



Annual Report

2020/21

Adopted: 31 March 2022



2020/21

Annual Report

The Shire of Capel is pleased to present our Annual Report for 2020/21. Our Annual Report will inform you about our performance during the 2020/21 financial year.

We are committed to providing a transparent report that holds us accountable to the community. This report will provide a balanced review of our achievements and challenges in delivering community services and infrastructure.

The report is designed to meet our legal obligations under Division 5 of the Local Government Act 1995.

You can find more information about our current activities, policies and plans for the future at www.capel.wa.gov.au.

We wish to acknowledge the traditional custodians of the land we are meeting on, the Wadandi people. We wish to acknowledge and respect their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their culture; and to Elders past and present, their descendants who are with us today, and those who will follow in their footsteps.

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Message from the CEO

I am pleased to present the 2020/21 Annual Report to our community.

Firstly, I would like to thank all members of the community for the warm welcome I have received since joining the Shire as CEO in August 2021. From the start of my appointment, it is clear the Shire is a thriving community whose residents appreciate the opportunities provided by the unique lifestyle and rich environment Capel has to offer, and these foundations make for a successful and vibrant future.



The 2020/21 Annual Report

The 2020/21 Annual Report presents the community with details of the Shire's financial position as at 30 June 2021, specific achievements, successful projects and highlights key events and services which have contributed to the ongoing success of the Shire.

We must first acknowledge, as we look back through 2020/21, the continuing and ongoing challenge of the COVID-19 pandemic and congratulate the staff on their diligence and dedication to deliver quality services and events to our community, while keeping our residents safe and being responsive and compassionate in times of need.

2020/21 Focus

Strategic Planning

Although faced with many challenges during 2020/21, the Shire's year-end financial position sets the foundations for the implementation of key strategic initiatives which will guide the Shire's direction for the community over the next ten years. In particular, 2020/21 saw the development and Council adoption of the Shire's 2021-2031 Strategic Community Plan.

In order to capture the true essence and aspirations of our community, ensuring our residents have a strong voice through this plan, we undertook extensive engagement including community surveys, workshops and pop-up events, gathering around 2,000 responses from our residents and visitors. I trust this plan shows the Shire is listening to the community and will be working towards meeting your aspirations and expectations.

The Strategic Community Plan is aspirational and shares the belief the community has of an exciting future, where we can harness unique opportunities to enhance the lives of all residents, while addressing the barriers that can hold us back from reaching our potential.

2020/21 Focus

Community Cohesion

Our Community Development and Safety Team have been purposefully active this year, engaging with the residents to build relationships and forge new partnerships.

Community activities such as Fact or Faction, Captivate Capel, Dalyellup Christmas Festival, the Capel Makers Trail, to name just a few, were vibrant, well attended community events during 2020/21 adding to the Shire's community connectivity.

This plan aligns with our community's hopes for the future. It acts as our guiding light that directs our decisions and our strategic planning in coming years. The Plan considers how we can achieve positive social, environmental and economic outcomes, while ensuring we have a strong and resilient community that can recover and respond to future challenges.

The successful development of the Strategic Community Plan then led to the formulation of another key informing document, the 2021-2025 Corporate Business Plan. This plan connects with the Strategic Community Plan to the operational level of the Shire, how we transition your aspirations into actions and achievable goals for the Shire, while remaining fiscally responsible and maintaining our facilities and assets at a fit-for-purpose service level.

The recent development and adoption of these critical documents, supported by the Long-Term Financial Plan, will guide the Shire's direction over the next ten years, and is a coordinated approach to planning, ensuring community priorities and aspirations are translated into operational actions by the Shire.

The Capel Youth Collective experienced an active year participating in Life Skills programs, coding clubs and Inzone activities throughout the school holidays.

The Shire's Operations Team hosted a 'Free Drop Off Day' in Dalyellup, where members of our community were invited to drop off their unwanted household chemicals and hazardous materials. This project was funded by the Waste Authority through the Waste Avoidance and Resource Recovery Account and support on the day was provided by Cleanaway Services.

2020/21 Focus

Sustainable Environment

We have a community who strongly value and advocate for the protection and sustainability of our local environment, and 2020/21 saw the adoption of the Shire's Climate Change Declaration, establishing our position on climate change and outlining our commitments to addressing key external factors which adversely impacts on our natural environment.

2020/21 Focus

Vision for the future

In recognition of the extensive strategic planning completed during 2020/21, being the Strategic Community Plan, the Corporate Business Plan and other key informing documents; what an exciting journey we are about to embark on.

As a Shire, and with the support of the community, we have been able to identify what our key directions are for the next 10 years, and we are now building programs to turn your priorities into reality.

Two major projects which are both well underway is the development of the Dalyellup Skate Park and Dalyellup Multi-Purpose Community Centre. Both facilities are recognised as being fundamental services to complement our current offering to our community.

The Council recently adopted our Advocacy Prospectus 2021/22 and beyond for the Shire that looks to encourage investment in key strategic projects and promote initiatives to

These are just a few key successes for our Shire during 2020/21 and I encourage you to read our Annual Report and see the commitment to improving the lives of every resident in our community.

support jobs, industry, and growth, that encourages tourism and establishes a point-of-difference for Capel and the region, while building on the unique lifestyle opportunities that come with living in the locality and the South-West. We are currently exploring these opportunities for State and Federal Government support.

Achieving the community's future aspirations will present many challenges, none more so than financial. Over the coming months, we will consult with the community and outline the important decisions that need to be made to ensure the future sustainability of our Shire long into the future.

Finally, I sign off this message by thanking our Councillors and staff for their continued dedication and commitment to serving our community. Our team is committed to listening and taking action with our community to deliver an exciting future the Shire of Capel.

Gordon MacMile

Chief Executive Officer

Message from the Shire President

This annual report represents your Shire's accounting to its residents and ratepayers for its actions and performance during the past financial year.

Interested persons should peruse this document and use it as a reference base to hold your Council to account by asking relevant questions or putting proposals during the forthcoming Annual Meeting of Electors.

As we all know, the Covid-19 pandemic which hit our shores during the year posed great challenges and caused a variety of impacts.

I must say I was delighted with the way Shire staff adapted to these impacts and found ways to continue delivering services to the maximum extent possible. The Acting CEO and his staff were also able to facilitate the continued operation of Council despite shutdowns and gathering restrictions.

But what impressed me most was the strong resilience and patient forbearance shown by those in our community. People seemed to recognise and accept that things were different and temporary changes were necessary, and we received very little criticism or negative feedback.

Things are now largely back on track, but there remains uncertainty about how the course of the virus will play out.

So, I wish to thank the Shire staff for their professionalism and dedication, and congratulate people in our community for staying strong, sticking together and showing consideration for each other.

Capel Shire is a great place to live because it is a wonderful environment, but also because of its citizens who continue to exhibit a great community spirit and look out for each other, even in difficult times.

I also wish to thank the councillors who were prepared to be agile and adaptive, approving our one-off emergency funding program to support sporting and community groups with cash donations aimed at allowing them to continue to survive while gatherings, games

and events were not permitted.

The make-up of Council has changed significantly with seven new councillors installed over the past two elections. This indicates electors are seeking change and we understand this. In broad brush terms, I think we perhaps need to focus more attention on our beaches and coastal communities. But before we move forward and change long-term plans, we have decided to 'take the pulse' of the community with a comprehensive public survey taken before Christmas.

We look forward to analysing the feedback and then working to deliver those things the Shire of Capel needs to make our future great.

Cr Michael Southwell

Shire President





Our vision

A lifestyle of choice, where we work together to achieve a positive future: economically, socially, and environmentally.

Our values

Our values shape our community and culture. They underpin our service delivery. They're what we stand for and shape our mission and how we deliver our vision.



Our purpose

Our vision is to create a lifestyle of choice. This is defined by providing our community, residents and ratepayers with positive outcomes using collaborative approach to leadership.

We are committed to creating a collaborative community with a shared intention of delivering community aspirations. Our Strategic Community Plan sets out five focus areas to help us create a lifestyle of choice.



Snapshot

Located 200km south of Perth in Australia's Southwest - our shire covers 557km² along 27km of Geopraphe Bay.

Capel and surrounding areas are the traditional lands of the indigenous Bibbulmun Wadandi people and were settled by Europeans in the 1830s.

The Capel region is one of the most bio-diverse areas globally. It is home to the world's last remaining tuart forest.

Our Shire contains a mix of new urban development and rural heritage areas. Each community and area are unique, from quiet seaside settlements to charming country towns.

We have a diverse population made up of young families, professionals, and older couples of various cultures and ethnicities.

As a predominantly rural municipality – our key industries include agriculture, horticulture, and viticulture. Other local industries include mineral sands mining, basalt, timber, arts, and crafts.

We supply local and export markets with quality products, produce and premium wines from small vineyards.

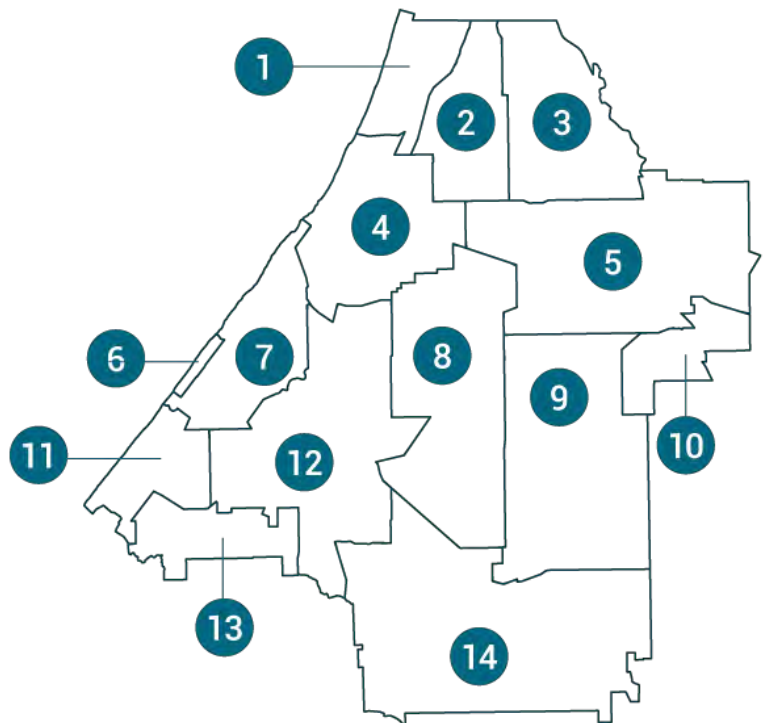
Extractive industry and mining contribute to the global mineral sands sector by providing titanium mineral products and zircon.

Our communities are continually growing and changing as many seek a coastal or rural lifestyle close to amenities and employment opportunities.

This change brings challenges in maintaining quality service delivery for residents. We use strategic planning and reporting to ensure we continue to supply our community with appropriate infrastructure, facilities, and services.

Our localities

1. Dalyellup
2. Gelorup
3. North Boyanup
4. Stratham
5. Boyanup
6. Peppermint Grove Beach
7. Stirling Estate
8. Elgin
9. The Plains
10. Gwindinup
11. Forrest Beach
12. Capel
13. Ludlow
14. Capel River



Your rates

Local governments set a projected revenue balance each year as part of the budgeting process. To achieve a balanced budget, a 'rate in the dollar' is determined by dividing the rates collected by the total amount of valuations.

Each individual rate is calculated by multiplying the Gross Rental Value (GRV) or Unimproved Value (UV) of a property by the rate in the dollar, which is set by the Council. We also use a minimum rate to ensure each ratepayer contributes to the provided services.

Population

The Capel region has experienced significant growth over the past ten years. The population has grown by 36.8% since 2009.

Population growth has stabilised in the past five years averaging an increase of 1.4% per year. This year the population grew by only 0.7% - equating to roughly 127 people. The Capel region has experienced significant growth over the past ten years.

Quick Stats

Financial Year	2018/19	2019/20	2020/21
Rates levied	\$12,435,615	\$12,847,173	\$12,891.711
Rateable assessments	7,574	7,625	7,831



100 People became Australian Citizens in the Shire of Capel

Australia | Western Australia | Local Government Areas

Capel (S)

Code LGA51400 (LGA)

[Search for a Community Profile](#)

- P

People 17,123

 - Male 49%
 - Female 51%
 - Median age 36
- F

Families 4,681

 - Average children per family 1.9
 - for families with children 1
 - for all families
- D

All private dwellings 6,650

 - Average people per household 2.8
 - Median weekly household income \$1,726
 - Median monthly mortgage repayments \$1,950
 - Median weekly rent \$350
 - Average motor vehicles per dwelling 2.2

QuickStats Search

© 2022 MapData Services Pt... esri

Council

Elected members serve a four-year term - with the Shire President elected biennially by the Council. A local government election was held on 19 October 2019. Councillors Kaara Andrew, David Clews, Kieran Noonan and Rosina Mogg were elected using the first past the post system. Cr Michael Southwell was voted in unopposed as the Shire President.

Elected members

Cr Michael Southwell

Shire President



Cr Kaara Andrew

Deputy President



Cr David Clews



Cr Doug Kitchen



Cr Rosina Mogg



Cr Kieran Noonan



Cr Debbie Radisich



Cr Murray Scott



Cr Sebastian Schiano



Conduct

Our Code of Conduct applies to Councillors, committee members and employees. It provides a set of guidelines, rules and a framework for decision making.

The Code of Conduct should be read in conjunction with the Local Government Act 1995, the Local Government (Rules of Conduct) Regulations 2007 and relevant sections of the Local Government (Administration) Regulations 1996.

Elected member attendance at meetings

2020-21 General Meeting of Electors' was held on 3 March 2021

	Council Meetings		Elector Meetings*	Committee Meetings				
	Ordinary	Special		Annual	Audit	BFAC	CCAS	LEMC
Cr Andrew	11/12	4/5	1/1	4/4				5/5
Cr Clews	11/12	3/5	1/1			2/3		
Cr Kitchen	9/12	2/5	1/1	3/4	4/5	3/3	3/4	4/5
Cr Mogg	12/12	5/5	1/1			3/3		4/5
Cr Noonan	12/12	5/5	1/1	4/4		3/3		
Cr Schiano	9/12	4/5	1/1			1/3	2/4	5/5
Cr M Scott	6/12	0/5	1/1	0/4			3/4	
Cr Southwell	12/12	5/5	1/1	4/4				

Council Allowance

Councillors are paid an annual allowance in recognition of carrying out their civic and statutory duties, work on policy development and as spokespeople on community matters.

Councillors incur expenses in the course of fulfilling their roles and are reimbursed for incurred expenses.

Description	Amount
Meeting fees	\$ 85,661.00
President's allowance	\$ 19,035.00
Deputy President's allowance	\$ 4,759.00
Travel expenses	\$ 3,036.00
Communication allowance	\$ 18,200.00
Total	\$ 130,691.00

Council Committees

Shire of Capel Councillors are members of a range of committees in both the Shire and surrounding districts. They provide information and advice to the Council on topical issues in the region.

A local government may establish committees of three or more persons to assist the Council to exercise the powers and discharge the duties of the local government that can be delegated to committees.

The Bush Fire Advisory Committee is convened under the Bush Fires Act 1954.

The Audit Committee is established under the powers given in section 5.8 and 7.1A of the Local Government Act 1995, and as prescribed in the Local Government (Audit) Regulations 1996.

Other committees are established under the Local Government Act 1995 s5.8.



Audit Committee

Audit Committee is responsible for overseeing the financial affairs of the Shire. The committee reviews the annual financials reviews organisation performance and financial management.

Members

Cr K Andrew
Cr D Kitchen
Cr K Noonan
Cr M Scott
Cr M Southwell



Bush Fire Advisory Committee

The Bush Fire Service is comprised of five Brigades. Brigade members are all trained volunteers and the Council seeks input from these members via the Bush Fire Advisory Committee (BFAC) on matters relating to bush fire prevention and control.

Members

M Scott Deputy Chief
Bush Fire Control Officer
Cr D Clews
Cr D Kitchen



Climate Change Adaptation & Sustainability Committee

The Committee held its first meeting on 9 June 2010, following a Council decision to establish a Climate Change Policy Committee. Originally concerned only with the development of a policy on climate change initiatives for endorsement by the Council, the scope of the committee has now broadened.

Members

Cr D Kitchen
Cr R Mogg
Cr K Noonan
Cr S Schiano



Local Emergency Management Committee

Local Emergency Management Committees (LEMCs) manage Local Emergency Management Arrangements (LEMAs), liaise with public authorities and other persons to develop and carry out emergency management activities.

Members

Cr D Kitchen
Cr M Scott
Cr M Southwell

Organisation

Executive Team



Rob Stewart

Acting Chief Executive Officer

- Chief Executive Office
- Strategy and economy
- Governance



Roy Grieve

Acting Director Infrastructure and Development

- Technical Services
- Operations and Waste
- Planning
- Rangers
- Emergency



Samantha Chamberlain

Director Community and Corporate

- Human Resources
- Executive Services
- Finance
- Customer and Business Services
- Community Services

RECOGNITION OF SERVICE...

During FY 2020-21, the Shire would like to recognise and thank former members of the Executive Management Team for their service during this reporting period:

Former CEO:
Mark Chester
Robert Stewart

Former Directors:
Susan Stevenson
Jason Gick

Our staff

Salaries over \$100k

8 \$100,000 to \$109,999

1 \$110,000 to \$119,999

1 \$160,000 to \$169,999

1 \$180,000 to \$189,999

Employee profile

13

Casual employees

26

Part time employees

67

Full time employees

83

Full time equivalent



Focus areas

We have five strategic focus areas and subsequent objectives. These objectives were developed as part of our Strategic Community Plan. Our performance and strategies for the FY2020/21 year are reported under each strategic objective.



BUILD

The infrastructure experience...

Aspiration: ensure safe, sustainable and efficient infrastructure and transport networks.

Urban development to be sustainably integrated to our unique natural environment, heritage and character.

As a community, we work to ensure our ongoing enjoyment of our quality of life.

Working together to meet the needs of changing infrastructure requirements.

Community needs a safe and efficient transport network including public transport.

Locals are able to 'age in place'.



CLEAN AND GREEN

The environmental experience...

Aspiration: preserve and enhance the natural and built environment.

The Shire of Capel becomes known as a clean and green place to live and do business.

Our unique bush, forests, rivers and beaches are valued and protected to preserve the natural environment.

As a community we come together to respond to environmental challenges and risks.

Council provides leadership and a responsive plan to manage our drying climate and increasing storm and fire risk.



DECIDE

The leadership experience...

Aspiration: open, transparent, and effective good governance.

Community works collaboratively to strengthen its 'network of networks'.

Respond to key challenges, global factors and local impacts together creating a more connected community.

Building a culture of collaboration and a stronger, safer and happier community.

Council keeps in regular communication with residents, workers and stakeholders.

Council is effective and efficient in the financial management stewardship of community assets.



PEOPLE

The community experience...

Aspiration: facilities and services that accommodate the diverse needs of the community and providing a safe place to live, work and visit.

Council works in partnership with the community in providing appropriate services and facilities.

Celebrates the community's diversity of residents and visitors including their contribution to cultural and economic sustainability.

The special characteristics of the Town Centres are fostered.

Community safety is recognised as paramount



PEOPLE

The community experience...

Aspiration: responsible and progressive local economic development

The community capitalises on its unique attributes and location.

Local businesses and retailers serve the needs of the local community and visitors.

Each town centre and its facilities meet the needs of residents and visitors and are presented to a welcoming standard.

Each town centre and its facilities meet the needs of residents and visitors and are presented to a welcoming standard.

Events, including arts, culture and sporting events are promoted to bring revenue into the shire.

Activities, new business and developments are encouraged.

Build

The infrastructure experiences...

We want the Capel region to be regarded as a destination with safe and sustainable infrastructure for the benefit of our community.



In review...

We delivered our complete capital works program with many projects and works designed in-house by our Technical Services Team.

Various asset improvement works were completed including road grading, road verge maintenance, line-of-sight tree pruning, footpath repairs, public open space maintenance and playground repairs.

Parks and Gardens

Capel

Design & Implementation of Entry statement garden beds displaying a mixture of native species, shrubs, and trees at the following sites:

- 2 x entries Capel Drive
- 1 x entry Spurr Street
- 1 x entry Goodwood Road

New Shade sail at Capel Recreation Ground

Twelve-month Turf Maintenance program at:

- Capel Recreation Ground
- Erle Scott Reserve

Redesign and renew the garden beds at Colroy's (Cnr Forrest Drive & Capel Drive).

Top up planting of mixed native species of shrubs and trees around Erle Scott Reserve and Shire Office. Redesign and revamp the garden beds in the Shire office courtyard.

Redesign and renew the garden beds at the RSL corner (Forrest Drive).

Mulching all new planting area with Aquamor mulch, more sustainable product that only requires replenishing every 3 years (approx.).

Bringing the maintenance of The Grove public open space in house.

Scheduling regular maintenance at Bridge Walk Trail (down by the river) to ensure safety for users and showcase a beautiful part of our Shire.

Improvements to the play area at Capel Playgroup, new swing seats and the removal of a hazardous sand area creating more lawn space for play.

Boyanup

Redesign and renew the garden bed at the Tourist Information Bay as an entry point to the town with mixed native shrubs and trees species.

Bringing the maintenance of The Railway Museum in house.

Installing a shade sail over the playground area at Boyanup Memorial Park.

Renewing the playground surround with limestone.

Twelve-month Turf Maintenance Plan at Boyanup Oval.

Gelorup

Renewing the playground surround with limestone at Gelorup Community Centre.

Installing a shade sail over the playground area at Gelorup Community Centre.

Discovering, creating, and maintaining a natural area at Sheoak Park diverse with native plants.

Dalyellup

Installation of a new Junior Playground at The Lakes.

Regular maintenance of the walkway along the front of Bussell Highway.

Peppermint Grove Beach

New landscaping at the Foreshore area including turf, plants, and irrigation.

Regular maintenance scheduled to beach access ways.

Planning Services

The financial year once again saw a significant focus on strategic planning projects. This included advertising a new Local Planning Strategy and Local Planning Scheme 8.

COVID-19 significantly impacted the Planning Services Team leading to technological changes, process improvements and implementation of state planning reforms.

The volume of development and subdivision applications significantly increased along with requests for subdivision clearances and general planning enquiries.

12

Strategic projects

- Draft Local Planning strategy and Local Planning Scheme No. 8
- Bunbury Geographe Sub Regional Planning Strategy.
- Bunbury Outer Ring Road (BORR).
- Peron Naturaliste Partnership (PNP).
- Commence production of Joint Coastal Hazard Risk.
- Management and Adaption Plan (CHRMAP).
- Climate Change Adaptation and Sustainability Committee.
- Contaminated sites.
- Dalyellup district centre Community Purpose site development including skate park.
- Dalyellup Town Square.
- Capel North infill sewer.

8

Significant applications

- Gelorup Asphalt Plant SAT decision.
- Ongoing work on various structure plans including Greenpatch, Dalyellup Beach, Dalyellup East and Lot 1 Capel Drive.
- Lillydale Rd Brewery Development Application (DA) SAT case withdrawn.
- Malt house DA approved.
- Extractive Industry DAs related to BORR.
- Various subdivision applications (mainly Dalyellup) and related fast tracked subdivision clearances and LDPs.
- BORR North and Central DA.
- Scheme amendments Lot 2 Calinup Rd.

Strategic Projects

Two key Shire of Capel community facilities projects undertook significant planning steps towards becoming a reality in the future. These projects are as follows:

- Dalyellup Skate Park.
- Dalyellup Multipurpose Community and Youth Centre.

Dalyellup Skate Park

In the 2020-21 financial year two key planning milestones were completed for the Dalyellup Skate Park. This included the progression of the finalised detailed design and the preparation of a draft tender for construction.



Figure 1. Artist's impression of new Dalyellup Skate Park

The new park will include a 1,125sqm facility including a 795sqm plaza style skate park and 330sqm flow/bowl style terrain. Ancillary facilities also to be provided as part of this proposal include lighting and landscaping elements such as shade structures, drink fountains, waste depositories, BBQs, seating, bike storage racks, turf, pathways, plantings, and irrigation. A centralised car park will also be part of stage 1 of the precinct development. Construction is due to commence in January and conclude in May 2022.

Dalyellup Multipurpose Community and Youth Centre (DMCYC)

In the 2020-21 financial year three key planning milestones were completed for the DMCYC, including securing external funding, the setting up of a project steering group and the procurement of a project architect.

To secure the external funding of \$8 million, the Shire of Capel submitted a business case to the State Government of Western Australia through a specific COVID-19 stimulus funding scheme. It is intended, should the project reach fruition, the DMCYC would stimulate the economy and community by:

- Creation of a community hub focused on youth.
- Creation of a technological and digital hub.
- Improving community health (mental and physical) using quality infrastructure and open space.
- providing of a community events venue.
- Providing employment opportunities through staffing for improved current and new services, start-ups, and innovative media ventures.
- Developing an accessible space for heritage, culture, art, and recreation.

Stage 1 of the project was awarded \$500,000 to conduct initial studies. This will ensure the project, should it reach construction completion, meets the needs of the Dalyellup residents and is operable for the Shire.

Clean and green

The environmental experience...

Over 540 customer service requests from the community were received in relation to waste and recycling during 2020-21 financial year.

Get Your Act Together

Keep Australia Beautiful Community Litter Grant

The Shire of Capel received a \$5,000 Community Litter Grant to produce 5, 15 second video vignettes of three mime artists demonstrating how to prevent littering with the catchphrase 'Get your act together'. The videos are available [online](#) and have accompanying pull-up banners to use for community education.



Free Drop Off Day in Dalyellup Household Hazardous Waste



Members of the public were invited to drop off their unwanted household chemicals and hazardous materials on Saturday 6 September 2020 at the temporary drive-through collection day held at the Lakes Car Park, Dalyellup. Over 220 carloads, foot loads and bike loads used the service. This project was funded by the Waste Authority through the Waste Avoidance and Resource Recovery Account and support on the day was provided by a crew member from Cleanaway.

Climate Change Declaration

Climate change is having, and will continue to have, significant effects on the Western Australian environment, society, and economy, with impacts felt at the Local Government level.

The Shire of Capel supports the environmental, social, and economic benefits of addressing climate change immediately and has adopted a Climate Change Declaration which establishes our position on climate change and outlines our commitments to addressing climate change.

Our Shire's overall objectives are to:

1. Align the Council's strategic vision and decision making with the Paris Agreement and other global/regional and local climate change and sustainability trends.

Bin Tagging

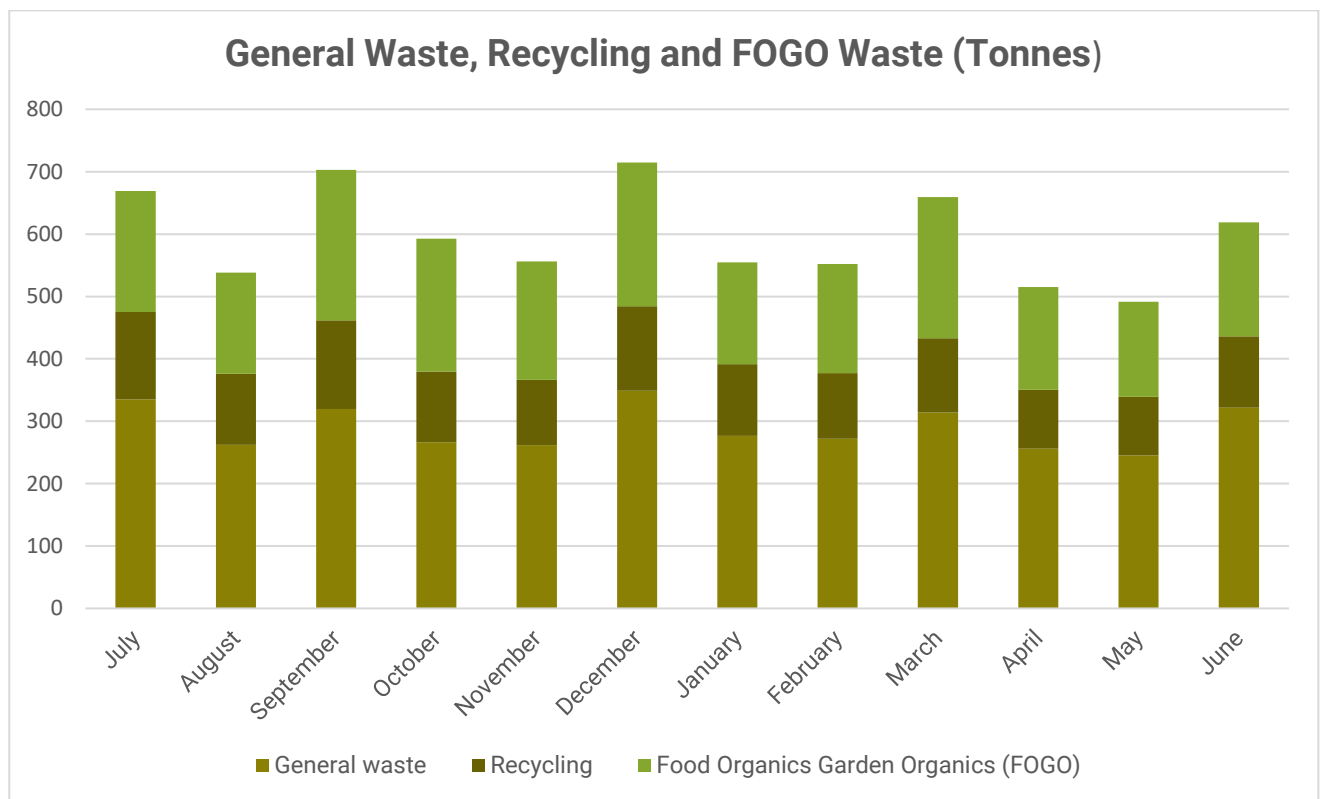
Bin tagging was undertaken at 800 properties in Capel, Dalyellup and Gelorup. Bin tagging is a method of providing direct feedback on the content of waste, recycling, and FOGO bins to residents by placing a tag on each bin to indicate if the contents are appropriate. The tags provide specific feedback on the content of the bin as well as some general guidance on what can and can't be placed in the kerbside bin. Common contaminants found in recycling bins included lids, aerosols, soft plastics, textiles, meat trays and UHT. Some residents also bagged or boxed up items which are recyclable, but these items should be left loose in the recycling bin instead to make them easier to process at the recycling facility. Lots of residents were utilising their bins correctly which is a great result and were rewarded with a smiley face tag on their bin.



2. Demonstrate climate leadership with the community and stakeholders through engagement and collaboration.
3. Reduce our corporate greenhouse gas emissions through the use of appropriate technologies and continuous business improvements and operational efficiencies.
4. Build the resilience of our Shire and its communities to the changing climate, particularly in terms of sea level rise.

Recycling

The following chart provides an overview of the amount of general waste, recycling and FOGO waste that was collected in the Shire of Capel in 2020-21.



Verge-side collections



353

TONNES

Green waste collected



334

TONNES

Hard waste collected

Decide

The leadership experiences...

The leadership roles and requirements in local government change year-to-year based on the needs of the community.

Customer Service

May to November 2021

8,735

People through the door

The team provides advice to customers, greets them for appointments & processes any of their monetary transactions.



28,532

Incoming & outgoing calls

Each & every call made to the Shire is handled by one of the Customer Service Team. It's either managed by a CSO or progressed to another staff member through the Customer Request process.



2,613

Customer Requests

Work & information requests produced for the benefit of the customer allowing adequate information for Shire of Capel staff to follow up.



2,917

Financial Transactions

Includes rates, animal registrations, building & planning applications & any transaction required to receipt throughout the organisation.



Our community and people are constantly changing...

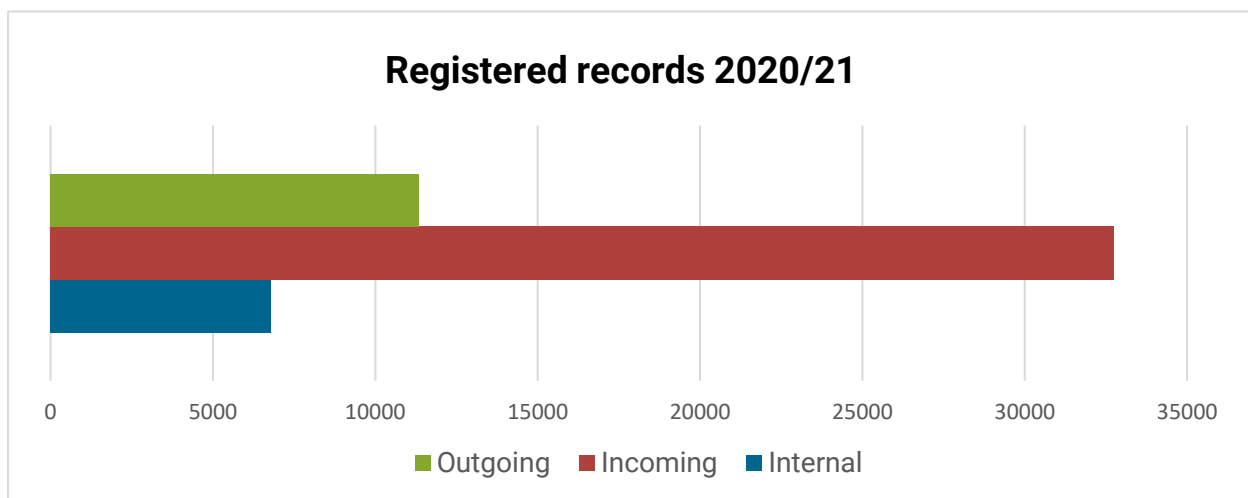
Each locality has a different lifestyle, demographic, and economy along with diverse ways of communicating, collaborating and engaging.

The 2020/21 financial year following COVID-19 made it increasingly difficult for the administration and the Council to respond to these developments. We continued towards our goal of improving transparency and governance while responding to key community challenges.

Records management

Local governments are required to keep records under the State Records Act 2000. A record is any form of information created, received, or maintained by a government agency or parliamentary department in the course of conducting its business activities.

The total number of records captured into the electronic document management system during 2020-21 was 50,886. The graph below displays the breakdown.



Digitisation project

The back-scanning project continued with a total of 3,135 building files recorded. An increase from the previous year of 348 files.

COVID 19 Recovery

The Shire received a grant for \$20,000 from the Lotterywest Crisis & Emergency Relief fund, to support residents and community groups who struggled financially during the pandemic. We used these funds to provide 100 residents and community groups with a voucher to the value of \$200 to purchase necessities.

Feedback from some of the community groups and residents are as follows:

"On behalf of the Boyanup Hockey Club Inc, I would like to express our Club's appreciation to the Shire for the \$200 worth of support vouchers provided by Lotterywest funding. The Club utilised the vouchers at our recent Wind Up night and presented them as awards to our Fairest & Best players. Thanks again for the support."

"I must say it was such a lovely surprise to receive your email. Capel Soccer club has tried very hard to be community minded and low fee this year due to the Covid crisis. These vouchers will allow us to provide the children with a well deserved windup, without the additional costs to the club. It is very much appreciated as fees were not reduced by Football Federation Australia, a small portion from Football West and no proposal as yet from the LNJSA. So our decision to provide the expected and warranted reduction in fees, had come at a cost to the club. Thank you for this assistance."

"Thank you so much for all your hard work organising this support. This is a huge help as this has been an incredibly tough year."

"Thank you so much it is really appreciated. So nice to have a Shire that cares."

Disability Access and Inclusion

Throughout the year the Shire implemented the following actions from the Council's endorsed Disability Access & Inclusion Plan:

- Upgraded the footpaths along SW Highway in Boyanup.
- Commenced a partnership with Bendigo Bank to make local businesses and community facilities accessible for all people.
- Our Shire website continued to comply with the WWW Consortium (W3C) web content guidelines.
- All the Shire's recruitment processes and practices continued to be as diverse as possible and fair and inclusive.
- All agents and contractors were aware of the Shire's Disability Access & Inclusion Plan and the Disability Discrimination Act.

Reconciliation

The following actions were implemented as part of the Shire's commitment to reconciliation:

- Acknowledgement of Country on Shire intellectual property.
- NAIDOC week event, which included children's cultural activities, cultural displays, bush tucker, cultural dance performance and cultural dance workshop.
- Two Noongar Sports activities during July 2020 school holidays.
- Provided images to WALGA for National Reconciliation Week.
- Demonstrated our recognition of First Nation peoples by raising the Aboriginal flag outside the Council Chambers for the first time. The Shire installed three new flag poles to accommodate the Aboriginal flag. The Hon Nola Marino MP raised the Australia flag, Councillor Rosina Mogg raised the Western Australia flag and local Wadandi Elder, Sandra Hill, raised the Aboriginal flag. The moving ceremony was a fitting tribute to Australia's Indigenous heritage, promoting a sense of community partnership and a commitment towards reconciliation.



People

The community experiences...

We also use the services to provide a safe space to live, work and visit. Our Youth Service's Team delivers a range of projects and initiatives that provide opportunities for young people aged 10 to 15 years.



Our community and people are constantly changing...

Each locality has a different lifestyle, demographic and economy along with diverse ways of communicating, collaborating and engaging.

The 2019/20 financial year following COVID-19 made it increasingly difficult for the administration and the Council to respond to these developments.

We continued towards our goal of improving transparency and governance while responding to key community challenges.

Community Snapshot

EVENTS



AUSTRALIA
DAY
BREAKFAST



CAPTIVATE
CAPEL



CAPEL
CHRISTMAS
CARNIVAL



FACT OR
FACTION

\$19,323

Community group event sponsorships

YOUTH

489

INZONE
PARTICIPANTS

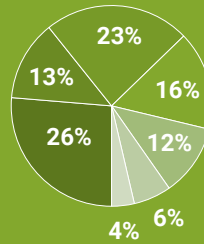


20

INZONE
ACTIVITIES

Paintball
Surfing
Dancing
Golf
Ice Skating
Circus
Adventure World
...and more

PARTICIPANT AGES



- 10
- 11
- 12
- 13
- 14
- 15
- 16

AFTER
SCHOOL
PROGRAMS

Cooking
Acrobatics
Coding
Games
Stop Motion
Forensics
...and more

337

Sporting
vouchers
issued

SENIORS



4

SENIORS
EVENTS

FEEDBACK RECEIVED

"As we attend more trips and get to know more people from other areas of the Shire. We feel that sense of community."

"I made new friends and found out about other local seniors' activities."

274

ATTENDEES



LIBRARIES



LIBRARY VISITS

44,825

14,295

CUSTOMER
ENQUIRIES



TOTAL LOANS

66,102

Ranger Services

Our Ranger team runs 10 hours per day, 7 days a week, in addition to special hours for some operations and an on-call service 24-hours a day for priority requests.

Over 700 customer service requests and more than 900 items of correspondence were processed this year, completing some 12,365 recorded actions. These encompassed an enormous variety of tasks including investigations, signage upgrades, public education, and even coordinating the removal of a dead whale.

27 dog attacks were investigated by Rangers, varying in severity from a simple rush to physical injuries. Over 160 animals were reunited with their owners, less than 50 were impounded, and all unclaimed pets were rehomed.

Beach Emergency Numbering Upgrades

Experience gained during the removal of a humpback whale resulted in additional grant funding being secured to expand the network of Beach Emergency Numbering (BEN) signs. The multipurpose signs allow Rangers to close the beach and provide additional information in the event of an emergency.

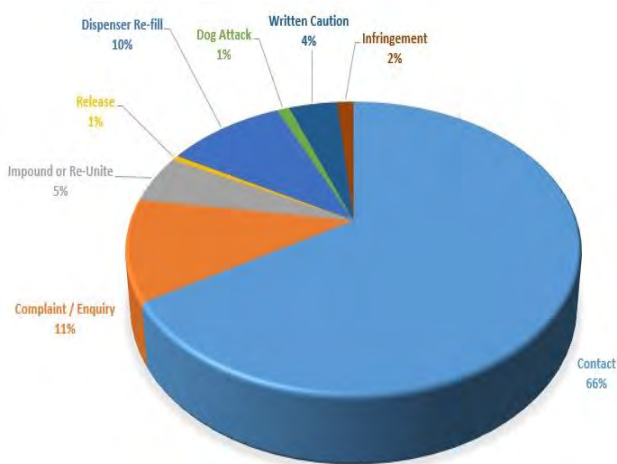
In addition, the signs provide a readily identifiable location for emergency services to quickly attend if required.

Public Education

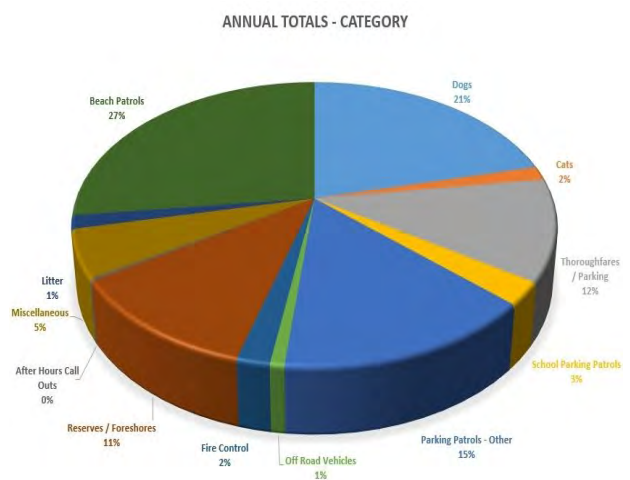
Rangers have continued to focus on educating the public about responsibility and their obligations under all of the relevant legislation to provide a healthy and safe community.

The most common complaints investigated by Rangers included parking, litter, off-road vehicle use, and dog nuisance by barking and wandering.

Officers educate the community to ensure compliance, however, enforcement via infringement may be employed to deter repeat offenders.



DOG ANNUAL TOTALS



Youth Services

Capel Youth Collective

The Capel Youth Collective is an initiative by the Shire of Capel which encourages people between the ages of 10 to 17 to get connected locally, participate and advocate for Youth in the community.

We currently have nine (9) Capel Youth Collective members that meet each Tuesday from 4.00pm to 6.00pm. They assist with the Shire's After-School Programming from 4.00pm to 5.30pm, then attend our informal meeting from 5.30pm to 6.00pm.

In the 2020-21 financial year, the Capel Youth Collective were involved in a range of different volunteer opportunities.

In addition to volunteering and planning for each 'Inzone' school holiday program, the group collaborated on:

Youth Week

Partnering with the Shire of Dardanup and Harvey and City of Bunbury's youth teams for Youth Week 2021. The Shire of Capel contributed by creating the marketing material, a calendar of events for the week and attendance at the City of Bunbury Outdoor Movie Night where the Youth Collective made mocktails, and promoted the Shire's Youth Services.



Figure 1. Youth week photos

Captivate Capel 2020

The Capel Youth Collective had major involvement in volunteering at Captivate Capel 2020. The 9 members were involved in assisting stallholders, collecting survey data, manning the novelty rides such as the bucking bull, and other tasks to assist the event team on the day. They did a fantastic job in representing the Capel Youth Collective and added volunteering to the list on many skills they have gained over the years.



Figure 2. Captivate Capel 2020 photos

Capel Youth Collective- New Shirts

The Capel Youth Collective upgraded their shirts to a smart, black design. They are perfect for events and look very professional. When receiving them, they showed them off by modelling for some photos in the Capel Civic Precinct!



Collective T-Shirts

Figure 3. New Capel Youth

Inzone School Holiday Program

Inzone is the Shire of Capel's school holiday program run on four (4) occasions throughout each year, offering development opportunities and encouraging participation from Youth of all different backgrounds to socialize, try new things and have fun. Key highlights for the 2020-21 financial year were as follows:

Gravity ETC.

The 2020 July school holidays Inzone program started off with a bang, with this sell-out activity. From 1pm to 3pm at Gravity, 104 Shire of Capel kids got to bounce at the incredible trampoline centre with their friends. Participants were also treated with a sausage sizzle, ice cream, a fruit cup and water. Everyone had a fantastic time, forming new friendships in a fun environment.

Dance Steps Southwest Workshop

Eight Shire of Capel youth came down to the Capel Community Centre for a fun-filled day of dance with Suzanne from Dance Steps Southwest. The kids walked into the workshop with little experience or exposure to dance but walked out with some new moves and a whole new level of confidence. Suzanne took the class for a two-hour dance workshop and finished off with a performance for the parents. The smiles and feedback from the youth proved that this activity was a success.

Face Painting, Arts and Music Hangout Zone

Six Shire of Capel youth expressed themselves and got creative at Sara Storm's Face Painting, Arts and Music Hangout Zone. This activity was held in the Capel Community Centre which gave the youth lots of space to immerse themselves in activities such as creating tie-die pillowcases, learning to face paint, cooking pizzas and making music. The youth created some amazing artwork and experimented with face paint on themselves and each other. This activity was the perfect way to end a busy school holiday as the day was at a steady pace, which allowed for socialisation, creativity and fun.

Participant Numbers

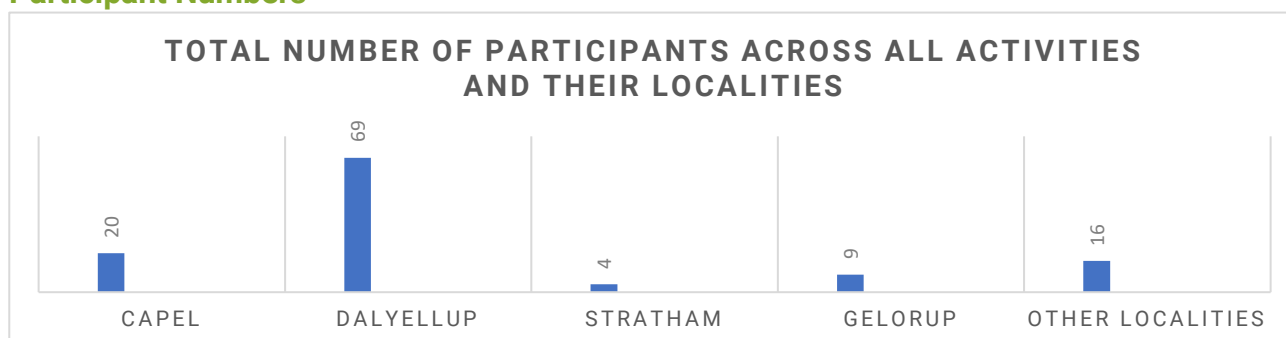


Figure 4

This figure shows that there was a total of 118 participants across 3 activities, seeing an average of 39 participants per activity (Gravity ETC event alone, saw 104 participants attend). During the July 2019 Inzone Program, the average was 14 Participants across 4 activities. This was a 278% increase in attendance year on year.



Figure 5. July 2020 Inzone photos

Capel Gaming & Art Day

Fifteen kids came to the Capel Community Centre for a day of gaming, sport and art! Competitions of all kinds ran throughout the afternoon with prizes given to the winners, while others could relax with a board game or paintbrush.

Capel Golf Club

Capel Golf Club hosted twelve young people in a workshop to learn the skills of the sport. It was the first introduction to golf for many of the participants, who developed their game in a fun and engaging way, leaving many of them wanting to return for more.

Paintball Pursuit

Twenty young people attended Paintball Pursuit in what was possibly the fastest selling Inzone activity in years! Attendees were eager to get involved and kept going back for more, no matter how many bruises they sustained, and couldn't stop talking about their achievements out on the battlefield.

Dalyellup Gaming Day

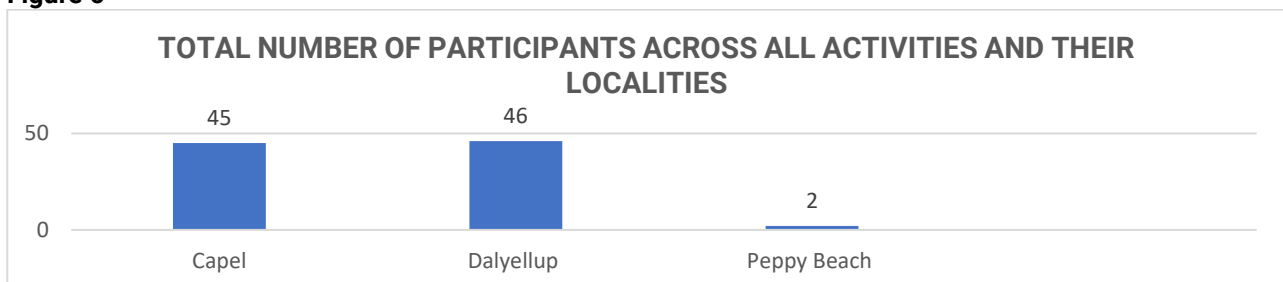
We picked up where we left off in Capel the week before, converting the Dalyellup Community Centre into the ultimate youth gaming hub. Sixteen kids had a go at the gaming and art equipment for a chilled afternoon, showing that the youth in our area love gaming.

Xscape the Cape

To cap off the holiday program, thirty kids ventured on the bus down to Xscape the Cape adventure park in Dunsborough. The weather held off for a good day of zipping down the slides, bouncing on the trampolines, and climbing up the adventure equipment.

Participant Numbers

Figure 6



This figure shows that there was a total of 93 participants across 5 activities, seeing an average of 18.6 participants per activity. During the September 2019 Inzone program, the total was 78 participants across 5 activities, seeing an average of 15.6. This was a 19.2% increase in attendance year on year.



Figure 7. September 2020 Inzone photos

Adventure World

Fifty-three participants ventured up to Adventure World for a fun day out in perfect summer weather, once again proving it be a hit activity on the Inzone calendar. The day was made possible by CD staff and volunteers stepping up to the plate to get as many kids on board as possible. A great start to the program!

Margaret River Skating Workshops

The Margaret River skate park hosted seven of our young crew who were keen to learn to skate, or refine their skills, with the professionals at Rollin Youth. A sausage sizzle followed a great session, where kids learned new skills for the first time including dropping in!

Mandurah Gaming Day

Ten eager gamers visited the Billy Dower Youth Centre in Mandurah, for a day of competition and tournaments with other like-minded youth from that area.

Paintball Pursuit

Back by popular demand, nearly thirty guys and girls battled it out at Paintball Pursuit in Stratham over many different game types. Smiles and bruises all round!

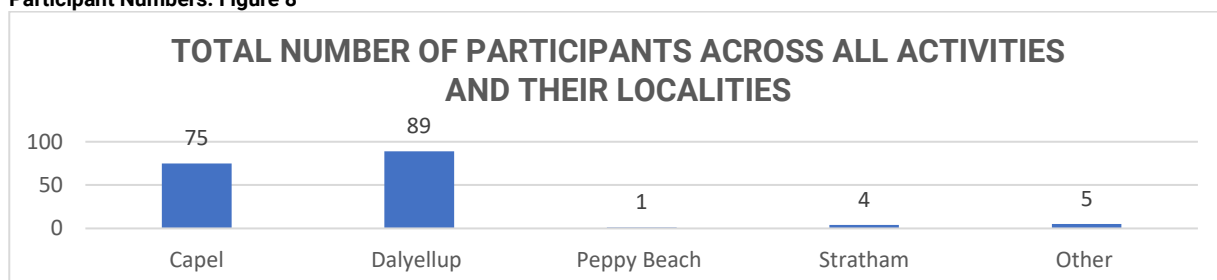
Margaret River Surf School

Doubling up on the trips to Margaret River these school holidays, twenty-two kids plunged into the water at Redgate Beach for pro surfing lessons with the Margaret River Surf School.

Real Combat Laser Tag

Capping off our most successful Inzone program for years was a revisit to the challenging and fun Real Combat Laser Tag in Bunbury. Twenty soldiers went into battle, and luckily twenty came home after a long morning of combat.

Participant Numbers: Figure 8



This figure shows that there was a total of 174 participants across 6 activities, seeing an average of 29 participants per activity.



September 2020 Inzone photos



Cockburn Ice Skating Trip

The first activity to kick-off the April Inzone saw 30 kids board the bus for the Cockburn Ice Arena. The group consisted of a variation of both experienced skaters, and first timers. However, by the end of the session, they were all gliding across the ice like professionals!



Circus Workshop

The Dalyellup Community Centre turned into a circus with Issac and Michelle teaching 18 youth all things acrobatics and circus tricks! The apprentice acrobats spent two hours learning trampoline work, balance and manipulation, handstands and more! Isaac will be running more in-term circus workshops during term 3.

Capel Youth Collective City of Bunbury Outdoor Movie Night

During the April School Holidays, the Capel Youth Collective got involved in Youth Week by attending and volunteering at the City of Bunbury's Outdoor Movie Night held on 9 April 2021. Four of our members came along and set up a stall in the Council Gardens, giving out free mocktails to the patrons of this event. A lot of preparation went into designing and testing their Mocktail recipes and menus at Youth Collective sessions prior to the event, and it's safe to say that the mocktails were a hit!

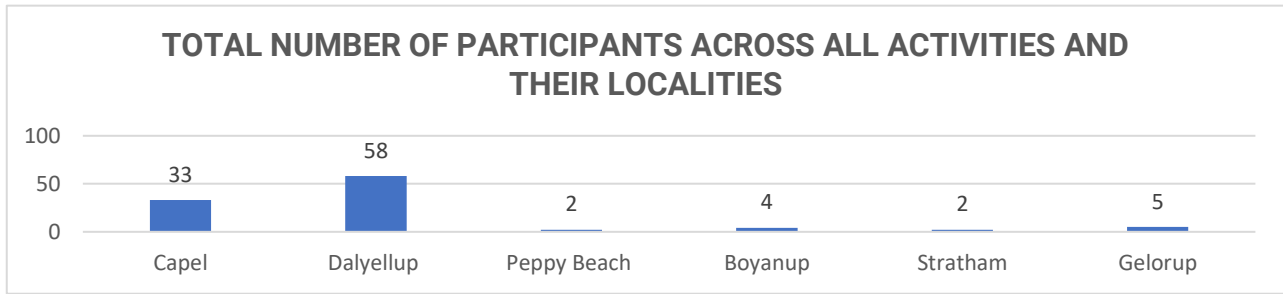
Capel Gaming and Nerf Battle

The Capel Community Centre turned into a battleground as 26 eager kids came armed with Nerf Guns to participate in the great 'Box Fort Nerf Battle!' Foam Nerf bullets ricocheted the walls and the cardboard forts that the youth built. Afterwards, the youth headed into the 'Capel Hangout Zone' where they participated in gaming and table-top games.

Perth Movie and Shopping Trip

To cap off the holiday program, thirty kids ventured on the bus up to Perth to see Tom and Jerry: The Movie, as well as go shopping at the Garden City Shopping Centre. This activity gave the youth an opportunity to spend time at their favourite Perth stores with their friends. This was a highly requested activity from the Capel Youth Collective, and overall was a great day for all.

Participant Numbers: Figure 10



This figure shows that there was a total of 104 participants across 5 activities, seeing an average of 21 participants per activity.

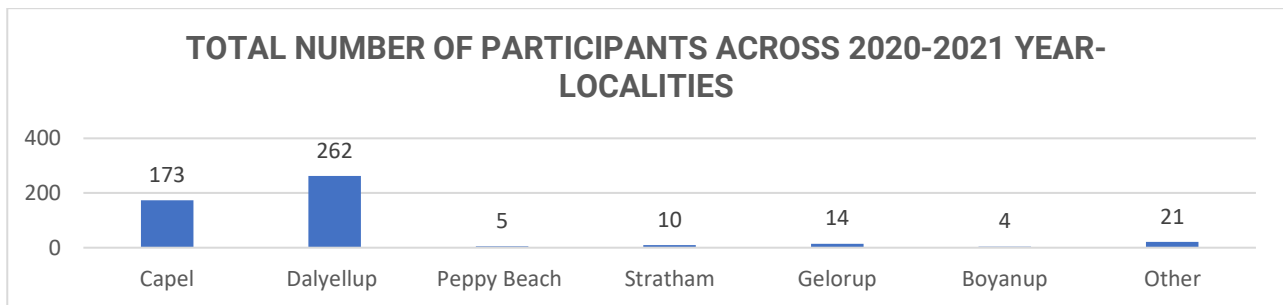
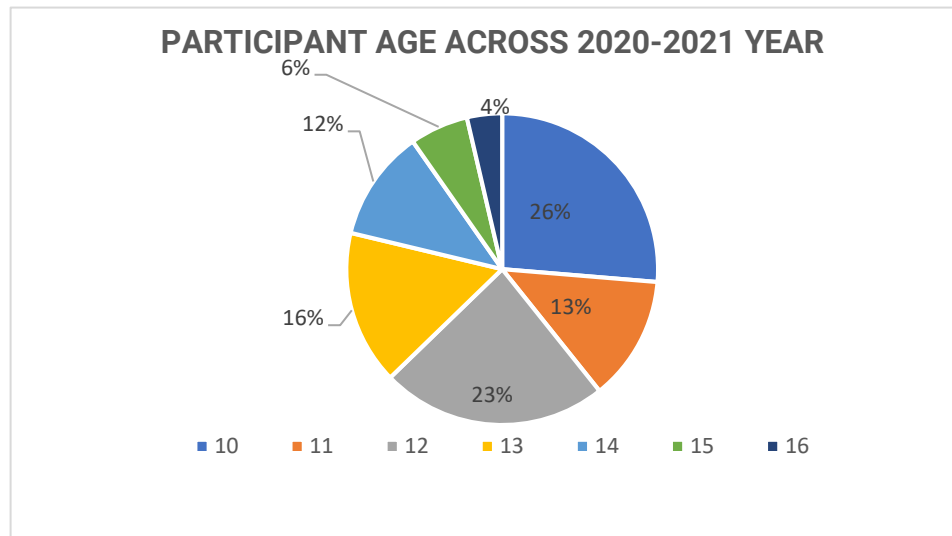


Figure 11. Total Inzone participants across the localities 2020-21

Total Number of Inzone Participants over 2020-2021 Year: **489**

Figure 12. Age demographics



After School Programming

Life Skills Program

Term 3 2020 saw the commencement of the after-school Life Skills program in the Capel and Dalyellup community centres. The Shire, in partnership with Investing in our Youth, conducted a program in both localities that covered health and wellbeing, technology and digital art, and cooking.

The program kicked off with cooking in Term 3, and both the Dalyellup and Capel groups sold out of places quickly. Attendees learnt about food nutrition in addition to the valuable skill of cooking healthy cheap meals and got to take the recipes with them to try at home. Kids had a fun time experimenting with food and learning about easy alternatives to unhealthy options, and parents were also pleased with the benefits of the program for their child.

Term 4 provided a new activity for the STEAM based Life Skills program called “Beakers and Bytes”. Each week participants had the opportunity to experiment with and learn about various science, technology, engineering, art, and maths projects including stop motion animation, forensics, and coding. Many attendees were new to these concepts, and others built on the knowledge they had to create some fascinating final products.



Figure 13. Life skills photos

After School Hangout Zone

In Term 2 of 2021, Youth Services launched the pilot program: After School Hangout Zone. This program was designed to act as a drop-in space for youth in Capel and Dalyellup. The Shire of Capel partnered with the Dalyellup LDAG to deliver a term program of workshops and activities. The hang-out space consisted of console gaming and activities including the Nintendo Switch, X-Box, Play Station, table tennis, board games and more.

Head Over Heels Acrobatics delivered two weeks of Circus Workshops from both the Dalyellup and Capel Community Centres, where participants learnt group acrobatics, trampoline tumbling and more with a professional circus artist.

Youth Services also ran a series of cooking workshops and made recipes that were made from healthy and cost-effective ingredients.



Figure 14. After School Hangout photos

Coding Club

Youth Services partnered with Library Services in Term 2 2021, to deliver a weekly Coding Club. Whilst a small group, this size enables a ‘one-on-one’ learning approach. Participants covered the topics of animation, sound, storyboards and creating virtual worlds, all through the Scratch Coding program, as well as learning to use the Edison Robots.

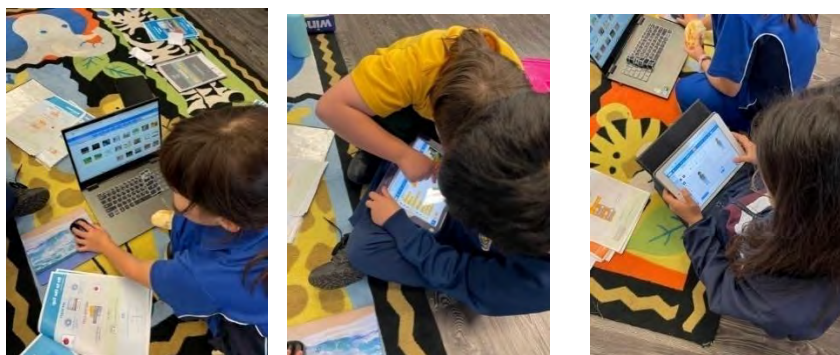


Figure 15. Coding club photos

Other Youth Services

Dalyellup College Year 10 Career Insight Day

On Thursday 6 May 2021 Youth Services attended the Year 10 Career Insight Day at Dalyellup College.

This was a great opportunity to showcase the good work that the Shire of Capel does within the community, as well as promote our Youth Services programs and activities.

Overall, the Shire received a great response from the students at Dalyellup College, and opened their eyes to a potential future in Local Government, (explaining to them that there is more to Local Government than bins and roads!)

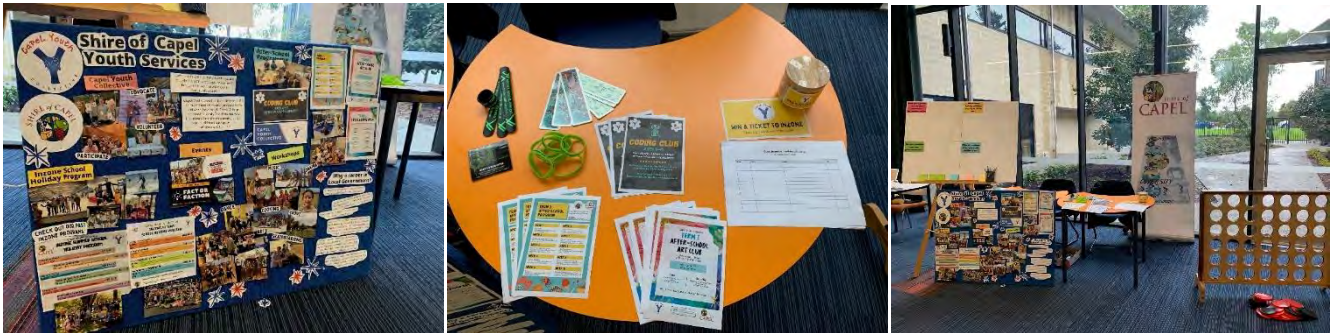


Figure 16. Dalyellup College Year 10 Career Insight Day

Sport & Recreation

KidSport

KidSport is a Department of Local Government, Sport and Cultural Industries (DLGSC) initiative, which enables Western Australian children to participate in community sport and recreation.

KidSport enables eligible Western Australian children aged 5 to 18 years to participate in community sport by offering them financial assistance of up to \$150 per calendar year towards club fees.

In the 2020-21 financial year 337 vouchers were distributed across the Shire of Capel, towards sports fees, allowing Youth to participate in their local sporting clubs.

Summer and Winter Seasonal Tenancies

During the first half of the 2020/2021 financial year, Shire of Capel Winter sporting clubs reported strong numbers in registrations, despite missing the majority the competition season due to the COVID-19 pandemic and subsequent lockdown period.

Two new teams were formed this financial year, both for the 2021 Winter Season. The Dalyellup Eagles Football Club joined the community and established themselves at the Ferndale Pavilion alongside the Southwest Spirit Rugby Club. Currently the Eagles have one team playing in the Onshore Cup, and are looking to grow in the coming years. The club gained great community support and are looking forward to more seasons to come.

A smaller club, the Boyanup Netball Club began their first season in 2021, using the Boyanup Hardcourts for training. The club have been using the courts for training and play their games in Donnybrook.



Dalyellup Eagles Football Club (Taken from Figure 17. Dalyellup Eagles Football Club (Taken from the Dalyellup Eagles Football Club Facebook Page))

Club Development

In the second half of the 2020-21 financial year. The Shire's of Capel, Dardanup and City of Bunbury partnered together to deliver a series of free Club Development workshops for sporting clubs and community groups within the Southwest.

These workshops are made possible thanks to the 'Every Club Grant' Funding provided by the Department of Local Government, Sport and Cultural Industries.

Key project objectives include:

- To provide education, training and professional development opportunities for the sport and recreation club workforce.
- To support clubs to adopt governance, planning and management practices.
- To facilitate partnerships between Local Government Authorities, State/ Regional Sporting Associations and sport and recreation clubs.

The partnership approach has enabled the collaboration of a regional 'Every Club Workshop Calendar'. The workshop calendar facilitates the delivery of Club Development workshops to sporting clubs and community groups all over the region, regardless of their localities.

The Shire of Capel hosted a free marketing workshop for sporting clubs and community groups, as well as two club governance and volunteer workforce workshops. These were held from our Dalyellup and Capel Community centres.

Events

Event Sponsorship Scheme 2020/2021

The Event Sponsorship Scheme is a mechanism by which the Shire provides either in-kind and/or cash contribution by for to the development and implementation of events run in the Shire of Capel.

The results of the 2020/21 funding round included a total of eight (8) successful applications over a series of eleven (11) events. Successful applications were as follows:

1. Swan River Horse Trials Club - Swan River Horse Trials Capel CIC Equestrian Event - **\$2,272.00**
2. Boyanup Memorial Park Committee - ANZAC Day Ceremony Boyanup 2021 - **\$780.00**
3. Dalyellup Collective (3 event series) - **\$5,000.00**
 - (i) Dalyellup Street Party
 - (ii) SW Virtual Arts Spectacular
 - (iii) Dalyellup Winter White Party
4. Capel Bowls Club Inc. (3 event series) - **\$2,500.00**
 - (i) Capel Ladies Gala Day
 - (ii) Glow Bowls
 - (iii) Capel Men's Open Autumn Four
5. Ironstone Adventure Riding Club Inc. - 2021 Capel 200 Trail Bike Rally - **\$5,000.00**
6. Capel Horse & Pony Club - Pony Club State Eventing Championships - **\$2,500.00**
7. Capel Chamber of Commerce (CCC) - New Member network meeting - **\$1,180.00**

Marquee Events

Fact or Faction 2020

Conducted during National Science Week, the 2020 Fact or Faction event built on the learnings and successes of the 2019 event, including an alternative (on-line) event delivery model suitable for consumption by our community during the COVID 19 recovery phase.

Seven unique events were delivered via an online platform, YouTube, and one event used a hybrid approach including limited face-to-face ticketing and the online approach.

In the midst of the COVID 19 Pandemic, these two delivery models provided an opportunity for the community to engage with each other, and locally and nationally recognised authors and speakers, all from the comfort of their living rooms, offices and classrooms.

This unique event program was a collaboration between the Shire's Librarian, Community Development Officer and Communications Coordinator and community partners such as Edith Cowan University and South West Women's Health and Information Centre. The program featured a diverse range of authors and speakers.

Captivate Capel 2020

Conducted in October 2020, Captivate Capel was a free local community event held at the Capel Civic Precinct (Earl Scott Reserve, Capel) featuring a program of workshops, performances, amusements, activities, food trucks and markets.

The event included 58 community groups, businesses and organisations actively participating throughout the day, with an additional series of hand on professional workshops sponsored by the Capel Bendigo Bank Community Branch.

Feedback received from the community indicated that the event was a huge success for the Shire of Capel. Key benefits include the appreciation of consistent communication of mental health and wellbeing and public safety messaging, as well as economic gains for small businesses and community groups, with the event bringing visitors from within and across the region.

Capel Christmas Carnival 2020

The Capel Christmas Carnival was a family-friendly social gathering that brought families, friends, and the community together in celebration of the Christmas festive season. The carnival was a partnership event between Capel Community Bendigo Bank Branch and the Shire of Capel.

Australia Day Breakfast 2021

Australia Day Breakfast and Ceremony was an event conducted by the Shire of Capel to commemorate new Shire citizens and engage with community residents and community groups on the morning of Australia Day. The Shire provided entertainment, amusements, breakfast supported by the Capel CWA and a special Citizenship ceremony allowing the community to come together to share the Australia day message, reflect, respect, celebrate.

Youth Driver Development Program

The Shire of Capel's Driver Development Program successfully targets support in areas of driving skills, promoting road safety, and aiding progression toward securing local youth with their Licence. The program provides youth (16-25yrs) the opportunity to apply for up to three professionally instructed driving lessons.

The application and assessment process were means tested and for the 2020-21 round a total of ten successful applications with very limited or no experience on our roads, received funding towards instructed lessons to gain the confidence and understanding of what's are required to become a safe driver on our roads in the progression towards completing their license.

Active Ageing

One of the actions in the Shire's Age Friendly Community's Strategy 2018 – 2022 is to run Shire hosted seniors' outings. Benefits of attending social outings include regarding a sense of purpose in life, enhanced self-esteem, decreased social isolation and friendship. We had a total of 274 seniors attend the four outings throughout the year. Seniors ranged in age from 61 to 90 years. Two comments received from seniors in the evaluation surveys were:

"As we attend more trips and get to know more people from other areas of the Shire. We feel that sense of community."

"I made new friends and found out about other local seniors' activities."



Volunteer Recognition

The Shire held our annual Thank a Volunteer Day Breakfast on Saturday 5 December 2020 to recognise and reward the amazing work and effort provided to the local community by our groups of volunteers. Every community group in the Shire nominated two volunteers to attend. Every attendee received a special gift to acknowledge their service to the community.

Library Services

Statistics

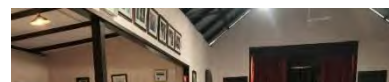
Capel Public Library

2020 - 2021

Month	WiFi	Internet	Tourist	Reference	Archive	People
July	50	115	22	503	1	1430
August	51	149	5	498	3	1663
Spetember	47	142	9	599	0	1581
October	64	163	39	557	3	1819
November	64	136	15	499	0	1516
December	49	128	15	447	0	1385
January	65	165	62	588	0	1571
February	54	110	24	415	0	1254
March	72	156	18	522	23	1760
April	59	98	13	389	1	1647
May	111	129	24	466	1	1677
June	99	129	5	487	0	1863
Total	785	1620	251	5970	32	19166

Graph 1 – Monthly Statistics for Capel Library 2020-2021

Graph 3 – Monthly Statistics for Boyanup Library 2020-2021



Dalyellup Public Library

2020 - 2021

Month	Internet	Tourist	Reference	Archive	People
July	136	0	567	0	1856
August	195	0	537	0	2043
Spetember	152	0	591	0	1890
October	175	0	603	0	2144
November	230	0	618	0	1939
December	181	0	549	0	1778
January	172	0	594	1	1853
February	150	0	473	0	1443
March	146	0	537	0	1751
April	157	0	466	0	1651
May	169	0	573	0	1965
June	168	0	558	0	1942
Total	2031	0	6666	1	22255

Graph 2 – Monthly Statistics for Dalyellup Library 2020-

Boyanup Public Library

2020 - 2021

Month	Internet	Tourist	Reference	People
July	4	0	112	200
August	7	0	134	304
Spetember	8	0	129	321
October	8	0	151	302
November	7	0	129	291
December	6	0	84	201
January	12	0	130	207
February	3	0	84	242
March	11	0	125	431
April	8	0	108	244
May	6	0	105	301
June	7	0	117	360
Total	87	0	1408	3404

Reading Fairy

Our most popular children's session. Not only do we do Story Time and Rhyme Time, but we also have special guests, dress-ups and many themed crafts. Our Reading Fairy is very popular and receives many requests to appear at many events.



Children's Services

Intergenerational Chess

The Shire of Capel Libraries now engage with our community with Intergenerational chess, which is well supported. It started as a Tabletop game program that eventuated to an intergenerational program on its own.



Teddy Bears Picnic

The Sun was shining and so the Reading Fairy decided to take our Reading Fairy Session outside for a Teddy Bears picnic.



First Time Parenting Rhyme Time – Dalyellup Library

Dalyellup Library hosted several First Time Parenting Rhyme time sessions in partnership with Child Health

Nurse. New Mums attended with their babies to be entertained by the Reading Fairy. Rhymes were sang, stories were told and even some art and craft. Handprint pictures were made from the baby's hands and looked amazing, a lot of fun was had by all.



CBCWA Book Week 2020

Each year since 1945, the CBCA has brought children and books together across Australia through CBCA Book Week. During this time, schools and public libraries spend one glorious week celebrating books and Australian children's authors and illustrators. Classroom teachers, teacher librarians and public librarians create colourful displays, develop activities, run competitions and tell stories relating to a theme to highlight the importance of reading.

This year the theme was Wild Creatures, Wild Minds we were lucky enough to have Author/Illustrator Kylie Howarth come and visit Capel Primary School and Boyanup Primary school during Book Week thanks to a CBCWA grant.

They learned about Marine life and how to draw a cool Hammerhead shark. The kids had a fabulous time and we have received a lot of requests for her books.





Better Beginnings – Kindergarten

All Western Australian schools and community kindergartens are invited to participate in the Better Beginnings kindergarten program, in which free reading packs are provided to every kindergarten-aged child to take home. Schools are required to register for the program each year, and teachers can do this on the Better Beginnings website. The reading packs are provided to the school by the local public library.

This year Capel Library staff have supplied 247 reading packs to all schools within the Shire of Capel. Staff have also made presentations at most of the Kindergartens.

Government of Western Australia, State Library of WA, Rio Tinto and the Shire of Capel proudly sponsor these packs.

Adult Services and Programming

Capel Library Author Talk – Lily Malone January 2020

Capel Library's first Author Talk for 2020 was a hit. We had almost 40 community members gather in the Capel Library to meet Lily Malone, a local author from Cowaramup. We all heard all about her long but unforgettable journey from Journalism to Baking to Painting to finally becoming an Author.

We even had 2 visitors from Perth come down especially for the event so we were very taken back by that.

We also received some amazing feedback from the evening here are some of the responses.

"Such a lovely person was Lily, I'm really looking forward to reading her books. Thankyou Capel Library for hosting another great evening."

"A very interesting night.....well done"



Rachael Johns & Anthea Hodgson

We were very lucky to have Rachael Johns and Anthea Hodgson join us in the Capel. It was a great turnout with over 30 people.

Feedback received has been really positive and our community were excited to be able to come in to the Library for an Author Event instead of watching their computer screens for an online event.



Library Space Upgrade

We have had some well needed upgrades to our Library Spaces over the financial year. Capel library has new Junior Kindy furniture which attaches to our wall.

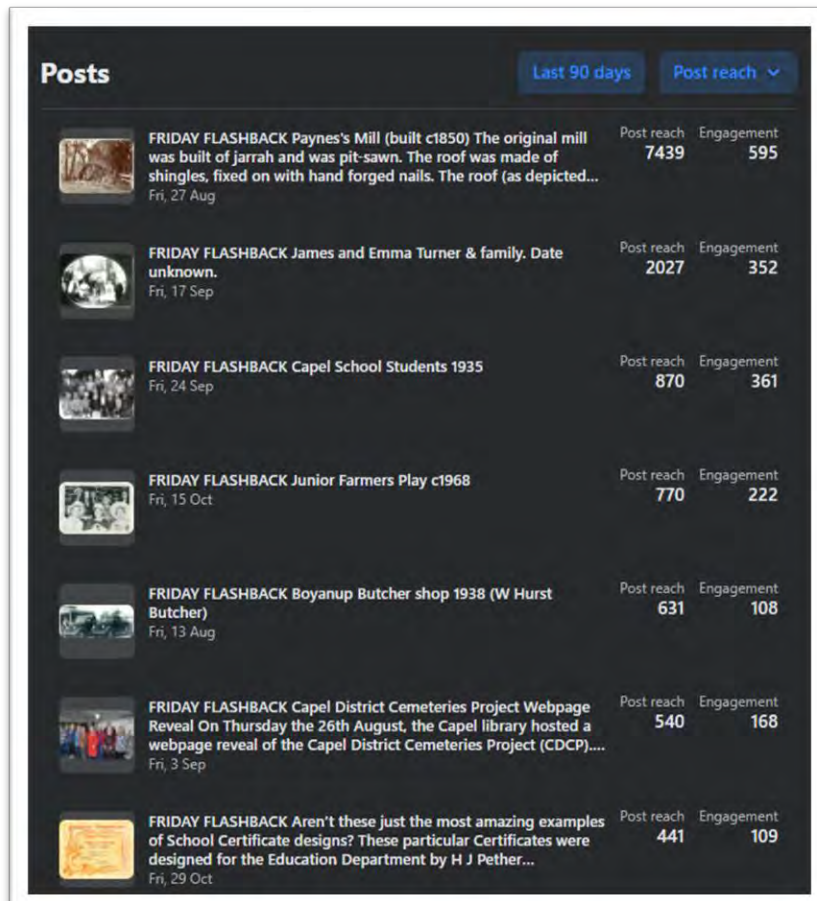
This was specifically picked to maximize space for future programming as well as providing a lot of display shelves for the children. Boyanup Library also received moveable shelving so we can move our shelves for programming.

We also were able to obtain a new slat wall to display our Council minutes and agendas and Shire Notices at the Capel Library with a voucher that our Librarian, won from RAECO.

E-Resources

The Shire of Capel Libraries were successful in a \$2500 Grant as part of the Be Connected Program. This was used to enhance our already popular iLearn sessions, which help Support Older Australians gain digital literacy skills, which is very important in the current climate.

Ron Maidment Archives Room



Post Title	Post reach	Engagement
FRIDAY FLASHBACK Paynes's Mill (built c1850) The original mill was built of jarrah and was pit-sawn. The roof was made of shingles, fixed on with hand forged nails. The roof (as depicted... Fri, 27 Aug	7439	595
FRIDAY FLASHBACK James and Emma Turner & family. Date unknown. Fri, 17 Sep	2027	352
FRIDAY FLASHBACK Capel School Students 1935 Fri, 24 Sep	870	361
FRIDAY FLASHBACK Junior Farmers Play c1968 Fri, 15 Oct	770	222
FRIDAY FLASHBACK Boyanup Butcher shop 1938 (W Hurst Butcher) Fri, 13 Aug	631	108
FRIDAY FLASHBACK Capel District Cemeteries Project Webpage Reveal On Thursday the 26th August, the Capel library hosted a webpage reveal of the Capel District Cemeteries Project (CDCP).... Fri, 3 Sep	540	168
FRIDAY FLASHBACK Aren't these just the most amazing examples of School Certificate designs? These particular Certificates were designed for the Education Department by H J Pether... Fri, 29 Oct	441	109

Friday Flashbacks

The Local History page started a series of Flashback Friday posts in August 2019. They have been very popular and the average Engagement per post is over 200. The engagement has been great at sparking storytelling around the photos as well as community involvement.

Projects

Ron Maidment Archives is now LIVE on Collection WA to display our archive collection. This has been a very long ongoing project where anyone is able to view our local history from anywhere in the world.

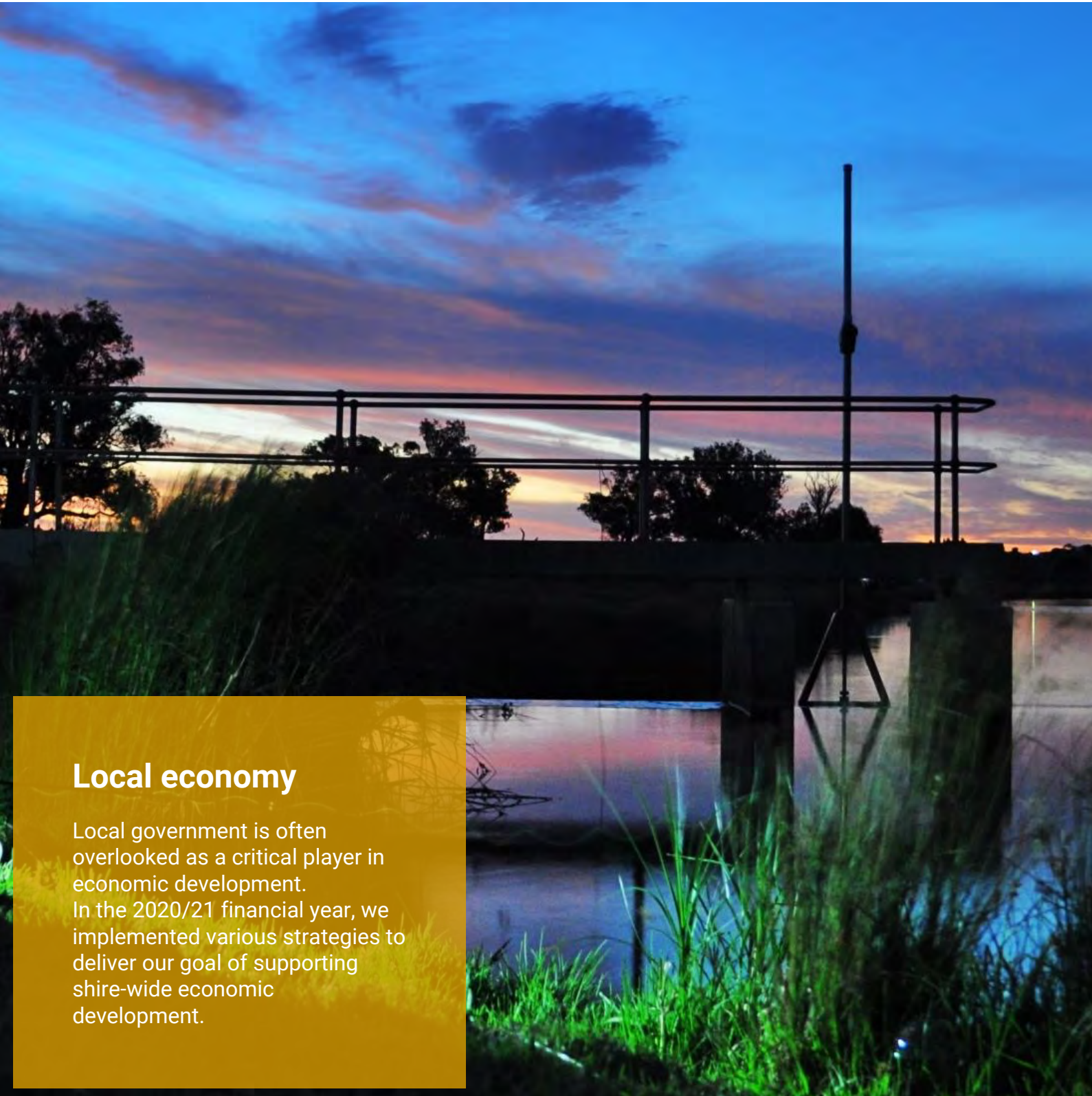
Prosper

The economic experience...

Key strategies for maintaining the individual, vibrant and sustainable communities included new tourism-based events, supporting local business, developing town centres, and promoting new activities.

Local economy

Local government is often overlooked as a critical player in economic development. In the 2020/21 financial year, we implemented various strategies to deliver our goal of supporting shire-wide economic development.



Supporting food-based industries

The health team conducted 99 food business inspections, 25 water samples and nine food samples. This testing is paramount to ensure profit-based businesses are maintaining required health practices. Each sample was sent to be analysed at an accredited laboratory to ensure compliance with the Australian and New Zealand Food Standards Code.

Events strategy

Many opportunities for the community to participate in arts and cultural events, sport and leisure we're provided in the 2020 financial year.

Our events were impacted in the late financial year – however this led to significant innovations and we started planning our first-ever live-streamed events.

The events strategy was developed following funding received from Lottery west in the previous financial year.

The strategy was developed around the key principles:

- Provide a marquee event for the main localities
- Build existing community networks and partnerships
- Support staff skill set development
- Each event is development focused
- Facilitate (or assist with) community capacity building events outside of the marquee events.

Some events could not go ahead due to COVID-19

- Dalyellup twilight markets and food truck festival
- Seniors Long table Morning Tea
- ANZAC Day Ceremony Peppermint Grove Beach, Capel
- Capel Sundowner Event; Culmination Event Capel Makers Trail and Capel Community Promotions.



Statutory information

Freedom of Information

The Freedom of Information Act 1992 gives an applicant a legally enforceable right to access records held by both State and Local Government agencies, subject to exemptions.

We receive diverse and complex Freedom of Information (FOI) applications from a broad range of parties.

We take a proactive approach to release information outside the scope of FOI - keeping in line with our strategic objective of open, transparent, and effective good governance. The up-to-date information statement is available on our website at capel.wa.gov.au.

Freedom of Information Statistics 2015/16 to 2020/21:

Financial Years	FOI Applications	Transfers	Completed	Withdrawn	Incomplete	Internal Review
2020/21	11	0	11	1	0	0
2019/20	10	0	10	0	0	0
2018/19	2	0	2	0	0	1
2017/18	4	0	4	0	0	0
2016/17	4	0	4	0	0	0
2015/16	2	0	2	0	0	0

Public Interest Disclosures

The Public Interest Disclosure Act 2003 (PID) enables individuals to make disclosures about wrongdoings within the public sector without fear of reprisal. The legislation is commonly referred to as the 'whistle-blower' Act.

Individuals can report present or proposed future wrongdoing by a public body when performing a public function to the Shire's Strategic Governance and Risk Coordinator or Manager Human Resources. The Shire of Capel received no PID applications in 2020/21.

Register of certain complaints and minor breaches

Section 5.121 of the Local Government Act 1995 requires a local government to maintain a register of complaints that result in an action or a finding under section 5.110(2)(a) LG Act. An up-to-date register is available on our website at capel.wa.gov.au.

The shire incurred \$17,883.25 in legal costs incurred for the Local Government Standards Panel (LGSP) consider complaints.

There are five components of register - the LGSP references; LGSP Ref.No, Council Member Complained About, Person Making Complaint, Description of Finding of Minor Breach and Details of Actions Taken.

Council Member Complained About

Cr M Southwell

Person Making Complaint

Mr Robert Stewart

Description of Finding of Minor Breach

'On 8 April 2021, the Panel found that Shire President Councillor Michael Southwell, the Shire President of the Shire of Capel ("the Shire") did commit a minor breach pursuant to the Local Government Act 1995 (WA) ("the Act") and Division 4 of the Local Government (Model Code of Conduct) Regulations 2021 ("the Regulations") when he breached regulation 20 of the Regulations when he allegedly approached a Shire employee in an abusive and threatening manner as further set out in paragraph 17.'

Details of Actions Taken

The Standards Panel orders pursuant to section 5.110(6)(b)(ii) of the Act that, in relation to the two Minor Breaches of regulation 4 of the Regulations, Cr Southwell make a public apology in terms of the attached Order. Cr Southwell failed to make the public apology at the 29 September 2021 Ordinary Meeting of Council. The CEO published the notice of public apology on the Shire Facebook page and website on 6 October 2021 under paragraph 3 Standards Panel Order.

Council Member Complained About

Cr M Scott

Person Making Complaint

Mr Mark Chester

Description of Finding of Minor Breach

At its meeting on 20 November 2020, the Panel found that Councillor Murray Scott ("Cr Scott"), a councillor for the Shire of Capel ("the Shire"), committed one minor breach under the Local Government Act 1995 (WA) ("the Act") and regulation 6(2)(a) of the Local Government (Rules of Conduct) Regulations 2007 (WA) ("the Regulations") when he forwarded an email with confidential documents attached, to a member of the public ("Minor Breach").

Details of Actions Taken

The Standards Panel imposed a monetary sanction, being the sum total of the remuneration and allowances payable by the Shire in relation to the Complaint.

Independent Auditor's Report



Auditor General

INDEPENDENT AUDITOR'S REPORT 2021 Shire of Capel

To the Councillors of the Shire of Capel

Report on the audit of the annual financial report

Opinion

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

- the Statement of Financial Position at 30 June 2021, 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
- Notes comprising a summary of significant accounting policies and other explanatory information
- the Statement by the Chief Executive Officer.

In my opinion the financial report of the Shire of Capel:

- is based on proper accounts and records
- fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2021 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 section below. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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 financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards. The CEO is also responsible for managing internal control (as required by the CEO) to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern 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

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

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

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

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 indicates a significant adverse trend in the financial position of the Shire:
 - a) The Operating Surplus Ratio as reported in Note 35 of the annual financial report has been below the Department of Local Government, Sport and Cultural Industries (DLGSCI) standard for the past 3 financial years.
- (ii) The following material matters indicating non-compliance with Part 6 of the Act, the Regulations or applicable financial controls of any other relevant written law were identified during the course of my audit:
 - a) Accounting journal entries were processed with no evidence of independent review and approval by a senior staff member. Accounting journals can represent significant adjustments to previously approved transactions and should therefore be independently reviewed and approved with evidence of this review being retained;
 - b) Reconciliation of the fixed asset register to the corresponding general ledger accounts has not been performed during this financial year;
 - c) Reconciliation of the payroll system to the general ledger system has not been performed during the year; and
 - d) The Shire has not reported the Asset Renewal Funding Ratio for 2019, 2020 and 2021 in the annual financial report as required by section 50(1)(c) of the Local Government (Financial Management) Regulations 1996 as planned capital renewals and required capital expenditure were not estimated in the long term financial plan and asset management plan respectively.
- (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 included in the financial report was supported by verifiable information and reasonable assumptions.

Other information

The other information is the information in the entity's annual report for the year ended 30 June 2021, but not the financial report and my auditor's report. The CEO is responsible for the preparation and the Council for overseeing the other information.

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Capel for the year ended 30 June 2021 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.



Jordan Langford-Smith
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
3 March 2022

**SHIRE OF CAPEL
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Capel for the financial year ended 30 June 2021 is based on proper accounts and records to present fairly the financial position of the Shire of Capel at 30 June 2021 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

3rd

day of

March

2022



Chief Executive Officer

Gordon MacMile

Name of Chief Executive Officer



Financial Summary

Our Net Operating Result for the 2020/21 financial year, based on the Statement of Comprehensive Income, was a surplus of \$2,237,343.00 compared to the budgeted deficit of \$238,728.00

Our Net Operating Result takes into account all the funds we receive from rates, capital and operating grants, fees and charges, interest and other revenue, but only includes operating expenditure. It excludes expenditure on capital items or those items that are expected to last longer than one year such as roads, footpaths, playgrounds and buildings.

This figure should not be confused with our budget result based on the Rate Setting Statement which was a surplus of \$2,431,131.00.

Our budget result is the amount we have available at the end of the financial year after having accounted for all funds received and spent during the year, including capital expenditure and reserve fund transfers. The increase in this year's surplus balance above what was projected was due to a number of unspent grant income which was ringfenced for the particular capital project unable to be completed during that financial year. These funds will be carried forward into the next financial year and will offset the re-scheduling of these capital projects.

Depreciation expense moderately increased for the 2020/21 financial year to \$4,666,959.00 (\$4,546,874.00 in 2019/20). The largest increase in depreciation year on year is related to infrastructure and the inclusion of right of use assets in line with the application of AASB 16 Leases.

No asset revaluations were completed during 2020/21. Further asset revaluations will occur over the next 12 months, as part of the rolling three-year program, and will continue to impact significantly on asset values, depreciation expense and the Total Comprehensive Income.

Operating revenue for the 2020/21 year was \$1,245,471.00 greater than the budgeted amount. This was primarily due the prepayment of 50% of the 2021/2022 Financial Assistance Grants in the 2020/21 financial year. Operating expenses were \$1,074,782.00 lower than budget. This was, in the main, a result of lower expenditure on capital projects seeing projects carried forward to 2021-22.

Restricted funds held in Reserves increased by \$85,423.00. This increase is a result of tied funds held for projects carried forward to the 2021/22 financial year. The balance of the difference comprises a variety of movements.

Employee costs of \$8,435,815.00 were \$25,873.00 lower than budget for 2020/21. In addition to salary expenses, employee costs include expenses for superannuation, staff training, fringe benefits tax and pay out of entitlements.

Materials and contracts actual expenditure was \$769,995.00 below the 2020/21 budgeted amount.

Non-Operating Grants, Subsidies and Contributions were \$152,891.00 above budget.

From a cash flow perspective, the statement shows that cash and cash equivalents at the start of the year have increased from \$17,821,764.00 at the start of the year to \$19,799,615.00 at the end of the year. Capital expenditure commitments for projects carried over to 2021/22 accounted for \$189,712.00 of this increase in cash and cash equivalents.



Ratings and valuations

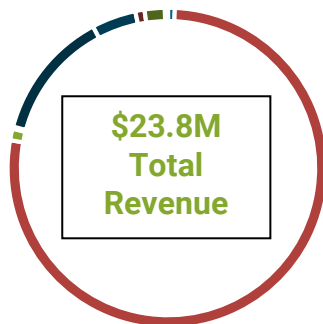
Council resolved at its July 2020 meeting to aim for a 0.00% overall increase in rates yield. The Council continued to offer instalment options of one or four payments and an informal program where ratepayers have been able to agree to a scheme of payments that suited their own individual circumstances. The total rates received by the first instalment due date was 49.80%.

The residential sector continues to provide the greatest contribution to rates with the proportion of rates raised from this sector at 74% for 2020/21. The proportion of rates contributed by the rural sector was 15%, with the Special Rural sector and Commercial/ Special Use sectors contributing 6% and 5% respectively.

Revenue and Expenditure Snapshot

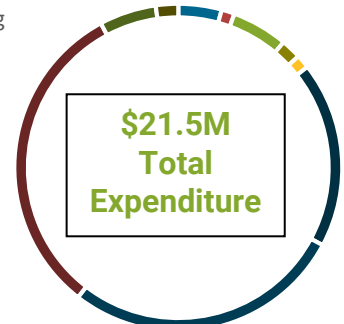
Operating Revenue By Program

- Governance
- General Purpose Funding
- Law, Order and Public Safety
- Health
- Education and Welfare
- Community Amenities
- Recreation and Culture



Operating Expenditure By Program

- Governance
- General Purpose Funding
- Law, Order and Public Safety
- Health
- Education and Welfare
- Community Amenities
- Recreation and Culture



INSERT CAPITAL WORKS PROJECT PHOTOS

STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2021

NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue			
2(a)			
Governance	133,436	71,792	55,946
General purpose funding	15,146,605	14,226,362	15,162,484
Law, order, public safety	227,689	209,651	193,126
Health	16,214	24,890	25,684
Education and welfare	26,857	28,936	42,353
Community amenities	2,567,547	2,497,783	2,500,734
Recreation and culture	877,647	865,991	899,222
Transport	181,107	3,300	7,108
Economic services	400,506	383,139	340,973
Other property and services	61,883	82,176	125,978
	<u>19,639,491</u>	<u>18,394,020</u>	<u>19,353,608</u>
Expenses			
2(b)			
Governance	(909,198)	(864,765)	(1,157,342)
General purpose funding	(275,578)	(318,993)	(322,445)
Law, order, public safety	(1,179,615)	(1,260,341)	(1,246,921)
Health	(421,043)	(460,365)	(437,180)
Education and welfare	(288,979)	(297,142)	(267,471)
Community amenities	(3,915,772)	(4,058,573)	(3,627,536)
Recreation and culture	(5,885,107)	(6,095,123)	(5,366,494)
Transport	(6,744,645)	(7,369,250)	(6,560,786)
Economic services	(1,197,573)	(1,232,959)	(1,161,352)
Other property and services	(470,435)	(407,140)	(606,807)
	<u>(21,287,945)</u>	<u>(22,364,651)</u>	<u>(20,754,334)</u>
Finance Costs			
2(b)			
Governance	(87,310)	(86,890)	(91,848)
Community amenities	(6,598)	(6,598)	(8,740)
Recreation and culture	(100,361)	(98,643)	(117,188)
Transport	(954)	(953)	(5,811)
Economic services	(80,280)	(80,280)	(87,426)
Other property and services	0	(215)	0
	<u>(275,503)</u>	<u>(273,579)</u>	<u>(311,013)</u>
	<u>(1,923,957)</u>	<u>(4,244,210)</u>	<u>(1,711,739)</u>
Non-operating grants, subsidies and contributions	4,133,695	3,980,804	5,769,275
Profit on disposal of assets	25,666	47,520	5,034
(Loss) on disposal of assets	0	(22,842)	(548,808)
Fair value adjustments to financial assets at fair value through profit or loss	1,939	0	865
	<u>4,161,300</u>	<u>4,005,482</u>	<u>5,226,366</u>
Net result for the period	2,237,343	(238,728)	3,514,627
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Changes in asset revaluation surplus	0	0	1,968,732
Total other comprehensive income for the period	0	0	1,968,732
Total comprehensive income for the period	2,237,343	(238,728)	5,483,359

STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2021

NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue			
28(a)	13,749,680	13,641,670	13,537,724
2(a)	2,283,443	1,213,281	2,053,815
2(a)	3,279,985	3,159,766	3,105,445
2(a)	139,607	170,324	325,012
2(a)	186,776	208,979	331,612
	<u>19,639,491</u>	<u>18,394,020</u>	<u>19,353,608</u>
Expenses			
	(8,435,815)	(8,461,688)	(8,602,592)
	(6,901,945)	(7,671,940)	(6,595,002)
	(636,346)	(655,999)	(545,714)
11(b)	(4,666,959)	(5,041,294)	(4,546,874)
2(b)	(275,503)	(273,579)	(311,013)
	(222,161)	(204,014)	(196,655)
	(424,719)	(329,716)	(267,497)
	<u>(21,563,448)</u>	<u>(22,638,230)</u>	<u>(21,065,347)</u>
	<u>(1,923,957)</u>	<u>(4,244,210)</u>	<u>(1,711,739)</u>
2(a)	4,133,695	3,980,804	5,769,275
11(a)	25,666	47,520	5,034
11(a)	0	(22,842)	(548,808)
Fair value adjustments to financial assets at fair value through profit or loss	1,939	0	865
	<u>4,161,300</u>	<u>4,005,482</u>	<u>5,226,366</u>
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Total other comprehensive income for the period	0	0	1,968,732
Total comprehensive income for the period	2,237,343	(238,728)	5,483,359

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



STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

NOTE	2021 \$	2020 \$	
CURRENT ASSETS			
Cash and cash equivalents	3	19,799,615	17,821,764
Trade and other receivables	6	1,420,306	1,252,297
Other financial assets	5(a)	0	25,000
Inventories	7	26,183	42,570
Contract assets	2(a)	0	30,439
Other assets	8	10,558	96,525
TOTAL CURRENT ASSETS		21,256,662	19,268,595
NON-CURRENT ASSETS			
Trade and other receivables	6	19,390	21,280
Other financial assets	5(b)	80,355	53,416
Inventories	7	268,611	340,884
Other assets	8	1,714	8,653
Property, plant and equipment	9	31,462,946	32,259,764
Infrastructure	10	148,725,788	147,074,352
Right-of-use assets	12(a)	251,223	326,700
TOTAL NON-CURRENT ASSETS		180,810,027	180,085,049
TOTAL ASSETS		202,066,689	199,353,644
CURRENT LIABILITIES			
Trade and other payables	14	3,122,968	2,827,121
Contract liabilities	15	542,302	174,637
Lease liabilities	16(a)	85,929	73,670
Borrowings	17(a)	462,037	504,989
Employee related provisions	18	937,809	1,193,567
TOTAL CURRENT LIABILITIES		5,151,045	4,773,984
NON-CURRENT LIABILITIES			
Contract liabilities	15	1,887,521	1,300,217
Lease liabilities	16(a)	173,851	256,615
Borrowings	17(a)	4,425,236	4,887,253
Employee related provisions	18	239,905	183,787
TOTAL NON-CURRENT LIABILITIES		6,726,513	6,627,872
TOTAL LIABILITIES		11,877,558	11,401,856
NET ASSETS		190,189,131	187,951,788
EQUITY			
Retained surplus		91,614,094	89,462,174
Reserves - cash backed	4	14,220,737	14,135,314
Revaluation surplus	13	84,354,300	84,354,300
TOTAL EQUITY		190,189,131	187,951,788

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2019				
	87,401,598	12,681,263	82,385,568	182,468,429
Comprehensive income				
	3,514,627	0	0	3,514,627
Other comprehensive income				
13	0	0	1,968,732	1,968,732
	3,514,627	0	1,968,732	5,483,359
Transfers from reserves				
4	3,867,726	(3,867,726)	0	0
	(5,321,777)	5,321,777	0	0
Balance as at 30 June 2020				
	89,462,174	14,135,314	84,354,300	187,951,788
Comprehensive income				
	2,237,343	0	0	2,237,343
Other comprehensive income				
13	0	0	0	0
	2,237,343	0	0	2,237,343
Transfers from reserves				
4	2,314,581	(2,314,581)	0	0
	(2,400,004)	2,400,004	0	0
Balance as at 30 June 2021				
	91,614,094	14,220,737	84,354,300	190,189,131

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates	13,841,893	13,641,670	13,495,687	
Operating grants, subsidies and contributions	3,326,553	921,044	2,411,648	
Fees and charges	3,310,424	3,159,766	3,105,445	
Interest received	139,607	170,324	325,012	
Goods and services tax received	1,070,255	1,000,000	1,001,203	
Other revenue	186,776	208,979	331,612	
	21,875,508	19,101,783	20,670,607	
Payments				
Employee costs	(8,645,602)	(8,461,688)	(8,217,253)	
Materials and contracts	(6,563,005)	(7,671,940)	(6,894,438)	
Utility charges	(636,346)	(655,999)	(545,714)	
Interest expense	(275,503)	(273,579)	(311,013)	
Insurance paid	(222,161)	(204,014)	(196,655)	
Goods and services tax paid	(1,268,108)	(1,000,000)	(921,221)	
Other expenditure	(424,719)	(329,716)	(267,497)	
	(18,035,444)	(18,596,936)	(17,353,791)	
Net cash provided by (used in) operating activities	19	3,840,064	504,847	3,316,816
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	9(a)	(490,409)	(1,725,655)	(1,471,016)
Payments for construction of infrastructure	10(a)	(5,073,925)	(7,200,914)	(6,133,941)
Non-operating grants, subsidies and contributions	2(a)	4,133,695	3,980,804	5,769,275
Proceeds from sale of property, plant & equipment	11(a)	143,900	377,900	232,212
Net cash provided by (used in) investment activities		(1,286,739)	(4,567,865)	(1,603,470)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(504,969)	(504,989)	(638,749)
Payments for principal portion of lease liabilities	16(b)	(70,505)	(72,332)	(72,048)
Net cash provided by (used in) financing activities		(575,474)	(577,321)	(710,797)
Net increase (decrease) in cash held		1,977,851	(4,640,339)	1,002,549
Cash at beginning of year		17,821,764	17,602,305	16,819,215
Cash and cash equivalents at the end of the year	19	19,799,615	12,961,966	17,821,764

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

RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$	
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	29 (b)	936,241	1,042,892	1,669,165
		936,241	1,042,892	1,669,165
Revenue from operating activities (excluding rates)				
Governance		135,375	71,792	56,811
General purpose funding		2,106,916	1,284,112	2,315,311
Law, order, public safety		227,689	209,651	193,126
Health		16,214	24,890	25,684
Education and welfare		26,857	28,936	42,353
Community amenities		2,567,547	2,497,783	2,500,734
Recreation and culture		877,647	865,991	899,222
Transport		181,107	3,300	7,108
Economic services		400,506	383,139	340,973
Other property and services		87,549	129,696	131,012
		6,627,407	5,499,290	6,512,334
Expenditure from operating activities				
Governance		(996,508)	(951,655)	(1,249,190)
General purpose funding		(275,578)	(318,993)	(322,445)
Law, order, public safety		(1,179,615)	(1,260,341)	(1,246,921)
Health		(421,043)	(460,365)	(437,180)
Education and welfare		(288,979)	(297,142)	(267,471)
Community amenities		(3,922,370)	(4,065,171)	(3,636,276)
Recreation and culture		(5,985,468)	(6,193,766)	(5,489,162)
Transport		(6,745,599)	(7,370,203)	(7,076,208)
Economic services		(1,277,853)	(1,313,239)	(1,248,778)
Other property and services		(470,435)	(430,197)	(640,524)
		(21,563,448)	(22,661,072)	(21,614,155)
Non-cash amounts excluded from operating activities	29(a)	5,338,878	5,016,616	5,290,042
Amount attributable to operating activities		(8,660,922)	(11,102,274)	(8,142,614)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	4,133,695	3,980,804	5,769,275
Proceeds from disposal of assets	11(a)	143,900	377,900	232,212
Purchase of property, plant and equipment	9(a)	(490,409)	(1,725,655)	(1,471,016)
Purchase and construction of infrastructure	10(a)	(5,073,925)	(7,200,914)	(6,133,941)
Amount attributable to investing activities		(1,286,739)	(4,567,865)	(1,603,470)
FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(504,969)	(504,989)	(638,749)
Payments for principal portion of lease liabilities	16(b)	(70,505)	(72,332)	(72,048)
Transfers to reserves (restricted assets)	4	(2,400,004)	(1,907,964)	(5,321,777)
Transfers from reserves (restricted assets)	4	2,314,581	5,214,209	3,867,726
Amount attributable to financing activities		(660,897)	2,728,924	(2,164,848)
Surplus/(deficit) before imposition of general rates		(10,608,558)	(12,941,215)	(11,910,932)
Total amount raised from general rates	28(a)	13,039,689	12,942,250	12,847,173
Surplus/(deficit) after imposition of general rates	29(b)	2,431,131	1,035	936,241

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

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FOR THE YEAR ENDED 30 JUNE 2021**

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**SHIRE OF CAPEL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

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 Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost 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.

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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 32 to these financial statements.

INITIAL APPLICATION OF 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.

These were:

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

The adoption of these standards had no material impact on the financial report.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

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

- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- AASB 2020-3 *Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*
- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

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

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

- Employee expenses
- Land held for resale
- Other financial assets
- Property, Plant and Equipment
- Infrastructure
- Intangible assets
- Right-of-use assets
- Lease liabilities
- Borrowing liabilities
- Provisions

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:

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Operating grants, subsidies and contributions			
Governance	56,788	500	9,212
General purpose funding	1,819,612	973,692	1,849,292
Law, order, public safety	132,870	105,000	92,172
Health	5,765	0	0
Education and welfare	1,500	10,000	5,200
Community amenities	10,000	0	0
Recreation and culture	32,452	38,489	6,574
Transport	180,707	100	5,936
Economicservices	43,749	85,500	74,589
Other property and services	0	0	10,840
	2,283,443	1,213,281	2,053,815
Non-operating grants, subsidies and contributions			
Law, order, public safety	0	140,000	21,650
Recreation and culture	0	1,326,894	450,085
Transport	4,133,695	2,513,910	5,297,540
	4,133,695	3,980,804	5,769,275
Total grants, subsidies and contributions	6,417,138	5,194,085	7,823,090
Fees and charges			
Governance	8,616	7,548	7,907
General purpose funding	147,697	125,381	118,704
Law, order, public safety	93,263	86,223	92,771
Health	10,449	24,890	25,684
Education and welfare	7,633	4,674	4,649
Community amenities	2,542,330	2,486,979	2,489,890
Recreation and culture	116,478	128,032	101,798
Transport	400	3,200	1,172
Economicservices	353,119	292,739	262,870
Other property and services	0	100	0
	3,279,985	3,159,766	3,105,445

There were no changes to the amounts of fees or charges detailed in the original budget.

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.

(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:

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Operating grants, subsidies and contributions	2,283,443	1,213,281	2,053,815
Fees and charges	3,279,985	3,159,766	3,105,445
Other revenue	43,017	208,979	331,612
Non-operating grants, subsidies and contributions	4,133,695	3,980,804	5,769,275
	9,740,140	8,562,830	11,260,147

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

Revenue from contracts with customers included as a contract liability at the start of the period	174,637	0	68,125
Revenue from contracts with customers recognised during the year	5,431,808	4,582,026	5,490,872
Revenue from transfers intended for acquiring or constructing recognisable non financial assets during the year	4,133,695	3,980,804	5,701,150
	9,740,140	8,562,830	11,260,147

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	63,363	0	150,319
Contract assets	0	0	30,439
Contract liabilities from contracts with customers	(2,429,823)	0	(1,474,854)

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at 30 June 2020.

Assets associated with contracts with customers were not subject to an impairment charge.

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

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

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

	2021 Actual \$	2021 Budget \$	2020 Actual \$
General rates	13,039,689	12,942,250	12,847,173
Specified area rates	709,991	699,420	690,551
	<u>13,749,680</u>	<u>13,641,670</u>	<u>13,537,724</u>
Other revenue			
Reimbursements and recoveries	143,759	0	0
Other	43,017	208,979	331,612
	<u>186,776</u>	<u>208,979</u>	<u>331,612</u>
Interest earnings			
Interest on reserve funds	88,694	89,375	294,627
Rates instalment and penalty interest (refer Note 28(c))	38,151	38,870	32,996
Other interest earnings	12,762	42,079	(2,611)
	<u>139,607</u>	<u>170,324</u>	<u>325,012</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.

(a) Expenses

Auditors remuneration

Audit of the Annual Financial Report
Other services

Interest expenses (finance costs)

Borrowings
Lease liabilities

Note	2021 Actual \$	2021 Budget \$	2020 Actual \$
	24,050	27,050	24,050
	1,960	3,300	0
	<u>26,010</u>	<u>30,350</u>	<u>24,050</u>
17(b)	268,512	268,487	302,718
16(b)	6,991	5,092	8,295
	<u>275,503</u>	<u>273,579</u>	<u>311,013</u>
	<u>424,719</u>	<u>329,716</u>	<u>267,497</u>

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Term deposits
Total cash and cash equivalents

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

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

Reserves - cash backed
Bonds and deposits held
Contract liabilities from contracts with customers
Total restricted assets

NOTE	2021 \$	2020 \$
	2,939,585	4,029,777
	16,860,030	13,791,987
	<u>19,799,615</u>	<u>17,821,764</u>
	17,764,481	16,499,913
	<u>17,764,481</u>	<u>16,499,913</u>
	14,220,737	14,135,314
	1,113,921	889,745
	2,429,823	1,474,854
	<u>17,764,481</u>	<u>16,499,913</u>

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Restricted assets

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

SHIRE OF CAPEL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

4. RESERVES - CASH BACKED

	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance	2021 Budget Opening Balance	2021 Budget Transfer to	2021 Budget Transfer (from)	2021 Budget Closing Balance	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Leave Reserve	729,996	10,226	(5,000)	735,222	725,540	10,441	(5,000)	730,981	712,675	17,321	0	729,996
(b) Specified Area Rate Dalyellup Reserve	884,278	716,319	(918,736)	681,861	792,286	705,362	(984,791)	512,857	1,009,932	715,098	(840,752)	884,278
(c) Waste Management Reserve	2,651,008	18,965	(140,740)	2,529,233	2,601,448	19,510	(146,109)	2,474,849	2,353,441	297,567	0	2,651,008
(d) Plant Reserve	542,214	453,182	(161,267)	834,129	587,115	567,620	(798,927)	355,808	731,728	285,575	(475,089)	542,214
(e) Infrastructure Asset Reserve	3,126,876	256,522	(19,668)	3,363,730	2,505,882	188,127	(1,642,332)	1,051,677	1,629,820	1,969,176	(472,120)	3,126,876
(f) Building Reserve	795,077	25,690	(12,490)	808,277	730,059	25,475	(145,975)	609,559	302,960	607,364	(115,247)	795,077
(g) Furniture and Equipment Reserve	494,816	108,540	(121,770)	481,586	394,055	107,955	(175,853)	326,157	90,757	507,204	(103,145)	494,816
(h) Dalyellup Community Facilities Reserve	778,711	398,376	0	1,177,087	778,711	5,840	0	784,551	1,448,779	0	(670,068)	778,711
(i) Dalyellup Infrastructure (Millenium) Reserve	127,745	0	0	127,745	127,745	958	0	128,703	545,515	0	(417,770)	127,745
(j) Property Value Revaluations Reserve	65,052	70,465	0	135,517	65,052	70,487	0	135,539	52	65,000	0	65,052
(k) Mosquito Management Reserve	25,359	17,156	0	42,515	25,177	788	(600)	25,365	24,757	602	0	25,359
(l) Land Conservation Activities Reserve	6,241	45	(4,000)	2,286	6,246	188	(4,000)	2,434	13,826	334	(7,919)	6,241
(m) Capel Community Facilities Reserve	95,645	24,501	0	120,146	95,645	717	0	96,362	245,030	0	(149,385)	95,645
(n) Carried Over Projects Reserve	709,344	166,872	(709,344)	166,872	152,797	1,146	(152,797)	1,146	10,413	709,344	(10,413)	709,344
(o) Town Planning Scheme No 3 Reserve	198,858	700	(11,802)	187,756	208,423	6,563	0	214,986	199,394	4,847	(5,383)	198,858
(p) Infrastructure Development Reserve	903,638	18,130	0	921,768	900,185	82,251	(15,000)	967,436	832,516	82,115	(10,993)	903,638
(q) Strategic Initiatives Reserve	2,000,456	14,315	(209,764)	1,805,007	1,938,143	14,536	(1,142,825)	809,854	2,478,068	60,230	(537,842)	2,000,456
(r) Contaminated Sites Reserve	0	100,000	0	100,000	0	100,000	0	100,000	0	0	0	0
(s) Unspent Grants Reserve	0	0	0	0	0	0	0	0	51,600	0	(51,600)	0
	14,135,314	2,400,004	(2,314,581)	14,220,737	12,634,509	1,907,964	(5,214,209)	9,328,264	12,681,263	5,321,777	(3,867,726)	14,135,314

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

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Leave Reserve	Ongoing	Used to fund leave entitlements for redundancy, retirement, leave transfers to other local governments and leave entitlements paid each year.
(b) Specified Area Rate Dalyellup Reserve	Ongoing	Used to maintain parks, gardens and public open space in Dalyellup.
(c) Waste Management Reserve	Ongoing	Used to maintain transfer sites, refuse sites, waste collection & disposal services within the Shire & waste site rehabilitation & regional waste services.
(d) Plant Reserve	Ongoing	Used for the replacement of plant, equipment and motor vehicles.
(e) Infrastructure Asset Reserve	Ongoing	Used for the preservation of roads, bridges and drainage infrastructure.
(f) Building Reserve	Ongoing	Used for the construction of and additions to Council buildings.
(g) Furniture and Equipment Reserve	Ongoing	Used for the purchase of major items of office equipment.
(h) Dalyellup Community Facilities Reserve	Ongoing	Used to fund community facilities in Dalyellup.
(i) Dalyellup Infrastructure (Millenium) Reserve	Ongoing	Used to fund capital projects within Dalyellup.
(j) Property Value Revaluations Reserve	Ongoing	Used to fund the three yearly revaluation of GRV properties.
(k) Mosquito Management Reserve	Ongoing	Used to fund mosquito control activities.
(l) Land Conservation Activities Reserve	Ongoing	Used to fund land care activities.
(m) Capel Community Facilities Reserve	Ongoing	Used to fund the development of facilities in Capel.
(n) Carried Over Projects Reserve	Ongoing	Used to preserve for future use unexpected capital, project and other funds.
(o) Town Planning Scheme No 3 Reserve	Ongoing	Used to fund drainage and related infrastructure works for TPS 3 Amendments.
(p) Infrastructure Development Reserve	Ongoing	Used to fund infrastructure works associated with development.
(q) Strategic Initiatives Reserve	Ongoing	Used to collect municipal funds to fund future new asset purchases or services and strategic projects of either a capital or operating nature.
(r) Contaminated Sites Reserve	Ongoing	Used to fund remediation of contaminated sites.
(s) Unspent Grants Reserve	Ongoing	Used for any unexpended grants.

5. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

	2021	2020
	\$	\$
	0	25,000
	0	25,000

Financial assets at amortised cost

Shares in Donnybrook Capel District Community Financial Services Limited

	0	25,000
	0	25,000

(b) Non-current assets

Financial assets at amortised cost

Financial assets at fair value through profit and loss

	25,000	0
	55,355	53,416
	80,355	53,416

Financial assets at amortised cost

Shares in Donnybrook Capel District Community Financial Services Limited

	25,000	0
	25,000	0

Financial assets at fair value through profit and loss

Units in Local Government House Trust

	55,355	53,416
	55,355	53,416

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 30.

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable

Trade and other receivables

GST receivable

	2021	2020
	\$	\$
	1,045,620	988,508
	63,363	150,319
	311,323	113,470
	1,420,306	1,252,297
	19,390	20,095
	0	1,185
	19,390	21,280

Non-current

Pensioner's rates and ESL deferred

WPC Contributory Extension Scheme

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 30.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

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

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

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

7. INVENTORIES

Current

Fuel and materials

	2021	2020
	\$	\$
Fuel and materials	26,183	42,570
	<u>26,183</u>	<u>42,570</u>

Non-current

Land held for resale
Net realisable value

Land held for resale	268,611	340,884
Net realisable value	<u>268,611</u>	<u>340,884</u>

The following movements in inventories occurred during the year:

Balance at beginning of year	383,454	397,016
Inventories expensed during the year	(16,387)	(149,873)
Write down of inventories to net realisable value	(72,273)	0
Additions to inventory	0	136,311
Balance at end of year	<u>294,794</u>	<u>383,454</u>

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for resale

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

Land held for resale (Continued)

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

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

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

7. OTHER ASSETS

Other assets - current

Prepayments
Accrued income

	2021	2020
	\$	\$
Prepayments	7,919	45,279
Accrued income	2,639	51,246
	<u>10,558</u>	<u>96,525</u>

Other assets non-current

Prepayments

Prepayments	1,714	8,653
	<u>1,714</u>	<u>8,653</u>

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings - non- specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	5,960,000	18,771,492	24,731,492	253,712	3,908,663	28,893,867
Additions	0	347,523	347,523	416,192	707,301	1,471,016
(Disposals)	0	(5,480)	(5,480)	0	(260,895)	(266,375)
Revaluation increments / (decrements) transferred to revaluation surplus	650,500	1,318,232	1,968,732	0	0	1,968,732
Impairment (losses) / reversals	0	1,318,232	1,318,232	0	0	1,318,232
Depreciation (expense)	0	(571,860)	(571,860)	(92,115)	(474,994)	(1,138,969)
Transfers	0	13,261	13,261	0	0	13,261
Balance at 30 June 2020	6,610,500	21,191,400	27,801,900	577,789	3,880,075	32,259,764
Comprises:						
Gross balance amount at 30 June 2020	6,610,500	35,699,400	42,309,900	875,081	6,604,167	49,789,148
Accumulated depreciation at 30 June 2020	0	(14,508,000)	(14,508,000)	(297,292)	(2,724,092)	(17,529,384)
Balance at 30 June 2020	6,610,500	21,191,400	27,801,900	577,789	3,880,075	32,259,764
Additions	0	12,490	12,490	146,732	331,187	490,409
(Disposals)	0	0	0	0	(118,234)	(118,234)
Depreciation (expense)	0	(516,218)	(516,218)	(141,625)	(511,150)	(1,168,993)
Balance at 30 June 2021	6,610,500	20,687,672	27,298,172	582,896	3,581,878	31,462,946
Comprises:						
Gross balance amount at 30 June 2021	6,610,500	35,711,890	42,322,390	1,021,813	6,715,354	50,059,557
Accumulated depreciation at 30 June 2021	0	(15,024,218)	(15,024,218)	(438,917)	(3,133,476)	(18,596,611)
Balance at 30 June 2021	6,610,500	20,687,672	27,298,172	582,896	3,581,878	31,462,946

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Independent registered valuers	June 2020	Available sales evidence from industry sources
Buildings - non-specialised	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2020	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

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

(ii) Cost					
Furniture and equipment					
		Cost		Cost	Price per unit
Plant and equipment					
		Cost		Cost	Price per unit

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

10. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Other infrastructure - bridges	Other infrastructure - carparks	Other infrastructure - footpaths	Other infrastructure - drainage	Other infrastructure - parks, ovals and other	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	80,846,277	6,144,503	2,045,088	13,332,502	29,843,067	12,584,118	144,795,555
Additions	1,166,452	3,607,783	0	397,953	277,762	683,991	6,133,941
(Disposals)	0	(509,611)	0	0	0	0	(509,611)
Depreciation (expense)	(1,705,624)	(147,878)	(44,850)	(310,396)	(360,702)	(762,822)	(3,332,272)
Transfers	0	0	0	0	0	(13,261)	(13,261)
Balance at 30 June 2020	80,307,105	9,094,797	2,000,238	13,420,059	29,760,127	12,492,026	147,074,352
Comprises:							
Gross balance at 30 June 2020	83,675,851	9,356,282	2,053,720	14,031,855	30,475,821	13,978,855	153,572,384
Accumulated depreciation at 30 June 2020	(3,368,746)	(261,485)	(53,482)	(611,796)	(715,694)	(1,486,829)	(6,498,032)
Balance at 30 June 2020	80,307,105	9,094,797	2,000,238	13,420,059	29,760,127	12,492,026	147,074,352
Additions	3,467,725	0	70,514	638,731	708,348	188,607	5,073,925
Depreciation (expense)	(1,735,944)	(151,571)	(53,001)	(319,888)	(365,463)	(796,622)	(3,422,489)
Balance at 30 June 2021	82,038,886	8,943,226	2,017,751	13,738,902	30,103,012	11,884,011	148,725,788
Comprises:							
Gross balance at 30 June 2021	87,143,576	9,356,282	2,124,234	14,670,586	31,184,169	14,167,462	158,646,309
Accumulated depreciation at 30 June 2021	(5,104,690)	(413,056)	(106,483)	(931,684)	(1,081,157)	(2,283,451)	(9,920,521)
Balance at 30 June 2021	82,038,886	8,943,226	2,017,751	13,738,902	30,103,012	11,884,011	148,725,788

10. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2018	Construction costs and current condition (Level 3), residual values and remaining useful life assessments (Level 3) inputs
Other infrastructure - bridges	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2018	Construction costs and current condition (Level 3), residual values and remaining useful life assessments (Level 3) inputs
Other infrastructure - carparks	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2018	Construction costs and current condition (Level 3), residual values and remaining useful life assessments (Level 3) inputs
Other infrastructure - footpaths	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2018	Construction costs and current condition (Level 3), residual values and remaining useful life assessments (Level 3) inputs
Other infrastructure - drainage	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2018	Construction costs and current condition (Level 3), residual values and remaining useful life assessments (Level 3) inputs
Other infrastructure - parks, ovals and other	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2018	Construction costs and current condition (Level 3), 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.

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

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

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Shire.

AUSTRALIAN ACCOUNTING STANDARDS – INCONSISTENCY

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.

Land under roads from 1 July 2019

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

Vested improvements from 1 July 2019

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

Refer to Note 12 that details the significant accounting policies applying to leases (including right-of-use assets).

11. FIXED ASSETS

(a) Disposals of Assets

	2021	2021	2021	2021	2020	2020	2020	2020
	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit	Budget Loss
Buildings - non-specialised	118,234	143,900	25,666	0	5,480	0	0	(5,480)
Plant and equipment	0	0	0	0	260,895	232,212	5,034	(33,717)
Other infrastructure - bridges	118,234	143,900	25,666	0	509,611	0	0	(509,611)
					353,222	377,900	47,520	(22,842)
					775,986	232,212	5,034	(548,808)

The following assets were disposed of during the year.

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit
Plant and Equipment			
Other property and services			
Ford Ranger	28,700	29,091	391
Ford Ranger	23,651	30,989	7,338
Nissan Navara	15,000	21,898	6,898
Nissan Navara	23,668	28,262	4,594
Holden Astra	8,956	11,898	2,942
Toyota Rav 4	17,257	18,262	1,005
Mower	1,002	3,500	2,498
	118,234	143,900	25,666
	118,234	143,900	25,666

(b) Depreciation

	2021 Actual	2021 Budget	2020 Actual
Buildings - non-specialised	516,218	540,778	571,860
Furniture and equipment	141,625	181,061	92,115
Plant and equipment	511,150	738,685	474,994
Infrastructure - roads	1,735,944	1,740,822	1,705,624
Other infrastructure - bridges	151,571	228,541	147,878
Other infrastructure - carparks	53,001	41,960	44,850
Other infrastructure - footpaths	319,888	320,029	310,396
Other infrastructure - drainage	365,463	364,129	360,702
Other infrastructure - parks, ovals and other	796,622	815,563	762,822
Right-of-use assets - buildings	57,632	52,736	57,784
Right-of-use assets - plant and equipment	17,845	16,990	17,849
	4,666,959	5,041,294	4,546,874

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

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

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

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

Depreciation rates

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

Asset Class	Useful life
Buildings - non-specialised	20 to 80 years
Furniture and equipment	3 to 20 years
Plant and equipment	2 to 50 years
Bridges	27 to 100 years
Sealed roads and streets formation	not depreciated
pavement	45 years
seal	
- bituminous seals	24 years
- asphalt surfaces	24 years
traffic islands	64 years
speed cushions	15 years
Gravel roads formation	not depreciated
pavement	45 years
Carparks - pavement	45 years
Carparks - seal	18 to 24 years
carparks - off-road	44 years
Footpaths - slab	40 to 50 years
Water supply piping and drainage systems	70 to 85 years
Parks, gardens and reserves	4 to 46 years
Right of use (buildings)	Based on the remaining lease
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.

12. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset

between the beginning and the end of the current financial year.

	Right-of-use assets - buildings	Right-of-use assets - plant and equipment	Right-of-use assets - Total
	\$	\$	
Balance at 1 July 2019	332,456	69,877	402,333
Depreciation (expense)	(57,784)	(17,849)	(75,633)
Balance at 30 June 2020	274,672	52,028	326,700
Depreciation (expense)	(57,632)	(17,845)	(75,477)
Balance at 30 June 2021	217,040	34,183	251,223

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:

	2021 Actual	2020 Actual
	\$	\$
Depreciation expense on lease liabilities	(75,477)	(75,633)
Interest expense on lease liabilities	(6,991)	(8,295)
Total amount recognised in the statement of comprehensive income	(82,468)	(83,928)
Total cash outflow from leases	(77,496)	(80,343)

The Shire has one lease relating to buildings and the lease term is 7 years. The Shire has three leases relating to plant and equipment and the term for the leases is 5 years.

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

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

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

13. REVALUATION SURPLUS

	2021 Opening Balance	2021 Closing Balance	2020 Opening Balance	2020 Revaluation Increment	Total Movement on Revaluation	2020 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	6,063,124	6,063,124	5,412,624	650,500	650,500	6,063,124
Revaluation surplus - Buildings - non-specialised	10,972,981	10,972,981	9,654,749	1,318,232	1,318,232	10,972,981
Revaluation surplus - Furniture and equipment	18,040	18,040	18,040	0	0	18,040
Revaluation surplus - Plant and equipment	563,989	563,989	563,989	0	0	563,989
Revaluation surplus - Infrastructure - roads	34,345,754	34,345,754	34,345,754	0	0	34,345,754
Revaluation surplus- Other infrastructure - bridges	4,704,988	4,704,988	4,704,988	0	0	4,704,988
Revaluation surplus- Other infrastructure - carparks	932,145	932,145	932,145	0	0	932,145
Revaluation surplus- Other infrastructure - paths	7,838,816	7,838,816	7,838,816	0	0	7,838,816
Revaluation surplus- Other infrastructure - drainage	15,226,278	15,226,278	15,226,278	0	0	15,226,278
Revaluation surplus- Other infrastructure - parks, ovals and other	3,688,185	3,688,185	3,688,185	0	0	3,688,185
	84,354,300	84,354,300	82,385,568	1,968,732	1,968,732	84,354,300

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.

14. TRADE AND OTHER PAYABLES

Current

Sundry creditors	1,051,481	1,164,572
Prepaid rates	616,097	467,477
Accrued salaries and wages	249,121	259,268
Bonds and deposits held	1,113,921	889,745
Accrued interest on debentures	40,967	46,059
Rostered day off payables	51,381	0
	<u>3,122,968</u>	<u>2,827,121</u>

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

2021	2020
\$	\$
1,051,481	1,164,572
616,097	467,477
249,121	259,268
1,113,921	889,745
40,967	46,059
51,381	0
<u>3,122,968</u>	<u>2,827,121</u>

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.

15. CONTRACT LIABILITIES

Current

Contract liabilities

Non-current

Contract liabilities

Performance obligations for each type of liability are expected to be recognised as revenue in accordance with the following time bands:

Less than 1 year
1 to 2 years
2 to 3 years
3 to 4 years
4 to 5 years
> 5 years

2021	2020
\$	\$
542,302	174,637
<u>542,302</u>	<u>174,637</u>
1,887,521	1,300,217
<u>1,887,521</u>	<u>1,300,217</u>
<u>2,429,823</u>	<u>1,474,854</u>

Contract liabilities

\$
542,302
20,000
300,900
1,507,375
0
<u>59,246</u>
<u>2,429,823</u>

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

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

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

16. LEASE LIABILITIES

(a) Lease Liabilities

	2021	2020
	\$	\$
Current	85,929	73,670
Non-current	173,851	256,615
	259,780	330,285

(b) Movements in Carrying Amounts

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Actual	30 June 2021	30 June 2021	30 June 2021	Budget	30 June 2021	30 June 2021	30 June 2021	Actual	30 June 2020	30 June 2020	30 June 2020
					Lease Principal 1 July 2020	Actual Lease Principal Repayments	Actual Lease Principal Outstanding	Actual Lease Interest Repayments	Lease Principal 1 July 2020	Budget Lease Principal Repayments	Budget Lease Principal Outstanding	Budget Lease Interest Repayments	Lease Principal 1 July 2019	Actual Lease Principal Repayments	Actual Lease Principal Outstanding	Actual Lease Interest Repayments
Governance																
Administration Photocopiers		De Lage Landen Pty Ltd	2.10%	60 months	39,500	(10,323)	29,177	(692)	39,748	(10,236)	29,512	(516)	52,896	(13,396)	39,500	(747)
Wide Format Printer		De Lage Landen Pty Ltd	2.20%	60 months	6,092	(1,446)	4,646	(117)	6,403	(1,564)	4,839	(88)	7,534	(1,542)	6,092	(1,453)
Recreation and culture																
Dalyellup Library Lease		Lease Equity Trust	2.30%	84 months	277,712	(55,683)	222,029	(5,050)	289,766	(54,775)	234,991	(4,394)	332,456	(54,744)	277,712	(5,975)
Library Photocopiers		De Lage Landen Pty Ltd	2.10%	60 months	6,981	(3,053)	3,928	(122)	7,024	(1,564)	5,460	(94)	9,347	(2,366)	6,981	(120)
					330,285	(70,505)	259,780	(6,991)	342,941	(68,139)	274,802	(5,092)	402,333	(72,048)	330,285	(8,295)

17. INFORMATION ON BORROWINGS

(a) Borrowings

	2021	2020
	\$	\$
Current	462,037	504,989
Non-current	4,425,236	4,887,253
	4,887,273	5,392,242

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	Actual	30 June 2021	30 June 2021	30 June 2021	Budget	30 June 2021	30 June 2021	30 June 2021	Actual	30 June 2020	30 June 2020	30 June 2020
				Principal 1 July 2020	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding	Principal 1 July 2020	Budget Principal repayments	Budget Interest repayments	Budget Principal outstanding	Principal 1 July 2019	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding
Governance															
Capel Shire Office Extensions	59	ANZ	6.40%	0	0	0	0	0	0	0	0	673	(673)	0	0
Council Administration Office Upgrade	76	WATC*	3.99%	1,882,697	(93,816)	(86,501)	1,788,881	1,882,698	(93,816)	(86,501)	1,788,882	1,972,880	(90,183)	(90,724)	1,882,697
Community amenities															
Waste Collection Bin Purchase	93	WATC*	4.45%	137,225	(43,744)	(6,598)	93,481	137,226	(43,744)	(6,598)	93,482	178,941	(41,716)	(8,740)	137,225
Recreation and culture															
PGB Community Centre	63	WATC*	6.34%	65,713	(9,317)	(4,407)	56,396	65,713	(9,317)	(4,407)	56,396	74,465	(8,752)	(5,030)	65,713
Capel Community Centre	64	WATC*	6.57%	301,211	(35,150)	(21,121)	266,061	301,211	(35,150)	(21,121)	266,061	334,161	(32,950)	(23,542)	301,211
Capel Community Centre	65	WATC*	7.17%	199,413	(19,227)	(14,881)	180,186	199,167	(19,246)	(14,857)	179,921	217,216	(17,803)	(16,329)	199,413
Capel Sports Pavilion	70	WATC*	6.35%	0	0	0	0	0	0	0	0	79,137	(79,137)	(3,220)	0
Capel Sports Pavilion	71	WATC*	5.99%	38,570	(38,570)	(1,430)	0	38,570	(38,570)	(1,430)	0	74,929	(36,359)	(3,942)	38,570
Dalyellup Sports Pavilion	74	WATC*	4.96%	155,432	(75,813)	(6,922)	79,619	155,432	(75,813)	(6,922)	79,619	227,621	(72,189)	(11,042)	155,432
Capel Recreation Ground Hard Court	75	WATC*	5.40%	754,119	(25,645)	(45,418)	728,474	754,119	(25,645)	(45,418)	728,474	778,433	(24,314)	(46,912)	754,119
Transport															
Drainage	68	WATC*	6.35%	0	0	0	0	0	0	0	0	78,225	(78,225)	(3,183)	0
Capel Footbridge	73	WATC*	5.99%	25,713	(25,713)	(953)	0	25,713	(25,713)	(953)	0	49,952	(24,239)	(2,628)	25,713
Economic services															
Capel Townscape	72	WATC*	4.96%	120,490	(58,769)	(5,366)	61,721	120,490	(58,770)	(5,366)	61,720	176,450	(55,960)	(8,559)	120,490
Capel Civic Precinct - Stages 1 & 2	89	WATC*	3.84%	1,711,659	(79,205)	(74,914)	1,632,454	1,711,659	(79,205)	(74,914)	1,632,454	1,787,908	(75,249)	(78,867)	1,711,659
				5,392,242	(504,969)	(268,512)	4,887,273	5,391,998	(504,989)	(268,487)	4,887,009	6,030,991	(638,749)	(302,718)	5,392,242

* WA Treasury Corporation

17. INFORMATION ON BORROWINGS (Continued)

	2021	2020
	\$	\$
(c) Undrawn Borrowing Facilities		
Credit Standby Arrangements		
Bank overdraft limit	0	0
Bank overdraft at balance date	0	0
Credit card limit	10,000	10,000
Credit card balance at balance date	0	0
Total amount of credit unused	10,000	10,000
Loan facilities		
Loan facilities - current	462,037	504,989
Loan facilities - non-current	4,425,236	4,887,253
Lease liabilities - current	85,929	73,670
Lease liabilities - non-current	173,851	256,615
Total facilities in use at balance date	5,147,053	5,722,527
Unused loan facilities at balance date	NIL	NIL

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

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 30.

18. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2020			
Current provisions	677,757	515,810	1,193,567
Non-current provisions	0	183,787	
	183,787	677,757	699,597
			1,377,354
Additional provision	502,558	(55,652)	446,906
Amounts used	(598,728)	(47,818)	(646,546)
Balance at 30 June 2021	581,587	596,127	1,177,714
Comprises			
Current	581,587	356,222	937,809
Non-current	0	239,905	239,905
	581,587	596,127	1,177,714
Amounts are expected to be settled on the following basis:	2021	2020	
	\$	\$	
Less than 12 months after the reporting date	595,165	1,193,567	
More than 12 months from reporting date	582,549	183,787	
	1,177,714	1,377,354	

19. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2021	2020
	\$	\$
Governance	14,418,485	14,478,116
Law, order, public safety	2,241,810	2,319,114
Health	110,553	111,020
Education and welfare	144,024	160,042
Community amenities	1,325,097	1,335,331
Recreation and culture	36,217,986	36,291,325
Transport	142,039,225	138,963,143
Economic services	1,043,955	1,010,849
Other property and services	4,525,554	4,684,704
	<u>202,066,689</u>	<u>199,353,644</u>

19. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Cash and cash equivalents	19,799,615	12,961,966	17,821,764
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	2,237,343	(238,728)	3,514,627
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(1,939)	0	(865)
Depreciation on non-current assets	4,666,959	5,041,294	4,546,874
(Profit)/loss on sale of asset	(25,666)	(24,678)	543,774
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(166,119)	0	(293,457)
(Increase)/decrease in other assets	92,906	0	(11,089)
(Increase)/decrease in inventories	88,660	0	13,562
(Increase)/decrease in contract assets	30,439	0	(30,439)
Increase/(decrease) in payables	295,847	0	399,921
Increase/(decrease) in employee provisions	(199,640)	0	181,425
Increase/(decrease) in other liabilities	954,969	(292,237)	221,758
Non-operating grants, subsidies and contributions	(4,133,695)	(3,980,804)	(5,769,275)
Net cash from operating activities	<u>3,840,064</u>	<u>504,847</u>	<u>3,316,816</u>

19. CAPITAL COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects	189,712	694,638
- plant & equipment purchases	0	81,258
	<u>189,712</u>	<u>775,896</u>

Payable:

- not later than one year	189,712	775,896
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The capital expenditure outstanding at the end of the current reporting period is represented by the following projects:
Boyanup Road West Offset Planting (0.00 - 11.09)

The capital expenditure outstanding at the end of the last year reporting period is represented by the following projects:
Boyanup Road West (7.47 - 8.5) reconstruction,
South West Highway, Boyanup - footpath,
Jules Road North (0.01 - 0.72) reconstruction,
Jules Road, Gelorup - footpath,
Jamieson Road Boardwalk Remediation,
Shade Sails, Capel Recreation Ground and Peppermint Grove Beach,
Ford Ranger 4WD - ranger vehicle, and
Purpose built canopy - ranger vehicle.

23. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Cr Brian Hearne			
Deputy President's annual allowance	0	0	1,190
Meeting attendance fees	0	0	3,453
ICT expenses	0	0	525
Travel and accommodation expenses	0	0	400
	0	0	5,568
Cr Barry Bell			
Meeting attendance fees	0	0	2,958
ICT expenses	0	0	525
	0	0	3,483
Cr Peter McCleery			
Meeting attendance fees	0	0	3,159
ICT expenses	0	0	525
	0	0	3,684
Cr Jennifer Scott			
Meeting attendance fees	0	0	3,155
ICT expenses	0	0	525
Travel and accommodation expenses	0	0	386
	0	0	4,066
	130,691	143,503	146,182
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
President's allowance Deputy	19,035	19,035	19,035
President's allowance	4,759	4,759	4,759
Meeting attendance fees	85,661	95,179	99,355
ICT expenses	18,200	20,300	20,300
Travel and accommodation expenses	3,036	4,230	2,733
	130,691	143,503	146,182

23. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Cr Michael Southwell			
President's annual allowance	19,035	19,035	14,276
Meeting attendance fees	19,035	19,035	16,656
ICT expenses	3,500	3,500	3,150
Travel and accommodation expenses	1,736	470	1,947
	43,306	42,040	36,029
Cr Kaara Andrew			
Deputy President's annual allowance	4,759	4,759	3,569
Meeting attendance fees	9,518	9,518	7,139
ICT expenses	2,100	2,100	1,575
Travel and accommodation expenses	664	470	0
	17,041	16,847	12,283
Cr Murray Scott			
President's annual allowance	0	0	4,759
Meeting attendance fees	9,518	9,518	12,864
ICT expenses	2,100	2,100	2,450
Travel and accommodation expenses	0	470	0
	11,618	12,088	20,073
Cr David Clews			
Meeting attendance fees	9,518	9,518	7,139
ICT expenses	2,100	2,100	1,575
Travel and accommodation expenses	0	470	0
	11,618	12,088	8,714
Cr Douglas Kitchen			
Meeting attendance fees	9,518	9,518	9,518
ICT expenses	2,100	2,100	2,100
Travel and accommodation expenses	0	470	0
	11,618	12,088	11,618
Cr Rosina Mogg			
Meeting attendance fees	9,518	9,518	7,139
ICT expenses	2,100	2,100	1,575
Travel and accommodation expenses	636	470	0
	12,254	12,088	8,714
Cr Kieran Noonan			
Meeting attendance fees	9,518	9,518	7,139
ICT expenses	2,100	2,100	1,575
Travel and accommodation expenses	0	470	0
	11,618	12,088	8,714
Cr Sebastian Schiano			
Meeting attendance fees	9,518	9,518	9,518
ICT expenses	2,100	2,100	2,100
Travel and accommodation expenses	0	470	0
	11,618	12,088	11,618
Cr Debbie Radisich			
Meeting attendance fees	0	9,518	9,518
ICT expenses	0	2,100	2,100
Travel and accommodation expenses	0	470	0
	0	12,088	11,618

24. RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP) Compensation Disclosure

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

	2021 Actual	2020 Actual
	\$	\$
Short-term employee benefits	527,568	496,816
Post-employment benefits	51,806	53,983
Other long-term benefits	16,688	13,001
	596,062	563,800

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.

Transactions with related parties

There were no transactions with related parties during the year and no balances payable or receivable at 30 June 2021.

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

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

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

iii. Entities subject to significant influence by the Shire

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

28. RATING INFORMATION

(a) Rates

RATE TYPE

Differential general rate / general rate

Gross rental valuations

Residential
Residential Vacant
Urban Development
Urban Development Vacant
Town Centre
Town Centre/Special Use/Light Industry Vacant
Light Industry
Commercial Use Urban Development
Special Use
Special Rural

Unimproved valuations

Rural Commercial Use
Rural

Sub-Total

Minimum payment

Gross rental valuations

Residential
Residential Vacant
Urban Development
Urban Development Vacant
Town Centre
Town Centre/Special Use/Light Industry Vacant
Light Industry
Commercial Use Urban Development
Special Use
Special Rural

Unimproved valuations

Rural Commercial Use
Rural

Sub-Total

Discounts/concessions (Note 28(c))

Total amount raised from general rate

Specified Area Rate (Note 28(b))

Totals

	Rate in \$	Number of Properties	2020/21 Actual Rateable Value \$	2020/21 Actual Rate Revenue \$	2020/21 Actual Interim Rates \$	2020/21 Actual Back Rates \$	2020/21 Actual Total Revenue \$	2020/21 Budget Rate Revenue \$	2020/21 Budget Interim Rate \$	2020/21 Budget Back Rate \$	2020/21 Budget Total Revenue \$	2019/20 Actual Total Revenue \$
Residential	0.092069	1,345	23,805,700	2,191,767	16,307	0	2,208,074	2,191,767	10,000	0	2,201,767	2,126,514
Residential Vacant	0.137171	91	1,127,400	154,647	10,233	0	164,880	154,647	0	0	154,647	160,628
Urban Development	0.092069	2,567	44,590,104	4,105,366	24,709	0	4,130,075	4,105,366	20,322	0	4,125,688	4,056,221
Urban Development Vacant	0.137171	152	393,250	53,942	117,028	0	170,970	53,942	0	0	53,942	66,449
Town Centre	0.076735	23	1,011,920	77,650	(1,417)	0	76,233	77,650	0	0	77,650	77,650
Town Centre/Special Use/Light Industry Vacant	0.076735	4	153,250	11,760	0	0	11,760	11,760	0	0	11,760	11,760
Light Industry	0.076735	29	1,042,160	79,970	0	0	79,970	79,970	0	0	79,970	79,970
Commercial Use Urban Development	0.076735	23	4,313,660	331,009	0	0	331,009	331,009	0	0	331,009	331,009
Special Use	0.076735	7	1,466,040	112,497	0	0	112,497	112,497	0	0	112,497	112,496
Special Rural	0.080150	319	6,306,560	505,471	391	0	505,862	505,471	0	0	505,471	499,470
Rural Commercial Use	0.005077	10	5,990,000	30,411	(1,634)	0	28,777	30,411	0	0	30,411	30,411
Rural	0.005077	462	269,358,000	1,367,531	(19,484)	(4,406)	1,343,641	1,367,531	0	0	1,367,531	1,368,794
Sub-Total		5,032	359,558,044	9,022,021	146,133	(4,406)	9,163,748	9,022,021	30,322	0	9,052,343	8,921,372
Minimum \$												
Residential	1,385	1,002	13,042,384	1,357,300	30,470	0	1,387,770	1,357,300	0	0	1,357,300	1,396,080
Residential Vacant	1,385	218	1,513,400	333,785	(31,855)	0	301,930	333,785	0	0	333,785	321,320
Urban Development	1,385	863	11,497,370	1,134,315	60,940	0	1,195,255	1,134,315	20,217	0	1,154,532	1,182,790
Urban Development Vacant	1,385	155	878,385	264,535	(49,860)	0	214,675	264,535	0	0	264,535	242,375
Town Centre	1,385	9	106,288	12,465	0	0	12,465	12,465	0	0	12,465	12,465
Town Centre/Special Use/Light Industry Vacant	1,385	8	82,900	11,080	0	0	11,080	11,080	0	0	11,080	11,080
Light Industry	1,385	11	162,450	15,235	0	0	15,235	15,235	0	0	15,235	15,235
Commercial Use Urban Development	1,385	2	34,320	2,770	0	0	2,770	2,770	0	0	2,770	2,770
Special Use	1,385	2	19,300	2,770	0	0	2,770	2,770	0	0	2,770	2,770
Special Rural	1,385	156	2,467,920	214,675	1,385	0	216,060	214,675	0	0	214,675	220,215
Rural Commercial Use	1,385	4	493,000	4,155	0	0	5,540	4,155	0	0	4,155	4,155
Rural	1,385	369	51,443,673	516,605	0	0	511,065	516,605	0	0	516,605	515,220
Sub-Total		2,799	81,741,390	3,859,690	11,080	0	3,876,615	3,859,690	20,217	0	3,889,907	3,926,475
		7,831	441,299,434	12,891,711	157,213	(4,406)	13,040,363	12,891,711	50,539	0	12,942,250	12,847,847
							(674)				0	(674)
							13,039,689				12,942,250	12,847,173
							709,991				699,420	690,551
							13,749,680				13,641,670	13,537,724

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.

28. RATING INFORMATION (Continued)

(b) Specified Area Rate

Specified Area Rate	Basis of Valuation	Rate in \$	2020/21 Rateable Value	2020/21 Rate Revenue	2020/21 Interim Rate Revenue	2020/21 Back Rate Revenue	2020/21 Total Specified Area Rate Revenue	2020/21 Budget Rate Revenue	2020/21 Budget Back Rate Revenue	2020/21 Budget Interim Rate Revenue	2020/21 Total Budget Revenue	2019/20 Total Actual Revenue
Dalyellup Parks and Gardens Maintenance	GRV	0.049605	63,182,875	695,375	14,616	0	709,991	688,536	0	10,884	699,420	690,551
			63,182,875	695,375	14,616	0	709,991	688,536	0	10,884	699,420	690,551

Specified Area Rate	Purpose of the rate	Area/properties Rate Imposed	2020/21 Actual Rate Applied to Costs	2020/21 Actual Rate Set Aside to Reserve	2020/21 Actual Reserve Applied to Costs	2020/21 Budget Rate Applied to Costs	2020/21 Budget Rate Set Aside to Reserve	2020/21 Budget Reserve Applied to Costs
Dalyellup Parks and Gardens Maintenance	For Dalyellup Parks and Gardens Maintenance. To ensure that the parks and gardens are maintained to the standard presented by the developers.	Residential properties in Dalyellup	709,991	0	918,736	699,420	0	699,420
			709,991	0	918,736	699,420	0	699,420

Waivers or Concessions

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

Type	Discount %	Discount \$	2021 Actual \$	2021 Budget \$	2020 Actual \$
Specified Area Rate - Dalyellup Parks and Gardens Maintenance	0.00%	2,424,196	2,424,196	2,434,767	2,129,525
Minimum Rate	50.00%		674	0	674
			2,424,870	2,434,767	2,130,199
Total discounts/concessions (Note 28(a))			2,424,870	2,434,767	2,130,199

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

Circumstances in which the Waiver or Concession is Granted and to whom it was available

Objects of the Waiver or Concession

Reasons for the Waiver or Concession

General rating zone groups 3 and 4 Dalyellup	A concession is granted to property owners in the rating zone groups 3 and 4 (Dalyellup) to limit the maximum specified area rate for Dalyellup Parks and Gardens Maintenance to \$192.49 per property.	To limit the maximum specified area rate for Dalyellup Parks and Gardens Maintenance to \$192.49.	Specified area rate for Dalyellup Parks and Gardens Maintenance to match long term extra expenses to ensure standard of Dalyellup parks and gardens presented by developers is maintained.
	A minimum rate concession is also granted to a property owner whose property is rateable in the Shire of Capel and a neighboring shire. This concession reduces the rates payable by 50%.		

RATING INFORMATION (Continued)

(c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single full payment	25/09/2020	0.00	0.00%	0.00%
Option Two				
First instalment	25/09/2020	0.00	0.00%	5.00%
Second instalment	25/11/2020	11.00	0.00%	5.00%
Third instalment	25/01/2021	11.00	0.00%	5.00%
Fourth instalment	25/03/2021	11.00	0.00%	5.00%

	2021 Actual	2021 Budget	2020 Actual
Interest on unpaid rates	38,151	38,870	32,996
Charges on instalment plan	78,287	89,375	85,877
	116,438	128,245	118,873

RATE SETTING STATEMENT INFORMATION

(a) Non-cash amounts excluded from operating activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with *Financial Management Regulation 32*.

Adjustments to operating activities

Note	2020/21 (30 June 2021 Carried Forward) \$	2020/21 Budget (30 June 2021 Carried Forward) \$	2019/20 (30 June 2020 Carried Forward) \$
11(a)	(25,666)	(47,520)	(5,034)
	0	(5,441)	(36,195)
	0	5,441	1,474,854
	(1,939)	0	(865)
	6,939	0	0
	(25,000)	0	0
	1,890	0	(6,458)
	56,118	0	29,791
	0	0	(1,261,733)
	587,304	0	0
	72,273	0	0
11(a)	0	22,842	548,808
11(b)	4,666,959	5,041,294	4,546,874
	5,338,878	5,016,616	5,290,042

(b) Surplus/(deficit) after imposition of general rates

The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

Adjustments to net current assets

4	(14,220,737)	(9,328,264)	(14,135,314)
	(1,715)	0	(1,715)
17(a)	462,037	462,037	504,989
	0	(1,436,117)	0
	85,929	85,929	73,670
	(13,674,486)	(10,216,415)	(13,558,370)

Net current assets used in the Rate Setting Statement

	21,256,662	14,300,699	19,268,595
	(5,151,045)	(4,083,249)	(4,773,984)
	(13,674,486)	(10,216,415)	(13,558,370)
	2,431,131	1,035	936,241

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 at amortised cost	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2021					
Cash and cash equivalents	0.19%	19,799,615	17,847,137	1,949,833	2,645
2020					
Cash and cash equivalents	0.78%	17,821,764	13,791,987	2,014,244	2,015,533

Sensitivity

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

	2021	2020
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	197,996	178,218

* 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 17(b).

FINANCIAL RISK MANAGEMENT (Continued)

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2020 or 1 July 2021 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2021 and 30 June 2020 for rates receivable was determined as follows:

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2021					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	437,319	293,923	199,930	114,448	1,045,620
Loss allowance	0	0	0	0	0
30 June 2020					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	449,716	302,684	157,189	78,919	988,508
Loss allowance	0	0	0	0	0

The loss allowance as at 30 June 2021 and 30 June 2020 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2021					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	62,003	579	409	372	63,363
Loss allowance	0	0	0	0	0
30 June 2020					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	146,822	3,236	0	261	150,319
Loss allowance	0	0	0	0	0

30. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 17(c).

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
	\$	\$	\$	\$	\$
2021					
Payables	3,122,968	0	0	3,122,968	3,122,968
Borrowings	703,843	2,061,940	3,964,886	6,730,669	4,887,273
Contract liabilities	542,302	0	1,887,521	2,429,823	2,429,823
Lease liabilities	85,929	173,851	0	259,780	259,780
	4,455,042	2,235,791	5,852,407	12,543,240	10,699,844
2020					
Payables	2,827,121	0	0	2,827,121	2,827,121
Borrowings	744,005	2,161,802	4,778,625	7,684,432	5,392,242
Contract liabilities	174,637	0	1,300,217	1,474,854	1,474,854
Lease liabilities	73,670	256,615	0	0	330,285
	3,819,433	2,418,417	6,078,842	11,986,407	10,024,502

31. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There were no events after balance sheet date that require disclosure.

30. TRUST FUNDS

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

	1 July 2020	Amounts Received	Amounts Paid	30 June 2021
	\$	\$	\$	\$
Cash in Lieu of Public Open Space	963,277	709	(170,681)	793,305
	963,277	709	(170,681)	793,305

33. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST) h) Fair value hierarchy
Revenues, expenses and assets are recognised net of the amount of GST, AASB 13 requires the disclosure of fair value information by level of the fair except where the amount of GST incurred is not recoverable from the value hierarchy, which categorises fair value measurement into one of three Australian Taxation Office (ATO) possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:
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 Level 1 with receivables or payables in the statement of financial position.
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. 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.
Level 2
Measurements based on inputs other than quoted prices included in Level 1
b) Current and non-current classification that are observable for the asset or liability, either directly or indirectly. 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 are determined using one or more valuation techniques. These valuation based on the Shire's intentions to release for sale. 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 All figures shown in this annual financial report, other than a rate in the dollar, based on observable market data, the asset or liability is included in Level 3. are rounded to the nearest dollar. Amounts are presented in Australian Dollars.
Valuation techniques
d) Comparative figures
The Shire selects a valuation technique that is appropriate in the circumstances Where required, comparative figures have been adjusted to conform with and for which sufficient data is available to measure fair value. The availability changes in presentation for the current financial year. of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by When the Shire applies an accounting policy retrospectively, makes a the Shire are consistent with one or more of the following valuation approaches: retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional Market approach (third) statement of financial position as at the beginning of the preceding Valuation techniques that use prices and other relevant information period in addition to the minimum comparative financial statements is generated by market transactions for identical or similar assets or liabilities. presented.
Income approach
e) Budget comparative figures Valuation techniques that convert estimated future cash flows or income Unless otherwise stated, the budget comparative figures shown in this annual and expenses into a single discounted present value.

financial report relate to the original budget estimate for the relevant item of disclosure. Cost approach
Valuation techniques that reflect the current replacement cost of the service
f) Superannuation capacity of an asset.
The Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution Each valuation technique requires inputs that reflect the assumptions that plans. buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire
g) Fair value of assets and liabilities gives priority to those techniques that maximise the use of observable inputs Fair value is the price that the Shire would receive to sell the asset or would and minimise the use of unobservable inputs. Inputs that are developed using have to pay to transfer a liability, in an orderly (i.e. unforced) transaction market data (such as publicly available information on actual transactions) and between independent, knowledgeable and willing market participants at the reflect the assumptions that buyers and sellers would generally use when measurement date. pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best As fair value is a market-based measure, the closest equivalent observable information available about such assumptions are considered unobservable. market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the i) Impairment of assets
specific asset or liability. The fair values of assets that are not traded in an In accordance with Australian Accounting Standards the Shire's cash generating active market are determined using one or more valuation techniques. These non-specialised assets, other than inventories, are assessed at each reporting valuation techniques maximise, to the extent possible, the use of observable date to determine whether there is any indication they may be impaired.
market data.
Where such an indication exists, an impairment test is carried out on the
To the extent possible, market information is extracted from either the asset by comparing the recoverable amount of the asset, being the higher of principal market for the asset or liability (i.e. the market with the greatest the asset's fair value less costs to sell and value in use, to the asset's volume and level of activity for the asset or liability) or, in the absence of carrying amount. 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 Any excess of the asset's carrying amount over its recoverable amount is the sale of the asset after taking into account transaction costs and recognised immediately in profit or loss, unless the asset is carried at a transport costs).
revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation For non-financial assets, the fair value measurement also takes into account decrease in accordance with that other Standard.
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 For non-cash generating specialised assets that are measured under the and best use. 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 end of the reporting period.

35. FINANCIAL RATIOS

	2021 Actual	2020 Actual	2019 Actual
Current ratio	1.27	1.20	1.55
Asset consumption ratio	0.86	0.71	0.72
Asset renewal funding ratio	*N/A	*N/A	*N/A
Asset sustainability ratio	0.31	1.18	0.25
Debt service cover ratio	3.58	2.77	3.41
Operating surplus ratio	(0.11)	(0.13)	(0.07)
Own source revenue coverage ratio	0.80	0.79	0.82

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	$\frac{\text{own source operating revenue}}{\text{operating expense}}$

* The Asset renewal funding ratio cannot be calculated as the Asset Management Plan did not have the required capital expenditure over the next ten years.

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