



**Cultural  
Heritage &  
Environment**



**Resilience**



**Leadership**



**Business &  
Community**

**2017/2018**

**Shire of York Annual Report**

This document is available in alternative formats upon request at the Shire Administration Office.



**Shire of York**

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# Shire President Report

It is my pleasure to provide the introduction to the Annual Report for the Shire of York for the 2017/18 financial year. This year has been one of consolidation and achievement across the organisation.

Local Government Elections were held in October 2017 and Councillors Trent and Warnick were elected to the Shire of York. I would also like to take this opportunity to acknowledge and thank departing Councillors Randell and Walters for their many years of service to the Shire and our community.

In an effort to continue to improve how we engage with the community, this year we created Shire Facebook and Instagram pages. These have been well received with the number of followers steadily increasing and members of the community posting questions and issues for the Shire to follow up.

A major issue which had to be resolved was what the Shire was going to do with the Old St Patrick's Convent Building purchased in 2015. In the 2017/18 FY a Business Plan was developed in accordance with the Local Government Act 1995 and following review of the submissions received, Council resolved to sell the building in the 2018/19 financial year. Funds from the sale will be used to repay debt associated with the purchase of the building.

The Shire has been working with Main Roads WA and the Wheatbelt Development Commission to determine the alignment of the future York Bypass. Following a detailed process of consultation Council adopted its preferred alignment for the Bypass and we are now working with Main Roads and the State Government to secure funding for the next stage of planning for this long-term project.

In response to a community priority to develop the local economy, the Shire has invested a lot of time and money over the last 12 months to develop the tourism industry in York. As a result, the number of visitors to town has increased significantly and numbers of people through the visitor centre have doubled. We've

also seen considerable new private sector investment in the CBD which is welcomed.

A major event was the ANZAC Exhibition held to commemorate 100 years since WW1 with funding secured from both State and Federal Governments, the Shire presented a three-month ANZAC exhibition at the Town Hall. This exhibition was the result of an incredible amount of work by Shire of York staff and volunteers over many years. The exhibition was opened by the Federal Member for Pearce, the Hon Christian Porter MP Attorney General. More details on the exhibition are contained in this report.

I am also personally pleased to see the progress of one of Council's and the community's main priorities - the redevelopment of Avon Park. Following an extensive process to develop a concept plan, the Shire was successful in securing \$366,071 from Lotterywest for the upgrade of Avon Park. As a result, Avon Park will receive a \$600,000 upgrade in the 2018/19 financial year. I am sure many members of the community will be looking forward to seeing this progress during the coming financial year.

Finally, I'd like to thank my fellow Councillors, the CEO and his team for their continued support over this time.



**David Wallace**  
**Shire President**

# CEO Report

After many years of work, the Shire of York has adopted a new draft Local Planning Strategy and Scheme. These documents provide the strategic land use framework for the development of the Shire over the coming years and will now be considered by the WAPC for advertising approval.

A number of leases with local community groups have been finalised this year, many of which had been outstanding or expired for a number of years. These leases will provide certainty for these groups which provide valuable services and facilities for the community of York.

In an effort to hold an event during the typically quieter winter months and to make York a more attractive and appealing place for families with young children, the Shire, with assistance from Heathway and the State Government, held the first YORKids event this year. This event, which included Nature Play, was very successful and will become annual event into the future.

In response to a priority raised in the biennial community survey, the Shire ran an Avon Terrace Revitalisation Grants program which provided matching funds up to a certain value to building owners and businesses in the main street to improve their facades and paint. This was very successful and has seen a number of buildings improved.

The Shire prepared and adopted its first Age-Friendly Plan this year. The plan was developed with extensive community engagement and guided by a working group of service providers and community members. York has a high number of people over the age of 60 and this plan will ensure we are planning for their needs into the future.

The Shire prepared a new Disability Access and Inclusion Plan. This plan is not only a legal requirement but will also ensure we are providing services and facilities which meet the needs of people with disabilities in York for the coming years. The plan's implementation will be overseen by the newly established

Disability Access and Inclusion Advisory Committee.

The Shire had some changeover in staff during the course of the year. Mr Paul Crewe resigned from his role as Executive Manager Infrastructure and Development Services. Mr Bret Howson was appointed Acting Executive Manager Infrastructure and Development Services for a number of months while a recruitment process was undertaken. Mr Darren Wallace was appointed to the role in June and will commence with the Shire early in the new financial year.

The Shire achieved 84% of its capital and maintenance roads works for the year. This isn't quite as high as was hoped due to staff turnover, but it is anticipated this will improve in the coming year. Details on the road works undertaken can be found later in this report.

A significant amount of work has been done to improve processes and efficiency in the organisation. The financial health of the organisation has improved with the measures being put into place and while there is more work to do, we are happy with the direction this is heading.

While the Shire meets most of the Office of the Auditor-General's financial ratio benchmarks, careful monitoring to improve the operating surplus ratio and the asset sustainability ratio is needed in light of the continuing challenge to fund depreciation from operations. This will need to be focus during the 2018/19 financial year by working on depreciation and asset management.

I would like to take this opportunity to thank the Shire President and Councillors for their support and commitment to work together over the past 12 months. I would also like to thank the staff for their efforts and hard work, because without them, none of the achievements of the Shire would have occurred.

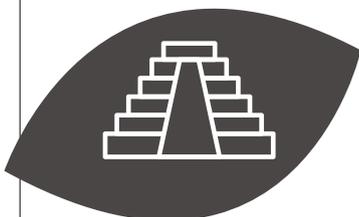
**Paul Martin**  
**Chief Executive Officer**

# Vision and Objectives

## Vision

“A vibrant and inviting agricultural, heritage and tourist town and Shire, and a community that is focused on and works collaboratively to improve and promote the town and the Shire of York as a destination and wonderful place to live”

### Theme 1 The Place to Live



To be a place which is attractive and accessible for the young and elderly, and attracts people in the age groups in between to work and settle in the Shire.

### Theme 2 A Leader in Cultural Heritage and Environment



To be a place which is renowned for its cultural heritage and the quality of its natural environment, and for the care taken by the community of both.

### Theme 3 Driving the York Economy Forward



To have a vibrant, diverse and prosperous local economy which is sustainable in the long term, makes sustainable use of its natural and built heritage and community assets, and delivers benefit in the form of local jobs, business opportunities and a positive image for the Shire.

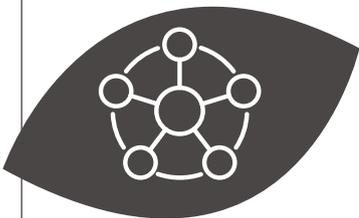


## Council's Strategic Priorities

The Council's strategic priorities over the next ten years are:

- building a strong economic future
- infrastructure: investing to retain asset value and positioning the community to be able to maintain the value of existing assets in the long term and reduce exposure of assets and associated services to the risk of decline
- being development ready
- maintaining levels of service with some limited levels of service increases where these deliver against strong community aspirations and can be accommodated with minimal overall rates impact
- advancing selected community partnership based projects
- achieving change via strong community networks and action
- significant advocacy on key issues facing the Shire
- developing strong governance and leadership capability

### Theme 4 Built for Resilience



To have secured an infrastructure base which is affordable, is managed to a level of risk accepted by the community, supports a sustainable environment, increases rural and town resilience, and is responsive to community needs.

### Theme 5 Strong Leadership and Governance



To be a community where there is effective and responsive leadership and governance, a sense of collective purpose and shared direction and a willingness and desire to work together for that future.

# Governance

## Elected Members:



*Elected Members who served during 2017/18 were;*

Cr David Wallace  
Shire President

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Cr Tricia Walters  
Councillor  
(until October 2017)

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Cr Denese Smythe  
Deputy Shire President  
(Councillor from October 2017)

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Cr Kevin Trent OAM; RFD;  
JP Deputy Shire President  
(from October 2017)

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Cr Heather Saint  
Councillor

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Cr Denis Warnick  
Councillor  
(from October 2017)

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Cr Pam Heaton  
Councillor

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### **2017 Local Government Elections**

*The WA Electoral Commission conducted an in person election on behalf of the Shire of York on 21 October 2017. Votes were called for three vacancies contested by seven candidates. Councillor David Wallace was re-elected for a four year term. Councillors Kevin Trent OAM; RFD; JP and Denis Warnick were each elected for a four year term also. New and returning Councillors were sworn in on 23 October and the President and Deputy President elected by the members.*

Cr Jane Ferro  
Councillor

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### **Complaints about Conduct of Members**

Council is required to report on official complaints that result in action in accordance with section 5.110 (6) (b) or (c) of the Local Government Act 1995. There were no breaches recorded for the 2017/18 year.

Cr Trevor Randell  
Councillor  
(until October 2017)

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## Strategic and Governance Activities

### Committees and Working Groups

Following the Local Government Elections, Council reviewed the Terms of Reference and membership of all Committees and Working Groups. This included a review of Councillor members of external boards, committees and groups such as the York District High School Board and Avon Tourism. Full details can be found in the Committee Booklet available on the Shire website.

### Minor Strategic Review

The Integrated Planning and Reporting Guidelines issued by the Department of Local Government, Sport and Cultural Industries require that local governments undertake a major strategic review of their Strategic Community Plan (SCP) and Corporate Business Plan (CBP) every four years with a minor desktop review undertaken every two years.



The Shire of York SCP and CBP were adopted in July 2016. A Minor Strategic Review process was commenced in November 2017.

Two half-day workshops were held with Council, attended by all Councillors. At the workshops, the following were reviewed and considered;

- Community Scorecard Results – strengths and areas for improvement
- Strategic Capital and Operating Projects – progress to date
- New and emerging Strategic Capital and Operating Projects
- Key Performance Indicators
- Levels of Service
- Informing Documents
  - Workforce Plan
  - Asset Management Plans
  - Capital Works Program
  - Age-Friendly Community Plan
  - Risk Improvement Plan

Following a six-week period of community consultation the revised SCP and CBP were adopted by Council in February 2018 and can be viewed on the Shire's website or in hard copy at the Shire Administration Office.

### ***Policies and Delegations Review***

Several policies were updated during the year to a) address items identified in the Audit Regulation 17 Review undertaken in early 2017 and b) to address emerging issues. New policies introduced include:

- F1.7 Concessions on Commercial and Farming Properties Occupied by Pensioners
- G1.13 Alcohol and Other Drugs
- G2.8 Social Media
- G4.7 Internal Control
- G4.8 Legislative Compliance

F1.1 Revenue Collection and F1.2 Procurement policies were amended during the year.

The Delegations Register is a comprehensive document that also includes delegations made under legislation other than the Local Government Act 1995.

Section 5.46(2) of the Local Government Act 1995 requires that a Local Government keeps a register of delegations of authority made under the Act and that these are reviewed at least once every financial year. The Shire of York's Delegations Register was last reviewed in November 2017.

## **Shire Property Management**

### ***Old St Patrick's Convent School and Old Tennis Courts Site***

During the year a business plan was developed regarding the future of the Old St Patrick's Convent School and Old Tennis Courts Site. The plans were advertised for public comment before Council determined to sell both properties. This will be undertaken during the 2018/19 financial year and the proceeds used to pay down debt.

### ***Leases***

Officers have been working with the community groups whose leases remain outstanding. The following leases were finalised during this period:

- Wheatbelt Womens Health Hub Inc
- Talbot Brook Community Group Inc
- York Pony Club Inc
- York Men's Shed

### ***MOUs***

The following Memorandum of Understandings were also entered during the 2017/18 financial year:

- York Racing Inc
- National Trust of Western Australia
- Department of Fire & Emergency Services and
- Shire of Beverley National Trust of Australia

# Human Resources



## Employee Remuneration 2017/18

Bands	Employees
\$100,000 to \$109,999	
\$110,000 to \$119,999	
\$120,000 to \$129,999	
\$130,000 to \$139,999	1
\$140,000 to \$149,999	1
\$150,000 to \$159,999	
\$160,000 to \$169,999	
\$170,000 to \$179,999	1
\$180,000 to \$189,999	

In the 2017/18 financial year the Shire of York had three (3) positions where employees were entitled to an annual cash salary of \$100,000 or more in the following bands:

## Outside Staff Enterprise Agreement

Negotiations for the new Outside Staff Enterprise Agreement commenced in March 2018 and are expected to be finalised early in the new financial year. This agreement will guide the conditions of employment for the Shire's outside employees for the next three to four years.

## Training and Development

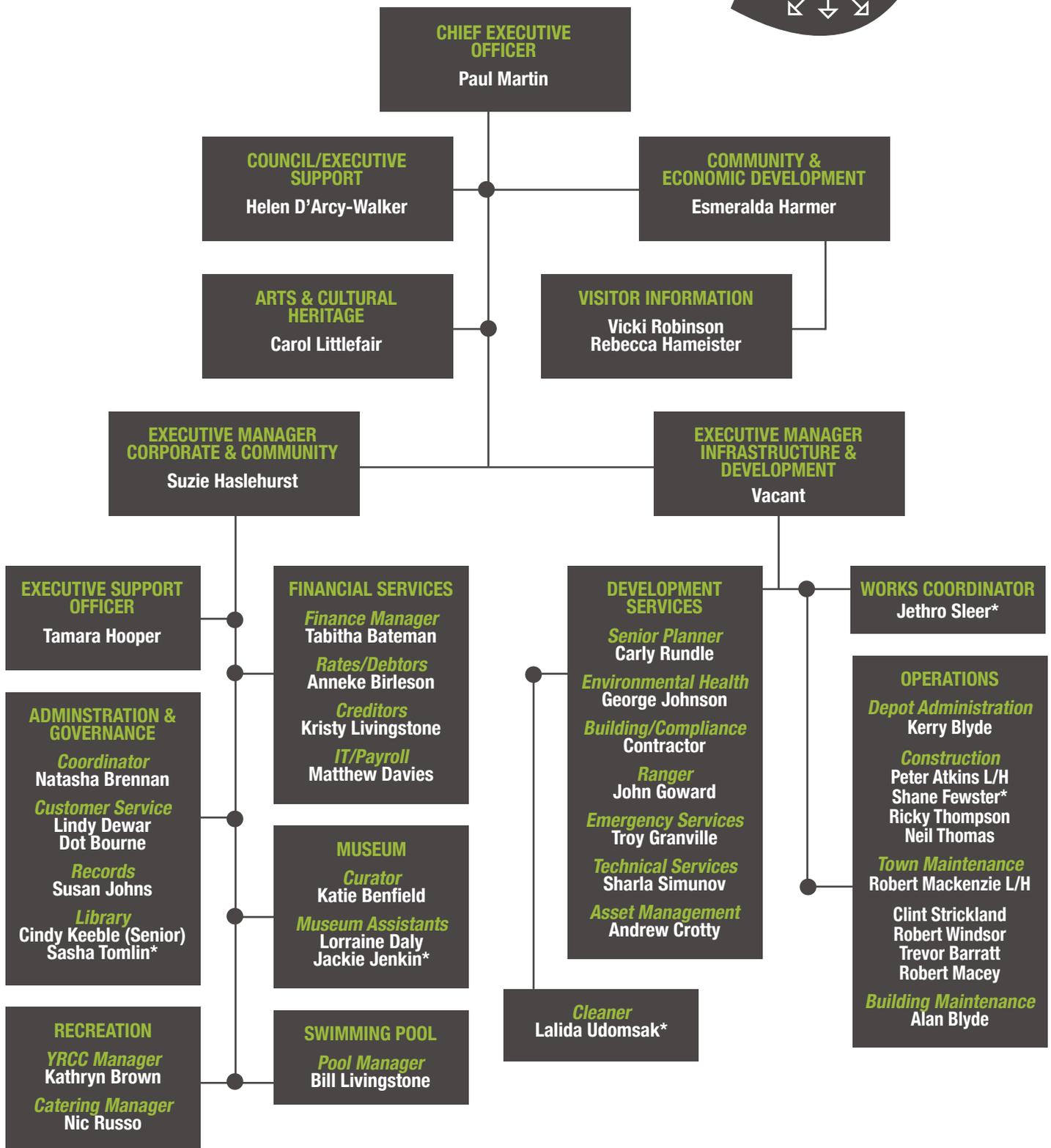
As part of the annual performance review process, officers and their supervisors identify areas where additional training is required or sought. In addition, cross-organisational training is provided to increase the capacity of the organisation. During 2016/17 this included:

- Records awareness training
- Report-writing
- Risk Management
- Project Management Fundamentals
- LGIS Safe Work Methods
- LGIS Take 5 Training
- LGIS Isolation and Tag-Out Training
- Procurement

In addition, the Shire is committed to the health and well-being of its staff and during the year provided;

- Flu vaccinations
- Skin cancer screening
- Health assessments
- Employee counselling

# Organisational Structure 2017/18



\*Denotes staff member commenced during the 2017/18 FY.

The following staff left the employ of the Shire during the 2017/18 year;

- Alex Beard - Plant Operator
- Hayley McNamara - Customer Service Officer
- Les Burrow - Building Maintenance Officer
- Lisa Hart - Cleaner
- Paul Crewe - Executive Manager Infrastructure and Development Services
- Peter Murray - Works Supervisor

In accordance with the Local Government Act 1995, the Shire undertook a recruitment process for the senior officer position of Executive Manager, Infrastructure and Development Services with an appointment made in June 2018.

The Shire also employs a number of casual and seasonal staff on an on-going basis. In addition, over 40 people volunteer their services to the York Visitor Centre, York Residency Museum and York Public Library and the Shire is grateful for their on-going contribution.

# Events and Economic Development



## York Visitor Centre

Total annual visitor counts for the 2017/18 financial year were 83 percent higher than the previous financial year with 36,270 visitors coming through the centre. A new automated counter system was installed in the 2017/18 financial year which improved the accuracy of visitor counts for reporting.

The significant jump in visitor volume experienced can be attributed to Council’s deliberate efforts to attract and support new major events to the town. Retail sales through the centre have fluctuated and during some months sales decreased, although visitor numbers have increased. Sales made were slightly higher than 2016/17 with \$21,403 worth of merchandise sold. In comparison to the visitor numbers experienced, this could be seen as a decrease in point of sale sales and an increase in visitors seeking experience-based activities.

With a significant increase in visitor numbers, increasing the centre’s volunteers was imperative to ensure the high standard of customer servicing the centre is renowned for could still be delivered within existing budgets and resources.

The centre welcomed five new volunteers and two casual staff members to the team. The increase in paid and unpaid staff ensured visitor servicing could be achieved and brought a wealth of experience and new dynamics to the existing team. The centre also took on TAFE students as part of a practical work experience program to allow students completing their Cert III Tourism to do a six-week practical training program with the centre. The work placement proved successful and the centre will consider running a similar program in the new financial year.

### Key achievements

- Achieved Silver rating in the Australian Tourism Accreditation Program
- Review and redevelopment of Visitor Centre branding to reflect York’s authenticity
- Additional casual staff members employed
- Installation of new automated visitor counter to the centre
- Increase in volunteers recruited
- Installation of information kiosk in the foyer to assist with crowds in peak seasons
- Development of multilingual brochures for international visitor information
- Implementation of a volunteer management plan to assist operational controls



## Events

In 2017/18, Council has provided over \$120,000 of financial and in-kind support to its community that contributed to the economic development and vibrancy of York.

Key events funded by the Shire include;



### *The York Motorcycle Festival*

Extended into a two-day festival in 2018, the Festival attracted over 12,000 motoring enthusiasts and industry traders from all over the state. New festival elements included the Vintage Hill Climb and an increase in family friendly activations.

### *YORKids – A Winter Adventure*

A new major event to the York Calendar, YORKids – A Winter Adventure is a weekend long celebration of winter activities aimed at the whole family. Council provided support to Nature Play WA to present part of the weekend's activities and were successful in attracting external funding from both Healthway and the Department of Local Government and Communities to facilitate the remaining festival activities.



Held over the June long weekend in 2018, the following activities were presented as part of YORKids;

- Free street performances
- Active recreation activities in parks and reserves
- Guided tours
- Nature Play mud zone and activities
- Light Projections onto heritage buildings
- Puppetry and theatre arts

Approximately 8,000 visitors made their way to York for the weekend of activities, with Council committing to making YORKids an annual major event on the York calendar.

### *The York Festival*

A month-long annual Festival in September celebrating excellence in arts, culture and entertainment. The York Festival attracted over 20,000 visitors to the town over the four weekends of activity. Highlights included street bands and workshops by the Sambanistas (pictured).

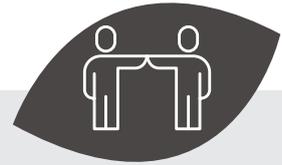


### *Avon Terrace Revitalisation Grant Program*

As part of Council's Strategic Community & Corporate Business Plans, the Shire offered the Avon Terrace Revitalisation Grant Program (ATRGP). The ATRGP was developed to assist business owners or occupiers to refresh their shop fronting and facades. Council allocated \$20,000 of matched funding to be available for business applications. The Shire received five applications and as a result of the funding received, one business secured tenants for three of his four vacant business premises. Due to its success, Council resolved to support the program in the 2018/19 financial year.



# Community Services



## Community Assistance & Support

The Shire provides a range of support of one-off community activities and projects initiated for community benefit and enjoyment through the Community Funding; Grants & Sponsorship rounds offered twice yearly for application.

Council resolved to provide the following cash or in kind support for *Community Funding; Grants & Sponsorship in 2017/2018*;

NAME	PURPOSE	FUNDS
Elite Combined Mixed Martial Arts	Purchase of durable equipment	\$5,000
York Friendship Club	2017 York Medieval Fayre	\$5,000
York Men's Shed	Purchase of ride on mower	\$3,000
York Agriculture Society	2017 York Agricultural Show	\$10,000
Anglican Parish York	Protective Behaviours workshops	\$2,850
Wembley Theatre	Pantomime in York	\$1,800
Senior Citizens York	2017 Senior Citizens Appreciation Day	\$3,000
Veterans Car Club	2017 York Motor Show	\$3,000
Porsche Club WA	2017 Porsche Ride to York	\$3,000
WestCycle	2017 Festival of Cycling	\$15,000
Premiere Events	2017 York Motorcycle Festival	\$15,000
York Bowling Club	2018 InterClub Bowls Day	\$2,400
York Rose Quilters	2018 Quilters Open Day	\$300
York Community Resource Centre	2018 Youth School Holiday Programs	\$3,768
NaturePlay WA	2018 YORKids Activations	\$15,000
York Family Playgroup	Paint the Town Read Literacy Program	\$3,000
York Football Club	Assistance with club equipment costs	\$1,400
York Christmas Festival	2017 York Christmas Festival	\$12,375
York	Baroque Opera Matinee	\$5,000
<b>Total Funding</b>		<b>\$109,893</b>

Council also provided recurring funding through multiyear agreements with the following organisations;

NAME	PURPOSE	FUNDS
York Society	Annual Art & Craft Awards	\$4,500
Avon Valley Motor Museum Association	Assist with operations of the York Motor Museum	\$18,000
York Arts & Events	Annual York Festival	\$22,000
<b>Total Multiyear Funding</b>		<b>\$44,500</b>

## Community Events

### Australia Day Breakfast & Citizenship Ceremony

This year's Australia Day celebration drew a large crowd of people who enjoyed a great Aussie breakfast in Avon Park and celebrated being Australian.

The York Volunteer Workers and York Men's Shed, assisted by many wonderful volunteers, cooked and served bacon, eggs and sausages from 7.30am. The York & Districts Co-Operative (IGA) sponsored the breakfast and the Salvation Army provided tea, coffee and cold drinks. The entertainment was once again provided by the Perth Hills & Wheatbelt Band.

### Australia Day Awards

The Shire of York congratulates the winners and all nominees for the following Awards:

Award	Nominees	Winner
Junior Citizen of the Year	No nominations received	
Community Group or Event	York Festival Avon Branch of the Wildflower Society of WA Inc Stay on Your Feet & HACC Voice of the Avon 101.3FM	Voice of the Avon 101.3FM
Senior Citizen	Yvonne Dols	Yvonne Dols
Citizen of the Year	Kathy Emin Jenny Garroun	Kathy Emin
Junior Sports Star of the Year	Aaron Smith Kiara Simons Indie McMartin	Aaron Smith
Senior Sports Star of the Year	Sian Smith Emma Draper	Sian Smith



Australia Day Award Winners – Aaron Smith; Sian Smith; Kathy Emin; Yvonne Dols; Margaret Collins - Voice of the Avon 101.3FM

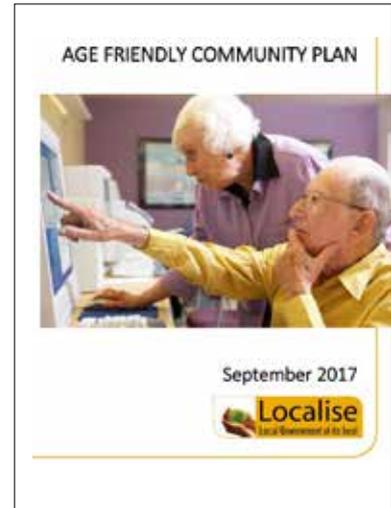
## Community Development

### Age Friendly Community Plan

The Shire engaged Localise to work with officers and the Age Friendly Community Plan Reference Group to develop the Shire's first Age Friendly Community Plan. Following a community survey, a facilities audit, a Council briefing and final input from the Age Friendly Community Plan Reference Group, the Draft Age Friendly Community Plan was advertised for public comment before being adopted by Council in October 2017.

### Disability Access and Inclusion Plan

Local governments are required to prepare a Disability Access and Inclusion Plan (most commonly known as a DAIP) to plan and implement improvements across seven outcome areas; services and events, buildings and facilities, information, quality of service, complaints, consultation processes and employment. Local governments are also required to report on the progress of the DAIP by 30 June each year.



Activities undertaken during 2017/18 to address the Shire's DAIP include the following;

- Consideration of the accessible events checklist when reviewing events
- Partnership with Alzheimer's WA to make York a Dementia-Friendly Town
- Working with business owners to develop access solutions
- Consultation with the community and staff undertaken to contribute to the development of a new DAIP
- Review of Customer Service Charter to provide for availability of documents in alternative formats
- Use of different methods of consultation to ensure broad access including online surveys, hard copy surveys, interviews, drop-in sessions and focus groups.
- The development and adoption of the Shire of York Disability Access and Inclusion Plan 2018-2022.

### Dementia-Friendly Community

The Shire of York has worked closely with Alzheimer's WA to make York a "Dementia Friendly Community". This has involved training for local businesses regarding dementia, a partnership to upgrade toilet facilities in Avon Park and the establishment of a monthly "forget-me-not" cafe at the Balladong Lodge - York's residential aged care facility. Discussions are underway with a local cafe in the main street to establish a second one. The partnership resulted in significant media coverage for the Shire and Alzheimers WA.



*Pictured Left: Access and Inclusion Consultation Workshop . Pictured Right: Movement: Alzheimer's WA chief Rhonda Parker, councillor Denese Smythe, York Shire president, David Wallace, councillor Jane Ferro and Balladong Lodge facility manager Sarah Newbon.*

## York Public Library

The York Library has been involved in a number of community projects this year including the very successful storytime program and Better Beginnings program involving both babies and kindy children as they enter their schooling.

The Shire was delighted to support the Paint the Town Read program through community funding and donation of resources. This program has been very successful in promoting the importance of reading to young children for their cognitive development and early language skills. The library has had a marked increase in the number of Junior borrowing as a result. Special thanks to Meg Boyle and her team from the Early Years Hub for their ongoing support and development of early literacy learning program.



A much-needed cull of old, unused stock and more library shelving has provided increased access to relevant library stock including large print items, audio books and dvd selections.

The library staff have also been providing support to patrons as they discover the world of e-resources which are available free of charge through the partnership with the State Library of Western Australia.



*New staff member, Sasha Tomlin and volunteer, Zoe Jenkin were welcomed to the York Library team in 2017, joined by long serving volunteer Cathie Stark. Their assistance to the library and the community is invaluable. The Shire also thanks the community of York for their continued support in the form of donations.*

**Sasha Tomlin –  
Library Officer**



YORK LIBRARY STATISTICS		2017/18	2016/17
Items Issued	Adult Non Fiction	2980	3403
	Adult Fiction	13117	12771
	Junior Library	6751	6571
	Total	22848	22745
Membership	Adults	721	769
	Family	439	442
	Junior	47	64
	Total	1207	1275
General Statistics	Library was opened for (hours)	1976	2004
	Books issued per hour	11.56	11.35
	Items requested by other libraries	250	389
	Items requested from other libraries	833	890
Local Stock On Hand	Adult Non Fiction	3507	3800
	Adult Fiction	3669	3962
	Junior	2555	2234
	Total	9731	9996
State Library Stock	Adult Non Fiction	848	2288
	Adult Fiction	2502	2224
	Junior	1071	1000
	Total	4421	5512



## Residency Museum

### Research

The Museum's major focus during 2017/18 was the York ANZACs Exhibition. Early on in the project, new volunteers joined the Museum team to research servicemen and military campaigns. The volunteers' research identified families to contact, many of whom supplied photographs and objects for the exhibition. This research resulted in the identification of 676 men who enlisted in World War One from York with approximately half being fully researched with comprehensive biographies. Copies of the research are stored at the Residency Museum and York Society Archives and is an invaluable resource for the York community.

### Relationship Building

During the course of the ANZAC project the Museum team worked closely with the following institutions, groups and individuals who contributed significantly to the body of work created:

- The West Australian Museum
- The West Australian Royal Historical Society
- The Australian War Memorial
- The West Australian Geological Society
- The York Society Archives
- When World War One came to Western Australia Research Group
- Western Front West Australian Dead Research Group
- The West Australian Army Museum
- Revolutions Museum Whiteman Park
- Swan Guildford Historical Society and Museum
- Great War Poetry Research Group
- Neville Browning OAM
- Dr Mike Galvin
- Rob O'Connor QC
- Gary Hayes.



*Gary Hayes Military History Collector, Paul Bridges Curator of Swan Guildford Museum and Michael Mason-Coe York Society Vice President setting up display*



*Neville Browning OAM guest curator  
Photo courtesy of [www.andtyndall.com](http://www.andtyndall.com)*

### Christmas Card Decorations 2017

An additional giant Christmas card was added to the Shire of York Christmas decorations, using a Victorian Christmas card from the Museum's collection. The cards have proved a quirky decoration for the heritage town centre and more could be added using the museum's collection in future. The team also developed cards featuring the same designs for sale at the Christmas markets and Museum shop. These have proved to be very popular and will be continued in years to come.

### UWA Field School

Ongoing staff contact with local anniversaries resulted in The University of Western Australia's Archaeology Department conducting its annual field school at the Residency Museum and York Cemetery in April 2018. This was a great opportunity for York to show off its historical places of interest and gain free advice and research not only from students but internationally recognised professors Dr. Sean Winter, Dr. Carley Monks and Dr. Sven Ozmen.

### Digital photographs

A large amount of digital material was donated during the ANZAC exhibition research phase. This is becoming a trend in museums as digital material takes up far less space and donors are more likely to hand it over as they still get to keep their originals. Amongst the digital images collected were the highly significant photos taken by Lionel Sargent whilst serving with the 4th Light Ambulance on Gallipoli during WW1.

### Photographs

Less original hardcopy photographs were donated this year, which correlates with the trend for donors to keep originals but donate digital copies.

### Objects

More objects were donated in 2018 to 2017 due to the ANZAC exhibition. We also loaned a large number of objects in 2017/18 compared to other years due to the exhibition.



Robin Christmas Card from Emma Lott Collection



Katie Benfield Residency Museum Curator with Dr Sean Winter, UWA professor



Photograph of two donkeys hitched to a two-wheeled wagon loaded with supplies. From the Lionel Sargent Collection, kindly donated by Geoff Sargent

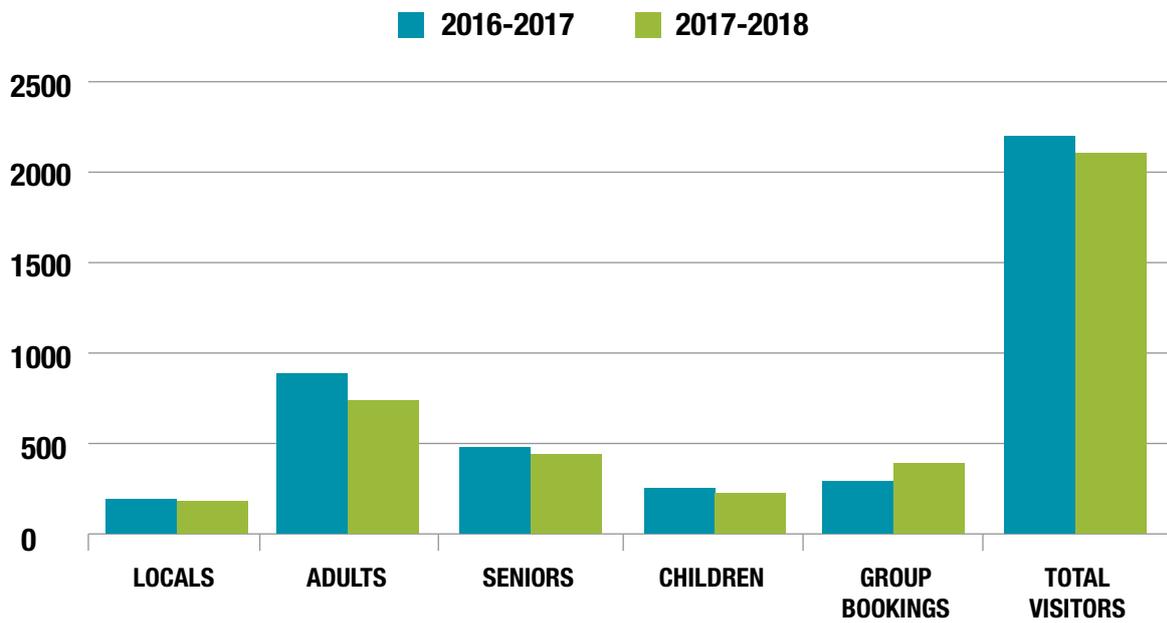


Arial view of York Cemetery taken during the field school



York Volunteer Fire Brigade 1924 kindly donated by Cheryl Barron

### Statistics



Residency Museum Visitor Numbers 2017/18 versus 2016/17

## Arts & Cultural Heritage

During 2017/18 the Arts & Cultural Heritage Officer primarily concentrated on project management of the ANZAC exhibition. A detailed description of activities is outlined below:



Yorks ANZACs – Stories Remembering Them ran from 24 April to 29 July 2018 in the York Town Hall. It was the most comprehensive ANZAC exhibition to be found statewide outside the National ANZAC Centre, Albany and the Army Museum of WA, Fremantle.

It had a strong social history aspect, focussing on how WW1 affected life in York and the families that were left behind, in addition to military history.

The opening event at the York Town Hall on 24 April 2018 was well received with over 300 people in attendance. The Hon. Christian Porter MP opened the event with the children of featured ANZAC's.



*Dr Mike Galvin and Rob O'Connor QC at opening event photo courtesy andytyndall.com*

People attended the exhibition from across the globe with a number of international visitors coming with the sole purpose of visiting the exhibition, which was a great experience for the town of York. Several school groups, community groups and other history groups also attended the exhibition along with visitors from all over Western Australia and interstate.

### Community Engagement

Public community arts workshops were held with 147 adults and 304 children participating. During NAIDOC week, arts workshops for 240 York District High School children were conducted. Several well-known local artists participated as individuals.

These workshops resulted in life-sized silhouettes depicting 100 stories of York characters; their human stories woven into the context of the bigger picture of WW1 with a West Australian perspective. Photo-collaged silhouettes were placed in shops and businesses in town stimulating interest in the project and contributing to ANZAC Day 2017.



*Hon. Christian Porter MP opening the exhibition with Shire President David Wallace and children of featured Anzacs photo courtesy andytyndall.com*

Staff and volunteer researchers from the Residency Museum made numerous contacts with local families and descendants resulting in an unparalleled level of community engagement in the provision of material.



Volunteers Kathy and Zoe help to prepare the Anzac silhouettes



Dioramas; The Desert Campaign; The Home Front; the Western Front . Desert photo courtesy of [www.andytyndall.com](http://www.andytyndall.com)



Indigenous Servicemen section with silhouette by local artist John Blurton



A Gallipoli donkey made a guest appearance at the opening event. Photo courtesy of [www.andytyndall.com](http://www.andytyndall.com)



*Denis Kickett Noongali at York Early Years Hub – teaching a community art workshop*



*Local artist Michelle Bateman with her silhouette representing the Holland brothers. Photo courtesy of [www.andtyndall.com](http://www.andtyndall.com)*



*Pictured right: View of the exhibition from Torill Gallery photo courtesy of [www.andtyndall.com](http://www.andtyndall.com)*

## Support

In addition to Shire funding and in-kind support the following grants were received over four years:

- Anzac Local Centenary Grant of \$31,287 administered through the office of Christian Porter.
- CANWA catalyst grant of \$13,074 for community arts workshops,
- Lotterywest Anzac grant of \$5,425 for the audio-visual elements of the exhibition, to be reused at the Residency Museum.
- Approximately \$16,000 of in-kind support by the Remembering Them project (a collaboration between the WA Museum, Museums Australia WA, Lotterywest and the Royal Historical Society of WA) which included a state-of-the-art high security showcase valued at \$10,000 to be reused at the Residency Museum.
- In kind sponsorships by a number of local organisations and businesses.



State of the art high security showcase provided by the W.A Museum photo courtesy andytyndall.com



YDHS workshop



### *Interpretation and Design*

A mix of interpretive components included showcased historic object displays, dioramas, 40 interpretive panels, 100 silhouette art installation, sound effects, hands-on family activities, biography booklets and a theatrette that showed photographs of Gallipoli never seen in public before.

### *Evaluation*

An 'event' Facebook page for the exhibition created in April 2018 reached 31.6 thousand people and was liked 439 times. 24% of those who liked or interacted with the event page were women and 73% of people lived in the Perth Metro area.

Good print and online coverage was achieved through:

- local newspapers,
- Histwest Magazine - Royal Historical Society of Western Australia
- National Trust Heritage Festival of Western Australia
- Museums Australia e-newsletter
- Experience Perth website
- ABC Midwest

Positive comments from visitors were received about the exceptionally high quality of the exhibition often in marked contrast to expectations of 'poor standards in the country', therefore raising York's profile as a place of quality experiences.



*“What a beautiful way to remember those fallen soldiers. You can feel the community spirit that made this thought provoking exhibition possible.”*



*“The most fabulous Anzac Exhibition I have ever seen.”*



*“Some of the arrangements are haunting with the stories they deliver. Well done and thank you”.*



*“So beautiful. Brings tears to our eyes. Well done, it’s outstanding, thank you”.*



*“An exhibition of ‘capital city’ standards – top class - so well thought out.”*



*“So beautiful, so moving, an amazing effort – Well done York”.*



*“Fantastic. Sad. Conveys the times really well. Great work.”*



*“This display is such a respectful memory of your town and the honour of those who fought. Excellent. So pleased to be able to visit. Thank you”.*



**300** attended a launch event on 24 April

**850** visitors saw the exhibition on 25 April

Visitor numbers as recorded by the York Visitors Centre show an increase of 86% on in May, an approximate increase of 116% in June and 89% in July from the same months in 2017.



### Post-exhibition benefits

- Details from the silhouette artworks were used as light projections during the 'YorKids' family fun weekend in June 2018, contributing towards community pride and sense of place.
- Several requests for loans of parts of the exhibition during 2018/19 have been received from local businesses, the RSL, travel agents, the Army and other museums, extending the life and profile of the exhibition.
- A selection of silhouettes and backdrops will be retained for future ANZAC / Remembrance Day use by the Shire of York.
- The high-security showcase and repurposed audio-visual elements will improve displays at the Residency Museum.
- Donations of objects and photographs to the Residency Museum have resulted from the exhibition.
- Increased profile for the York Residency Museum as a community asset and place to safeguard York's history.
- The story of Ross and Lindsey Chipper of York who died at the charge on the Nek at Gallipoli features on a 'Voice of the Avon' community radio commemorative CD made in April 2018.

### York Town Hall Refurbishment

With funding sourced from the Regional Venues Improvement Fund administered by the Department of Local Government, Sport and Cultural Industries, the Shire commenced the first stage of upgrades to the York Town Hall. New curtains were installed to the windows and stage of the main hall and paint scrapings were taken to determine the original colours used in the building. Internal and external painting was then commenced then postponed until after the ANZAC Exhibition and the busy events season.

### Other Arts and Cultural Activities

During 2017/18 these included:

- Building relationships with Curtin University's Centre for Aboriginal Studies
- Liaison with York's Noongar community and provision of material to the Bilya Koort Boodjar Centre in Northam
- Shire of York inaugural Arts Forum October 2017
- Liaising with community Trails groups
- Grant submission to Lotterywest for Conservation of Town Hall Honour Boards and audio-visual components of York's ANZACs exhibition



# York Recreation and Convention Centre

## Statistics

The YRCC is home to the following users:

York Football Club  
 York Bowling Club  
 York Hockey Club  
 York Lawn Tennis Club  
 York Basketball Club  
 York Netball Club

York Agricultural Society  
 York Imperials Cricket Club  
 York Junior Football Club  
 York Junior Cricket Club  
 York Junior Netball Club  
 York Agricultural Society

 **73**  
**functions**

 **287**  
**days**

### 2016/17 Friday's



### 2017/18 Friday's



### 2016/17 Sunday's



### 2017/18 Sunday's



### *Review of the Management Model of the YRCC*

Following on-going consideration of the management of the bar and kitchen facilities at the YRCC, Council determined that the operation of hospitality facilities is not a core function of the local government and resolved to engage SGL Consulting Group to investigate potential models to outsource these operations.

In July 2017, SGL conducted a drop-in session at the YRCC followed by a user group meeting and Council briefing before providing a report on possible outsourced models for the YRCC including;

- a) proposed operating details and how each model could work;
- b) financial implications;
- c) the advantages and disadvantages of each model; and
- d) a recommendation of the model that provides the best outcome for the Shire, users and the community.

Feedback was sought from YRCC user groups and, while the preferred option was that the current management model is maintained, there was general support for the formation of a York Sports Association that could possibly take over the operation of the bar and kitchen facilities with a view to generating funds for sporting clubs. Following this, Council resolved to appoint a steering group to work through the identified issues which included;

- Incorporation – constitution, board composition, membership
- Financials – budgeting, profit-share, responsibility for expenses
- Operation – staffing, hospitality, liquor licensing, stock control, functions, MOU's, fees and charges
- Volunteer recruitment, support and retention
- Timeline for implementation

As at 30 June, the Group had met twice and is still exploring the issues involved. In recognition of the focus required to resolve the issues associated with this matter, a part-time YRCC Project Officer role was established and advertised.



# Development Services



## Town Planning

The Town Planner responds to many enquiries relating to planning related issues, which can range from rezoning and subdivision, restoration and development of heritage properties, to the keeping of sea containers, varying the provisions of the Residential Design Codes and conducting home businesses.

It is the aim of the planning section to provide an efficient and effective service to landowners, residents, developers and the community.

### *Local Planning Strategy and Local Planning Scheme Review*

The Shire of York has prepared a new Local Planning Strategy and Local Planning Scheme which was endorsed by Council for the purposes of advertising in June 2018.

These planning documents provide the long term vision, goals and objectives to guide and control future land use and development in the Shire. The local planning strategy and scheme will consider land use, housing types, density, and identify locations for community and physical infrastructure to support the responsible growth of the Shire.

The Shire's current planning scheme was first gazetted in 1996. Being over 20 years old, it requires significant review to reflect changes in the planning system put in place by the state government.

The local planning strategy and scheme support Council's Strategic Community Plan. They will help Council and the community implement key community aspirations of the Strategic Community Plan through the planning and development framework. Extensive community engagement and consultation occurred to adequately capture the communities aspirations for future land use in the Shire of York.

The Shire is currently awaiting assessments from the Environmental Protection Authority and Western Australian Planning Commission to be completed before advertising of the draft documents can commence.

### *Joint Development Assessment Panels*

The Shire received one development application to extend a development approval for a waste disposal facility where the applicant opted to have the application determined by the Mid/West Wheatbelt Joint Development Assessment Panel (JDAP). The JDAP refused the application to extend development approval for the waste disposal facility, which is currently the subject of an appeal to the State Administrative Tribunal.

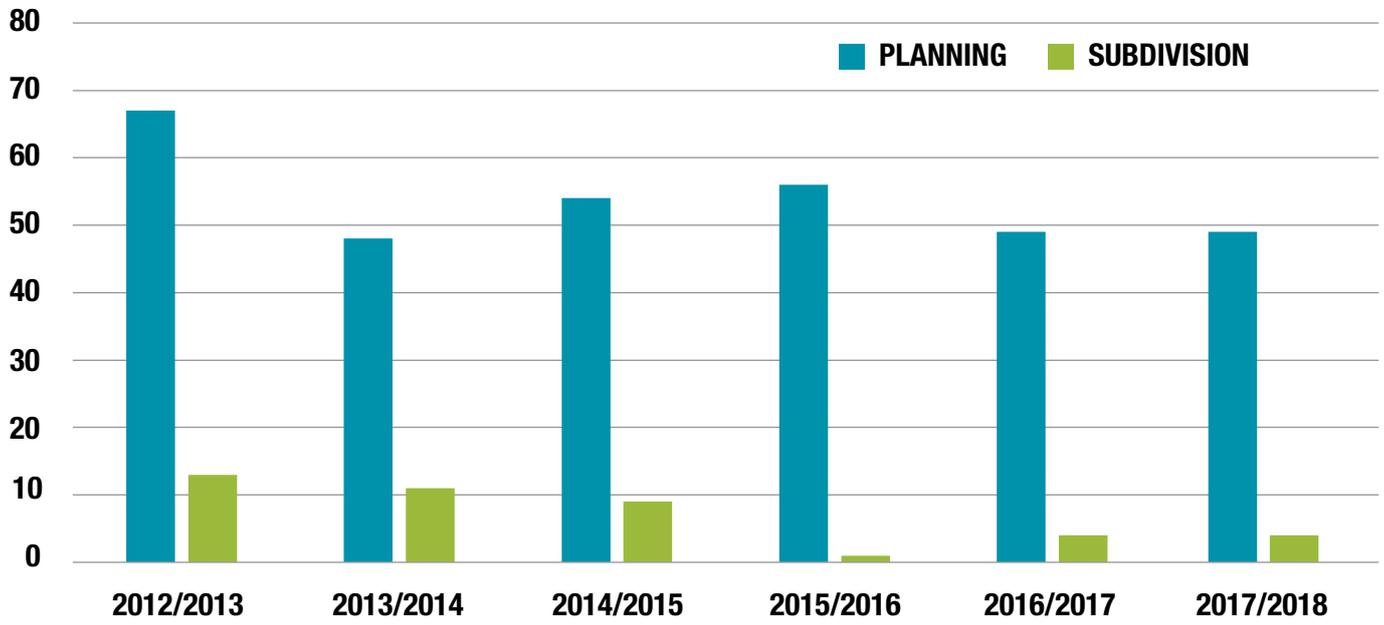
### *Planning Applications*

In the 2017/2018 financial year, 50 planning applications were received, 1 more than in the previous period.

The number of subdivision applications received by the WAPC for the York Shire increased and in this period 6 subdivision referrals were received by Council, compared to 4 in the previous period.

The following graph depicts the number of planning and subdivision applications for the York local government area:

### PLANNING & SUBDIVISION



## Health

Council's Environmental Health Officer is responsible for monitoring various aspects of public health within the Shire including;

- inspection of food premises, public buildings, lodging houses, caravan parks;
- mosquito monitoring;
- public swimming pools inspection and monitoring;
- septic/ATU installations & completion inspections;
- offensive trade monitoring & licencing;
- monitoring septage ponds;
- trading in public places approvals, stallholder permits; and
- approval of public events.

The Shire continued to monitor the structural and operational aspects of all premises during 2017/18 to ensure compliance with the requirements of relevant legislation.

### *Effluent Disposal Systems*

17 effluent disposal systems were approved for installation in 2017/18. The progressive installation of reticulated sewer within the town site is required to overcome system failures and to facilitate the development of unit development and smaller residential blocks.

### *Registered and Licensed Premises*

The following premises were operating in the Shire of York during 2017/18.



Additionally, there are 8 Bed and Breakfast businesses that were not required to be registered under the Health Act 1911.

### *Food Safety*

The Shire of York offered a free Online Food Safety Training course to assist food businesses to meet their food safety training requirements under the Food Act 2008. This training was developed by Environmental Health Australia and is being used extensively throughout Australia.

## Swimming Pools

### *York War Memorial Public Swimming Pool*

The York War Memorial Public Swimming Pool was inspected and sampled monthly over the swimming pool season for November to April. Samples of the swimming pool water were sent for analysis to a Perth laboratory to ensure they met the required microbiological and bacteria standards.



### *Privately Owned Public Pools*

The Shire of York did not have any Department of Health approved privately owned public pools during 2017/2018.

### *Private Swimming Pools*

The Shire of York is required to inspect all private swimming pools within its district at least once in every four-year period.

## Waste Collection & Disposal

### *MUSTER Programs*

The Shire of York again participated in the “drum MUSTER” program. This nationwide program provides for the collection and disposal of used farm chemical containers. A total of 2137 drums were collected under the program in 2017/18, 1523 less than the amount collected the previous year.

The Shire continued with its participation in the Mobile Muster program. This program was initiated to ensure that mobile phones and their accessories are recycled. Approximately 12kg of disused mobile phones were collected in 2017/18.

### *Waste Statistics*

A total of 818.04 tonnes of waste was transported to the Shire of Northam landfill site for the 2017/18 financial year. This is 468.23 tonnes less waste than the 2016/17 financial year. A total of 339.78 tonnes of recyclable material was received in 2017/18 which is 82.15 tonnes less material than 2016/17.

### *Waste Collection Tender*

Avon Waste continued to provide the Shire with its kerbside waste and recycling collection and the day to day management of the waste transfer station. The existing agreement with Avon Waste and the Shire has expired but is continuing in the short term by agreement with the Shire and Avon Waste. The Shire has engaged WALGA to prepare a Waste Collection Tender which will commence in 2018/19.

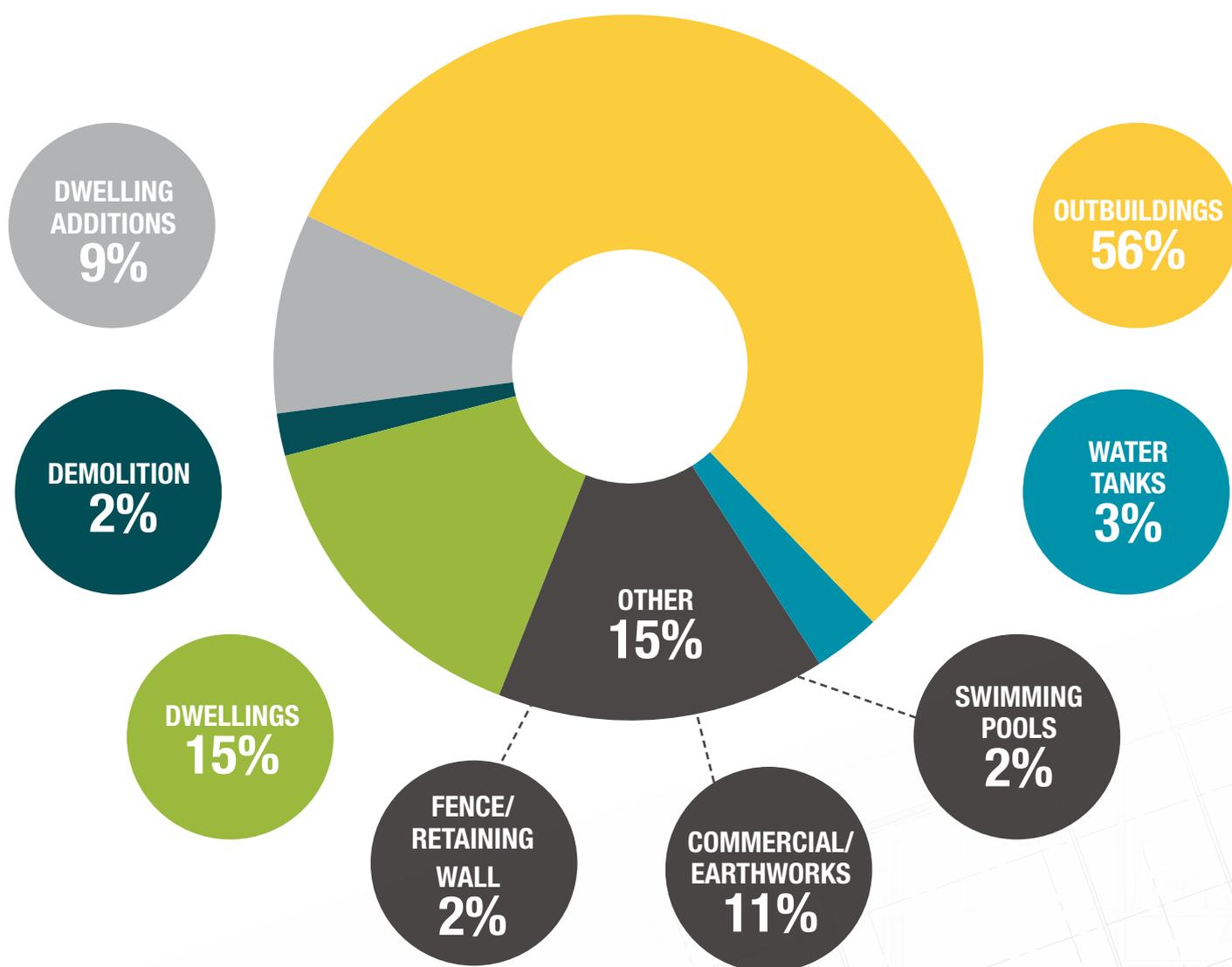
## Building

Shire Officers audit building works to ensure compliance with the approved plans and to ensure that all work is carried out to the necessary standard.

### Statistics

In 2017/18 the Shire processed 94 building applications, 9 less than in 2016/17. These applications were split into the following categories:

### BUILDING APPROVALS 2017/2018

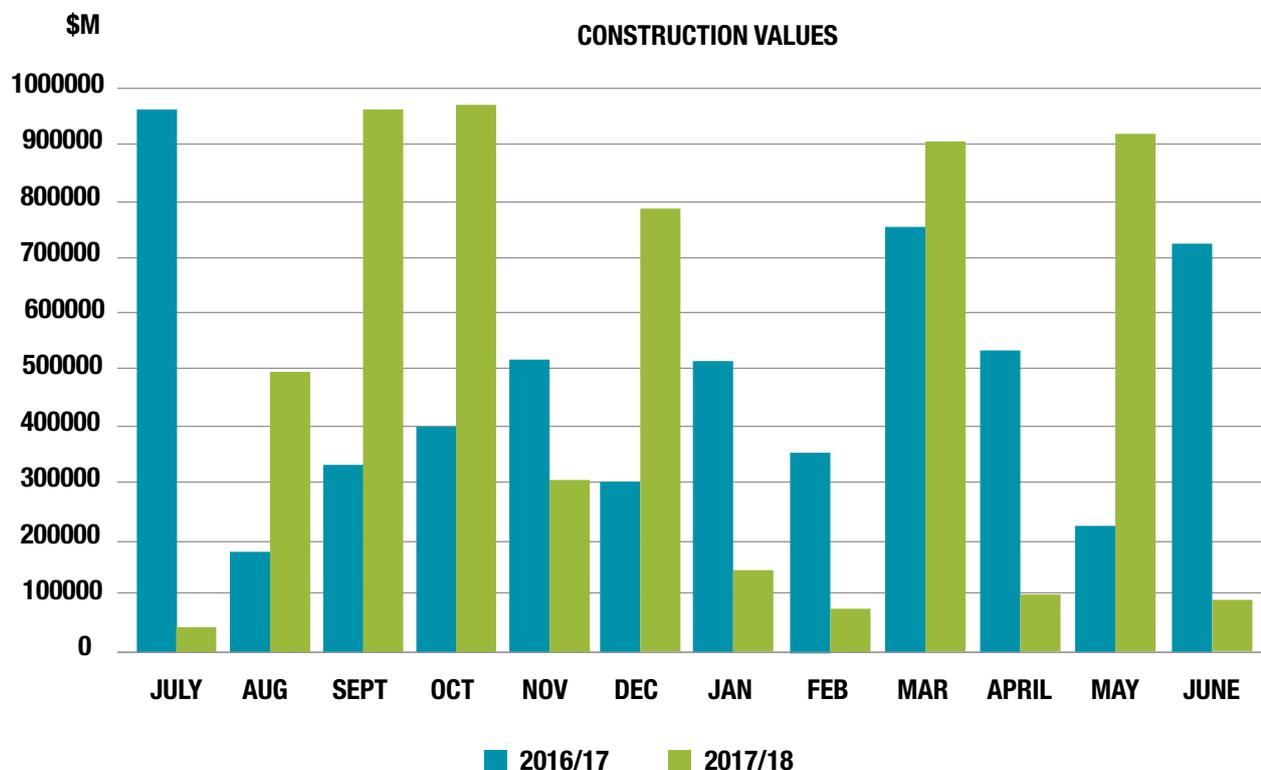


The percentage split is similar to previous years with a slight increase in outbuilding applications.

Comparison table for previous years are as follows:

	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
Dwellings	14	18	20	23	21	30	21
Additions	8	5	7	10	7	10	12
Outbuildings	51	63	51	67	99	95	89
S/ Pools	2	4	5	7	9	16	7
Commercial	10	4	3	2	2	8	10
Demolition	2	2	1	2			
Water Tank	3	3	9	3			
Fence	2	4	1	4			
Earthworks	0	0	1				
<b>Total</b>	<b>94</b>	<b>103</b>	<b>98</b>	<b>118</b>	<b>138</b>	<b>159</b>	<b>139</b>

The number of Building Permits issued in 2017/18 slightly down on previous years.



The approximate value of building works in the Shire was \$5.88 million in 2017/18, a decrease of 0.3%, from \$5.9 million in 2016/17 and a further decrease of 4% in value from \$6.14 million in 2015/16.

## Ranger and Emergency Services

The York Shire Ranger conducts regular patrols related to responsible dog ownership, stock control, animal welfare, litter/illegal dumping control, illegal camping, illegal off-road usage, snake removal and fire control throughout the town site and rural areas.

In partnership with the Shire of Beverley, a Community Emergency Services Manager part-funded by the Department of Fire and Emergency Services is responsible for the Shire's preparedness to address an emergency. The CESM is responsible for coordinating the Local Emergency Management Committee.



### *Animal Control*

A reduced number of infringement notices relating to dog attacks were issued compared to last year and no dogs have been declared dangerous this year. Shire records indicate that 62 cats and 223 dogs have been registered with the Shire this year.

Following community consultation, two new Dog Exercise Areas, the undeveloped end of Candice Bateman Park and Monger Reserve have been declared by Council. Dogs may be exercised off the lead but must be under effective control e.g. respond to call back. The current Dog Exercise Area on Henrietta St will be decommissioned.

A Cat Local Law is in the process of being introduced to increase the control provisions on cats.



### *Parking*

Illegal parking continues to be closely monitored by the Ranger with particular attention to the disabled parking bays & time restricted parking on Avon Terrace and York District High School "children's drop off zone", vehicles parked within 6 meters of intersections, on footpaths and so as to face oncoming traffic.



### *Review of Local Emergency Management Arrangements*

A five-yearly review of the Shire's Local Emergency Management Arrangements (LEMA) was undertaken during the year. These reviews ensure the document is current and complies with relevant State Emergency Management legislation.

The LEMA is a public document which sets out the roles and responsibilities of numerous agencies and community service providers within the Shire to provide emergency response and recovery activities in the event of a local or regional emergency.

### *Greenhills Shed – Volunteer Bush Fire Brigade*

A new fire shed has been completed at Greenhills for the Greenhills Bush Fire Brigade. It is now the best-appointed fire shed in the Shire with generator power, lighting, hot water shower and bathroom facilities.

The fire sheds at Burges Siding and Malebelling brigades have also had an upgrade and now have remote power and lighting.

Many of these projects are funded by the Emergency Services Levy (ESL) in partnership between the Department of Fire & Emergency Services and the Shire of York.



Shire President handing over the keys to the new Greenhills Fire shed.



### **Bush Fire Management**

An advertising campaign was launched this year promoting the fire break and hazard reduction requirements and compliance dates. A zero tolerance in non-compliant fire breaks has resulted in a far greater compliance rate this year.

As initiative was introduced in a previous financial year allowing owner/occupiers of occupied properties within the town site which are landscaped to the extent that they do not present a fire hazard to apply for exemptions.

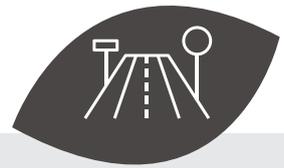
### **Bushfire Risk Mitigation Planning**

The Bushfire Risk Management Planning Team for the Shire has achieved significant milestones during the 2017/18 year. The plan context was written (providing a snap shot of the current and past history of the Shire) and was immediately followed by identification of the assets within the Shire that were calculated to be of High, Very High or Extreme risk from a Bushfire. The Plan was endorsed by Council on 28 May 2018, then sent to OBRM (Office of Bushfire Risk Management) and approved on 12 June.

The Plan formed the basis of an application for a Mitigation Activity Fund (MAF) Grant and is a requirement for eligibility to apply. The MAF is a fund managed by DFES using Royalty for Regions resources to enable mitigation works identified in the above process to be carried out on local government lands within the gazetted town site.



# Infrastructure Services



The Infrastructure Services Department is responsible for the maintenance and development of the Shire's roads, footpaths, storm water infrastructure, parks and gardens and sporting fields.

## Capital Works

### Civil Construction Tender

A Civil Construction Tender for the majority of the Shire's roads capital works program was awarded to Stabilised Pavements of Australia. The works included the reconstruction of sections of Goldfields Road and Top Beverley Road, the resealing of sections of Herbert Road, Mount Street, Georgiana Street and, Talbot Road, the repairs to the storm damaged floodways on Mackie Siding Road and Wilberforce Road and gravel re-sheeting on sections of Gwambygine Road, Talbot Hall Road, Wambyn Road, Piccadilly Road and Quellington Road shoulders.



#### ROADS TO RECOVERY

Roads to Recovery projects totalled \$70,091 for the 2017/18 year.

Joaquina Street	\$68,891
Quellington Road	\$1,200

#### REGIONAL ROAD GROUP

Regional Road projects totalled \$949,018 for the 2017/18 year.

York-Tammin Road Widen & Seal	\$324,727
Top Beverley Road Widen & Seal	\$276,446
Cameron Road Widen and Gravel	\$347,846

#### MUNICIPAL FUNDS

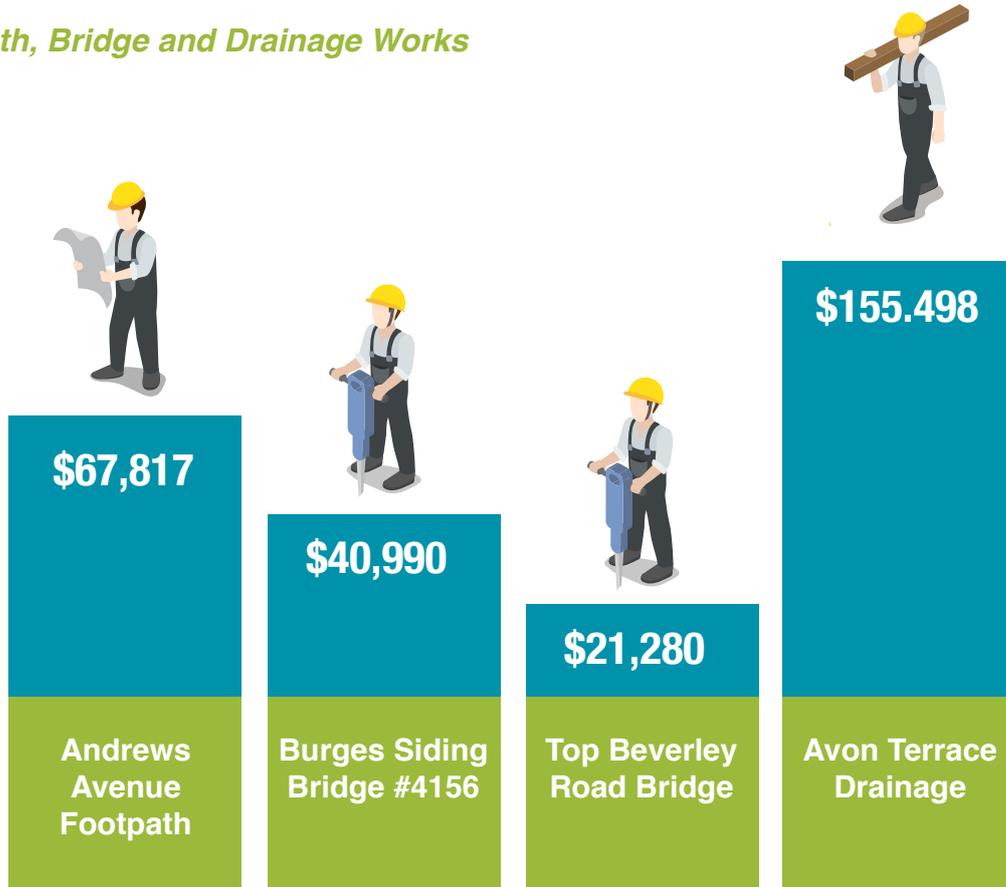
Further construction works were undertaken utilising Municipal funds on roads listed below.

Talbot Road – Sealed	\$41,976
Spencers Brook Road Sealed	\$20,633
Mackie Siding Road Gravel	\$65,028
Bogling Road Gravel	\$149,344
Wilberforce Road	\$49,562
Duckpool Road Gravel	\$17,240
Georgiana Street - Sealed	\$23,237
Mount Street – Sealed	\$10,729
Herbert Road - Sealed	\$14,801
Red Swamp Place	\$8,765



Repairs to flood-ways on Mackie Siding Road and Wilberforce Roads.

### Footpath, Bridge and Drainage Works



### Avon Terrace Drainage Project

The Avon Terrace drainage systems have been installed using water-sensitive urban design principals. The works made use of the existing drainage pipes stored on Balladong Road and are expected to improve the excessive collection of water in basins on River Road, whilst retaining water for reuse.

### Winter Maintenance Grading

Winter maintenance grading throughout the Shire continued this year with the assistance of both Shire graders as well as a hired grader. This year there has been an increased focus on getting our rural roads to drain efficiently by making sure they have the correct fall and that our drains are deep and free flowing.



Avon Terrace drainage completed

## **Joaquina Street Upgrade**

Sealing works to Joaquina Street have now been completed. Beautification works are continuing with the installation of Jacaranda Trees and footpath areas to be improved.



*Hire Grader*



*Joaquina Street seal completed*

## **Cemetery**

Asphalt resurfacing of the internal roads has been completed on what used to be an undulating road surface due to wear and tear and tree roots. Extensive pruning to gardens as well as trees throughout the Cemetery has significantly improved the presentation and appeal of what is a very important site, both historically and in remembrance of peoples loved ones.

The Friends of the Cemetery hosted a Cemetery Busy Bee between the 8 - 15 May, including Mother's Day. The Shire provided a low level mini skip during this week to assist with the cleanup.



*Cemetery before asphalt resurfacing*



*Cemetery after asphalt resurfacing*

## Other Projects

### *RV Relocation*

To allow the upgrade of Avon Park it was identified that the RV Park would need to be relocated. The new site for the RV Park was selected and a concept layout plan adopted by Council. Works commenced on the new RV Park with the earthworks and new parking and circulation areas constructed ready for sealing. The proposed drainage had to be redesigned due to other services being in the way. The drainage works were only partially complete when unexpectedly high rainfall halted the construction. It is envisaged that the RV Park construction will be completed early next financial year.



*RV Parking to be relocated*

### *Kerbside Collection*

The Shire of York provides a bulk waste collection as a service to assist residents to maintain their properties and to provide a means of disposing of bulk materials.



*Bulk Pickup Service*

### Plant Purchases

The Shire has replaced/purchased several new plant items in the 2017/18 period, including a new Skid Steer which will be instrumental in cleaning of blocked culverts.

- Single Cab Beaver Trail Truck
- Crew (Dual) Cab Single Axle Truck
- Rough Terrain Articulating Boom (Or) Elevated Work Platform
- Skidsteer Compact Loader (SCL)



*New Single Cab Beaver Truck and Rough Terrain Articulating Boom*



*Rough Terrain Articulating Boom or EWP*



*Skid Steer Compact Loader*

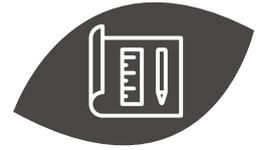
### New Bench Seats for Avon Terrace

The Shire has installed 5 new Woodlands Emerdyn Cambridge Bench Seats on Avon Terrace for residents and visitors to enjoy. The seats that have been removed will be refurbished for use in the cemetery.



*New bench seats installed on Avon Terrace*

# Corporate Services



## Statutory Reporting

### Records

The *State Records Act 2000* requires that the Shire maintains and disposes of all records in the prescribed manner.

The Shire of York is continuously striving towards effective and efficient Record Keeping Practices and actively holds records training sessions for all new & existing employees to ensure that each employee is aware of their compliance responsibilities.

The following activities have been undertaken to ensure staff awareness and compliance:

- All staff attended State Records Office Workshop in Local Government Record Keeping Awareness;
- Six (6) staff members completed Synergyssoft Central Records Administration Training with IT Vision;
- One (1) staff member completed training course in Records Disposal with IRIS Consulting Group;
- One (1) staff member completed training course in Records & Document Management Basics with IRIS Consulting Group;
- Staff information sessions were held as required.

Our goals:

- Improve record keeping practices at the Shire of York
- Inform all staff on their Record Keeping Responsibilities – State Records Act & Shire of York Record Keeping Plan
- Improve efficiency and effectiveness of our Record Keeping Policies & Procedures

### Freedom of Information

The Shire of York has a Freedom of Information Statement prepared in accordance with the Freedom of Information Act 1992. It outlines the Shire's functions, the kind of documents held and how the documents can be accessed.

A total of eleven (11) new Freedom of information Applications were received during this reporting period (compared to four (4) last year), and one (1) was carried over from the previous year (compared to three (3) last year).

In addition, five (5) applications were subject to an Internal Review and one (1) application to an External Review.

### National Competition Policy and Public Interest Disclosure

The Shire of York has considered its obligations regarding the national competition policy and reviewed its policies to ensure anti-competitive practices are not adopted. No complaints were received regarding anti-competitive practice however, the issue has been considered as part of the review of the management of the York Recreation and Convention Centre.

## Customer Service

The Shire of York continues to prioritise Community Engagement as a means to involve the community in decision making. Likewise, the Shire is equally committed to providing ongoing quality customer service to residents and ratepayers.

The Shire annually reviews its Customer Service Charter as part of its commitment to provide guidelines, standards and expectations for Shire officers.

The Shire continues to provide services on behalf of the Department of Transport (DoT) to enable residents to register their vehicles and to renew their drivers licence and vehicle registration. Certain Shire officers are also authorised to issue permits on behalf of the Department and a DoT examiner visits the Shire fortnightly to conduct driving examinations.

Customer Service Officers are responsible for customer enquiries, reception, bookings for the Shire's facilities, cat & dog licenses, issuing of receipts and providing licensing support services on behalf of the Department of Transport.

The Office hours are 8.30am – 4.30pm Monday to Friday (Licensing closes at 4.00pm), except for public holidays and between Christmas and New Year.

## Financial Services

### Rates

Rates account for approximately 50% of the Shire of York's revenue and are determined after lengthy and careful consideration by Council and administration based on the expected expenditure. Examples of expenditures identified on the annual budget include, but are not limited to:

- Infrastructure Services: local roads, bridges, footpaths, drainage, waste collection and management.
- Provision of Recreation Facilities: parks, swimming pool, recreation centre, ovals and sporting facilities.
- Health Services: water and food inspection, toilet facilities, noise control and animal control.
- Community Services: aged care/accommodation, community group/event sponsorship.
- Planning and Building Services
- Administration of Facilities: cemeteries, public parking.
- Cultural Facilities and Services: library, Town Hall, tourist information service, Residency Museum.

### Rates Incentive Prizes

In partnership with our sponsors, the Shire provides the following incentive prizes to encourage ratepayers to pay their rates in full and on-time.

 <b>First Prize</b>	 <b>Second Prize</b>	 <b>Third Prize</b>	 <b>Fourth Prize</b>
A \$1,000 bank account provided by the Shire of York in conjunction with the York & Districts Community Bank Branch of Bendigo Bank. <b>Winner – Mr Robert McCorkill</b>	Four tickets to the West Australian Symphony Orchestra donated by the West Australian Symphony Orchestra <b>Winner – Mr John Patterson</b>	A two night weekend stay at the Quality Hotel Ambassador Perth in a Premium Deluxe Room. Donated by the Quality Hotel Ambassador Perth <b>Winner – Mr Dennis Grimwood</b>	\$200 of Fuel donated by Fuel Distributions of Western Australia Pty Ltd <b>Winner – Mr Francis Leong</b>

### Debt Collection

Council’s Finance Policy F1.1 Revenue Collection, identifies that the Shire is to ensure timely cashflow and minimise bad debts. It also outlines the debt recovery process that is to be followed for outstanding debts relating to rates and charges, sundry debtor charges and fines.

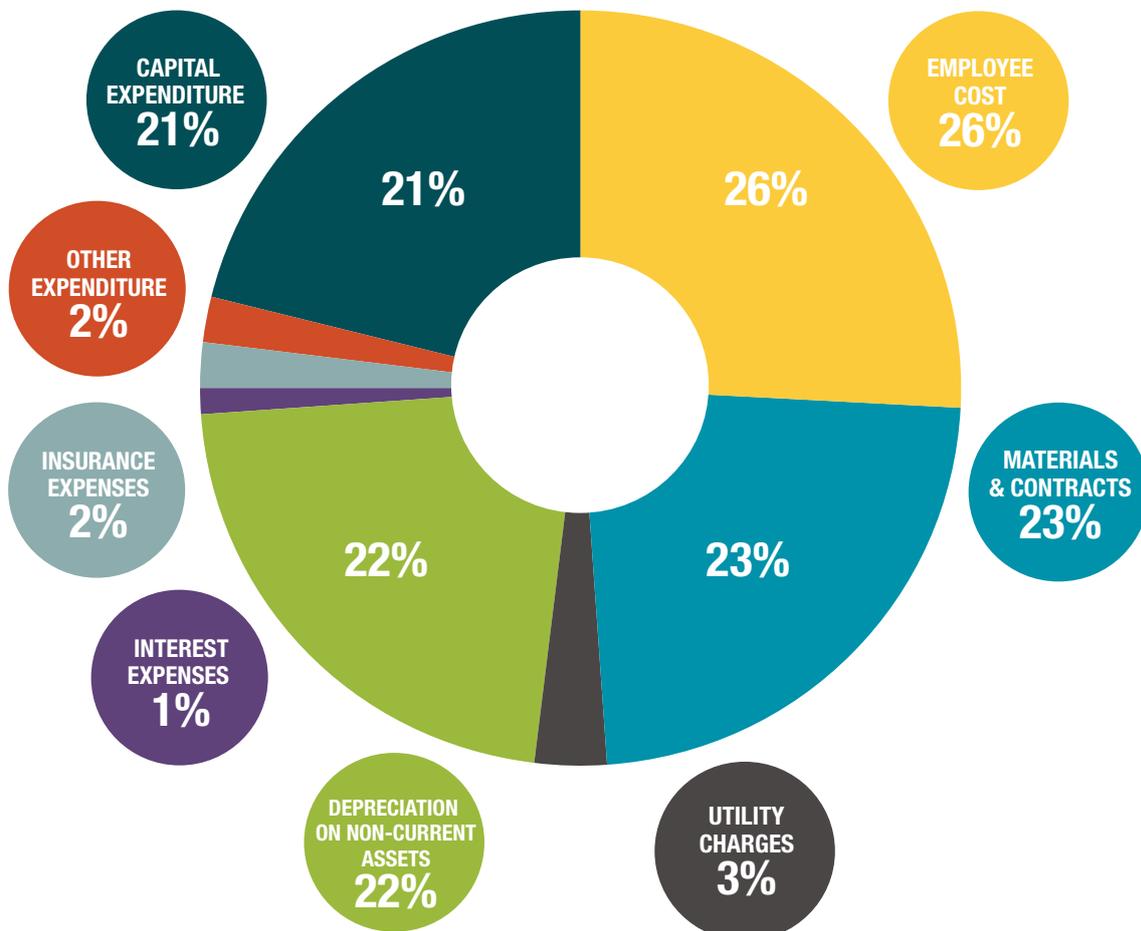
On 18 September 2017, Council awarded the tender for debt collection services to CLI Lawyers Pty Ltd (previously Milton Graham Lawyers). They provide a comprehensive debt collection service including a pre-legal recovery stage, legal advice and litigation. The pre-legal process often prevents the need to commence litigation which, can result in significant costs being incurred by the Shire and ratepayers.

### Revenue and Expenditure

Below is a breakdown of the Shire’s Revenue and Expenditure.

REVENUE	
Rates	\$5,556,554
Operating grants, subsidies and contributions	\$1,838,329
Fees and charges	\$1,464,462
Interest earnings	\$250,243
Other revenue	\$68,949
Non-operating grants, subsidies and contributions	\$1,041,860

### EXPENSES 2017/2018







# Appendix 1

## Audited Financial Statements

**SHIRE OF YORK**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2018**

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**COMMUNITY VISION**

A vibrant and inviting agricultural, heritage and tourist town and Shire, and a community that is focused on and works collaboratively to improve and promote the town and the Shire of York as a destination and wonderful place to live.

Principal place of business:

1 Joaquina Street  
YORK WA 6302  
Australia

SHIRE OF YORK  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of York for the financial year ended 30 June 2018 is based on proper accounts and records to present fairly the financial position of the Shire of York at 30 June 2018 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 26 day of November 2018



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PAUL MARTIN  
Chief Executive Officer



STATEMENT OF COMPREHENSIVE INCOME  
 BY NATURE OR TYPE  
 FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
<b>Revenue</b>				
Rates	19(a)	5,556,554	5,548,130	5,456,373
Operating grants, subsidies and contributions	2(a)	1,838,329	1,005,491	2,654,026
Fees and charges	2(a)	1,464,462	1,468,270	1,403,638
Interest earnings	2(a)	250,243	176,419	226,272
Other revenue	2(a)	68,949	77,512	98,997
		<u>9,178,537</u>	<u>8,275,822</u>	<u>9,839,306</u>
<b>Expenses</b>				
Employee costs		(3,354,471)	(3,841,713)	(3,738,235)
Materials and contracts		(2,862,093)	(2,634,472)	(2,563,565)
Utility charges		(402,676)	(279,548)	(298,645)
Depreciation on non-current assets	9(b)	(2,808,301)	(2,444,360)	(2,369,475)
Interest expenses	2(b)	(122,759)	(124,642)	(132,851)
Insurance expenses		(248,904)	(192,610)	(178,580)
Other expenditure		(219,047)	(413,523)	(246,756)
		<u>(10,018,251)</u>	<u>(9,930,868)</u>	<u>(9,528,107)</u>
		(839,714)	(1,655,046)	311,199
Non-operating grants, subsidies and contributions	2(a)	1,041,860	2,503,542	1,300,630
Profit on asset disposals	9(a)	1,298	0	0
(Loss) on asset disposals	9(a)	(35,228)	(151,302)	(24,905)
<b>Net result</b>		<u>168,216</u>	<u>697,194</u>	<u>1,586,924</u>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	1,655,325	0	1,316,655
LG House Trust	10	0	0	(63,263)
<b>Total other comprehensive income</b>		<u>1,655,325</u>	<u>0</u>	<u>1,253,392</u>
<b>Total comprehensive income</b>		<u>1,823,541</u>	<u>697,194</u>	<u>2,840,316</u>

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



**STATEMENT OF COMPREHENSIVE INCOME  
BY PROGRAM  
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
<b>Revenue</b>				
	2(a)			
Governance		33,987	8,486	40,716
General purpose funding		7,326,858	6,493,474	7,979,403
Law, order, public safety		74,850	72,878	85,727
Health		18,554	16,500	20,333
Education and welfare		35,147	35,190	35,996
Community amenities		743,468	699,787	704,686
Recreation and culture		507,410	561,748	543,937
Transport		213,463	215,407	204,461
Economic services		139,573	110,401	122,215
Other property and services		85,227	61,951	101,831
		<b>9,178,537</b>	<b>8,275,822</b>	<b>9,839,305</b>
<b>Expenses</b>				
	2(b)			
Governance		(812,985)	(657,841)	(601,977)
General purpose funding		(229,590)	(302,384)	(349,683)
Law, order, public safety		(432,364)	(439,794)	(458,806)
Health		(200,005)	(247,672)	(241,703)
Education and welfare		(122,516)	(127,513)	(119,023)
Community amenities		(1,144,714)	(1,213,437)	(1,010,388)
Recreation and culture		(2,929,866)	(3,071,825)	(2,863,434)
Transport		(3,118,922)	(2,822,829)	(2,635,822)
Economic services		(797,680)	(857,467)	(733,551)
Other property and services		(106,850)	(65,464)	(380,868)
		<b>(9,895,492)</b>	<b>(9,806,226)</b>	<b>(9,395,255)</b>
<b>Finance Costs</b>				
	2(b)			
Recreation and culture		(116,228)	(117,913)	(125,024)
Transport		(6,531)	(6,729)	(7,827)
		<b>(122,759)</b>	<b>(124,642)</b>	<b>(132,851)</b>
		<b>(839,714)</b>	<b>(1,655,046)</b>	<b>311,199</b>
Non-operating grants, subsidies and contributions	2(a)	1,041,860	2,503,542	1,300,630
Profit on disposal of assets	9(a)	1,298	0	0
(Loss) on disposal of assets	9(a)	(35,228)	(151,302)	(24,905)
		<b>1,007,930</b>	<b>2,352,240</b>	<b>1,275,725</b>
		<b>168,216</b>	<b>697,194</b>	<b>1,586,924</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	1,655,325	0	1,316,655
LG House Trust	10	0	0	(63,263)
<b>Total other comprehensive income</b>		<b>1,655,325</b>	<b>0</b>	<b>1,253,392</b>
<b>Total comprehensive income</b>		<b>1,823,541</b>	<b>697,194</b>	<b>2,840,316</b>

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



**STATEMENT OF FINANCIAL POSITION  
AS AT 30TH JUNE 2018**

	NOTE	2018 \$	2017 \$	Restated Actual 1 July 2016 \$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	3	4,261,327	3,041,935	3,019,984
Trade and other receivables	5	1,238,730	1,601,663	791,729
Inventories	6	40,923	36,859	87,450
<b>TOTAL CURRENT ASSETS</b>		<b>5,540,980</b>	<b>4,680,457</b>	<b>3,899,163</b>
<b>NON-CURRENT ASSETS</b>				
Other receivables	5	100,134	81,387	69,080
Financial Assets	10	0	0	63,263
Property, plant and equipment	7	34,406,535	33,275,942	33,924,340
Infrastructure	8	103,298,389	103,099,742	100,763,269
<b>TOTAL NON-CURRENT ASSETS</b>		<b>137,805,058</b>	<b>136,457,071</b>	<b>134,819,952</b>
<b>TOTAL ASSETS</b>		<b>143,346,038</b>	<b>141,137,528</b>	<b>138,719,115</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	11	843,372	290,766	527,723
Current portion of long term borrowings	12(a)	223,922	214,337	205,200
Provisions	13	743,148	707,093	701,396
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,810,442</b>	<b>1,212,196</b>	<b>1,434,319</b>
<b>NON-CURRENT LIABILITIES</b>				
Long term borrowings	12(a)	2,103,317	2,327,238	2,541,575
Provisions	13	63,318	52,673	38,117
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,166,635</b>	<b>2,379,911</b>	<b>2,579,692</b>
<b>TOTAL LIABILITIES</b>		<b>3,977,077</b>	<b>3,592,107</b>	<b>4,014,011</b>
<b>NET ASSETS</b>		<b>139,368,961</b>	<b>137,545,421</b>	<b>134,705,104</b>
<b>EQUITY</b>				
Retained surplus		32,196,889	32,548,250	31,100,935
Reserves - cash backed	4	2,626,728	2,107,152	1,967,542
Financial Assets Reserve	10	0	0	63,263
Revaluation surplus	10	104,545,344	102,890,019	101,573,364
<b>TOTAL EQUITY</b>		<b>139,368,961</b>	<b>137,545,421</b>	<b>134,705,104</b>

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

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2018

		RESERVES				
	NOTE	RETAINED SURPLUS	CASH BACKED	REVALUATION SURPLUS	FINANCIAL SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$	\$
<b>Balance as at 1 July 2016</b>		30,525,936	1,967,542	101,573,364	63,263	134,130,104
Correction of Errors		575,000	0	0	0	575,000
<b>Restated Balances</b>		31,100,936	1,967,542	101,573,364	63,263	134,705,104
Comprehensive income						
Net result		1,586,924	0	0	0	1,586,924
Changes on revaluation of assets	10	0	0	1,316,655	0	1,316,655
Financial Assets Reserve	10	0	0	0	(63,263)	(63,263)
Total comprehensive income		1,586,924	0	1,316,655	(63,263)	2,840,316
Transfers from/(to) reserves		(139,610)	139,610	0	0	0
<b>Balance as at 30 June 2017</b>		32,548,250	2,107,152	102,890,019	0	137,545,421
Comprehensive income						
Net result		168,216	0	0	0	168,216
Changes on revaluation of assets	10	0	0	1,655,325	0	1,655,325
Total comprehensive income		168,216	0	1,655,325	0	1,823,541
Transfers from/(to) reserves		(519,576)	519,576	0	0	0
<b>Balance as at 30 June 2018</b>		32,196,889	2,626,728	104,545,344	0	139,368,961

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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		5,473,313	5,548,131	5,119,172
Operating grants, subsidies and contributions		2,224,532	1,005,491	2,179,040
Fees and charges		1,464,462	1,468,270	1,403,638
Interest earnings		250,243	176,419	226,272
Other revenue		86,421	77,512	88,943
		<u>9,498,971</u>	<u>8,275,823</u>	<u>9,017,065</u>
<b>Payments</b>				
Employee costs		(3,311,674)	(3,841,712)	(3,696,778)
Materials and contracts		(2,284,013)	(2,634,472)	(2,770,206)
Utility charges		(402,676)	(279,548)	(298,645)
Interest expenses		(124,642)	(124,642)	(133,779)
Insurance expenses		(248,904)	(192,610)	(178,580)
Other expenditure		(219,047)	(413,523)	(246,756)
		<u>(6,590,956)</u>	<u>(7,486,507)</u>	<u>(7,324,744)</u>
<b>Net cash provided by (used in) operating activities</b>	14	<u>2,908,015</u>	<u>789,316</u>	<u>1,692,321</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	7(b)	(821,983)	(1,520,270)	(304,183)
Payments for construction of infrastructure	8(b)	(1,868,206)	(3,180,550)	(2,582,072)
Non-operating grants, subsidies and contributions	2(a)	1,041,860	2,503,542	1,300,630
Proceeds from sale of fixed assets	9(a)	174,043	608,800	120,455
<b>Net cash provided by (used in) investment activities</b>		<u>(1,474,286)</u>	<u>(1,588,478)</u>	<u>(1,465,170)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of long term borrowings	12(a)	(214,337)	(214,337)	(205,200)
<b>Net cash provided by (used in) financing activities</b>		<u>(214,337)</u>	<u>(214,337)</u>	<u>(205,200)</u>
<b>Net increase (decrease) in cash held</b>		1,219,392	(1,013,499)	21,951
Cash at beginning of year		3,041,935	3,510,611	3,019,984
<b>Cash and cash equivalents at the end of the year</b>	14	<u>4,261,327</u>	<u>2,497,112</u>	<u>3,041,935</u>

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

**RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at start of financial year - surplus/(deficit)</b>		1,975,514	1,182,214	1,171,861
		1,975,514	1,182,214	1,171,861
<b>Revenue from operating activities (excluding rates)</b>				
Governance		33,987	8,486	40,716
General purpose funding		1,779,463	975,344	2,532,447
Law, order, public safety		74,850	72,878	85,727
Health		18,554	16,500	20,333
Education and welfare		35,147	35,190	35,996
Community amenities		743,468	699,787	704,686
Recreation and culture		507,410	561,748	543,937
Transport		213,463	215,407	204,461
Economic services		139,573	110,401	122,215
Other property and services		86,525	61,951	101,831
		3,632,440	2,757,692	4,392,349
<b>Expenditure from operating activities</b>				
Governance		(817,763)	(680,009)	(610,378)
General purpose funding		(229,590)	(302,384)	(349,683)
Law, order, public safety		(432,364)	(439,794)	(458,806)
Health		(211,027)	(256,659)	(241,703)
Education and welfare		(122,516)	(127,513)	(119,023)
Community amenities		(1,144,714)	(1,216,000)	(1,010,388)
Recreation and culture		(3,046,094)	(3,189,738)	(2,988,458)
Transport		(3,140,486)	(2,895,074)	(2,643,649)
Economic services		(797,680)	(898,217)	(733,551)
Other property and services		(111,245)	(76,782)	(397,372)
		(10,053,479)	(10,082,170)	(9,553,011)
<b>Operating activities excluded</b>				
(Profit) on disposal of assets	9(a)	(1,298)	0	0
Loss on disposal of assets	9(a)	35,228	151,302	24,905
Movement in rates paid in advance		(9,160)	0	3,519
Movement in deferred pensioner rates (non-current)		(18,747)	0	(12,306)
Movement in employee benefit provisions (non-current)		42,164	0	(58,255)
Depreciation and amortisation on assets	9(b)	2,808,301	2,444,360	2,369,475
<b>Amount attributable to operating activities</b>		(1,589,038)	(3,546,602)	(1,661,462)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions	2(a)	1,041,860	2,503,542	1,300,630
Proceeds from disposal of assets	9(a)	174,043	608,800	120,455
Purchase of property, plant and equipment	7(b)	(821,983)	(1,520,270)	(304,183)
Purchase and construction of infrastructure	8(b)	(1,868,206)	(3,180,550)	(2,582,072)
<b>Amount attributable to investing activities</b>		(1,474,286)	(1,588,478)	(1,465,170)
<b>FINANCING ACTIVITIES</b>				
Repayment of long term borrowings	12(a)	(214,337)	(214,337)	(205,200)
Transfers to reserves (restricted assets)	4	(544,576)	(345,419)	(240,638)
Transfers from reserves (restricted assets)	4	25,000	176,707	101,028
<b>Amount attributable to financing activities</b>		(733,913)	(383,049)	(344,810)
<b>Surplus(deficiency) before general rates</b>		(3,797,237)	(5,518,130)	(3,471,442)
<b>Total amount raised from general rates</b>	19	5,547,395	5,518,130	5,446,956
<b>Net current assets at June 30 c/fwd - surplus/(deficit)</b>	20	<b>1,750,159</b>	<b>0</b>	<b>1,975,514</b>

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

## 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 to the extent they are not in-consistent with the *Local Government Act 1995* and accompanying regulations.), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. 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.

The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or any other sporting or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

### 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

### CRITICAL ACCOUNTING ESTIMATES (Continued)

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 22 to these financial statements.

### AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

#### Land under roads

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

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

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

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

2. REVENUE AND EXPENSES

(a) Revenue	2018	2017
	Actual	Actual
	\$	\$
<b>Significant revenue</b>		
General Purpose Funding	773,337	769,489

The 2018 significant revenue relates to the early payment of Financial Assistance Grants received 25 June 2018 comprising of general purpose funding of \$434,978 and road funding of \$338,539.

The 2017 significant revenue relates to the early payment of Financial Assistance Grants received 30 June 2017 comprising of general purpose funding of \$440,407 and road funding of \$329,082.

**Other revenue**

Other	68,949	98,997
	<u>68,949</u>	<u>98,997</u>

**Fees and Charges**

Governance	1,049	294
General purpose funding	38,895	37,683
Law, order, public safety	20,976	25,299
Health	18,554	20,333
Education and welfare	32,109	32,958
Community amenities	735,468	692,998
Recreation and culture	484,146	478,698
Transport	352	440
Economic services	107,815	76,178
Other property and services	25,098	38,757
	<u>1,464,462</u>	<u>1,403,638</u>

There were no changes during the year to the amount of the fees or charges detailed in the original budget.

## 2. REVENUE AND EXPENSES (Continued)

### (a) Revenue (Continued)

#### Grant Revenue

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

	2018	2017
	\$	\$
<b>Operating grants, subsidies and contributions</b>		
Governance	32,938	40,422
General purpose funding	1,481,165	2,259,076
Law, order, public safety	49,873	54,719
Education and welfare	3,038	3,038
Community amenities	6,967	11,688
Recreation and culture	23,164	59,940
Transport	150,048	140,365
Economic services	31,006	21,704
Other property and services	60,129	63,075
	<u>1,838,329</u>	<u>2,654,026</u>
<b>Non-operating grants, subsidies and contributions</b>		
Recreation and culture	15,672	103,170
Transport	1,026,188	1,197,460
	<u>1,041,860</u>	<u>1,300,630</u>
<b>Total grants, subsidies and contributions</b>	<u>2,880,189</u>	<u>3,954,656</u>

	2018	2018	2017
	Actual	Budget	Actual
	\$	\$	\$
<b>Interest earnings</b>			
- Loans receivable - clubs/institutions	52,050	38,419	45,582
- Reserve funds	37,844	32,000	42,872
- Other funds	160,349	106,000	137,818
Other interest revenue (refer note 19(b))	250,243	176,419	226,272

#### SIGNIFICANT ACCOUNTING POLICIES

##### Grants, Donations and Other Contributions

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

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

##### Grants, Donations and Other Contributions (Continued)

particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 18.

That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current period.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

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

**(b) Expenses**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Auditors remuneration</b>		
Audit of the Annual Financial Report	16,668	22,058
Acquittal Audits	2,050	1,250
	<u>18,718</u>	<u>23,308</u>
 <b>Interest expenses (finance costs)</b>		
Long term borrowings (refer Note 12(a))	122,759	132,851
	<u>122,759</u>	<u>132,851</u>
 <b>Rental charges</b>		
Operating leases	2,581	1,464
	<u>2,581</u>	<u>1,464</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

3. CASH AND CASH EQUIVALENTS	NOTE	2018 \$	2017 \$
Unrestricted		1,110,689	789,038
Restricted		3,150,638	2,252,897
		4,261,327	3,041,935

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

Leave Reserve	4	481,548	450,029
Plant Reserve	4	672,341	526,818
Town Planning Reserve	4	7,147	6,971
Avon River Mtce Reserve	4	14,669	14,307
Industrial Land Reserve	4	127,426	124,285
Refuse Site Develop Reserve	4	183,100	178,586
Centennial Gardens Reserve	4	139,308	135,874
Public Open Space Cont Reserve	4	433	422
Community Bus	4	83,700	81,636
Pioneer Memorial Lodge Reserve	4	99,603	97,147
Residency Museum Reserve	4	6,041	5,892
Carparking Reserve	4	17,708	17,271
Building Reserve	4	354,540	51,089
Disaster Reserve	4	33,385	32,562
Archives Reserve	4	6,764	6,597
Water Supply Reserve	4	6,778	6,778
Tied Grant Funds Reserve	4	124,008	124,008
Cemetery Reserve	4	5,019	4,896
R.S.L. Memorial Reserve	4	13,036	12,715
Greenhills Townsite Development Reserve	4	29,956	29,217
Roads Reserve	4	91,637	89,377
Land & Infrastructure Reserve	4	110,872	93,403
Forrest Oval Lights	4	3,726	3,634
Bowls Synthetic Surface Reserve	4	12,216	11,915
Tennis Synthetic Surface Reserve	4	1,767	1,723
Unspent grants not held in Reserves	18	523,910	145,745
		3,150,638	2,252,897

#### SIGNIFICANT ACCOUNTING POLICIES

##### Cash and cash equivalents

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

##### Cash and cash equivalents (Continued)

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

4. RESERVES - CASH BACKED

	2018		2018		2018		2018		2018		2018		2017		2017	
	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Balance	Budget Opening Balance	Budget Transfer (from)	Budget Transfer to	Budget Closing Balance	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance
Leave Reserve	450,029	31,519	0	481,548	443,893	0	28,943	0	472,836	522,840	0	28,217	522,840	(101,028)	0	450,029
Plant Reserve	526,818	145,523	0	672,341	519,301	(100,000)	11,008	0	430,309	516,751	0	10,067	516,751	0	0	526,818
Town Planning Reserve	6,971	176	0	7,147	6,871	0	137	0	7,008	6,838	0	133	6,838	0	0	6,971
Avon River Mtce Reserve	14,307	362	0	14,669	14,103	0	100,282	0	114,385	14,034	0	273	14,034	0	0	14,307
Industrial Land Reserve	124,285	3,141	0	127,426	122,511	0	2,517	0	125,028	121,910	0	2,375	121,910	0	0	124,285
Refuse Site Develop Reserve	178,586	4,514	0	183,100	176,037	0	3,616	0	179,653	175,173	0	3,413	175,173	0	0	178,586
Centennial Gardens Reserve	135,874	3,434	0	139,308	133,936	(16,707)	2,596	0	119,825	133,278	0	2,596	133,278	0	0	135,874
Public Open Space Cont Reserve	422	11	0	433	416	0	8	0	424	414	0	8	414	0	0	422
Community Bus	81,636	2,063	0	83,699	80,471	(60,000)	311	0	20,782	80,076	0	1,560	80,076	0	0	81,636
Pioneer Memorial Lodge Reserve	97,147	2,456	0	99,603	95,761	0	1,079	0	96,840	95,291	0	1,856	95,291	0	0	97,147
Residency Museum Reserve	5,892	149	0	6,041	5,808	0	116	0	5,924	5,779	0	113	5,779	0	0	5,892
Carparking Reserve	17,271	437	0	17,708	17,026	0	350	0	17,376	16,941	0	330	16,941	0	0	17,271
Building Reserve	51,089	303,451	0	354,540	51,073	0	1,028	0	52,101	1,068	0	50,021	1,068	0	0	51,089
Disaster Reserve	32,562	823	0	33,385	32,098	0	659	0	32,757	31,939	0	623	31,939	0	0	32,562
Archives Reserve	6,597	167	0	6,764	6,503	0	3	0	6,506	6,471	0	126	6,471	0	0	6,597
Water Supply Reserve	6,778	0	0	6,778	6,778	0	0	0	6,778	6,778	0	0	6,778	0	0	6,778
Tied Grant Funds Reserve	124,008	0	0	124,008	146,984	0	0	0	146,984	48,652	0	75,356	48,652	0	0	124,008
Cemetery Reserve	4,896	124	0	5,020	4,826	0	0	0	4,826	4,802	0	94	4,802	0	0	4,896
R.S.L. Memorial Reserve	12,715	321	0	13,036	12,534	0	257	0	12,791	12,472	0	243	12,472	0	0	12,715
Greenhills Townsite Development Reserve	29,217	739	0	29,956	28,800	0	127	0	28,927	28,659	0	558	28,659	0	0	29,217
Roads Reserve	89,377	2,259	0	91,636	88,958	0	3,005	0	91,963	28,816	0	60,561	28,816	0	0	89,377
Land & Infrastructure Reserve	93,403	42,469	(25,000)	110,872	92,071	0	41,891	0	133,962	91,618	0	1,785	91,618	0	0	93,403
Forrest Oval Lights	3,634	92	0	3,726	3,583	0	2,114	0	5,697	3,565	0	69	3,565	0	0	3,634
Bowls Synthetic Surface Reserve	11,915	301	0	12,216	11,745	0	4,322	0	16,067	11,687	0	228	11,687	0	0	11,915
Tennis Synthetic Surface Reserve	1,723	45	0	1,768	1,698	0	2,050	0	3,748	1,690	0	33	1,690	0	0	1,723
Main Street Reserve	0	0	0	0	0	0	139,000	0	139,000	0	0	0	0	0	0	0
	2,107,152	544,576	(25,000)	2,626,728	2,103,785	(176,707)	345,419	0	2,272,497	1,967,542	0	240,638	1,967,542	(101,028)	0	2,107,152

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

#### 4. RESERVES - CASH BACKED (Continued)

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
Leave Reserve	Ongoing	To fund annual and long service leave requirements.
Plant Reserve	Ongoing	To be used to fund plant purchases or major capital repairs.
Town Planning Reserve	Ongoing	To develop and review the York Town Planning schemes and amendments.
Avon River Mice Reserve	Ongoing	To maintain and protect the Avon River and its environs.
Industrial Land Reserve	Ongoing	For the continued development and expansion of an industrial subdivision within the Shire.
Refuse Site Develop Reserve	Ongoing	To be used for ongoing maintenance and development of Council's waste management facilities.
Centennial Gardens Reserve	Ongoing	To be used for further expansion and capital repairs of the existing units.
Public Open Space Cont Reserve	Ongoing	For the expansion and development of passive recreation areas within the Shire.
Community Bus	Ongoing	To finance the changeover of the Community Bus (funded by the operational surplus of the Community Bus).
Pioneer Memorial Lodge Reserve	Ongoing	To finance capital improvements and extensions to the seniors village (funded by the operational surplus of the Lodge).
Residency Museum Reserve	Ongoing	To fund capital expenditure and maintenance of the historical museum.
Carparking Reserve	Ongoing	To fund the management and control of parking facilities in accordance with Council's Parking Plan.
Building Reserve	Ongoing	For the construction and major capital improvements to all Council buildings.
Disaster Reserve	Ongoing	A contingency reserve to help fund recovery from any natural disaster.
Archives Reserve	Ongoing	To provide a secure building for the safe storage of Council's Archival Records.
Water Supply Reserve	Ongoing	To hold funds raised through the water supply charge until the loan repayment is due.
Tied Grant Funds Reserve	Ongoing	To segregate grant funds provided for specific projects until those projects are carried out.
Cemetery Reserve	Ongoing	To provide for the ongoing development of the existing York Cemetery or the development of a new site at a location to be determined.
R.S.L. Memorial Reserve	Ongoing	To provide for the upgrading of the RSL Memorial.
Greenhills Townsite Development Reserve	Ongoing	To provide funds to enhance the amenity and economic potential of the Greenhills Townsite with such funds to be expended in consultation with the Greenhills Progress Association.
Roads Reserve	Ongoing	To provide for future road resealing requirements.
Land & Infrastructure Reserve	Ongoing	For the purpose of funding the purchase of land and or buildings or the construction of buildings.
Forrest Oval Lights	Ongoing	To provide for the replacement and upgrading of the Oval Lights.
Bowls Synthetic Surface Reserve	Ongoing	To provide for the future replacement of Bowls synthetic surface.
Tennis Synthetic Surface Reserve	Ongoing	To provide for the future replacement of Tennis synthetic surface.
Main Street Reserve	Ongoing	To provide funds to upgrade the Main Street and the development of a Town Precinct

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

5. TRADE AND OTHER RECEIVABLES

**Current**

Rates outstanding	
Sundry debtors	
Less provision for doubtful debts	
Accrued income	
Prepayments	
LSL owed by other Local Governments	
ESL Debtors	
Pensioner rebates	

	2018	2017
	\$	\$
	1,091,760	1,013,067
	416,519	549,021
	(352,541)	(352,043)
	15,744	268,946
	8,467	32,219
	24,983	42,455
	33,298	45,992
	500	2,006
	<b>1,238,730</b>	<b>1,601,663</b>
	100,134	81,387
	<b>100,134</b>	<b>81,387</b>

**Non-current**

Rates outstanding - pensioners	
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Information with respect the impairment or otherwise of the totals of rates outstanding and sundry debtors is as follows:

**Rates outstanding**

Includes:

Past due and not impaired	
Impaired	

991,219	913,024
100,541	100,043

**Other debtors**

Includes:

Past due and not impaired	
Impaired	

114,211	175,231
252,000	252,000

**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.

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

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

**Classification and subsequent measurement**

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

**6. INVENTORIES**

	<u>2018</u>	<u>2017</u>
	\$	\$
<b>Current</b>		
Stock on hand - Works and Services	11,490	10,555
Stock on hand - York Recreation and Convention Centre	29,433	26,304
	<u>40,923</u>	<u>36,859</u>

**SIGNIFICANT ACCOUNTING POLICIES**

**General**

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

**7 (a). PROPERTY, PLANT AND EQUIPMENT**

	2018	2017
	\$	\$
Land and buildings		
Land at:		
- Independent valuation 2018 - level 3	5,580,550	0
- Independent valuation 2015 - level 3	0	5,295,450
- Additions after valuation	0	265,000
Total land	5,580,550	5,560,450
Buildings - non-specialised at:		
- Independent valuation 2018 - level 3	25,962,977	0
- Independent valuation 2015 - level 3	0	25,590,498
- Additions after valuation	0	530,321
Less: accumulated depreciation	0	(1,188,447)
Total buildings	25,962,977	24,932,372
Total land and buildings	31,543,527	30,492,822
Furniture and equipment at:		
- Management valuation 2017 - level 3	844,098	844,098
- Additions after valuation	102,343	0
Less: accumulated depreciation	(613,214)	(511,123)
	333,227	332,975
Plant and equipment at:		
- Independent valuation 2016 - level 2	3,126,560	3,126,560
- Management valuation 2016 - level 3	473,854	473,854
- Disposals	(240,195)	0
- Additions after valuation	711,800	165,449
Less: accumulated depreciation	(1,542,238)	(1,315,718)
	2,529,781	2,450,145
<b>Total property, plant and equipment</b>	<b>34,406,535</b>	<b>33,275,942</b>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

**7. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(b) Movements in Carrying Amounts**

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

	Land	Buildings - non- specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2016</b>	5,560,450	25,415,252	30,975,702	299,327	2,649,311	33,924,340
Additions	0	102,210	102,210	36,524	165,449	304,183
(Disposals)	0	0	0	0	(145,359)	(145,359)
Revaluation increments/ (decrements) transferred to revaluation surplus	0	0	0	61,757	0	61,757
Depreciation (expense)	0	(594,307)	(594,307)	(64,633)	(219,256)	(878,196)
Transfers	0	9,217	9,217	0	0	9,217
<b>Carrying amount at 30 June 2017</b>	5,560,450	24,932,372	30,492,822	332,975	2,450,145	33,275,942
Additions	0	173,289	173,289	102,343	546,351	821,983
(Disposals)	0	0	0	0	(207,973)	(207,973)
Revaluation increments/ (decrements) transferred to revaluation surplus	20,100	1,453,946	1,474,046	0	0	1,474,046
Depreciation (expense)	0	(596,630)	(596,630)	(102,091)	(258,742)	(957,463)
<b>Carrying amount at 30 June 2018</b>	5,580,550	25,962,977	31,543,527	333,227	2,529,781	34,406,535

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

**7. PROPERTY, PLANT AND EQUIPMENT (Continued)**

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>Land and buildings</b>					
Land	2	Market approach using recent observable market data for similar assets	Independent	June 2018	Price per square metre
Buildings - non-specialised	3	Cost approach using depreciated replacement cost	Independent	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>Furniture and equipment</b>	<b>3</b>	<b>Cost approach using depreciated replacement cost</b>	<b>Management</b>	<b>June 2017</b>	<b>Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs</b>
<b>Plant and equipment</b>					
- Independent valuation 2016	2	Market approach using recent observable market data for similar assets	Independent	June 2016	Market price based on make, size, year of manufacture and condition
- Management valuation 2016	3	Cost approach using depreciated replacement cost	Management	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

8 (a). INFRASTRUCTURE

	2018	2017
	\$	\$
Infrastructure - Roads		
- Management valuation 2017 - level 3	99,021,096	99,021,096
- Additions after valuation	1,462,689	0
Less: accumulated depreciation	(31,724,529)	(30,734,415)
	<u>68,759,256</u>	<u>68,286,681</u>
Infrastructure - Drainage		
- Management valuation 2017 - level 3	37,774,634	37,774,634
- Additions after valuation	155,498	0
Less: accumulated depreciation	(20,942,341)	(20,559,021)
	<u>16,987,791</u>	<u>17,215,613</u>
Infrastructure - Bridges		
- Independent valuation 2018 - level 3	11,222,600	0
- Independent valuation 2015 - level 3	0	11,069,000
- Additions after valuation	0	90,072
Less: accumulated depreciation	0	(278,110)
	<u>11,222,600</u>	<u>10,880,962</u>
Infrastructure - Footpaths		
- Management valuation 2017 - level 3	1,552,434	1,552,434
- Additions after valuation	110,224	0
Less: accumulated depreciation	(216,983)	(183,244)
	<u>1,445,675</u>	<u>1,369,190</u>
Infrastructure - Other Structures		
- Management valuation 2017 - level 3	3,289,453	3,289,453
- Additions after valuation	75,473	0
Less: accumulated depreciation	(1,036,159)	(807,358)
	<u>2,328,767</u>	<u>2,482,095</u>
Infrastructure - Parks and Reserves		
- Independent valuation 2018 - level 3	2,554,300	0
- Independent valuation 2014 - level 3	0	2,954,000
- Additions after valuation	0	59,560
Less: accumulated depreciation	0	(148,359)
	<u>2,554,300</u>	<u>2,865,201</u>
<b>Total infrastructure</b>	<u>103,298,389</u>	<u>103,099,742</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

8. INFRASTRUCTURE (Continued)

(b) Movements in Carrying Amounts

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

	Infrastructure - Roads	Infrastructure - Drainage	Infrastructure - Bridges	Infrastructure - Footpaths	Infrastructure - Other Structures	Infrastructure - Parks and Reserves	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2016</b>	82,713,836	505,536	11,020,489	1,216,856	2,269,070	3,037,481	100,763,268
Additions	2,256,029	25,991	0	62,657	202,189	35,206	2,582,072
Revaluation increments/ (decrements) transferred to revaluation surplus	(15,673,771)	16,700,778	0	135,604	225,314	(133,027)	1,254,898
Depreciation (expense)	(1,009,413)	(7,475)	(139,527)	(45,927)	(214,478)	(74,459)	(1,491,279)
Transfers	0	(9,217)	0	0	0	0	(9,217)
<b>Carrying amount at 30 June 2017</b>	68,286,681	17,215,613	10,880,962	1,369,190	2,482,095	2,865,201	103,099,742
Additions	1,462,689	155,498	62,270	110,224	75,472	2,053	1,868,206
Revaluation increments/ (decrements) transferred to revaluation surplus	0	0	418,895	0	0	(237,616)	181,279
Depreciation (expense)	(990,114)	(383,320)	(139,527)	(33,739)	(228,800)	(75,338)	(1,850,838)
<b>Carrying amount at 30 June 2018</b>	68,759,256	16,987,791	11,222,600	1,445,675	2,328,767	2,554,300	103,298,389

## 8. INFRASTRUCTURE (Continued)

### (c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Drainage	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Bridges	3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Footpaths	3	Cost approach using depreciated replacement cost	Management valuation	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Other Structures	3	Cost approach using depreciated replacement cost	Management valuation	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

## 9. FIXED ASSETS

### SIGNIFICANT ACCOUNTING POLICIES

#### Fixed assets

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

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

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

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

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

#### Revaluation

The fair value of fixed assets is determined at least every three years in accordance with the regulatory framework. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

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

#### Land under control

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

9. FIXED ASSETS (Continued)

(a) Disposals of Assets

The following assets were disposed of during the year.

	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit	Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Plant and Equipment</b>								
<b>Governance</b>								
Sedan Trailblazer LTZ 2016	33,721	32,727	0	(994)	36,264	30,000	0	(6,264)
Sedan Mazda CX5 Red 2016	28,329	24,545	0	(3,784)	30,139	23,000	0	(7,139)
Sedan Mazda CX5 White 2016	0	0	0	0	29,965	23,000	0	(6,965)
Sedan Mazda CX9 White 2017	0	0	0	0	36,800	35,000	0	(1,800)
<b>Health</b>								
Sedan - Hyundai i30 2015 Y86	22,465	11,443	0	(11,022)	23,987	15,000	0	(8,987)
<b>Community amenities</b>								
Development Services Vehicle	0	0	0	0	27,563	25,000	0	(2,563)
<b>Transport</b>								
Works Plant as listed below:	0	0	0	0	241,316	175,800	0	(65,516)
Cherry Picker	13,654	2,000	0	(11,654)				
Hino Truck 2008 Y1660	32,202	30,909	0	(1,293)				
Hino Truck 2008 Y397	29,127	29,091	0	(36)				
Stihl Blower BG86C	198	145	0	(53)				
Husqvarna Chainsaw 372XP	464	409	0	(55)				
Stihl Brushcutter FS240C	396	182	0	(214)				
Stihl Telescopic Polesaw	975	364	0	(611)				
Husqvarna Chainsaw 372XP x2	1,526	409	0	(1,117)				
<b>Economic services</b>								
Community Bus	0	0	0	0	50,750	10,000	0	(40,750)
<b>Other property and services</b>								
Utility Ford Ranger 2016 Y96	31,668	27,273	0	(4,395)	32,603	23,000	0	(9,603)
Mazda BT50 Y387	13,248	14,546	1,298	0	14,837	10,000	0	(4,837)
2 Dinsdale Street - House	0	0	0	0	235,878	239,000	3,122	0
	207,973	174,043	1,298	(35,228)	760,102	608,800	3,122	(154,424)

(b) Depreciation

	2018	2017
	\$	\$
Buildings - non-specialised	596,630	594,307
Furniture and equipment	102,091	64,633
Plant and equipment	258,742	219,256
Infrastructure - Roads	990,114	1,009,413
Infrastructure - Drainage	383,320	7,475
Infrastructure - Bridges	139,527	139,527
Infrastructure - Footpaths	33,739	45,927
Infrastructure - Other Structures	228,800	214,478
	2,808,301	2,369,475

## 9. FIXED ASSETS (Continued)

### (b) Depreciation (Continued)

#### SIGNIFICANT ACCOUNTING POLICIES

##### Depreciation

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

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.

##### Depreciation rates

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

Buildings	30 - 50 Years
Furniture and Equipment	4 -10 Years
Plant and Equipment	5 - 15 Years
Bridges	75 Years
Walkways and Skate Park	60-80 Years
Drainage - Culvert Pipes	80 Years
Drainage - Underground Pipes	120 Years
Parks Furniture and Equipment	5 – 20 Years
Roads	
Formation	not depreciated
Pavement Structure	70-110 Years
Bitumen Seal	20 Years
Unsealed Roads	30 Years

##### Depreciation (Continued)

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

10. REVALUATION SURPLUS

	2018				2017			
	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Total Revaluation Movement on	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Total Revaluation Movement on
	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus -Land	3,981,700	20,100	0	20,100	3,981,700	0	0	0
Revaluation surplus -Buildings - non-specialised	16,354,628	1,453,946	0	1,453,946	16,354,628	0	0	0
Revaluation surplus -Furniture and equipment	61,757	0	0	0	61,757	0	0	61,757
Revaluation surplus -Plant and equipment	804,963	0	0	0	804,963	0	0	0
Revaluation surplus - Infrastructure - Drainage	16,700,778	0	0	0	16,700,778	0	0	16,700,778
Revaluation surplus - Infrastructure - Park/Reserves	2,820,973	0	(237,616)	(237,616)	2,954,000	0	(133,027)	(133,027)
Revaluation surplus - Infrastructure - Bridges	8,886,659	418,895	0	418,895	8,886,659	0	0	0
Revaluation surplus - Infrastructure - Footpaths	863,267	0	0	0	727,663	135,604	0	135,604
Revaluation surplus - Infrastructure - Other Structures	533,633	0	0	0	308,319	225,314	0	225,314
Revaluation surplus - Infrastructure - Roads	51,881,661	0	0	0	67,555,432	0	(15,673,771)	(15,673,771)
	102,890,019	1,892,941	(237,616)	1,655,325	101,573,364	17,123,453	(15,806,798)	1,316,655

Movements on revaluation of fixed assets are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

Financial Assets Reserve	2018				2017			
	Opening Balance	Revaluation Increment	Closing Balance	Total Revaluation Movement on	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Total Revaluation Movement on
	\$	\$	\$	\$	\$	\$	\$	\$
Local Government House Trust	0	0	0	63,263	0	(63,263)	0	(63,263)

The Shire of York has a shareholding of four units in the Local Government House Trust, the value of which was recognised in 2015/16. The value of \$63,263 was calculated based on the Trusts 30 June 2015 audited financial statements. Nevertheless, there is unlikely to be any future benefits accruing to the Council from this Trust and the decision was made to write it back to zero.

## 11. TRADE AND OTHER PAYABLES

### Current

Sundry creditors  
Accrued interest on long term borrowings  
Accrued salaries and wages

	2018	2017
	\$	\$
	744,324	185,932
	19,187	21,070
	79,861	83,764
	<u>843,372</u>	<u>290,766</u>

### SIGNIFICANT ACCOUNTING POLICIES

#### Trade and other payables

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

#### Trade and other payables (Continued)

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

12. INFORMATION ON BORROWINGS

(a) Repayments - Borrowings

Particulars	Principal	New	Principal		Principal		Interest		Interest
	1 July 2017	Loans	Repayments	30 June 2018	Repayments	Budget	Actual	Rate	
	\$	\$	\$	\$	\$	\$	\$	\$	%
<b>Recreation and culture</b>									
Loan 62 - Forrest Oval	1,086,400	0	50,265	1,036,135	50,265	1,036,135	67,319	67,664	6.30%
Loan 63 - Forrest Oval	234,576	0	19,037	215,539	19,037	215,539	11,576	11,717	5.15%
Loan 64 - Forrest Oval	365,907	0	29,696	336,211	29,696	336,211	18,057	18,277	5.15%
Loan 65 - Archive Facility	62,361	0	11,962	50,399	11,962	50,399	2,776	2,826	4.88%
Loan 67 - Building Purchase	543,743	0	56,423	487,320	56,423	487,320	16,500	17,429	3.29%
<b>Transport</b>									
Loan 66 - Plant	248,589	0	46,954	201,635	46,954	201,635	6,531	6,729	2.84%
	2,541,576	0	214,337	2,327,239	214,337	2,327,239	122,759	124,642	

The Shire's existing loans are held with Western Australian Treasury Corporation. Repayments were financed by general purpose revenue.

**Borrowings**

	2018	2017
	\$	\$
Current	223,922	214,337
Non-current	2,103,317	2,327,238
	<u>2,327,239</u>	<u>2,541,575</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

12. INFORMATION ON BORROWINGS (Continued)

(b) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit	200,000	200,000
Bank overdraft at balance date	0	0
Credit card limit	10,000	10,000
Credit card balance at balance date	(284)	(428)
<b>Total amount of credit unused</b>	<b>209,716</b>	<b>209,572</b>

Loan facilities

Loan facilities - current

Loan facilities - non-current

**Total facilities in use at balance date**

**Unused loan facilities at balance date**

	223,922	214,337
	2,103,317	2,327,238
	<b>2,327,239</b>	<b>2,541,575</b>

**UNUSED**

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.

### 13. PROVISIONS

	Provision for Annual/Sick Leave	Provision for Long Service Leave	Total
	\$	\$	\$
<b>Opening balance at 1 July 2017</b>			
Current provisions	462,787	244,306	707,093
Non-current provisions	0	52,673	52,673
	<u>462,787</u>	<u>296,979</u>	<u>759,766</u>
Additional provision	28,324	18,376	46,700
<b>Balance at 30 June 2018</b>	<u>491,111</u>	<u>315,355</u>	<u>806,466</u>
<b>Comprises</b>			
Current	491,111	252,037	743,148
Non-current	0	63,318	63,318
	<u>491,111</u>	<u>315,355</u>	<u>806,466</u>

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

	Annual/Sick Leave	Long Service Leave	Total
	\$	\$	\$
Current Provisions			
Within 12 months of the end of the reporting period	366,447	130,360	496,807
More than 12 months after the end of the reporting period	124,664	121,677	246,341
	<u>491,111</u>	<u>252,037</u>	<u>743,148</u>

#### 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.

## 14. 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:

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Cash and cash equivalents	4,261,327	2,497,112	3,041,935
<b>Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>			
Net result	168,216	697,194	1,586,924
Non-cash flows in Net result:			
Depreciation	2,808,301	2,444,360	2,369,475
(Profit)/loss on sale of asset	33,930	151,302	24,905
Changes in assets and liabilities:			
(Increase)/decrease in receivables	344,186	0	(822,241)
(Increase)/decrease in inventories	(4,064)	0	50,592
Increase/(decrease) in payables	552,606	0	(236,957)
Increase/(decrease) in provisions	46,700	0	20,252
Grants contributions for the development of assets	(1,041,860)	(2,503,542)	(1,300,630)
Net cash from operating activities	2,908,015	789,314	1,692,320

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

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

	2018	2017
	\$	\$
Governance	2,940,040	2,950,340
General purpose funding	1,285,000	2,870,450
Law, order, public safety	886,371	952,108
Health	90,244	764,497
Education and welfare	2,486,500	2,291,183
Community amenities	540,611	611,219
Recreation and culture	26,182,443	25,684,080
Transport	98,799,585	98,063,890
Economic services	93,717	117,259
Other property and services	2,939,963	2,070,659
Unallocated	7,101,564	4,761,843
	<u>143,346,038</u>	<u>141,137,528</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

16. LEASING COMMITMENTS

(a) Operating Lease Commitments

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

Payable:

- not later than one year
- later than one year but not later than five years
- later than five years

	2018	2017
	\$	\$
	2,839	0
	3,283	0
	0	0
	6,123	0

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

Leases (Continued)

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

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

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

## 17. RELATED PARTY TRANSACTIONS

### Elected Members Remuneration

The following fees, expenses and allowances were paid to council members and/or the President.	2018	2018	2017
	Actual	Budget	Actual
	\$	\$	\$
Meeting Fees	101,273	101,346	101,346
President's allowance	16,749	16,749	16,749
Deputy President's allowance	4,187	4,187	4,187
Travelling expenses	734	1,500	336
Telecommunications allowance	14,326	14,000	24,787
	<u>137,269</u>	<u>137,782</u>	<u>147,405</u>

### Key Management Personnel (KMP) Compensation Disclosure

The total of remuneration paid to KMP of the Shire in addition to elected members during the year are as follows:	2018	2017
	\$	\$
Short-term employee benefits	870,006	891,393
Post-employment benefits	106,258	87,395
Other long-term benefits	19,895	94,240
	<u>996,159</u>	<u>1,073,028</u>

#### Short-term employee benefits

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

#### Post-employment benefits

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

#### Other long-term benefits

These amounts represent long service benefits accruing during the year.

### Transactions with related parties

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

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

The following transactions occurred with related parties:	2018	2017
	\$	\$
Sale of goods and services	0	0
Purchase of goods and services	135,973	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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

18. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening	Received <sup>(2)</sup>	Expended <sup>(3)</sup>	Closing	Received <sup>(2)</sup>	Expended <sup>(3)</sup>	Closing
	Balance <sup>(1)</sup> 1/07/16	2016/17	2016/17	Balance <sup>(1)</sup> 30/06/17	2017/18	2017/18	Balance 30/06/18
	\$	\$	\$	\$	\$	\$	\$
<b>Governance</b>							
Connecting Local Governments Funding (SEAVROC)	* 44,054	0	0	44,054	0	0	44,054
Workforce Plan Funding (SEAVROC)	* 18,186	0	0	18,186	0	0	18,186
Business Case Grant Funds (SEAVROC)	* 13,118	0	0	13,118	0	0	13,118
You're Welcome/ Disability Awareness Training Funds (SEAVROC)	* 22,976	0	0	22,976	0	0	22,976
Zero Waste Plan Grant (SEAVROC)	* 6,119	0	0	6,119	0	0	6,119
Directions - Leadership Programme	* 1,500	0	0	1,500	0	0	1,500
DLGSC - Age Friendly Communities	10,000	0	0	10,000	0	(10,000)	0
<b>Law, order, public safety</b>							
Cat Sterilisation Program	3,385	0	(3,385)	0	0	0	0
<b>Recreation and culture</b>							
ANZAC Centenary Grant (Krupp Gun Housing etc)	27,273	0	(27,273)	0	0	0	0
ANZAC Centenary Grant - Walk With Us	31,287	0	(12,733)	18,554	0	(18,554)	0
CANWA - Remembering Them - Walk With Us	0	13,360	(8,035)	5,325	0	(5,325)	0
Town Hall Upgrades	0	103,170	0	103,170	0	(103,170)	0
Town Hall Honour Board Refurbishment	0	0	0	0	16,925	(5,000)	11,925
Avon Park Amenity Upgrades	0	0	0	0	15,672	0	15,672
<b>Transport</b>							
Special Purpose Financial Assistance Grants - Bridges	* 18,057	0	0	18,057	0	0	18,057
Stronger Communities	11,785	0	(11,785)	0	0	0	0
Creating Age Friendly Communities	40,000	0	(40,000)	0	0	0	0
Roads to Recovery	0	0	0	0	566,404	(70,091)	496,313
<b>Economic services</b>							
Regional Visitor Centre Sustainability Grant Program	16,250	0	(12,554)	3,696	0	(3,696)	0
DLGSC - Nature Play Festival	0	5,000	0	5,000	0	(5,000)	0
<b>Total</b>	263,990	121,530	(115,765)	269,755	599,001	(220,836)	647,920

Notes:

(1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.

(2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.

(3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

(\*) - Grants/contributions received as revenue in a previous reporting period which were not expended and have been transferred to Reserve 40 - Tied Grant Funds

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

19. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
<b>Differential general rate / general rate</b>											
<b>Gross rental valuations</b>											
General	0.1185	1,416	22,194,799	2,629,862	4,628	(6,247)	2,628,243	2,627,859	10,000	100	2,637,959
<b>Unimproved valuations</b>											
General	0.0090	334	205,894,000	1,854,281	5,005	766	1,860,052	1,854,281	0	0	1,854,281
<b>Sub-Total</b>		1,750	228,088,799	4,484,143	9,632	(5,480)	4,488,295	4,482,140	10,000	100	4,492,240
<b>Minimum payment</b>											
<b>Gross rental valuations</b>											
General	1,080	549	1,942,349	592,920	0	0	592,920	594,000	0	0	594,000
<b>Unimproved valuations</b>											
General	1,430	326	35,333,055	466,180	0	0	466,180	461,890	0	0	461,890
<b>Sub-Total</b>		875	37,275,404	1,059,100	0	0	1,059,100	1,055,890	0	0	1,055,890
Discounts/concessions (refer note 19(b))											
<b>Total amount raised from general rate</b>											
Movement in rates paid in advance											
<b>Total Rates</b>											
		2,625	265,364,203	5,543,243	9,632	(5,480)	5,547,395	5,538,030	10,000	100	5,548,130
							0				(30,000)
							5,547,395				5,518,130
							9,159				0
							5,556,554				5,518,130
Ex-gratia rates							13,129				13,129

**SIGNIFICANT ACCOUNTING POLICIES**

**Rates**

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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19. RATING INFORMATION (Continued)

(b) Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount %	Discount \$	Actual \$	Budget \$
Rates Write Offs				0	30,000
Rates Penalty Interest				27	
Legal Fees				335	
				<u>362</u>	<u>30,000</u>

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	28-Aug-17	0	0.00%	11.00%
<b>Option Two</b>				
First instalment	28-Aug-17	0	5.50%	11.00%
Second instalment	30-Oct-17	10	5.50%	11.00%
Third instalment	15-Jan-18	10	5.50%	11.00%
Fourth instalment	15-Mar-18	10	5.50%	11.00%

	2018 \$	2018 Budget \$
Interest on unpaid rates	135,579	84,000
Interest on instalment plan	24,770	22,000
Charges on instalment plan	19,540	19,500
	<u>179,889</u>	<u>125,500</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

## 20. NET CURRENT ASSETS

Composition of net current assets for  
the purposes of the Rate Setting Statement

	2018 (30 June 2018 Carried Forward) \$	2018 (1 July 2017 Brought Forward) \$	2017 (30 June 2017 Carried Forward) \$
<b>Surplus/(Deficit) 1 July 17 brought forward</b>	1,750,159	1,975,514	1,975,514
<b>CURRENT ASSETS</b>			
Cash and cash equivalents			
Unrestricted	1,110,689	789,038	789,038
Restricted	3,150,638	2,252,897	2,252,897
Receivables			
Rates outstanding	1,091,760	1,013,066	1,013,066
Sundry debtors	416,519	549,021	549,021
Less provision for doubtful debts	(352,541)	(352,043)	(352,043)
Accrued income	15,744	268,947	268,947
Prepayments	8,467	32,219	32,219
LSL owed by other Local Governments	24,983	42,455	42,455
ESL Debtors	33,298	45,992	45,992
Pensioner rebates	500	2,006	2,006
Inventories			
Stock on hand - Works and Services	11,490	10,555	10,555
Stock on hand - York Recreation and Convention Centre	29,433	26,304	26,304
<b>LESS: CURRENT LIABILITIES</b>			
Trade and other payables			
Sundry creditors	(744,324)	(185,932)	(185,932)
Accrued interest on long term borrowings	(19,187)	(21,070)	(21,070)
Accrued salaries and wages	(79,861)	(83,764)	(83,764)
Current portion of long term borrowings	(223,922)	(214,337)	(214,337)
Provisions			
Provision for annual leave	(415,329)	(400,144)	(400,144)
Provision for sick leave	(75,782)	(62,643)	(62,643)
Provision for long service leave	(252,037)	(244,306)	(244,306)
<b>Unadjusted net current assets</b>	<b>3,730,538</b>	<b>3,468,261</b>	<b>3,468,261</b>
<b>Adjustments</b>			
Less: Reserves - restricted cash	(2,626,728)	(2,107,152)	(2,107,152)
Less: Rates Received in Advance	(59,121)	(49,962)	(49,962)
Add: Current portion of long term borrowings	223,922	214,337	214,337
Add: Leave Reserve	481,548	450,029	450,029
<b>Adjusted net current assets - surplus/(deficit)</b>	<b>1,750,159</b>	<b>1,975,514</b>	<b>1,975,514</b>

### Difference

There was no difference between the surplus/(deficit) 1 July 2017 brought forward position used in the 2018 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2017 audited financial report.

## 21. FINANCIAL RISK MANAGEMENT

The Shire's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Shire's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Shire.

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

Financial risk management is carried out by the finance area under policies approved by the Council.

The Shire held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2018	2017	2018	2017
	\$	\$	\$	\$
<b>Financial assets</b>				
Cash and cash equivalents	4,261,327	3,041,935	4,261,327	3,041,935
Receivables	1,338,864	1,683,050	1,338,864	1,683,051
	<u>5,600,191</u>	<u>4,724,985</u>	<u>5,600,191</u>	<u>4,724,986</u>
<b>Financial liabilities</b>				
Payables	843,372	290,766	843,372	290,766
Borrowings	2,327,239	2,541,575	2,619,352	2,859,112
	<u>3,170,611</u>	<u>2,832,341</u>	<u>3,462,724</u>	<u>3,149,878</u>

Fair value is determined as follows:

Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.

Borrowings, held to maturity investments, estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

## 21. FINANCIAL RISK MANAGEMENT (Continued)

### (a) Cash and Cash Equivalents

The Shire's objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash portfolio. Council has an Investment Policy and the Policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

Cash is subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the Shire.

The Shire manages these risks by diversifying its portfolio and only investing in investments authorised by Local Government (Financial Management) Regulation 19C.

	2018	2017
	\$	\$
Impact of a 1% <sup>(1)</sup> movement in interest rates on cash		
- Equity	42,613	30,419
- Statement of Comprehensive Income	42,613	30,419

*Notes:*

<sup>(1)</sup> Sensitivity percentages based on management's expectation of future possible interest rate movements.

## 21. FINANCIAL RISK MANAGEMENT (Continued)

### (b) Receivables

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

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

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

The Shire makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Shire's credit risk at balance date was:

	2018	2017
	%	%
Percentage of rates and annual charges		
- Current (Past due)	92%	93%
- Non-current (Deferred)	8%	7%
Percentage of other receivables		
- Current <30 days	27%	55%
- Past due >30 days	73%	45%

## 21. FINANCIAL RISK MANAGEMENT (Continued)

### (c) 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.

The contractual undiscounted cash flows of the Shire's Payables and Borrowings are set out in the Liquidity Table below:

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b>2018</b>					
Payables	843,372	0	0	843,372	843,372
Borrowings	338,979	1,283,748	1,424,921	3,047,648	2,327,239
	1,182,351	1,283,748	1,424,921	3,891,020	3,170,611
<b>2017</b>					
Payables	290,766	0	0	290,766	290,766
Borrowings	338,979	1,283,748	1,763,900	3,386,627	2,541,575
	629,745	1,283,748	1,763,900	3,677,393	2,832,341

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	%

#### Borrowings

##### Fixed rate

Long term borrowings		252,033	2,075,206	2,327,239	4.60%
Weighted average Effective interest rate		3.86%	4.97%		

#### Year ended 30 June 2017

#### Borrowings

##### Fixed rate

Long term borrowings		310,949	2,230,626	2,541,575	4.03%
Weighted average Effective interest rate		3.25%	5.26%		

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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## 22. TRUST FUNDS

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

	1 July 2017	Amounts Received	Amounts Paid	30 June 2018
	\$	\$	\$	\$
BCITF PAYMENT	864	7,265	7,304	825
BOND CAT TRAP	89	1,445	1,267	267
BONDS - EXTRACTIVE INDUSTRIES	4,500	0	0	4,500
BONDS - FOOTPATH & KERB	15,500	4,000	2,500	17,000
BONDS - HALL ETC	6,240	3,450	3,460	6,230
BONDS - KEYS	2,440	160	300	2,300
BONDS - PARKS/COUNCIL PROPS	500	500	500	500
BONDS - RENTAL PROPERTY	1,435	0	0	1,435
BUILDER REGIST BOARD LEVY	1,219	11,224	11,071	1,372
BUILDING BONDS	5,350	0	3,750	1,600
CASH RECEIPTS - OTHER	9,198	500	300	9,398
COMMUNITY BUS BONDS	1,350	1,150	1,000	1,500
CROSSOVER BOND - ASTONE	3,000	0	3,000	0
CROSSOVER BOND - AVON VALLEY P	5,940	0	0	5,940
CROSSOVER BOND - N BLISS	1,650	0	0	1,650
CROSSOVER BOND - SMORENBURG	1,650	0	0	1,650
FUNDRAISING ACCOUNT	(509)	434	0	(75)
FUNDS HELD FOR LOCAL GROUPS	15,895	2,149	3,489	14,554
GREENHILLS BUSHFIRE BRIGADE	114	0	0	114
LEEWIN CONTRIBUTIONS	800	0	0	800
MOTO CROSS TRACK	5,244	621	0	5,865
NOMINATION DEPOSIT	0	560	560	0
PALMBROOK - CROSSOVERS	64,402	0	5,882	58,520
PALMBROOK - FOOTPATHS	68,689	75	54,483	14,281
PALMBROOK - INTERSECTIONS	29,876	0	0	29,876
PALMBROOK - PUBLIC OPEN SPACE	58,422	0	0	58,422
PALMBROOK - RURAL NUMBERS	1,820	0	0	1,820
PLANNING BONDS	2,900	3,000	0	5,900
POLICE LICENSING	0	1,350,147	1,350,147	0
PROPERTY SALE NON PAYMENT RATES	69,065	0	0	69,065
SETTLERS HOUSE BONDS	13,357	0	0	13,357
SPORTING PRECINCT	3,960	1,100	450	4,610
SUBDIVISION BOND - BAWDEN	3,300	0	0	3,300
SUBDIVISION BOND - PREISIG	31,845	0	0	31,845
SUBDIVISION BONDS	51,013	0	3,300	47,713
	481,118	1,387,780	1,452,763	416,134

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Shire.

Management's assessment of the new and amended pronouncements that are relevant to the Shire, applicable to future reporting periods and which have not yet been adopted are set out as follows:

Title	Issued / Compiled	Applicable (1)	Impact
(i) AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Shire, it is not anticipated the Standard will have any material effect.
(ii) AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2019	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.  The effect of this Standard will depend on the nature of future transactions the Shire has with those third parties it has dealings with. It may or may not be significant.
(iii) AASB 16 Leases	February 2016	1 January 2019	Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability into the statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position when AASB 16 is adopted.  Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Shire, the impact is not expected to be significant.

**Notes:**

(1) Applicable to reporting periods commencing on or after the given date.

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Title	Issued / Compiled	Applicable (1)	Impact
(iv) AASB 1058 Income of Not-for-Profit Entities	December 2016	1 January 2019	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> <li>- Assets received below fair value;</li> <li>- Transfers received to acquire or construct non-financial assets;</li> <li>- Grants received;</li> <li>- Prepaid rates;</li> <li>- Leases entered into at below market rates; and</li> <li>- Volunteer services.</li> </ul> <p>Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Shire's operations.</p>

Notes:

(1) Applicable to reporting periods commencing on or after the given date.

**Adoption of New and Revised Accounting Standards**

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

Whilst many reflected consequential changes associate with the amendment of existing standards, the only new standard with material application is as follows:

- |      |   |                |
|------|---|----------------|
| (i)  | AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities | 1 January 2017 |
| (ii) | AASB 2016-7 Amendments to Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities  | 1 January 2017 |

## 24. 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.

## 25. ACTIVITIES/PROGRAMS

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

PROGRAM NAME	OBJECTIVE
<b>GOVERNANCE</b>	Members expenses and the costs associated with meetings of Council, policy determination and public ceremonies and presentations and administration allocations.
<b>GENERAL PURPOSE FUNDING</b>	Rates, general purpose government grants and interest revenue.
<b>LAW, ORDER, PUBLIC SAFETY</b>	Supervision of local laws, fire prevention including the provision of volunteer fire brigades, animal control and the support of local emergency and public safety organisations.
<b>HEALTH</b>	Food quality control, immunisation, environmental health and support to the medical practice and practitioners.
<b>EDUCATION AND WELFARE</b>	Building maintenance of Pioneer Memorial Lodge (leased Aged Care facility) and Centennial Units which are a joint venture with Homeswest providing self contained units to over 55's. Support to youth based initiatives.
<b>COMMUNITY AMENITIES</b>	Rubbish collection services, management of waste facilities, noise control, administration of the Town Planning Scheme, maintenance of cemeteries and storm water drainage maintenance.
<b>RECREATION AND CULTURE</b>	Maintenance of halls, aquatic centre, recreation centre and various reserves. Operation of the library and support to and maintenance of the Residency Museum.
<b>TRANSPORT</b>	Construction and maintenance of roads, bridges, footpaths, drainage works, lighting and cleaning of streets and depot maintenance.
<b>ECONOMIC SERVICES</b>	Area promotion, support to tourism and events, building control, the community bus, and standpipes.
<b>OTHER PROPERTY AND SERVICES</b>	Private works carried out by Council, public works overhead allocations, plant operation cost allocations and stock.

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26. FINANCIAL RATIOS

	2018	2017	2016
Current ratio	1.80	3.19	1.87
Asset consumption ratio	0.71	0.73	0.85
Asset renewal funding ratio	1.74	0.97	0.48
Asset sustainability ratio	0.83	1.22	0.50
Debt service cover ratio	6.10	8.25	1.76
Operating surplus ratio	(0.12)	0.04	(0.29)
Own source revenue coverage ratio	0.72	0.74	0.70

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	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

**Notes:**

Three of the ratios disclosed above were distorted by the early receipt of Financial Assistance Grants. In addition, two of the ratios were impacted by revenue and expenses associated with flood damage re-instatement which is considered one-off in nature.

	2017/18	2016/17	2015/16
	\$	\$	\$
Amount of Financial Assistance Grant received during the year relating to the subsequent year.	773,337	769,489	0
Amount of Financial Assistance Grant received in prior year relating to current year.	769,489	0	742,355
Amount of reimbursement for flood damage received	0	208,000	0
Expenditure on flood damage re-instatement	263,000	291,000	0

If the events detailed above did not occur, the impacted ratios in the 2018, 2017 and 2016 columns above would be as follows:

	2018	2017	2016
Current ratio	2.38	2.18	1.70
Debt service cover ratio	3.81	5.97	3.91
Operating surplus ratio	(0.23)	(0.07)	(0.19)

## 27. PRIOR PERIOD CORRECTIONS

Balances relating to the 2017 comparative year have been amended due to the correction of prior period balances. These amendments have been adjusted as shown below and, in accordance with the requirements of AASB101, a statement of financial position as at the beginning of the earliest comparative period has been included (refer statement of financial position column labelled as at 1 July 2016).

A number of prior period corrections have been made for this annual report.

### 1. Racecourse Land

In July 2015 the Shire was gifted 50% of Racecourse land, relating to the York Racing Club. Under the terms of the MOU, the Shire retains ownership of 50% of the Land, however the York Racing club assumes the rights and responsibilities over the asset(s) including the responsibility to maintain and renew those assets.

During the first revaluation of Land and Buildings in 2014-15 the Shire did not revalue or recognise the new asset. As at 30 June 2018, the Shire has recognised and revalued this asset, and made prior-period adjustments to recognise the value of this asset as it existed at 30 June 2016.

### 2. Drainage Assets

During the year ended 30 June 2018, the Shire performed a physical inspection of all Drainage culverts. The result of this inspection identified a number of misreported drainage assets recorded in RAMM during the revaluation performed as at 30 June 2017.

As at 30 June 2018, the Shire has reviewed and updated all assets within the Drainage asset class and also made prior-period adjustments to recognise the fair value of these assets as they existed at 30 June 2017. This adjustment had no effect on the figures reported for drainage assets prior to 30 June 2017.

### 3. Reclassification of Assets from Land and Buildings to Infrastructure - Parks and Reserves

For the year ended 30 June 2018, the Shire performed a revaluation of all building assets. During the course of the audit it was identified that within this class, was a number of assets that required reclassification from Buildings to Infrastructure - Park and Reserves, based on their nature. As a result these assets have been transferred out of the Buildings class.

As at 30 June 2018, the Shire has recognised these assets as Infrastructure - Park and Reserves and made prior-period adjustments to recognise the fair value of these assets as they existed at 30 June 2016 and 30 June 2017.

## 27. PRIOR PERIOD CORRECTIONS (Continued)

	30 June 2017		30 June 2017
	Original Balance	Amount of Adjustment	Adjusted Balance
	\$	\$	\$
<b>Effect of the corrections:</b>			
<b><u>Changes to Financial Statements</u></b>			
<b>Statement of Comprehensive Income</b>			
<b>- by Nature or Type</b>			
Other Comprehensive Income			
Changes on revaluation of non-current assets	9,037,448	(7,720,793)	1,316,655
<b>- by Program</b>			
Other Comprehensive Income			
Changes on revaluation of non-current assets	9,037,448	(7,720,793)	1,316,655
<b><u>Changes to Financial Statements</u></b>			
<b>Statement of Financial Position</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	35,566,143	(2,290,201)	33,275,942
Infrastructure	107,955,334	(4,855,592)	103,099,742
<b>Equity</b>			
Retained Surplus	31,973,250	575,000	32,548,250
Revaluation Surplus	110,610,812	(7,720,793)	102,890,019
<b>Note 7 - Property, Plant and Equipment</b>			
<b>Land</b>			
- Independent valuation 2015 - level 3	4,985,450	575,000	5,560,450
<b>Buildings</b>			
- Independent valuation 2015 - level 3	28,544,498	(2,954,000)	25,590,498
- Additions after valuation	589,881	(59,560)	530,321
Less: accumulated depreciation	(1,336,806)	148,359	(1,188,447)
<b>Note 8 - Infrastructure</b>			
<b>Infrastructure - Drainage</b>			
- Management valuation 2017 - level 3	43,992,682	(6,218,047)	37,774,635
Less: accumulated depreciation	(19,056,275)	(1,502,746)	(20,559,021)
<b>Infrastructure - Parks and Reserves</b>			
- Independent valuation 2015 - level 3	0	2,954,000	2,954,000
- Additions after valuation	0	59,560	59,560
Less: accumulated depreciation	0	(148,359)	(148,359)
<b>Note 10 - Revaluation Surplus</b>			
<b>Infrastructure - Drainage</b>			
	24,421,571	(7,720,793)	16,700,778
<b>Buildings</b>			
	19,175,601	(2,820,973)	16,354,628
<b>Infrastructure - Parks and Reserves</b>			
	0	2,820,973	2,820,973
<b>Note 15 - Total Assets Classified by Function and Activity</b>			
Recreation and Culture	25,109,080	575,000	25,684,080
Transport	105,784,683	(7,720,793)	98,063,890

## 27. PRIOR PERIOD CORRECTIONS (Continued)

	30 June 2016		30 June 2016
	Original	Amount of	Adjusted
Effect of the corrections:	Balance	Adjustment	Balance
	\$	\$	\$
<b>Changes to Financial Statements</b>			
<b>Statement of Financial Position</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	36,149,396	(2,225,056)	33,924,340
Infrastructure	97,963,213	2,800,056	100,763,269
<b>Note 7 - Property, Plant and Equipment</b>			
Land			
- Independent valuation 2015 - level 3	4,985,450	575,000	5,560,450
Buildings			
- Independent valuation 2015 - level 3	28,440,100	(2,954,000)	25,486,100
- Additions after valuation	440,680	(24,354)	416,326
- Transfers	0	104,398	104,398
Less: accumulated depreciation	(665,472)	73,900	(591,572)
<b>Note 8 - Infrastructure</b>			
Infrastructure - Parks and Reserves			
- Independent valuation 2015 - level 3	0	2,954,000	2,954,000
- Management valuation 2014 - level 3	825,988	0	825,988
- Additions after valuation	0	24,354	24,354
- Transfers	0	(104,398)	(104,398)
Less: accumulated depreciation	(588,563)	(73,900)	(662,463)
<b>Note 10 - Revaluation Surplus</b>			
Buildings	19,175,601	(2,820,973)	16,354,628
Infrastructure - Parks and Reserves	0	2,820,973	2,820,973



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

To the Council of the Shire of York

#### Report on the Audit of the Financial Report

##### **Opinion**

I have audited the annual financial report of the Shire of York which comprises the Statement of Financial Position as at 30 June 2018, 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, and 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 York:

- (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 2018 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 financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### **Emphasis of Matter – Basis of Accounting**

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Shire's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report, as we cannot predict future events or conditions that may have an impact.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

- (i) All required information and explanations were obtained by me.
- (ii) All audit procedures were satisfactorily completed.
- (iii) 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 report of the Shire for the year ended 30 June 2017 was audited by another auditor who expressed an unmodified opinion on that financial report. The financial ratios for 2017 and 2016 in Note 26 of the audited financial report were included in the supplementary information and/or audited financial report for those years.

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

This auditor's report relates to the annual financial report of the Shire of York for the year ended 30 June 2018 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.



CAROLINE SPENCER  
AUDITOR GENERAL  
FOR WESTERN AUSTRALIA  
Perth, Western Australia  
27 November 2018





**Shire of York**

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