

2021-22 **ANNUAL REPORT**



SHIRE OF WANDERING

22 WATTS STREET,
WANDERING, WA 6308



Table of Contents

Table of Contents	2
Our Statistics 2021 - 2022	3
President's Report	4
Chief Executive Officer's Report	5
Statutory Disclosures	6
Elected Members.....	7
Executive Manager Technical Services Report	8
Wandering Sikh Memorial	9
Community Resource Centre Report.....	10
Organisational Structure.....	13
Integrated Planning	14
Corporate Business Plan	15
Freedom of Information	24
Services to the Community.....	25
Equal Opportunity Statement.....	26
Work Health & Safety	27
Access & Inclusion Plan.....	28
Record Keeping Plan	31
Financial Reports	33
Auditor's Report	75

Our Statistics 2021 / 2022



551

Total number of residents*

* Based on 2021 Census



420

Total number of rateable properties



\$1,208,054

Rates levied



\$1,204

Minimum general residential rate



\$1,204

Minimum general rural rate



0%

Increase in Average rate



\$3,760,049

Operating revenue



\$59,689,086

Net assets



\$976,553

Operating grants revenue



\$1,198,980

Specific purpose grants revenue



182 km

Length of sealed roads



297km

Length of gravel roads



0

Debt servicing ratio



260

Number of dwellings



81

Number of garbage services provided



Shire President's Report

It gives me pleasure to present my report for the 2021/22 year. It is frustrating to have to deliver this report some eight months into our next financial year due to audit delays not of our Shire's making. However, it is pleasing to be reminded of the progress made in that period and how with some projects we have moved forward considerably.

The leadership of our administration during 21/22 changed three times and as can be expected was a challenge for all our staff and of course Councillors. CEO Belinda Knight unfortunately did not complete her three year contract following extended leave but Council was able to fill the vacancy with Ian Fitzgerald as Acting CEO. Ian served the Shire for over eight months with dedication and was a great help in recruiting Alan Hart, our current CEO. I thank Ian sincerely for the period he was with us. Alan met his new challenge head on in the last week of June getting to know staff, delivering final business results and immediately working on the new budget. On behalf of our community, I welcome Alan and we all look forward to his guidance and involvement here in Wandering.

In 2021 Councillors Brendan Whitely and Judith Price retired. On behalf of Council I thank them sincerely for their contribution to our community. We welcomed two new Councillors that filled those vacancies in Gillian Hansen and Sheryl Little and look forward to their input over the years ahead.



The 2021/22 year saw the finalisation of the rate review enabling the use of Gross Rental Values to replace Unimproved Values in setting rates for industrial and rural residential blocks. Road improvements remain a high priority of Council. Initial work commenced on the upgrade of the North Bannister to Pumphreys Road with successful funding to be provided via a secondary freight route grant. Further sealing of the York Williams Road continued with other road improvement projects detailed in the Executive Manager Technical Services Report. Council's decision to use the funds provided by the Commonwealth to purchase two Chalets saw their installation at the Caravan Park completed with very tidy landscaping thanks to our outside staff. They have proved to be very popular and a financial plus for the Shire.

Although many challenges continue for smaller Shires like ours, I remain optimistic about the future. As time progresses Council will need to adapt and operate progressively. There is no doubt that with likely changes to the Local Government Act forecast our Council and Community will indeed be tested.

In closing I thank all our staff for their dedication to the various tasks allocated. It was not an easy year with many changes, but your performance was exceptional. To my Councillor colleagues who were involved in this period, I thank them for working tirelessly for our community. I again encourage members of our community to consider nominating to join Council with the next opportunity in October 2023.

CR IAN TURTON
Shire President

Chief Executive Officer's Report

The 2021/22 year has seen significant changes here at the Shire, with the departure of the Shire's Chief Executive Officer, Belinda Knight and the recruitment of the current Chief Executive Officer.

This year the Shire completed a number of projects including the installation of two cabins in the Wandering Caravan Park which have been heavily utilised by contractors and visitors to our community. These were delivered at no cost to the Shire thanks to government grants and they now provide a new income stream.

The Shire also continued to progress a number of projects including the development of more light industrial land and the refurbishment of the Wandering Community Centre, both projects positioning Wandering for the future.

I would like to thank all of the staff for their hard work and contribution during the year. It has been challenging with a change in leadership, coming out of COVID and adjusting to the new 'normal'. With all of these challenges we have managed to maintain our high level of service to the community and continued our capital works program improving our community amenities and infrastructure.

I also would like to thank and acknowledge the continued contribution of our Elected Members who work collaboratively with the administration staff and to former Councillors Brendan Whitley and Judith Price for their contributions made to Council up until their retirement in October 2021.

ALAN HART

Chief Executive Officer



Australia Day Citizen of the Year Award 2022



Statutory Disclosures

Councillor attendance at Council Meetings:

In the 2021/2022 year there were 11 Ordinary Council Meetings (OCM), three Audit Committee Meetings (ACM) and three Special Council Meetings (SCM) held. Attendance was as follows:

	OCM	SCM	ACM
Cr I Turton	10	3	3
Cr G Parsons	11	2	3
Cr P Treasure	9	3	2
Cr G Curtis	10	2	3
Cr M Watts	11	3	3
Cr B Whitely (Retired Oct 2021)	3	N/A	1
Cr J Price (Retired Oct 2021)	3	N/A	1
Cr G Hansen (Commenced Oct 2021)	5	3	1
Cr S Little (Commenced Jan 2022)	3	1	1

Public Interest Disclosures

As a public authority, the Shire has an obligation to provide information under the *Public Interest Disclosure Act 2003*. No public interest disclosure requests were received during the 2021-22 year.



Register of Complaints

Section 5.53(2)(hb) of the *Local Government Act 1995* requires that a local government's Annual Report is to contain details of entries made under Section 53121 of the Act during the financial year, in the register of complaints. There were no complaints received and recorded in the Register for the 2021/22 period.

Employee Remuneration

In accordance with section 5.53(2)(g) of the *Local Government Act 1995* and Section 19B of the *Local Government (Administration) Regulations 1996*, the following information is provided with respect to employees annual salary entitlements. Set out below, in bands of \$10,000 is the number of employees of the Shire of Wandering with an annual salary of \$100,000 or more.

Salary Range	Number of Employees
\$110,000 - \$119,999	1
\$120,000 - \$129,999	
\$130,000 - \$139,999	1

National Competition Policy

The National Competition Policy statement requires Local Governments to include in the Annual Report, ongoing statements on the following: 1) Competitive Neutrality—To remove benefits (and costs) that accrue to government business because of their public ownership. 2) Structural Reform—Local government is required to reform the structure of publicly owned monopoly businesses where it is proposed to introduce competition. 3) Legislative Review—To review legislation that restricts competition.



Elected Members

The Shire of Wandering is comprised of seven Elected Members, including the Shire President.

Cr Ian Turton
Shire President



Cr Paul Treasure
Deputy Shire
President



Cr Gary Curtis



Cr Gillian Hansen



Cr Sheryl Little



Cr Graeme Parsons



Cr Max Watts



Cr Brendan Whitely
(Retired October 2021)



Cr Judith Price
(Retired October 2021)





Executive Manager Technical Services Report

The Shire of Wandering has a small workforce that have been very efficient during the 2021/22 financial year, with major capital and renewal works undertaken whilst still managing to undertake the day-to-day maintenance work within the Shire. The capital and renewal works completed include:

- North Bannister Road upgrade. The Shire was successful in road safety funding for bitumen sealing of the road shoulders with audible edge line marking on North Bannister Road between Albany Highway and Ricks Road. This work was completed in December 2021.
- York Williams Road upgrade work - 800m from a gravel surface to a seven metre wide bitumen seal. This project includes vegetation clearing and reshaping of table drains prior to placement of road base (gravel) to a suitable depth for heavy trucks and applying a two coat bitumen seal. The work was undertaken between Kelly and Carabin Roads.
- Carabin Road intersection upgrade from State Blackspot Funding. The project was extended to Steven Road intersection using Regional Road Group Funding. The Scope of work included realigning the Carabin and York Williams intersection and applying a two coat bitumen seal on the intersection and south to the Steven Road intersection.
- Other capital funded road works included the culvert upgrades on Ricks Road and George Road.
- Moramocking Road upgrade. This work extended the bitumen sealed section southwards Fuller Road. The work involved lowering a crest to improve sight distance, before constructing the road and applying a two-coat bitumen seal.
- North Wandering Road renewal work west of Sheoak Road. This project included the improvement to the table drains on the southern side of the road, prior to the cement stabilisation of the road and bitumen sealing. However, due to delays in the cement stabilisation, work on the table drains has been partly completed with the remaining work rescheduled for 2022-23.

Shire staff and contractors all completed the two new cabins at the Wandering Caravan Park. Work commenced on the new septic system for the Wandering Fire Station in preparation for the building extension for improved facilities for the brigades that service our community.

Even with this demand on capital and renewal works program, Shire staff, with the assistance of some contractors, still undertook regular maintenance of the Shire's gravel road network including flood damage work from the July 2021 heavy rain event. Other maintenance work including building maintenance, road verge weed spraying, tree pruning, vegetation control and general Parks and Garden work as programmed to support our local community.

BARRY GIBBS

Executive Manager Technical Services



The Wandering Sikh Memorial

The Sikh Memorial unveiling was held in April 2022, a joint initiative between the Shire of Wandering and the Sikh Association of WA. This memorial is a commemoration to the pioneer settlers of the Shire of Wandering. Junga, Ham and Veer Singh all traded goods within the Wandering area. This has been documented in the book "The Horses Came First" by Albert Schorer. During the early years of the settlement of Wandering hawkers were welcomed by the settlers, especially those who did not have teams to make the journey to Perth for supplies. Veer Singh was the last of the hawkers to frequent the Wandering district and to establish himself there he selected land on the Wandering Bannister Road.



This was to be a depot from which he would conduct trade. Unfortunately this was not meant to be and Veer Singh passed away after becoming seriously ill a short while later. And so disappeared from the roads the last of the pedlars and hawkers who had to some degree served a useful purpose to the early settlers of Wandering. This memorial will contribute to the Wandering community's sense of place as a reminder of the Sikh's presence in this area and the cultural diversity of Wandering. The Wandering Sikh memorial will be a part of the Australian Sikh Heritage Trail. The Shire are honoured to have provided in kind support to help erect this memorial.



Community Resource Centre Report

The Wandering Community Resource Centre (WCRC) is partly funded through the Department of Primary Industries and Regional Development (DPIRD) and is a service provided under the Shire of Wandering. Its core services align with the contractual obligations with DPIRD and other contracts held such as Department of Transport and Services Australia. Any other activities and services are provided and developed through community needs analysis.

The WCRC is managed by one part-time Co-ordinator who reports to the CEO of the Shire of Wandering and is open Monday-Thursday 9am-4pm.

Community Resource Centres (CRCs) deliver a range of community services for DPIRD which, as part of the Western Australian Community Resource Network, contribute towards the Community Level Outcomes for the WACRN program. These Community Level Outcomes (CLO) are:

CLO 1 - Development of vibrant and sustainable regional communities.

CLO 2 - Regional communities have improved access to the state government and community information they need.

CLO 3 - Regional communities improve their economic health.

CLO 4 - Regional communities improve their social cohesion and capacity.

Each CRC service provider contributes towards these through their work in delivering services tailored to address the Service Level Outcome for the WACRN. The Service Level Outcomes (SLO) for the WACRN are:

SLO 1 – Community members are provided with access to state government and community information and services.

SLO 2 – Local businesses and the workforce have access to activities and initiatives that improve skills and capacity to foster economic growth in the local community.

SLO 3 – Community members have access to activities and initiatives that create or improve community connectedness and capacity.

Economic & Business Development Support:

2021/22 saw an increase in small home-based businesses within the local area. This enabled the successful launch of The Wandering Collective. This new addition to the CRC services allows for locals to display and sell their products as well as promote their products to visitors and stakeholders.

We worked with several professional service providers to deliver a range of workshops, including Truck Driver training, Farm Workshops and Business Workshops. RSM delivered free workshops and business assistance. Busselton Advanced Driver Training delivered truck driver training, Rural Edge delivered the farm workshops and Employment Training Solutions delivered the Heavy Vehicle Pilot training. We will be partnering with these facilitators again next year to deliver a range of workshops and opportunities to upskill our local workforce and assist business owners.



Some of the activities presented this year include:

- Canva for Beginners
- Facebook for Business
- Business Planning
- Launching The Wandering Collective
- Branding
- Farm Safety
- MC/HR Truck Licensing
- Heavy Vehicle Pilot Licensing
- First Aid Training

Social Development Support:

The WCRC has strong relationships with many community groups. The CRC was able to conduct many more activities with the help of community groups such as the Wandering Lions Club, CWA and Wandering Golf Club. They helped in catering, set-up of activities and venue availability. As the CRC has limited staff, these relationships and resource sharing enable the community to have access to events, services and activities it would otherwise not have. This is even more important for our low-income families who can't travel for activities and rely on the CRC to help reduce social isolation and enhance social well-being throughout the community.

The WCRC develops the monthly community newsletter which has increased its reach over the past 12 months and has received a much-needed overhaul of design. The newsletter now presents more professionally and is easier to read online.

The WCRC hosts a weekly craft group which enables everyone to bring along their chosen craft and enjoy in social interaction and develop friendships.

It has helped several members of the group with their mental health that was struggling due to social isolation and given them a network they can now call on for help.

This group also goes on excursions at various times of the year and utilises the local tavern for regular lunches together. From this gathering some previously isolated people have found an enjoyable activity that has provided them with access to new friends and shared interests.

The CRC was the 'Event Office' for the inaugural Wandering Camp Out Weekend (WCOW) which is a new major event for the town. To support the event, the CRC provided a space for the committee and volunteers to meet throughout the week leading up to the event. This provided a safe venue for them to conduct their business out of the weather and enjoy refreshments. The CRC now provides a monthly meeting space for the Management Committee of the WCOW.

Some of the activities presented this year include:

- Australia Day activities
- Remembrance Day morning tea
- Outdoor movies
- Monthly after school activities
- Plant Swaps
- Healthy eating workshops – Food Bank Series and Raw Foods
- Social bus trips
- Children's Week
- Youth Week
- Community Roadside Breakfasts
- Seniors Week



Services & Products:

The WCRC café is a needed service for locals and visitors. With limited options in surrounding areas it is well utilised all year round. It also provides a nice addition to workshops and the weekly craft group.

The sitting area within the building is well utilised for meetings and catch-ups by local people and people passing through town. Being located on the main street and close to the public toilets, visitors call in and request tourism and local attractions information.

This year we launched the Wandering History Group. This group will work on updating and collating the history of Wandering. Part of the project will be to obtain oral and visual history to develop an online database that can be accessed online.

We received a State Library grant this year to upgrade our public access computer that will enable a more robust and up to date schedule of workshops going forward. This new addition will provide the community with access to a computer that can be used for digital and graphic design, website design and coding workshops.

The outdoor movie equipment continued to be a popular item that was hired to other surrounding towns. We also held the summer movie series which is a free event for families to enjoy throughout summer. Four evenings were held.

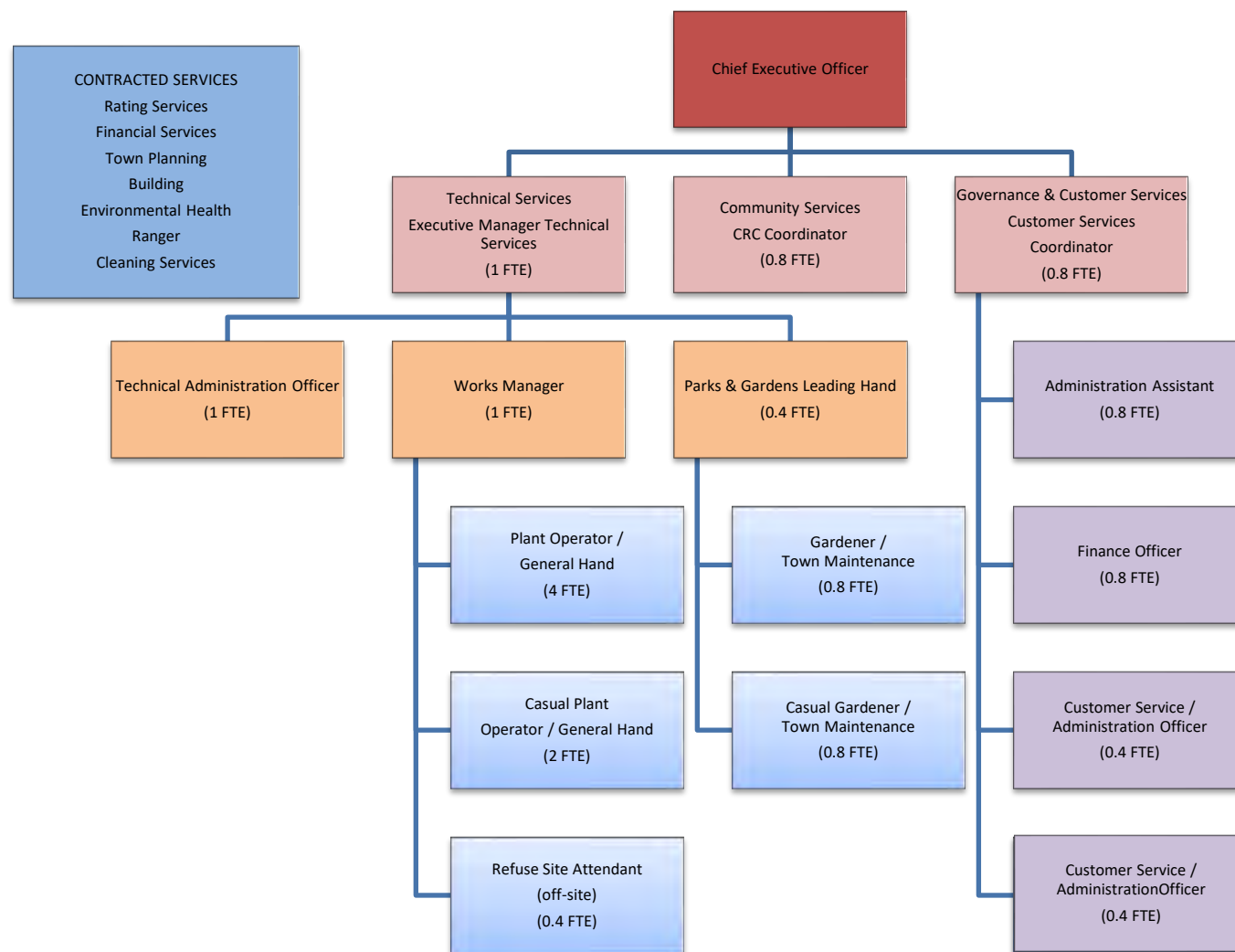
ALANA ROSENTHAL

Wandering Community Resource Centre Coordinator





Organisational Structure





Integrated Planning

Principles

The Council members and employees will follow the Local Government Department's Integrated Planning Framework that provides the process to:

- Ensure community input is explicitly and reliably generated.
- Provide capacity for location specific planning where appropriate.
- Inform long-term objectives of the Shire with these inputs.
- Identify the resourcing requirements to deliver against the long-term objectives.
- Clearly articulate long-term financial interchange implications and strategies.

Application

As part of the Shire of Wandering's planning cycle, the principles and practices of the integrated planning framework will be demonstrated in all consultation, research, development and implementation phases of the strategic planning process.

Outcomes from the process are a Wandering Community Strategic Plan 2018-2028 (CSP) representing the long-term community aspirations, a Corporate Business Plan 2014-2018 (CBP) outlining the strategic and operational objectives to be achieved in the four-year period. The CBP will demonstrate activities and projects are fully resourced and have appropriate timelines and performance measures.

This will be underpinned by a series of informing strategies and plans which will include:

- A 10-year long-term financial plan;
- A workforce plan that is reviewed every four years in conjunction with the corporate business plan;
- An asset management plan for the life cycle of all assets including maintenance and replacement programs; and
- Any relevant issue specific strategies and plans for major projects or key developments.

The Council will ensure that there are adequate resources provided in both the integrated planning development and delivery phases to ensure timelines and legislative requirement are met and that the community expectations are addressed in a sustainable manner.

The integrated planning process and outcomes will be incorporated into the performance indicators of the CEO for the overall integrated planning process and for Managers for the components relative to their areas of control.

Council members and employees will be trained as appropriate and guideline documents and processes will be recorded appropriately and made available to all new and existing employee to ensure continuity and quality management of the integrated planning process.

Corporate Business Plan

1. Improve Our Financial Position

The following tables reflect the future actions to be undertaken for each strategy. The prioritisation of the actions is reflected by a square indicating when the action is planned to be undertaken.

OUTCOME: 1 IMPROVE OUR FINANCIAL POSITION				Responsible Agency/Officer	Measures & Targets	2021-2022	2022-2023	2023-2024	2024-2025	2021-2022	2022-2023	2023-2024	2024-2025
				Cost Estimates									
Improve accountability and transparency	1.1	Seek a high level of legislative compliance and effective internal controls											
		1.1.1	Meet key financial ratios	CEO	Ratios at or better than benchmark standard	✓	✓	✓	✓				
		1.1.2	Annual external audit identifies no adverse trends	CEO	Audit Report	✓	✓	✓	✓				
		Demonstrate sound financial planning											
		1.1.3	Implement recommendations from Regulation 17 Review	CEO	Adopted Strategy	✓	✓	✓	✓				
Develop an investment strategy that plans for the future and provides cash-backed reserves to meet operational needs	1.2	Annually review and update the Long-Term Financial Plan and Strategic Resource Plan ensuring they integrate with the Strategic Community Plan and that adequate cash backed reserves are maintained to meet investing activities											
		1.2.1	Maintain the Fuel Facility Reserve and actively save to fund 90% of the replacement of the fuel tanks by 2027/28	EMTS	Establishment of reserve fund	✓				\$70,826	\$86,701	\$103,002	\$119,547
		1.2.2	Maintain the Plant Replacement Reserve to ensure replacement of the Shire's Plant fleet	EMTS	Adopted Council Report	✓	✓	✓	✓	\$164,198	\$357,188	\$357,138	\$72,004

OUTCOME: 1		IMPROVE OUR FINANCIAL POSITION		Responsible Agency/Officer	Measures & Targets	2021-2022	2022-2023	2023-2024	2024-2025	2021-2022	2022-2023	2023-2024	2024-2025
										Cost Estimates			
Prudently manage our financial resources to ensure value for money.	1.3	Ensure that the Annual Budget is in line with the strategies within the Corporate Business Plan											
		1.3.1	Balanced budget delivered annually	CEO	Budget	✓	✓	✓	✓				
		Demonstrate sound financial management, implementing opportunities where appropriate.											
		1.3.2	Reactive to industry trends.	CEO	Professional Development sessions attended	✓	✓	✓	✓	\$2,500	\$2,500	\$2,500	\$2,500
		Implement changes to rating structure as recommended by the Rate Review											
		1.4.2	Rate review implemented over a staged process	CEO/Consultant	Budget	✓	✓	✓		\$3,500	\$3,500		
		Review income generated by rates											
	1.4.3	Rates are reviewed annually		Consultant	Budget	✓	✓	✓	✓				

2. Improve the Economic Growth of our Community

OUTCOME: 2	IMPROVE THE ECONOMIC GROWTH OF OUR COMMUNITY		Responsible Agency/Officer	Measures & Targets	2021/22	2022/23	2023/24	2024/25	2021/22	2022/23	2023/24	2024/25	
									Cost Estimates				
The agricultural industry continues to be a main economic driver.	2.1	Maintain our road network to a high standard.											
		2.1.1	Maintain transport network in accordance with 5 year Road Project Plan and Asset Management Plans.	EMTS	Adopted Plans & Strategies	✓	✓	✓	✓				
			Roads (Renewal/Upgrade)			✓	✓	✓	✓	\$776,846	\$789,444	\$800,378	\$813,486
			Roads (Maintenance)			✓	✓	✓	✓	\$585,570	\$597,285	\$609,230	\$621,415
			Bridges (Renewal/Maintenance)			✓	✓	✓	✓	\$15,000	\$15,300	\$15,610	\$15,930
		Encourage new and existing complimentary business to grow.											
		2.1.2	Develop, Market and sell Industrial Lots	Working Group/Consultant	Subsdivison/Sales	✓	✓			\$200,000	(\$250,000)		

OUTCOME: 2	IMPROVE THE ECONOMIC GROWTH OF OUR COMMUNITY		Responsible Agency/Officer	Measures & Targets	2021/22	2022/23	2023/24	2024/25	2021/22	2022/23	2023/24	2024/25	
					Cost Estimates								
Roads are a critical driver for our Shire	2.2	Develop a Road Management Plan, which incorporates a road heirarchy, minimum service leaves, maintenance policy, contractor policy and Asset Management Plan											
		2.2.2	Develop Maintenance and Contractor Policy.	EMTS/CEO	Adopted Policies	✓							
		Lobby and build enduring partnerships with key Government Departments to better manage Heavy Vehicles and their impact on local roads											
		2.2.4	Liaise with government and other agencies to ensure the future viability of the freight network in the Shire.	EMTS/Council	Maintain membership of Secondary Freight Network Group	✓	✓	✓	✓	\$6,000	\$6,000	\$6,000	\$6,000
		Develop a Roadside Reserve Management Plan											
		2.2.5	Roadside Reserve Management Plan to be developed	EMTS/Roadside Conservation Committee	Adopted Plan		✓				\$2,500		
		Develop a strategic Gravel Reserve Policy											
		2.2.6	Gravel Reserve Policy to be developed	EMTS/CEO	Adopted Policy		✓						

OUTCOME: 2	IMPROVE THE ECONOMIC GROWTH OF OUR COMMUNITY		Responsible Agency/Officer	Measures & Targets	2021/22	2022/23	2023/24	2024/25	2021/22	2022/23	2023/24	2024/25
									Cost Estimates			
Facilitate increased business opportunities	2.3	Support Business Development and facilitate opportunities for startup and growth										
		2.3.1 Develop a Business Growth Strategy supporting commercial and industrial growth.	Consultant	Adopted Strategy			✓				\$3,500	
		Ensure our planning framework & environment supports nimble decision making and gives confidence to developers										
		2.3.2 Review land use planning documents	CEO/Consultant	Adopted Reviewed documents	✓	✓			\$5,000	\$5,000		
		2.3.3 Review Shire of Wandering Town Planning Scheme No. 3	Consultant	Adopted Scheme No. 4		✓	✓	✓		\$10,000	\$15,000	\$15,000
		Ensure our procurement policies support local business and help generate local employment										
		2.3.4 Review purchasing and procurement policy including identification of "buy local" principles.	CEO	Adopted Policy	✓			✓				

OUTCOME: 2	IMPROVE THE ECONOMIC GROWTH OF OUR COMMUNITY		Responsible Agency/Officer	Measures & Targets	2021/22	2022/23	2023/24	2024/25	2021/22	2022/23	2023/24	2024/25	
									Cost Estimates				
Capture tourism opportunities locally	2.4	Encourage tourists, longer stays and repeat visitation											
		2.4.1	Support and develop tourism opportunities within the Shire	CEO/Concil	Maintain membership of HWEDA	✓	✓	✓	✓	\$5,000	\$5,000	\$5,000	\$5,000
		Provide for and maintain infrastructure that grows tourism											
		2.4.2	Continuing development of the Wandering Caravan Park	EMTS/Consultant Contractors	Implementation Stage 2 - Cabin	✓				\$140,000			
The Hotham Williams Economic Development Alliance (HWEDA) partnership brings economic return to the Shire and community	2.5	Maintain our commitment to HWEDA											
		2.5.1	Ensure that a Council member is an active participant on the HWEDA Board	Council	Meetings attended by Council member	✓	✓	✓	✓				
		2.5.2	Support HWEDA Initiatives where they benefit the Shire and Region.	Council	Council resolutions supporting HWEDA initiatives	✓	✓	✓	✓				
		Start-up incentives are investigated for businesses											
		2.5.3	Format strategy to actively promote and encourage business development in the Shire.	Consultant	Adopted strategy		✓				\$3,500		

3. Retain and Grow our Population

OUTCOME: 3	RETAIN AND GROW OUR POPULATION		Responsible Agency/Officer	Measures & Targets	2021-2022	2022-2023	2023-2024	2024-2025	2021-2022	2022-2023	2023-2024	2024-2025
Our permanent and transient population grows	3.1	We assist with retaining the Wandering Primary School										
		3.1.1 Liaise with government to ensure the future viability of the Wandering Primary School	CEO/Council	Provision of housing for School Staff	✓	✓	✓	✓				
		We promote the lifestyle and business opportunities of Wandering										
		3.1.2 Parks and gardens are maintained to an high standard.	EMTS	85% or greater satisfaction from survey (See 4.1.2) Maintain funding levels to meet target	✓	✓	✓	✓	\$90,000	\$108,000	\$129,600	\$155,520
		3.1.3 Number of residents engaged and actively participating in community events	CRC	Data collection	✓	✓	✓	✓				
		We support early years and youth										
		3.1.4 Develop a Youth Strategy that identifies initiatives, support services, facilities and programs.	Consultant	Adopted Strategy		✓				\$4,000		
		We encourage Aging in Place										
		3.1.6 Undertake needs study for services and/or facilities for the well-aged	Consultant	Adopt Study		✓				\$4,000		
		3.1.7 Ensure Access and Inclusion Plan meets changing needs of community	CEO/CRC	Survey (see 4.1.2)	✓	✓	✓	✓	\$1,520	\$2,000		

OUTCOME: 3	RETAIN AND GROW OUR POPULATION		Responsible Agency/Officer	Measures & Targets	2021-2022	2022-2023	2023-2024	2024-2025	2021-2022	2022-2023	2023-2024	2024-2025
									Cost Estimates			
People feel safe, connected and actively involved in the Community.	3.2	Facilitate and support activities that optimise use of our facilities										
		3.2.1 Develop Recreation Strategy to promote and encourage usage of recreation facilities	Consultant	Adopted Strategy		✓				\$4,000		
		3.2.2 Ensure Shire buildings are maintained and/or upgraded in a planned and funded approach.	EMTS/CEO/CRC		✓	✓	✓	✓		\$65,000	\$60,000	\$75,000
		Assist Community and sporting organisations to remain sustainable and active										
		3.2.2 Maintain a subsidised fee for use of facilities for sporting and community organisations of the Shire	CEO	Council Policy 30 - takeup	✓	✓	✓	✓				
		3.2.3 Provide grant writing assistance to local sporting and community groups	CRC	Number of grants written	✓	✓	✓	✓				
		The diversity and number of clubs in our Shire adds to our quality of life										
		3.2.4 Support Clubs by actively engaging with Council	CEO/Council	Number of Clubs assisting with Community Events Clubs invited to Council forums	✓	✓	✓	✓				
		Engage and celebrate local culture, both indigenous and non-indigenous										
		3.2.5 Advocate and support projects and initiatives that will develop and recognise the cultural heritage of the Shire	CEO/Council	Number of initiatives	✓	✓	✓	✓				
		3.2.6 Hold Welcome to Country for designated Shire Events	CEO/Council	Australia Day & other designated Civic Functions	✓	✓	✓	✓				
		Facilitate and support Emergency Services Planning										
		3.2.7 Actively participate with LEMC & DOAC	EMTS	Number of meetings attended	✓	✓	✓	✓				
		3.2.8 Actively pursue joint CESM role in conjunction with BFAC, DFES and other local governments	EMTS	Engagement of CESM		✓				\$5,000	\$5,000	\$5,000
		Preserve our history.										
		Secure the data contained in the Municipal Heritage inventory	CEO/Heritage Council	Hard and soft Copy secured.		✓				\$1,500		
		Undertake recorded history project for the preservation of spoken word stories.	CRC	Funding sourced & DVD/CD produced			✓				\$1,000	

4. Provide Strong Leadership

OUTCOME: 4	PROVIDE STRONG LEADERSHIP		Responsible Agency/Officer	Measures & Targets	2021-2022	2022-2023	2023-2024	2024-2025	2021-2022	2022-2023	2023-2024	2024-2025	
									Cost Estimates				
A well informed Community	4.1	Foster Opportunities for connectivity between Council and the Community											
		4.1.1	Develop and implmenet a Community Engagement and Communication Strategy	Consultant	Adopted Strategy	✓				4000			
		4.1.2	Undertake biannual community satisfaction survey	Consultant/CRC	> 30% participation		✓		✓		\$2,500		\$2,500
We plan for the future and are strategically focussed.	4.2	Ensure accountable, ethical and best practice governance											
		4.2.1	Legislative compliance measures set at best practice levels or higher.	CEO	100% compliance on CAR	✓	✓	✓	✓				
		4.2.2	Full review of Policy Manual, Delegations and Authorisations.	CEO	Adopted Manual, Delegations & Authorisations.		✓		✓		\$3,500		\$3,500
		Develop and maintain our Strategic Plan, Corporate Business Plan, Asset Management Plan, Workforce Plan and Long Term Financial Plan.											
		4.2.3	Review Integrated Plans within statutory guidelines	CEO	Adopted plans within statutory guidelines	✓	✓	✓	✓				
		Service Level Plans detail operational roles, responsibilities and resources.											
		4.2.4	Develop and implement service levels for all operational areas.	CEO/EMTS/CRC	Service levels incorporated into IPR	✓	✓						
		Engage with local, regional, state and federal stakeholders to grow mutually beneficial relationships.											
		4.2.5	Develop and foster strategic alliances with local governments, major industry and government agencies	CEO/Council	Meetings attended	✓	✓	✓	✓				



Freedom of Information

This information statement is published in accordance with the *Freedom of Information Act 1992*.

Structure and Functions of Council

The Shire of Wandering is established under the Local Government Act 1995 and has the responsibility for the administration of this Act within the municipality. Other major legislation, which creates a duty or an authority for Council to act, includes but is not limited to the following:

- Health Act 1911
- Cat Act 2011
- Town Planning and Development Act 1928
- Bush Fires Act 1954
- Dog Act 1976
- Cemeteries Act 1986

Council

Council's affairs are managed by seven people elected from the community who act in a voluntary capacity. The Council acts as a community board, establishing policies and making decisions within the requirements of the Local Government Act on a wide range of issues affecting the community, and in keeping with the legislative requirements to:

- Determine policies to be applied by Council in exercising its discretionary powers
- Determine the type, range and scope of projects to be undertaken by Council
- Develop comprehensive management plans, budgets, financial controls and performance objectives and indicators for the operations of Council.

- The Council makes decisions which direct and/or determine its activities and functions. Such decisions include the approval of works and services to be undertaken, and the allocation of resources to works and services.
- Decisions are also made to determine whether or not approvals are to be granted for applications for residential and commercial development.
- Ordinary meetings of Council are held on the third Thursday of each month commencing at 3.30pm except January. All members of the public are welcome to attend.





Council provides an extensive variety of services for the community under a wide range of legislation. Services provided include:

- Building control
- Bush fire control
- Cemeteries
- Citizenship ceremonies
- Community Resource Centre
- Crossovers
- Demolition permits
- Dog control
- Cat control
- Environmental health
- Fire prevention
- Library services
- Street bins
- Media releases
- Parks and reserves
- Planning controls
- Playground equipment
- Public health services
- Public buildings for hire
- Public toilets
- Recreation/sporting facilities
- Roads and footpaths
- Rubbish collection
- Storm water drainage
- Street lighting
- Traffic control works
- Playgroup
- LEMAC (Local Emergency Management Advisory Committee)
- Weed control on reserves
- Natural Resource Management/ Landcare

Significant Local Events

- Wandering Autumn Graze
- Wandering Fair
- ANZCAC Day Breakfast
- Australia Day Breakfast
- Wandering Campout Weekend

Tourist Attractions

The Wandering Caravan Park is the perfect place for visitors to base themselves, and visit the following attractions:

- Wineries
- Hotham River
- Dryandra Woodland & Barna Mia Wildlife Sanctuary
- State Forest
- Bibbulman Track
- Munda Biddi Trail
- Mount Cooke Trail

Local Industries and Services

Major agricultural activities include cereal crops, oil seed, livestock, vineyards and olive groves. Education services include local primary school and bus services to Boddington and Narrogin for district high school education.

Local industries include smash repairs and mechanical services.

The Shire provides a high level of community amenities including town oval, tennis courts, basketball and netball courts, badminton courts, bowling greens, clay target shooting ground, and golf course.



Equal Opportunity Statement

Policy Statement

The Shire of Wandering Council recognises its legal obligations under the Equal Opportunity Act 1984 (as amended) and will actively promote the principles of equity and diversity in the workplace. This means that Council aims to provide a work environment that fosters good working relationships where employees, contractors and volunteers are fairly and equally, and that unlawful discrimination does not take place. Council aims to be respected for its commitment to equal opportunity as an employer and as a service provider to the community by adopting the following:

Appointments, Promotion and Training

Access to employment, contracts, promotion and training is to be fair and equitable. Decisions on matters affecting (prospective and current) employees, contractors and volunteers will be made on merit and are based on relevant experience, skills and ability required for the role. No decisions will be made on the basis of nepotism or patronage.

Diversity

Council recognises, values, and respects social, cultural and linguistic diversity. Where it can reasonably be achieved assistance will be provided to employees and volunteers with special needs in order to assist them in undertaking their roles effectively.

Discrimination and Harassment Free Environment

Council promotes an environment where people can work effectively without the fear of unlawful discrimination or harassment.

Discrimination is treating one person less favourably than another because of a personal attribute which is covered by equal opportunity laws.

This includes gender, marital status, pregnancy, family responsibilities or status, race, religious and/or political conviction, impairment, age, gender history, and sexual orientation.

Discrimination is unlawful. Harassment is also not tolerated. Harassment is defined as any unwelcome, offensive action or remark concerning a person's gender, race, age, impairment or one of the other attributes as covered in the Equal Opportunity legislation.

Good Working Relationships

Council aims to provide an enjoyable, challenging, and harmonious work environment. Workplace bullying is one activity that detracts from this environment. It can create a risk to health and safety and will not be tolerated. Workplace bullying is defined as repeated, unreasonable behaviour directed towards a person or a group of persons at a workplace.

Responsibilities

All employees, volunteers and contractors have a shared responsibility to apply and promote the equal opportunity principles.

Grievances

Grievances in relation to discrimination, harassment, and bullying will be dealt with fairly, quickly and confidentially by the Equal Opportunity Coordinator in accordance with grievance procedures. The Equal Opportunity Coordinator will receive appropriate training to undertake this role. The Chief Executive Officer is the Equal Opportunity Co-ordinator for the Shire.



Work Health and Safety

Policy Statement

The Shire of Wandering will manage work health and safety including the development and implementation of a Work Health and Safety Management System that complies with or exceeds legislative requirements including, but not limited to:

- The Work Health and Safety Act 2020 (WA)
- And with any other requirements placed upon the Shire or to which the Shire subscribes.
- The Shire of Wandering will ensure that all levels of employees, including senior management, employees and contractors understand their roles and responsibilities in accordance with legislative requirements.
- The Shire of Wandering will, so far as is practicable, meet our objectives by:
 - Providing and maintaining workplaces, plant, and systems of work such that employees are not exposed to hazards; and
 - Providing such information, instruction, and training to, and supervision of, employees as is necessary to enable them to perform their work in such a manner that they are not exposed to hazards; and
 - Consulting and cooperating with safety and health representatives, if any, and other employees at our workplaces, regarding Work Health and Safety at our workplaces; and
 - Where it is not practicable to avoid the presence of hazards at our workplaces, providing our employees with, or otherwise providing for our employees to have, such adequate personal protective clothing and equipment as is practicable to protect them against those hazards; and
- Making arrangements for ensuring, so far as is practicable, that:
 - The use, cleaning, maintenance, transportation and disposal of plant; and
 - The use, handling, processing, storage, transportation and disposal of substances, at our workplaces is carried out in a manner such that our employees are not exposed to hazards
- While at work all employees, including contractors and volunteers will be expected to:
 - Ensure their own safety and health at work; and
 - Avoid adversely affecting the safety or health of any other person through any act or omission at work;
 - Comply with safety and health instructions given by the Shire, including any direction to wear personal protective clothing or equipment;
 - Report all hazards, injury or harm to health in our workplaces to the Shire in a timely fashion and assist with any investigations when required;
 - Cooperate with the Shire in our efforts to carry out our legislatively imposed safety and health duties

A safe and efficient place of work is our goal.



Access and Inclusion Plan

1.1 Outcome One: Events and Services

Shire of Wandering will provide events and services that are accessible to all community members.

What	How
Adapt services to meet the needs of a changing demographic.	Staff will react positively to changes as they arise, and where possible implement changes as a matter of priority
Events held will include requirements for universal access to all facets of the event	Event booking forms will include reference to universal access to ensure all events are accessible to everyone.
Shire staff will ensure they are able to provide support and assistance when required.	Implementation of a training program for all staff to ensure they are equipped with appropriate knowledge and skills.
Provide appropriate directional signage to town facilities	Increase signage in the main street to indicate where facilities are.

1.2 Outcome Two: Buildings and Facilities

The Shire of Wandering buildings and other facilities will be accessible to all community members.

What	How
Improve accessibility to community buildings, halls and toilets	Plans are currently being drawn up to incorporate at least two accessible parking bays and access ramp to the Wandering Community Centre, as well as universal toilet facilities.
Provide and maintain safe and accessible parking and footpaths	Planning underway for a universal access pathway connecting the Wandering Caravan Park, Wandering Community Centre and oval, to the town centre
Upgrade Wandering Caravan Park to provide a range of accommodation options that are accessible to all users.	Two universal access accommodation units will be constructed at the Caravan Park in Stage 1, with a view to increasing the number to five in the future.
Provide accessible and inclusive open spaces	Parks and open spaces to be monitored and reviewed to ensure there are no barriers to access.

1.3 Outcome Three: Accessible Information

Shire of Wandering information will be accessible to all community members.

What	How
Create Shire of Wandering documents in a range of suitable formats, including hard copy and digital.	Ensure documents are presented in an appropriate range of formats to meet the needs of the individual.
Provide information in alternative formats on individual request	Shire staff are training in the use of the Translating and Interpreting Service (TIS).
Effectively communicate to our community.	Ensure communication is provided in a form that contains simplified information with sufficient explanation.

1.4 Outcome Four: Quality of Service

All community members will receive the same level and quality of service from Shire of Wandering employees and elected members.

What	How
Ensure facilities are welcoming and inviting, and staff are in a position to assist with access when called upon to do so.	Planning is underway to replace or modify the current counter in the administration office to ensure it is accessible for all community members
Provide high quality service to our diverse community	Shire employees to complete training and professional development, as applicable, to ensure they have the knowledge and skills to provide quality services for all community members.
Promote the Access & Inclusion Plan to the community, staff and elected members	All Shire staff and elected members to have knowledge of the Access and Inclusion Plan; and Election packs distributed to potential elected members to be aware of the Shire's AIP and expectations

1.5 Outcome Five: Opportunities to Provide Feedback

All community members will have the same opportunities to provide feedback or make complaints to the Shire of Wandering.

What	How
Ensure a range of methods are available to capture complaints and feedback	Ensure complaints can be received in various avenues and actioned appropriately, Complaints can be submitted via: <ul style="list-style-type: none">• Email• Phone• Letter/Post• In Person• Through the Shire website feedback form
Communicate and respond in an appropriate manner to complaints received.	Ensure concerns are reviewed with a compassionate manner and in confidence.
Ensure feedback regarding access is considered and reflected in the Access & Inclusion Plan	Complaints with regards to access to be referenced on an annual basis and monitored, reviewed and incorporated into the formalised actions of the next AIP.

1.6 Outcome Six: Public Consultation

All community members have the same opportunities to participate in public consultation conducted by the Shire of Wandering.

What	How
Engage with the community in a proactive manner utilising a range of consultation tools and methods.	Ensure public consultations are well advertised in both print and online.
Maintain community networks that can provide advice and guidance on access matters.	Ensure all community engagement and consultation is conducted in a safe, inclusive and accessible way.
Encourage diversity in all Shire represented committees and forums.	Ensure recommendations and areas of improvement to continually be built into organisational structure and priority areas.

1.7 Outcome Seven: Employment Opportunities

All community members are encouraged to pursue employment opportunities within the Shire of Wandering.

What	How
Recognise and apply the skills, knowledge, and experience of people with disability.	Ensure recruitment practices are inclusive and encourage everyone to apply for employment with the Shire.
Foster a workplace culture that is inclusive and welcoming for people of all abilities and backgrounds	Continuing to improve organisational culture that recognises access and inclusion issues, and encouraging diversity within the workforce.
Implement the actions outlined in the Shire of Wandering Equal Employment Opportunity & Diversity Plan.	Actively support and advocate for the Shire's Equal Employment Opportunity & Diversity Plan.

1.8 Outcome Eight: Capacity Building

The Shire of Wandering will build community capacity and advocate for inclusion.

What	How
Support residents to access information and services including the National Disability Insurance Scheme and mental health support networks.	Collaborate with the Shire of Wandering Community Resource Centre to provide NDIS information sessions.
Provide education to encourage inclusive recruitment in the local business community.	Collaborate with the Shire of Wandering Community Resource Centre to provide appropriate training sessions for the local business community.
Increase the capacity of local groups, clubs and organisations to be more inclusive.	Collaborate with the Shire of Wandering Community Resource Centre to assist local groups, clubs and organisations become more inclusive.



Record Keeping Plan

Council's revised Record Keeping Plan was first adopted by Council in 2011 and will undergo another full review in 2024/2025.

Policy Statement

The Shire of Wandering is committed to making and keeping full and accurate records of its business transactions and its official activities.

Records created and received by Shire personnel and contractors, irrespective of format, are to be managed in accordance with the Shire's Record Keeping Plan and this Records Management Policy.

Records will not be destroyed except by reference to the General Disposal Authority for Local Government Records.

Records Creation

All Council members, employee and contractors will create full and accurate records, in the appropriate format, of the Shire's business decisions and transactions to meet all legislative, business, administrative, financial, evidential historical requirements.

Records Capture and Control

All records created and received in the course of Shire business are to be captured at the point of creation, regardless of format, with required metadata, into appropriate record keeping and business systems that are managed in accordance with sound record keeping principles.

Security and Protection of Records

The Shire of Wandering is responsible for the security and protection of all records created or captured as part of the Shire's day to day operations. All Shire employee and contractors have a responsibility to apply the following security and protection measures to all records created or received when carrying out the Shire's business.

Access to Records

Access to the Shire's records by the general public will be in accordance with the Freedom of Information Act 1992.

Access to the Shire's records by Council members will be through the Chief Executive Officer in accordance with the Local Government Act 1995.

Local Government Council Members

In relation to the recordkeeping requirements of Local Government council members, records must be created and kept which properly and adequately record the performance of member functions arising from their participation in the decision-making processes of Council and Committees of Council.

This requirement should be met through the creation and retention of records of meetings of Council and Committees of Council of Local government and other communications and transactions of council members which constitute evidence affecting the accountability of the Council and the discharge of its business.

Local Governments must ensure that appropriate practices are established to facilitate the ease of capture and management of council members' records up to and including the decision-making processes of Council.

Appraisal, Retention and Disposal of Records

Records will only be destroyed or otherwise disposed of by reference to the General Disposal Authority for Local Government Records issued by the State Records Office and following authorisation from the responsible Officer and the Chief Executive Officer. Records identified as a State Archive should be transferred to the State Records Office in accordance with the requirements of the General Disposal Authority for Local Government Records.

Financial Reports

SHIRE OF WANDERING
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

Certification of Financial Report	2
Statement of Comprehensive Income by Nature or Type	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Rate Setting Statement	7
Index of Notes to the Financial Report	8
Independent Auditor's Report	43

COMMUNITY VISION

The Shire of Wandering conducts the operations of a local government with the following community vision:

Wandering is a community of responsible, resilient and adaptable residents thriving in our scenic, economically diverse environment.

Principal place of business:
22 Watts Street
WANDERING WA 6308

**SHIRE OF WANDERING
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

The attached financial report of the Shire of Wandering for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the Shire of Wandering at 30 June 2022 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 28th day of February 2023



Chief Executive Officer

Alan Hart

Name of Chief Executive Officer

SHIRE OF WANDERING
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
Revenue				
Rates	21(c),2(a)	1,211,613	1,208,054	1,101,341
Operating grants, subsidies and contributions	2(a)	976,553	797,010	826,746
Fees and charges	20(c),2(a)	778,875	734,530	560,013
Interest earnings	2(a)	8,067	12,700	11,201
Other revenue	2(a)	91,419	35,810	30,894
		3,066,527	2,788,104	2,530,195
Expenses				
Employee costs		(1,453,833)	(1,229,545)	(1,226,226)
Materials and contracts		(982,076)	(975,640)	(936,919)
Utility charges		(42,416)	(50,120)	(47,004)
Depreciation	9(a)	(1,233,565)	(1,123,080)	(1,166,417)
Finance costs	2(b)	0	(2,970)	0
Insurance		(80,661)	(84,120)	(77,405)
Other expenditure	2(b)	(66,791)	(37,400)	(49,811)
		(3,859,342)	(3,502,875)	(3,503,782)
		(792,815)	(714,771)	(973,587)
Capital grants, subsidies and contributions	2(a)	1,198,980	957,245	1,142,720
Profit on asset disposals	9(b)	9,598	14,700	8,182
Loss on asset disposals	9(b)	(4,316)	0	(92,623)
Fair value adjustments to financial assets at fair value through profit or loss		999	0	935
		1,205,261	971,945	1,059,214
Net result for the period	20(b)	412,446	257,174	85,627
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	(68,931)	0	1,442,382
Total other comprehensive income for the period	13	(68,931)	0	1,442,382
Total comprehensive income for the period		343,515	257,174	1,528,009

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

SHIRE OF WANDERING
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	NOTE	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	3	1,045,333	841,093
Trade and other receivables	5	131,244	67,643
Inventories	6	64,203	74,270
TOTAL CURRENT ASSETS		1,240,780	983,006
NON-CURRENT ASSETS			
Trade and other receivables	5	2,675	1,251
Other financial assets	4	19,451	18,452
Property, plant and equipment	7	7,426,031	7,320,571
Infrastructure	8	51,611,213	51,567,956
TOTAL NON-CURRENT ASSETS		59,059,370	58,908,230
TOTAL ASSETS		60,300,150	59,891,236
CURRENT LIABILITIES			
Trade and other payables	10	165,342	203,312
Other liabilities	11	285,497	217,439
Employee related provisions	12	87,500	81,180
TOTAL CURRENT LIABILITIES		538,339	501,931
NON-CURRENT LIABILITIES			
Employee related provisions	12	72,725	43,734
TOTAL NON-CURRENT LIABILITIES		72,725	43,734
TOTAL LIABILITIES		611,064	545,665
NET ASSETS		59,689,086	59,345,571
EQUITY			
Retained surplus		20,709,332	20,305,298
Reserve accounts	24	534,379	525,967
Revaluation surplus	13	38,445,375	38,514,306
TOTAL EQUITY		59,689,086	59,345,571

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

SHIRE OF WANDERING
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2020		20,357,634	388,004	37,071,924	57,817,562
Comprehensive income for the period					
Net result for the period		85,627	0	0	85,627
Other comprehensive income for the period	13	0	0	1,442,382	1,442,382
Total comprehensive income for the period		85,627	0	1,442,382	1,528,009
Transfers from reserves	24	300,292	(300,292)	0	0
Transfers to reserves	24	(438,255)	438,255	0	0
Balance as at 30 June 2021		20,305,298	525,967	38,514,306	59,345,571
Comprehensive income for the period					
Net result for the period		412,446	0	0	412,446
Other comprehensive income for the period	13	0	0	(68,931)	(68,931)
Total comprehensive income for the period		412,446	0	(68,931)	343,515
Transfers from reserves	24	165,820	(165,820)	0	0
Transfers to reserves	24	(174,232)	174,232	0	0
Balance as at 30 June 2022		20,709,332	534,379	38,445,375	59,689,086

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

SHIRE OF WANDERING
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		1,201,561	1,208,054	1,086,117
Operating grants, subsidies and contributions		932,798	609,763	778,862
Fees and charges		940,159	734,530	560,013
Interest received		8,067	12,700	11,201
Goods and services tax received		238,999	97,564	285,291
Other revenue		91,419	35,810	30,894
		3,413,002	2,698,421	2,752,378
Payments				
Employee costs		(1,410,846)	(1,243,545)	(1,248,180)
Materials and contracts		(1,258,084)	(930,640)	(1,171,213)
Utility charges		(42,416)	(50,120)	(47,004)
Finance costs		(9,788)	(2,970)	0
Insurance paid		(80,661)	(84,120)	(77,405)
Goods and services tax paid		(161,284)	(97,564)	(15,648)
Other expenditure		(66,791)	(37,400)	(49,811)
		(3,029,869)	(2,446,359)	(2,609,261)
Net cash provided by (used in) operating activities	14(b)	383,133	252,062	143,117
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for development of land held for resale		0	(200,000)	0
Payments for purchase of property, plant & equipment	7(a)	(518,401)	(460,090)	(621,606)
Payments for construction of infrastructure	8(a)	(1,008,216)	(1,044,570)	(1,258,152)
Non-operating grants, subsidies and contributions		1,267,038	957,245	850,699
Proceeds from sale of property, plant & equipment	9(b)	80,686	124,000	292,778
Net cash provided by (used in) investing activities		(178,893)	(623,415)	(736,281)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	23(a)	0	(18,665)	0
Proceeds from new borrowings	23(a)	0	200,000	0
Net cash provided by (used in) financing activities		0	181,335	0
Net increase (decrease) in cash held		204,240	(190,018)	(593,164)
Cash at beginning of year		841,093	842,309	1,434,257
Cash and cash equivalents at the end of the year	14(a)	1,045,333	652,291	841,093

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

SHIRE OF WANDERING
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
NET CURRENT ASSETS - At start of financial year - surplus/(deficit)	22(b)	15,352	173,709	418,979
OPERATING ACTIVITIES				
Revenue from operating activities (excluding general rate)				
Rates (excluding general rate)	21(b)	3,326	3,200	3,139
Operating grants, subsidies and contributions		976,553	797,010	826,746
Fees and charges		778,875	734,530	560,013
Interest earnings		8,067	12,700	11,201
Other revenue		91,419	35,810	30,894
Profit on asset disposals	9(b)	9,598	14,700	8,182
Fair value adjustments to financial assets at fair value through profit or loss		999	0	935
		1,868,837	1,597,950	1,441,110
Expenditure from operating activities				
Employee costs		(1,453,833)	(1,229,545)	(1,226,226)
Materials and contracts		(982,076)	(975,640)	(936,919)
Utility charges		(42,416)	(50,120)	(47,004)
Depreciation		(1,233,565)	(1,123,080)	(1,166,417)
Finance costs		0	(2,970)	0
Insurance		(80,661)	(84,120)	(77,405)
Other expenditure		(66,791)	(37,400)	(49,811)
Loss on asset disposals	9(b)	(4,316)	0	(92,623)
		(3,863,658)	(3,502,875)	(3,596,405)
Non-cash amounts excluded from operating activities	22(a)	1,205,879	1,094,380	1,235,689
Amount attributable to operating activities		(788,942)	(810,545)	(919,606)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		1,198,980	957,245	1,142,720
Proceeds from disposal of assets	9(b)	80,686	124,000	292,778
Purchase of property, plant and equipment	7(a)	(518,401)	(460,090)	(621,606)
Purchase and construction of infrastructure	8(a)	(1,008,216)	(1,044,570)	(1,258,152)
Payments for land held for resale		0	(200,000)	0
Amount attributable to investing activities		(246,951)	(623,415)	(444,260)
FINANCING ACTIVITIES				
Repayment of borrowings	23(a)	0	(18,665)	0
Proceeds from borrowings	23(a)	0	200,000	0
Transfers to reserves (restricted assets)	24	(174,232)	(173,988)	(438,255)
Transfers from reserves (restricted assets)	24	165,820	48,050	300,292
Amount attributable to financing activities		(8,412)	55,397	(137,963)
Surplus/(deficit) before imposition of general rates		(1,028,953)	(1,204,854)	(1,082,850)
Total amount raised from general rates	21(a)	1,208,287	1,204,854	1,098,202
Surplus/(deficit) after imposition of general rates	22(b)	179,334	0	15,352

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

SHIRE OF WANDERING
FOR THE YEAR ENDED 30 JUNE 2022
INDEX OF NOTES TO THE FINANCIAL REPORT

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	12
Note 4	Other Financial Assets	12
Note 5	Trade and Other Receivables	13
Note 6	Inventories	13
Note 7	Property, Plant and Equipment	14
Note 8	Infrastructure	16
Note 9	Fixed Assets	18
Note 10	Trade and Other Payables	21
Note 11	Other Liabilities	22
Note 12	Employee Related Provisions	23
Note 13	Revaluation Surplus	24
Note 14	Notes to the Statement of Cash Flows	25
Note 15	Capital Commitments	26
Note 16	Related Party Transactions	27
Note 17	Financial Risk Management	29
Note 18	Events Occurring After the End of the Reporting Period	32
Note 19	Other Significant Accounting Policies	33
Note 20	Function and Activity	34
Note 21	Rating Information	37
Note 22	Rate Setting Statement Information	40
Note 23	Borrowings	41
Note 24	Reserve Accounts	42

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with the Local Government Act 1995 and accompanying regulations.

Local Government Act 1995 requirements
Section 6.42(2) of the Local Government Act 1995 read with the Local Government (Financial Management) Regulations 1996 prescribe that the financial report be prepared in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

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

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

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

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

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

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

2. REVENUE AND EXPENSES

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	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
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	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 funding body	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations
Grants, subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No obligation	Not applicable	42 Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Fees and charges - 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 of the licence, registration or approval
Fees and charges - 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
Fees and charges - 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
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Fees and charges for other goods and services	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
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	None	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
Fees and charges - fines	Fines issued for breaches of local laws	Single point in time	Payment in full within defined time	None	Adopted by council through local law	When taxable event occurs	Not applicable	When fine notice is issued
Other revenue - 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
Other revenue - 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 WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUE AND EXPENSES (Continued)

Revenue Recognition

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

For the year ended 30 June 2022

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,211,613	0	1,211,613
Operating grants, subsidies and contributions	976,553	0	0	0	976,553
Fees and charges	771,584	0	7,291	0	778,875
Interest earnings	241	0	7,826	0	8,067
Other revenue	0	0	0	91,419	91,419
Non-operating grants, subsidies and contributions	0	1,198,980	0	0	1,198,980
Total	1,748,378	1,198,980	1,226,730	91,419	4,265,507

For the year ended 30 June 2021

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,101,341	0	1,101,341
Operating grants, subsidies and contributions	826,746	0	0	0	826,746
Fees and charges	551,045	0	8,968	0	560,013
Interest earnings	2,979	0	8,222	0	11,201
Other revenue	0	0	0	30,894	30,894
Non-operating grants, subsidies and contributions	0	1,142,720	0	0	1,142,720
Total	1,380,770	1,142,720	1,118,531	30,894	3,672,915

	Note	2022 Actual	2022 Budget	2021 Actual
Interest earnings				
Interest on reserve funds		241	2,500	802
Rates instalment and penalty interest (refer Note 21(e))		7,826	9,000	8,222
Other interest earnings		0	1,200	2,177
		8,067	12,700	11,201
(b) Expenses				
Auditors remuneration				
- Audit Services		27,400	25,000	9,017
		27,400	25,000	9,017
Finance costs				
Borrowings	23(a)	0	2,970	0
		0	2,970	0
Other expenditure				
Sundry expenses		66,791	37,400	49,811
		66,791	37,400	49,811

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Total cash and cash equivalents

Held as
- Unrestricted cash and cash equivalents
- Restricted cash and cash equivalents

Note	2022	2021
	\$	\$
	1,045,333	841,093
14(a)	1,045,333	841,093
	225,457	97,687
14(a)	819,876	743,406
	1,045,333	841,093

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Restricted financial assets

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to 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 and for which no liability has been recognised.

Details of restrictions on financial assets can be found at Note 14.

4. OTHER FINANCIAL ASSETS

Non-current assets

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss

Units in Local Government House Trust

2022	2021
42	\$
19,451	18,452
19,451	18,452
19,451	18,452
19,451	18,452

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

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

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

Financial assets at fair value through profit 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 17.

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

5. TRADE AND OTHER RECEIVABLES

Current

Rates receivable
 Trade and other receivables
 GST receivable

Non-current

Pensioner's rates and ESL deferred

2022	2021
\$	\$
58,028	39,167
72,231	28,476
985	0
131,244	67,643
2,675	1,251
2,675	1,251

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 grants, contributions, reimbursements, and goods sold and services performed in the ordinary course of business.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

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 17.

Classification and subsequent measurement

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

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

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

6. INVENTORIES

Current

Fuel and materials
 Gravel

2022	2021
\$	\$
50,550	53,717
13,653	20,553
64,203	74,270

The following movements in inventories occurred during the year:

Balance at beginning of year

Inventories expensed during the year
 Inventories transferred to fixed assets during the year
 Additions to inventory

Balance at end of year

74,270	481,522
781,578	(329,937)
0	(421,950)
(791,645)	344,635
64,203	74,270

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 WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

7. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Note	Land	Buildings - non- specialised	Buildings - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Work in Progress	Total property, plant and equipment
		\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020		566,000	1,393,153	1,807,854	3,767,007	46,603	1,682,890	0	5,496,500
Additions		0	0	22,789	22,789	0	598,817	0	621,606
Disposals		(30,000)	(152,280)	0	(182,280)	0	(194,939)	0	(377,219)
Revaluation increments / (decrements) transferred to revaluation surplus		492,050	123,356	826,976	1,442,382	0	0	0	1,442,382
Depreciation	9(a)	0	(24,229)	(35,297)	(59,526)	(22,812)	(202,310)	0	(284,648)
Transfers		421,950	0	0	421,950	0	0	0	421,950
Balance at 30 June 2021		1,450,000	1,340,000	2,622,322	5,412,322	23,791	1,884,458	0	7,320,571
Comprises:									
Gross balance amount at 30 June 2021		1,450,000	1,340,000	2,622,322	5,412,322	101,457	2,436,096	0	7,949,875
Accumulated depreciation at 30 June 2021		0	0	0	0	(77,666)	(551,638)	0	(629,304)
Balance at 30 June 2021		1,450,000	1,340,000	2,622,322	5,412,322	23,791	1,884,458	0	7,320,571
Additions		0		243,700	243,700	7,485	199,759	67,457	518,401
Disposals		0	0	0	0	0	(75,404)	0	(75,404)
Depreciation	9(a)	0	(26,800)	(52,841)	(79,641)	(13,221)	(225,655)	0	(318,517)
Transfers		0	0	(19,020)	(19,020)	0	0	0	(19,020)
Balance at 30 June 2022		1,450,000	1,313,200	2,794,161	5,557,361	18,055	1,783,158	67,457	7,426,031
Comprises:									
Gross balance amount at 30 June 2022		1,450,000	1,340,000	2,847,002	5,637,002	108,942	2,518,558	67,457	8,331,959
Accumulated depreciation at 30 June 2022		0	(26,800)	(52,841)	(79,641)	(90,887)	(735,400)	0	(905,928)
Balance at 30 June 2022		1,450,000	1,313,200	2,794,161	5,557,361	18,055	1,783,158	67,457	7,426,031

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	Level 2	Market cost	Independent valuation	June 2021	Unobservable inputs for assets and liabilities
Buildings - non-specialised	Level 2	Market cost	Independent valuation	June 2021	Unobservable inputs for assets and liabilities
Buildings - specialised	Level 3	Replacement cost	Independent valuation	June 2021	Unobservable inputs for assets and liabilities
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.					
(ii) Cost					
Furniture and equipment		Deemed cost	Deemed cost	June 2019	Purchase cost
Plant and equipment		Deemed cost	Deemed cost	June 2019	Purchase cost

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

8. INFRASTRUCTURE

(a) Movements in Balances

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

	Note	Infrastructure - roads	Infrastructure - bridges	Infrastructure - drainage	Infrastructure - footpaths	Infrastructure - recreation	Infrastructure - other	Total Infrastructure
		\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020		35,543,962	10,101,360	3,599,178	195,140	1,151,182	600,751	51,191,573
Additions		760,152	498,000	0	0	0	0	1,258,152
Depreciation	9(a)	(527,668)	(211,348)	(74,615)	(10,784)	(33,735)	(23,619)	(881,769)
Balance at 30 June 2021		35,776,446	10,388,012	3,524,563	184,356	1,117,447	577,132	51,567,956
Comprises:								
Gross balance at 30 June 2021		37,243,098	11,065,365	3,730,758	215,696	1,265,600	673,537	54,194,054
Accumulated depreciation at 30 June 2021		(1,466,652)	(677,353)	(206,237)	(31,340)	(148,153)	(96,405)	(2,626,140)
Balance at 30 June 2021		35,776,446	10,388,012	3,524,563	184,356	1,117,447	577,132	51,567,956
Additions		1,008,216	0	0	0	0	0	1,008,216
Revaluation increments / (decrements) transferred to revaluation surplus		0	0	0	0	46,638	(115,569)	(68,931)
Depreciation	9(a)	(550,473)	(221,307)	(74,615)	(10,785)	(33,605)	(24,263)	(915,048)
Transfers		0	0	0	0	19,020		19,020
Balance at 30 June 2022		36,234,189	10,166,705	3,449,948	173,571	1,149,500	437,300	51,611,213
Comprises:								
Gross balance at 30 June 2022		38,251,314	11,065,365	3,730,758	215,696	1,755,900	574,700	55,593,733
Accumulated depreciation at 30 June 2022		(2,017,125)	(898,660)	(280,810)	(42,125)	(606,400)	(137,400)	(3,982,520)
Balance at 30 June 2022		36,234,189	10,166,705	3,449,948	173,571	1,149,500	437,300	51,611,213

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

8. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessment inputs
Infrastructure - bridges	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessment inputs
Infrastructure - drainage	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessment inputs
Infrastructure - footpaths	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessment inputs
Infrastructure - recreation	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Unobservable inputs for assets and liabilities
Infrastructure - other	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Unobservable inputs for assets and liabilities

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 WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

9. FIXED ASSETS

(a) Depreciation

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Buildings - non-specialised	7(a)	26,800	62,870	24,229
Buildings - specialised	7(a)	52,841	0	35,297
Furniture and equipment	7(a)	13,221	25,160	22,812
Plant and equipment	7(a)	225,655	164,490	202,310
Infrastructure - roads	8(a)	550,473	800,000	527,668
Infrastructure - bridges	8(a)	221,307	0	211,348
Infrastructure - drainage	8(a)	74,615	0	74,615
Infrastructure - footpaths	8(a)	10,785	10,980	10,784
Infrastructure - recreation	8(a)	33,605	34,800	33,735
Infrastructure - other	8(a)	24,263	24,780	23,619
		1,233,565	1,123,080	1,166,417

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	40 to 50 years
Furniture and equipment	3 to 10 years
Plant and equipment	3 to 10 years
Sealed roads and streets formation	not depreciated
pavement	20-50 years
seal	
- bituminous seals	15-20 years
- asphalt surfaces	15-25 years
Gravel roads formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	50 years
Recreation assets	4 to 50 years
Other assets	4 to 50 years
Bridges	4 to 50 years

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

9. FIXED ASSETS (Continued)

(b) Disposals of assets

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss	2022 Budget Net Book Value	2022 Budget Sale Proceeds	2022 Budget Profit	2022 Budget Loss	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	0	0	0	0	0	0	0	0	30,000	30,000	0	0
Buildings - non-specialised	0	0	0	0	0	0	0	0	152,280	108,829	0	(43,451)
Plant and equipment	75,404	80,686	9,598	(4,316)	109,300	124,000	14,700	0	194,939	153,949	8,182	(49,172)
	75,404	80,686	9,598	(4,316)	109,300	124,000	14,700	0	377,219	292,778	8,182	(92,623)

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
Plant and Equipment				
Transport				
Mitsubishi Pajero Sport GLX (102)	17,856	27,454	9,598	0
Isuzu Giga CXZ Prime Mover Fit (316)	57,548	53,232	0	(4,316)
	75,404	80,686	9,598	(4,316)

9. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

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

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

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

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

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, infrastructure and investment properties acquired between scheduled revaluation dates 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 revaluation 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. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Shire.

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

Revaluation (continued)

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

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

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 on revaluation

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

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

Amortisation

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

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

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 9(a).

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

10. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Prepaid rates
 Accrued payroll liabilities
 Bonds and deposits held
 Accrued interest

2022	2021
\$	\$
112,287	146,563
10,233	0
26,201	18,525
16,621	28,436
0	9,788
165,342	203,312

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Trade and other payables

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

The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

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

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

11. OTHER LIABILITIES

Current

Contract liabilities
Capital grant/contributions liabilities

Reconciliation of changes in contract liabilities

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

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

Reconciliation of changes in capital grant/contribution liabilities

Opening balance
Additions
Revenue from capital grant/contributions held as a liability at the start of the period

Expected satisfaction of capital grant/contribution liabilities

Less than 1 year

	2022	2021
	\$	\$
Contract liabilities	11,460	11,460
Capital grant/contributions liabilities	274,037	205,979
	285,497	217,439
Opening balance	11,460	0
Additions	0	11,460
Revenue from contracts with customers included as a contract liability at the start of the period	(11,460)	0
	11,460	11,460
Opening balance	205,979	0
Additions	274,037	205,979
Revenue from capital grant/contributions held as a liability at the start of the period	(205,979)	0
	274,037	205,979
Expected satisfaction of capital grant/contribution liabilities	274,037	205,979
Less than 1 year	274,037	205,979

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

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

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

Capital grant/contribution liabilities

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

Non-current capital grant/contribution liabilities fair values are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 19(i)) due to the unobservable inputs, including own credit risk.

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

12. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Employee benefit provisions

Annual Leave

Long Service Leave

Non-current provisions

Long Service Leave

	2022	2021
	\$	\$
Annual Leave	76,983	65,168
Long Service Leave	10,517	16,012
	87,500	81,180
Long Service Leave	72,725	43,734
	72,725	43,734
	160,225	124,914

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

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date

More than 12 months from reporting date

	2022	2021
	\$	\$
Less than 12 months after the reporting date	66,621	38,412
More than 12 months from reporting date	93,604	86,502
	160,225	124,914

Expected reimbursements of employee related provisions from other WA local governments.

(23,973)

(45,587)

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

13. REVALUATION SURPLUS

	2022 Opening Balance	2022 Revaluation Increment	2022 Revaluation (Decrement)	Total Movement on Revaluation	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	Total Movement on Revaluation	2021 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - PPE & Other	3,499,207	0	0	0	3,499,207	2,056,825	1,442,382	1,442,382	3,499,207
Revaluation surplus - Infrastructure	35,015,099	46,638	(115,569)	(68,931)	34,946,168	35,015,099	0	0	35,015,099
	38,514,306	46,638	(115,569)	(68,931)	38,445,375	37,071,924	1,442,382	1,442,382	38,514,306

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 WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

14. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash and cash equivalents	3	1,045,333	652,291	841,093
Restrictions				
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents	3	819,876	651,905	743,406
		819,876	651,905	743,406
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Restricted reserve accounts	24	534,379	651,905	525,967
Contract liabilities and capital grant contributions	11	285,497		217,439
Total restricted financial assets		819,876	651,905	743,406

**(b) Reconciliation of Net Result to Net Cash Provided
By Operating Activities**

Net result		412,446	257,174	85,627
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(999)	0	(935)
Depreciation/amortisation		1,233,565	1,123,080	1,166,417
(Profit)/loss on sale of asset		(5,282)	(14,700)	84,441
Transfer on inventory to fixed assets			0	(421,950)
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		(65,025)	0	(26,108)
(Increase)/decrease in inventories		10,067	20,000	407,252
Increase/(decrease) in trade and other payables		(37,970)	25,000	53,979
Increase/(decrease) in employee related provisions		35,311	(14,000)	(25,886)
Increase/(decrease) in other liabilities		68,058	(187,247)	(329,021)
Non-operating grants, subsidies and contributions		(1,267,038)	(957,245)	(850,699)
Net cash provided by/(used in) operating activities		383,133	252,062	143,117

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

Credit card limit	5,000	5,000
Credit card balance at balance date	(2,186)	(1,729)
Total amount of credit unused	2,814	3,271

SHIRE OF WANDERING
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2022

15. CAPITAL COMMITMENTS

	2022	2021
	\$	\$
Contracted for:		
- capital expenditure projects	0	122,789
	0	122,789
Payable:		
- not later than one year	0	122,789

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

16. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Shire President - Cr Ian Turton

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
President's annual allowance	5,959	5,959	5,959
Meeting attendance fees	3,553	3,553	3,553
Other expenses	0	0	571
Annual allowance for ICT expenses	1,050	1,050	1,050
	10,562	10,562	11,133

Shire Deputy President (to October 2021) - Graeme Parsons

Deputy President's annual allowance	0	508	508
Meeting attendance fees	3,553	3,553	3,553
Other expenses	420	0	1,157
Annual allowance for ICT expenses	1,050	1,050	1,050
	5,023	5,111	6,268

Shire Deputy President (from October 2021) - Cr Paul Treasure

Deputy President's annual allowance	254	0	0
Meeting attendance fees	3,553	3,553	3,553
Other expenses	0	0	1,157
ICT expenses			0
Annual allowance for ICT expenses	1,050	1,050	1,050
	4,857	4,603	5,760

Elected member - Cr Brendan Whitely (Elected to October 2021)

Meeting attendance fees	888	3,553	3,553
Other expenses	0	0	571
Annual allowance for ICT expenses	263	1,050	1,050
	1,151	4,603	5,174

Elected member - Cr Judith Price (Elected to October 2021)

Meeting attendance fees	888	3,553	3,553
Other expenses	0	0	749
Annual allowance for ICT expenses	263	1,050	1,050
Travel and accommodation expenses	0	475	475
	1,151	5,078	5,827

Elected member - Cr Maxwell Watts

Meeting attendance fees	3,553	3,553	3,553
Other expenses	0	0	571
Annual allowance for ICT expenses	1,050	0	0
	4,603	3,553	4,124

Elected member - Cr Gary Curtis

Meeting attendance fees	3,553	3,553	3,553
Other expenses	0	0	1,157
Annual allowance for ICT expenses	1,050	1,050	1,050
	4,603	4,603	5,760

Elected member - Cr Gillian Hansen (Elected October 2021)

Meeting attendance fees	2,664	0	0
Annual allowance for ICT expenses	788	0	0
	3,452	0	0

Elected member - Cr Sheryl Little (Elected October 2021)

Meeting attendance fees	1,777	0	0
Other expenses	760	0	0
Annual allowance for ICT expenses	525	0	0
	3,062	0	0

	38,464	38,113	44,046
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Fees, expenses and allowances to be paid or reimbursed to elected council members.

	2022 Actual \$	2022 Budget \$	2021 Actual \$
President's annual allowance	5,959	5,959	5,959
Deputy President's annual allowance	254	508	508
Meeting attendance fees	23,982	24,871	24,871
Other expenses	1,180	0	5,933
Annual allowance for ICT expenses	7,089	6,300	6,300
Travel and accommodation expenses	0	475	475
	38,464	38,113	44,046

16(b)

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

16. RELATED PARTY TRANSACTIONS

(b) Key Management Personnel (KMP) Compensation

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

	2022 Actual	2021 Actual
	\$	\$
Short-term employee benefits	666,235	349,528
Post-employment benefits	76,760	45,112
Employee - other long-term benefits	53,006	55,781
Council member costs	38,464	44,046
16(a)	834,465	494,467

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Council member costs

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

(c) Transactions with related parties

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

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

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

	2022 Actual	2021 Actual
	\$	\$
Purchase of goods and services	558	5,451
Employee benefits - other related parties	168,123	153,421
Amounts outstanding from related parties:		
Trade and other receivables	183	0
Amounts payable to related parties:		
Trade and other payables	20,104	0

(d) Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Shire.

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 WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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

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

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. 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, term deposits, and Treasury bonds 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 \$
2022					
Cash and cash equivalents	0.116%	1,045,333	0	1,044,233	1,100
2021					
Cash and cash equivalents	0.01%	841,093	0	839,993	1,100

Sensitivity

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

Impact of a 1% movement in interest rates on profit and loss and equity*

2022	2021
\$	\$
10,442	8,400

* Holding all other variables constant

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

17. 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 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 2021 or 1 July 2022 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.

The loss allowance as at 30 June 2022 and 30 June 2021 for rates receivable was determined as follows:

	Less than 1 year past due	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total	Note
30 June 2022						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	593	34,464	15,423	10,223	60,703	
Loss allowance	0	0	0	0	0	5
30 June 2021						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	1,289	24,028	10,936	4,165	40,418	
Loss allowance	0	0	0	0	0	5

The loss allowance as at 30 June 2022 and 30 June 2021 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	Total	
30 June 2022						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	67,742	0	0	4,489	72,231	
Loss allowance	0	0	0	0	0	5
30 June 2021						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	22,224	209	0	6,044	28,477	
Loss allowance	0	0	0	0	0	5

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

17. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables

Payables are subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 14(c).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values	Note
	\$	\$	\$	\$	\$	
<u>2022</u>						
Trade and other payables	165,342	0	0	165,342	165,342	10
	165,342	0	0	165,342	165,342	
<u>2021</u>						
Trade and other payables	203,312	0	0	203,312	203,312	10
	203,312	0	42	203,312	203,312	

**SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

18. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Shire is not aware of any material events occurring after the end of the reporting period that may impact these financial statements.

19. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

In accordance with Australian Accounting Standards the Shire's 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 end of the reporting period.

k) Initial application of accounting standards

During the current year, no new or revised Australian Accounting Standards and Interpretations were compiled, became mandatory and were applicable to its operations.

New accounting standards for application in future years

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

- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- AASB 2020-3 *Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*
- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*
- AASB 2021-7 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*

It is not expected these standards will have an impact on the financial report.

20. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

Shire operations as disclosed in this financial report encompass the following service orientated functions and activities.

Objective

Description

Governance

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

Members expenses and other costs of the Shire that relate to the tasks of assisting Councillors and the public on matters which do not concern specific Council services.

General purpose funding

To collect revenue to allow for the provision of services.

Collection of Rates revenue, financial assistance grants for general purpose and interest revenue.

Law, order, public safety

To provide services to help ensure a safer and environmentally conscious community.

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

Health

To provide services for community and environmental health.

Health inspection and advisory services, analytical services, pest and weed control, and assistance to provide health initiatives.

Education and welfare

To support services relating to youth, elderly and the disadvantaged.

Support school activities, aged care initiatives and disability inclusion plan.

Housing

Provision of shire housing and privately rented accommodation.

Management and maintenance for shire housing privately rented while not required by staff and provision of rental accommodation to the Housing Authority for teachers accommodation.

Community amenities

To provide amenities required by the community.

Rubbish collection services and operation of waste transfer station. Maintenance of cemeteries and public conveniences. Administration of town planning activities.

Recreation and culture

To establish and maintain infrastructure and resources to meet the recreational and cultural needs of the community.

Maintenance of halls, playgrounds, recreation grounds and reserves. Operation of Library and maintenance of heritage and history inventory.

Transport

To provide safe and effective transport services to the community.

Construction and maintenance of streets, roads, bridges, signage and footpaths. Cleaning and lighting of town streets. Depot maintenance.

Economic services

To help promote Wandering and its economic wellbeing.

Tourism and area promotion including operation of caravan park. Implementation of building control and provision of a fuel facility, postal agency and Community Resource Centre.

Other property and services

To monitor and control operating accounts.

Provisions of private work operations, plant repairs, operation costs and all administration costs.

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

20. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

Income excluding grants, subsidies and contributions

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Governance	0	3,500	3,500
General purpose funding	1,222,271	1,227,954	1,117,060
Law, order, public safety	2,789	2,750	641
Health	2,886	3,500	3,906
Housing	38,306	46,800	42,224
Community amenities	51,129	51,680	46,240
Recreation and culture	37,486	1,720	1,645
Transport	10,998	15,200	8,682
Economic services	662,201	610,940	439,097
Other property and services	72,505	41,750	49,571

2,100,571 2,005,794 1,712,566

Grants, subsidies and contributions

General purpose funding	755,893	581,590	604,927
Law, order, public safety	129,960	41,540	50,654
Recreation and culture	0	100	0
Transport	945,786	881,305	1,128,729
Economic services	338,619	245,720	181,156
Other property and services	5,275	4,000	4,000

2,175,533 1,754,255 1,969,466

Total Income

4,276,104 3,760,049 3,682,032

Expenses

Governance	(139,211)	(192,390)	(107,447)
General purpose funding	(130,458)	(86,000)	(158,643)
Law, order, public safety	(131,573)	(137,340)	(129,845)
Health	(7,718)	(11,030)	(6,309)
Education and welfare	(4,387)	(1,340)	(2,159)
Housing	(53,857)	(28,940)	(68,140)
Community amenities	(205,105)	(226,650)	(189,470)
Recreation and culture	(237,138)	(228,460)	(227,869)
Transport	(1,885,576)	(1,709,930)	(1,887,601)
Economic services	(933,105)	(832,035)	(778,732)
Other property and services	(135,530)	(48,760)	(40,190)

Total expenses

(3,863,658) (3,502,875) (3,596,405)

Net result for the period

412,446 257,174 85,627

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

20. FUNCTION AND ACTIVITY (Continued)

(c) Fees and Charges

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
General purpose funding	2,590	3,200	4,518
Law, order, public safety	2,790	2,750	2,550
Health	2,886	3,500	3,906
Housing	38,306	46,800	42,224
Community amenities	51,130	50,120	46,240
Recreation and culture	2,349	1,720	1,600
Transport	1,400	500	500
Economic services	662,201	610,940	439,097
Other property and services	15,223	15,000	19,378
	778,875	734,530	560,013

(d) Total Assets

	2022	2021
	\$	\$
Governance	19,587	0
General purpose funding	571,459	40,418
Law, order, public safety	495,270	506,442
Health	0	220
Housing	2,083,383	2,087,910
Community amenities	633,316	748,030
Recreation and culture	2,368,279	2,299,814
Transport	51,818,317	51,156,741
Economic services	1,011,530	725,283
Other property and services	937,680	1,279,639
Unallocated	361,329	1,046,739
	60,300,150	59,891,236

21. RATING INFORMATION

RATE TYPE	
Rate Description	Basis of valuation

The entire balance of rates revenue has been recognised at a point in time in accordance with AASB 1058 *Income for not-for-profit entities*.

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

21 RATING INFORMATION (Continued)

(d) Discounts, Incentives, Concessions, & Write-offs

Rates Discounts

Rate or Fee Discount Granted	Type	Discount	2022 Actual	2022 Budget	2021 Actual	Circumstances in which Discount is Granted
		%	\$	\$	\$	
Rates - Early payment	Rate	5.00%	47,539	48,745	41,288	Payment of full rates owing including arrears, received on or before 35 days after the date of service on the rate notice.
Total discounts/concessions (Note 21(a))			47,539	48,745	41,288	

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

21. RATING INFORMATION (Continued)

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
Option One				
Single full payment	27/08/2021	0.00	0.00%	7.00%
Option Two				
First instalment	27/08/2021	0.00	0.00%	7.00%
Second instalment	7/01/2022	10.00	5.50%	7.00%
Option Three				
First instalment	27/08/2021	0.00	0.00%	7.00%
Second instalment	29/10/2021	10.00	5.50%	7.00%
Third instalment	7/01/2022	10.00	5.50%	7.00%
Fourth instalment	4/03/2022	10.00	5.50%	7.00%
		2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
Interest on unpaid rates		4,982	6,500	5,709
Interest on instalment plan		2,844	2,500	2,513
Charges on instalment plan		790	1,700	1,670
		8,616	10,700	9,892

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

22. RATE SETTING STATEMENT INFORMATION

		2021/22 Budget (30 June 2022)	2020/21 (30 June 2021)
	2021/22 (30 June 2022)	Budget (30 June 2022)	2020/21 (30 June 2021)
	Carried Forward)	Carried Forward)	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	9(b)	(9,598)	(8,182)
Less: Movement in liabilities associated with restricted cash		(48,972)	20,821
Less: Fair value adjustments to financial assets at fair value through profit and loss		(999)	(935)
Add: Loss on disposal of assets	9(b)	4,316	92,623
Add: Depreciation	9(a)	1,233,565	1,166,417
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates		(1,424)	769
Employee benefit provisions		28,991	(35,824)
Non-cash amounts excluded from operating activities		1,205,879	1,235,689
(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: Reserve accounts	24	(534,379)	(525,967)
- Land held for resale		0	0
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings		0	181,335
- Current portion of employee benefits provisions held in reserve		11,272	60,244
Total adjustments to net current assets		(523,107)	(465,723)
Net current assets used in the Rate Setting Statement			
Total current assets		1,240,780	983,006
Less: Total current liabilities		(538,339)	(501,931)
Less: Total adjustments to net current assets		(523,107)	(465,723)
Net current assets used in the Rate Setting Statement		179,334	15,352

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

23. BORROWINGS

(a) Borrowings

		Actual								Budget			
Purpose	Note	Principal at	New Loans	Principal	Principal at 30	New Loans	Principal	Principal at	Principal at 1	New Loans	Principal	Principal at	
		1 July 2020	During 2020-21	Repayments	June 2021	During 2021-22	Repayments	During 2021-22	30 June 2022	July 2021	During 2021-22	Repayments	30 June 2022
		\$	\$	During 2020-21	\$	\$	\$	\$	\$	\$	\$	\$	\$
Industrial Estate Development		0	0	0	0	0	0	0	0	200,000	(18,665)	181,335	
Total		0	0	0	0	0	0	0	0	200,000	(18,665)	181,335	
Borrowing Interest Repayments													
Purpose	Note	Function and activity	Loan Number	Institution	Interest Rate	Actual for year ending 30 June 2022	Budget for year ending 30 June 2022	Actual for year ending 30 June 2021					
						\$	\$	\$					
Industrial Estate Development		Community amenities		WATC	1.50%	0	(2,970)	0					
Total Interest Repayments	2(b)					0	(2,970)	0					
Total Interest Repayments	2(b)					0	(2,970)	0					
Particulars/Purpose				%	\$	\$	\$	\$					
Industrial Estate Development	WATC*	Debenture	10	1.50%	0	200,000	0	200,000					
					0	200,000	0	200,000					

* WA Treasury Corporation

SHIRE OF WANDERING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

24. RESERVE ACCOUNTS

	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance	2022 Budget Opening Balance	2022 Budget Transfer to	2022 Budget Transfer (from)	2022 Budget Closing Balance	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave Reserve	60,244	28	(49,000)	11,272	60,244	0	(14,000)	46,244	39,423	20,821	0	60,244
(b) Office equipment reserve	47,482	22	(7,500)	40,004	20,482	0	(7,500)	12,982	35,140	12,342	0	47,482
(c) Land & building reserve	231,859	128,547	(109,320)	251,086	231,859	128,438	(26,550)	333,747	73,703	339,703	(181,547)	231,859
(d) Plant replacement reserve	133,449	29,786	0	163,235	133,449	29,725	0	163,174	224,737	457	(91,745)	133,449
(e) Fuel facility reserve	52,933	15,849	0	68,782	79,933	15,825	0	95,758	15,001	64,932	(27,000)	52,933
	525,967	174,232	(165,820)	534,379	525,967	173,988	(48,050)	651,905	388,004	438,255	(300,292)	525,967

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) Leave Reserve	Ongoing	For the payment of long service leave
(b) Office equipment reserve	2023/2024	For the replacement of office equipment
(c) Land & building reserve	Ongoing	For the purchase of land and buildings, and major repairs/upgrading of existing buildings
(d) Plant replacement reserve	Ongoing	For the purchase and replacement of plant and equipment
(e) Fuel facility reserve	2027/2028	For the renewal or replacement of fuel facility equipment



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Shire of Wandering

To the Councillors of the Shire of Wandering

Opinion

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

- the Statement of Financial Position at 30 June 2022, the Statement of Comprehensive Income by Nature or Type, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2022 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

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

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

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial report and my auditor's report.

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

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

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

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

The Chief Executive Officer of the Shire is responsible for:

- preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

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

- assessing the Shire's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

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

Auditor's responsibilities for the audit of the financial report

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

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

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

My independence and quality control relating to the report on the financial report

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Wandering for the year ended 30 June 2022 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.

Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
1 March 2023

Scenic Wandering