



Notice is given that an Ordinary Meeting of Council of the Shire of Christmas Island is to be held at the Council Chambers on **Tuesday 27 June 2023** commencing at 7.00pm

David Price
Chief Executive Officer

AGENDA

- 1 **Declaration of Opening of Meeting/Announcement of Visitor**
- 2 **Record of Attendance/Apologies/Leave of Absence/Declaration of Financial/Proximity/Impartiality Interests**
 - 2.1 Attendance
 - 2.2 Leave of Absence
 - 2.3 Apologies
 - 2.4 Declaration of Interests
- 3 **Response to Previous Public Questions Taken on Notice**
- 4 **Public Question Time**
- 5 **Applications for Leave of Absence**
 - 5.1.1 Cr Philip WOO (pg 01-02)
- 6 **Petitions/Deputations/Presentations**
- 7 **Confirmation of Minutes of Previous Meetings/Business arising from the Minutes of Previous Meetings**
 - 7.1 Minutes of Ordinary Council Meeting held on 23 May 2023 (pg 03-08)
 - 7.2 Business Arising from the Minutes of Previous Meetings
- 8 **Announcements by Presiding Member Without Discussion**
- 9 **Reports of Committees**
- 10 **Reports of Officers**
 - 10.1 **Chief Executive Officer**
 - 10.1.1 Update to Finance Policy (pg 09-16)
 - 10.2 **Director Finance & Administration**
 - 10.2.1 Schedule of Accounts – May 2023 (pg 17-23)
 - 10.2.2 Financial Statements – May 2023 (pg 24-29)
 - 10.3 **Director Community/Recreation Services & Training**
 - 10.3.1 Celebrating 2023 Seniors Week (pg 30)
 - 10.4 **Director Works, Services & Waste**
 - 10.5 **Director Planning, Governance & Policy**
- 11 **Elected Members Motions of which Previous Notice has been given**
- 12 **New Business of an Urgent Nature Introduced by Decision of the Meeting**
- 13 **Behind Closed Doors**
- 14 **Closure of Meeting**
- 15 **Date of the next Ordinary Meeting**
25 July 2023



SHIRE OF CHRISTMAS ISLAND

SUBMISSION TO	Ordinary Council Meeting 27 June 2023
AGENDA REFERENCE	5.1
SUBJECT	Cr WOO – Leave of Absence
LOCATION/ADDRESS/APPLICANT	N/A
FILE REFERENCE	2.13.15
INTEREST DISCLOSURE	None
DATE OF REPORT	21 June 2023
AUTHOR	Chris SU, Acting CEO
SIGNATURE OF ACTING CEO	SIGNED

RECOMMENDATION

That the leave of absence application submitted by Cr Philip WOO (20/06/2023 to 02/07/2023) be approved.

BACKGROUND

Cr Philip WOO (20/06/2023 to 02/07/2023) submitted a Leave of Absence application to the CEO.

COMMENT

N/A

STATUTORY ENVIRONMENT

There are no statutory environment implications arising from this matter.

POLICY IMPLICATIONS

There are no significant policy implications arising from this matter.

FINANCIAL IMPLICATIONS

There are no significant financial policy implications arising from this matter.

STRATEGIC IMPLICATIONS & MILESTONES

There are no significant strategic implications arising from this matter.

VOTING REQUIREMENTS

A simple majority is required.



SHIRE OF CHRISTMAS ISLAND

APPLICATION FOR LEAVE OF ABSENCE

I Councillor PHILIP WOO

Hereby apply to the Council of the Shire of Christmas Island for

Leave of absence from 20 / 06 / 23 to 2 / 07 / 23

In accordance with section 2.25 (1) of the Local Government Act (CI).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Philip Woo', is written over a horizontal line. The signature is somewhat stylized and cursive.

Signature

20 / 06 / 23

Date



UNCONFIRMED MINUTES
Ordinary Meeting of the Shire of Christmas Island held at the George Fam Chambers at 7.00pm on Tuesday 23 May 2023

1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

1.1 The Shire President declared the meeting open at 7.00pm.

2 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE/DECLARATIONS OF FINANCIAL INTEREST

1.2 Record of Attendance

Shire President	Cr Gordon THOMSON
Deputy President	Cr Kee Heng FOO
Councillors	Cr Philip WOO
	Cr Kelvin Kok Bin LEE
	Cr Hafiz MASLI
	Cr Morgan Boon Hwa SOH
	Cr Azmi YON

Chief Executive Officer	David PRICE
Director Research, Policy, Governance & Grants/Minute Taker	Chris SU
Director Community/Recreation Services & Training	Olivier LINES
Director Works, Services & Waste	Troy DAVIS
Assistant Director of Finance & Corporate Services	Wei HO
Fisheries Ranger	Shahrin JAMIL

2.2 **Leave of Absence**
 Councillors

Cr Farzian ZAINAL
Cr Vincent Cheng-Siew SAW

2.3 **Apologies**

2.4 **Declarations of Financial/Impartiality/Proximity Interest**

3 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

4 PUBLIC QUESTION TIME

4.1 Shire President THOMSON passed on residents' concerns about the Patient Assisted Travel (PATs) scheme. CI residents are being flown to their appointments on the mainland through CKI where prior the practice was to wait until a Friday to fly to Perth direct and Tuesday to fly to the Island direct.

Reportedly this flight itinerary is cheaper for IOTHS to offer. The PATS scheme offers a \$60/day for commercial hotel accommodation, and \$20/day for private accommodation for PATs patients travelling.

It was noted that the WA PATs scheme has a higher \$100/day for commercial hotel accommodation and a \$20/day for private accommodation rates.

Shire President THOMSON informed the meeting he would write to IOTHS about the return of direct flights at residents' request and invite the IOTHS send a representative to the next Community Consultative Committee meeting to inform the members on what changes might be able to apply.

Shire President THOMSON also noted the Administrator Newsletter update about the IOT budget.

5 APPLICATIONS FOR LEAVE OF ABSENCE

6 PETITIONS/DEPUTATIONS/PRESENTATIONS

6.1 RSM Auditors Larry TAN, Shaun TATLOW, Francis BATISTA made a presentation on the annual Audit Plan in person. Senior RSM Partner Amit KABRA and WA Office of the Auditor General Tim SANYA attended via video conference.

Senior RSM Audit Partner Amit KABRA introduced Tim SANYA as the WA OAG officer overseeing the annual audit from the OAG this year.

Amit KABRA presents the Audit Plan and speaks through the document on-screen. Councillors have hard copies; apart from the usual financial statements, the RSM team will look at the *Roads To Recovery* (R2R) and *Local Roads and Community Infrastructure Program* (LRCIP) grant program auditing as well. Both of these grant programs require an external auditor to review the records before they can be finalised with the respective funding bodies.

Amit KABRA noted that there was nothing substantial in terms of operational changes to the Shire in the last financial year and that the last exit interview for the previous financial year was quite recent.

Amit KABRA informed the meeting that a new financial template released by the WA Department of Local Government in the last fortnight might be updated pending OAG comments on the document by June 2023. Summarised that there were no fundamental changes of note and that the review of the financial statements will be done accordingly.

The key risk for this size organisation was management override of procedures.

RSM is scheduled to return to Christmas Island mid-October 2023 and will aim to complete the audit in early November 2023. The WA OAG will be able to sign-off on the audit by the end of November 2023, which would be in the normal timeline.

CEO David PRICE informed the meeting that the Shire anticipates being to meet those timelines as well. Advised that the Director of Finance Kevin WILSON will be on island in October to meet the RSM audit team.

7 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS/BUSINESS ARISING FROM THE MINUTES OF PREVIOUS MEETINGS

7.1 Minutes of Ordinary Council Meeting held on 23 May 2023

Members considered the unconfirmed minutes.

Council Resolution

Moved: Azmi YON

Seconded: Vincent SAW

Res. No:

26/23

That Council adopt the unconfirmed minutes of the 26 April 2023 Council Meeting.

Carried: 7/0

7.2 Business Arising from the Minutes of Previous Meetings

8 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

- 8.1 Shire President Gordon THOMSON informed the meeting that the Federal Budget papers recorded a significant drop of \$38m in the IOT budget from \$140m to \$102m.
- 8.2 The Commonwealth Government has established the *National Reconstruction Fund* which might provide a possible avenue for island development. The island's immediate goals are to diversify the economy into the previously identified fields of agricultural and tourism.
- 8.3 In February the Minister for the Environment Tanya PLIBERSEK announced the recipients of the \$3m in grant funding for the new Indian Ocean Territories Marine Parks. The Shire received a grant for its *Lily Beach Precinct Upgrade* project. A range of other projects were funded including improvements for red crab crossing access, mural about marine life, a documentary about the lives of IOT residents and their relationship with the water with the bulk of the grant allocations being made to universities and scientific bodies researching various marine initiatives across the Cocos (Keeling) Islands and Christmas Island.
- 8.4 The Shire President reports that he has joined the Indian Ocean Territories Regional Development Organisation – Christmas Island Business Association's Joint Committee on air freight shipping. He noted the next meeting was scheduled in June when he will be in Canberra with the Shire delegation for the Australian Local Government Association conference.
- 8.5 Shire President Gordon THOMSON reports that the Minister announced on Thursday 11th May that Cr Farzian ZAINAL will be the next Administrator of the Indian Ocean Territories.

9 REPORTS OF COMMITTEES

10 REPORTS OF OFFICERS

10.1 Chief Executive Officer

10.1.1 Appointment of Acting CEO

Council Resolution

Moved: Cr MASLI

Seconded: Cr YON

Res. No: 27/23

That Council appoints the Director Works, Services & Waste Troy Davis as the acting CEO for the period 12 June to 20 June 2023 and the Director Governance, Research, Policy & Grants Chris Su as acting CEO for the period of 21 June to 1 August 2023, and that the applicable higher duties apply.

Carried: 7/0

10.1.2 Delegated Authority

Council Resolution

Moved: Cr LEE

Seconded: Cr WOO

Res. No: 28/23

In accordance with Section 5.42 (1) and 5.44 of the Local Government Act 1995 (WA)(CI) Council delegates the following authority to the Chief Executive Officer for the financial year 23/24.

- To make payments on behalf of Council in accordance with Council Signatory/Authorization of EFT Procedure
- To sign cheques on behalf of council for an amount not exceeding \$100,000 s6.10 (d);
- To incur expenditure and to issue official orders not exceeding \$100,000 for non-capital expenditure s6.10 (d);
- To decide free of charge use of community facilities in accordance with CS2 – Use of Community Facilities Policy of Council;
- Power of entrance, etc. in relation to road works;
- To write off debts or rates incorrectly raised & other bad debts up to \$200;

- To approve budget variations/new budget items not exceeding \$100,000;
- To obtain reassessment of the value of ratable property in the event of property improvement or property subdivision;
- To invest money held by council not required for immediate use s6.14;
- To arrange appropriate insurance in respect of all council properties;
- To negotiate terms and conditions of property leases;
- To negotiate terms and conditions and enter into lease agreements on Shire Houses where the weekly rent does not exceed \$600 per week;
- To dispose of property with no book value;
- To reimburse to an owner or occupier where property is damaged through the performance of a function of the local government to the maximum amount of \$2,000;
- To give notice to an occupier and or owner requiring them to do something in relation to land specified in Schedule 3.1 – Powers Under Notices to Owners or Occupiers of Land of the Local Government Act (WA) (CI) 1995
- To arrange for works to be carried out where the owner or occupier does not carry out required action in relation to land, and to recover the costs as a debt;
- To issue certificates of the local government pursuant to section 23 of the Strata Titles Act 1985 (WA)(CI).
- To change leases for the cost of insurance cover in respect to leased properties;
- As the principal Accounting Officer of Council, to prepare the annual financial reports;
- To affix the common seal of the Shire of Christmas Island as required; and
- In relation to recurrent expenditure, to pay amounts above the \$100,000 limit for:
 - o Wages and salaries
 - o Pay As You Earn taxation
 - o Fringe Benefits taxation
 - o insurance premiums
 - o Electricity charges
 - o Lease payments
 - o MRWA projects
 - o Superannuation
- To contract works or capital projects that have been previously approved by a resolution of Council
- Within the provisions of Section 3.50 (1) (1a) (2) (4) (8) of the Local Government Act 1995 (WA) (CI) to:
 - 1) To close any thoroughfare that the SOCI manages for the passage of vehicles, wholly or partially, for a period not exceeding four (4) weeks;
 - 2) To close any thoroughfare that the SOCI manages for the passage of vehicles, wholly or partially, for a period exceeding four (4) weeks

Carried: 7/0
Absolute Majority

10.1.3 Fees & Charges 2023-24

Council Resolution

Moved: Cr LEE

Seconded: Cr FOO

Res. No: 29/23

1. Council adopts the rates, fees and charges for financial year 2023/24 as listed in the attachment.
2. All rates, fees and charges to apply from 1 July 2023.
3. The Internal rate will apply to any work carried out for the Commonwealth within the Road Funding/Contract Agreement.

Carried: 7/0
Absolute Majority

10.1.4 WALGA Conference

Council Resolution

Moved: Cr MASLI **Seconded: Cr WOO** **Res. No: 30/23**

That Council –

1. nominate the following elected members Cr THOMSON, Cr SOH, Cr MASLI, Cr YON, Cr FOO, Cr WOO and Cr SAW to attend the 2023 Annual West Australian Local Government Association (WALGA) conference to be held at the Crown Perth from 17 to 19 September 2023 inclusive, and
2. nominate two elected members Cr MASLI and Cr WOO as voting delegates and two elected members Cr FOO and Cr YON as proxy delegates to register for the forthcoming 2023 conference.

Carried: 7/0

10.1.5 Settlement Sports Hall Refurbishment Sustainability Hub – Design Concept

Council Resolution

Moved: Cr YON **Seconded: Cr FOO** **Res. No: 31/23**

1. Council receives and endorses Settlement Sports Hall Refurbishment Sustainability Hub – Design Concept.
2. The CEO to develop a funding submission in line with the projected costing for the funding opportunities together with supporting correspondence.
3. The CEO to seek the Minister’s approval for an amendment of the current Management Order to facilitate the consequent change of use of the Settlement Sports Hall.

Carried: 7/0

10.2 Director Finance & Administration

10.2.1 Schedule of Accounts – April 2023

Council Resolution

Moved: Cr WOO **Seconded: Cr LEE** **Res. No: 32/23**

That Council approves the expenditure as presented in April 2023 Schedule of Accounts

Carried: 7/0

10.2.2 Financial Statements – April 2023

Council Resolution

Moved: Cr MASLI **Seconded: Cr SOH** **Res. No: 33/23**

That Council receives the Financial Statements of April 2023 for the Municipal Fund.

Carried: 7/0

10.3 Director Community/Recreation Services & Training

10.4 Director Works, Services & Waste

10.4.1 Lily Beach Precinct Upgrade Program

Council Resolution

Moved: Cr YON **Seconded: Cr LEE** **Res. No: 34/23**

That Council approves the budget amendment of \$110,000 to commence the redevelopment of the Lily Beach Precinct.

Carried: 7/0

10.5 Director Governance, Research, Policy & Grants

11 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

12 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING

12.1 Introduction of New Business

Council Resolution

Moved: Cr YON

Seconded: Cr MASLI

Res. No: 35/23

That a new matter of urgent business be introduced to the Council Meeting.

Carried: 7/0

12.2 Resignation of Cr Farzian ZAINAL

Council Resolution

Moved: Cr YON

Seconded: Cr LEE

Res. No: 36/23

Council accepts the resignation of Councillor Zainal and congratulates her on her appointment as the Administrator for the IOTs and thanks her for her contribution to Council during her term in office.

The CEO is directed to seek the approval of the Western Australian Electoral Commissioner within the provisions of the Local Government Act 1995 S4.17 for the vacant Councillor's position to remain vacant until the Ordinary Council elections scheduled for 21st October 2023.

Carried: 7/0

Absolute Majority

13 BEHIND CLOSED DOORS

14 CLOSURE OF MEETING

The Shire President closed the meeting at 8.08 pm

15 DATE OF NEXT MEETING: 27 June 2023



SHIRE OF CHRISTMAS ISLAND

SUBMISSION TO	Ordinary Council Meeting 27 June 2023
AGENDA REFERENCE	10.1.1
SUBJECT	Update to Finance Policy
LOCATION/ADDRESS/APPLICANT	N/A
FILE REFERENCE	2.11.33
INTEREST DISCLOSURE	None
DATE OF REPORT	22 June 2023
AUTHOR	Chris SU, Acting CEO
SIGNATURE OF ACTING CEO	SIGNED

RECOMMENDATION

That the updated Significant Financial Policy be adopted

BACKGROUND

The RSM audit team suggested several areas within the SFP to be changed. The last update was in July 2022; it is only minor elements adjusted.

COMMENT

Change 1 – that the monies held in the Trust Fund are documented in a separate note in the financial statements. Formerly this was documented in a separate line only.

Change 2 – Restricted Financial Assets are documented as formal liabilities. RFAs include things like unspent grants, subsidies and contributions that are tied to specific Council works from other parties. For example the Commonwealth Roads Authority monies would be classed as Restricted Financial Assets whereas the general Federal Assistance Grants would not be.

Change 3 – Miscellaneous inventories are recorded at net realisable value.

STATUTORY ENVIRONMENT

There are no statutory environment implications arising from this matter.

POLICY IMPLICATIONS

There are no significant policy implications arising from this matter.

FINANCIAL IMPLICATIONS

There are no significant financial policy implications arising from this matter.

STRATEGIC IMPLICATIONS & MILESTONES

There are no significant strategic implications arising from this matter.

VOTING REQUIREMENTS

A simple majority is required.

ATTACHMENTS

10.1.1 Updated Significant Finance Policy

Authority Local Government Act 1995
 Local Government
 (Financial Management)
 Regulations 1996, 11

Financial Policy 4 – FINANCE – SIGNIFICANT ACCOUNTING
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Objective

To provide a mechanism to comply with the requirements of the Local Government Act and Regulations within SOCI's Accounting Section.

Policy

The significant accounting policies which have been adopted in the preparation of this financial report are:

(a) Basis of Preparation

The financial report is a general purpose financial statement which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the local Government Act 1995 and accompanying regulations.

The report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of the selected non-current assets, financial assets and liabilities.

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.

(b) The Local Government Reporting Entity

All Funds through which the Council 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, but a separate statement of those monies appears as a separate note to these financial statements.

(c) Goods and Services Tax

Goods and Services Tax is not applicable to Christmas Island.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank and other short term deposits with original maturities of three months or less.

(e) Restricted Financial Assets

Restricted financial assets balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and formal liability has been recognised.

(f) Trade and Other Receivables

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

(g) Inventories

General

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

(h) Fixed Assets

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

Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Revaluation

Infrastructure and other asset classes where no active market exists, fair values is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits or the assets.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases in the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Land under Roads

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

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB1051 - Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

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

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

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

Depreciation of Non-Current Assets

All non-current assets having a limited useful life are depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Building - Non - specialised	20 to 50 years
Furniture and Equipment	1 to 10 years
Plant and Equipment	1 to 15 years
Sealed Roads and Streets	
Formation	Not Depreciated
Pavement	20 to 50 years
Seal	
Bituminous Seals	20 to 50 years
Asphalt Surface	20 to 50 years
Gravel Roads	
Pavement	20 to 50 years

Gravel Sheet	12 years
Formed Roads	
Other Infrastructure	20 to 50 years
Water Supply Piping and Drainage System	20 to 50 years

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. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Capitalisation Threshold

Expenditure on items of Assets under \$5,000 is not capitalised. Rather, they are recorded on an asset inventory listing.

(i) Investments and Financial Assets

Receivables and held-to-maturity investments are carried at cost using the effective interest method.

(i) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period (classified as non-current assets).

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

Impairment

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Estimation of Fair Value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date.

(j) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Contract Liabilities

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

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

(l) Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

- (i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Council has a present obligation to pay resulting from employees services provided to reporting date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

- (ii) Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expect future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(m) Borrowing Costs

Council has no borrowing costs.

(n) Provisions

Provisions are recognised when:

- a) the Council has a present legal or constructive obligation as a result of past events;
- b) for which it is probable that an outflow of economic benefits will result to settle the obligation; and
- c) that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period. Provisions are not recognised for future operating losses.

(o) Leases

Council has no leases of fixed assets.

(p) Joint Venture

Council does not have any joint venture arrangements.

(q) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

(r) Superannuation

Council contributes to a number of superannuation funds on behalf of employees.

(s) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where the Council 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 even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.

(t) Rounding Off Figures

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

(u) Comparative Figures

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

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

Key Performance Indicators The extent to which financial report is prepared

Keywords Basic of Preparation, assets, employees Benefits, Superannuation

Related Policies Purchasing policy

Related Procedures/
Documents

Version	Approved, Amended, Rescinded	Date	Officer	Resolution number	Key changes/ notes	Next Review date	File Ref No.
1	Approved	30/6/2009	CEO	67/09			2.11.29
2	Approved	26/9/2017	GRPG	88/17		Sept 2019	2.11.29
3	Approved	27/7/2022	GRPG	87/22		Sept 2024	2.11.29
4		27/6/2023	DGRPG				2.11.29



SHIRE OF CHRISTMAS ISLAND

SUBMISSION TO	Ordinary Council Meeting 27 June 2023
AGENDA REFERENCE	10.2.1
SUBJECT	Schedule of Accounts – May 2023
LOCATION/ADDRESS/APPLICANT	N/A
FILE REFERENCE	3.1.14
INTEREST DISCLOSURE	None
DATE OF REPORT	2 June 2023
AUTHOR	Wei Ho, Assistant Director of FCS
SIGNATURE OF AUTHOR	SIGNED
SIGNATURE OF ACTING CEO	SIGNED

RECOMMENDATION

That Council approves the expenditure as presented in May 2023 Schedule of Accounts

BACKGROUND

The Local Government Act 1995 (WA)(CI) requires Council to maintain a Municipal Fund, a Reserve Fund and a Trust Fund and to manage and report on these accounts in accordance with this Act and Regulations.

Outstanding creditors as at 31 May 2023: **\$ 201,679.22**

COMMENT

A schedule of accounts is attached to this report, setting out expenditure from the Municipal and Trust Funds. This report is provided in compliance with the Act and Regulations.

STATUTORY ENVIRONMENT

Section 6.10 of the Local Government Act 1995 (WA)(CI) authorizes payment from Municipal and Trust Funds.

Regulation 12 of the Local Government (Financial Management) Regulations 1996 requires a local government to compile a list of Creditors each month.

Regulation 13 of the Local Government (Financial Management) Regulations 1996 requires that if a Local Government has delegated to the CEO the exercise of its power to make payments from the Municipal Fund or the Trust Fund, the CEO is to compile each month a list of accounts paid since the last payment such list was prepared.

POLICY IMPLICATIONS

There are no significant policy implications arising from this matter. The CEO is to ensure that all expenditure incurred is in accordance with the Annual Budget and any approved variations.

FINANCIAL IMPLICATIONS

The financial implications arising from expenditure from the Municipal, Reserve and Trust funds are reported on a monthly/quarterly basis to Council via Financial and cash flow statements in accordance with the Act and Regulations.

STRATEGIC IMPLICATIONS & MILESTONES

Objective 1 of the Government Environment is to “Provide good governance in line with the requirements of the Local Government Act and the culture of the Island”. Objective 4 of the same Environment is to “Effectively manage the resources of the Shire in line with the objectives of the Strategic Plan”.

VOTING REQUIREMENTS

A simple majority is required.

ATTACHMENTS

10.2.1.1 Certification of CEO and Chairperson of the Meeting.

10.2.1.2 Schedule of Accounts – May 2023

“Pursuant to s 5.25 (j) of the Local Government Act, and Regulation 14 (2) of the Local Government (Administration) Regulations, this attachment is not available to the public.”



SHIRE OF CHRISTMAS ISLAND

SUBMISSION TO	Ordinary Council Meeting 27 June 2023
AGENDA REFERENCE	10.2.2
SUBJECT	Financial Statements – May 2023
LOCATION/ADDRESS/APPLICANT	N/A
FILE REFERENCE	3.1.14
INTEREST DISCLOSURE	None
DATE OF REPORT	6 June 2023
AUTHOR	Wei Ho, Assistant Director of FCS
SIGNATURE OF AUTHOR	SIGNED
SIGNATURE OF ACTING CEO	SIGNED

RECOMMENDATION

That Council receives the Financial Statements of May 2023 for the Municipal Fund.

BACKGROUND

The Local Government Act 1995 (WA)(CI) requires the local government to prepare a monthly or a quarterly financial report in accordance with this Act, Financial Regulations and other relevant legislation.

COMMENT

A monthly or a quarterly financial report is attached to this report, setting out expenditure from the Municipal and Trust Funds. This report is provided in compliance with the Act and Regulations. Also included is a status report on Asset Acquisition expenditure for the period.

STATUTORY ENVIRONMENT

Section 6.4 of the Local Government Act 1995 (WA) (CI) requires a local government to prepare a financial report.

Regulation 34 of the Local Government (Financial Management) Regulations 1996 requires a local government to prepare a monthly or a quarterly financial report.

Regulation 35 of the Local Government (Financial Management) Regulations 1996 requires the local government to prepare the quarterly report in the form as set out.

POLICY IMPLICATIONS

There are no significant policy implications arising from this matter. Each Manager and the CEO are to ensure that the expenditure is incurred in accordance with the Annual Budget and or any variations as approved.

FINANCIAL IMPLICATIONS

The financial implications arising from expenditure from the Municipal and Trust funds are reported on a monthly/quarterly basis to Council via Financial and cash flow statements in accordance with the Act and Regulations.

STRATEGIC IMPLICATIONS & MILESTONES

Objective 1 of the Government environment is to “Provide good governance in line with the requirements of the Local Government Act and the culture of the Island”. Objective 4 of the same Environment is to “Effectively manage the resources of the Shire in line with the objectives of the Strategic Plan”.

VOTING REQUIREMENTS

A simple majority is required.

ATTACHMENTS

10.2.2.1 Financial Statements - Municipal Fund 31 May 2023.

**SHIRE OF CHRISTMAS ISLAND
STATEMENT OF FINANCIAL ACTIVITY**

FOR THE PERIOD 1 JULY 2022 TO 31 MAY 2023

FM Reg 34
FM Reg 22 (1)(d)

FM Reg 32(d)

		NOTE	31 MAY 2023	31 MAY 2023	2022/23 Amended Budget	Variances Budget to
			Y-T-D Actual \$	Y-T-D Budget \$	\$	Actual Y-T-D %
<u>Operating</u>						
Revenues/Sources						
	General Purpose Funding	3	6,712,193	6,459,645	7,046,885	10.39%
	Governance		30,744	4,583	5,000	570.8%
	Law, Order, Public Safety		633	825	900	
	Health		15,963	17,829	19,450	-10.5%
	Welfare		10,837	10,064	10,979	
	Housing		15,583	14,667	16,000	
	Community Amenities		1,029,204	713,838	778,732	44.2%
	Recreation and Culture		102,469	151,342	165,100	-32.3%
	Transport		683,974	213,713	233,141	220.0%
	Economic Services		31,086	29,773	32,480	
	Other Property and Services		12,073	12,962	14,140	
			8,644,759	7,629,240	8,322,807	
(Expenses)/(Applications)						
	General Purpose Funding	3	(149,159)	(148,906.08)	(162,443)	
	Governance		(985,217)	(853,267.25)	(930,837)	15.5%
	Law, Order, Public Safety		(207,334)	(223,419.17)	(243,730)	
	Health		(120,717)	(164,430.75)	(179,379)	
	Welfare		(532,832)	(654,262.58)	(713,741)	
	Housing		(154,478)	(174,934.83)	(190,838)	
	Community Amenities		(1,516,723)	(1,997,664.17)	(2,179,270)	
	Recreation & Culture		(1,866,681)	(2,459,244.33)	(2,682,812)	
	Transport		(3,530,502)	(4,323,207.17)	(4,716,226)	
	Economic Services		(150,187)	(218,897.25)	(238,797)	
	Other Property and Services		(1,058,349)	(547,041.92)	(596,773)	93.5%
			(10,272,177)	(11,765,275.50)	(12,834,846)	
<u>Adjustments for Non-Cash</u>						
(Revenue) and Expenditure						
	Profit/(Loss) on Asset Disposals	3	0	0	0	
	Leave Accruals		0	0	0	
	Movement in accrual interests		0	0	0	
	Depreciation on Assets		1,460,636	2,024,275	2,208,300	
<u>Capital Revenue and (Expenditure)</u>						
	Purchase Property, Plant & Equipment	3	(218,472)	(493,167)	(538,000)	
	Purchase Infrastructure Assets - Roads		(1,132,148)	(1,146,943)	(1,251,210)	
	Proceeds from Disposal of Assets		0	-	0	
	Transfers to Reserves (Restricted Assets)		0	(923,292)	(1,007,228)	
	Transfers from Reserves (Restricted Assets)		0	366,667	400,000	
	Grants		1,193,957	1,743,013	1,901,469	(31.5%)
ADD	Net Current Assets July 1 B/Fwd	1	45,422	945,019	1,030,930	
LESS	Net Current Assets Year to Date	1	2,213,381	-	-	
	Amount Raised from Rates		1,752,553	1,618,630	-	1,765,778

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

SHIRE OF CHRISTMAS ISLAND
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2022 TO 31 MAY 2023

	31 MAY 2023 Actual \$	Brought Forward 01-Jul \$
Note 1. NET CURRENT ASSETS		
FM Reg 34 (2)(a) Composition of Estimated Net Current Asset Position		
CURRENT ASSETS		
Cash - Unrestricted	2,882,276	1,797,550
Cash - Restricted	4,818,699	4,754,001
Receivables	232,068	174,357
Inventories	520,679	547,730
Other Financial Assets	15,126	29,098
	8,468,848	7,302,736
LESS: CURRENT LIABILITIES		
Payables and Provisions	(1,435,908)	(2,503,313)
	7,032,940	- 4,799,423
Less: Cash - Reserves - Restricted	(4,818,699)	(4,754,001)
Less: Cash - Restricted/Committed	(860)	0
NET CURRENT ASSET POSITION	2,213,381	45,422

Note 2. CURRENT RATIO		
Current Assets	8,468,848	5.90 : 1
Current Liabilities	1,435,908	
QUICK RATIO		
Current Assets - (Restricted Assets + Inventories)		
Current Liabilities		
8,468,848 - (4,818,699 + 520,679)		2.18 : 1
1,435,908		

Ratios greater than one indicates that Council has sufficient current assets to meet its short term current liabilities.

SHIRE OF CHRISTMAS ISLAND
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2022 TO 31 MAY 2023

Note 3. VARIANCES

FM Reg 34 (2)(b) **Variances greater than 10% and \$ 10,000 were due to:**

	OPERATING REVENUE	
General Purpose	10.4% above budget estimate	due to increase in FAG payment.
Comm Amenities	44.2% above budget estimate	due to Commercial Garbage Quarterly Charges For DOIRC
Governance	570.8% above budget estimate	Reimbursement for Employee Incentive training scheme & pay parental leave, water
Transport	220% above budget estimate	subsidy for splash pad & reimbursement damage of Shire vehicle.
		Increase in private works over budget
	OPERATING EXPNDITURE	
Governance	15.5% Over Budget	Due to increase in depreciation expense over budget & employee costs over
Other Property Services	93.5% Over budget	Overhead costs overallocated, employooyee costs over
	CAPITAL INCOME	
Grants	31.5% Below budget estimates	Roads to recovery grant not received
	CAPITAL EXPENDITURE	
Property,Plant & Equipment	Well under budget	
Infrastructure Assets	Well under budget	

SHIRE OF CHRITMAS ISLAND
ASSET ACQUISITION

FOR THE PERIOD ENDED 31 MAY 2023

	2022/23 Budget \$	Actual to 31/05/2023	Variance
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LGA S6.2 (4)

GOVERNANCE			
Plant & machinery	0	0	0
Furniture & equipment	73000	69383	3617
HOUSING			
Buildings	130000	86630	43370
COMMUNITY AMENITIES			
Plant & machinery	10000	11630	-1630
Furniture & equipment	5000	0	5000
RECREATION & CULTURE			
Plant and machinery	0	0	0
Furniture & equipment	25000	27318	-2318
Buildings	0	1584	-1584
TRANSPORT			
Buildings	0	0	0
Roads and transport - infrastructure	1451210	897211	553999
Plant & machinery	250000	224029	25971
Furniture & equipment	60000	10908	49092
ECONOMIC SERVICES			
Buildings	0	0	0
Plant & machinery	35000	21927	13073
Furniture & equipment	0	0	0
OTHER PROPERTY & SERVICES			
Furniture & equipment	0	0	0
Total	2039210	1350620	688590

By Class

Buildings	130000	88214	41786
Roads and transport - infrastructure	1451210	897211	553999
Plant and machinery	295000	257586	37414
Furniture and equipment	163000	107610	55390
Total	2039210	1350620	688590



SHIRE OF CHRISTMAS ISLAND

SUBMISSION TO	Ordinary Council Meeting 27 June 2023
AGENDA REFERENCE	10.3.1
SUBJECT	Celebrating 25 th Anniversary Seniors Week 2023
LOCATION/ADDRESS/APPLICANT	Nil
FILE REFERENCE	4.2.3
INTEREST DISCLOSURE	None
DATE OF REPORT	17 May 2023
AUTHOR	Oliver Lines, Director Community Recreation Services & Training
SIGNATURE OF AUTHOR	SIGNED
SIGNATURE OF ACTING CEO	SIGNED

RECOMMENDATION

That the Shire of Christmas Island coordinates the 2023 Seniors Week celebration from the 17th to 23rd July 2023 and invites sponsorship from community organisations to assist in facilitating this annual event.

BACKGROUND

The Shire of Christmas Island has coordinated the Seniors Week Celebrations for the last twenty four years. The 1st Seniors Week was held in conjunction with the International Year of Older Persons (IYOP) in July 1999.

Seniors Week remains looked forward to by Christmas Islands senior community with a wide range of programs and activities provided. Seniors Week typically concludes with a Grand Dinner hosted by the Shire with invited seniors, sponsors & Shire Councillors.

The Shire is providing \$8000 in funding to facilitate the coordination of the week's celebration activities. Cash contributions and in-kind support are also sought from community organisations and individuals to join in facilitating this annual event. Surplus donations from the Seniors Week have been transferred to the Senior Citizens Centre Building Fund and seniors activities. The Senior Citizens Centre Building Fund was established in 2002.

COMMENT

The proposed dates for 2023 Seniors Week are from the 17th to 23rd July 2023. Seniors Week is a time to promote positive understanding of ageing in our community, to encourage seniors to enjoy activities and a healthy lifestyle, as well as enable community groups and organisations to organise events and activities that can be enjoyed by the community's senior residents, seniors defined as people 65 years and over.

Seniors Week also provides an opportunity for all sectors of the community to acknowledge and appreciate the diversity of our community and the value and contribution that seniors make to our lives in general.

The Shire is confident that many organisations will continue to build on the developments and achievements of the Seniors Week.