



SHIRE OF YORK  
**ANNUAL REPORT**  
2019 - 2020



Adopted December 2020

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



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### **Acknowledgement of Country**

The Shire of York acknowledge the Traditional Custodians of the land, the Balladong people of the Noongar nation and pays respects to Elders past, present and emerging.

We recognise the unique and valuable contribution the Balladong Noongar people have made and continue to make to our culture and in our community.

The land on which we live, meet and thrive as a community always was and always will be Noongar land.

# Shire President's Report

It is my pleasure to introduce the Shire of York's Annual Report to provide details of the Shire's affairs for the 2019/2020 financial year. This annual report was accepted by Council at its meeting on 22 December 2020 and the contents of this report will be discussed at a general meeting of electors to be held on 2 February 2021.

In the October 2019 Local Government elections, the Shire welcomed two new Councillors, Cr Ashley Garratt and Cr Stephen Muhleisen, and I was elected by Council to the role of Shire President. I was extremely proud to be elected as Shire President and will continue to work tirelessly to enhance and support our community. I would also like to acknowledge the contribution of ex-Cr Heather Saint and Cr Jane Ferro for their time on Council prior to the 2019 elections. In June 2020 ex-Cr David Wallace resigned his position on Council. I thank David for all his work and leadership over two terms as President.

In February 2020, we welcomed Chris Linnell to the position of Chief Executive Officer (CEO). Just 4 weeks into the job the State Government declared the State of Emergency in response to the global pandemic COVID-19. Chris Linnell and the administration staff responded admirably, pulling together to manage a wide variety of unknowns in the most uncertain of times. This period also saw our community shine with everyone looking out for friends and neighbours to ensure all were safe and had the assistance they needed.

Council and staff worked tirelessly to find opportunities to support the community through this difficult period. In March 2020 Council held a Special Meeting to adopt the COVID-19 Specific Business Continuity Plan to ensure essential services continued while still protecting staff and the community. At the Ordinary Meeting of Council in April, Council

voted to implement the Hardship Policy allowing:

- ▶ Temporary relief from interest on outstanding rates and sundry debts.
- ▶ For a 0% rate in the dollar rise ready for budget adoption in July 2020 for the 2020/21 financial year.
- ▶ Reduction or suspension of fees and charges.
- ▶ The repurposing of reserve funds to provide greater financial assistance to the community.

Council adapted rapidly to meeting on Zoom, with all meetings still going ahead. Both the CEO and I meet weekly via Zoom with David Templeman, Minister for Local Government and representatives from WALGA, the Department of Health, and WA Police so that York was constantly updated with the latest COVID-19 developments and strategies.

## Highlights

A highlight of the year was the title of Honorary Freeman of the Shire being bestowed on Mrs Lorna Saunders in a civic ceremony in recognition of her many years of voluntary service to the community.

The Shire prepared a Responsible Authority Report (RAR) in response to an application by the Allawuna Landfill Holdings to the Joint Development Assessment Panel (JDAP) to extend the period for substantial commencement of Development Approval for the construction and use of Allawuna Farm for the purposes of a Class II Landfill at Great Southern Highway, St Ronan's. The JDAP did not support the extension request but we now await the applicant's request to take this decision to State Administrative Tribunal (SAT).

In November 2019 representatives from the Heritage Council of WA, GeoScience Australia, and the University of Adelaide visited York and presented their Earthquake Mitigation Project to the Council and members of the public. York has committed to participating in the protection of important assets via the project and has so far received in excess of \$100,000 to commence protective work on the Residency Museum in the 2020/21 financial year.

During February 2020, Michael McCormack, Deputy Prime Minister and Christian Porter, Attorney General and Member for Pearce invited the CEO and myself to meet with other Pearce delegates to consider electorate concerns. We discussed York as a Trails Town, the Earthquake Mitigation Project and other issues such as the Secondary Freight Route, Great Southern Highway and aged care in rural towns.

Throughout 2019/20 the Shire conducted significant fire mitigation clearing along the Avon River and was successful in obtaining \$249,683 from the Department of Fire and Emergency Services towards this work.

The 2019/20 Financial year can be clearly split into two parts, life before a global pandemic and life in a global pandemic!

On behalf of the Council, I would like to thank the Chief Executive Officer and Staff for the work they have undertaken throughout the year. Their commitment, enthusiasm and work ethic throughout the 2019/20 year is evident in the achievements contained in this report.



**Cr Denese Smythe**  
Shire President



# Introduction by CEO

It is with pleasure that I present my report for the 2019-2020 year. The year has been unique in the challenges posed and I commend the Council and our staff for their commitment and professionalism that has enabled us to rise to these challenges and provide the community with the guidance, support and high-level service required in these extraordinary times.

## Achievements

The Avon Park redevelopment was a high point of the year made possible with funding from the WA Government through Lotterywest (\$366,000), the Shire of York (\$215,000) and the Commonwealth (\$350,000). The project finished on time and opened to the public in June 2020 to a very positive reception both locally and further afield.

The Local Planning Strategy and Local Planning Scheme Review was adopted in December 2019. These planning documents provide the long-term vision to guide and control future land use and support responsible growth of the Shire.

The Major Strategic Review commenced in November 2019 and the community provided clear direction for the Strategic Community Plan 2020 – 2030 which was adopted in June 2020.

The focus on Tourism and Economic Development remains a priority for the Shire and June 2019 saw the launch of Experience York WA—a social media initiative to support our tourism strategies using Facebook and Instagram platforms to showcase the wide range of attractions York offers to visitors.

The global landscape changed in March 2020 when COVID-19 took hold, and everyone had to adapt to a new way of living. The Shire took immediate steps to action Federal and State requirements and support the community.

The Shire delivered the YORKIND initiative, a community support program to assist more vulnerable members of the community. To ensure continuity of services to isolated customers and homeschooling the library organised phone and collect or home delivery. Storytime was delivered digitally providing a weekly engagement and educational opportunity for those at home.

## Management Changes

Paul Martin resigned as CEO in September 2019. I would like to thank Paul for his efforts in implementing change over his time at the Shire which saw improvements in all areas from governance to community engagement. Mark Dacombe and Allan Cooper provided cover as A/CEO during the period of recruitment for the new CEO. In addition, Suzie Haslehurst, Executive Manager Corporate and Community Services resigned in June 2020. I thank them all for their contribution.

I extend my appreciation and recognition to all Shire Staff for their invaluable contribution over a year that will forever be remembered. Without the support and dedication of a professional, passionate and community focussed workforce we would not have been able to achieve, and respond, to everything that we have over the past year.



**Chris Linnell**  
Chief Executive  
Officer

# A Place Where Community Vision Becomes a Reality



# 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.”



## 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.



## 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.



## 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.



## 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.



## 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.





# Council's Strategic Priorities



*The Council's strategic priorities in 2019/20 were:*

- ▶ *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*

# Governance



## Elected Members

The Local Government elections were held on 19 October 2019 and the York Shire Councillors duly elected are as follows:

Cr Denese Smythe  
Shire President  
Expiry of Term:  
October 2023



Cr Dennis Warnick  
Deputy Shire President  
Expiry of Term:  
October 2021



Cr David Wallace  
Councillor  
Expiry of Term:  
October 2021



This year Council resolved in accordance with Section 4.61(2) of the Local Government Act 1995 to change the method of conducting the election from an In Person election to a Postal election using the Australia Post Priority Service.

Cr Ashley Garratt  
Councillor  
Expiry of Term:  
October 2023



Four Councillors were due to retire in 2019: Cr Pam Heaton, Cr Denese Smythe, Cr Heather Saint and Cr Jane Ferro. Cr Saint stood down as a Shire of York Councillor and we thank her for her significant contribution in her time as a Councillor for the Shire of York.

Councillors Heaton, Smythe and Ferro nominated for re-election.

Cr Ferro was unsuccessful in her election campaign to remain on Council.

Cr Pamela Heaton  
Councillor  
Expiry of Term:  
October 2023



### Councillor Resignation

It is noted that Cr David Wallace resigned from Council on the 8 June 2020.

Cr Stephen Muhleisen  
Councillor  
Expiry of Term:  
October 2023



### Register of Complaints about Conduct of Members

The Local Government Act 1995 s5.121 requires the complaints officer of the Local Government to maintain a register of complaints which records all complaints that result in an action under the Local Government Act s5.110 (6)(b) or (c). This register is held on the Shire of York's website. There were no breaches recorded for the 2019/20 year.

Cr Kevin Trent OAM; RFD;  
Councillor  
Expiry of Term:  
October 2021





## Strategic and Governance Activities

### Major Strategic Review - Strategic Community Plan

A Major Strategic Review process was commenced in November 2019 and the Imagine York 2030 community consultation commenced in January 2020 and included 2 community workshops, stands at the Australia Day events and a community questionnaire.

The community vision and objectives were collated following the community engagement process to develop the Shire's Strategic Community Plan (SCP) 2020–2030 and Corporate Business Plan 2020–2024. The SCP was adopted by Council in June 2020 and will be reviewed every two years alternating between a minor and major strategic review.

### Covid-19 Pandemic - Business Continuity Plan

The Coronavirus Pandemic was declared on 12 March 2020 and rapidly spread across the globe. The State Government of Western Australia declared a State of Emergency on 16 March 2020. The Shire responded quickly, developing the Business Continuity Plan to provide a framework to manage the implications and impacts of the Coronavirus (COVID-19) Health Alert issued by the World Health Organisation (WHO) and the Federal and State governments.

### Covid-19 Recovery Strategy

The Shire of York's COVID-19 Recovery Strategy outlines Council's overall approach to responding and recovering from the COVID-19 pandemic. The strategy details how the Shire will facilitate the recovery of its community following the COVID-19 pandemic.



# Shire of York

## Community Engagement & Consultation Register

The Shire uses the IAP2 Framework of Public Participation to define the public's role in all community engagement processes. The IAP2 Framework defines levels of participation as INFORM, CONSULT, INVOLVE, COLLABORATE, EMPOWER.

Name of Engagement	Name of Engagement	Name of Engagement
Major Strategic Review	Shire Rebranding	Flora and Fauna EPA Level 1 Survey of Wongborel - Mt. Brown by External Consultants
Date	Date	Date
Commenced in January 2020	Commenced May 2020, but not complete in 2019/2020 year. To be reported on in 2020/21 year.	13 -30 September 2019
Engagement	Engagement	Engagement
<p>IAP2: INVOLVE</p> <p>Workshop held with Councillors. Stands manned at Australia Day celebration locations. Two community workshops held. Advertised in the local newspaper, Facebook, and the Shire website with hard copies available for viewing at the administration front counter and noticeboards.</p>	<p>IAP2: CONSULT</p> <p>Advertised in the local newspaper, Facebook, and the Shire website with hard copies available for viewing at the administration front counter and noticeboards.</p>	<p>IAP2: INFORM</p> <p>An outline of the project was made available on the Shire website and Facebook page to inform the community of the project and indicate timing for the survey. Local residents of the Shire of York and identified stakeholders were invited to submit information.</p>
Analysis/Comment/Lessons Learnt	Analysis/Comment/Lessons Learnt	Analysis/Comment/Lessons Learnt
<p>Strong representation from environmental groups at workshops but only limited participation by other community sectors.</p>	<p>Low levels of participation were recorded for the initial engagement. Further consultation was conducted in 20/21 and full results will be discussed in that annual report.</p>	<p>Three representatives of environmental groups met with and/or accompanied the consultant on a fieldwork day.</p>



Name of Engagement	Name of Engagement	Name of Engagement
Dieback Survey of Wongborel-Mt Brown by External Consultants	Avon Park Redevelopment and Skate Park	York Bypass Draft Final Route Assessment
Date	Date	Date
23 October to 4 November 2019	7th June - July 2019 to 13th August 2020	Commence May 2020, but not complete in 2019/2020 year. To be reported on in 2020/21 year.
Engagement	Engagement	Engagement
<p>IAP2: INFORM</p> <p>An outline of the project was made available on the Shire website and Facebook page to inform the community of the project and indicate timing for the survey. Local residents of the Shire of York and identified stakeholders were invited to submit information.</p>	<p>IAP2: INVOLVE</p> <p>Based on the initial concept plan that Council approved following extensive community consultation, Council secured \$366,000 Lotterywest funding and \$350,000 Federal Government funding towards the key elements of the concept that community identified as most desirable.</p> <p>Feedback was sought for the specific elements to be included in the Nature Playground and Skate Park. The proposed design for the overall Avon Park Redevelopment was posted on the Shire website, Facebook page and at the Shire Office for public review. Onsite community consultation was undertaken by Emerge Associates on behalf of the Shire on two occasions. They also meet with the Access and Inclusion Committee, Early Years Play Group, Shire Councilors.</p>	<p>IAP2: CONSULT</p> <p>Advertising was commenced for comment via Facebook, the Shire website and the community noticeboard in the Shire office.</p>
Analysis/Comment/Lessons Learnt	Analysis/Comment/Lessons Learnt	Analysis/Comment/Lessons Learnt
<p>No response to invitation to accompany consultant on fieldwork. 3 responses to Facebook post. One email comment from a well-respected local environmentalist. All information was passed to consultant.</p>	<p>Shire Facebook feedback, 41 likes, 4 loves 0 dislikes. York Community Concerns Facebook, 10 likes, 1 love. Robust feedback that was taken on board by the Consultant and incorporated in the final design. An in depth Consultation report was presented to the Council meeting 23 September along with the final designs for Council adoption.</p>	<p>Further consultation was conducted in 2020/21 and an analysis will be included as part of that Annual Report.</p>

## Policies and Delegations Review

A role of Council is to determine Local Government policies. The development and management of Council policy is an ongoing process. It is important that Council policies are kept up to date and are reviewed on a regular basis under the direction of the Chief Executive Officer. If any changes or amendments are required these are brought to Council for endorsement.

### **New policies introduced this year include:**

- ▶ F1.9 Panels of Pre-Qualified Suppliers
- ▶ F1.10 Financial Hardship—Rates and Charges
- ▶ G1.15 Attendance at Events Policy: Elected Members and CEO's

### **Amended Policies this year include:**

- ▶ C1.4 Sponsorship and Tourism
- ▶ F1.5 Authority to Make Payments from Trust and Municipal Funds
- ▶ G1.1 Code of Conduct: Councillors, Committee Members and Employees
- ▶ G1.2 Councillors: Training and Continuing Professional Development

## Register of Delegated Authority

Sections 5.18 and 5.46(2) of the Local Government Act 1995 require 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 Register of Delegated Authority was reviewed and adopted in November 2019.

## Shire Property Management

Old St Patrick's Convent School and Old Tennis Court Site

The advertising of these properties continues with Ray White Commercial, with an extension being granted by Council to the 30 June 2020.

## Leases

The following leases were finalised during this period:

York Men's Shed—Deed of Variation and partial Surrender of Land registered with Landgate



# Human Resources



## Senior Staff

During the year, the following senior staff were employed by the Shire of York.

Chief Executive Officer	Mr Chris Linnell 17/02/2020
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## Employee Remuneration 2019/20

In the 2019/20 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:

Bands	Employees
\$100,000 to \$109,999	
\$110,000 to \$119,999	
\$120,000 to \$129,999	
\$130,000 to \$139,999	
\$140,000 to \$149,999	2
\$150,000 to \$159,999	
\$160,000 to \$169,999	
\$170,000 to \$179,999	1
\$180,000 to \$189,999	

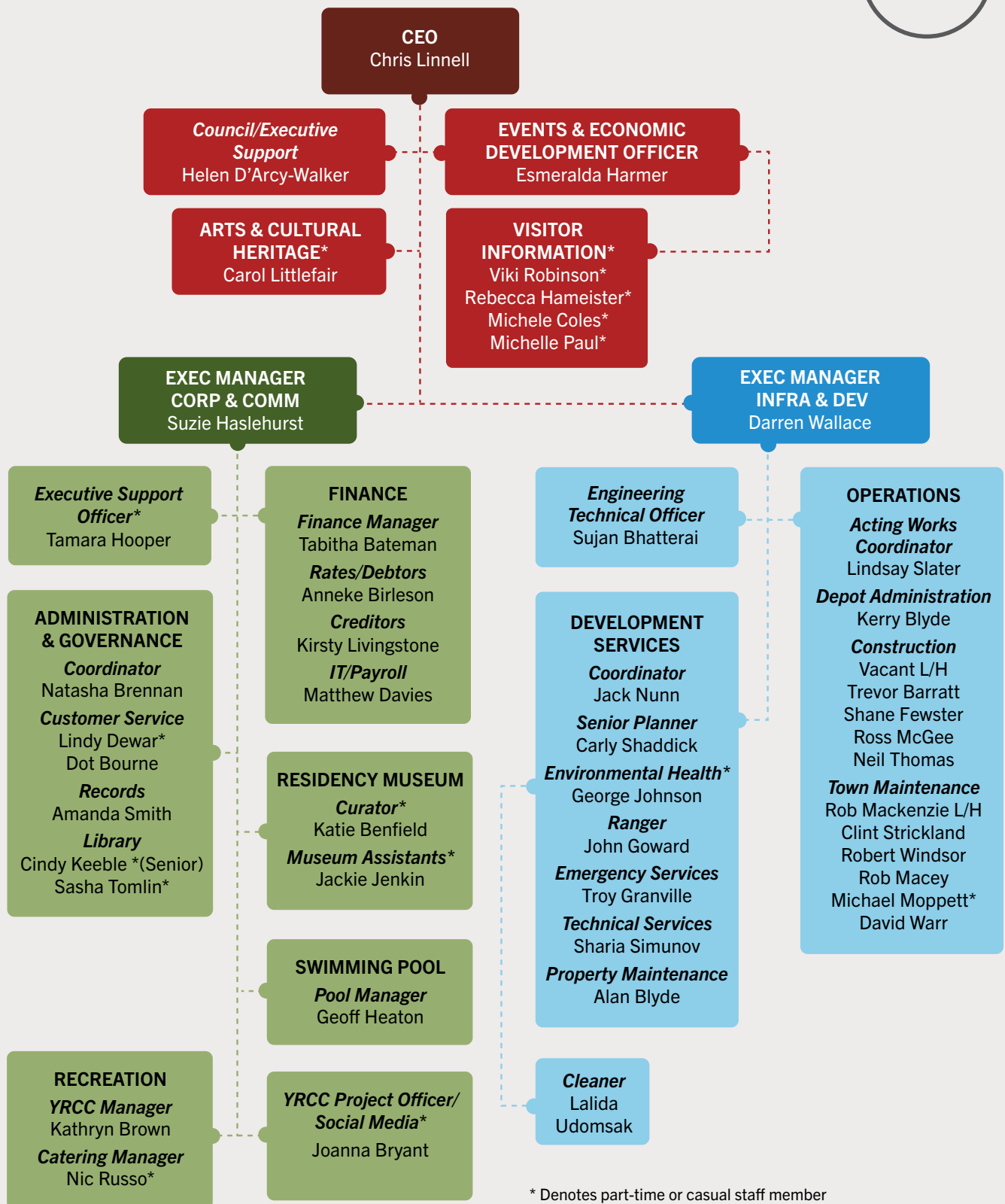
As part of the annual performance review process, officers and their supervisors identify areas where additional training is required or sought. In addition, cross-organisational training is provided to increase the capacity of the organisation. During 2019/20 this included:

- ▶ 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 Training
- ▶ COVID Training

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 Chart 2019/20



The following staff left the employ of the Shire during the 19/20 year:

**Mr Paul Martin**—Chief Executive Officer

**Ms Suzie Haslehurst**—Executive Manager Corporate & Community Services

**Mr Jethro Sleer**—Works Coordinator

The Shire 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 the York Public Library and the Shire is grateful for their on-going contribution.



# Events & Economic Development



Whilst festivals and events have been significant to the town’s economic growth throughout the first quarter of the 2019/20 year, the global pandemic declared in March 2020 required a renewed approach to economic development for the remainder of the financial year.

The adoption of the Trails Master Plan in 2019 and support provided to cycle friendly events positioned the town well in its COVID-19 recovery phase to continue to attract visitors and cyclists at a domestic level.

Leveraging this support alongside the newly developed Avon Park precinct saw visitor numbers bolstered following the lifting of COVID restrictions from May–30 June 2020, a traditionally quieter visitor period for York.

Over \$130,000 was provided throughout the 2019/20 financial year to the following festivals and events, in addition to in kind support of \$20,000:

EVENT	ATTENDANCE
York Motor Show	3,000
Triumph Ride	500
York Show	5,000
York Festival	28,000
York Rodeo	3,000
Art & Craft Awards	2,500
Garage Sale Trail	400
German Car Day	200
York Christmas Festival	500
Australia Day Events	800
Outdoor Summer Movie Series	1,200
Mountain Bike events over two weekends	1,500



**2020 Events cancelled due to COVID-19 gathering restrictions:**

- ▶ York Motorcycle Festival
- ▶ Easter Antique Fayre
- ▶ YORKids



The Community Funding and Sponsorship of Tourism Events programs enables the Shire to support large-scale events designed to appeal to a wider market of visitors, community-based groups and other locally relevant activities.



The following events and organisations receiving a total of \$46,416 in the 2019/20 financial year.

ORGANISATION	FUNDING AMOUNT
York Veteran Car Club	\$6,000
York True Country Scooters	\$500
Talbot Brook Community Group	\$948
York Christmas Festival	\$12,000
York Friendship Club	\$5,000
Triumph Riders Group	\$1,500
York Boot Scooters	\$1,500
Wheatbelt Endurance Ride	\$1,000
York District High School	\$2,000
York Rose Patchwork & Quilters	\$750
York Men's Shed	\$2,000
York RSL	\$400
York Family Playgroup	\$3,000
York Swimming Club	\$2,500
York Community Resource Centre	\$2,790
York Garden Club	\$500
York Netball Club	\$2,028
Gooder Judder Aboriginal Corporation	\$2,000

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

NAME	PURPOSE	ANNUAL FUNDING
York Society	Art & Craft Awards	\$6,500
Avon Valley Motor Museum	Assist York Motor Museum Operations	\$18,000
York Arts & Events	York Festival	\$22,500
Premiere Events	York Motorcycle Festival	\$23,000

*\* Some events funded under the 19/20 budget were impacted by Covid-19 and did not go ahead as planned.*

## Tourism

In 2020 and the onset of COVID-19; when entire countries were shutting down and large-scale social distancing was rampant, tourism and the ways in which we operate and connect with one another and the world around us changed indefinitely.

When regional restrictions lifted in WA, York was well positioned as a cost affordable inter-regional destination for adventure, families and recreation experiences.

Many travel-lovers sought closer to home wallet-friendly experiences. Deliberate digital marketing campaigns promoting York's natural and outdoor experiences such as walk & cycle trails, self drive and COVID-19 'safe' experiences, saw visitor numbers increase in June 2020 versus June 2019.

These early indicators evidence more peoples willingness to tour closer to their home base, support local economies and explore regional and rural areas.

### Key Tourism Highlights

- ▶ Development of an online platform marketing the Avon Valley Region in conjunction with other local shires
- ▶ Development of a suite of regional self - drive digital brochures.
- ▶ Launch of Visitor Centre Play Trail application designed by and for families

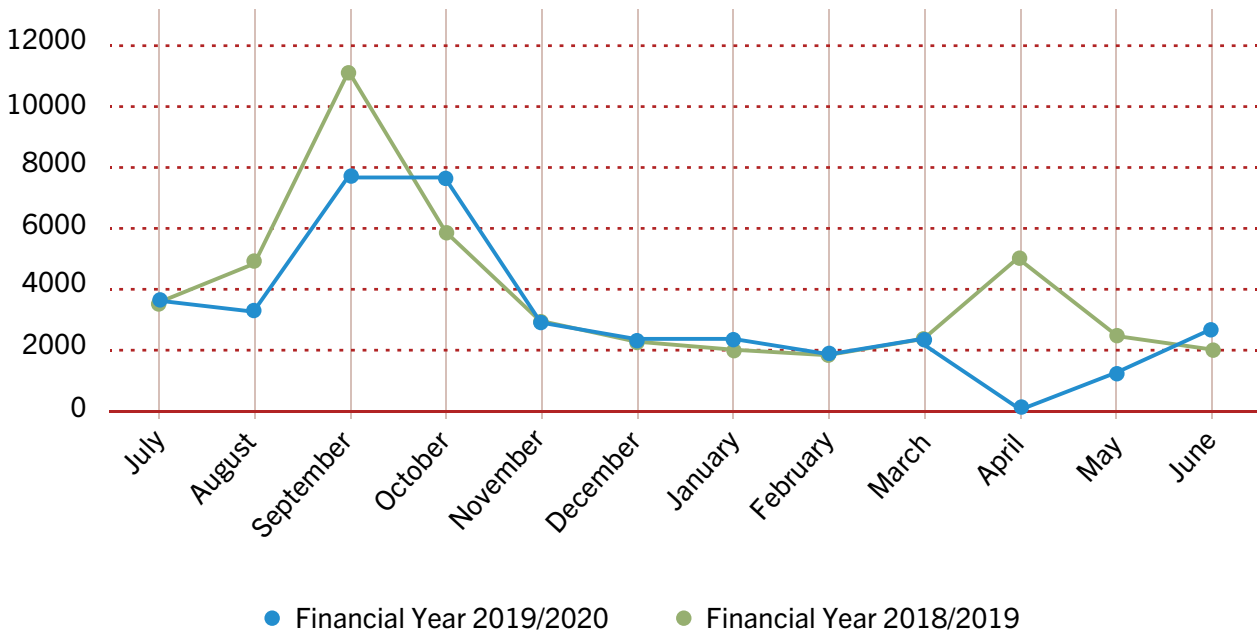


### Visitor Centre Key Highlights

- ▶ New volunteer and mentoring program
- ▶ Visitor Centre personnel redeployed during COVID-19 restrictions & shutdown to manage YORKIND Social Isolation Support Centre. YORKIND was created to support isolated and vulnerable community during COVID-19 restrictions and regional border closures with services such as kind calling residents, mobile library drop offs/pickups, emergency meal services, referrals to professional support services and connecting volunteers with vulnerable residents to assist with daily tasks
- ▶ Launch of Town Hall and Walking tour experiences



**York Visitor Centre - Visitor Count - Financial Year 2019-2020**



**Visitor Number Overview**

- ▶ Total visitor count decreased by 18% (8282 visitor) in 2019/2020 financial year versus previous.
- ▶ COVID-19 restrictions triggered the cancellation of the York Motorcycle Festival, Easter Antique Fair, ANZAC day commemorations and April school holiday activities with April being a traditional high visitor season for York
- ▶ Due to the COVID-19 restrictions the Visitor Centre closed to the public for 54 days from 25 March–17 May 2020.

MONTH	2019/2020 FY	2018/2019 FY
Jul	3615	3508
Aug	3223	4787
Sep	7734	11,116
Oct	7609	5823
Nov	2841	2841
Dec	2266	2195
Jan	2272	1999
Feb	1840	1745
Mar	2260	2321
Apr	0	4950
May	1148	2410
Jun	2573	1968
<b>Total</b>	<b>37,381</b>	<b>45,663</b>

# Community Services



The Shire through its partnerships with the York Community Resource Centre, River Conservation Society and York Society has supported youth initiatives, community clean up days and programs including NAIDOC day, Welcome to York and an outdoor movie.

The following Committees of Council included community members being appointed to the Committee:

- ▶ Access and Inclusion Committee
- ▶ Honours Reference Group

The committees, in turn, consulted with the community on relevant matters including access and inclusion priorities and nominations for the Australia Day citizen awards.

## YORKIND

In response to the State of Emergency issued during COVID-19, the Shire set up a Social Isolation Support Centre to provide assistance to members of the community facing challenges and increasing social isolation due to COVID-19.

The **YORKIND** initiative provided a coordinated approach linking services to the community as well as linking volunteers to people in need. 45 community members put their hands up to assist and helped with picking up shopping and prescriptions, dropping off library books and chopping wood.

In addition, Shire staff manning the Social Isolation Support centre made 3 rounds of phone calls to over 600 residents identified as vulnerable to check in and see if assistance could be offered.



## Australia Day Awards

Australia Day Award winners were announced at the community breakfast and presentation ceremony at the York Recreation and Convention Centre. Celebrations continued at York Memorial Swimming Pool with free entry from 10.00am including lawn games, activities and a free BBQ.

### Congratulations to the following winners of the 2020 Australia Day Awards:

Junior Sports Star Award: **Cody Peipi**

Senior Sports Star Award: **Justin Smith**

Active Citizenship Award (for a Community Group or Event): **York Seniors Mobility Group**

Community Citizen of the Year—Youth (under 25): **Miss Charlie Gaskell**

Community Citizen of the Year—Senior (65 years or over): **Elizabeth Parker**

Community Citizen of the Year : **Julian Kreig**



#### *Left to Right*

Active Citizenship Award (for a Community Group or Event): **Margaret Collins** – York Seniors Mobility Group

Community Citizen of the Year—Senior (65 years or over): **Elizabeth Parker**

Community Citizen of the Year: **Julian Krieg**

Community Citizen of the Year—Youth (under 25): **Miss Charlie Gaskell**

Junior Sports Star Award: **Cody Peipi**

Senior Sports Star Award—was not in attendance

# Community Development



## Age Friendly Community Plan

The Shire's Age Friendly Community Plan aims to optimise opportunities for health, participation and security in order to enhance the quality of life as people age. The Shire planned to host the 'Living Well in the Avon Region: York Senior Residents Forum & Expo' in May 2020 however this had to be cancelled due to COVID-19.

## 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.

Activities undertaken during 2019/20 to address the Shire's DAIP include the following:

- ▶ Winning support to co-deliver the Socially Inclusive Communities WA (SICWA) 2019/20 Initiative within the York community.
- ▶ Partnering with APM Communities, a disability employment service provider to provide a free community information session for people with disability, as well as their families and carers to learn more about the NDIS (National Disability Insurance Scheme).
- ▶ Progressing actions on the Access and Inclusion audit of Shire assets including: improved access to the Administration Centre, up to standard signage for York Recreation and Community Centre, improved access to the Residency Museum plus fully accessible toilet added and accessible parking bay created, signage and hearing loop provided in the Admin building and Visitor Centre, toilet improvements to the Swimming Pool and various improved foot paths throughout the York CBD.
- ▶ Consulting with the Access & Inclusion Advisory Committee on the development of Avon Park to ensure that the park is developed to be accessible and enjoyable for all. The park opened in June 2020 and has wide accessible paths and play elements that cater for all abilities including a flying fox with secure bucket seat, sound and tough equipment and swings suitable for all.
- ▶ Implementing a paid work trial with a client of APM Employment to create a work environment and trial the suitability of a jobseeker in the employer's business.







## Library Services

The York Library has had a year of change and innovation with a strengthening focus on community. The year started with the York Library having a face lift with new carpets installed and a change of layout to allow more room in the children's section. The new layout provides the children's area with a designated space, incorporating a reading area and housing an increased number of new childrens books, DVD's and audio books.

Our Storytime Facilitator has continued to promote awareness into the community about the importance of early literacy development. The Storytime program went digital during the COVID-19 shutdown providing weekly engagement opportunities with an educational based focus for those that were self-isolating and home-schooling children.

COVID-19 created a need for the library to become innovative in the way that it operated and provided services to the local community as facilities went into lockdown. The library mobilised its services to cater to its isolated community through provision of a phone and collect or home delivery service. This provided much needed resources to some of our more vulnerable population during their period of isolation. The library was able to supply vital resources to families as they were homeschooling children.

The library also provided a phone support service to community members recognised as isolated or with limited assistance or help. Part of being in a small community provides us with the ability to interact and engage with our community on a more personal level.

### Key Highlights

- ▶ Provided relief and mobile services during inter-regional COVID-19 restrictions
- ▶ Storytime went digital to help families stay connected
- ▶ Increased demand from other libraries for items held at the York Library due to collection management



## 2019/20 Library Statistics

		2019/20	2018/19
<b>Items Issued</b>	Adult Non-Fiction	2211	2383
	Adult Fiction	14345	15051
	Junior Library	4475	5730
	<b>TOTAL</b>	<b>21,031</b>	<b>23,164</b>
<b>Membership</b>	Adults	694	718
	Family	420	445
	Junior	48	51
	<b>TOTAL</b>	<b>1,162</b>	<b>1,214</b>
<b>General Statistics</b>	Hours the library was open	1744*	1952
	Books issued per hour	12.09*	11.86
	Items requested by other libraries	275	235
	Items requested from other libraries	415	433
<b>Local Stock On Hand</b>	Adult Non-Fiction	3669	3569
	Adult Fiction	3995	3749
	Junior	2460	2439
	<b>TOTAL</b>	<b>10,124</b>	<b>9,757</b>
<b>State Library Stock</b>	Adult Non-Fiction	969	871
	Adult Fiction	3654	3222
	Junior	1359	1220
	<b>TOTAL</b>	<b>5,982</b>	<b>5,313</b>

\*Numbers impacted by reduced opening hours during Covid 19.



# Residency Museum

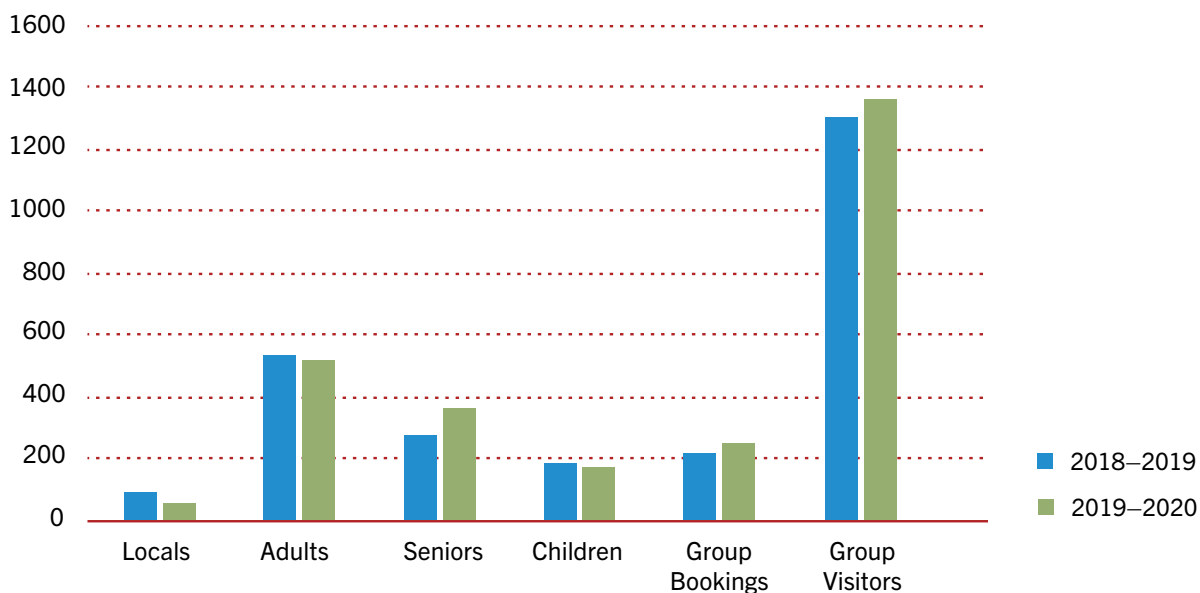
## Donations/Acquisitions

In total, 99 photos, 402 objects, plus 186 extremely significant glass plate negatives/transparencies by local 19th Century photographer Obeithio Sargent were accepted into the collection during 2019-2020 compared to 269 digital photos and 69 objects in 2018/19.

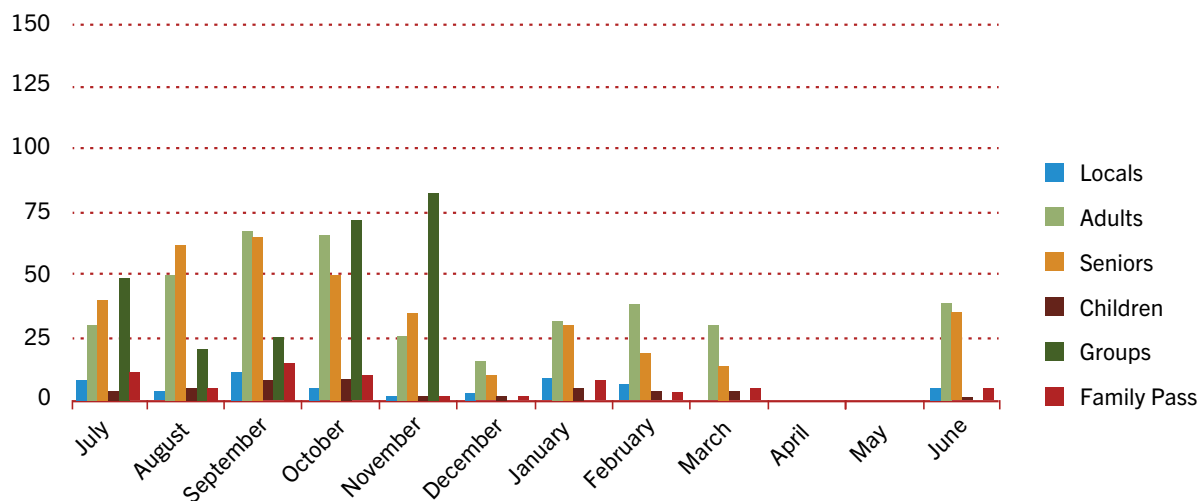
## Visitor figures

The 2019/20 financial year saw 1367 visitors to The Residency Museum, an increase of 4.5% compared to the 18/19 financial year. This was despite closure from late March and including all of April and May, due to COVID-19. Higher than average visitor numbers were recorded in August, September and October 2019, possibly attributable to the popularity of exhibition 'Broad Arrows, Buttons and Bones—York's Convicts' and to a general increase in tourism to York during those months which include the York Festival in September.

*Visitor Data—Comparison FY 2018-2019 to FY 2019–2020*



*Visitor Figures 2019–2020*



## Staff and Volunteers

Curator Katie Benfield-Constable took maternity leave in February 2020 and Acting Curator Mona Numann, previously of Claremont Museum, held the post until mid-October 2020. From late March, COVID-19 meant the Museum had to close due to the Government instruction to close all museums and galleries to the public. Mona was kept busy behind the scenes preparing a new exhibition about the Avon River and answering public enquiries by email. Easing of restrictions in June allowed re-opening but without the many hands-on children's activities for which the museum is renowned.

The Residency Museum relies on its dedicated volunteers to provide customer service and care for the collections. One new volunteer joined us this year to assist with the work of caring for the collections, updating documentation, looking after the gardens and grounds and assisting in ways too numerous to mention. Due to the COVID-19 situation volunteers, many of whom are seniors, could not provide the usual assistance given to the Curator during the closure, but by year end in June the Museum routine was returning to a 'new normal'.

## Exhibitions

The fascinating exhibition 'Broad Arrows, Buttons and Bones- York's Convicts' ran throughout this period highlighting the importance of this site, one of a handful of Convict Depots throughout the State. The Museum was the Depot Superintendent's quarters and is the last remaining part of the York Convict Depot still in existence.

# A SIGNIFICANT SITE

**Convict Barracks**  
The buildings on the West side of the Convict Depot were demolished in the 1890s to make way for the new York Hospital. The materials were reused in the construction of the hospital.

**Cook House**


**Warders' Quarters**

**Infirmary**


**Abution Block**

**Sappers' Quarters**

**Stables**  
While not recorded in history, an archaeological investigation has led us to believe that the stables have been here.



*Plan of Convict Buildings York.*




**Superintendent's Quarters**  
The one now standing is the last surviving York Convict Depot building.

1855-1856: Built under the supervision of the Royal Engineers.

1874: The York Convict Depot closed.


1874-76: The building became part of the York Hospital used to treat elderly men, most of whom were ex-convicts.

c. 1877: The building was converted to the Resident Magistrate's house and office, requiring it to be extended.



1909: The Resident Magistrate was transferred to Northern. The building was probably used as part of York Hospital complex.

c.1920-25: Nurses' Quarters




1925: Converted to maternity wing and named the Talbot-Cowan Maternity Hospital.


1945-1963: Men and Nurses' Quarters

1965-1972: Building left vacant. York Society fights to save building for the purpose of opening a museum.


1972: Residents Museum Open.



**Privy**  
87% percent of the clay pipes excavated from the site were found within a five metres of the privy structure. You can imagine seeing a toilet while being kept in the stables.



**Commissariat**  
a store for Government issued Supplies  
c.1850s: Built  
1890-1963: Medical Officers' Quarters for York Hospital  
c.1970s: Demolished



## Arts & Cultural Heritage

The Arts & Cultural Heritage Officer undertook the following during 2019/20:

- ▶ Trails Masterplan—Environmental surveys
- ▶ Aboriginal cultural heritage matters
- ▶ Earthquake Building Mitigation project

### Highlights

- ▶ TrailsWA: Shire of York strong presence on website
- ▶ Greenhills Heritage Trail completion
- ▶ \$110k grant from Department of Planning, Landscaping, Lands and Heritage (DPLH) for remedial conservation works to Residency Museum



## Projects

### Trails Masterplan – Environmental surveys

**The Trails Masterplan adopted in July 2019 was progressed by:**

The commissioning of Environmental Protection Authority (EPA) Level 1 survey of Wongborel/ Mt Brown. This was undertaken by external consultants DelBotanics and involved community consultation. A Dieback [Phytophthora] plant health survey was also undertaken by external consultants TerraTree. Both reports are available at [www.york.wa.gov.au/community/park-gardens/trails.aspx](http://www.york.wa.gov.au/community/park-gardens/trails.aspx)

**Waymarking of the west side of the Avon River Trail was completed.**

A grant application was submitted for upgrades to the Off Road Trail Bike Park, results are still pending.



## Aboriginal Cultural Heritage Matters

A Noongar Standard Heritage Agreement was entered into with the South West Aboriginal Land and Sea Council in early 2020. The Agreement area covers the open spaces Wongborel/Mt Brown, Walwalying/Mt Bakewell and along the Avon River identified in the Trails Master Plan as suitable for future trails development. This agreement will ensure a Noongar Cultural Survey will be undertaken to SWALSC standards in order to identify and record culturally sensitive sites.



## Earthquake Building Mitigation project

The Shire of York as a project partner with GeoScience Australia, the University of Adelaide and the Department of Planning Lands and Heritage is taking this research forward through a grant of \$110k from DPLH match-funded by the Shire of York to undertake remedial works to strengthen York Residency Museum against earthquakes and other natural hazards.

This is a pilot project for the broader application of remedial building techniques recommended by the researchers. Work is anticipated to start in January 2021

- ▶ Eleven trails have been added to the TrailsWA website, greatly increasing the profile of trails in the Shire of York. These can be found at <http://trailswa.com.au/> search by keyword York to find heritage walks, cycle rides, self drive tours and a trail bike track
- ▶ Greenhills Heritage Trail was completed during FY 19–20 but opened to the public in September 2020 due to delays because of COVID-19. The trail has been well received and evaluation is in progress.



## York Recreation and Convention Centre

### Statistics—Average number of covers per night

	Fridays	Sundays
Adults	50.08	19.58
Kids	14.93	5.6
Sides	7.72	2.69
Desserts	4.9	1.24
Trading days	268	
Functions	59	

### Transition to Community Management of the YRCC

The project to transition management of the YRCC restaurant and bar from the Shire to a community group continued during 2019/20. In June 2019, an Interim Committee was formed in order to establish an Incorporated Association and as a result the York Community Social Centre (YCSC) became incorporated in August 2019.

The Shire liaised with the YCSC and the terms of a lease were aged but not signed while negotiations continued regarding the funding agreement. In February 2020, the YCSC requested that current arrangements with respect to the Lease Agreement, Funding Arrangements and the Transfer of the License of the YRCC be placed on hold subject to continued and ongoing investigation to alternative models of management. With the onset of COVID-19 no further progress was made to the end of the 2020 financial year.



# Development Services



## Town Planning

The Town Planner responds to many enquiries ranging 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 prepared a new Local Planning Strategy and Local Planning Scheme which was adopted by Council at its Ordinary Meeting held on the 16 December 2019. The documents are currently with the Department of Planning, Lands and Heritage awaiting final approval before they have effect.

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 required 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 community's aspirations for future land use in the Shire of York.

### Local Heritage Survey, Heritage List and Heritage Areas

The Shire adopted a revised Local Heritage Survey, Heritage List and Heritage Areas and Local Planning Policy Heritage Conservation & Development at its Ordinary Meeting held on the 25 November 2019. These documents provide a comprehensive list of places with cultural heritage significance within the Shire, and provides for statutory development controls to protect heritage values for certain places.

The Shire is currently in the process of uploading the revised Local Heritage Survey to the 'Inherit' database, which is a mapping portal managed by the Department of Planning, Lands and Heritage (DPLH) to show heritage places within Western Australia.

### Planning Applications

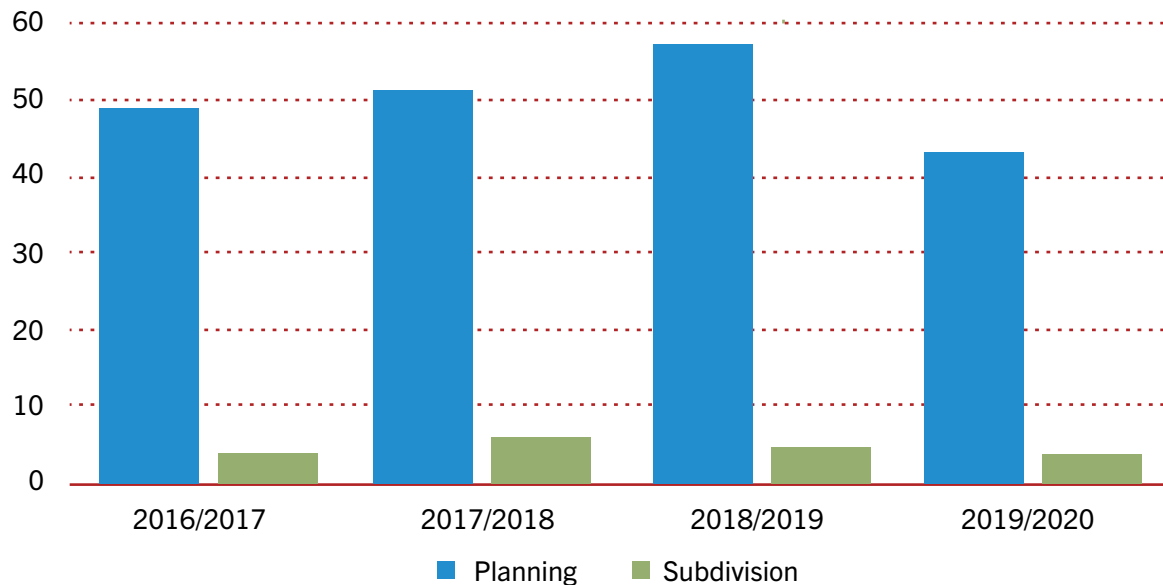
In the 2019/2020 financial year, 43 planning applications were received, 14 less than in the previous period.

The number of subdivision applications received by the Western Australian Planning Commission (WAPC) for the Shire of York decreased and in this period 4 subdivision referrals were received by Council, compared to 5 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.
- ▶ offensive trade monitoring.
- ▶ trading in public places approvals, stallholder permits.
- ▶ approval of public events.

Council continued to monitor the structural and operational aspects of all premises during 2019/20 to ensure compliance with the requirements of relevant legislation.

### Effluent Disposal Systems

Ten effluent disposal systems were approved for installation in 2019/2020. 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 2019/2020.



Additionally, there are eight 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 had its initial start-up water sample taken in October 2019, and water sampled monthly over the swimming pool season until March 2020 when the pool closed due to COVID-19. All samples of the swimming pool water met the required microbiological and bacteria standards as required by the Public Health Department.

General entries increased significantly during the 2019/2020 season from 16,914 from the previous season to 18,374, an increase of 1,460 entries which can be contributed to:

1. Although a cooler start and an early finish to the pool season due to COVID-19 we had a particularly hotter pool season than the past few years which attracted additional swimmers and families, with December and January being the busiest months.
2. Extended Swimming Pool Hours during School Holidays, the pool was open to the public from 10am – 6pm, 7 days a week an additional 4 hours per day.
3. No loss in open days to the public due to poor weather conditions.
4. Managing the entry point where each customer was accounted for on entry.
5. Continuation of pool activities and programs



### 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. No inspections were due in the year 2019-20.

## Waste Collection & Disposal

### MUSTER Programs

The Council again participated in the “drum MUSTER” program. This nationwide program provides for the collection and disposal of used farm chemical containers. A total of 1739 drums were collected under the program in 2019/2020, 1463 less than the amount collected the previous year due to the second collection date being cancelled due to COVID-19.

Council continued with its participation in the Mobile Muster program. This program was initiated to ensure that mobile phones and their accessories are recycled. Approximately 11kg of disused mobile phones were collected in 2019/20.

### Waste Statistics

A total of 1268.43 tonnes of waste was transported to the Shire of Northam landfill site for the 2019/20 financial year. This is 35.54 tonnes less waste than the 2018/19 financial year. A total of 360.85 tonnes of recyclable material was received in 2019/20 which is 14.22 tonnes more material than 2018/19.

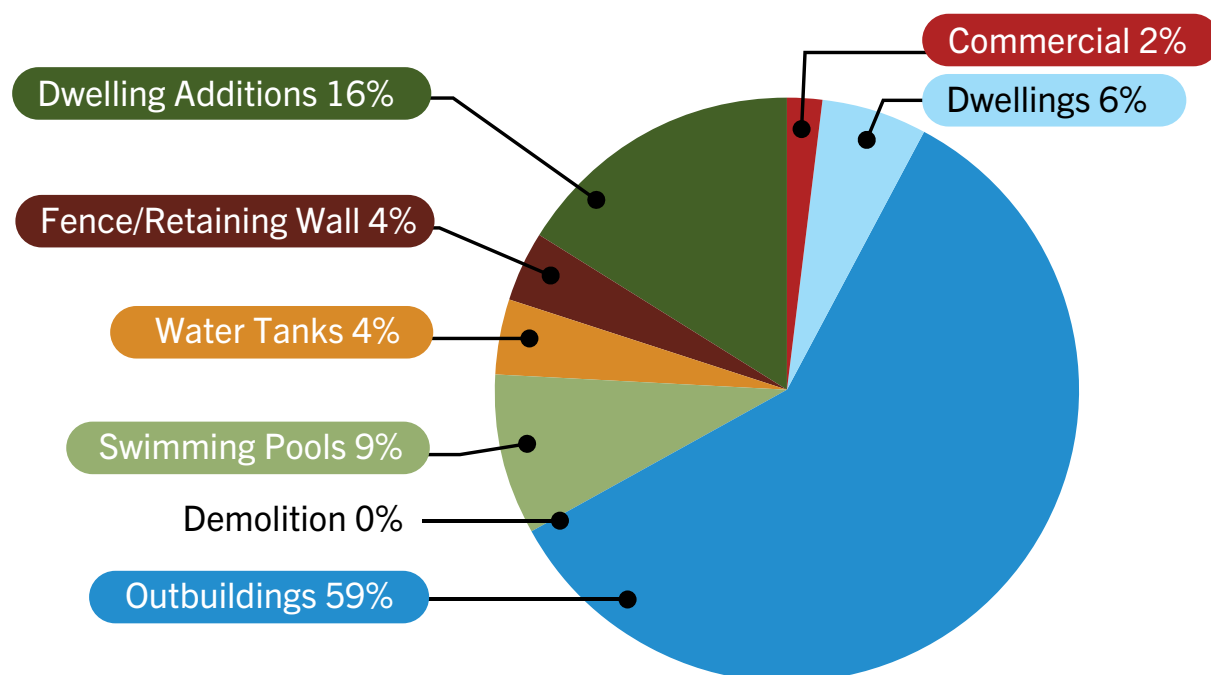
## Building

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 2019/20 the Shire processed 97 building applications. These applications were split into the following categories:

#### *Building Approvals 20019/2020*



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

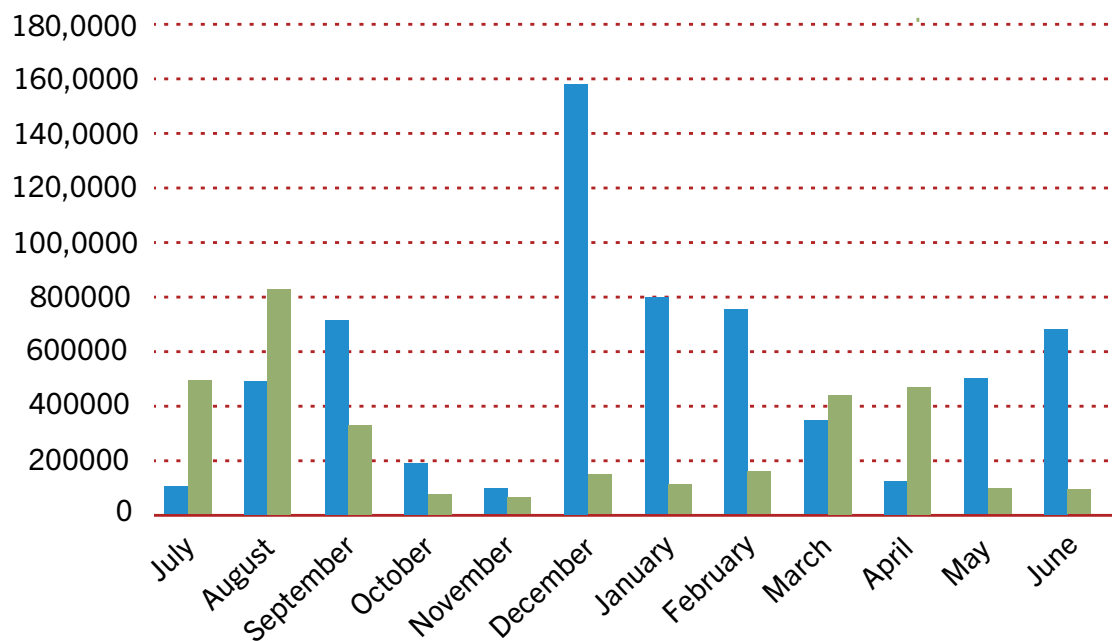
Comparison table for previous years are as follows:

	2019/20	2018/19	2017/18	2016/17	2015/16
Dwellings	6	17	14	18	20
Additions	15	11	8	5	7
Outbuildings	57	72	51	63	51
S/ Pools	9	3	2	4	5
Commercial	2	7	10	4	3
Demolition	0	1	2	2	1
Water Tank	4	4	3	3	9
Fence	4	3	2	4	1
Earthworks	0	0	0	0	1
<b>Total</b>	<b>97</b>	<b>118</b>	<b>94</b>	<b>103</b>	<b>98</b>

The number of Building Permits issued in 2019/20 is slightly lower than previous years.

The approximate value of building works in the Shire was \$3.25 million in 2019/20, a decrease of 49%, from \$6.35 million in 2018/19 and a decrease of 45% in value from \$5.88 million in 2017/18.

### Construction Value



## **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.

A Community Emergency Services Manager (CESM) in partnership with the Shire of Beverley, and funded by the Department of Fire and Emergency Services is responsible for the Shire's legislative requirements in regards to bushfire and emergency preparedness, prevention, response and recovery activities. The CESM is responsible for coordinating the Local Emergency Management Committee and managing the Shire of York's four Bush Fire Brigades which are funded by an Emergency Services Levy (ESL) funding scheme.

### **Bush Fire Management**

An advertising campaign is launched each year promoting the fire break and hazard reduction requirements and compliance dates. Zero tolerance in non-compliant fire breaks has resulted in far greater compliance.

Owner/occupiers of occupied properties within the town site which are landscaped to the extent that they do not present a fire hazard are allowed to apply for exemptions. In 2019/20, 66 exemptions were issued.

### **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 32 new cats and 94 new dogs have been registered this year.

### **Parking**

Illegal parking continues to be closely monitored by the Ranger with particular attention to the disabled parking bays on Avon Terrace, vehicles parked within 6 meters of intersections, on footpaths or facing oncoming traffic.

# Infrastructure Services



There were 16 Operational Staff based at the Depot during 2019-20, split into two main crews; Town Parks and Gardens, and Construction.

## Town & Parks and Gardens

The Town & Parks and Gardens Crew has a substantial scope of works including, traffic control duties, drain clearing, cleaning and tree pruning in town and rural, street sweeping, graffiti removal, weed spraying in town and rural, kerbside pickup, drum MUSTER, maintaining parks, reserves and public open spaces through to installing Christmas decorations around town.

Some of the accomplishments achieved this year by our Town and Parks crew are as follows.

### Highlights

- ▶ Replica of old telephone box on Avon Terrace
- ▶ BBQ's at Gwambygine Park updated with new burners and solar panels.
- ▶ Keeping our town neat and tidy
- ▶ Hockey Field and Forrest Oval Renovations
- ▶ Demolishment of Avon Park in preparation for redevelopment
- ▶ Hazard reduction tree pruning
- ▶ Kerbside Pickup
- ▶ Installation of turf and retic at the new RV Park.
- ▶ drum MUSTER collection
- ▶ Pressure cleaning footpaths in the CBD
- ▶ Brick paving Joaquina Street and Pavilion Entrance
- ▶ Christmas decoration installation and pack-up





*Tree pruning*



*Tree pruning*



Memorial Garden

### **Replica of old Telephone Box on Avon Terrace**

Telstra approached the Shire identifying the need to replace the old phone box on Avon Terrace outside the Post Office with a modern replacement.

Council made the decision to commission the build of a replica phone box to retain the heritage value of Avon Terrace.

A contractor was engaged by the Shire to construct a replica utilizing toughened glass and a seamless exterior structure to resist the extreme weather conditions. The results were outstanding.

Telstra installed the new telephone equipment.

During the installation many people stopped to admire the new phone box with very positive comments.



### **Gwambygne Park BBQs**

Three BBQs at Gwambygne Park were updated with new burners and solar panels for re-charging batteries.

#### **Keeping our town neat and tidy**

The Shire has an extensive maintenance schedule to keep our town looking beautiful, clean and tidy. The many tasks include mowing ovals and parks, brush cutting and weed spraying, cleaning and maintaining BBQs, mulching, road sweeping, graffiti removal, rubbish removal, planting, watering and reticulation repairs.







### Forrest Oval & Hockey Fields Renovations

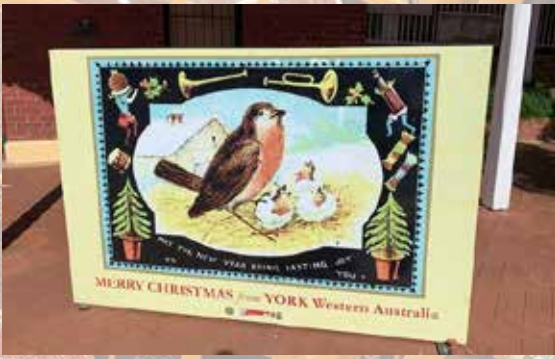
The Shire has undertaken extensive turf renovation of the Forrest Oval and Hockey Fields. A Contractor was engaged to undertake the works on behalf of the Shire with specialist equipment.

The works include hollow tine verti-draining, sweeping up the cores, top dressing with fine sand and the addition of gypsum to help improve the turf's resilience to saline conditions as well as to help flocculate the clay particles in the soil to improve drainage and aeration. Fertilising has been carried out using a controlled release fertiliser.

The fertilising has been based on soil testing to ensure that the right balance of minerals and nutrients is made available to the turf.

These works will "open up" the soil profile allowing deeper penetration of the turf roots. This combined with the fertiliser will encourage stronger turf which ultimately requires less watering and is more tolerant to both wetter and dryer conditions.





### Installation of Christmas Decorations

Each year the Operations staff brighten up York township installing Christmas Decorations including, Banners, Bin Surrounds, Giant Christmas Cards, Christmas Tree on Avon Terrace, Park decorations, Town Hall and Administration Building decorations.

### RV Park reticulation and turf installation

After the RV parking area was decommissioned at Avon Park, reticulation and turf was installed at the new Janet Millet Lane RV rest stop for the enjoyment of travellers.





### Demolishment of Avon Park

The Town Crew played an important part in the demolition of the Avon Park. The bitumen roads, paving, paths in the park were removed along with the playground equipment being dismantled and removed. Once the park was ready, mulch was placed in the garden beds and trees and a variety of native plants were planted.

### Brick Paving Joaquina Street and Pavilion entrance

The crew finished the paving outside the St John Ambulance on Joaquina Street.

### Construction

The Construction Crew carries out road maintenance including maintenance grading and culvert cleaning. There are over 700kms of sealed and unsealed roads combined in the Shire of York. The crew operates two graders and a road patrol truck which manage road maintenance across gravel roads, sealed roads and town streets within the Shire.

The maintenance of rural roads to an acceptable standard is part of the daily routine for the Shire's Construction crew.

Regular tasks include;

- ▶ Maintenance grading
- ▶ Patching of roads
- ▶ Clearing culverts and drains
- ▶ Repair/replacement of guideposts and signs
- ▶ Vegetation removal



## Roads to Recovery

Specific road works undertaken through Roads to Recovery Funding in 2019/20.

- ▶ Tenth Road—Widen, seal and kerb
- ▶ Greenhills South Road—Construct and Seal
- ▶ Mannavale Road—Re-construct and Widen Seal
- ▶ Waterfall Road—Construct and Seal



Greenhills South Road drainage



Waterfall Road 300M section to be sealed



Tenth Road widen seal kerb



Mannavale Road reconstruct & widen



Mannavale Road tree pruning

## Regional Road Group

- ▶ Knotts Road—Re-construct & Widen Seal by Contractor
- ▶ Goldfields Road (York—Tammin Road)—Re-construct & Widen Seal



Depot Goldfields roads re-construct

## Municipal Road Construction

- ▶ Doodenanning Road—Re-construct & Widen Seal

## Asset Renewal—Gravel Re-sheets

- ▶ Mackie Road
- ▶ Boyercutty Road
- ▶ Allen Road
- ▶ Flea Pool Road
- ▶ Ashworth Road
- ▶ Quonamining Road



Boyercutty Road



Ashworth Road

## Sustainability

### Drum Muster

The Shire had only one drum MUSTER September 2019, due to COVID-19, where 1,968 containers were processed.

The drum MUSTER service benefits the user, the environment, industry and the wider community by providing a reliable, cost effective and sustainable option for the recycling of eligible agvet chemical containers.



Ashworth Road



Greenwaste pickup

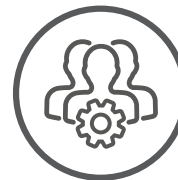
### Kerbside Pickup

This year due to possible COVID-19 contamination, the kerbside pick-up was garden and green waste only. This was carried out in May 2020.

### Grading Fire Breaks

As part of the Shire fire prevention works the Shire grades and maintains the fire breaks on Shire owned land.

# Corporate Services



## Records

The Shire of York uses a hybrid records management system (combination of electronic and hard copy). All records created and received in the course of business are captured and stored according to the Shire's Record Keeping Plan. As required under the State Records Act 2000 the Shire of York Record Keeping Plan 2015 is due for revision and adoption by March 2021.

All records are disposed of in accordance with the General Disposal Authority for Local Government Records. The disposal authority defines the minimum periods of time that different classes of records must be kept (retention periods) and provides guidelines for destruction of records after they have met the retention requirements of the schedule. The Records Officer annually recommends disposal of records in accordance with the State Records Act 2000 guidelines which are then approved by the Administration Governance Officer, Executive Manager Corporate and Community Services and the CEO.

Standard 2 Principle 6 requires the Shire to ensure that employees comply with the Record Keeping Plan. The following activities have been undertaken to ensure staff awareness and compliance:

- ▶ Induction program was undertaken for 5 staff within 2 weeks of commencement. The staff induction program ensures employees are made aware of their roles and responsibilities in regards to their compliance with the Shire's Record Keeping Plan.
- ▶ One edition of the records information bulletin was produced and circulated to staff to bring awareness of responsibilities, issues and changes. Two editions of the administration bulletin were produced including record keeping sections and circulated to staff.
- ▶ A presentation covering basic record keeping responsibilities was included with the annual all staff information workshop.
- ▶ One on one training and assistance has taken place on an as needs basis identified by staff/manager request.

Key performance indicators have been established to identify the efficiency and effectiveness of inhouse training programs and records management systems. A Records and Information Management Systems Strategic Plan has been drafted in order to guide the development of records systems and practices in order to keep up to speed with changes in the way information is created, delivered and utilised.

## 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 assessed.

A total of two (2) new Freedom of Information Applications were received during this reporting period and one (1) was carried over from the previous year.

In addition one (1) application was subject to an Internal and 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.

## Disposal of Property

There were no disposals of property in accordance with Sections 3.58 and 3.59 of the Local Government Act 1995.

## Customer Service

Customer Service Officers are responsible for general customer enquiries and payments as well as bookings for the Shire's facilities.

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 of Transport and a DoT examiner visits the Shire fortnightly to conduct driving examinations.

The Office hours are 8.30am–4.30pm Monday to Friday except for public holidays and the advertised shut down 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 in 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 provided the following incentive prizes to encourage ratepayers to pay their rates in full and on-time.



#### First Prize

A \$1,000 bank account provided by the Shire of York in conjunction with the York & Districts Community Bank Branch of Bendigo Bank.  
**Winner – Mr Peter and Mrs Ann-Marie Boyle**



#### Second Prize

Four tickets to the West Australian Symphony Orchestra donated by WASO  
**Winner – Mr Andrew and Mrs Kylie Wherrett**



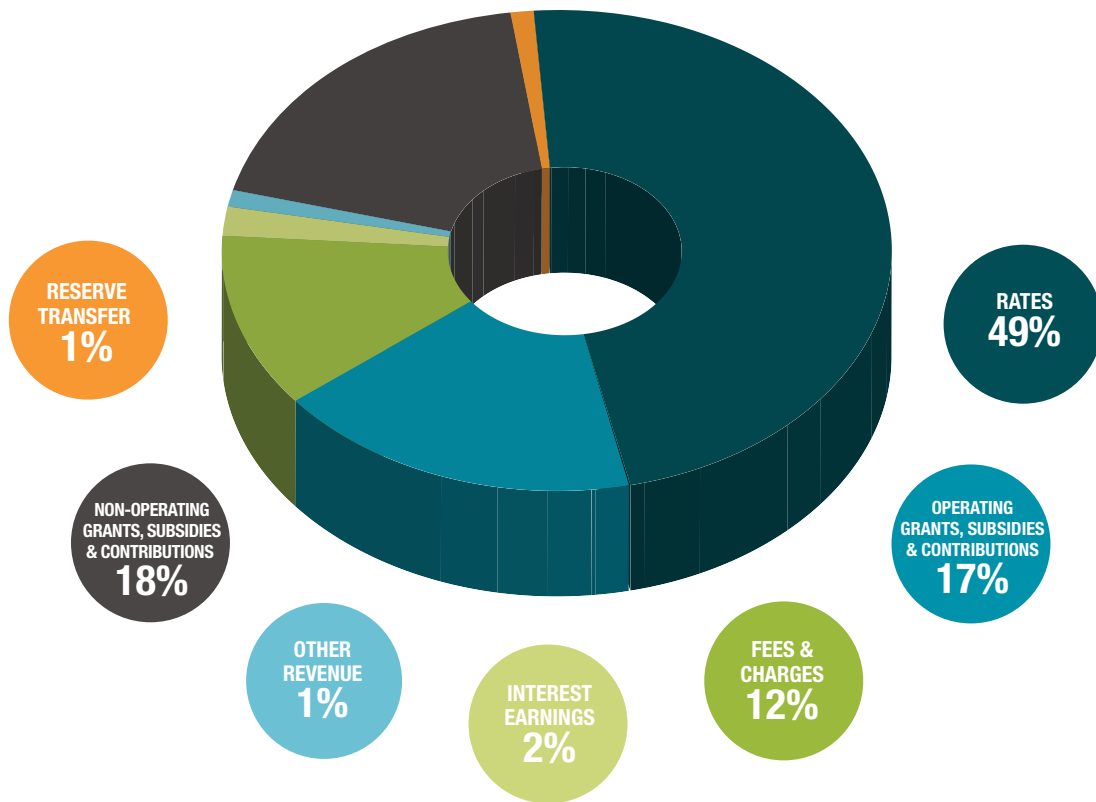
#### Third Prize

\$200 of fuel donated by Fuel Distributions of Western Australia Pty Ltd  
**Winner – Mr Rob Garton Smith and Ms Jenny Garroun**

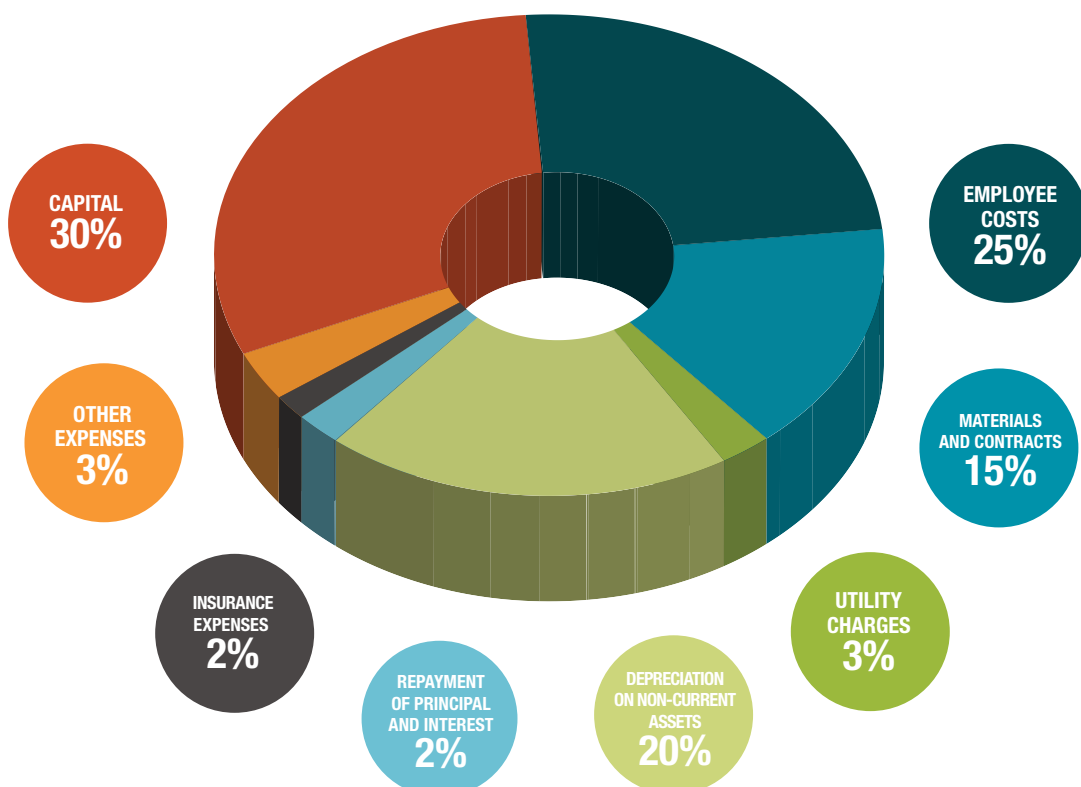
## Revenue and Expenditure

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

### Revenue 2019/20



### Expenditure 2019/20







# **Appendix 1**

## **Audited Financial Statements**



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

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Principal place of business:  
1 Joaquina Street, YORK WA 6302

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

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

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

Signed on the 02 day of December 2020



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Chief Executive Officer

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CHRIS LINNELL

Name of Chief Executive Officer

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

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>Revenue</b>				
Rates	20(a)	5,878,646	5,885,914	5,742,900
Operating grants, subsidies and contributions	2(a)	2,110,209	1,057,663	1,998,666
Fees and charges	2(a)	1,391,296	1,498,250	1,396,447
Interest earnings	2(a)	183,147	212,810	270,901
Other revenue	2(a)	60,234	71,200	279,127
		<b>9,623,532</b>	<b>8,725,837</b>	<b>9,688,041</b>
<b>Expenses</b>				
Employee costs		(3,711,377)	(4,122,453)	(3,676,979)
Materials and contracts		(2,323,610)	(2,479,986)	(2,345,323)
Utility charges		(399,887)	(399,821)	(403,672)
Depreciation on non-current assets	9(c)	(2,956,342)	(2,584,364)	(2,874,158)
Interest expenses	2(b)	(103,316)	(105,003)	(112,957)
Insurance expenses		(255,506)	(197,905)	(252,218)
Other expenditure		(478,879)	(257,434)	(525,330)
		<b>(10,228,917)</b>	<b>(10,146,966)</b>	<b>(10,190,637)</b>
		<b>(605,385)</b>	<b>(1,421,129)</b>	<b>(502,596)</b>
Non-operating grants, subsidies and contributions	2(a)	2,205,782	1,671,470	1,163,960
(Loss) on asset disposals	9(a)	(197,629)	(97,018)	(91,327)
Assets expensed	9(b)	0	0	(136,081)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,153	0	70,068
		<b>2,009,306</b>	<b>1,574,452</b>	<b>1,006,620</b>
<b>Net result for the period</b>		<b>1,403,921</b>	<b>153,323</b>	<b>504,024</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus - Plant & Equipment	10	(32,952)	0	0
<b>Total other comprehensive income for the period</b>		<b>(32,952)</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>1,370,969</b>	<b>153,323</b>	<b>504,024</b>

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

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

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>Revenue</b>				
	2(a)			
Governance		50,190	2,900	17,212
General purpose funding		7,600,379	6,923,906	7,581,582
Law, order, public safety		350,486	72,827	262,328
Health		19,358	19,300	22,535
Education and welfare		39,016	35,451	37,821
Community amenities		737,454	770,804	706,584
Recreation and culture		400,839	488,281	652,731
Transport		218,885	215,000	220,906
Economic services		139,107	155,968	127,195
Other property and services		67,817	41,400	59,147
		<b>9,623,531</b>	<b>8,725,837</b>	<b>9,688,041</b>
<b>Expenses</b>				
	2(b)			
Governance		(798,099)	(746,744)	(673,734)
General purpose funding		(308,573)	(374,774)	(382,067)
Law, order, public safety		(688,701)	(483,914)	(716,136)
Health		(283,431)	(252,637)	(205,617)
Education and welfare		(126,705)	(142,387)	(122,003)
Community amenities		(1,020,948)	(1,189,964)	(1,114,423)
Recreation and culture		(3,063,451)	(3,321,860)	(2,995,239)
Transport		(2,838,355)	(2,462,227)	(2,825,579)
Economic services		(871,448)	(1,015,390)	(817,574)
Other property and services		(125,889)	(52,066)	(225,308)
		<b>(10,125,600)</b>	<b>(10,041,963)</b>	<b>(10,077,680)</b>
<b>Finance Costs</b>				
	2(b)			
Recreation and culture		(99,544)	(100,998)	(107,795)
Transport		(3,772)	(4,005)	(5,162)
		<b>(103,316)</b>	<b>(105,003)</b>	<b>(112,957)</b>
		<b>(605,385)</b>	<b>(1,421,129)</b>	<b>(502,596)</b>
Non-operating grants, subsidies and contributions	2(a)	2,205,782	1,671,470	1,163,960
(Loss) on disposal of assets	9(a)	(197,629)	(97,018)	(227,408)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,153	0	70,068
		<b>2,009,306</b>	<b>1,574,452</b>	<b>1,006,620</b>
<b>Net result for the period</b>		<b>1,403,921</b>	<b>153,323</b>	<b>504,024</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus - Plant & Equipment	10	(32,952)	0	0
<b>Total other comprehensive income for the period</b>		<b>(32,952)</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>1,370,969</b>	<b>153,323</b>	<b>504,024</b>

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

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

	NOTE	2020	2019
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	5,604,494	5,262,305
Trade and other receivables	5	2,025,225	1,583,898
Inventories	6	24,221	33,513
<b>TOTAL CURRENT ASSETS</b>		<b>7,653,940</b>	<b>6,879,716</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	124,706	116,089
Other financial assets	4(b)	71,221	70,068
Property, plant and equipment	7(a)	32,453,112	33,669,676
Infrastructure	8	104,919,358	103,160,488
Right of use assets	7(b)	800,061	0
<b>TOTAL NON-CURRENT ASSETS</b>		<b>138,368,458</b>	<b>137,016,321</b>
<b>TOTAL ASSETS</b>		<b>146,022,398</b>	<b>143,896,037</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	1,759,940	1,021,535
Contract liabilities	12	333,758	0
Borrowings	13(a)	244,526	233,976
Employee related provisions	14	869,559	771,617
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,207,783</b>	<b>2,027,128</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	13(a)	1,624,815	1,869,341
Employee related provisions	14	137,024	126,582
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,761,839</b>	<b>1,995,923</b>
<b>TOTAL LIABILITIES</b>		<b>4,969,622</b>	<b>4,023,051</b>
<b>NET ASSETS</b>		<b>141,052,776</b>	<b>139,872,986</b>
<b>EQUITY</b>			
Retained surplus		33,517,034	32,236,981
Reserves - cash backed	4	3,023,350	3,090,661
Revaluation surplus	10	104,512,392	104,545,344
<b>TOTAL EQUITY</b>		<b>141,052,776</b>	<b>139,872,986</b>

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

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

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2018</b>		<b>32,196,890</b>	<b>2,626,728</b>	<b>104,545,344</b>	<b>139,368,962</b>
Comprehensive income					
Net result for the period		504,024	0	0	504,024
Total comprehensive income		504,024	0	0	504,024
Transfers from reserves	4	41,776	(41,776)	0	0
Transfers to reserves	4	(505,709)	505,709	0	0
<b>Balance as at 30 June 2019</b>		<b>32,236,981</b>	<b>3,090,661</b>	<b>104,545,344</b>	<b>139,872,986</b>
Initial application of AASB15/1058	24(c)	(191,179)	0	0	(191,179)
<b>Restated total equity at 1 July 2019</b>		<b>32,045,802</b>	<b>3,090,661</b>	<b>104,545,344</b>	<b>139,681,807</b>
Comprehensive income					
Net result for the period		1,403,921	0	0	1,403,921
Other comprehensive income	10	0	0	(32,952)	(32,952)
Total comprehensive income		1,403,921	0	(32,952)	1,370,969
Transfers from reserves	4	342,349	(342,349)	0	0
Transfers to reserves	4	(275,038)	275,038	0	0
<b>Balance as at 30 June 2020</b>		<b>33,517,034</b>	<b>3,023,350</b>	<b>104,512,392</b>	<b>141,052,776</b>

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

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

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		5,884,749	6,485,914	5,738,396
Operating grants, subsidies and contributions		1,883,210	1,191,663	1,642,047
Fees and charges		1,391,296	1,498,250	1,396,447
Interest received		183,147	212,810	270,901
Goods and services tax received		0	50,462	0
Other revenue		60,234	71,200	279,127
		<b>9,402,636</b>	<b>9,510,299</b>	<b>9,326,918</b>
<b>Payments</b>				
Employee costs		(3,706,972)	(4,122,453)	(3,561,674)
Materials and contracts		(1,567,894)	(2,477,986)	(2,181,222)
Utility charges		(399,887)	(399,820)	(403,672)
Interest expenses		(103,316)	(105,003)	(115,057)
Insurance paid		(255,506)	(197,906)	(252,217)
Other expenditure		(478,879)	(257,434)	(525,330)
		<b>(6,512,454)</b>	<b>(7,560,602)</b>	<b>(7,039,172)</b>
<b>Net cash provided by (used in) operating activities</b>	15	<b>2,890,182</b>	<b>1,949,697</b>	<b>2,287,746</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	7(a)	(379,438)	(1,089,937)	(462,290)
Payments for construction of infrastructure	8(a)	(3,712,887)	(4,106,528)	(1,888,853)
Payments for right-of-use assets	7(b)	(31,861)	0	0
Non-operating grants, subsidies and contributions		1,742,623	1,671,470	1,163,960
Proceeds from sale of property, plant & equipment	9(a)	67,545	148,000	124,336
<b>Net cash provided by (used in) investment activities</b>		<b>(2,314,017)</b>	<b>(3,376,995)</b>	<b>(1,062,847)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	13(b)	(233,976)	(233,976)	(223,922)
<b>Net cash provided by (used in) financing activities</b>		<b>(233,976)</b>	<b>(233,976)</b>	<b>(223,922)</b>
<b>Net increase (decrease) in cash held</b>		<b>342,189</b>	<b>(1,661,274)</b>	<b>1,000,978</b>
Cash at beginning of year		5,262,305	4,523,077	4,261,327
<b>Cash and cash equivalents at the end of the year</b>	15	<b>5,604,494</b>	<b>2,861,803</b>	<b>5,262,305</b>

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



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

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at start of financial year - surplus/(deficit)</b>	21 (b)	2,294,904	2,273,332	1,750,159
		2,294,904	2,273,332	1,750,159
<b>Revenue from operating activities (excluding rates)</b>				
Governance		50,190	2,900	17,212
General purpose funding		1,721,737	1,037,992	1,851,330
Law, order, public safety		350,486	72,827	262,328
Health		19,358	19,300	22,535
Education and welfare		39,016	35,451	37,821
Community amenities		737,454	770,804	706,584
Recreation and culture		400,839	488,281	652,731
Transport		218,885	215,000	220,906
Economic services		139,107	155,968	127,195
Other property and services		68,967	41,400	129,215
		3,746,039	2,839,923	4,027,857
<b>Expenditure from operating activities</b>				
Governance		(805,973)	(762,112)	(719,257)
General purpose funding		(308,573)	(374,774)	(382,067)
Law, order, public safety		(873,596)	(483,914)	(724,190)
Health		(288,291)	(257,137)	(205,617)
Education and welfare		(126,705)	(142,387)	(122,003)
Community amenities		(1,020,948)	(1,189,964)	(1,114,423)
Recreation and culture		(3,162,995)	(3,422,858)	(3,169,456)
Transport		(2,842,127)	(2,543,382)	(2,931,194)
Economic services		(871,448)	(1,015,390)	(821,866)
Other property and services		(125,889)	(52,066)	(227,972)
		(10,426,545)	(10,243,984)	(10,418,045)
Non-cash amounts excluded from operating activities	21(a)	3,189,453	2,681,378	3,074,793
<b>Amount attributable to operating activities</b>		(1,196,149)	(2,449,351)	(1,565,236)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions	2(a)	2,205,782	1,671,470	1,163,960
Proceeds from disposal of assets	9(a)	67,545	148,000	124,336
Purchase of property, plant and equipment	7(a)	(852,087)	(1,089,937)	(462,290)
Purchase and construction of infrastructure	8(a)	(3,712,887)	(4,106,528)	(1,888,853)
Purchase of right-of-use assets	7(b)	(31,861)	0	0
<b>Amount attributable to investing activities</b>		(2,323,508)	(3,376,995)	(1,062,847)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	13(b)	(233,976)	(233,976)	(223,922)
Transfers to reserves (restricted assets)	4	(275,038)	(158,791)	(505,709)
Transfers from reserves (restricted assets)	4	342,349	333,199	41,776
<b>Amount attributable to financing activities</b>		(166,665)	(59,568)	(687,855)
<b>Surplus/(deficit) before imposition of general rates</b>		(3,686,321)	(5,885,914)	(3,315,938)
<b>Total amount raised from general rates</b>	20(a)	5,878,646	5,885,914	5,730,252
<b>Surplus/(deficit) after imposition of general rates</b>	21(b)	<b>2,192,324</b>	<b>(0)</b>	<b>2,414,314</b>

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

**SHIRE OF YORK**  
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**FOR THE YEAR ENDED 30 JUNE 2020**

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## **1. BASIS OF PREPARATION**

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

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Prior to 1 July 2019, Regulation (Reg) 16 arbitrarily prohibited 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, race-course or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Shire. This was not in accordance with the requirements of *AASB 1051 Land Under Roads paragraph 15* and *AASB 116 Property, Plant and Equipment paragraph 7*.

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

This FM Regs amendment had immaterial impact on the Shire as the Shire does not have a golf course, showground, race-course or recreational facility of State or regional significance.

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

### **NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS**

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

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

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

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

### **CRITICAL ACCOUNTING ESTIMATES**

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

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

### **THE LOCAL GOVERNMENT REPORTING ENTITY**

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 25 to these financial statements.

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

2. REVENUE AND EXPENSES

(a) Grant revenue

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

	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>Operating grants, subsidies and contributions</b>			
Governance	50,152	72,500	17,003
General purpose funding	1,501,240	720,682	1,528,249
Law, order, public safety	329,008	51,517	237,143
Education and welfare	3,380	3,450	2,927
Community amenities	2,150	7,170	3,494
Recreation and culture	14,831	340	13,140
Transport	163,467	148,700	159,537
Economic services	2,525	36,304	2,493
Other property and services	43,456	17,000	34,681
	2,110,209	1,057,663	1,998,666
<b>Non-operating grants, subsidies and contributions</b>			
Law, order, public safety	472,649	0	63,153
Recreation and culture	722,026	779,785	103,136
Transport	1,011,107	891,685	997,671
	2,205,782	1,671,470	1,163,960
	4,315,991	2,729,133	3,162,626
<b>Total grants, subsidies and contributions</b>			
<b>Fees and charges</b>			
Governance	38	400	210
General purpose funding	37,347	34,500	39,532
Law, order, public safety	17,478	17,210	20,912
Health	19,358	19,300	22,535
Education and welfare	35,636	32,001	34,894
Community amenities	734,720	763,634	702,871
Recreation and culture	385,981	487,941	426,361
Transport	640	0	686
Economic services	135,737	118,864	123,980
Other property and services	24,361	24,400	24,465
	1,391,296	1,498,250	1,396,447

**SIGNIFICANT ACCOUNTING POLICIES**

**Grants, subsidies and contributions**

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

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

**Fees and Charges**

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

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

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

**(a) Revenue (Continued)**

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

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Non-operating grants, subsidies and contributions	2,205,782	1,671,470	1,163,960
	<u>2,205,782</u>	<u>1,671,470</u>	<u>1,163,960</u>

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

Trade and other receivables from contracts with customers	509,216	232,735
Contract liabilities from contracts with customers	(333,758)	0

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

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

**Revenue from statutory requirements**

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

Note	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
<b>General rates</b>	5,878,646	5,885,914	5,742,900
	<u>5,878,646</u>	<u>5,885,914</u>	<u>5,742,900</u>
<b>Other revenue</b>			
Other	60,234	71,200	279,127
	<u>60,234</u>	<u>71,200</u>	<u>279,127</u>
<b>Interest earnings</b>			
Interest on reserve funds	37,118	54,810	65,978
Rates instalment and penalty interest (refer Note 20(b))	114,402	128,000	164,020
Other interest earnings	31,627	30,000	40,903
	<u>183,147</u>	<u>212,810</u>	<u>270,901</u>

**(b) Expenses**

**Auditors remuneration**

- Audit of the Annual Financial Report	41,000	40,300	40,300
- Other services	1,500	6,000	1,800
	<u>42,500</u>	<u>46,300</u>	<u>42,100</u>

**Interest expenses (finance costs)**

Borrowings	13(b) 103,316	105,003	112,957
	<u>103,316</u>	<u>105,003</u>	<u>112,957</u>

**SIGNIFICANT ACCOUNTING POLICIES**

**Interest earnings**

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

**Interest earnings (continued)**

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

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

3. CASH AND CASH EQUIVALENTS

	NOTE	2020	2019
		\$	\$
Cash at bank and on hand		3,064,566	2,777,772
Term deposits		2,539,928	2,484,533
<b>Total cash and cash equivalents</b>		<b>5,604,494</b>	<b>5,262,305</b>

**Restrictions**

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

- Cash and cash equivalents		3,736,011	3,595,135
		<b>3,736,011</b>	<b>3,595,135</b>

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

Reserves - cash backed	4	3,023,350	3,090,661
Contract liabilities from contracts with customers	12	333,758	0
Unspent grants, subsidies and contributions		0	119,409
Bonds and Deposits held		378,903	385,065
<b>Total restricted assets</b>		<b>3,736,011</b>	<b>3,595,135</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

**Restricted assets**

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

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**4. RESERVES & OTHER FINANCIAL ASSETS**

	2020				2019							
	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance	Budget Opening Balance	Budget Transfer to	Budget Transfer (from)	Budget Closing Balance				
(a) Plant Reserve	\$ 684,393	\$ 14,017	\$ 0	\$ 698,410	\$ 680,718	\$ 13,131	\$ (155,000)	\$ 538,849	\$ 672,341	\$ 12,052	\$ 684,393	
(b) Leave Reserve - Cash-backed	490,181	34,810	0	524,991	487,547	34,405	0	521,952	481,548	8,633	490,181	
(c) Town Planning Reserve	7,275	137	(7,412)	0	7,236	140	0	7,376	7,147	128	7,275	
(d) Avon River Mitce Reserve	14,932	298	0	15,230	14,852	541	0	15,393	14,669	263	14,932	
(e) Industrial Land Reserve	129,710	2,589	0	132,299	129,013	2,489	0	131,502	127,426	2,284	129,710	
(f) Refuse Site Develop Reserve	186,381	3,720	0	190,101	185,380	3,576	0	188,956	183,100	3,281	186,381	
(g) Centennial Gardens Reserve	153,892	12,331	0	166,223	153,065	8,932	0	161,997	139,308	14,584	153,892	
(h) Public Open Space Cont Reserve	440	8	(448)	0	438	9	0	447	433	7	440	
(i) Community Bus	85,201	1,608	(86,809)	0	84,742	1,635	0	86,377	83,700	1,501	85,201	
(j) Pioneer Memorial Lodge Reserve	88,660	1,770	0	90,430	88,184	1,701	(35,000)	54,885	99,603	1,717	88,660	
(k) Residency Museum Reserve	0	0	0	0	0	0	0	0	6,041	75	0	
(l) Carparking Reserve	18,026	360	0	18,386	17,929	346	0	18,275	17,708	318	18,026	
(m) Building Reserve	367,933	72,413	0	440,346	365,956	72,059	0	438,015	354,540	36,393	367,933	
(n) Disaster Reserve	33,983	114,467	0	148,450	33,801	652	0	34,453	33,385	598	33,983	
(o) Archives Reserve	6,885	130	(7,015)	0	6,848	132	0	6,980	6,764	121	6,885	
(p) Water Supply Reserve	6,778	0	(6,778)	0	6,778	0	0	6,778	6,778	0	6,778	
(q) Unspent Grants Reserve	227,144	0	(207,587)	19,557	124,008	0	0	124,008	124,008	103,136	227,144	
(r) Cemetery Reserve	5,109	96	(5,205)	0	5,081	98	0	5,179	5,020	89	5,109	
(s) R.S.L. Memorial Reserve	13,270	264	(1,095)	12,439	13,199	0	(13,199)	0	13,036	234	13,270	
(t) Greenhills Townsite Reserve	30,493	587	(20,000)	11,080	30,329	585	(20,000)	10,914	29,956	537	30,493	
(u) Roads Reserve	364,738	7,280	0	372,018	362,778	6,998	(110,000)	259,776	91,656	273,102	364,738	
(v) Land & Infrastructure Reserve	153,076	3,055	0	156,131	152,253	2,937	0	155,190	110,872	42,204	153,076	
(w) Forrest Oval Lights Reserve	4,341	891	0	5,232	4,318	2,083	0	6,401	3,726	615	4,341	
(x) Bowls Synthetic Surface Reserve	15,707	3,767	0	19,474	15,623	4,301	0	19,924	12,216	3,491	15,707	
(y) Tennis Synthetic Surface Reserve	2,113	440	0	2,553	2,101	2,041	0	4,142	1,788	345	2,113	
	3,090,661	275,038	(342,349)	3,023,350	2,972,177	158,791	(333,199)	2,797,769	2,626,729	505,709	(41,776)	3,090,661

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

**SHIRE OF YORK**  
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**4. RESERVES & OTHER FINANCIAL ASSETS (Continued)**

**(a) Reserves - Cash-backed (Continued)**

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Plant Reserve	Ongoing	To be used to fund plant purchases or major capital repairs.
(b) Leave Reserve - Cash-backed	Ongoing	To fund annual and long service leave requirements.
(c) Town Planning Reserve	30/06/2020	To develop and review the York Town Planning schemes and amendments.
(d) Avon River Mice Reserve	Ongoing	To maintain and protect the Avon River and its environs.
(e) Industrial Land Reserve	Ongoing	For the continued development and expansion of an industrial subdivision within the Shire.
(f) Refuse Site Develop Reserve	Ongoing	To be used for ongoing maintenance and development of Council's waste management facilities.
(g) Centennial Gardens Reserve	Ongoing	To be used for further expansion and capital repairs of the existing units.
(h) Public Open Space Cont Reserve	30/06/2020	For the expansion and development of passive recreation areas within the Shire.
(i) Community Bus	30/06/2020	To finance the changeover of the Community Bus (funded by the operational surplus of the Community Bus).
(j) Pioneer Memorial Lodge Reserve	Ongoing	To finance capital improvements and extensions to the seniors village (funded by the operational surplus of the Lodge).
(k) Residency Museum Reserve	30/06/2020	To fund capital expenditure and maintenance of the historical museum.
(l) Carparking Reserve	Ongoing	To fund the management and control of parking facilities in accordance with Council's Parking Plan.
(m) Building Reserve	Ongoing	For the construction and major capital improvements to all Council buildings.
(n) Disaster Reserve	Ongoing	A contingency reserve to help fund recovery from any natural disaster.
(o) Archives Reserve	30/06/2020	To provide a secure building for the safe storage of Council's Archival Records.
(p) Water Supply Reserve	30/06/2020	To hold funds raised through the water supply charge until the loan repayment is due.
(q) Unspent Grants Reserve	Ongoing	To segregate grant funds provided for specific projects until those projects are carried out.
(r) Cemetery Reserve	30/06/2020	To provide for the ongoing development of the existing York Cemetery or the development of a new site at a location to be determined.
(s) R.S.L. Memorial Reserve	Ongoing	To provide for the upgrading of the RSL Memorial.
(t) Greenhills Townsite 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.
(u) Roads Reserve	Ongoing	To provide for future road resealing requirements.
(v) Land & Infrastructure Reserve	Ongoing	For the purpose of funding the purchase of land and/or buildings or the construction of buildings.
(w) Forrest Oval Lights Reserve	Ongoing	To provide for the replacement and upgrading of the Oval Lights.
(x) Bowls Synthetic Surface Reserve	Ongoing	To provide for the future replacement of Bowls synthetic surface.
(y) Tennis Synthetic Surface Reserve	Ongoing	To provide for the future replacement of Tennis synthetic surface.

**(b) Other Financial Assets - Non-current**

Financial assets at fair value through profit and loss	2020	2019
Financial assets at fair value through profit and loss	71,221	70,068
Units in Local Government House Trust	71,221	70,068
<b>Financial assets at fair value through profit and loss</b>	<b>71,221</b>	<b>70,068</b>
Units in Local Government House Trust	71,221	70,068

During the year \$1,153 (\$70,068 in 2019) was recognised as fair value gains on equity investments at fair value through profit and loss.

**SIGNIFICANT ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

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

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

**Impairment and risk**

Further information can be found regarding impairment (Note26(i)) and exposure to risk (Note 22).

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

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

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



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

5. TRADE AND OTHER RECEIVABLES

**Current**

Rates receivable	
Sundry receivables	
Allowance for impairment of receivables	
Accrued income	
LSL owed by other Local Governments	
ESL Debtors	

**Non-current**

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

2020	2019
\$	\$
1,090,279	1,080,809
509,216	232,735
(217,122)	(165,640)
575,043	368,504
24,279	30,802
43,530	36,688
2,025,225	1,583,898
124,706	116,089
124,706	116,089

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other receivables**

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

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

**Impairment and risk exposure**

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 22.

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Classification and subsequent measurement**

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

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

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

SHIRE OF YORK  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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6. INVENTORIES

Current

Stock on hand - Works and Services  
 Stock on hand - York Recreation and Convention Centre

	2020	2019
	\$	\$
	4,307	6,973
	19,914	26,540
	<u>24,221</u>	<u>33,513</u>
	33,513	40,923
	(104,943)	(113,626)
	95,651	106,216
	<u>24,221</u>	<u>33,513</u>

The following movements in inventories occurred during the year:

Carrying amount at beginning of period

Inventories expensed during the year

Additions to inventory

Carrying amount at end of period

**SIGNIFICANT ACCOUNTING POLICIES**

General

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

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

**SHIRE OF YORK**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**7. PROPERTY, PLANT AND EQUIPMENT**

**(a) Movements in Carrying Amounts**

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

	Land - freehold land	Total land	Buildings - non- specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2018</b>	5,580,550	5,580,550	25,962,977	25,962,977	31,543,527	333,227	2,529,780	34,406,534
Additions	0	0	178,588	178,588	178,588	51,311	232,391	462,290
(Disposals)	0	0	0	0	0	(4,955)	(144,286)	(149,241)
Impairment (losses) / reversals	0	0	0	0	0	(35,628)	(100,453)	(136,081)
Depreciation (expense)	0	0	(591,625)	(591,625)	(591,625)	(95,884)	(260,057)	(947,566)
Transfers	0	0	0	0	0	33,740	-	33,740
<b>Carrying amount at 30 June 2019</b>	5,580,550	5,580,550	25,549,940	25,549,940	31,130,490	281,811	2,257,375	33,669,676
<b>Comprises:</b>								
Gross carrying amount at 30 June 2019	5,580,550	5,580,550	26,148,654	26,148,654	31,729,204	922,122	2,897,969	35,549,295
Accumulated depreciation at 30 June 2019	0	0	(598,714)	(598,714)	(598,714)	(640,311)	(640,594)	(1,879,619)
<b>Carrying amount at 30 June 2019</b>	5,580,550	5,580,550	25,549,940	25,549,940	31,130,490	281,811	2,257,375	33,669,676
<b>ROU assets at 1 July 2019 (see 7(b))</b>	0	0	(788,815)	(788,815)	(788,815)	0	0	(788,815)
Additions	0	0	217,172	217,172	217,172	12,693	622,222	852,087
(Disposals)	0	0	0	0	0	0	(265,174)	(265,174)
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	0	0	0	0	(32,952)	(32,952)
Depreciation (expense)	0	0	(577,234)	(577,234)	(577,234)	(85,089)	(308,137)	(970,460)
Transfers	0	0	0	0	0	0	(11,250)	(11,250)
<b>Carrying amount at 30 June 2020</b>	5,580,550	5,580,550	24,401,063	24,401,063	29,981,613	209,415	2,262,084	32,453,112
<b>Comprises:</b>								
Gross carrying amount at 30 June 2020	5,580,550	5,580,550	25,556,990	25,556,990	31,137,540	934,814	2,262,188	34,334,542
Accumulated depreciation at 30 June 2020	0	0	(1,155,927)	(1,155,927)	(1,155,927)	(725,399)	(104)	(1,881,430)
<b>Carrying amount at 30 June 2020</b>	5,580,550	5,580,550	24,401,063	24,401,063	29,981,613	209,415	2,262,084	32,453,112

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**7. PROPERTY, PLANT AND EQUIPMENT**

**(b) Right of Use Assets (ROU)**

	Buildings \$	Total Right-of- Use Assets \$
Balance at 1 July 2019	788,816	788,816
Recognition of right-of-use assets on initial application of AASB 16	788,816	788,816
Carrying amount at start of period	788,816	788,816
Additions	31,861	31,861
Disposals	0	0
Depreciation	(20,616)	(20,616)
Carrying amount at 30 June 2020	800,061	800,061
Gross carrying amount	840,698	840,698
Accumulated Depreciation	(40,637)	(40,637)
	800,061	800,061

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

All Shire's ROU assets are vested improvements on concessionary land leases which are reported at fair value.

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**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 - freehold 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
<b>Furniture and equipment</b>	3	Cost approach using depreciated replacement cost	Management	June 2017	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>Plant and equipment*</b>					
- Independent valuation 2020	2	Market approach using recent observable market data for similar assets	Independent	June 2020	Market price based on make, size, year of manufacture and condition

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.

\* The requirement to revalue plant and equipment has been removed in the *Local Government (Financial Management) Amendment Regulations* that were published in the Government Gazette on 6 November 2020. The Shire is required to use the cost model and there is no requirement to reverse the revaluation already undertaken by the Shire in 2019/20. In moving to the cost model, the Shire will continue to depreciate on the existing revalued amount.

**SHIRE OF YORK**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**8. INFRASTRUCTURE**

**(a) Movements in Carrying Amounts**

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

	Infrastructure - roads	Infrastructure - Drainage	Infrastructure - Bridges	Infrastructure - Footpaths	Infrastructure - Other Structures	Infrastructure - Parks and Reserves	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2018</b>	68,759,256	16,987,791	11,222,600	1,445,675	2,328,767	2,554,300	103,298,389
Additions	1,464,197	30,875	3,313	44,862	264,910	80,696	1,888,853
(Disposals)	0	0	0	0	(66,422)	0	(66,422)
Depreciation (expense)	(1,005,938)	(443,812)	(140,427)	(35,985)	(229,184)	(71,246)	(1,926,592)
Transfers					(33,740)		(33,740)
<b>Carrying amount at 30 June 2019</b>	69,217,515	16,574,854	11,085,486	1,454,552	2,264,331	2,563,750	103,160,488
<b>Comprises:</b>							
Gross carrying amount at 30 June 2019	101,947,982	37,961,007	11,225,913	1,707,519	3,374,691	2,634,996	158,852,108
Accumulated depreciation at 30 June 2019	(32,730,467)	(21,386,153)	(140,427)	(252,967)	(1,110,360)	(71,246)	(55,691,620)
<b>Carrying amount at 30 June 2019</b>	69,217,515	16,574,854	11,085,486	1,454,552	2,264,331	2,563,750	103,160,488
Additions	2,191,518	103,561	10,368	153,554	160,198	1,093,688	3,712,887
Depreciation (expense)	(1,030,208)	(444,745)	(140,526)	(37,797)	(228,899)	(83,091)	(1,965,266)
Transfers					11,250		11,250
<b>Carrying amount at 30 June 2020</b>	70,378,825	16,233,670	10,955,328	1,570,309	2,206,880	3,574,347	104,919,359
<b>Comprises:</b>							
Gross carrying amount at 30 June 2020	104,139,500	38,064,568	11,236,281	1,861,073	3,549,889	3,728,684	162,579,995
Accumulated depreciation at 30 June 2020	(33,760,675)	(21,830,898)	(280,953)	(290,764)	(1,343,009)	(154,338)	(57,660,637)
<b>Carrying amount at 30 June 2020</b>	70,378,825	16,233,670	10,955,328	1,570,309	2,206,880	3,574,346	104,919,358

**SHIRE OF YORK**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**8. INFRASTRUCTURE (Continued)**

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management valuation	June 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 2017	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
Infrastructure - Parks and Reserves	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

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

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

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

**9. FIXED ASSETS**

**SIGNIFICANT ACCOUNTING POLICIES**

**Fixed assets**

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

**Recognition and measurement**

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

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

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

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

**Revaluation**

Fair value of land, buildings, infrastructure and investment properties is determined at least once every five years in accordance with the regulatory framework, or when Council is of the opinion that the fair value of an asset is materially different from its carrying amount. This includes buildings and infrastructure which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Shire. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

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

**AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY**

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

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

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

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

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

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

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then *Local Government (Financial Management) Regulation 16(a)(i)* 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.

**Land under roads from 1 July 2019**

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

**Vested improvements from 1 July 2019**

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

Refer to Note 7(b) that details the significant accounting policies applying to leases (including ROU assets).



**SHIRE OF YORK**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**9. FIXED ASSETS**

**(a) Disposals of Assets**

	2020			2020			2019		
	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Loss	2020 Budget Net Book Value	2020 Budget Sale Proceeds	2020 Budget Loss	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Loss
Furniture and equipment							4,955	700	(4,255)
Plant and equipment	265,174	67,545	(197,629)	245,018	148,000	(97,018)	144,286	123,636	(20,650)
Infrastructure - Other Structures							66,422	0	(66,422)
	265,174	67,545	(197,629)	245,018	148,000	(97,018)	215,663	124,336	(91,327)

The following assets were disposed of during the year:

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Loss
<b>Plant and Equipment</b>			
<b>Governance</b>			
Mazda CX5 2018	28,074	25,545	(2,529)
Mazda CX5 2018	35,345	30,000	(5,345)
<b>Law, order, public safety</b>			
Greenhills Fire Truck	184,895	0	(184,895)
<b>Health</b>			
Hyundai i30 Hatch 2017	16,860	12,000	(4,860)
	265,174	67,545	(197,629)
	265,174	67,545	(197,629)

**(b) Assets Expensed**

In 2019 the total written down value of assets held by the Shire which have a fair value as at the date of acquisition of \$5,000 or less were removed from the Shire's asset register. The totals are shown below.

	Actual Opening Value 1-Jul-18	Actual Depreciation Value 1-Jul-18	Loss on Write Off Value 1-Jul-18
Furniture and equipment	88,324	52,696	(35,628)
Plant and equipment	117,731	17,278	(100,453)
	206,055	69,974	(136,081)

**SHIRE OF YORK**  
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**9. FIXED ASSETS**

**(c) Depreciation**

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Buildings - non-specialised	577,234	597,890	591,625
Furniture and equipment	85,089	92,277	95,884
Plant and equipment	308,137	197,523	260,057
Infrastructure - roads	1,030,208	880,962	1,005,938
Infrastructure - Drainage	444,745	457,971	443,812
Infrastructure - Bridges	140,526	124,145	140,427
Infrastructure - Footpaths	37,797	30,020	35,985
Infrastructure - Other Structures	228,899	203,576	229,184
Infrastructure - Parks and Reserves	83,091	0	71,246
Right-of-Use Assets	20,616	0	0
	2,956,342	2,584,364	2,874,158

**SIGNIFICANT ACCOUNTING POLICIES**

**Depreciation**

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

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

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

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

**Depreciation rates**

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

Asset Class	Useful life
Buildings	40 to 100 years
Furniture and equipment	8 to 10 years
Plant and equipment	5 to 15 years
Intangible assets	5 years
Infrastructure - Roads formation	not depreciated
Infrastructure - Roads pavement	70 to 110 years
Infrastructure - Roads seal	20 to 25 years
Infrastructure - Footpaths	25 to 50 years
Infrastructure - Drainage	70 to 100 years
Infrastructure - Other	8 to 100 years
Infrastructure - Bridges	40 to 80 years
Right of use (plant and equipment)	Based on the remaining lease

**Depreciation on revaluation**

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

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

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

**10. REVALUATION SURPLUS**

	2020				2019			
	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Total Movement on Revaluation	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Total Movement on Revaluation
Revaluation surplus - Land - freehold land	\$ 4,001,800	\$ 0	\$ 0	\$ 0	\$ 4,001,800	\$ 0	\$ 0	\$ 0
Revaluation surplus - Buildings	17,808,574	0	0	0	17,808,574	0	0	0
Revaluation surplus - Furniture and equipment	61,757	0	0	0	61,757	0	0	0
Revaluation surplus - Plant and equipment	804,963	0	(32,952)	(32,952)	804,963	0	0	0
Revaluation surplus - Infrastructure - Roads	51,881,661	0	0	0	51,881,661	0	0	0
Revaluation surplus - Infrastructure - Drainage	16,700,778	0	0	0	16,700,778	0	0	0
Revaluation surplus - Infrastructure - Bridges	9,305,554	0	0	0	9,305,554	0	0	0
Revaluation surplus - Infrastructure - Footpaths	863,267	0	0	0	863,267	0	0	0
Revaluation surplus - Infrastructure - Other Structures	533,633	0	0	0	533,633	0	0	0
Revaluation surplus - Infrastructure - Parks and Reserves	2,583,357	0	0	0	2,583,357	0	0	0
	104,545,344	0	(32,952)	(32,952)	104,545,344	0	0	0

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

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

11. TRADE AND OTHER PAYABLES

**Current**

Sundry creditors	
Rates paid in advance	
Accrued salaries and wages	
Accrued interest on long term borrowings	
Cash held for Distribution (Previously Trust)	

2020	2019
\$	\$
1,269,688	515,404
95,960	0
0	103,979
15,389	17,087
378,903	385,065
<b>1,759,940</b>	<b>1,021,535</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other payables**

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

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

**Prepaid rates**

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

## 12. CONTRACT LIABILITIES

### Current

Contract liabilities from contracts with customers

	2020	2019
	\$	\$
	333,758	0
	<u>333,758</u>	<u>0</u>

### SIGNIFICANT ACCOUNTING POLICIES

#### Contract Liabilities

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

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

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

**13. INFORMATION ON BORROWINGS**

	2020	2019
<b>(a) Borrowings</b>		
Current	\$ 244,526	\$ 233,976
Non-current	1,624,815	1,869,341
	1,869,341	2,103,317

**(b) Repayments - Borrowings**

Particulars	Loan Number	Institution*	Interest Rate	30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2019		30 June 2019	
				Actual Principal	Actual repayments	Actual Interest	Actual Principal	Actual Interest	Actual Principal	Actual Interest	Budget Principal	Budget repayments	Budget Interest	Budget Principal	Actual Principal
<b>Recreation and culture</b>															
Loan 62 - Forrest Oval	62	WATC	6.30%	982,653	56,904	60,947	925,749	1,036,135	53,482	63,878	982,653				
Loan 63 - Forrest Oval	63	WATC	5.15%	195,503	21,089	9,509	174,414	215,540	20,037	10,569	195,503				
Loan 64 - Forrest Oval	64	WATC	5.15%	304,956	32,896	14,833	272,060	336,211	31,255	16,486	304,956				
Loan 65 - Archive Facility	65	WATC	4.88%	37,842	13,180	1,566	24,662	50,398	2,179	37,842					
Loan 67 - Old Convent School	67	WATC	3.29%	429,025	60,229	12,678	368,796	487,320	58,295	14,683	429,025				
<b>Transport</b>															
Plant	66	WATC	2.84%	153,338	49,678	3,783	103,660	201,635	48,297	5,162	153,338				
				2,103,317	233,976	103,316	1,869,341	2,327,239	223,922	112,957	2,103,317				
				2,103,317	233,976	103,316	1,869,341	2,327,239	223,922	112,957	2,103,317				

\* WA Treasury Corporation

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

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

	2020	2019
	\$	\$
<b>(c) Undrawn Borrowing Facilities</b>		
<b>Credit Standby Arrangements</b>		
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	(407)	(1,500)
<b>Total amount of credit unused</b>	<b>209,593</b>	<b>208,500</b>
<b>Loan facilities</b>		
Loan facilities - current	244,526	233,976
Loan facilities - non-current	1,624,815	1,869,341
<b>Total facilities in use at balance date</b>	<b>1,869,341</b>	<b>2,103,317</b>
<b>Unused loan facilities at balance date</b>	<b>0</b>	<b>0</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Borrowing costs**

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

**Risk**

Information regarding exposure to risk can be found at Note 22.

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

14. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

Opening balance at 1 July 2019

Current provisions  
Non-current provisions

Additional provision  
Balance at 30 June 2020

Comprises

Current  
Non-current

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date  
More than 12 months from reporting date  
Expected reimbursements from other WA local governments

	Provision for Annual Leave	Provision for Sick Leave	Provision for Long Service Leave	Total
	\$	\$	\$	\$
Opening balance at 1 July 2019				
Current provisions	453,857	76,328	241,432	771,617
Non-current provisions	0	39,357	87,225	126,582
	453,857	115,685	328,657	898,199
Additional provision	6,240	(5,519)	107,663	108,384
Balance at 30 June 2020	460,097	110,166	436,320	1,006,583
Comprises				
Current	460,097	78,691	330,771	869,559
Non-current	0	31,475	105,549	137,024
	460,097	110,166	436,320	1,006,583

	2020	2019
	\$	\$
Less than 12 months after the reporting date	265,831	328,616
More than 12 months from reporting date	716,473	538,781
Expected reimbursements from other WA local governments	24,279	30,802
	1,006,583	898,199

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

**SIGNIFICANT ACCOUNTING POLICIES**

**Employee benefits**

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

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

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

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

**Provisions**

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

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



## 15. NOTES TO THE STATEMENT OF CASH FLOWS

### Reconciliation of Cash

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Cash and cash equivalents	5,604,494	2,861,803	5,262,305

### Reconciliation of Net Cash Provided By Operating Activities to Net Result

Net result	1,403,921	153,323	504,024
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(1,153)	0	(70,068)
Depreciation on non-current assets	2,956,342	2,584,365	2,874,158
(Profit)/loss on sale of asset	197,629	97,018	91,327
(Profit)/loss on write off of asset	0	0	136,081
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(449,944)	784,462	(361,123)
(Increase)/decrease in inventories	9,292	2,000	7,410
Increase/(decrease) in payables	666,635	0	178,163
Increase/(decrease) in provisions	108,384	0	91,733
Increase/(decrease) in contract liabilities	204,858	0	
Non-operating grants, subsidies and contributions	(2,205,782)	(1,671,470)	(1,163,960)
Net cash from operating activities	2,890,182	1,949,698	2,287,745

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

	2020	2019
	\$	\$
Governance	2,928,248	2,941,104
General purpose funding	1,285,000	1,285,000
Law, order, public safety	397,503	815,577
Education and welfare	2,374,362	2,436,841
Community amenities	567,465	585,180
Recreation and culture	26,897,483	25,804,287
Transport	99,526,126	98,751,801
Economic services	103,322	79,191
Other property and services	2,632,572	2,670,734
Unallocated	9,310,317	8,526,323
	<u>146,022,398</u>	<u>143,896,038</u>

## 17. CONTINGENT LIABILITIES

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

### Contingent Liabilities

#### Litigation in progress

The Shire is not involved in any litigation proceedings.

#### Contaminated Sites

Under the Contaminated Sites Act 2003, the Shire is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required or possibly contaminated – investigation required, the Shire may have a liability in respect of investigation or remediation expenses.

During the year the Shire reported no contaminated sites to (DWER).

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

**18. COMMITMENTS**

**(a) Capital and Operating Expenditure Commitments**

Contracted for:

- capital expenditure projects
- operating expenditure projects

	2020	2019
	\$	\$
	50,029	374,214
	36,414	0
	86,443	374,214
Payable:		
- not later than one year	86,443	374,214

At the end of the reporting period, the Shire had the above capital and operating commitments contracted but not provided for in the financial statements.

The prior year commitment was for road widening works on Knotts Road.

**(b) Lease Commitments**

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

Payable:

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

	2020	2019
	\$	\$
	1,120	2,163
	0	1,120
	1,120	3,283

**SIGNIFICANT ACCOUNTING POLICIES**

**Leases**

The Shire adopted AASB 16 para 5 whereby all contracts that are classified as short term leases, (i.e. a lease with a remaining term of 12 months or less) and leases of low value (assets of \$10,000 or less) are recognised as an operating expense on a straight line basis over the term of the lease.

## 19. RELATED PARTY TRANSACTIONS

### Elected Members Remuneration

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Meeting fees	101,524	102,359	101,346
President's allowance	16,870	16,916	16,749
Deputy President's allowance	4,217	4,229	4,187
Travelling expenses	582	1,500	362
Telecommunications allowance	13,680	14,000	14,000
	<u>136,874</u>	<u>139,004</u>	<u>136,644</u>

### Key Management Personnel (KMP) Compensation Disclosure

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

	2020 Actual	2019 Actual
	\$	\$
Short-term employee benefits	922,646	807,765
Post-employment benefits	115,410	104,965
Other long-term benefits	94,359	95,101
	<u>1,132,415</u>	<u>1,007,831</u>

#### *Short-term employee benefits*

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

#### *Post-employment benefits*

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

#### *Other long-term benefits*

These amounts represent long service benefits accruing during the year.

## 19. RELATED PARTY TRANSACTIONS (Continued)

### Transactions with related parties

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

The following transactions occurred with related parties:	2020 Actual	2019 Actual
	\$	\$
Purchase of goods and services	8,195	2,280

### Related Parties

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

##### *i. Key management personnel*

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

##### *ii. Other Related Parties*

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

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

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

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

**20. RATING INFORMATION**

**(a) Rates**

RATE TYPE	Differential general rate / general rate	Rate in \$	Number of Properties	2019/20	2019/20	2019/20	2019/20	2019/20	2019/20	2019/20	2019/20	2019/20	2019/20	2019/20	2019/20	2019/20	2018/19
				Actual Rateable Value \$	Actual Rate Revenue \$	Actual Interim Rates \$	Actual Back Rates \$	Actual Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$	Actual Total Revenue \$				
<b>Gross rental valuations</b>																	
GRV General Rate		0.123882	1,461	22,710,076	2,813,370					2,813,370	2,809,118						2,723,759
<b>Unimproved valuations</b>																	
UV General		0.009416	334	218,563,934	2,057,998					2,057,998	2,059,496						2,027,653
<b>Interim/Back Rates</b>																	
<b>Sub-Total</b>			1,795	241,274,010	4,871,368	1,693	(415)		1,278	4,872,646	4,868,614	10,000	100	10,100			4,751,412
<b>Minimum payment</b>																	
<b>Gross rental valuations</b>																	
GRV General Rate		1,080	505	1,536,022	545,400					545,400	550,800						567,000
<b>Unimproved valuations</b>																	
UV General		1,400	329	32,193,873	460,600	0	0			460,600	456,400	0	0				411,840
<b>Sub-Total</b>			834	33,729,895	1,006,000	0	0			1,006,000	1,007,200	0	0				978,840
<b>Total amount raised from general rate</b>			2,629	275,003,905	5,877,368	1,693	(415)		1,278	5,878,646	5,875,814	10,000	100	10,100			5,730,252
<b>Movement from prior period for rates paid in advance</b>										5,878,646							5,730,252
<b>Totals</b>										0							12,648
										5,878,646							5,742,900
										(8,871)							(81,550)
<b>Concessions (Note 20(b))</b>																	

**SIGNIFICANT ACCOUNTING POLICIES**

**Rates**

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

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

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

SHIRE OF YORK  
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20. RATING INFORMATION (Continued)

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

Waivers or Concessions

Rate or Fee and  
 Charge to which  
 the Waiver or  
 Concession is Granted

Type

Discount  
 %

Discount  
 \$

2020  
 Actual  
 \$

2020  
 Budget  
 \$

2019  
 Actual  
 \$

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount %	Discount \$	2020 Actual \$	2020 Budget \$	2019 Actual \$
Rates Write Offs				311	30,000	23,981
Penalty Interest Written off				8,560		38,369
Legal Fees Written Off						19,200
				8,871	30,000	81,550
Total discounts/concessions (Note 20(a))				8,871	30,000	81,550



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20. RATING INFORMATION (Continued)

(b) 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	2/09/2019	0.00	0.00%	9.00%
<b>Option Two</b>				
First instalment	2/09/2019	0.00	5.50%	9.00%
Second instalment	8/11/2019	10.00	5.50%	9.00%
Third instalment	13/01/2020	10.00	5.50%	9.00%
Fourth instalment	20/03/2020	10.00	5.50%	9.00%

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Interest on unpaid rates	90,557	104,000	140,354
Interest on instalment plan	23,845	24,000	23,666
Charges on instalment plan	18,410	19,500	19,200
	132,812	147,500	183,220

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FOR THE YEAR ENDED 30 JUNE 2020

21. RATE SETTING STATEMENT INFORMATION

Note	2019/20 (30 June 2020 Carried Forward) \$	2019/20 (1 July 2019 Brought Forward) \$	2018/19 (30 June 2019 Carried Forward) \$
<b>(a) Non-cash amounts excluded from operating activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to operating activities</b>			
	34,810	8,634	8,634
Less: Movement in liabilities associated with restricted cash			
Less: Fair value adjustments to financial assets at fair value through profit and loss	(1,153)	(70,068)	(70,068)
Movement in pensioner deferred rates (non-current)	(8,617)	(15,955)	(15,955)
Movement in rates paid in advance	0	(12,647)	(12,647)
Movement in employee benefit provisions (non-current)	10,442	63,264	63,264
Add: Loss on disposal of assets	9(a) 197,629	91,327	(44,754)
Add: Assets expensed	9(b) 0	136,081	136,081
Add: Depreciation on non-current assets	9(c) 2,956,342	2,874,158	2,874,158
<b>Non cash amounts excluded from operating activities</b>	<b>3,189,453</b>	<b>3,074,794</b>	<b>2,938,713</b>
<b>(b) Surplus/(deficit) after imposition of general rates</b>			
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
<b>Adjustments to net current assets</b>			
Less: Reserves - cash backed	4 (3,023,350)	(3,090,661)	(3,090,661)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	13(a) 244,526	233,976	233,976
- Employee benefit provisions	524,991	490,180	490,180
Less: Rates received in advance	0	0	(71,768)
<b>Total adjustments to net current assets</b>	<b>(2,253,833)</b>	<b>(2,366,505)</b>	<b>(2,438,273)</b>
<b>Net current assets used in the Rate Setting Statement</b>			
Total current assets	7,653,940	6,879,716	6,879,716
Less: Total current liabilities	(3,207,783)	(2,218,307)	(2,027,128)
Less: Total adjustments to net current assets	(2,253,833)	(2,366,505)	(2,438,273)
<b>Net current assets used in the Rate Setting Statement</b>	<b>2,192,324</b>	<b>2,294,904</b>	<b>2,414,315</b>
<b>(c) Adjustments to current assets and liabilities at 1 July 2019 on application of new accounting standards</b>			
<b>Total current assets at 30 June 2019</b>			
- Contract assets	24(a)		6,879,716
<b>Total current assets at 1 July 2019</b>			<u>6,879,716</u>
<b>Total current liabilities at 30 June 2019</b>			
- Contract liabilities from contracts with customers	24(a)		(2,027,128)
- Rates paid in advance	24(b)		(119,409)
<b>Total current liabilities at 1 July 2019</b>			<u>(71,770)</u> <u>(2,218,307)</u>

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 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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## 22. FINANCIAL RISK MANAGEMENT

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

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

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

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

### (a) Interest rate risk

#### Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
<b>2020</b>					
Cash and cash equivalents	0.68%	5,604,494	2,539,928	283,148	2,781,418
<b>2019</b>					
Cash and cash equivalents	2.64%	5,262,305	2,484,533	2,777,772	0

#### Sensitivity

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

	2020	2019
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	56,045	52,623

\* Holding all other variables constant

#### Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 13(b).

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

22. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

**Trade and Other Receivables**

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

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. Whilst the Shire was historically able to charge interest on overdue rates and annual charges at higher than market rates, which further encourage payment, the effect of COVID-19 needs to be considered. Financial assistance provided to ratepayers is expected to adversely affect the Shire's cash flows.

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

The loss allowance as at 30 June 2020 and 30 June 2019 was determined as follows for rates receivables;

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
<b>30 June 2020</b>					
Rates receivable					
Expected credit loss	16.67%	18.56%	23.74%	20.95%	19.76%
Gross carrying amount	278,819	239,798	167,033	404,629	1,090,279
Loss allowance	46,492	44,517	39,658	84,776	215,443

**30 June 2019**

Rates receivable					
Expected credit loss	11.50%	11.21%	15.31%	18.35%	14.48%
Gross carrying amount	289,410	225,736	191,446	374,217	1,080,809
Loss allowance	33,283	25,300	29,306	68,657	156,546

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2020</b>					
Trade and other receivables					
Expected credit loss	0.06%	0.08%	0.50%	2.11%	0.33%
Gross carrying amount	283,151	2,387	200,255	23,423	509,216
Loss allowance	179	2	1,003	495	1,679

**30 June 2019**

Trade and other receivables					
Expected credit loss	1.61%	15.87%	16.82%	23.58%	3.88%
Gross carrying amount	207,459	270	3,090	21,916	232,735
Loss allowance	3,363	43	520	5,168	9,094

## 22. FINANCIAL RISK MANAGEMENT (Continued)

### (c) Liquidity risk

#### Payables and borrowings

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b>2020</b>					
Payables	1,759,940	0	0	1,759,940	1,759,940
Borrowings	338,979	1,382,019	648,691	2,369,689	1,869,341
Contract liabilities	333,758	0	0	333,758	333,758
	<u>2,432,677</u>	<u>1,382,019</u>	<u>648,691</u>	<u>4,463,387</u>	<u>3,963,039</u>
<b>2019</b>					
Payables	1,021,535	0	0	1,021,535	1,021,535
Borrowings	338,979	1,487,417	882,273	2,708,669	2,103,317
	<u>1,360,514</u>	<u>1,487,417</u>	<u>882,273</u>	<u>3,730,204</u>	<u>3,124,852</u>

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

Whilst the COVID-19 pandemic occurred prior to 30 June 2020, the greater effect on the Shire's operations may occur after 30 June 2020. The expected effect on the finances and resources are unable to be reliably quantified at the time of reporting.

In April 2020 changes were made to Local Government (Financial Management) Regulation 18 allowing a local government to change the use of reserve funds while a state of emergency is in force. At its Ordinary Meeting held 26 May 2020, Council resolved to re-purpose cash reserves in two stages in readiness to respond to the effects of the COVID-19 pandemic if required.

Stage 1 was effected prior to 30 June 2020 whereby the following reserves were closed and \$113,137 was transferred to the Disaster Reserve for use in the 2020/21 Financial Year;

<b>Cash-Backed Reserves</b>	<b>\$</b>
a) Town Planning Reserve	7,376
b) Public Open Space Reserve	447
c) Community Bus Reserve	86,377
d) Archives Reserve	6,980
e) Water Supply Reserve	6,778
f) Cemetery Reserve	5,179
	<hr/>
	113,137

Council further resolved to implement Stage 2 totalling \$230,467 if required to fund the COVID-19 recovery process.

SHIRE OF YORK  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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24. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

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

(a) AASB 15: Revenue from Contracts with Customers

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

	Note	AASB 118 carrying amount 30 June 2019 \$	Reclassification \$	AASB 15 carrying amount 01 July 2019 \$
<b>Contract liabilities - current</b>				
Contract liabilities from contracts with customers	12	0	(119,409)	(119,409)
Adjustment to retained surplus from adoption of AASB 15	24(c)		(119,409)	

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

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

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

	Note	AASB 118 and AASB 1004 carrying amount 30 June 2019 \$	Reclassification \$	AASB 1058 carrying amount 01 July 2019 \$
<b>Trade and other payables</b>				
Rates paid in advance	11	0	(71,770)	(71,770)
Adjustment to retained surplus from adoption of AASB 1058	24(c)		(71,770)	

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

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

SHIRE OF YORK  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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24. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

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

		2020 \$		2020 \$
	Note	As reported under AASB 15 and AASB 1058	Adjustment due to application of AASB 15 and AASB 1058	Compared to AASB 118 and AASB 1004
<b>Statement of Comprehensive Income</b>				
<b>Revenue</b>				
Rates	20(a)	5,878,646	95,960	5,974,606
Operating grants, subsidies and contributions	2(a)	2,110,209	224,858	2,335,067
Fees and charges	2(a)	1,391,296	0	1,391,296
Non-operating grants, subsidies and contributions	2(a)	2,205,782	108,900	2,314,682
Net result		1,403,921	429,718	1,833,639
<b>Statement of Financial Position</b>				
Trade and other payables	11	1,759,940	(95,960)	1,663,980
Contract liabilities	12	333,758	(333,758)	0
Net assets		141,052,776	429,718	141,482,494
<b>Statement of Changes in Equity</b>				
Net result		1,403,921	429,718	1,833,639
Retained surplus		33,517,034	429,718	33,946,752

Refer to Note 2(a) for new revenue recognition accounting policies as a result of the application of AASB 15 and AASB 1058. The Shire adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the Shire has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB16 recognised on 1 July 2019. In applying AASB 16, under the specific transition provisions chosen, the Shire will not restate comparatives for prior reporting periods.

(c) Impact of New Accounting Standards on Retained Surplus

The below table represents the impact on the Shire's retained surplus due to the adoption of AASB 15 and AASB 1058 as at 1 July 2019.

	Note	Adjustments	2019 \$
Retained surplus - 30 June 2019			32,236,981
Adjustment to retained surplus from adoption of AASB 15	24(a)	(119,409)	
Adjustment to retained surplus from adoption of AASB 1058	24(b)	(71,770)	(191,179)
Retained surplus - 1 July 2019			32,045,802

(d) Leases

The Shire adopted AASB 16 retrospectively from 1 July 2019.

On adoption of AASB 16 Leases (issued February 2016), for leases which had previously been classified as an "operating lease" when applying AASB 117, the Shire is not required to make any adjustments on transition for leases where the underlying asset value is low.

	Actual
Operating lease commitments disclosed as at 30 June 2019	3,283
Low value leases recognised on a straight line as an expense	3,283



## 25. TRUST FUNDS

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

	1 July 2019	Amounts Received	Amounts Paid	30 June 2020
	\$	\$	\$	\$
Cash in Lieu - Public Open Space	58,422	0	0	58,422
	0			0
	58,422	0	0	58,422

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**26. 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.

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27 FINANCIAL RATIOS

	2020 Actual	2019 Actual	2018 Actual
Current ratio	1.46	2.14	1.80
Asset consumption ratio	0.70	0.70	0.71
Asset renewal funding ratio	1.08	1.03	1.74
Asset sustainability ratio	0.87	0.71	0.83
Debt service cover ratio	6.69	6.91	6.10
Operating surplus ratio	(0.11)	(0.09)	(0.12)
Own source revenue coverage ratio	0.74	0.75	0.72

The above ratios are calculated as follows:

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



# Auditor General

## INDEPENDENT AUDITOR'S REPORT

To the Councillors 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 2020, 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 2020 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

#### **Basis for Opinion**

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

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

I draw attention to Notes 1 and 9 to the annual financial report, which describe the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act, including the Local Government (Financial Management) Regulations 1996 (Regulations). My opinion is not modified in respect of these matters:

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

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

The Chief Executive Officer (CEO) of the Shire is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of the annual financial report that is free from material misstatement, whether due to fraud or error. In preparing the annual financial report, the CEO is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

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

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

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

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

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

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

- (i) In my opinion, the following material matter indicate significant adverse trends in the financial position of the Shire:
  - a. The Operating Surplus Ratio as reported in Note 27 of the annual financial report is below the Department of Local Government, Sport and Cultural Industries (DLGSCI)'s standard of 0.01 for the past 3 financial years.
- (ii) The following material matter indicates non-compliance with Part 6 of the *Local Government Act 1995*, the Local Government (Financial Management) Regulations 1996 or applicable financial controls of any other written law were identified during the course of my audit:
  - a. Testing of the procurement process noted that controls to ensure declarations of conflict of interest are performed prior to the evaluation of the tender process could not be evidenced increasing the risk of any actual or perceived conflicts of interest being adequately identified and managed by the Shire.
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.
- (v) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

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



SANDRA LABUSCHAGNE  
DEPUTY AUDITOR GENERAL  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
4 December 2020



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