoring Spreadsheet

Monitoring Database - KPI's Next Review Due Date	Review Status
28/03/2021	Greater than 30 Days Until Deadline

Table 6: Measurement and Evaluation – Status at Report Date

3.1.2 Discussion / Comment

OSH KPI's are generally assessed annually. However this may be too long a timeframe to allow fine tuning of systems. Implementing both monthly and annual KPI's will likely be beneficial.

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3.2 Strategic KPI's

3.2.1 Extract from Monitoring Spreadsheet

1.0 Strategic KPIs

Number	KPI	Date of Review	Achieved	Currently Outstanding?	Notes
1.1	Zero lost time injuries annually (LTIFR maintained at zero)	1/12/2020	No	Not Achieved - Action Required	MYOSH data is currently being reviewed after updating the platform. There has been a reduction in workplace injuries.
1.2	OSH meetings held within specified timeframe (each month during the review period) and agenda followed	1/11/2020	Yes	Achieved	
1.3	Full OSH management system reviewed annually as scheduled	7/12/2020	Yes	Achieved	This is currently underway
1.4	Two (2) internal AS/NZ 4801:2001 yearly audits completed and improvement action plan updated with the results	7/12/2020	Yes	Achieved	First is scheduled for November 2020 and another in March 2021
1.5	100% compliance with the OSH improvement action plan achieved in each review during the annual reporting period (all improvement actions have been completed within the timeframe specified).	7/12/2020	Yes	Achieved	Currently on schedule
1.6	100% of improvement tasks achieved annually	7/12/2020	Yes	Achieved	Currently on schedule

Table 7: Measurement and Evaluation – Status at Report Date

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3.2.2 Discussion / Comment

As above OSH KPI's are generally assessed annually. However this may be too long a timeframe to allow fine tuning of systems. Implementing both monthly and annual KPI's will likely be beneficial.

3.3 Operational KPI's

3.3.1 Extract from Monitoring Spreadsheet

2.0 Operational KPIs

Number	KPI	Date of Review	Achieved	Currently Outstanding?	Notes
2.1	100% of planned inspections are achieved (+/- one (1) week of proposed date)	1/11/2020	Yes	Achieved	This is currently being undertaken
2.2	100% attendance at OSH Committee meetings with the exception of annual or personal leave	1/11/2020	Yes	Achieved	
2.3	100% of investigations completed as scheduled within the OSH Committee's agreed timeframe	7/12/2020	Yes	Achieved	Currently on schedule

Table 8: Measurement and Evaluation – Status at Report Date

3.3.2 Discussion / Comment

As above OSH KPI's are generally assessed annually. However this may be too long a timeframe to allow fine tuning of systems. Implementing both monthly and annual KPI's will likely be beneficial.

Additional Operational KPI's are likely needed to ensure a sufficient OSH system. Additional KPI's should be assessed and considered by the OSH committee and any changes made.

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4.0 Further Information

Further information in relation to this report can be obtained by the Shire of Coolgardie OSH advisor.

5.2 Operation Services

5.2.1 CREDIT CARD LISTING DECEMBER 2020 - JANUARY 2021

Location: Nil
Applicant: Nil
Disclosure of Interest: Nil
Date: 22 February 2021
Author: Nav Kaur, Manager Finance

SUMMARY

For the Audit Committee to receive the list of credit card payments for December 2020 to January 2021 for the Chief Executive Officer.

BACKGROUND

The Local Government (Financial Management) Regulations 1996, Regulation 13(3)(b) requires that Council receive a list of credit cards paid in the month, and that this be recorded in the minutes. Council has delegated to the Chief Executive Officer that authority to make these payments from Municipal and Trust Funds.

COMMENT

The schedule of payments made under delegated authority as summarised below and recommended to be received by the audit committee, has been checked and is supported by vouchers and invoices which have been duly certified as to the receipt of goods and provision of services, and verification of prices and costings.

It is deemed prudent that all Chief Executive Officer credit card vouchers now be presented to the Audit Committee for consideration and recommendation to Council. This is particularly the case given the authorisation required for the Chief Executive Officer credit card.

CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulations 1996, Regulation 13 – Lists of Accounts.

POLICY IMPLICATIONS

CS-PROCUREMENTS POLICY. Policy CS-11 as amended, sets the guides with regards to the purchase of goods or services provided.

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Accountable and effective leaders

Maintain integrated strategic and operational plans

ATTACHMENTS

1. **Credit Card Listing Dec 2020 - Jan 2021**

VOTING REQUIREMENT

Simple majority

AUDIT COMMITTEE RESOLUTION AND OFFICER RECOMMENDATION

That the Audit Committee,

1. **Accept listing (attached) of credit card invoices totalling \$12,076.13 paid from December 2020 to January 2021 by the Chief Executive Officer under delegated authority of Council.**
2. **Recommend the Council receive the listing of credit card invoices totalling \$12,076.13 paid from the period December 2020 to January 2021 by the Chief Executive Officer under delegated authority**
3. **Recommend to Council the Shire President authorise the credit card vouchers totalling \$12,076.13 paid from the December 2020 to January 2021 by the Chief Executive Officer under delegated authority**

**Credit Card Listing
CEO
December 2020**

Dec-20

Date	Description	Amount	Card No#
18-Dec-20	Woolworths 4329 Kambalda East - Kids Drinks & Food For Xmas Party	\$ 83.35	#855
18-Dec-20	Crown Promenade Pert Burswood - Accomodation For James Trail - 13/12 To 15/12	\$ 900.68	#855
17-Dec-20	Bws 4084 Kambalda East - Staff Xmas Party	\$ 207.00	#855
17-Dec-20	Dome Kalamunda Kalamunda - Refreshments	\$ 13.20	#855
16-Dec-20	Gm Cabs Pty Ltd Mascot - Cab Charges - James Trail - Perth - 14/12	\$ 26.25	#855
16-Dec-20	Gm Cabs Pty Ltd Mascot -Cab Charges - James Trail - Perth - 13/12	\$ 43.58	#855
15-Dec-20	Swan Taxis 13 13 30 Victoria Park - Cab Charges - James Trail - Perth - 14/12	\$ 26.57	#855
10-Dec-20	Xero Au Inv-14622952 Hawthorn - Gvroc - Monthly Subscription - Dec 20	\$ 50.00	#855
10-Dec-20	Harvey Norman Av/lt Kalgoorlie - Windows 10 Pro Upgrade - 2 Packs	\$ 336.00	#855
09-Dec-20	Ingot Hotel Perth Belmont - Accomodation - Barry Donkin - 7Th Dec 20	\$ 186.00	#855
09-Dec-20	Regional Express Mascot - Andrew Mann - Gvroc Per-Esp-Per - 4 Feb/5 Feb	\$ 511.32	#855
08-Dec-20	Adobe Acropro Subs Adobe.Ly/Enau - Subscriptions	\$ 428.38	#855
08-Dec-20	Harvey Norman Av/lt Kalgoorlie - 2x Microsoft Surface Laptops	\$ 6,358.00	#855
07-Dec-20	Virgin Austr7952165140708 Brisbane - Mia Hicks - Flight Kal-Per-Kal 13 Dec/15 Dec	\$ 418.00	#855
07-Dec-20	Virgin Austr7952165140707 Brisbane James Trail - Flight Kal-Per-Kal 13 Dec/15 Dec	\$ 418.00	#855
07-Dec-20	Virgin Austr7951511176376 Brisbane	\$ 8.56	#855
04-Dec-20	Virgin Austr7952165096323 Brisbane - Barry Donkin - Perth To Kal - 8Th Dec 2020	\$ 234.00	#855
04-Dec-20	Virgin Austr7951511153219 Brisbane	\$ 2.40	#855

**Credit Card Listing
CEO
February 2020**

Feb-20

Date	Description	Amount	Card No#
15-Jan-21	Qantas Airways Ltd (Ecom) Mascot - Fran Lefante - Perth-Kal- Perth 18/1 to 22/1/21	\$ 587.66	#855
14-Jan-21	Qantas Airways Ltd (Ecom) Mascot - Hope Iyamu - Kal-Perth-Kal - 13/1 to 17/1	\$ 590.76	#855
13-Jan-21	Wa Local Government As West Leedervi - Conference Transport & Road Forum - Attendee : Mr James Trail	\$ 70.00	#855
11-Jan-21	Xero Au Inv-14981946 Hawthorn -GVROC - Monthly subscription	\$ 50.00	#855
08-Jan-21	Adobe Acropro Subs Adobe.Ly/Enau - Adobe Pro - Monthly subscription	\$ 428.38	#855
06-Jan-21	Airportrentals.Com Melbourne - Protection Plus Excess Refund Insurance - Francesca	\$ 98.04	#855

5.2.2 COMPLIANCE AUDIT RETURN 2020

Location:	Nil
Applicant:	Nil
Disclosure of Interest:	Nil
Date:	3 March 2021
Author:	Martin Whitely, Consultant

SUMMARY

The purpose of this report is to present the Audit Committee with the completed 2020 Compliance Audit Return (CAR).

BACKGROUND

In accordance with the Local Government Act 1995 and Local Government (Audit) Regulations 1996, a local government is required to complete an annual CAR for the period 1 January to 31 December of the preceding year. The CAR, after being adopted by Council, is to be forwarded to the Department of Local Government by 31 March 2021.

COMMENT

The purpose of the annual CAR is for individual local governments to assess their level of compliance with the Local Government Act 1995 and associated Regulations.

The specific areas addressed by the CAR are the same as those covered in the 2019 return. Overall, the areas covered include:

- Commercial Enterprises by Local Government
- Delegation of Power/Duty
- Disclosure of Interest
- Disposal of Property
- Elections
- Finance
- Integrated Planning & Reporting
- Local Government Employees
- Official Conduct
- Tenders for Providing Goods and Services

In addition to the above there was a new criteria called "Option Questions" which was also completed.

The Compliance Audit Return has been undertaken as an internal audit, sourcing evidence of compliance through the Shire's own records. Where relevant, resolution references have been included in the CAR.

The review has found that there were 2 items of non-compliance. As a comparative, there were 2 areas of non-compliance identified in the 2019 and 2018 return.

A summary for the each of the sections is shown below;

Commercial Enterprises by Local Government

The Shire had no major trading undertakings during 2020.

Non Compliance matters raised - Nil

Delegation of Power/Duty

1. Written records have not been maintained on all occasions by persons exercising a delegated power/duty

Non-Compliance matters raised – 1

While records were maintained for persons exercising delegated power or duty during the period, this was not recorded on all occasions. Rectifying the matter is an administration requirement that will require monitoring throughout the year and is currently being addressed to ensure it is compliant in 2021. There has certainly been an improvement in this area however with new staff having delegated power, they need to be reminded of the importance of recording this information.

Disclosure of Interest

Non-Compliance matters raised – 1

The annual returns form was provided to all Councillors and relevant staff on 10th July 2020, via email. On the 16th July 2020 it was noted that the incorrect form was provided and the new updated form was resent on the same day (16th July 2020).

One Councillor completed and lodged their Annual Return on 23rd July 2020, prior to the August 31st deadline, so made every endeavour to comply, albeit the incorrect form. The updated form was lodged by the Councillor upon returning from leave.

This matter was reported to the Corruption and Crime Commission (as per legislative requirement) via a letter dated 8th September 2020. The Commission responded via email dated 28th October advising that they will take no further action and had closed the file.

5.75. Primary returns

- (1) A relevant person other than the CEO must lodge with the CEO a primary return in the prescribed form within 3 months of the start day.
- (2) A CEO must lodge with the mayor or president a primary return in the prescribed form within 3 months of the start day.
- (3) This section does not apply to a person who —
 - (a) has lodged a return within the previous year; or
 - (b) has, within 3 months of the start day, ceased to be a relevant person.

Penalty: \$10 000 or imprisonment for 2 years.

5.76. Annual returns

- (1) Each year, a relevant person other than the CEO must lodge with the CEO an annual return in the prescribed form by 31 August of that year.
- (2) Each year, a CEO must lodge with the mayor or president an annual return in the prescribed form by 31 August of that year.

Penalty applicable to subsections (1) and (2): \$10 000 or imprisonment for 2 years.

[Section 5.76 amended by No. 1 of 1998 s. 18; No. 66 of 2006 s. 12.]

5.77. Acknowledging receipt of returns

On receipt of a return under section 5.75 or 5.76 from a person, the CEO or the mayor or president, as the case may be, is to give the person written acknowledgment of having received the return.

Disposal of Property

Public notice is required for the disposal of property under section 3.58 of the Act unless sold by public auction. There was no property disposed of during the period.

Non Compliance matters raised - Nil

Finance

The main areas of non-compliance in the past have been;

1. The Audit Committee not being appointed by Council, and
2. Matters raised in the Audit Report to be addressed by the CEO with an Action List and a copy sent to the Minister within 3 months of Council receiving the Audit Report.

These matters were addressed in the 2020 Compliance Audit Return.

Integrated Planning & Reporting

This section was introduced in the CAR for 2017 and was not compulsory for Council to complete for 2017 & 2018, however it was a requirement to be completed for 2019 and again for 2020.

Non Compliance matters raised - Nil

Local Government Employees

There are currently no designated senior employees as per the definition of the Local Government Act 1995 employed at the Shire.

Non Compliance matters raised - Nil

Official Conduct

No complaints were received in accordance with section 5.121 of the Local Government Act 1995

Non Compliance matters raised – Nil

Optional

All questions were completed, all of which were compliant.

Non Compliance matters raised - Nil

Tenders for Providing Goods and Services

A tender register has been maintained and the processes for calling tenders followed within this reporting section. While a tender register has been maintained it is imperative to ensure the register is properly maintained at all times. Outlined below are the minimum requirements for information to be maintained in the tender register.

17. Tenders register

- (1) The CEO is responsible for keeping the tenders register and making it available for public inspection.
- (2) The tenders register is to include, for each invitation to tender —
 - (a) a brief description of the goods or services required; and
 - [(b) *deleted*]
 - (c) particulars of —
 - (i) any notice by which expressions of interests from prospective tenderers was sought; and
 - (ii) any person who submitted an expression of interest; and
 - (iii) any list of acceptable tenderers that was prepared under regulation 23(4);and
 - (d) a copy of the notice of the invitation to tender; and
 - (e) the name of each tenderer whose tender has been opened; and
 - (f) the name of any successful tenderer.
- (3) The tenders register is to include for each invitation to tender the amount of the consideration or a summary of the amount of the consideration sought in the tender accepted by the local government.

Non Compliance matters raised - Nil

Overall the completed CAR indicates that the Shire of Coolgardie is maintaining an acceptable level of compliance in the key areas that the CAR focuses on. Those items identified as being non-compliant can be rectified with the implementation of simple administration processes.

CONSULTATION

Bec Horan, Projects

Navjot Kaur, Finance Manager

STATUTORY ENVIRONMENT

Local Government Act 1995

Local Government (Audit) Regulations 1996

Local Government (Functions & General) Regulations 1996

Local Government (Administration) Regulations 1996

Local Government (Financial Management) Regulations 1996

Local Government (Rules of Conduct) Regulations 2007

Local Government Act 1995**7.13. Regulations as to audits**

- (1) Regulations may make provision as follows —
 - (i) requiring local governments to carry out, in the prescribed manner and in a form approved by the Minister, an audit of compliance with such statutory requirements as are prescribed whether those requirements are —
 - (i) of a financial nature or not; or
 - (ii) under this Act or another written law.

Local Government (Audit) Regulations 1996**14. Compliance audits by local governments**

- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.
- (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
- (3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.
- (3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —
 - (a) presented to the council at a meeting of the council; and
 - (b) adopted by the council; and
 - (c) recorded in the minutes of the meeting at which it is adopted.

15. Compliance audit return, certified copy of etc. to be given to Executive Director

- (1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with —
 - (a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and
 - (b) any additional information explaining or qualifying the compliance audit,

is to be submitted to the Executive Director by 31 March next following the period to which the return relates.

- (2) In this regulation —

certified in relation to a compliance audit return means signed by —

 - (a) the mayor or president; and
 - (b) the CEO.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Accountable and effective leaders

High quality corporate governance, accountability and compliance

ATTACHMENTS

1. **Compliance Audit Return 2020**
2. **Letter to the CCC - Annual Return - Confidential**
3. **Email response from the CCC - Confidential**

VOTING REQUIREMENT

Simple majority

AUDIT COMMITTEE RESOLUTION AND OFFICER RECOMMENDATION

That the Audit Committee, receives the completed 2020 Compliance Audit Return for the period of 1 January to 31 December 2020 and recommends that Council endorses the return as tabled.

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
Local Government, Sport
and Cultural Industries

Coolgardie - Compliance Audit Return 2020

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of the relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2020?	N/A		Bec Horan
2	s3.59(2)(b) F&G Regs 7,8,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2020?	N/A		Bec Horan
3	s3.59(2)(c) F&G Regs 7,8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2020?	N/A		Bec Horan
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2020?	N/A		Bec Horan
5	s3.59(5)	During 2020, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A		Bec Horan

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
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and Cultural Industries

Delegation of Power/Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16	Were all delegations to committees resolved by absolute majority?	N/A	There are no formal committees of Council	Bec Horan
2	s5.16	Were all delegations to committees in writing?	N/A		Bec Horan
3	s5.17	Were all delegations to committees within the limits specified in section 5.17?	N/A		Bec Horan
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A		Bec Horan
5	s5.18	Has council reviewed delegations to its committees in the 2019/2020 financial year?	N/A		Bec Horan
6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Act?	Yes		Bec Horan
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes		Bec Horan
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes		Bec Horan
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		Bec Horan
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the council to amend or revoke a delegation made by absolute majority?	Yes		Bec Horan
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes		Bec Horan
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2019/2020 financial year?	Yes		Bec Horan
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Admin Reg 19?	No	While records were maintained for persons exercising delegated power of duty, this was not recorded on all occasions.	Bec Horan

Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes		Bec Horan

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
Local Government, Sport
and Cultural Industries

No	Reference	Question	Response	Comments	Respondent
2	s5.68(2) & s5.69 (5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by Admin Reg 21A, recorded in the minutes of the relevant council or committee meeting?	Yes		Bec Horan
3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) recorded in the minutes of the meeting at which the disclosures were made?	Yes		Bec Horan
4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	Yes		Bec Horan
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2020?	No	<p>One Councillor completed and lodged their Annual Return on 23rd July 2020, prior to the August 31st deadline, so made every endeavour to comply, albeit the incorrect form. The updated form was lodged by the Councillor upon returning from leave.</p> <p>This matter was reported to the Corruption and Crime Commission via a letter dated 8th September 2020. The Commission responded via email dated 28th October advising that they will take no further action and had closed the file.</p>	Bec Horan
6	s5.77	On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return?	Yes		Bec Horan
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76?	Yes		Bec Horan
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A, in the form prescribed in Admin Reg 28?	Yes		Bec Horan
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76, did the CEO remove from the register all returns relating to that person?	Yes		Bec Horan

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
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No	Reference	Question	Response	Comments	Respondent
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes		Bec Horan
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B, in the form prescribed in Admin Reg 28A?	Yes		Bec Horan
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Yes		Bec Horan
13	s5.89A(6)	When a person ceases to be a person who is required to make a disclosure under section 5.87A or 5.87B, did the CEO remove from the register all records relating to that person?	Yes		Bec Horan
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Yes		Bec Horan
15	Rules of Conduct Reg 11(1), (2) & (4)	Where a council member had an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person, did they disclose the interest in accordance with Rules of Conduct Reg 11(2)?	Yes		Bec Horan
16	Rules of Conduct Reg 11(6)	Where a council member disclosed an interest under Rules of Conduct Reg 11(2) was the nature of the interest recorded in the minutes?	Yes		Bec Horan
17	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes		Bec Horan
18	s5.71A & s5.71B (5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under s5.71A(1) relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A		Bec Horan
19	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) recorded in the minutes of the council meeting at which the decision was considered?	N/A		Bec Horan
20	s5.103 Admin Regs 34B & 34C	Has the local government adopted a code of conduct in accordance with Admin Regs 34B and 34C to be observed by council members, committee members and employees?	Yes		Bec Horan

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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No	Reference	Question	Response	Comments	Respondent
21	Admin Reg 34B(5)	Has the CEO kept a register of notifiable gifts in accordance with Admin Reg 34B(5)?	Yes		Bec Horan

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) (unless section 3.58(5) applies)?	Yes		Bec Horan
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	Yes		Bec Horan

Elections

No	Reference	Question	Response	Comments	Respondent
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate?	N/A	No elections in 2020	Bec Horan
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years?	N/A		Bec Horan
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with Elect Reg 30G(6)?	N/A		Bec Horan

Finance

No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act?	Yes		Martin Whitely
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	Yes		Martin Whitely

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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No	Reference	Question	Response	Comments	Respondent
3	s7.3(1) & s7.6(3)	Was the person or persons appointed by the local government to be its auditor appointed by an absolute majority decision of council?	Yes		Martin Whitely
4	s7.3(3)	Was the person(s) appointed by the local government under s7.3(1) to be its auditor a registered company auditor or an approved auditor?	Yes		Martin Whitely
5	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2020 received by the local government by 31 December 2020?	Yes		Martin Whitely
6	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	Yes		Martin Whitely
7	s7.12A(4)(a)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters?	Yes		Martin Whitely
8	s7.12A(4)(b)	Where the local government was required to prepare a report under s.7.12A(4)(a), was a copy of the report given to the Minister within three months of the audit report being received by the local government?	Yes		Martin Whitely
9	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under s7.12A(4)(b), did the CEO publish a copy of the report on the local government's official website?	Yes		Martin Whitely
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives and scope of the audit, a plan for the audit, details of the remuneration and expenses paid to the auditor, and the method to be used by the local government to communicate with the auditor?	Yes		Martin Whitely
11	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June received by the local government within 30 days of completion of the audit?	Yes		Martin Whitely

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
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Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	June 2018 Council Resolution #108/18	Martin Whitely
2	Admin Reg 19DA (1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	June 2020 Council Resolution #101/20	Martin Whitely
3	Admin Reg 19DA (2) & (3)	Does the corporate business plan comply with the requirements of Admin Reg 19DA(2) & (3)?	Yes		Martin Whitely

Local Government Employees

No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve a process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A		Bec Horan
2	s5.36(4) & s5.37 (3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Admin Reg 18A?	N/A		Bec Horan
3	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A		Bec Horan
4	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4)?	N/A		Bec Horan
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	N/A		Bec Horan
6	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A		Bec Horan

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Has the local government designated a senior employee as defined by section 5.37 to be its complaints officer?	N/A		Bec Horan
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a)?	Yes		Bec Horan
3	s5.121(2)	Does the complaints register include all information required by section 5.121(2)?	Yes		Bec Horan
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes		Bec Horan

Optional Questions					
No	Reference	Question	Response	Comments	Respondent
1	Financial Management Reg 5(2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Financial Management Reg 5(2)(c) within the three years prior to 31 December 2020? If yes, please provide the date of council's resolution to accept the report.	Yes	April 2019	Martin Whitely
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Audit Reg 17 within the three years prior to 31 December 2020? If yes, please provide date of council's resolution to accept the report.	Yes	August 2018	Martin Whitely
3	s5.87C(2)	Where a disclosure was made under sections 5.87A or 5.87B, was the disclosure made within 10 days after receipt of the gift?	N/A	No gifts received	Martin Whitely
4	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B, did the disclosure include the information required by section 5.87C?	N/A		Martin Whitely
5	s5.90A(2)	Did the local government prepare and adopt by absolute majority a policy dealing with the attendance of council members and the CEO at events?	Yes	Policy 1.18 27 October 2020 Resolution 195/20	Bec Horan

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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No	Reference	Question	Response	Comments	Respondent
6	s.5.90A(5)	Did the CEO publish an up-to-date version of the attendance at events policy on the local government's official website?	Yes		Bec Horan
7	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4)?	N/A		Bec Horan
8	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes	27 October 2020 Resolution 195/20	Bec Horan
9	s5.127	Did the local government prepare a report on the training completed by council members in the 2019/2020 financial year and publish it on the local government's official website by 31 July 2020?	Yes	Register maintained on website	Bec Horan
10	s6.4(3)	By 30 September 2020, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2020?	Yes		Martin Whitely

Tenders for Providing Goods and Services

No	Reference	Question	Response	Comments	Respondent
1	F&G Reg 11A(1) & (3)	Does the local government have a current purchasing policy that complies with F&G Reg 11A(3) in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$250,000 or less or worth \$250,000 or less?	Yes		Bec Horan
2	F&G Reg 11A(1)	Did the local government comply with its current purchasing policy in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Yes		Bec Horan
3	s3.57 F&G Reg 11	Subject to F&G Reg 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in F&G Reg 11(1)?	Yes		Bec Horan
4	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with F&G Reg 14(3) and (4)?	Yes		Bec Horan
5	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than a single contract?	N/A		Bec Horan

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No	Reference	Question	Response	Comments	Respondent
6	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer notice of the variation?	Yes		Bec Horan
7	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Regs 15 and 16?	Yes		Bec Horan
8	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	Yes		Bec Horan
9	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	Yes		Bec Horan
10	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	Yes		Bec Horan
11	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	Yes		Bec Horan
12	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of F&G Regs 21 and 22?	Yes		Bec Horan
13	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A		Bec Horan
14	F&G Reg 23(3)	Were all expressions of interest that were not rejected assessed by the local government?	N/A		Bec Horan
15	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services as an acceptable tenderer?	N/A		Bec Horan
16	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with F&G Reg 24?	N/A		Bec Horan
17	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with F&G Reg 24AD(4) and 24AE?	N/A		Bec Horan

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No	Reference	Question	Response	Comments	Respondent
18	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	N/A		Bec Horan
19	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A		Bec Horan
20	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of F&G Reg 24AG?	N/A		Bec Horan
21	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A		Bec Horan
22	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A		Bec Horan
23	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A		Bec Horan
24	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of F&G Regs 24E and 24F?	N/A		Bec Horan

I certify this Compliance Audit Return has been adopted by council at its meeting on _____

Signed Mayor/President, Coolgardie

Signed CEO, Coolgardie

- 6 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**
- 6.1 Elected Members**
- 6.2 Council Officers**
- 7 CLOSURE OF MEETING**