

SHIRE OF



# ANNUAL REPORT 2019 - 2020



*Strengthening our community now to grow and prosper into the future*

[www.corrigin.wa.gov.au](http://www.corrigin.wa.gov.au)

## Introduction to Shire of Corrigin

The Shire of Corrigin is located in the Roe Region of Western Australia’s wheatbelt approximately 2.5 hours drive east of Perth.

Corrigin is a vibrant country community founded on broad acre farming.

Corrigin provides a range of services to meet the community’s needs including education, health, recreation facilities and affordable land and housing.

Shire of Corrigin Statistics	
Distance from Perth	234 km
Area	3,095 square km
Length of Seal Roads	405.4 km
Length of Unsealed Roads	767.6 km
Population	1,133 (Source: ABS 2019 Census)
Number of Electors	835
Number of Dwellings	558 (Source: ABS 2016 Census)
Total Rates Levied	\$2,620,998
Total Revenue	\$6,348,428
Number of Employees	37 Full time equivalents <small>*Includes 9 additional COVID casual employees</small>



This document is available in other formats on request.

Shire of Corrigin  
 PO Box 220  
 9 Lynch Street  
 Corrigin WA 6375  
 Telephone: 08 9063 2203  
 Email: [shire@corrigin.wa.gov.au](mailto:shire@corrigin.wa.gov.au)  
 Web: [www.corrigin.wa.gov.au](http://www.corrigin.wa.gov.au)

## Contents

Introduction to Shire of Corrigin.....	2
President’s Report .....	4
Chief Executive Officer’s Report .....	5
Councillors .....	9
Management Team.....	10
Strategic Community Plan.....	12
Integrated Planning and Reporting Framework .....	12
How the Strategic Community Plan will be used .....	13
Strategic Community Plan 2019/20 – Progress.....	14
Major Projects 2019/20 .....	26
Road Program .....	29
Future Road Program 2020/21.....	30
National Competition Policy .....	32
Freedom of Information.....	32
Records Management.....	32
Disability Access and Inclusion Plan (DAIP).....	33
Employee Remuneration Disclosure .....	33
Councillor Meeting Attendance and Diversity Data.....	34
Public Interest Disclosures .....	34
Local Government (Rules of Conduct) Regulation 2007 – Complaints Register .....	35
Annual Financial Report.....	36

## President's Report

Welcome to the Annual Report for 2019/2020 financial year.

The year that we will ask ourselves, what will be the new normal?

The changes we all have had to endure have been for our future and safety. We thank all of the Shire staff for their commitment and endurance in the extreme position of the COVID19 Pandemic. All of our staff have changed to fit into a strict COVID19 criteria to support the continuation of services delivered by the Shire, Thank You.

This year we adopted the budget with capital works of \$5.62million and of that \$3.5million for roads and footpath renewal, \$2.16million for capital expenditure in buildings, plant and equipment and infrastructure projects

The year saw the adoption of,

- The 10 year Asset Management Plan and the Road Hierarchy, Maintenance and Renewal Policy
- Shire Recycled Water Quality Management Plan
- Disable Access and Inclusion Plan
- Revised Corporate Business Plan

In September we welcomed Ms K Caley in the position as Deputy CEO and also welcome all new staff members to the Shire.

Local Government elections in October saw Councillor Mike Weguelin elected unopposed with the requirement to hold an extraordinary election to fill the remaining two vacancies. Mrs Sharon Jacobs and Mr Scott Coppen were elected in an extraordinary election in November 2020.

This also saw the retirement of our long serving President Mrs Lyn Baker and Mrs Shannon Hardingham. We thank them for their dedicated service to the Corrigin community.

On a special note we acknowledge the presentation of Freeman of the Shire of Corrigin to Mrs Lyn Baker for her commitment and dedication for 16 years of service with 10 years as President of the Shire.

I commend our senior staff, Mrs Natalie Manton, Ms Kylie Caley and Mr Greg Tomlinson for their initiative to employ extra people during and after the COVID19 lockdown. Our town has relished from the extra hands and focus to the extra work on the main street, fantastic outcome with positive response from within and outside of the shire. Well Done

I thank all of the Councillors for the Shire of Corrigin for their commitment throughout the year, and am pleased to report that all Councillors have completed the mandatory training.

I would like to express my sincere thanks to our CEO Mrs Natalie Manton, Deputy CEO, Ms Kylie Caley and Manager of Works and Services, Mr Greg Tomlinson for their commitment and dedication for the whole community. Many challenges our staff encountered during the COVID19 lockdown have led to a continuation and commitment of services for our community.

**Cr Des Hickey**  
**President**



## Chief Executive Officer's Report

It is my pleasure to present the 2019/2020 Annual Report to the residents and ratepayers of the Shire of Corrigin.

Council adopted the 2019/2020 budget with significant additional grant funding including \$1million commodity route funding to stabilise failed sections of the Bulyee Road. An additional \$1.1 million in state and federal blackspot funding was also included in the budget for improvements to the Corrigin Quairading Road and Rabbit Proof Fence Road.

Other budget highlights included a new loader, replacement of the shade sail at the Corrigin Recreation and Events Centre playground as well the replacement of the limestone wall at the pool and two new niche walls at the cemetery.

Thank you to the works team, led by Mr Greg Tomlinson, for successfully delivering another large road construction program and implementing several improvements to the town during the year. The efforts of the administration team, overseen by Ms Kylie Caley, is acknowledged and their hard work in delivering quality services and facilities to the Corrigin community during a challenging year is appreciated.

### Staff Changes

We welcomed Ms Kylie Caley to the position of Deputy CEO in September 2019 and bid farewell to Ms Catherine Ospina Godoy, Manager of Finance, in October 2019 when she took maternity leave prior to the birth of her baby girl in December 2019. A sincere thank you to Kylie and the finance team for their hours of dedicated service to ensure the audit process ran smoothly and produced the financial statement for the auditors. It was pleasing to see that there were no significant adverse findings from the comprehensive independent financial and risk management audits conducted during the year.

We farewelled Will Pearce and welcomed Brendon Gerrard who commenced work as the Roe Health Environmental Health Officer in October 2019 and provided services to the Shires of Kondinin, Kulin, Lake Grace and Narembeen. Mr Kody Broun joined the Shire of Corrigin as the Building Maintenance Officer in December 2019 and had a busy start with numerous building projects commencing during the year.

### Recognition of Long and Loyal Service

The Shire of Corrigin is very fortunate to have such a loyal workforce and several employees reached significant length of service milestones during the year. The following staff were presented with a Certificate of Appreciation at the end of year Christmas function:

- 5 years and over - Nick Darke, Pippa Davey, Shane McMiles, Wendy McMiles, Lauren Pitman, Neil Roebuck, Darryle Smith and Errol Whiting
- 10 years and over - Terry Barron, David Pratt, John Reynolds and Karen Wilkinson
- 15 years and over - Heather Ives
- 20 years and over - Heather Talbot
- 25 Years and over - Craig Fulwood
- 30 years and over - Peter Kirkwood
- 35 years and over - Greg Tomlinson

## **COVID-19**

By late February 2020 the COVID-19 pandemic was spreading throughout the world and the Shire of Corrigin was forced to rapidly change the way services were delivered in order to comply with Government State of Emergency directions and keep the community safe.

The Shire of Corrigin Council and staff deserve special mention for the way they went about delivering the same services to the community in an entirely different way during the pandemic. I was so proud of the way the team were able to adapt to the new requirements and adjust their work to accommodate COVID safe requirements.

Although the Shire of Corrigin Administration Office, Community Resource Centre, Corrigin Recreation and Events Centre, pool, hall and other buildings were closed to the public from late March to April we remained open for business. The administration staff worked from home and the outside staff continued to work on road, building and town maintenance while observing additional hygiene, social distancing and restricting vehicles to one person.

The travel restrictions at the end of March 2020 required us to stay within our local area and focussed our activities on keeping our staff, community members and emergency service volunteers safe. A great deal of time was spent behind the scenes monitoring information on the emerging situation, holding meetings to keep everyone up to date and planning how we might respond if COVID-19 was identified in Corrigin. As the pandemic progressed a COVID-19 Business Continuity Plan and Communications Plan was developed and implemented and the hardship policy was updated. The Shire staff also commenced planning for the recovery phase of the pandemic.

Out of adversity has come opportunity and a range of creative ideas and fun activities were initiated in Corrigin throughout the year, such as the Staying at Home Photography project in April 2020. Photos of local people staying in their homes were used to form a photo collage that was printed onto banners and displayed in Walton Street as a reminder of the strong community connections. The community showed its resilience and adaptability during this challenging time and displayed a willingness to learn new skills and use technology in different ways to maintain family and community connections. The councillors adapted quickly to the challenges presented during the pandemic and held the April Council meeting via the Zoom video conferencing platform.

Thank you to the Shire and Community Resource Centre (CRC) staff who did an amazing job of kept the community up to date with the latest COVID-19 information and directions and provided excellent customer service throughout the year. The CRC staff are to be congratulated for their ANZAC Day window display and dawn service video as well as video messages, live Facebook feeds, school holiday activities and library delivery services.

A special mention to the Environmental Health Officer, Mrs Lauren Pitman, who was kept busy assisting local sporting clubs and groups, as well as hospitality and tourism businesses, to complete COVID-19 Safety Plans throughout the year.

A range of relief measures and new initiatives to support the community and small businesses impacted by COVID-19 were passed at the March Council meeting. The Council also resolved to develop the 2020/2021 budget based on a zero percent increase in rates and fees and charges.

### **Town Improvements**

During May 2020 the Shire of Corrigin took the unusual step of offering employment to local residents who had lost their job, or been stood down, due to the COVID-19 pandemic. The town received a real boost from the nine additional casual staff members who assisted the permanent workforce with townsite improvements.

The Railway Station and Windmill News buildings were painted as well as the gazebo at the Post Office. Several garden beds and parks were refreshed and the cemetery was thoroughly raked and tidied up. The new rock walls and signage at the Dog Cemetery and Wildflower Drive Trail were completed during June 2020 and were a significant improvement on the old versions.

The Dog Cemetery project was an excellent collaboration between the administration staff and outside staff working together, along with the casual COVID-19 staff. Their enthusiasm and shared ideas for the improvements resulted in a fantastic outcome. Thank you and well done to all involved.

Thank you to Mr Larry Jones and the Corrigin Rotary Club for making the ten new water wise planter boxes to provide additional greenery for the main street. The park and gardens team planted out the garden beds and installed new bollards and bins in the main street during the year and the improvements have gained much praise from local residents and visitors to the town.

### **Future Projects**

As the financial year drew to a close work commenced on a range of new building projects for the 2020/2021 financial year. The contractor commenced work on the repairs to the Town Hall ceiling in June 2020 and planning started on the new caravan park ablution block and aged housing units

### **Long Term Contract for Medical Services**

The Corrigin community benefits from excellent health services including hospital, doctor, dentist, allied health, pharmacy and aged care services. The Shire of Corrigin contributes approximately \$250,000 in cash and in kind support to the medical services each year in the form of rent free doctor's surgery and house, car, utilities and business support. With such a large investment, equating to approximately 10% of rate revenue, it is important that the shire provide transparency and accountability to the Corrigin ratepayers and community. In order to comply with the *Local Government Act 1996* and *Financial Management Regulations*, the Shire called for tenders for medical services when the existing contract expired in November 2019. Tenders closed in February 2020 and we were fortunate to secure a long term contract for medical services with Dr Ramakrishna and First Health who have provided an excellent service to the Corrigin community for the past seven years.

### **Freeman of the Shire**

In September 2019 we lost one of the Honorary Freeman of the Shire with the passing of Mr David Abe. David was a Shire Councillor for 28 years from 1975, which included six years as President. During his time on Council David was involved in the Rural Towns Program which identified and mapped the town's ground water system and led to the installation of many bores and pumps saving many town properties from flooding and encroaching salinity. It seems fitting that in 2020 the Shire of Corrigin is utilising Drought Communities Program funding to upgrade these pumps and bores as well as install tanks and reticulation to create a sustainable water supply for the town parks and gardens.

Thank you to Mr Shane McMiles, and his parks and gardens team, for creating a special memorial garden in honour of Mr Bill Seimons to celebrate his 100th Birthday in September 2019. Never one to make a fuss, Bill was very pleased with the memorial garden and plaque as it would be the only

remaining legacy of the Seimons name in Australia. Unfortunately Mr Seimons passed away on 14 July 2020 and we were pleased that the COVID19 restrictions were sufficiently relaxed for the community to be able to attend his funeral service at the Corrigin Recreation and Events Centre.

In recognition of the contribution she has made to the Corrigin community and as a lasting symbol of appreciation of her services, dedication and support given to the administration of it, the Council bestowed the title of Honorary Freeman of the Shire of Corrigin to Mrs Lynette Baker at a special presentation in November 2019.

Lyn was elected as a Councillor with the Shire of Corrigin in 2003 and stepped down from Council in October 2019. She held the position of Deputy President from 2007 to 2009 and was elected to the role of President in 2009; a position she held for ten years until her retirement.

I would like to extend my appreciation to all elected members and particularly the former Shire President Lyn Baker and newly elected President Cr Des Hickey for their support over the past year.

I look forward to exciting and new projects planned for the future to ensure that Corrigin continues to be a thriving and prosperous community.

**Natalie Manton**  
**Chief Executive Officer**





## Councillors



**Des Hickey**  
**PRESIDENT**

PO Box 13  
Corrigin 6375  
P: 08 9063 7053

**Term Expiry: 2021**

---



**Michael Weguelin**  
**DEPUTY PRESIDENT**

32 Camm Street  
Corrigin 6375  
P: 08 9063 2455

**Term Expiry: 2023**

---



**Scott Coppen**  
**COUNCILLOR**

PO Box 281  
Corrigin 6375  
P: 0427 630 063

**Term Expiry: 2023**

---



**Matthew Dickinson**  
**COUNCILLOR**

12 Spanney St  
Corrigin 6375  
P: 0428 632 013

**Term Expiry: 2021**

---



**Rick Gilmore**  
**COUNCILLOR**

13 Walton St  
Corrigin 6375  
P: 0427 481 104

**Term Expiry: 2021**

---



**Janeane Mason**  
**COUNCILLOR**

32 Janes Drive  
Corrigin 6375  
P: 0417 095 804

**Term Expiry: 2021**

---



**Sharon Jacobs**  
**COUNCILLOR**

PO Box 37  
Corrigin 6375  
P: 0400 190 221

**Term Expiry: 2023**

## Management Team



**Mrs Natalie Manton**  
**CHIEF EXECUTIVE OFFICER**



**Ms Kylie Caley**  
**DEPUTY CHIEF EXECUTIVE OFFICER**



**Mr Greg Tomlinson**  
**MANAGER WORKS AND SERVICES**

---

## ***Corrigin – strengthening our community now, to grow and prosper into the future***

The Shire of Corrigin comprises a diverse range of people, communities and landscapes. The vision captures the diversity of the area and has been developed with a range of input received through the community engagement process. It reflects clear community aspirations for the ten-year period of the Strategic Community Plan.



## Strategic Community Plan

The Strategic Community Plan 2017 – 2027 was reviewed during 2019 and we believe that it continues to capture the community’s aspirations desired outcomes. As a local government, we will continue to work in partnership with the community and other key stakeholders to ensure the plan remains relevant and provides guidance on the strategic direction for the delivery of services to the Corrigin community.

## Integrated Planning and Reporting Framework

All Western Australian local governments are required to prepare a Plan for the Future for their district under Section 5.56(1) of the Local Government Act 1995. The Plan for the Future comprises the following two key strategic documents, which a local government is required to have regard for when forming its annual budget.

**Strategic Community Plan** – The 10-year strategy and planning tool for the shire. It is the principle guiding document for the remainder of the Shire’s strategic planning as community engagement is central to this Strategic Community Plan.

**Corporate Business Plan** – The core components of this Corporate Business Plan include a four year delivery program, aligned to the Strategic Community Plan and accompanied by financial projections.

Development of the Strategic Community Plan and Corporate Business Plan was undertaken in accordance with the Integrated Planning and Reporting Framework and Guidelines. An essential element of the Integrated Planning and Reporting process is to enable community members and stakeholders to participate in shaping the future of the community and in identifying issues and solutions. It is designed to articulate the community’s vision, aspirations, outcomes and priorities for the future of the district.

Importantly, the Strategic Community Plan and Corporate Business Plan are informed by several other key plans and processes. The connection between the community and the Shire’s Strategic plan, annual budget and corporate documents developed to guide the Shire in delivering services to the community are shown in the diagram below. The term of each key plan is shown in the blue circles.

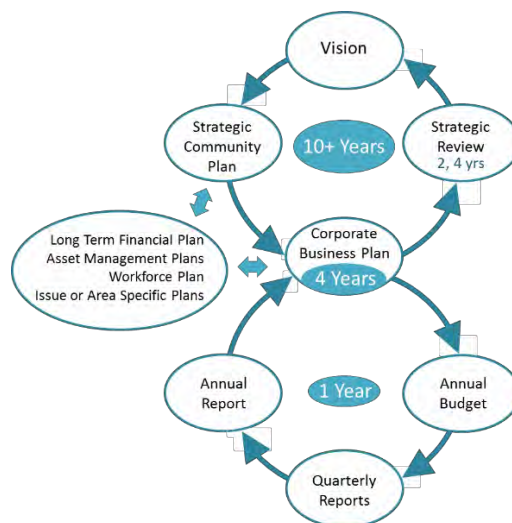


Diagram: Integrated Planning and Reporting Cycle<sup>2</sup>

1 Local Government (Administration) Regulations 1996, Paragraph 19BA.

2 Department of Local Government and Communities, Integrated Planning and Reporting: Framework and Guidelines, September 2016.

## How the Strategic Community Plan will be used

The Strategic Community Plan outlines how the Shire will work towards a positive future for the Shire of Corrigin community as it seeks to achieve its vision inspired by the community's aspirations. The Strategic Community Plan influences how the Shire uses its resource to deliver services to the community and is the primary driver for all other planning undertaken by the Shire.

The Shire of Corrigin uses the Strategic Community Plan in several ways, including:

- Guiding priority setting and decision making;
- Providing a mechanism for the ongoing integration of local planning initiatives;
- Informing decision making of other agencies and organisations, including community and State Government;
- Providing a rationale to pursue grants and other resources by demonstrating how specific projects align with the aspirations of our community, within the strategic direction of the Shire;
- Informing potential investors and developers of our community's key priorities, and the way we intend to grow and develop;
- Engaging local businesses, community groups and residents in various ways to contribute to the Shire's future; and
- Providing a framework for monitoring progress against our vision.

The strategies are prioritised and actions are identified through the development of a Corporate Business Plan after consideration of the available resources. Strategic performance indicators are used to report back to the community on the Shire's performance in achieving the outcomes.



## Strategic Community Plan 2019/20 – Progress

The progress on the Strategic Community Plan are outlined as follows:

### Economic – A Strong, diverse economy supporting agricultural, local business and attracting new industry.

<b>Outcome 1.1 – A well planned and connected transport and communication network within the district</b>				
<b>Strategic Community Plan</b>		<b>Corporate Business Plan</b>		
<b>Outcome</b>	<b>Strategies</b>	<b>Action No.</b>	<b>Actions</b>	<b>Progress / Status</b>
1.1.1	Develop and implement road asset management plans.	1.1.1.1	Develop a road asset management plan including network hierarchy and service levels.	A plan was considered by Council and adopted in 2019/20.
		1.1.1.2	Develop a footpath management plan, including hierarchy and service levels.	Five year footpath plan completed and work commenced on the development of a new 10 year footpath plan.
		1.1.1.3	Road asset management plan and footpath management plan to be incorporated in the review and expansion of the Asset Management Plan (AMP).	10 year road program, building program and pool asset plans reviewed and incorporated into budget planning in 2019.
		1.1.1.4	Road asset management plan and footpath management plan to be implemented through road works program.	Review of road asset conditional and expected life completed and incorporated into 10 year road plan adopted in 2019/20.
1.1.2	Maintain transport network in line with asset management plans.	1.1.2.1	Prepare and review an annual Road Works Program for a minimum of a 10 year period outlining future capital renewals, upgrades and expansions within Councils available funding aligned to asset management.	10 year Road Works Programs was developed as part of budget preparations in 2019/20.
		1.1.2.2	Prepare and review an annual Footpath Works Program for a minimum of a 4 year period outlining future capital renewals, upgrades and expansions within Councils available funding aligned to asset management plan.	Footpath management plan developed with annual funding allocation in 10 year program.
		1.1.2.3	Advocate for the Secondary Freight Project.	Supported Wheatbelt local governments in the Secondary Freight Project.

1.1.3	Lobby for improved telecommunications infrastructure to service district.	1.1.3.1	Advocate for improved telecommunications within the district by identifying and reporting 'black spots'.	Communicated blackspots to the Federal Government and local member of Parliament as well as reduced levels of coverage from existing towers.
		1.1.3.2	Advocate for improved communications infrastructure by lobbying stakeholders to meet the needs of the district.	Advocated for the upgrade of local exchanges and towers including battery backup during extended power outages.
<b>Outcome 1.2 – Adequate land availability for development</b>				
<b>Strategic Community Plan</b>		<b>Corporate Business Plan</b>		
<b>Outcome</b>	<b>Strategies</b>	<b>Action No.</b>	<b>Actions</b>	<b>Progress / Status</b>
1.2.1	Identify appropriate land available for development.	1.2.1.1	Identify appropriate land and provide the opportunity for additional industrial land and lifestyle lots to encourage the expansion of industrial and retail business, including a review of the Town Planning Scheme.	Encouraged and considered rezoning's/applications that encourage the expansion of industrial and retail business.
1.2.2	Review Local Town Planning Scheme.	1.2.2.1	Update the Shire of Corrigin Planning Scheme to allow increased residential density by changing classifications from R12.5 to R17.5.	Planning scheme amendment to review the residential density provisions in Corrigin was adopted by Council 2017 and approved by Minister for Planning for.
		1.2.2.2	Provide, maintain and review Town Planning Scheme to support development along with orderly and proper planning.	Reviewed Local Planning Scheme No 2 Amendment 6 and approved March 2018.

Outcome 1.3 – Well supported diverse industry and business				
Strategic Community Plan		Corporate Business Plan		
Outcome	Strategies	Action No.	Actions	Progress / Status
1.3.1	Develop and implement an Economic and Tourism Strategy for the district.	1.3.1.1	Develop an affordable Economic and Tourism Development Strategy for the District based on Regional Opportunities.	Economic and Tourism Strategy developed with community input.
		1.3.1.2	Implement Economic and Tourism Development Strategy.	Key strategies identified in the Economic and Tourism Development Strategy considered in the 2019/20 budget. Tourism and Economic Development Committee formed 2019 to implement actions identified in strategy and plan.
		1.3.1.3	Economic and Tourism Development strategies, programs and initiatives to be incorporated in Long Term Financial Plan and annual budgets.	Key strategies identified in the Economic and Tourism Development Strategy considered in the 2019/20 budget. Strategies incorporated within the Long Term Financial Plan.





**Environmental – An attractive natural and built environment for the benefit of current and future generations.**

Outcome 2.1 – A natural environment for the benefit and enjoyment of current and future generations				
Strategic Community Plan		Corporate Business Plan		
Outcome	Strategies	Action No.	Actions	Progress / Status
2.2.1	Manage the natural environment within available resources.	2.1.1.1	Develop a Natural Resource Management Plan, including the identification of unique natural resources.	Liaised with stakeholders regarding identification and management of wildflowers, roadside vegetation and rare plants.
		2.1.1.2	Natural Resources Management strategies, programs and initiatives to be incorporated in Long Term Financial Plan and annual budgets.	Natural Resources Management Plan currently under development.
		2.1.1.3	Implement Natural Resource Management Plan.	Natural Resources Management Plan not commenced.
		2.1.1.4	Provide adequate infrastructure which allows the enjoyment of Council's natural resources, including reserves, but does not cause harm to the area.	Provided infrastructure which allows the enjoyment of natural resources and protection of the assets
		2.1.1.5	Support the local agricultural section by lobbying stake holders to address local concerns and issues facing the industry now and into the future.	Supported Corrigin Farm Improvement Group.



Outcome 2.1 – A natural environment for the benefit and enjoyment of current and future generations				
Strategic Community Plan		Corporate Business Plan		
Outcome	Strategies	Action No.	Actions	Progress / Status
2.1.2	Provide effective and efficient waste management services.	2.1.2.1	Maintain an effective and efficient transfer station that allows for expansion and rehabilitation.	A well maintained and efficient waste transfer station was provided.
		2.1.2.2	Provide a suitable area for green waste disposal.	Green waste disposal facility was well maintained and new signage erected.
		2.1.2.3	Provide an effective and efficient recycling service, including the collection of glass and cardboard.	Fortnightly recycling service provided by Avon Waste.
		2.1.2.4	In Collaboration with neighboring local governments, maintain a waste disposal site that allows for expansion and rehabilitation.	In partnership with RoeROC Shire's, Council continues to operate a regional waste disposal facility that allows for both expansion and rehabilitation.
2.1.3	Collaborate with community groups to enhance the natural environment.	2.1.3.1	Identify environment educational programs and engage with suitable agencies for the delivery of such programs.	Continued interaction with the Corrigin District High School 'Bushrangers'.
		2.1.3.2	Work in collaboration with groups and organisations to deliver projects and programs that promote and protect the District's natural resource.	Worked in collaboration with Corrigin Farm Improvement Group and local residents.



<b>Outcome 2.2 – A well-managed built environment</b>				
<b>Strategic Community Plan</b>		<b>Corporate Business Plan</b>		
<b>Outcome</b>	<b>Strategies</b>	<b>Action No.</b>	<b>Actions</b>	<b>Progress / Status</b>
<b>2.2.1</b>	<b>Review and implement asset management plans within available resources.</b>	2.2.1.1	Assess Council's built environment current condition and establish future capital and maintenance requirements to meet required service levels.	Buildings were well maintained and work was completed on future capital works program in 2019.
		2.2.1.2	Maintain and review Asset Management Plans for Council's built environment.	10 year Asset Management Plan for buildings and swimming pool developed in 2019.
		2.2.1.3	Asset Management Plan for Council's built environment to be incorporated into Long Term Financial Plan.	Long Term Financial Plan adopted in September 2018 and included plans for building upgrade and renewals.
		2.2.1.4	Manage existing building and structures to ensure they are safe and comply with legislative requirements.	Building maintenance program provides for well-maintained facilities that are safe and comply with legislative requirements.
<b>2.2.2</b>	<b>Maintain the integrity of heritage buildings within available resources.</b>	2.2.2.1	Identify and update Municipal Heritage Inventory and Conservation Plans.	Municipal Heritage Inventory report to be adopted by Council in 2020 following community consultation.
		2.2.2.2	Municipal Heritage Inventory and Conservation Plans to be identified and incorporated into Asset Management Plan and Long Term Financial Plan.	Plans were reviewed in 2019.
<b>2.2.3</b>	<b>Enhance and maintain out townscape.</b>	2.2.3.1	Manage and maintain the Council's parks, gardens and open space at appropriate service levels and standards.	Parks, gardens and open spaces were maintained to a high standard. Positive feedback from community was received.
		2.2.3.2	Manage and maintain Council's townscape infrastructure, both natural and built to enhance the appearance and services of the townscape within the district.	Townscape infrastructure was managed and maintained to a high standard.
		2.2.3.3	Townscape enhancement projects and initiatives incorporated in Long Term Financial Plan.	Townscape infrastructure included in Long Term Financial Plan.

**Social – An effectively serviced, inclusive and resilient community.**

<b>Outcome 3.1 – An inclusive, welcoming and active community</b>				
<b>Strategic Community Plan</b>		<b>Corporate Business Plan</b>		
<b>Outcome</b>	<b>Strategies</b>	<b>Action No.</b>	<b>Actions</b>	<b>Progress / Status</b>
3.1.1	Work in partnership with community and sporting groups.	3.1.1.1	Provide support in leadership and governance of local sports clubs and groups.	Supported CREC Advisory Committee and attended meetings. Commenced new lease agreements with sporting clubs.
		3.1.1.2	Assist sport and recreation clubs in accessing grant funding opportunities.	Provided information on funding opportunities via newsletters and community group network.
3.1.2	Continue to provide infrastructure to support social wellbeing of the community.	3.1.2.1	Provided well serviced and maintained infrastructure that can be utilised by the community for the provision of social and wellbeing activities in accordance with asset management plan.	Provided well-maintained infrastructure that enabled community social and well-being activities.
3.1.3	Facilitate, encourage and support community events.	3.1.3.1	Promote and support local events with emphases on events that promote visitation of the Shire.	Supported major local events financially and with staffing resources. Promoted major local events through its Facebook and Website.
		3.1.3.2	Engage and facilitate the community to encourage the establishment and continuation of local events.	Encouraged clubs and groups to undertake local events.



Outcome 3.1 – An inclusive, welcoming and active community				
Strategic Community Plan		Corporate Business Plan		
Outcome	Strategies	Action No.	Actions	Progress / Status
3.1.4	Collaborate with emergency service and community volunteers.	3.1.4.1	Engage with the community, in particular volunteers and volunteer organisations to establish how the community maintain sustainable volunteer services/roles within the community.	Ongoing involvement with the Bush Fire Brigades, and directly engage in the Museum, Tidy Towns, Senior Citizens, St John Ambulance and emergency service and community volunteers.
		3.1.4.2	Continue to lobby the key stakeholders to ensure the necessary support is provided for volunteer services who support Corrigin.	Lobbied federal and state politicians regarding aged care service providers and importance of telecommunications for emergency service volunteers. Supported Senior Citizens. Tidy Towns, Agricultural Society, Sporting Clubs, P & C speedway and many more community and volunteer organisations during the year.



Outcome 3.2 – A community for all ages				
Strategic Community Plan		Corporate Business Plan		
Outcome	Strategies	Action No.	Actions	Progress / Status
3.2.1	Implement Aged Friendly Community Plan	3.2.1.1	Undertake programs, strategies and initiatives from Aged Friendly Community Plan and incorporate them into the Asset Management Plans and Long Term Financial Plan.	Involvement with Wheatbelt South Aged Housing Alliance (WSAHA) to obtain funding to build aged housing units. Aged housing in long term financial plan.
		3.2.1.2	Services and facilities within the Shire provides for an aged friendly community.	Footpath program to provide better access for gophers. Local medical and dental services reduce need for travel for medical and dental appointments.
		3.2.1.3	Collaborate with key stakeholders for the provision of sustainable aged care facilities and services.	In partnership with a number of adjacent local governments the WSAHA Aged Housing Project has been progressing with the aim of securing funding for the aged accommodation for the district.
		3.2.1.4	Support current and future groups and organisations for the provision of aged care facilities and services within the district.	Attended meetings and provided support to Corrigin Senior Citizen's Committee, Kelpies and Wogolin House.
		3.2.1.5	Lobby stakeholders to ensure the necessary services to support aged care are accessible in Corrigin.	Met with local members of state and federal parliament as well as service providers regarding aged care services.



<b>Outcome 3.2 – A community for all ages</b>				
<b>Strategic Community Plan</b>		<b>Corporate Business Plan</b>		
<b>Outcome</b>	<b>Strategies</b>	<b>Action No.</b>	<b>Actions</b>	<b>Progress / Status</b>
3.2.2	<b>Collaborate with key stakeholders to encourage youth engagement.</b>	3.2.2.1	Collaborate with key stakeholders, including youth within the district to develop a youth strategy.	Council continues to support the local youth through ongoing liaison with the Corrigin District High School and Edna Stevenson scholarship.
		3.2.2.2	Implement Youth Strategy for the district.	Discussions with Corrigin District High School on tourism projects
		3.2.2.3	Promote opportunities for youth development, employment and activities.	School holiday programs were provided through CRC.
3.2.3	<b>Continue to support family services.</b>	3.2.3.1	Support current and future group and organisations for the provision of family facilities and services within the district.	Facilities and programs to increase involvement and engagement of the community such as Corrigin Recreation and Events Centre, day care and support to community and sporting groups.
3.2.4	<b>Ongoing support for the provision of health and associated services.</b>	3.2.4.1	Ensure that the residents have regular access to a medical practitioner and support the medical practitioner in the delivery of these services.	Support local medical practitioner to ensure the ongoing delivery of services. Participated in Rural Medical Student Immersion Program to encourage student doctors to consider a career in rural areas.
		3.2.4.2	Work with neighbouring local governments, key stakeholders to have a collaborative approach to the provision of medical and allied health services to the region.	Provision of Primary and Allied Health services to the community, including advocating with the state government and other key stakeholders for the improvement of health services to the district.
		3.2.4.3	Support the health services by lobbying stakeholders (to address local concerns and issues facing the industry now and into the future.	Advocating with state government and other key stakeholders for the improvement of health services to the district.
		3.2.4.4	Representation on key Boards and associations for the delivery of health services to the district.	Council is represented on the Corrigin Local Health Advisory Group, St John Ambulance and Rural Health West

## Leadership – Strong Governance and Leadership.

<b>Outcome 4.1 – A strategically focused dynamic council serving the Community</b>				
<b>Strategic Community Plan</b>		<b>Corporate Business Plan</b>		
<b>Outcome</b>	<b>Strategies</b>	<b>Action No.</b>	<b>Actions</b>	<b>Progress / Status</b>
4.1.1	<b>Provide leadership, communication and active engagement with the community.</b>	4.1.1.1	Elected members provide strategic leadership for the benefit of the community.	Reviewed Strategic Community Plan and Corporate Business Plan.
		4.1.1.2	Council is represented on key local organisations and provide feedback and advice to Council on their issues.	Elected members are represented on a number of key local organisations and attend meetings regularly.
		4.1.1.3	Develop and implement a community engagement strategy including community surveys, community reference groups and council representation on strategic community groups.	Reviewed its community engagement strategy as part of its review of the Community Strategic Plan.
		4.1.1.4	Provide a vibrant, up to date (contents and technology), user friendly website for both the Shire of Corrigin and CRC which proactively engages with residents.	Website has recently undergone an upgrade and utilises up to date technology and information.
		4.1.1.5	Use print, electronic and social media to inform residents of key decisions, options considered and any implications of decisions.	Updates the community on key decisions by the use of social media, electronic and print newsletters and on Council's website.
4.1.2	<b>Undertake strategic planning and ensure legislative compliance.</b>	4.1.2.1	Review Community Strategic Plan to ensure it remains aligned to the community's vision, aspirations and desired outcomes.	Community Strategic Plan was review in June 2019.
		4.1.2.2	Annual review of policies and Corporate Business Plan.	Corporate Business Plan was review in June 2019.
		4.1.2.3	Regular review of documents and Informing strategies, including Long Term Financial Plan, Asset Management Plan and Workforce Plan.	Council reviewed Workforce Plan, and Asset Management Plans in July 2019.
4.1.3	<b>Maintain accountability and financial responsibility to ensure the stability of the Shire.</b>	4.1.3.1	Council to maintain financial stability.	Financial Management systems and procedures are review monthly. Financial and Risk Management Review completed 2019.
		4.1.3.2	Regular reviews of Council's LTFP to ensure the long term financial stability of the Shire.	Long Term Financial Plan reviewed in September 2018.
		4.1.3.3	Provide Council adequate and appropriate financial information on a timely basis.	Council is provided with detailed financial reports each month.



<b>Outcome 4.2 – An effective and efficient organisation</b>				
<b>Strategic Community Plan</b>		<b>Corporate Business Plan</b>		
<b>Outcome</b>	<b>Strategies</b>	<b>Action No.</b>	<b>Actions</b>	<b>Progress / Status</b>
4.2.1	<b>Review and implement the Workforce Plan.</b>	4.2.1.1	Review and implement the Workforce Plan.	Council review the Workforce Plan in June 2018.
		4.2.1.2	Workforce Plan to have resource consideration to the objectives of the Strategic Community Plan and Corporate Business Plan.	Council reviewed the Workforce Plan in 2018.
		4.2.1.3	Workforce Plan strategies, programs and initiatives to be incorporated in LTFP and annual budgets.	Council review the Workforce Plan in 2018.
4.2.2	<b>Continue to improve operational efficiencies and provide effective services.</b>	4.2.2.1	Review delivery of services for operational and cost effective efficiencies.	Finance team and managers reviewed expenditure of key projects and services to identify savings.
		4.2.2.2	Set appropriate Fees and Charges for applicable services that promote the use of services and limits the reliance of rate funding.	Council reviewed the Fees and Charges during workshops prior to adoption in May 2019 for adoption in June.
4.2.3	<b>Maintain a strong customer focus.</b>	4.2.3.1	Review and implementation of Councils Customer Service Charter.	Customer Service Charter was reviewed in 2019.
		4.2.3.2	Provide a vibrant, up to date (contents and technology), user friendly website for both the Shire of Corrigin and CRC which proactively engages with residents.	Shire website recently upgraded and utilises up to date technology and information.
		4.2.3.3	Employ professional customer service workforce who have the required knowledge and training including the provision of adequate resources (intranet/policy / information on service etc.) to ensure a good standard of Customer Service	Staff across the Shire deliver a strong customer focus to the ratepayers and residents of Corrigin.
4.2.4	<b>Provide a positive and effective workplace.</b>	4.2.4.1	Develop and implement a workforce plan and appropriate human resource management policies and procedures to meet current and future workforce needs.	New Enterprise Agreement negotiated in July 2019.
		4.2.4.2	Provide a positive workplace that enables for the development and support of employees in delivering an effective and coherent workplace.	Encourage training and professional development to support existing loyal workforce. Social events provided opportunities for inside and outside staff to develop greater understanding of roles.

## Major Projects 2019/20







## Road Program

The Shire of Corrigin undertook the following construction works as part of the works program for the 2019/20 financial year.

Work Type	Rural / Town	Road / Street Name	SLK From	SLK To	Roadwork Description	Total Cost / Project
<b>Road Expenditure for 2019/20</b>						
<b>Capital Renewal</b>	<b>Rural Roads</b>	Bulyee Rd (Commodity Route)	3.58	10.96	Reconstruct, stabilise and reseal	\$1,111,310
		Gill Rd	6.00	14.57	Shoulder Reconditioning	\$312,145
		Bullaring - Pingelly Rd	1.96	5.52	Reseal	\$52,161
		Bullaring - Pingelly Rd	9.92	12.98	Reseal	\$44,835
		Bullaring - Pingelly Rd	14.41	16.78	Reseal	\$34,725
		Bullaring - Gorge Rock Rd	0.00	1.21	Reseal	\$34,460
		Bullaring - Gorge Rock Rd	7.20	13.24	Reseal	\$92,000
		Bilbarin East Rd	0.00	2.10	Reseal	\$31,355
	Bilbarin East Rd	8.70	10.51	Reseal	\$26,510	
	<b>Town Streets</b>	Gayfer	Various	Various	New 2m wide dual use pathway.	\$64,000
<b>Capital Upgrade</b>	<b>Rural Roads</b>	Corrigin - Quairading Rd (RRG)	15.84	17.34	Reconstruct and widen, upgrade drainage, signage and clear zones.	\$348,403
		Corrigin - Naremben Rd (RRG)	0.00	1.48	Reconstruct and widen, upgrade drainage, signage and clear zones.	\$160,587
		Corrigin - Quairading Rd (National Blackspot)	13.95	14.95	Improve and widen, signage, line marking and delineation	\$224,007
		Corrigin - Quairading Rd (National Blackspot)	7.90	8.90	Improve and widen, signage, line marking and delineation	\$429,223
		Corrigin - Quairading Rd (National Blackspot)	4.38	4.81	Improve and widen, signage, line marking and delineation	\$186,090
		Rabbit Proof Fence Rd (State Blackspot)	21.10	22.10	Improve and widen, signage, line marking and delineation	\$290,294
		Corrigin - Naremben Rd	1.47	4.50	Final Seal	\$76,237
		Corrigin - Naremben Rd	7.25	7.64	Final Seal	\$9,810
		<b>Total Capital Expenditure for 2019/20</b>				
<b>Estimated Operating Expenditure for 2019/20</b>						<b>\$604,539</b>

## Future Road Program 2020/21

The Shire of Corrigin conducted a thorough and detailed assessment of the condition of the road network and used the information along with traffic count data to prioritise future work and develop a 10 year road program. Funds have been allocated to the road program for the next four years as follows:

Proposed Road Expenditure for 2020/21						
Capital Renewal	Rural Roads	Bullaring - Pingelly Rd	0.00	1.80	Reconstruct, stabilise & seal	\$352,866
		Bilbarin East Rd	2.10	8.70	Reseal	\$104,740
		Bendering Rd	2.87	2.97	Reseal	\$3,570
		Babakin - Corrigin Rd	14.59	15.77	Shoulder Reconditioning	\$63,400
		Babakin - Corrigin Rd	18.40	20.58	Shoulder Reconditioning	\$107,329
	Town Streets	Town Street	Various	Various	New 2m dual use path	\$35,358
		Malcolm St	0.00	0.05	Reseal	\$2,900
Capital Upgrade	Rural Roads	Corrigin - Quairading Rd (RRG)	10.60	13.95	Reconstruct and widen.	\$454,855
		Corrigin - Narembreen Rd (RRG)	0.00	1.48	Final Seal	\$35,191
		Babakin - Corrigin Rd (RRG)	9.01	11.77	Final Seal	\$78,000
		Bendering Rd	6.21	8.62	Reconstruct and widen.	\$522,281
		Bendering Rd	9.23	11.32	Reconstruct and widen.	\$274,862
<b>Total Capital Expenditure for 2020/21</b>						<b>\$2,035,352</b>
<b>Estimated Operating Expenditure for 2020/21</b>						<b>\$628,575</b>
Proposed Road Expenditure for 2021/22						
Capital Renewal	Rural Roads	Bullaring - Pingelly Rd	0.00	1.49	Final Seal	\$40,000
		Bullaring - Gorge Rock Rd	1.21	7.20	Reseal	\$94,000
		Bullaring - Gorge Rock Rd	1.21	7.20	Shoulder Reconditioning	\$295,000
		Bilbarin - Quairading Rd	6.44	7.96	Shoulder Reconditioning	\$75,000
		Bilbarin - Quairading Rd	24.19	25.85	Shoulder Reconditioning	\$82,775
		Yealering - Kulin Rd	0.00	0.16	Reseal	\$6,500
		Bullaring - Gorge Rock Rd	7.20	13.24	Shoulder Reconditioning	\$321,834
	Town Streets	Town Street	Various	Various	New 2m wide concrete dual use pathway.	\$64,000
		Adams St	0.00	0.32	Apply 25 thick red coloured asphalt	\$70,000
		Connelly Parade	0.00	0.83	Reseal	\$13,000
	Hill St	0.00	0.42	Reseal	\$21,000	
Capital Upgrade	Rural Roads	Corrigin - Quairading Rd (RRG)	8.90	11.65	Reconstruct and widen.	\$484,500
		Corrigin - Quairading Rd (RRG)	11.65	13.95	Final Seal	\$63,000
<b>Total Capital Expenditure for 2021/22</b>						<b>\$1,630,609</b>
<b>Estimated Operating Expenditure for 2021/22</b>						<b>\$628,866</b>
Proposed Road Expenditure for 2022/23						

Capital Renewal	Rural Roads	Bulyee - Quairading Rd	0.00	14.40	Reseal	\$270,000
		Bilbarin - Quairading Rd	25.90	28.85	Shoulder Reconditioning	\$150,000
		Corrigin South Rd	17.19	18.90	Widen and Gravel Resheet	\$61,000
		Corrigin South Rd	19.95	22.31	Widen and Gravel Resheet	\$79,000
		Corrigin South Rd	7.00	12.28	Reseal	\$85,072
	Town Streets	Town Street	Various	Various	New 2m wide Concrete dual use pathway.	\$64,000
Capital Upgrade	Rural Roads	Corrigin - Quairading Rd (RRG)	5.20	7.90	Reconstruct, widen, upgrade drainage, signage and clear zones.	\$447,000
		Corrigin - Quairading Rd (RRG)	8.90	11.65	Final Seal	\$75,000
		Bendering Rd	9.21	11.73	Reconstruct, upgrade drainage, signage and clear zones.	\$402,275
<b>Total Capital Expenditure for 2022/23</b>						<b>\$1,633,347</b>
<b>Estimated Operating Expenditure for 2022/23</b>						<b>\$620,127</b>
<b>Proposed Road Expenditure for 2023/24</b>						
Capital Renewal	Rural Roads	Bullaring - Pingelly Rd (RRG)	5.52	9.92	Reseal	\$72,000
		Gill Rd	0.10	9.60	Reseal	\$150,604
		Yealering South East Rd	0.30	0.77	Reseal	\$14,098
		Shackleton - Bilbarin Rd	0.25	3.67	Reseal	\$57,000
		Bendering Rd	13.15	13.67	Shoulder Reconditioning	\$151,000
		Doyle Rd	10.40	14.79	Widen and Gravel Resheet	\$152,000
	Town Streets	Town Street	Various	Various	New 2m wide Concrete dual use pathway.	\$64,000
		Woglin St	0.00	0.83	Reseal	\$16,000
		Dry Well Rd	21.23	21.74	Reseal	\$11,275
		Lynch St	1.05	1.56	Reseal	\$42,000
		Camm St	0.00	0.36	Reseal	\$18,000
Jose St	0.00	0.56	Reconstruct	\$230,258		
Capital Upgrade	Rural Roads	Corrigin - Quairading Rd (RRG)	2.07, 4.81	4.38, 5.20	Reconstruct and widen, upgrade drainage, signage and clear zones.	\$450,000
		Corrigin - Quairading Rd (RRG)	5.20	7.90	Final Seal	\$78,000
		Bendering Rd	11.73	13.15	Reconstruct, widen, upgrade drainage, signage and clear zones.	\$231,000
<b>Total Capital Expenditure for 2023/24</b>						<b>\$1,737,235</b>
<b>Estimated Operating Expenditure for 2023/24</b>						<b>\$632,527</b>

Full 10 year road program and related information available at [www.corrigin.wa.gov.au](http://www.corrigin.wa.gov.au) or contact Shire office for a printed copy.

\*\*\* SLK = Straight Line Kilometre

## National Competition Policy

This policy was introduced by the Commonwealth Government in 1995 to promote competition for the benefit of business, consumers and the economy by removing what was considered to be unnecessary protection of monopolies of markets where competition can be enhanced. It effects local governments as factors such as exemption from company and income tax or possible local regulations and laws may give local government a potential advantage over private contractors.

In respect to Council's responsibilities under to the National Competition Policy, the Shire reports as follows:

- No business enterprise of the Shire of Corrigin has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or a Public Financial Enterprise.
- Competitive neutrality has not applied to any activities undertaken by the Shire in this reporting period.
- No allegations of non-compliance with the competitive neutrality principles have been made by any private entity.
- The principles of competitive neutrality will be implemented in respect of any relevant activity undertaken during the next financial reporting period.

## Freedom of Information

In complying with the *Freedom of Information Act 1992*, the Shire of Corrigin is required to prepare and publish an information statement.

The Shire of Corrigin Information Statement is reviewed annually and is available via Council's website or at the Shire administration office. The information statement contains advice on the type of documents available to the public and how to access those documents.

The Shire received no Freedom of Information applications in the 2019/20 reporting year.

## Records Management

The Shire of Corrigin is committed to meeting the requirements of the *State Records Act 2000* which requires the Shire to maintain and dispose of all records in the prescribed manner.

The Synergysoft Electronic Records Keeping System was used during the year and training was provided for all staff who create, collect and use records. Informal training sessions were held throughout the year to ensure adherence to the State Records Act. Retaining documents in an electronic records management system delivers best practice in recordkeeping and provides an efficient document processing service to meet customer needs and volume demands.

In accordance with the *State Records Act 2000* the Shire of Corrigin is required to have an approved Record Keeping Plan. The plan sets out matters about how records are created and how the Shire retains its records. The Shire's Record Keeping Plan was reviewed during the year and approved by the State Records Commission in August 2018.

New employees were informed of their recordkeeping responsibilities as part of the Shire's Induction Program. New employees were given hands on training as part of their overall induction to the organisation.



## Disability Access and Inclusion Plan (DAIP)

Since 1995 it has been a requirement under the *Disability Services Act 1993*, that all Western Australian Local Governments develop and implement a Disability Access and Inclusion Plan (DAIP) to improve access to their services for people with disability. The Act requires public authorities to lodge a DAIP to the Disability Services Commission.

The Shire of Corrigin endorsed the DAIP in February 2020 for the period 2020-2025. Council is required to report on activities as they relate to the seven desired DAIP outcomes. A review of the current DAIP was conducted in 2019 in preparation for a new five-year plan. This review included community consultation through focus groups and feedback sought from people with disability, their families and carers, as well as local Disability Service Providers.

Since the adoption of the initial DAIP adopted in 2007, the Shire has implemented many initiatives and made significant progress towards ensuring the community is accessible and inclusive for people of all ages and abilities and continues with this commitment.

## Employee Remuneration Disclosure

The *Local Government (Administration) Regulation 1996* requires the Shire to include the following information in its Annual Report:

- The number of employees of the Shire entitled to an annual salary of \$130,000 or more; and
- The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$130,000.

Set out below, in bands of \$10,000, is the number of employees of the Shire entitled to an annual salary of \$130,000 or more for 2019/2020:

### Salary Range

\$ From	\$ To	Number of Employees
130,000	139,000	1
140,000	149,999	
150,000	159,999	
160,000	169,999	
170,000	179,999	
<b>Total</b>		<b>1</b>

The total remuneration paid to the CEO including base salary, superannuation, motor vehicle, professional memberships, allowances and fringe benefits tax for 2019/2020 financial year was \$177,475.

## Councillor Meeting Attendance and Diversity Data

The number of meetings attended by Councillors during the 2019/2020 financial year is summarised below:

Councillor	Number of Meetings
Cr D Hickey	11
Cr M Weguelin	11
Cr R Gilmore	12
Cr S Coppen	5
Cr J Mason	11
Cr Dickinson	11
Cr S Jacobs	6
<b>Total</b>	

The number of meetings includes Council and Special Meeting to swear in new Councillors in October 2019.

Note: Cr Coppen and Cr Jacobs were elected at the Extraordinary Election in December 2019.

The council is currently made up of five male and two female Councillors in the following age ranges.

Councillor Age Range	
23 - 29	
30 - 39	1
40 - 49	1
50 - 59	3
60 - 69	2
70 - 79	
80 - 89	
<b>Total</b>	<b>7</b>

## Public Interest Disclosures

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

The Chief Executive Officer has complied with all obligations under the Act including:

- Appointing the Governance and Project Officer as the Public Interest Disclosure officer for the organisation and publishing an internal procedure relating to the Shire's obligation.
- Providing protection from detrimental action or the threat of detrimental action for an employee of the Shire who makes an appropriate disclosure of public interest information.

In the 2019/2020 financial year no disclosures relating to improper conduct were made to the Shire.

## Local Government (Rules of Conduct) Regulation 2007 – Complaints Register

These regulations require the reporting of various offences by elected members, as prescribed by the Regulations. Elected members must comply with their obligations under the *Local Government Act 1995* and subsidiary legislation. Complaints about elected member conduct are to be made to the Complaints Officer, who in accordance with section 5.120 of the *Local Government Act 1995*, must be a designated senior employee. The Shire of Corrigin Complaints Officer is the Chief Executive Officer.

Section 5.121 of the *Local Government Act 1995* requires the Annual Report to contain details of the entries made in the Complaints Register regarding complaints made about elected members. There were no formal complaints lodged against elected members in the year under review.

No amount of money was paid to the Standards Panel for hearing a complaint regarding a council member and no amount of money was ordered Standards Panel to be reimbursed to the local government by a council member.



# Annual Financial Report

**SHIRE OF CORRIGIN**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**TABLE OF CONTENTS**

Statement by Chief Executive Officer	38
Statement of Comprehensive Income by Nature or Type	39
Statement of Comprehensive Income by Program	40
Statement of Financial Position	41
Statement of Changes in Equity	42
Statement of Cash Flows	43
Rate Setting Statement	44
Index of Notes to the Financial Report	45
Independent Auditor's Report	90

**COMMUNITY VISION**

Strengthening our community now to grow and prosper into the future.

Principal place of business:  
Shire of Corrigin  
9 Lynch Street  
Corrigin WA 6375

**SHIRE OF CORRIGIN  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

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

Signed on the 9th day of December 2020



---

Chief Executive Officer

Natalie Manton

---

Name of Chief Executive Officer

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

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>Revenue</b>				
Rates	23(a)	2,649,963	2,633,147	2,561,546
Operating grants, subsidies and contributions	2(a)	2,490,720	1,483,609	2,391,843
Fees and charges	2(a)	704,083	637,504	657,438
Interest earnings	2(a)	78,539	59,670	74,902
Other revenue	2(a)	425,123	51,890	3,943,603
		<b>6,348,428</b>	<b>4,865,820</b>	<b>9,629,332</b>
<b>Expenses</b>				
Employee costs		(2,169,366)	(2,124,838)	(2,039,676)
Materials and contracts		(1,037,007)	(1,892,669)	(4,237,952)
Utility charges		(266,804)	(209,561)	(252,595)
Depreciation on non-current assets	10(c)	(3,046,645)	(2,541,920)	(2,964,279)
Interest expenses	2(b)	(74,234)	(87,226)	(81,020)
Insurance expenses		(208,701)	(242,116)	(221,968)
Other expenditure	2(b)	(124,813)	(100,422)	(58,490)
		<b>(6,927,570)</b>	<b>(7,198,752)</b>	<b>(9,855,980)</b>
		<b>(579,142)</b>	<b>(2,332,932)</b>	<b>(226,648)</b>
Non-operating grants, subsidies and contributions	2(a)	2,806,391	3,662,952	526,918
Profit on asset disposals	10(a)	63,621	148,893	111,425
(Loss) on asset disposals	10(a)	(3,745)	(41,900)	(29,784)
Fair value adjustments to financial assets at fair value through profit or loss		1,153	0	70,068
		<b>2,867,420</b>	<b>3,769,945</b>	<b>678,627</b>
<b>Net result for the period</b>		<b>2,288,278</b>	<b>1,437,013</b>	<b>451,979</b>
<b>Other comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total other comprehensive income for the period</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>2,288,278</b>	<b>1,437,013</b>	<b>451,979</b>

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

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

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>Revenue</b>				
	2(a)			
Governance		1,507	1,904	2,297
General purpose funding		4,709,868	3,672,300	4,511,947
Law, order, public safety		55,651	52,589	40,799
Health		214,001	214,542	189,943
Education and welfare		164,011	167,602	153,964
Housing		136,066	137,754	136,266
Community amenities		227,381	230,478	218,720
Recreation and culture		41,484	57,505	50,080
Transport		522,618	193,846	4,080,441
Economic services		76,974	45,600	42,707
Other property and services		198,867	91,700	202,168
		6,348,428	4,865,820	9,629,332
<b>Expenses</b>				
	2(b)			
Governance		(598,272)	(735,167)	(607,320)
General purpose funding		(79,120)	(69,928)	(27,561)
Law, order, public safety		(123,021)	(137,212)	(121,139)
Health		(570,256)	(570,707)	(555,875)
Education and welfare		(322,708)	(332,259)	(283,774)
Housing		(149,434)	(189,047)	(120,675)
Community amenities		(530,407)	(548,667)	(552,402)
Recreation and culture		(1,448,984)	(1,401,352)	(1,497,126)
Transport		(2,699,095)	(2,572,587)	(5,738,211)
Economic services		(332,039)	(312,982)	(266,200)
Other property and services		0	(241,618)	(4,677)
		(6,853,336)	(7,111,526)	(9,774,960)
<b>Finance Costs</b>				
	2(b)			
Community amenities		1,288	0	(1,517)
Recreation and culture		(75,522)	(87,226)	(79,503)
		(74,234)	(87,226)	(81,020)
		(579,142)	(2,332,932)	(226,648)
Non-operating grants, subsidies and contributions	2(a)	2,806,391	3,662,952	526,918
Profit on disposal of assets	10(a)	63,621	148,893	111,425
(Loss) on disposal of assets	10(a)	(3,745)	(41,900)	(29,784)
Fair value adjustments to financial assets at fair value through profit or loss		1,153	0	70,068
		2,867,420	3,769,945	678,627
<b>Net result for the period</b>		<b>2,288,278</b>	<b>1,437,013</b>	<b>451,979</b>
<b>Other comprehensive income</b>		0	0	0
<b>Total comprehensive income for the period</b>		<b>2,288,278</b>	<b>1,437,013</b>	<b>451,979</b>

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



**SHIRE OF CORRIGIN**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	NOTE	2020	2019
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	3,111,765	3,434,026
Trade and other receivables	6	391,897	200,537
Other financial assets	5(a)	2,386,467	586,704
Inventories	7	168,256	142,537
<b>TOTAL CURRENT ASSETS</b>		<b>6,058,385</b>	<b>4,363,804</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	6	13,367	7,620
Other financial assets	5(b)	71,221	70,068
Inventories	7	1,520,000	1,540,000
Property, plant and equipment	8(a)	25,044,886	26,275,852
Infrastructure	9(a)	123,152,605	121,646,221
<b>TOTAL NON-CURRENT ASSETS</b>		<b>149,802,079</b>	<b>149,539,761</b>
<b>TOTAL ASSETS</b>		<b>155,860,464</b>	<b>153,903,565</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	393,306	171,785
Contract liabilities	13	214,388	0
Borrowings	14(a)	82,260	78,572
Employee related provisions	15	345,627	337,242
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,035,581</b>	<b>587,599</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	14(a)	1,496,092	1,578,356
Employee related provisions	15	50,456	58,432
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,546,548</b>	<b>1,636,788</b>
<b>TOTAL LIABILITIES</b>		<b>2,582,129</b>	<b>2,224,387</b>
<b>NET ASSETS</b>		<b>153,278,335</b>	<b>151,679,178</b>
<b>EQUITY</b>			
Retained surplus		32,851,772	32,086,650
Reserves - cash backed	4	3,521,979	2,044,734
Revaluation surplus	11	116,904,584	117,547,794
<b>TOTAL EQUITY</b>		<b>153,278,335</b>	<b>151,679,178</b>

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

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

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2018</b>		<b>32,258,820</b>	<b>1,420,585</b>	<b>117,547,794</b>	<b>151,227,199</b>
Comprehensive income					
Net result for the period		451,979	0	0	451,979
Total comprehensive income		451,979	0	0	451,979
Transfers to reserves	4	(624,149)	624,149	0	0
<b>Balance as at 30 June 2019</b>		<b>32,086,650</b>	<b>2,044,734</b>	<b>117,547,794</b>	<b>151,679,178</b>
Change in accounting policies	28(b)	(45,911)	0	(643,210)	(689,121)
<b>Restated total equity at 1 July 2019</b>		<b>32,040,739</b>	<b>2,044,734</b>	<b>116,904,584</b>	<b>150,990,057</b>
Comprehensive income					
Net result for the period		2,288,278	0	0	2,288,278
Total comprehensive income		2,288,278	0	0	2,288,278
Transfers from reserves	4	220	(220)	0	0
Transfers to reserves	4	(1,477,465)	1,477,465	0	0
<b>Balance as at 30 June 2020</b>		<b>32,851,772</b>	<b>3,521,979</b>	<b>116,904,584</b>	<b>153,278,335</b>

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

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

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		2,592,631	2,638,031	2,513,757
Operating grants, subsidies and contributions		2,482,985	1,486,109	2,865,976
Fees and charges		737,199	637,504	689,905
Interest received		78,539	59,670	74,902
Goods and services tax received		459,497	735,599	735,940
Other revenue		425,123	51,890	3,943,603
		<b>6,775,974</b>	<b>5,608,803</b>	<b>10,824,083</b>
<b>Payments</b>				
Employee costs		(2,147,911)	(2,124,838)	(2,114,934)
Materials and contracts		(859,827)	(1,761,318)	(4,450,550)
Utility charges		(266,804)	(209,561)	(252,595)
Interest expenses		(74,234)	(87,226)	(81,020)
Insurance paid		(208,701)	(242,116)	(221,968)
Goods and services tax paid		(438,600)	(735,599)	(593,097)
Other expenditure		(124,813)	(100,422)	(58,490)
		<b>(4,120,890)</b>	<b>(5,261,080)</b>	<b>(7,772,654)</b>
<b>Net cash provided by (used in) operating activities</b>	16	<b>2,655,084</b>	<b>347,723</b>	<b>3,051,429</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	8(a)	(587,292)	(1,777,400)	(274,719)
Payments for construction of infrastructure	9(a)	(3,437,287)	(3,844,651)	(1,558,620)
Non-operating grants, subsidies and contributions	2(a)	2,806,391	3,662,952	526,918
Proceeds from financial assets at amortised cost - term deposits		(1,799,763)	0	(586,704)
Proceeds from sale of property, plant & equipment	10(a)	119,182	210,000	295,279
Proceeds from sale of infrastructure		0	0	17,276
<b>Net cash provided by (used in) investment activities</b>		<b>(2,898,769)</b>	<b>(1,749,099)</b>	<b>(1,580,570)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	14(b)	(78,576)	(78,572)	(123,738)
<b>Net cash provided by (used in) financing activities</b>		<b>(78,576)</b>	<b>(78,572)</b>	<b>(123,738)</b>
<b>Net increase (decrease) in cash held</b>		<b>(322,261)</b>	<b>(1,479,948)</b>	<b>1,347,121</b>
Cash at beginning of year		3,434,026	4,008,681	2,086,905
<b>Cash and cash equivalents at the end of the year</b>	16	<b>3,111,765</b>	<b>2,528,733</b>	<b>3,434,026</b>

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

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

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at start of financial year - surplus/(deficit)</b>	24 (b)	1,704,135	1,727,085	743,302
		1,704,135	1,727,085	743,302
<b>Revenue from operating activities (excluding rates)</b>				
Governance		2,660	1,904	2,297
General purpose funding		2,093,021	1,072,269	1,982,868
Law, order, public safety		55,651	52,589	40,799
Health		214,001	220,635	220,278
Education and welfare		164,184	167,602	153,964
Housing		136,066	137,754	136,266
Community amenities		227,381	230,478	218,720
Recreation and culture		41,484	57,505	50,080
Transport		571,521	287,906	4,161,531
Economic services		76,974	45,600	42,707
Other property and services		213,412	140,440	202,171
		3,796,355	2,414,682	7,211,681
<b>Expenditure from operating activities</b>				
Governance		(598,272)	(735,168)	(607,320)
General purpose funding		(79,120)	(69,928)	(27,561)
Law, order, public safety		(123,021)	(137,212)	(121,139)
Health		(574,001)	(570,707)	(555,875)
Education and welfare		(322,708)	(332,259)	(283,774)
Housing		(149,434)	(189,047)	(120,675)
Community amenities		(529,119)	(548,667)	(553,919)
Recreation and culture		(1,524,506)	(1,488,578)	(1,576,629)
Transport		(2,699,095)	(2,574,487)	(5,767,995)
Economic services		(332,039)	(312,982)	(266,200)
Other property and services		0	(281,617)	(4,671)
		(6,931,315)	(7,240,652)	(9,885,758)
Non-cash amounts excluded from operating activities	24(a)	2,971,890	2,434,927	2,893,495
<b>Amount attributable to operating activities</b>		1,541,065	(663,958)	962,720
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions	2(a)	2,806,391	3,662,952	526,918
Proceeds from disposal of assets	10(a)	119,182	210,000	312,555
Purchase of property, plant and equipment	8(a)	(587,292)	(1,777,400)	(274,719)
Purchase and construction of infrastructure	9(a)	(3,437,287)	(3,844,651)	(1,558,620)
<b>Amount attributable to investing activities</b>		(1,099,006)	(1,749,099)	(993,866)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	14(b)	(78,576)	(78,572)	(123,738)
Transfers to reserves (restricted assets)	4	(1,477,465)	(108,626)	(624,149)
Transfers from reserves (restricted assets)	4	220	224	0
<b>Amount attributable to financing activities</b>		(1,555,821)	(186,974)	(747,887)
<b>Surplus/(deficit) before imposition of general rates</b>		(1,113,762)	(2,600,031)	(779,033)
<b>Total amount raised from general rates</b>	23(a)	2,616,847	2,600,031	2,529,079
<b>Surplus/(deficit) after imposition of general rates</b>	24(b)	<b>1,503,085</b>	<b>0</b>	<b>1,750,046</b>

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

**SHIRE OF CORRIGIN**  
**INDEX OF NOTES TO THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

Note 1	Basis of Preparation	46
Note 2	Revenue and Expenses	47
Note 3	Cash and Cash Equivalents	51
Note 4	Reserves - Cash backed	52
Note 5	Other Financial Assets	53
Note 6	Trade and Other Receivables	54
Note 7	Inventories	55
Note 8	Property, Plant and Equipment	56
Note 9	Infrastructure	58
Note 10	Fixed Assets	60
Note 11	Revaluation Surplus	63
Note 12	Trade and Other Payables	64
Note 13	Contract Liabilities	65
Note 14	Information on Borrowings	66
Note 15	Employee Provisions	68
Note 16	Notes to the Statement of Cash Flows	69
Note 17	Total Assets Classified by Function and Activity	70
Note 18	Contingent Liabilities	71
Note 19	Major Land Transactions	71
Note 20	Trading Undertakings and Major Trading Undertakings	71
Note 21	Related Party Transactions	72
Note 22	Investment in Joint Arrangements	74
Note 23	Rating Information	75
Note 24	Rate Setting Statement Information	78
Note 25	Financial Risk Management	79
Note 26	Events occurring after the end of the Reporting Period	82
Note 27	Initial Application of Australian Accounting Standards	83
Note 28	Change in Accounting Policies	85
Note 29	Trust Funds	86
Note 30	Other Significant Accounting Policies	87
Note 31	Activities/Programs	88
Note 32	Financial Ratios	89

## 1. BASIS OF PREPARATION

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

### AMENDMENTS TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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

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

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparative year amounts have been retained as AASB 16 does not require comparatives to be restated in the year of transition.

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

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

### NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

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

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

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

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

### CRITICAL ACCOUNTING ESTIMATES

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

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

### THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 29 to these financial statements.

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

**2. REVENUE AND EXPENSES**

**REVENUE RECOGNITION POLICY**

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates - General Rates	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.
Grants 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 as inputs are shared.
Grants, subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable.	Cash received.	On receipt of funds.	Not applicable.	When assets are controlled.
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 - pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annual fee	None.	Set by State legislation.	Apportioned equally across the inspection cycle.	No refunds.	After inspection complete based on a 4 year cycle.
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 annually by Council.	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 site.	Single point in time	Payment in advance prior to disposal at administration or on normal trading terms if credit provided.	None.	Adopted by Council and ROEROC annually.	Based on timing of disposal at facility.	Not applicable.	On disposal at facility.
Fees and charges - property hire and entry	Use of halls and facilities	Single point in time	In full in advance or on normal trading terms if credit is provided.	Refund if event cancelled at least 24 hours prior to the date of hire.	Adopted by Council annually.	Based on timing of entry to facility.	Returns limited to repayment of transaction price.	On entry or at conclusion of hire.
Fees and charges - memberships	Pool membership	Over time	Payment in full in advance.	None.	Adopted by Council annually.	On receipt of funds.	No refunds.	On payment of membership.
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works.	Single point in time	Payment in full in advance.	None.	Adopted by Council annually.	Applied fully based on timing of provision.	Not applicable.	Output method based on provision of service or completion of works.
Fees and charges - fines	Fines issued for breaches of local laws	Single point in time	Payment in full within defined time frame.	None.	Adopted by Council through local law.	When taxable event occurs.	Not applicable.	When fine notice is issued.
Other Revenue - commissions	Commissions on licensing 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 CORRIGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**2. REVENUE AND EXPENSES**

**(a) Grant revenue**

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

	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>Operating grants, subsidies and contributions</b>			
Governance	854	854	854
General purpose funding	1,951,491	940,117	1,869,622
Law, order, public safety	45,900	43,159	32,283
Health	186,911	190,481	165,845
Education and welfare	126,915	137,052	123,894
Housing	0	0	1,045
Recreation and culture	6,161	6,300	7,230
Transport	169,731	165,646	161,363
Economic services	1,000	0	0
Other property and services	1,757	0	29,707
	2,490,720	1,483,609	2,391,843
<b>Non-operating grants, subsidies and contributions</b>			
Law, order, public safety	0	0	9,548
Education and welfare	0	496,000	0
Transport	2,806,391	3,166,952	512,725
Economic services	0	0	4,645
	2,806,391	3,662,952	526,918
	5,297,111	5,146,561	2,918,761
<b>Fees and charges</b>			
General purpose funding	29,874	39,366	5,877
Law, order, public safety	9,751	9,430	8,516
Health	27,091	24,061	23,828
Education and welfare	31,553	28,550	25,663
Housing	135,214	137,754	135,222
Community amenities	227,381	230,478	218,720
Recreation and culture	34,009	47,205	39,450
Transport	23,240	25,200	25,513
Economic services	74,376	40,760	42,037
Other property and services	111,594	54,700	132,612
	704,083	637,504	657,438

**SIGNIFICANT ACCOUNTING POLICIES**

**Grants, subsidies and contributions**

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

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

**Fees and Charges**

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



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

**2. REVENUE AND EXPENSES (Continued)**

**(a) Revenue (Continued)**

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

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

Non-operating grants, subsidies and contributions

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Non-operating grants, subsidies and contributions	2,806,391	3,662,952	526,918
	2,806,391	3,662,952	526,918

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:

Contracts with customers included as a contract liability at the start of the period

Other revenue from performance obligations satisfied during the year

Contracts with customers included as a contract liability at the start of the period	30,000	0	0
Other revenue from performance obligations satisfied during the year	2,776,391	3,662,952	526,918
	2,806,391	3,662,952	526,918

Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

Trade and other receivables from contracts with customers

Contract liabilities from contracts with customers

Trade and other receivables from contracts with customers	236,037		0
Contract liabilities from contracts with customers	(214,388)		0

Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met.

Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less.

Consideration from contracts with customers is included in the transaction price.

Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

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

**2. REVENUE AND EXPENSES (Continued)**

**(a) Revenue (Continued)**

**Revenue from statutory requirements**

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

General rates

**Other revenue**

Reimbursements and recoveries

Other

**Interest earnings**

Interest on reserve funds

Rates instalment and penalty interest (refer Note 23(c))

Other interest earnings

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
General rates	2,649,963	2,633,147	2,561,546
	2,649,963	2,633,147	2,561,546
Other revenue			
Reimbursements and recoveries	346,794	51,890	3,916,155
Other	78,329	0	27,448
	425,123	51,890	3,943,603
Interest earnings			
Interest on reserve funds	31,820	39,620	37,440
Rates instalment and penalty interest (refer Note 23(c))	27,504	18,050	24,132
Other interest earnings	19,215	2,000	13,330
	78,539	59,670	74,902

**SIGNIFICANT ACCOUNTING POLICIES**

**Interest earnings**

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

**Interest earnings (continued)**

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

**(b) Expenses**

**Auditors remuneration**

- Audit of the Annual Financial Report

- Other services

**Interest expenses (finance costs)**

Borrowings

Interest expense - Past Accrual Reversal

**Other expenditure**

Sundry expenses

Note	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Auditors remuneration			
- Audit of the Annual Financial Report	50,600	53,000	45,000
- Other services	2,500	0	3,500
	53,100	53,000	48,500
Interest expenses (finance costs)			
Borrowings	75,980	87,226	81,020
Interest expense - Past Accrual Reversal	(1,746)	0	0
	74,234	87,226	81,020
Other expenditure			
Sundry expenses	124,813	100,422	58,490
	124,813	100,422	58,490

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

**3. CASH AND CASH EQUIVALENTS**

	NOTE	2020 \$	2019 \$
Cash at bank and on hand		1,976,253	3,434,026
Term deposits		1,135,512	0
<b>Total cash and cash equivalents</b>		<b>3,111,765</b>	<b>3,434,026</b>

**Restrictions**

The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

- Cash and cash equivalents		1,351,410	1,500,079
- Financial assets at amortised cost	5(a)	2,386,467	586,704
		<b>3,737,877</b>	<b>2,086,783</b>

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

Reserves - cash backed	4	3,521,979	2,044,734
Contract liabilities from contracts with customers	13	214,388	0
Unspent grants, subsidies and contributions		0	30,000
Bonds and Deposits Held	12	1,510	12,049
<b>Total restricted assets</b>		<b>3,737,877</b>	<b>2,086,783</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

**Restricted assets**

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

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

**4. RESERVES - CASH BACKED**

	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance	2020 Budget Opening Balance	2020 Budget Transfer to	2020 Budget Transfer (from)	2020 Budget Closing Balance	2019 Actual Opening Balance	2019 Actual Transfer to	2019 Actual Transfer (from)	2019 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Long Service Leave Reserve	140,748	14,190	0	154,938	140,748	14,727	0	155,475	134,308	6,440	0	140,748
(b) Community Bus Reserve	45,064	701	0	45,765	45,063	873	0	45,936	43,005	2,059	0	45,064
(c) Staff Housing Reserve	298,279	16,642	0	314,921	298,280	17,780	0	316,060	220,610	77,669	0	298,279
(d) Office Equipment Reserve	1,536	5,024	0	6,560	1,536	5,030	0	6,566	1,468	68	0	1,536
(e) Plant Replacement Reserve	1,010,153	15,720	0	1,025,873	1,010,153	19,574	0	1,029,727	540,312	469,841	0	1,010,153
(f) Swimming Pool Reserve	20,562	10,320	0	30,882	20,562	10,398	0	30,960	538	20,024	0	20,562
(g) Roadworks Reserve	251,650	13,916	0	265,566	251,650	14,876	0	266,526	240,121	11,529	0	251,650
(h) Land Subdivision Reserve	52,602	818	0	53,420	52,602	1,019	0	53,621	50,179	2,423	0	52,602
(i) Townscape Reserve	2,676	42	0	2,718	2,676	5,052	0	7,728	2,553	123	0	2,676
(j) Medical Reserve	4,760	74	0	4,834	4,760	92	0	4,852	4,540	220	0	4,760
(k) LGCHP Long Term Maintenance Reserve	3,947	61	0	4,008	3,946	76	0	4,022	3,767	180	0	3,947
(l) Community Development Reserve	179	0	(179)	0	179	3	(182)	0	172	7	0	179
(m) Rockview Land Reserve	4,895	986	0	5,881	4,895	95	0	4,990	4,672	223	0	4,895
(n) Financial Assistance Grant	0	1,028,266	0	1,028,266	0	0	0	0	0	0	0	0
(o) Senior Citz Units	42,424	107,905	0	150,329	42,424	822	0	43,246	40,487	1,937	0	42,424
(p) Town Hall Reserve	97,569	1,518	0	99,087	97,568	1,891	0	99,459	93,113	4,456	0	97,569
(q) Child Care Reserve	41		(41)	0	41	1	(42)	0	39	2	0	41
(r) Recreation & Events Centre Reserve	20,000	255,311	0	275,311	20,000	10,388	0	30,388	0	20,000	0	20,000
(s) Bendering Tip Reserve	47,649	5,971	0	53,620	47,649	5,929	0	53,578	40,701	6,948	0	47,649
	2,044,734	1,477,465	(220)	3,521,979	2,044,732	108,626	(224)	2,153,134	1,420,585	624,149	0	2,044,734

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets 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) Long Service Leave Reserve	Ongoing	To be used to fund employee entitlement requirements.
(b) Community Bus Reserve	Close 31 July 20	To be used to fund the continual purchase of a community bus. Reserve to be closed at adoption of 2020/2021 budget and funds consolidated with Plant Replacement Reserve.
(c) Staff Housing Reserve	Ongoing	To be used for the construction and maintenance of staff housing.
(d) Office Equipment Reserve	Ongoing	To be used for the purchase of office equipment .
(e) Plant Replacement Reserve	Ongoing	To be used for the purchase of major plant items.
(f) Swimming Pool Reserve	Ongoing	To be used for the construction and maintenance of the swimming pool facility.
(g) Roadworks Reserve	Ongoing	To be used for the construction of verge/footpaths within the Shire of Corrigin.
(h) Land Subdivision Reserve	Ongoing	To be used to fund the construction of development land for sub division that benefits the community.
(i) Townscape Reserve	Ongoing	To be used for the continual upgrade of townscape facilities.
(j) Medical Reserve	Ongoing	To be used for the continual upgrade of medical facilities within the Shire of Corrigin.
(k) LGCHP Long Term Maintenance Reserve	Ongoing	To fund the long term maintenance of the joint venture housing.
(l) Community Development Reserve	Close 31 July 20	To be used for the continual upgrade of various community facilities in Corrigin. Reserve to be closed at adoption of 2020/2021 budget.
(m) Rockview Land Reserve	Ongoing	To be used to fund the development of the Rockview land project.
(n) Financial Assistance Grant	Close 31 July 20	To be used in accordance to the Local Government Grants Commission for funding of operating and capital requirements.
(o) Senior Citz Units	Ongoing	To be used for the construction of aged care accommodation and facilities within Corrigin .
(p) Town Hall Reserve	Ongoing	To be used for the planning, maintenance and upgrade of the Corrigin Town Hall Building.
(q) Child Care Reserve	Close 31 July 20	To be used for the construction and maintenance of Child Care Facilities. Reserve to be closed at adoption of 2020/2021 budget.
(r) Recreation & Events Centre Reserve	Ongoing	To be used for the continual upgrade and expansion of the Bendering Tip Side.
(s) Bendering Tip Reserve	Ongoing	To be used for the planning, maintenance and upgrade of the recreation and events centre.

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

**5. OTHER FINANCIAL ASSETS**

**(a) Current assets**

Financial assets at amortised cost

	2020	2019
	\$	\$
	2,386,467	586,704
	<u>2,386,467</u>	<u>586,704</u>

**Other financial assets at amortised cost**

Term deposits

	2,386,467	586,704
	<u>2,386,467</u>	<u>586,704</u>

**(b) Non-current assets**

Financial assets at fair value through profit and loss

	71,221	70,068
	<u>71,221</u>	<u>70,068</u>

**Financial assets at fair value through profit and loss**

Units in Local Government House Trust

	71,221	70,068
	<u>71,221</u>	<u>70,068</u>

**SIGNIFICANT ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

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

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

**Financial assets at fair value through profit and loss**

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

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

**Impairment and risk**

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

## 6. TRADE AND OTHER RECEIVABLES

### Current

Rates receivable	
Sundry Debtors	
GST receivable	

### Non-current

Pensioner's rates and ESL deferred	
------------------------------------	--

2020	2019
\$	\$
155,860	135,726
236,037	43,914
0	20,897
391,897	200,537
13,367	7,620
13,367	7,620

### SIGNIFICANT ACCOUNTING POLICIES

#### Trade and other receivables

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

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

#### Impairment and risk exposure

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

### SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Classification and subsequent measurement

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

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

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

## 7. INVENTORIES

### Current

Fuel and materials  
 Land held for resale - cost  
     Cost of acquisition

### Non-current

Land held for resale - cost  
     Cost of acquisition

The following movements in inventories occurred during the year:

### Carrying amount at beginning of period

Inventories expensed during the year  
 Additions to inventory

### Carrying amount at end of period

	2020	2019
	\$	\$
	88,256	82,537
	80,000	60,000
	168,256	142,537
	1,520,000	1,540,000
	1,520,000	1,540,000
	1,682,537	1,820,508
	0	(137,971)
	5,719	0
	1,688,256	1,682,537

## 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.

### Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

### Land held for resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

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

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

## 8. PROPERTY, PLANT AND EQUIPMENT

### (a) Movements in Carrying Amounts

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

	Land - freehold land	Land - vested in and under the control of Council	Total land	Buildings - specialised	Total buildings	Total land and buildings	Furniture and Equipment	Plant and Equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2018</b>	2,107,404	643,210	2,750,614	21,099,288	21,099,287	23,849,901	208,331	3,289,289	27,347,521
Additions	0	0	0	80,087	80,087	80,087	5,413	189,219	274,719
(Disposals)	0	0	0	0	0	0	(304)	(213,334)	(213,638)
Depreciation (expense)	0	0	0	(767,707)	(767,707)	(767,707)	(23,951)	(341,093)	(1,132,751)
<b>Carrying amount at 30 June 2019</b>	2,107,404	643,210	2,750,614	20,411,668	20,411,668	23,162,282	189,489	2,924,081	26,275,852
<b>Comprises:</b>									
Gross carrying amount at 30 June 2019	2,107,404	643,210	2,750,614	21,946,035	21,946,035	24,696,649	229,803	3,830,561	28,757,013
Accumulated depreciation at 30 June 2019	0	0	0	(1,534,367)	(1,534,367)	(1,534,367)	(40,314)	(906,480)	(2,481,161)
<b>Carrying amount at 30 June 2019</b>	2,107,404	643,210	2,750,614	20,411,668	20,411,668	23,162,282	189,489	2,924,081	26,275,852
Change in accounting policy	0	(643,210)	(643,210)	0	0	(643,210)	0	0	(643,210)
<b>Carrying amount at 1 July 2019</b>	2,107,404	0	2,107,404	20,411,668	20,411,668	22,519,072	189,489	2,924,081	25,632,642
Additions	0	0	0	130,172	130,172	130,172	0	457,120	587,292
(Disposals)	0	0	0	0	0	0	0	(59,306)	(59,306)
Depreciation (expense)	0	0	0	(776,572)	(776,572)	(776,572)	(28,257)	(325,114)	(1,129,943)
Transfers	0	0	0	14,200	14,200	14,200	0	0	14,200
<b>Carrying amount at 30 June 2020</b>	2,107,404	0	2,107,404	19,779,469	19,779,469	21,886,873	161,232	2,996,781	25,044,886
<b>Comprises:</b>									
Gross carrying amount at 30 June 2020	2,107,404	0	2,107,404	22,090,406	22,090,406	24,197,810	229,803	4,151,269	28,578,882
Accumulated depreciation at 30 June 2020	0	0	0	(2,310,937)	(2,310,937)	(2,310,937)	(68,571)	(1,154,488)	(3,533,996)
<b>Carrying amount at 30 June 2020</b>	2,107,404	0	2,107,404	19,779,469	19,779,469	21,886,873	161,232	2,996,781	25,044,886



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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>Land and buildings</b>					
Land - freehold land	2	Market approach using recent observable market data for similar properties.	Independent Registered valuers	June 2017	Price Per hectare.
Buildings - specialised	3	Cost approach using depreciated replacement cost.	Independent Registered valuers / Management Valuation	June 2017	Construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs.
Buildings - specialised	2	Market approach using recent observable market data for similar properties.	Independent Registered valuers	June 2017	Price per square metre.
<b>Furniture and Equipment</b>	3	Cost approach using depreciated replacement cost.	Independent Registered valuers	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
<b>Plant and Equipment</b>					
- Management valuation	3	Cost approach using depreciated replacement cost.	Independent Registered valuers / Management Valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
- Independent valuation	2	Market approach using recent observable market data for similar properties.	Independent Registered valuers / Management Valuation	June 2016	Market Price per item.

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

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

Following a change to *Local Government (Financial Management) Regulation 17A*, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy.

Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.

## 9. INFRASTRUCTURE

### (a) Movements in Carrying Amounts

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

	Infrastructure - Roads	Infrastructure - Footpaths	Infrastructure - Other	Infrastructure - Parks and Ovals	Infrastructure - Drainage	Total Infrastructure
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2018</b>	103,749,454	738,920	0	6,263,400	11,184,631	121,936,405
Additions	1,446,465	90,394	14,199	7,562	0	1,558,620
(Disposals)	0	0	(3,360)	(13,916)	0	(17,276)
Depreciation (expense)	(1,068,294)	(21,651)	(252,145)	(150,126)	(339,313)	(1,831,528)
Transfers	0	0	4,129,262	(4,129,262)	0	0
<b>Carrying amount at 30 June 2019</b>	104,127,625	807,663	3,887,956	1,977,658	10,845,318	121,646,221
<b>Comprises:</b>						
Gross carrying amount at 30 June 2019	105,195,920	829,313	4,138,904	2,103,928	11,184,631	123,452,697
Accumulated depreciation at 30 June 2019	(1,068,295)	(21,650)	(250,948)	(126,270)	(339,313)	(1,806,476)
<b>Carrying amount at 30 June 2019</b>	104,127,625	807,663	3,887,956	1,977,658	10,845,318	121,646,221
Additions	3,302,896	63,516	35,543	35,332	0	3,437,287
Depreciation (expense)	(1,119,837)	(24,299)	(258,803)	(174,869)	(338,894)	(1,916,702)
Transfers	0	0	(14,200)	0	0	(14,200)
<b>Carrying amount at 30 June 2020</b>	106,310,684	846,880	3,650,496	1,838,121	10,506,424	123,152,605
<b>Comprises:</b>						
Gross carrying amount at 30 June 2020	108,498,814	892,829	4,160,249	2,139,260	11,184,631	126,875,783
Accumulated depreciation at 30 June 2020	(2,188,130)	(45,949)	(509,753)	(301,139)	(678,207)	(3,723,178)
<b>Carrying amount at 30 June 2020</b>	106,310,684	846,880	3,650,496	1,838,121	10,506,424	123,152,605

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

**9. INFRASTRUCTURE (Continued)**

**(b) Fair Value Measurements**

<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
<b>Infrastructure - Roads</b>	3	Cost approach using depreciated replacement cost	Independent Registered Valuers	June 2018	Construction costs and current condition (level 2) residual values and remaining useful life assessment (level 3) Inputs
<b>Infrastructure - Footpaths</b>	3	Cost approach using depreciated replacement cost	Independent Registered Valuers	June 2018	Construction costs and current condition (level 2) residual values and remaining useful life assessment (level 3) Inputs
<b>Infrastructure - Other</b>	3	Cost approach using depreciated replacement cost	Independent Registered Valuers	June 2018	Construction costs and current condition (level 2) residual values and remaining useful life assessment (level 3) Inputs
<b>Infrastructure - Parks and Ovals</b>	3	Cost approach using depreciated replacement cost	Independent Registered Valuers	June 2018	Construction costs and current condition (level 2) residual values and remaining useful life assessment (level 3) Inputs
<b>Infrastructure - Drainage</b>	3	Cost approach using depreciated replacement cost	Independent Registered Valuers	June 2018	Construction costs and current condition (level 2) residual values and remaining useful life assessment (level 3) Inputs

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

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

## 10. FIXED ASSETS

### SIGNIFICANT ACCOUNTING POLICIES

#### Fixed assets

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

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

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

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

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

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

#### Revaluation

The fair value of land, buildings, infrastructure and investment properties 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 valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

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

### AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

#### Land under control prior to 1 July 2019

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

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

#### Land under roads prior to 1 July 2019

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

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

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

Whilst such treatment is inconsistent with the requirements of AASB 1051, *Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail. Consequently, any land under roads acquired on or after 1 July 2008 was not included as an asset of the Shire.

#### Land under roads from 1 July 2019

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

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

#### Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A(2)(iv)* is a departure from AASB 16 which would have required the Shire to measure the vested improvements as part of the related right-of-use assets at zero cost.

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

10. FIXED ASSETS

(a) Disposals of Assets

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss	2020 Budget Net Book Value	2020 Budget Sale Proceeds	2020 Budget Profit	2020 Budget Loss	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Furniture and Equipment	0	173	173	0	0	0	0	0	304	304	0	0
Plant and Equipment	59,306	119,009	63,448	(3,745)	103,007	210,000	148,893	(41,900)	213,334	294,975	111,425	(29,784)
Infrastructure - Other	0	0	0	0	0	0	0	0	3,360	3,360	0	0
Infrastructure - Parks and Ovals	0	0	0	0	0	0	0	0	13,916	13,916	0	0
	59,306	119,182	63,621	(3,745)	103,007	210,000	148,893	(41,900)	230,914	312,555	111,425	(29,784)

The following assets were disposed of during the year.

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
<b>Plant and Equipment</b>				
<b>Health</b>				
Holden Colorado Trailblazer - 4CR	26,475	22,730	0	(3,745)
<b>Education and welfare</b>				
Cinema Equipment	0	173	173	0
<b>Transport</b>				
Volvo Prowheel L35B Loader - CR2	11,794	31,106	19,312	0
Kubota 4WD Outfront Mower - CR650	11,183	13,002	1,819	0
Toyota Hilux - CR22	9,854	19,765	9,911	0
Nissan Patrol DX - CR17	0	13,654	13,654	0
Minor Plant	0	4,207	4,207	0
<b>Other property and services</b>				
Mazda CX5 Maxx - 2CR	0	14,545	14,545	0
	59,306	119,182	63,621	(3,745)

(b) Fully Depreciated Assets in Use

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

	2020 \$	2019 \$
Buildings - specialised	6,200	0
Plant and Equipment	21,500	0
	27,700	0

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

**10. FIXED ASSETS**

**(c) Depreciation**

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Buildings - specialised	776,572	697,642	767,707
Furniture and Equipment	28,257	21,765	23,951
Plant and Equipment	325,114	309,963	341,093
Infrastructure - Roads	1,119,837	970,795	1,068,294
Infrastructure - Footpaths	24,299	19,674	21,651
Infrastructure - Other	258,803	229,133	252,145
Infrastructure - Parks and Ovals	174,869	136,425	150,126
Infrastructure - Drainage	338,894	156,523	339,313
	3,046,645	2,541,920	2,964,279

**Revision of useful lives of plant and equipment**

As part of the preparation of the budget 2020/2021 and 10 year plant replacement program useful life of all plant and equipment was reviewed and amended accordingly.

**SIGNIFICANT ACCOUNTING POLICIES**

**Depreciation**

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

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

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

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

**Depreciation rates**

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

Asset Class	Useful life
Buildings	30 to 50 years
Furniture and equipment	10 years
Plant and equipment	5 to 15 years
- Heavy Vehicles	15 years
- Light Vehicles	7.5 years
Infrastructure Parks and Ovals	30 to 50 years
Infrastructure Other	30 to 50 years
Sealed roads and streets	not depreciated
Clearing and earthworks	not depreciated
Construction/roadbase	50 years
Original surfacings and major resurfacing	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
Gravel sheet	15 years
Formed Roads ( Unsealed)	
Footpaths - slab	40 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years

**Depreciation on revaluation**

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

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

(b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

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

**11 REVALUATION SURPLUS**

	2020 Opening Balance	2020 Change in Accounting Policy	2020 Revaluation Increment	2020 Revaluation (Decrement)	Total Movement on Revaluation	2020 Closing Balance	2019 Opening Balance	2019 Revaluation Increment	2019 Revaluation (Decrement)	Total Movement on Revaluation	2019 Closing Balance
	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land and Buildings	12,600,700	(643,210)	0	0	0	11,957,490	12,600,700	0	0	0	12,600,700
Revaluation surplus - Furniture and Equipment	84,719	0	0	0	0	84,719	84,719	0	0	0	84,719
Revaluation surplus - Plant and Equipment	307,766	0	0	0	0	307,766	307,766	0	0	0	307,766
Revaluation surplus - Infrastructure - Roads	86,815,626	0	0	0	0	86,815,626	86,815,626	0	0	0	86,815,626
Revaluation surplus - Infrastructure - Footpaths	278,530	0	0	0	0	278,530	278,530	0	0	0	278,530
Revaluation surplus - Infrastructure - Parks and Ovals	5,392,828	0	0	0	0	5,392,828	5,392,828	0	0	0	5,392,828
Revaluation surplus - Infrastructure - Drainage	12,067,625	0	0	0	0	12,067,625	12,067,625	0	0	0	12,067,625
	117,547,794	(643,210)	0	0	0	116,904,584	117,547,794	0	0	0	117,547,794

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.

## 12. TRADE AND OTHER PAYABLES

### Current

Sundry creditors	
Prepaid rates	
Accrued salaries and wages	
ATO liabilities	
Bonds and deposits held	
Accrued Interest on Loans	
Accrued Expenses	

2020	2019
\$	\$
196,476	47,738
17,576	0
83,250	56,228
0	5,976
1,510	12,049
200	1,947
94,294	47,847
393,306	171,785

### SIGNIFICANT ACCOUNTING POLICIES

#### Trade and other payables

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

The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition

#### Prepaid rates

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



### 13. CONTRACT LIABILITIES

#### Current

Contract liabilities from contracts with customers

	2020	2019
	\$	\$
	214,388	0
	<u>214,388</u>	<u>0</u>

#### SIGNIFICANT ACCOUNTING POLICIES

##### Contract Liabilities

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

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

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

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

**14. INFORMATION ON BORROWINGS**

(a) Borrowings

	2020	2019
	\$	\$
Current	82,260	78,572
Non-current	1,496,092	1,578,356
	1,578,352	1,656,928

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	Actual	30 June 2020	30 June 2020	30 June 2020	Budget	30 June 2020	30 June 2020	30 June 2020	Actual	30 June 2019	30 June 2019	30 June 2019
				Principal	Actual	Actual	Actual	Principal	Budget	Budget	Budget	Principal	Actual	Actual	Actual
				1 July 2019	Principal repayments	Interest repayments	Principal outstanding	1 July 2019	Principal repayments	Interest repayments	Principal outstanding	1 July 2018	Principal repayments	Interest repayments	Principal outstanding
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Community amenities</b>															
Land Subdivision	101	* WATC	6.23%	0	0	0	0	0	0	0	0	48,692	48,692	1,517	0
<b>Recreation and culture</b>															
Corrigin Recreation and Events Centre	102	* WATC	4.64%	1,656,928	78,576	75,980	1,578,352	1,656,925	78,572	87,226	1,578,353	1,731,974	75,046	79,503	1,656,928
				1,656,928	78,576	75,980	1,578,352	1,656,925	78,572	87,226	1,578,353	1,780,666	123,738	81,020	1,656,928

\* WA Treasury Corporation

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

**14. INFORMATION ON BORROWINGS (Continued)**

	2020	2019
	\$	\$
<b>(c) Undrawn Borrowing Facilities</b>		
<b>Credit Standby Arrangements</b>		
Bank overdraft limit	100,000	100,000
Bank overdraft at balance date	0	0
Credit card limit	20,000	20,000
Credit card balance at balance date	(1,409)	(333)
<b>Total amount of credit unused</b>	<b>118,591</b>	<b>119,667</b>
<b>Loan facilities</b>		
Loan facilities - current	82,260	78,572
Loan facilities - non-current	1,496,092	1,578,356
<b>Total facilities in use at balance date</b>	<b>1,578,352</b>	<b>1,656,928</b>

**Unused loan facilities at balance date**

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Borrowing costs**

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

**Risk**

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

## 15. EMPLOYEE RELATED PROVISIONS

### (a) Employee Related Provisions

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
<b>Opening balance at 1 July 2019</b>			
Current provisions	201,066	136,176	337,242
Non-current provisions	0	58,432	58,432
	201,066	194,608	395,674
Additional provision	62,858	57,146	120,004
Amounts used	(67,012)	(52,583)	(119,595)
<b>Balance at 30 June 2020</b>	196,912	199,171	396,083
<b>Comprises</b>			
Current	196,912	148,715	345,627
Non-current	0	50,456	50,456
	196,912	199,171	396,083
	<b>2020</b>	<b>2019</b>	
	\$	\$	
<b>Amounts are expected to be settled on the following basis:</b>			
Less than 12 months after the reporting date	345,627	337,242	
More than 12 months from reporting date	43,988	45,701	
Expected reimbursements from other WA local governments	6,468	12,731	
	396,083	395,674	

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

### SIGNIFICANT ACCOUNTING POLICIES

#### Employee benefits

##### Short-term employee benefits

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

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

##### Other long-term employee benefits

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

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

##### Other long-term employee benefits (Continued)

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

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

##### Provisions

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

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

## 16. NOTES TO THE STATEMENT OF CASH FLOWS

### Reconciliation of Cash

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Cash and cash equivalents	3,111,765	2,528,733	3,434,026
<b>Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>			
Net result	2,288,278	1,437,013	451,979
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(1,153)	0	(70,068)
Depreciation on non-current assets	3,046,645	2,541,920	2,964,279
(Profit)/loss on sale of asset	(59,876)	(106,993)	(81,641)
Changes in assets and liabilities:			0
(Increase)/decrease in receivables	(197,107)	40,500	601,653
(Increase)/decrease in inventories	(5,719)	23,235	137,971
(Increase)/decrease in contract assets	0	30,000	0
Increase/(decrease) in payables	205,610	75,000	(328,645)
Increase/(decrease) in provisions	409	0	(97,181)
Increase/(decrease) in contract liabilities	184,388	(30,000)	0
Non-operating grants, subsidies and contributions	(2,806,391)	(3,662,952)	(526,918)
Net cash from operating activities	2,655,084	347,723	3,051,429

**17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY**

	2020	2019
	\$	\$
Governance	79,499	68,651
General purpose funding	2,145,481	2,119,344
Law, order, public safety	663,400	241,523
Health	573,716	1,261,916
Education and welfare	2,559,900	1,037,943
Housing	5,486,147	4,228,198
Community amenities	543,313	3,041,685
Recreation and culture	14,727,679	13,023,837
Transport	121,237,174	120,528,175
Economic services	1,055,553	1,377,015
Other property and services	6,788,602	6,332,070
Unallocated	0	643,208
	155,860,464	153,903,565

## **18. CONTINGENT LIABILITIES**

The Shire had no contingent liabilities as at 30 June 2020.

## **19. MAJOR LAND TRANSACTIONS**

Council had no major land transactions during the 2019/2020 financial year.

## **20. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

Council had no trading undertakings or major trading undertakings during the 2019/2020 financial year.

## 21. RELATED PARTY TRANSACTIONS

### Elected Members Remuneration

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Meeting fees	27,936	28,534	28,318
President's allowance	7,500	7,500	7,500
Deputy President's allowance	1,875	1,875	1,875
Travelling expenses	551	2,500	896
Telecommunications allowance	6,833	10,000	7,000
	<u>44,695</u>	<u>50,409</u>	<u>45,589</u>

### Key Management Personnel (KMP) Compensation Disclosure

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

	2020 Actual	2019 Actual
	\$	\$
Short-term employee benefits	341,776	252,524
Post-employment benefits	42,820	31,666
Other long-term benefits	7,264	5,534
	<u>391,860</u>	<u>289,724</u>

#### *Short-term employee benefits*

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

#### *Post-employment benefits*

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

#### *Other long-term benefits*

These amounts represent long service benefits accruing during the year.



SHIRE OF CORRIGIN  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2020  
**21. RELATED PARTY TRANSACTIONS (Continued)**

**Transactions with related parties**

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

The following transactions occurred with related parties:	2020 Actual	2019 Actual
	\$	\$
Sale of goods and services	3,673	4,371
Purchase of goods and services	19,249	17,959
<b>Amounts outstanding from related parties:</b>		
Trade and other receivables	2,516	0
<b>Amounts payable to related parties:</b>		
Trade and other payables	317	0

**Related Parties**

**The Shire's main related parties are as follows:**

*i. Key management personnel*

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

*ii. Other Related Parties*

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

*iii. Entities subject to significant influence by the Shire*

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

## 22. INVESTMENT IN JOINT ARRANGEMENTS

### Share of joint operations

The Shire together with the Shire's of Narembeen, Kondinin and Kulin (RoeROC) have a joint arrangement with regard to the provision of a Waste Facility on the Kondinin-Narembeen Road. Council's share of this facility is included as RoeROC Joint assets.

	2020	2019
	\$	\$
Freehold Land	15,750	15,750
Other Infrastructure	18,600	18,600
Less Accumulated Depreciation	(6,202)	(3,101)
<b>Total assets</b>	<b>28,148</b>	<b>31,249</b>

### SIGNIFICANT ACCOUNTING POLICIES

#### Interests in joint arrangements

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

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

#### Interests in joint arrangements (Continued)

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

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

**23. RATING INFORMATION**

(a) Rates

<b>RATE TYPE</b>	<b>Rate in \$</b>	<b>Number of Properties</b>	<b>2019/20 Actual Rateable Value \$</b>	<b>2019/20 Actual Rate Revenue \$</b>	<b>2019/20 Actual Interim Rates \$</b>	<b>2019/20 Actual Back Rates \$</b>	<b>2019/20 Actual Total Revenue \$</b>	<b>2019/20 Budget Rate Revenue \$</b>	<b>2019/20 Budget Interim Rate \$</b>	<b>2019/20 Budget Back Rate \$</b>	<b>2019/20 Budget Total Revenue \$</b>	<b>2018/19 Actual Total Revenue \$</b>
<b>General rate</b>												
<b>Gross rental valuations</b>												
GRV - Townsites	0.091332	411	4,409,086	402,691	744	15,911	419,346	402,691	0	0	402,691	395,643
<b>Unimproved valuations</b>												
Rural	0.014389	343	152,378,000	2,192,567	(265)	0	2,192,302	2,192,567	0	0	2,192,567	2,151,855
<b>Sub-Total</b>		754	156,787,086	2,595,258	479	15,911	2,611,648	2,595,258	0	0	2,595,258	2,547,498
<b>Minimum payment</b>												
<b>Gross rental valuations</b>												
GRV - Townsites	390	52	92,761	20,280	(390)	0	19,890	20,280	0	0	20,280	17,901
<b>Unimproved valuations</b>												
Rural	390	14	101,687	5,460	(390)	0	5,070	5,460	0	0	5,460	4,680
<b>Sub-Total</b>		66	194,448	25,740	(780)	0	24,960	25,740	0	0	25,740	22,581
		820	156,981,534	2,620,998	(301)	15,911	2,636,608	2,620,998	0	0	2,620,998	2,570,079
Discounts (Note 23(b))							(19,761)				(20,967)	(41,000)
<b>Total amount raised from general rates</b>							2,616,847				2,600,031	2,529,079
Ex-gratia rates							33,116				33,116	32,467
<b>Totals</b>							2,649,963				2,633,147	2,561,546

**SIGNIFICANT ACCOUNTING POLICIES**

**Rates**

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

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer.

Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

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

**23. RATING INFORMATION (Continued)**

The Shire did not raise specified area rates or service charges for the year ended 30 June 2020.

**(b) Discounts, Incentives, Concessions, & Write-offs**

**Rates Discounts**

<b>Rate or Fee Discount Granted</b>	<b>Discount</b>	<b>2020 Actual</b>	<b>2020 Budget</b>	<b>2019 Actual</b>	<b>Circumstances in which Discount is Granted</b>
	%	\$	\$	\$	
Early Payment Discount	1.00%	19,761	20,967	41,000	Payment of rates in full before due date.
Total discounts/concessions (Note 23(a))		19,761	20,967	41,000	

## 23. RATING INFORMATION (Continued)

### (c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
<b>Option One</b>				
Single full payment	3/10/2019	0	0	11%
<b>Option Three</b>				
First instalment	3/10/2019	0	5.5%	11%
Second instalment	3/12/2019	10	5.5%	11%
Third instalment	3/02/2020	10	5.5%	11%
Fourth instalment	3/04/2020	10	5.5%	11%

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Interest on unpaid rates	18,379	10,000	19,476
Interest on instalment plan	5,625	4,600	4,656
Charges on instalment plan	3,400	3,000	3,270
Pensioner Deferred Rates Interest Income	100	450	0
	27,504	18,050	27,402

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

24. RATE SETTING STATEMENT INFORMATION

Note	2019/20 (30 June 2020 Carried Forward) \$	2019/20 Budget (30 June 2020 Carried Forward) \$	2019/20 (1 July 2019 Brought Forward) \$	2018/19 (30 June 2019 Carried Forward) \$		
<b>(a) Non-cash amounts excluded from operating activities</b>						
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> .						
<b>Adjustments to operating activities</b>						
	Less: Profit on asset disposals	10(a)	(63,621)	(148,893)	(111,425)	(111,425)
	Less: Fair value adjustments to financial assets at fair value through profit and loss		(1,156)	0	0	0
	Movement in pensioner deferred rates (non-current)		(5,747)	0	2,210	2,210
	Movement in employee benefit provisions (non-current)		(7,976)	0	8,647	8,647
	Add: Loss on disposal of assets	10(a)	3,745	41,900	29,784	29,784
	Add: Depreciation on non-current assets	10(c)	3,046,645	2,541,920	2,964,279	2,964,279
	<b>Non cash amounts excluded from operating activities</b>		2,971,890	2,434,927	2,893,495	2,893,495
<b>(b) Surplus/(deficit) after imposition of general rates</b>						
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.						
<b>Adjustments to net current assets</b>						
	Less: Reserves - cash backed	4	(3,521,979)	(2,153,134)	(2,044,734)	(2,044,734)
	Less: Current assets not expected to be received at end of year					
	- Land held for resale	7	(80,000)	(30,000)	(60,000)	(60,000)
	Add: Current liabilities not expected to be cleared at end of year					
	- Current portion of borrowings	14(a)	82,260	0	78,572	78,572
	<b>Total adjustments to net current assets</b>		(3,519,719)	(2,183,134)	(2,026,162)	(2,026,162)
<b>Net current assets used in the Rate Setting Statement</b>						
	Total current assets		6,058,385	2,761,401	4,363,811	4,363,811
	Less: Total current liabilities		(1,035,581)	(578,267)	(633,514)	(587,603)
	Less: Total adjustments to net current assets		(3,519,719)	(2,183,134)	(2,026,162)	(2,026,162)
	<b>Net current assets used in the Rate Setting Statement</b>		1,503,085	0	1,704,135	1,750,046
<b>(c) Adjustments to current liabilities at 1 July 2019 on application of new accounting standards</b>						
<b>Total current liabilities at 30 June 2019</b>						
	- Contract liabilities from contracts with customers	27(a)				(587,603)
	- Rates paid in advance	27(b)				(30,000)
	<b>Total current liabilities at 1 July 2019</b>					(15,911)
						(633,514)

## 25. FINANCIAL RISK MANAGEMENT

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

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

### (a) Interest rate risk

#### Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
<b>2020</b>					
Cash and cash equivalents	0.35%	3,111,765	1,135,512	1,975,553	700
Financial assets at amortised cost - term deposits	0.85%	2,386,467	2,386,467	0	0
<b>2019</b>					
Cash and cash equivalents	1.25%	3,434,026	2,358,028	1,075,098	900
Financial assets at amortised cost	2.00%	586,704	586,704	0	0

#### 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\*

	2020	2019
	\$	\$
	19,756	10,751

\* Holding all other variables constant

#### Borrowings

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

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

25. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

**Trade and Other Receivables**

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

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors. There are no material receivables that have been subject to a re-negotiation of repayment terms.

The loss allowance as at 30 June 2020 and 30 June 2019 (on adoption of AASB 9) was determined as follows for rates receivable. No expected credit loss was forecast on 30 June 2019 or 30 June 2020 for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
<b>30 June 2020</b>					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	21,109	65,252	45,712	37,154	169,227

<b>30 June 2019</b>					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	3,012	67,770	37,967	34,597	143,346

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2020</b>					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	235,354	0	0	683	236,037

<b>30 June 2019</b>					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	40,475	830	2,365	244	43,914



## 25. FINANCIAL RISK MANAGEMENT (Continued)

### (c) Liquidity risk

#### Payables and borrowings

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

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

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
<b><u>2020</u></b>					
Payables	393,306	0	0	393,306	393,306
Borrowings	154,553	618,210	1,390,974	2,163,737	1,578,352
Contract liabilities	214,388	0	0	214,388	214,388
	<u>762,247</u>	<u>618,210</u>	<u>1,390,974</u>	<u>2,771,431</u>	<u>2,186,046</u>
<b><u>2019</u></b>					
Payables	171,785	0	0	171,785	171,785
Borrowings	154,553	618,210	1,545,526	2,318,289	1,656,928
	<u>326,338</u>	<u>618,210</u>	<u>1,545,526</u>	<u>2,490,074</u>	<u>1,828,713</u>

## 26. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Shire.

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

**27. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS**

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

**(a) AASB 15: Revenue from Contracts with Customers**

The Shire adopted AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments were made to the amounts recognised in the statement of financial position at the date of initial application (1 July 2019):

	Note	AASB 118 carrying amount 30 June 2019 \$	Reclassification \$	AASB 15 carrying amount 01 July 2019 \$
<b>Contract liabilities - current</b>				
Contract liabilities from contracts with customers	13	0	(30,000)	(30,000)
Adjustment to retained surplus from adoption of AASB 15	28(b)	0	(30,000)	(30,000)

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

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

In applying AASB 1058 retrospectively with the cumulative effect of initially applying the Standard on 1 July 2019 changes occurred to the following financial statement line items by application of AASB 1058 as compared to AASB 118: Revenue and AASB 1004: Contributions before the change:

	Note	AASB 118 and AASB 1004 carrying amount 30 June 2019 \$	Reclassification \$	AASB 1058 carrying amount 01 July 2019 \$
<b>Trade and other payables</b>				
Rates paid in advance	12	0	(15,911)	(15,911)
<b>Contract liabilities - current</b>				
Adjustment to retained surplus from adoption of AASB 1058	28(b)	0	(15,911)	(15,911)

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

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

**SHIRE OF CORRIGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**  
**27. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)**

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

		2020 \$		2020 \$
	Note	As reported under AASB 15 and AASB 1058	Adjustment due to application of AASB 15 and AASB 1058	Compared to AASB 118 and AASB 1004
<b>Statement of Comprehensive Income</b>				
<b>Revenue</b>				
Rates	23(a)	2,649,963	17,576	2,667,539
Operating grants, subsidies and contributions	2(a)	2,490,720	0	2,490,720
Fees and charges	2(a)	704,083	0	704,083
Non-operating grants, subsidies and contributions	2(a)	2,806,391	214,388	3,020,779
Net result		2,288,278	231,964	2,520,242
<b>Statement of Financial Position</b>				
Trade and other payables	12	393,306	(17,576)	375,730
Contract liabilities	13	214,388	(214,388)	0
Net assets		153,278,335	231,964	153,510,299
<b>Statement of Changes in Equity</b>				
Net result		2,288,278	231,964	2,520,242
Retained surplus		32,851,772	231,964	33,083,736

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

**(c) AASB 16: Leases**

The Shire adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the Shire has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB16 recognised on 1 July 2019. In applying AASB 16, under the specific transition provisions chosen, the Shire will not restate comparatives for prior reporting periods.

As at 30 June 2020, AASB 16 has not significantly impacted the financial year and therefore no lease liabilities and right of use assets have been recognised.

In applying AASB 16 for the first time, the Shire will use the following practical expedient permitted by the standard.

- The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

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

**28. CHANGE IN ACCOUNTING POLICIES**

**(a) Change in Accounting Policies due to regulation changes**

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

In accordance with the changes, the Shire was required to remove the values attributable to certain crown land assets previously required to be recognised, as well as the associated revaluation surplus at 1 July 2019.

In summary the following adjustments were made to the amounts recognised in the statement of financial position at the date of initial application (1 July 2019):

	Note	Carrying amount 30 June 2019 \$	Reclassification \$	Carrying amount 01 July 2019 \$
Property, plant and equipment	8(a)	26,275,852	(643,210)	25,632,642
Revaluation surplus	11	117,547,794	(643,210)	116,904,584

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

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

The impact on the Shires opening retained surplus due to the adoption of AASB 15 and AASB 1058 as at 1 July 2019 was as follows:

	Note	Adjustments	2019 \$
Retained surplus - 30 June 2019			32,086,650
Adjustment to retained surplus from adoption of AASB 15	27(a)	(30,000)	
Adjustment to retained surplus from adoption of AASB 1058	27(b)	(15,911)	(45,911)
Retained surplus - 1 July 2019			32,040,739

The impact on the Shire's opening revaluation surplus resulting from *Local Government (Financial Management) Regulation 16* being deleted and the amendments to *Local Government (Financial Management) Regulation 17A* as at 1 July 2019 was as follows:

	Note	Adjustments	2019 \$
Revaluation surplus - 30 June 2019			117,547,794
Adjustment to revaluation surplus from deletion of FM Reg 17	28(a)	(643,210)	(643,210)
Revaluation surplus - 1 July 2019			116,904,584

## 29. TRUST FUNDS

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

	1 July 2019	Amounts Received	Amounts Paid	30 June 2020
	\$	\$	\$	\$
Bus Ticketing	0	1,656	(1,616)	40
Police Licensing	4,392	486,967	(484,676)	6,683
Corrigin Community Development Fund	50,235	0	(1,924)	48,311
Friends of Cemetery	2,510	0	0	2,510
Edna Stevenson Educational Trust	940,251	2,614	(16,789)	926,076
Corrigin Disaster Fund	10,929	0	0	10,929
Bendering Tip	16,707	16,954	0	33,661
	1,025,024	508,191	(505,005)	1,028,210

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

**30. OTHER SIGNIFICANT ACCOUNTING POLICIES**

**a) Goods and services tax (GST)**

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

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

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

**b) Current and non-current classification**

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

**c) Rounding off figures**

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

**d) Comparative figures**

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

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

**e) Budget comparative figures**

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

**f) Superannuation**

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

**g) Fair value of assets and liabilities**

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

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

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

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

**h) Fair value hierarchy**

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

**Valuation techniques**

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

**Market approach**

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

**Income approach**

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

**Cost approach**

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

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

**i) Impairment of assets**

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

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

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

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

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

**31. ACTIVITIES/PROGRAMS**

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

<b>PROGRAM NAME AND OBJECTIVES</b>	<b>ACTIVITIES</b>
<p><b>GOVERNANCE</b></p> <p>To provide a decision making process for the efficient allocation of scarce resources</p>	<p>Administration and operation of facilities and services to members of council; other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.</p>
<p><b>GENERAL PURPOSE FUNDING</b></p> <p>To collect revenue to allow for the provision of services</p>	<p>Rates, general purpose government grants and interest revenue</p>
<p><b>LAW, ORDER, PUBLIC SAFETY</b></p> <p>To collect revenue to allow for the provision of services</p>	<p>Supervision and enforcement of various Acts, regulations and by-laws relating to fire prevention, animal control and other aspects of public safety including emergency services</p>
<p><b>HEALTH</b></p> <p>To provide an operational framework for environmental and community health</p>	<p>Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance. Administration of the RoeROC health scheme and provision of various medical facilities.</p>
<p><b>EDUCATION AND WELFARE</b></p> <p>Provide services to the elderly, children, youth and disadvantaged</p>	<p>Maintenance of the child minding and playgroup facility. Assistance with the occasional Day care centre and playgroup as well as donations to other voluntary services. Provision and/or support of community care programs and youth services and provision of services provided by the Community Resource Centre</p>
<p><b>HOUSING</b></p> <p>To provide and maintain staff and rental housing</p>	<p>Provision and maintenance of staff, aged, rental and joint venture housing</p>
<p><b>COMMUNITY AMENITIES</b></p> <p>To provide services required by the community</p>	<p>Rubbish collection services, operation of rubbish disposal sites, litter control, administration of town planning schemes. Administration and maintenance of cemetery and public conveniences and Shire water drainage and community bus.</p>
<p><b>RECREATION AND CULTURE</b></p> <p>To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community</p>	<p>Maintenance of public halls, aquatic centres, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens, reserves and playgrounds. Provision of library services and the support of other heritage and cultural facilities and services.</p>
<p><b>TRANSPORT</b></p> <p>To provide safe, effective and efficient transport services to the community.</p>	<p>Construction and maintenance of roads, streets, footpaths, depots, airstrip, bridges and traffic control. Cleaning of streets and maintenance of street trees, street lighting, etc. Provision of police licensing services.</p>
<p><b>ECONOMIC SERVICES</b></p> <p>To help promote the shire and its economic wellbeing.</p>	<p>The regulation and provision of tourism, area promotion, building control and noxious weeds.</p>
<p><b>OTHER PROPERTY AND SERVICES</b></p> <p>To monitor and control council's overhead operating accounts</p>	<p>Private works, plant repair and operation costs, public works overheads and administration costs.</p>



## 32. FINANCIAL RATIOS

	2020 Actual	2019 Actual	2018 Actual
Current ratio	3.82	5.24	1.84
Asset consumption ratio	0.95	0.97	0.72
Asset renewal funding ratio	1.05	0.58	0.84
Asset sustainability ratio	0.58	0.13	0.59
Debt service cover ratio	16.84	14.51	2.09
Operating surplus ratio	(0.14)	(0.01)	(0.96)
Own source revenue coverage ratio	0.55	0.74	0.51

The above ratios are calculated as follows:

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



Our Ref: 8288

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

Mr Des Hickey  
President  
Shire of Corrigin  
PO Box 221  
CORRIGIN WA 6375

Mail to: Perth BC  
PO Box 8489  
PERTH WA 6849

Tel: 08 6557 7500  
Fax: 08 6557 7600  
Email: [info@audit.wa.gov.au](mailto:info@audit.wa.gov.au)

Dear President

### **ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020**

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

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

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

#### **Management Control Issues**

While the result of the audit was generally satisfactory, I would like to draw your attention to the attached listing of deficiencies in internal control and other matters that were identified during the audit. These matters have been discussed with management and their comments have been included in the attachment. Issues arising from the interim audit were reported in my interim management letter dated 28 May 2020.

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

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

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

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

Feel free to contact me on 6557 7566 if you would like to discuss these matters further.

Yours faithfully

ANNA LIANG  
ASSISTANT DIRECTOR FINANCIAL AUDIT  
14 December 2020

Attach



# Auditor General

## INDEPENDENT AUDITOR'S REPORT

To the Councillors of the Shire of Corrigin

Report on the Audit of the Financial Report

### **Opinion**

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

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

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

### **Basis for Opinion**

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

### **Emphasis of Matters – Basis of Accounting**

I draw attention to Notes 1 and 10 to the annual financial report, which describe the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act, including the Local Government (Financial Management) Regulations 1996 (Regulations). My opinion is not modified in respect of these matters:

- (i) Regulation 17A requires a local government to measure vested improvements at fair value and the associated vested land at zero cost. This is a departure from AASB 16 *Leases* which would have required the entity to measure the vested improvements also at zero cost.
- (ii) In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 did not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report.

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

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

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

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

#### ***Auditor's Responsibility for the Audit of the Financial Report***

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

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

#### **Report on Other Legal and Regulatory Requirements**

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

- (i) In my opinion, the following material matters indicate significant adverse trends in the financial position of the Shire:
  - a. Operating Surplus Ratio and the Assets Sustainability Ratio as reported in Note 32 of the annual financial report are below the Department of Local Government, Sport and Cultural Industries' standards for the last three financial years.
- (ii) There was no matter indicating non-compliance with Part 6 of the *Local Government Act 1995*, the Local Government (Financial Management) Regulations 1996 or applicable financial controls of any other written law identified during the course of my audit.
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.
- (v) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

#### **Other Matter**

The financial ratios for 2018 in Note 32 of the financial report were audited by another auditor when performing their audit of the Shire for the year ending 30 June 2018. The auditor expressed an unmodified opinion on the financial report for that year.

**Matters Relating to the Electronic Publication of the Audited Financial Report**

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



SUBHA GUNALAN  
ACTING SENIOR DIRECTOR FINANCIAL AUDIT  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
14 December 2020