



ANNUAL REPORT

2020/2021



Accepted by Council on 28 June 2023
Council Resolution No. OCM137/06/23

Contents

| | |
|---|----|
| Our Values | 4 |
| About Toodyay | 5 |
| From the Shire President..... | 6 |
| From the CEO | 8 |
| Council | 10 |
| Elected Members | 11 |
| Executive Staff | 12 |
| Library | 13 |
| Community Development | 15 |
| Museum and Heritage..... | 20 |
| Reconciliation | 22 |
| Tourism | 24 |
| Development and Regulatory Services | 27 |
| Reserve Management | 34 |
| Construction Jobs Performed | 36 |
| Community Emergency Services | 38 |
| Record Keeping..... | 39 |
| Prescribed Information | 39 |
| Financial and Auditors Reports..... | 42 |



Shire of Toodyay
PO Box 96, Toodyay WA 6566
Phone: (08) 9574 9300 / Fax: (08) 9574 2158
Email: records@toodyay.wa.gov.au
Website: www.toodyay.wa.gov.au



Acknowledgement of Country

We acknowledge the Ballardong Noongar people as traditional custodians of this land and the Yued and Whadjuk people, who are traditional custodians of respective lands within the wider Shire of Toodyay.

We pay our respects to their Elders, past, present and emerging.

Our vision, purpose and values have been embraced to reflect how we see ourselves as a community and provide the foundations for our strategic direction for the next 10 years.



Purpose

Local Government and community working together to obtain the best possible social, economic and environmental outcomes for the people of Toodyay.



Vision

We are a vibrant rural community that respects our environment, celebrates our past and embraces a sustainable future.



Community Values

**Our sense of community support and spirit;
Our natural environment and healthy ecosystems;
Our rural lifestyle;
Our historic town; and
Our local economy built on agriculture and emerging tourism, arts and cultural opportunities.**



Shire Values

The Shire is guided by community aspirations:

Integrity - We behave honestly to the Highest ethical standard.

Accountability - We are transparent in our actions and accountable to the community.

Inclusiveness - We are responsive to the community and we encourage involvement by all people.

Commitment - We translate our plans into actions and demonstrate the persistence **that produces results** .

About Toodyay



The Shire of Toodyay, bordering the north eastern edge of the Perth metropolitan area, spans an area of 1,683 square kilometres, has a population of approximately 4,500 people and lays claim to some of the most magnificent examples of natural and cultural heritage in Western Australia.

The name Toodyay is believed to be derived from an Aboriginal word 'Duidgee' which means 'place of mists'. Toodyay is also known as 'place of plenty' referring to the richness and fertility of the area and the reliability of the Avon River.

The town site of Toodyay is located approximately 85 kilometres east of Perth in the picturesque Avon Valley. Founded in 1836 and declared a historic town by the National Trust in 1980, the town still displays fine examples of 19th century history, with architecture reflecting the early convict era. Historical buildings include the Old Courthouse (Shire Administration Centre), the Mechanics' Institute (Toodyay Library), Connors Mill and the Old Gaol. Connors Mill, a working display, and the Old Gaol Museum are open to the public for a minimal admission fee.

Toodyay provides residents with quality retail outlets and services, such as banking and ATM, post office, telecentre, library, chemist, hardware, supermarket, garage, gift stores, bakery, hotels and restaurants, day care centre and a district high school.

Sporting facilities include bowling greens, tennis courts and a skate park, as well as cricket and football fields.

Flowing through Toodyay is the beautiful Avon River on which the world's longest white-water race, the Avon Descent, is held each year. Residents and visitors can enjoy a peaceful picnic at Toodyay's Duidgee Park where there are barbeque facilities, children's playgrounds, public toilets and a miniature railway.

Also located within the Shire are the Avon Valley National Park and numerous

Reserves that become a blaze of colour with magnificent displays of wildflowers during the spring months.

The Shire of Toodyay forms part of the Western Australian Wheatbelt region and a significant proportion of the land is used for agricultural activities, particularly sheep, cattle and grain.

Extracts Industrial Park is located approximately 5km from Toodyay and currently accommodates various light industries. A future industrial area has also been identified that will have the capacity to accommodate the future long term industrial needs of the Shire.

Tourism is a growing industry that has significant potential to expand, with visitors being attracted to the dramatic landscape, significant heritage values and country lifestyle. There are many artisans in the region, as well as a wide selection of venues that offer quality accommodation. The Toodyay Visitor Centre is the ideal source for obtaining information about places of interest.

The Shire of Toodyay continues to experience a migration of people from the Perth metropolitan area who are seeking an alternative semi-rural life-style, resulting in unprecedented demand for property and development. With a commuter train service available, more people are working from home and increasing numbers of fly in fly out workers in the mining industry.

From the Shire President

This year, we focused on consolidation while dealing with the on-going challenges (and opportunities) of COVID-19. The year began with a new Shire President of less than two months, and a new CEO who commenced on 22 June 2020. Needless to say, it was a busy time with both of us working hard to get up to speed as quickly as possible. I thank the CEO and my fellow councillors for their support.

An extraordinary election was held in July 2020 to fill the elected member vacancy resulting from the resignation of Cr Bill Manning who relocated to Tasmania. From a field of three candidates, we welcomed Cr Michael McKeown who received over 51% of the votes cast. Cr Paula Greenway resigned in April 2021 after 7 years serving as a Councillor, to focus on her family and business. We wish her all the best.



Cr Rosemary Madacsi
President

While the Avon Descent was regrettably cancelled for 2020, residents and visitors to Toodyay enjoyed several events during the year including Paint the Town REaD, the 166th Toodyay Agricultural Show, Targa West Rally, Christmas Street Party, Moondyne Festival, Fibre Festival and Reconciliation Week during the year.

Toodyay also welcomed the hordes of people who answered the call to “Wander Out Yonder” during COVID border restrictions with a staggering 131% in visitor numbers compared to last year. In addition, Council hosted visits from the Hon. David Templeman MLA, Minister for Local Government, WA Local Government Association State President Cr Tracey Roberts and CEO Nick Sloan, as well as the Governor of Western Australia, His Excellency Kim Beazley.

In August, the CEO and I were introduced to the Managing Director of Chalice Mining, Mr Alex Dorscht. Accompanied by two of his staff, Alex introduced the company and explained that Chalice would be conducting exploration within the Shire of Toodyay following promising indications of high-grade nickel, gold, copper, cobalt and Platinum Group Element (PGE) deposits. All of these metals are considered critical in the transition of energy use from fossil fuels to large scale renewable energy. While the indications are positive, it was agreed we would meet regularly to share information and to negotiate ways to mitigate potential negative impacts of mining activities on our community.

On Saturday 10 October 2020, we celebrated the opening of the new Coondle-Nunile Bush Fire Brigade Station and the upgraded Emergency Co-Location Facility at Morangup. The Hon. Fran Logan, Minister for Emergency Services, and Commissioner Darren Klemm AFSM, were on hand to officiate at both events which had been delayed due to COVID-19

restrictions. The Minister recognised the on-going efforts of all of our emergency services volunteers. Council awarded the tender for the construction of a new fire station for the Julimar Bush Fire Brigade in January 2021.

In November 2020, the long-awaited Toodyay Recreation and Aquatic Centre was officially opened at a special event bringing together all of those involved in its decades-long development. Financed by grant funding, community donations, municipal and loan funds, the Centre offers a state-of-the-art facility that will serve Toodyay for generations to come. Following a public tender process, Clublinks Pty Ltd was contracted to manage the Centre operations.

After nearly two years, the final Shire of Toodyay Authorised Inquiry Report was tabled in State Parliament on 13 October 2020. In November, Council endorsed a response to be submitted to the Minister for Local Government responding to the five key recommendations contained in the Report. Councillors and senior officers then met with representatives of the Department of Local Government, Sport and Cultural Industries (DLGSC) to agree on an implementation plan and timeline.

As a result of the Inquiry, a comprehensive training program for elected members was planned and Council agreed to engage independent consultants to conduct; a) the CEO's probation review; and b) a detailed governance review of the Shire. In December 2020, Council endorsed the CEO's successful probation review, and in April 2021, appointed Hammond Woodhouse Advisory to conduct the independent governance review.

Also in December, Council approved final clearance of the development conditions imposed by the WA Planning Commission for the Toodyay Catholic Church precinct. This approval followed lengthy negotiations with the Roman Catholic Church that commenced in 2019 and culminated in a hearing at the State Administrative Tribunal, to preserve significant heritage elements of the precinct during the sub-division process.

So, while consolidation was the aim for this year, we are firmly focused on the journey of continuous improvement we have embarked on together and we look forward to another productive year in 2021/22.

From the CEO

My first year as CEO of the Shire of Toodyay included undeniable challenges offset by significant highlights.

In my first months, it was my pleasure to attend the official opening of two important additions to Toodyay's heritage attractions. The first was the launch of the 'Toodyay Convict Depot Walk' which starts and finishes at the Toodyay Visitor Centre and links our two museums with broad arrow trail markers and interpretive signage which includes QR codes.

The second event was the unveiling of the 'Gnulla Moort' (our family) artwork in the bird hide at Redbank Pool. The project, led by Noongar Kaartdijin Aboriginal Corporation (NKAC) was funded by the Department of Planning Lands and Heritage to raise awareness of the cultural significance of the place for Ballardong and Yued people of the Noongar nation. This was my introduction to the great work being done in our community by NKAC, and to the great people doing it.

Our collaborative relationship with NKAC continued with us working together on the development of the Shire's first ever Reconciliation Action Plan which was launched in the Community Pavilion at the brand-new Toodyay Recreation Centre as part of Reconciliation Week in May 2021. One of the outcomes of the Plan was the installation of interpretive signage at the 'old burial ground' in June 2021.

Governance improvements loomed high on the priority list for the year while we awaited the outcomes of the Authorised Inquiry. A review of the Shire's procurement practices was undertaken which resulted in several finance policies being reviewed for Council adoption. When the Inquiry Report was released, an Action Plan was developed as a blueprint for future governance improvements that we continue to work towards.

In February 2021, in response to gazetted local government reforms, Council adopted a Code of Conduct for Members, Committee Members and Candidates, a policy to deal with Complaints of Breaches of the Code, and Standards for CEO Recruitment and Selection, Performance Review, and Termination. While these reforms were considered a positive step towards improving the effectiveness and functionality of local governments, the deadlines for compliance resulted in significant additional workload for officers.

We farewelled several senior staff during the year, all of whom moved on to career enhancing opportunities with larger organisations in the local government industry – two of them interstate. I'd like to thank Scott Patterson, Chileya Luangala and Kobus Nieuwoudt for their service. We welcomed Mr Jan Augustin as Manager, Assets and Services in January 2021 and despite a severe weather event in his first two months which tested his skills and resolve, he has hit the ground running.



Suzie Haslehurst
Chief Executive Officer

The transition of enterprise software is always a huge challenge for any organisation, no matter what size or capacity. For a small organisation with limited staff like the Shire of Toodyay, the impost continues to be significant, and I thank all staff who are working hard to implement the new software.

Our dedicated Museum volunteers were acknowledged as the 'Waste Team of the Year' in the 2020 Infinity Awards. The accolade recognised the amazing work done to recycle the old shingles from the Newcastle Gaol Museum roof upgrade to create uniquely Toodyay mementos ranging from Christmas bells to pencil boxes for sale to the public.

2021 marked 150 years of local government in Western Australia which is being acknowledged by the Shire of Toodyay with the development of an online portrait gallery of those who have served our community since the Toodyay Road Board days.

Despite COVID-19 restrictions, or perhaps because of them, Toodyay has enjoyed a booming tourist season which was assisted by Toodyay being declared a wildflower friendly town May 2021. We continue to work with our neighbouring Shires to encourage people to visit the Avon region through shared promotion and marketing strategies.

I am delighted that we are working towards settling some long outstanding issues so that we can move on to bigger and better things for Toodyay. I look forward to continuing to work with Council and Shire officers to achieve that goal.

2020/2021 Prescribed Information

For the purposes of section 5.53(2)(g) and (i) the number of Council and committee meetings attended by each Council member during the financial year.

| 2020/2021 | Ordinary Council Meetings | | Committee Meetings | | Special Council Meetings | | Electors Meetings | |
|-------------------------------|----------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|--------------------------------|
| Meeting Attendance | # | # | # | # | # | # | # | # |
| | held during term of office | attended during term of office | held during term of office | attended during term of office | held during term of office | attended during term of office | held during term of office | attended during term of office |
| President Rosemary Madacsi | 12 | 12 | 9 | 9 | 9 | 9 | 1 | 1 |
| Deputy President Beth Ruthven | 12 | 12 | 5 | 5 | 9 | 9 | 1 | 1 |
| Councillor Ben Bell | 12 | 7 | 8 | 5 | 9 | 1 | 1 | 0 |
| Councillor Therese Chitty | 12 | 10 | 5 | 1 | 9 | 7 | 1 | 0 |
| Councillor Paula Greenway | 10 | 7 | 0 | 0 | 8 | 3 | 1 | 0 |
| Councillor Phil Hart | 12 | 12 | 13 | 13 | 9 | 9 | 1 | 1 |
| Councillor Michael McKeown | 11 | 11 | 3 | 1 | 8 | 8 | 1 | 0 |
| Councillor Susan Pearce | 12 | 11 | 13 | 11 | 9 | 9 | 1 | 1 |
| Councillor Brian Rayner | 12 | 11 | 4 | 4 | 9 | 6 | 1 | 0 |

| 2020/2021 | Total | | |
|-------------------------------|----------------------------|--------------------------------|--|
| Meeting Attendance | # | # | |
| | held during term of office | attended during term of office | Other Information |
| President Rosemary Madacsi | 27 | 27 | Elected Oct 2019 |
| Deputy President Beth Ruthven | 27 | 27 | Elected Oct 2019 |
| Councillor Ben Bell | 30 | 14 | Elected Oct 2017 |
| Councillor Therese Chitty | 27 | 19 | Served 2013-2021 |
| Councillor Paula Greenway | 19 | 11 | Served 2013-2021 (Resigned 30 April 2021) |
| Councillor Phil Hart | 35 | 35 | Elected Oct 2019 |
| Councillor Michael McKeown | 22 | 20 | Elected Oct 2020 |
| Councillor Susan Pearce | 35 | 32 | Elected Jul 2019 |
| Councillor Brian Rayner | 26 | 22 | Served 2013-2021 |

Conduct of Officials

Section 5.121 of the *Local Government Act 1995* (the Act) requires a local government to maintain a register of complaints that result in an action under s. 5.110(6)(b) or (c) of the Act. Under section 5.53(2) the Act, the Annual Report is required to disclose information regarding complaints.

During the period 1 July 2020 to 30 June 2021, two complaints were received and lodged for determination with the Local Government Standards Panel; whose finding under s.5.110(6) of the Act was as follows:

| s.5.121(2)(a) | s.5.121(2)(c) | s.5.121(2)(d) | s.5.110(6)(b)(i) | s.5.110(6)(b)(ii) | s.5.110(6)(b)(iii) |
|---------------------|--|-------------------|------------------|-------------------|--------------------|
| Council Member Name | Description of minor Breach | Date Action Taken | Public Censure | Public Apology | Training |
| Cr Madacsi | Breach of Regulations 7(1)(b) of the <i>Local Government (Rules of Conduct) Regulations 2007 (WA)</i> relating to a Facebook post. | 3/11/2020 | X | X | ✓ |
| Cr Bell | Breach of Regulation 7 (1)(b) of the <i>Local Government (Rules of Conduct) Regulations 2007 WA</i> relating to a Facebook post. | 13/01/2021 | ✓ | ✓ | X |

Key: ✓ means action required to be taken AND X means no action required

Elected Members



Cr Rosemary Madacsi
President



Cr Beth Ruthven
Deputy President



Cr Paula Greenway



Cr Therese Chitty



Cr Susan Pearce



Cr Brian Rayner



Cr Ben Bell



Cr Phil Hart



Cr McKeown

Executive Staff



Suzie Haslehurst
Chief Executive Officer

- Executive Services
- Governance
- Strategic Planning
- Marketing & Communication
- OSH
- Economic Development



Chiley Luangala
Manager - Corporate and Community Services

- General Administration
- Finance/Payroll/Audit
- Rates
- Records Management
- Information Technology
- Human Resources
- Community Engagement
- Tourism and Events
- Arts and Culture
- Recreation
- Heritage and History
- Libraries



Scott Patterson
Manager - Works and Technical services

- Parks and Gardens
- Waste Management
- Ranger Services
- Construction and Maintenance
- Reserves Management
- Emergency Services
- Asset Maintenance



Kobus Nieuwoudt
Manager - Development Services

- Planning/Development
- Public Health
- Built Heritage
- Facilities Maintenance
- Environmental Sustainability
- Building Services



Library Services and COVID-19

While we have been fortunate enough to remain open and operational throughout the 2020/2021 financial year – after a forced closure and the implementation of contactless services for several months earlier on in 2020 – we have continued to follow and adapt to COVID-19 conditions. Entry to the library now consists of returning items to a trolley rather than to staff directly; checking in via the SafeWA app or sign-in sheet as is now mandatory at all public facilities; and sanitising. We are encouraging physical distancing where possible, but otherwise are gratefully delivering all of our services as normal, including the running of Morangup Library on the second and fourth Tuesday of each month.

The Year in Numbers

Since July last year we have been hard at work with 137 new memberships input, 14,882 items issued, 14,947 items returned and 2,053 interlibrary loans processed. Both our eResources usage (2,337 loans, including 463 films streamed through Kanopy) and public computer/wifi usage (3,120 logged sessions) have remained strong as patrons take advantage of our services that extend beyond physical books.

Curating our Collection

We have consistently added hundreds of new items to our shelves each month of the past financial year, and striking a balance between building a core collection of popular authors/topics and regularly turning over stock to keep the collection fresh.

We continue to visit the State Library of WA multiple times per year to complete exchanges, while receiving monthly deliveries of new stock from SLWA suppliers and purchasing quality local stock that has proved very popular with our patrons.



Children's Activities

Our weekly Baby Rhyme Time/Toddler Story Time sessions are well attended and fantastically led by our volunteer Siobhan. Our thanks go out to her for her enthusiasm and generosity of time.

We supply Better Beginnings packs to Toodyay District High School each year for kindergarten students, as well as packs to the Child Health Nurse for infants. We are proud to support an initiative that encourages reading and the nurturing of imagination from early on in a child's life, as it is hugely important to their development.

Our Reading/Meeting Room is regularly utilised by members of our Book Club, University of the 3rd Age and Family History Research groups. It is also often used for studying and tutoring sessions – and as the need for this has noticeably increased in 2021, we will be striving to create more study-friendly spaces in the library during the next financial year.

Special Events

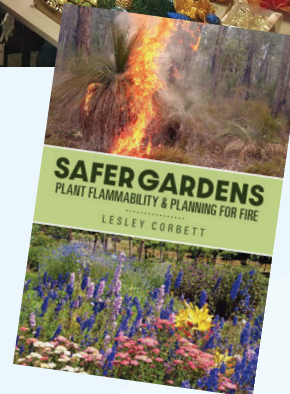
The library organised and hosted three diverse events this past financial year, all free to attend as always.

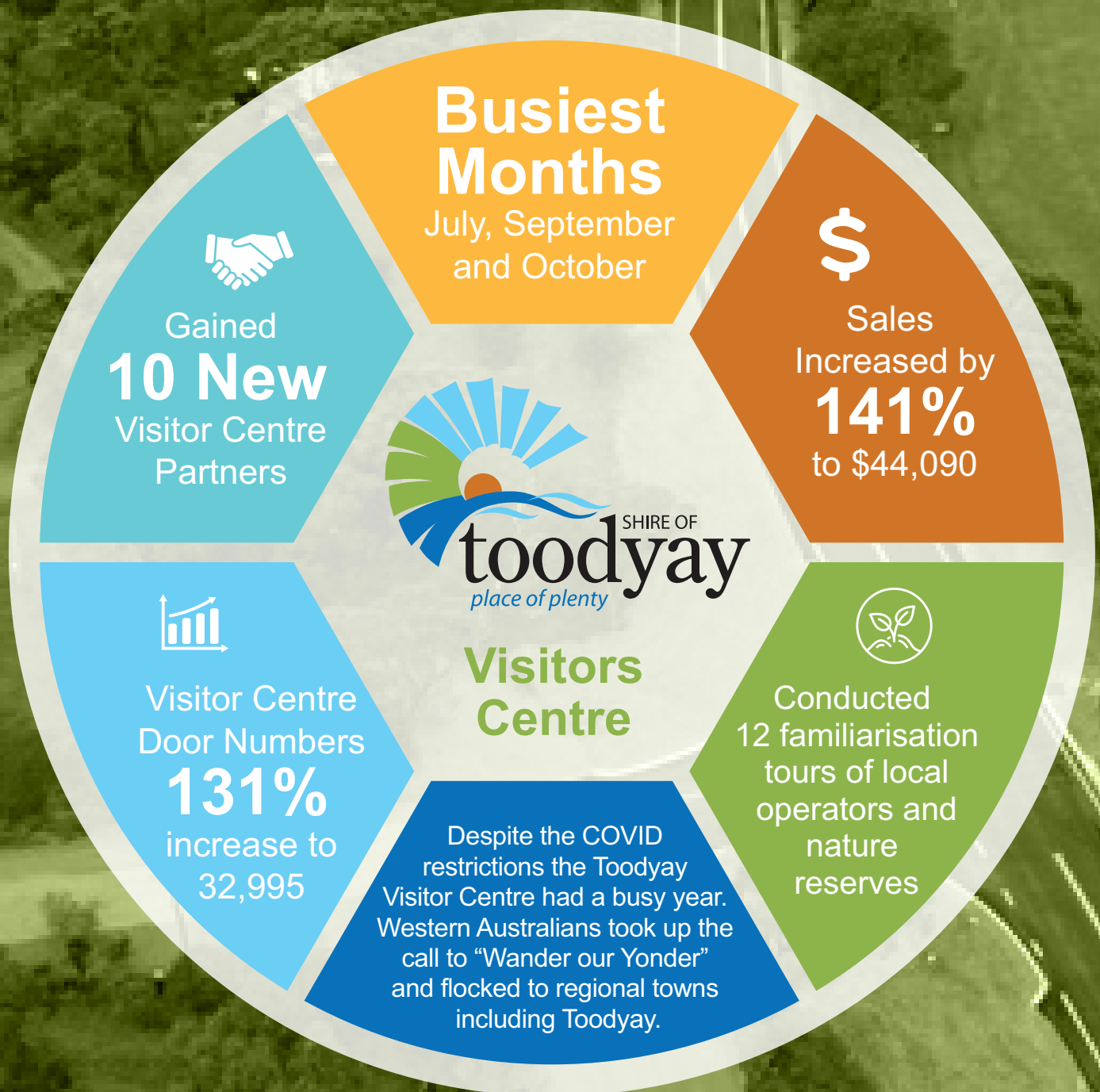
September 2020 saw professional organiser Sara Hall join us for an Ultimate Organised Home workshop, where she presented laundry-loads of tips and tricks for keeping any household's clutter under control.

This was followed by a festive wreath-making workshop thanks to Christmas 360, which was one of our most popular events ever – not even our staff could resist the temptation of glittery baubles and hot glue guns.



Finally we welcomed Perth hills author Lesley Corbett in June, to discuss her brand new book *Safer Gardens: Plant Flammability and Planning for Fire* and provide invaluable information on the most fireproof plants a property can be populated with. All in attendance appreciated the advice for stopping their gardens from going up in smoke in the event of a bushfire.





COMMUNITY DEVELOPMENT

The Community Development team has had a very busy year. The team has worked hard to strengthen the community and provide a wide range of events, grants, services and activities in the following areas:



Businesses

- A network of local businesses has been created to share information and opportunities. Participated in the go Local First campaign to encourage residents to shop local.
- Working in with the Chamber of Commerce to support local businesses. This year we supported the Chamber with the lights and tree for the Annual Christmas Street Party.
- Continued working through the Small Business Friendly actions.
- Promoted the nationally recognised Go Local First campaign.



Community Groups

- Community groups continued to be supported via the Shire's annual community sponsorship process.
- Information sharing on training, funding and networking opportunities is undertaken on a regular basis as required.

Disability Access & Inclusion

- Provided in kind support to APM communities for a pop up NDIS outreach location within Toodyay.
- Hosted a Social Inclusions Forum at the Toodyay Recreation Centre.
- Improved the Public Accessible bays in the Toodyay town with new line marking and kerb ramps
- Renewed an existing portion of footpath on Clinton Street to eliminate several dangerous crossing points and ensuring grades and access is compliant.

The Shire of Toodyay aims to improve accessibility and inclusiveness for people with disability and their carers/families through the strategies outlined in the Disability Access and Inclusion Plan (DAIP) 2020 - 2025. The Shire's DAIP is a statutory requirement of the State Government under The Disability Services Act (1993, amended 2004).

The Shire's DAIP 2020 – 2025 plan includes strategies to address access barriers and promote inclusion, identified through the review and consultation with the community.

For further information on the Shire's DAIP, visit:

<https://www.toodyay.wa.gov.au/documents/1/disability-access-inclusion-plan-daip-2020-2025>

COMMUNITY DEVELOPMENT

Events

After COVID restrictions resulted in the cancellation of most events 2020, many events returned for 2021:



| | |
|-----------|--|
| July | NAIDOC Week |
| September | Paint the Town REaD, VINO Art Exhibition |
| October | Targa West Rally |
| November | Bush Poetry Festival |
| December | Christmas Street Party |
| January | Australia Day BBQ Breakfast |
| February | Twilight Markets |
| March | Avon Valley Black Dog Ride, Toodyay Music Fest |
| April | ANZAC Day, Lions Jumbo Auction |
| May | Moondyne Festival, Reconciliation Week |
| June | Fibre Festival, Transcend 60km Ultra Relay |

COMMUNITY DEVELOPMENT





Collections WA

From September 2020 we have commenced sharing photographs and information about our museum collection to the online platform Collections WA. This website provides a searchable platform that will bring together many different collections held across Western Australia. It is an initiative by AMaGA (Australian Museums & Galleries Association) Western Australia and the WA Museum, supported by LotteryWest.

Also via this platform we have published ten articles about different aspects of Toodyay's history describing changes that have happened over the last century. One article summarises what has happened at various sites and the remaining nine articles investigate these changes in more detail using various images from our photographic collection. Topics include railways, Duke Street School, Connor's Mill, Newcastle Gaol, the Avon River, war commemorations, Toodyay Library, Industrial Extracts and the Toodyay Showgrounds.

Visit October 2020 by Kim Beazley, Governor of Western Australia

In October 2020 we hosted the Governor of Western Australia, Kim Beazley at the Newcastle Gaol to morning tea put on by volunteers. We enjoyed a belated acknowledgement of the completion of the restoration project there, the initial outbreak of Covid-19 having put a dampener on earlier celebrations.

His Excellency enjoyed walking back to the Visitors Centre along the newly launched Toodyay Convict Depot Walk where he also visited Connor's Mill before exploring more of Toodyay's attractions.

MUSEUMS & HERITAGE



Public Programs

National Trust Heritage Festival event May 2021

A National Trust Heritage Festival 2021 event, titled “Families – linking our past, present and future” was held at the Wicklow Shearing Shed on May 16, in partnership with the Toodyay Historical Society. The family history preservation afternoon offered opportunities for sharing information, hints and practical strategies for uncovering and preserving family histories.

School holiday programs at Gaol

Free activity packs continue to be offered to our younger visitors during the school holidays, along with activities such as peg craft and treasure hunts.

Wikimania 2021

Our museums were invited to be a part of the Wikimania 2021 world conference (fully digital this year) held from 12th – 17th August. A film crew visited both Connor’s Mill and the Newcastle Gaol and interviewed the curator.

Displays

In our temporary exhibition room of the Newcastle Gaol a Toodyay Convicts Rogues Gallery was created for the convict depot exhibition. In 2021 a new exhibition was launched in this space, linked with the theme of the 2021 National Trust Heritage Festival: “Families – Past, Present & Future”. Objects and photos associated with many Toodyay families have been included.

At the gaol precinct new metal interpretive signage was installed in the Shearing Shed, Police Stables, Machinery Shed & on the footbridge behind the gaol. In the gaol courtyard an audio bench with recordings of stories about locals as well as a Welcome to Country was installed. This was part of a Pioneer Pathway project initiative.

At Connor’s Mill, extra content was added to the slide show installed to celebrate that building’s 150th anniversary.

Collections

Work continues with managing the collections including high quality photography of artefacts, documentation of items which have been stored at the museum workshop for a long period and transcribing of historic documents.

RECONCILIATION ACTION PLAN



Reconciliation Action Plan

We were very pleased to launch Toodyay's first Reconciliation Action Plan on 31st May 2021.

A Reconciliation Action Plan is a strategic document used for building relationships with Aboriginal members of the community, fostering and embedding respect, and developing opportunities for positive economic outcomes.

The plan was the culmination of four years of relationship building between the Noongar Kaartdijin Aboriginal Corporation and the Shire of Toodyay. A Reconciliation Action Plan working group, comprising members of both organisations, met throughout 2020 and 2021 to develop this reconciliation framework which will be incorporated into the Shire of Toodyay Strategic Community and Corporate Business Plans in the future.

Deliverables actioned so far:

- Welcome to Country and Acknowledgement of Country included and Shire events and meetings.
- Aboriginal flags flown at Shire Administration and Toodyay Visitor Centre.
- Aboriginal Art purchased for display in public places.
- Attendance at the Red Bank Pool interpretive signage revealing ceremony.
- Installation of the interpretation at the Burials Grounds next to the town oval.



Reconciliation Framework (Reconciliation Action Plan)

2021–2023

Shire of Toodyay and Noongar Kaartdijin Aboriginal Corporation

Cover artwork by Sarah Miles



RECONCILIATION ACTION PLAN



TOURISM



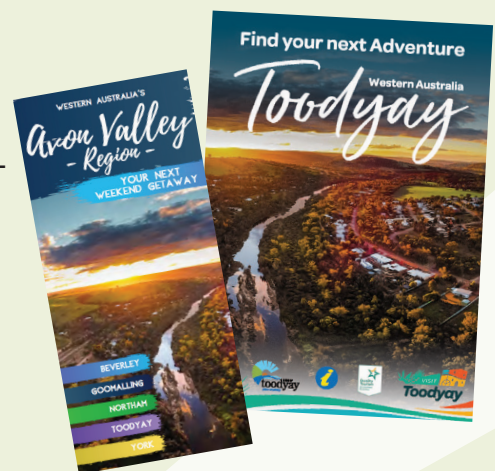
Tourism

Marketing activities for the year have included:

- A refreshed Toodyay brochure.
- Participation in the 2021 Caravan & Camping Show – collaboration with Avon Valley towns.
- Collaborative marketing with Avon Valley towns – themed trail brochures.

Other industry activities have included:

- Creation of a Toodyay Visitor Centre Member Liaison Group.
- Launch of the Toodyay Ambassadors program.
- Achieved wildflower friendly status with Tourism WA.



TOURISM



Visitor Centre

Despite the COVID restrictions the Toodyay Visitor Centre had a busy year. Western Australians took up the call to “Wander out Yonder” and flocked to regional towns including Toodyay.

- Door numbers increased by 131% to 32,995.
- July, September and October were the busiest months.
- Sales increased by 141% to \$44,090.
- Gained 10 new Visitor Centre partners.
- Conducted 12 familiarisation tours of local operators and nature reserves.

Volunteers

- Both our Museum and Library have a dedicated team of volunteers who are busy with projects. They bring a wealth of knowledge and enthusiasm to their roles and are greatly appreciated. The museum volunteers’ recycled shingle project continues to raise funds for special projects at the Newcastle Gaol Museum. In November 2020 the shingle project received an Infinity Waste Management Award in “Category 8: Waste Team of the Year” - beating out some significant opposition including Sir Charles Gairdner Hospital and the Cities of Bunbury and Wanneroo.
- Shire events have utilised the services of community volunteers.

Seniors

- The completion of the Toodyay Recreation Centre has provided a state of the art swimming pool and recreation facilities for seniors.
- The Shire has continued its support for the Memory Café and the Forget-Me-Not Café group.
- Continued advocacy for the AvonLink train service.

Youth

- The completion of the Toodyay Recreation Centre has provided a state of the art swimming pool and recreation facilities for youth.
- Activities for youth are facilitated by the Toodyay Community Resource Centre with support from the Shire.



Planning

The Planning section of the Shire is responsible for the following:

- Strategic planning;
- The administration of the Shire's Local Planning Scheme. The Scheme includes residential, commercial and industrial development, subdivisions and scheme amendments;
- Provision of planning advice to internal and external stakeholders;
- The development and implementation of Council policies; and
- Complaints and compliance.

Development Snapshot

The 2020/2021 financial year has provided a unique and unprecedented set of circumstances due to impact of the global COVID-19 pandemic. Planning activity in the Shire of Toodyay also felt the influence of the pandemic. As a result of federal and state government grants funding opportunities implemented to assist economic stability and recovery – there has been a noticeable increase in development enquiry and development applications. This has been particularly evident in the second half of the financial year. The State government has also, during this emergency period, implemented a series of changes to planning legislation, not only for economic stimulus but also part of its planning reforms. This has had a positive benefit to the community by providing an automatic two-year extension on top of existing development approvals, but also exempting specific types of development from requiring development approval.

Development Applications Statistics

A total of 77 development applications were determined during the 2020/2021 financial year. The total value of planning works approved was \$8,779,942. This is \$4,641,404 more than the previous financial year. A total of \$48,207 was collected in development fees.

Subdivision Statistics

During the 2020/21 financial year, the Planning Services department responded to three subdivision referrals from the WAPC.

Local Planning Scheme Review

The Shire of Toodyay continues to work on its draft Local Planning Scheme No. 5. This new Scheme has been in development for several years and has been drafted using the adopted Shire of Toodyay Local Planning Strategy 2017 as its primary informing document. Perhaps the most significant project milestone achieved over the last financial year, was the completion of the formal public consultation process which occurred between September and December 2020. Regrettably, due to staffing changes and operational requirements, the Shire of Toodyay has experienced delays in progressing to the next milestone of final adoption by the Council. However, these delays, whilst not ideal, have provided an opportunity for further modifications to be put forward and for the

elected members to gain a greater understanding of the new Scheme through a series of workshops. It is anticipated that the draft Scheme will be brought to Council for final adoption in the last quarter of 2021.

Local Planning Policy Review

Local Planning Policies are an essential part of the planning framework. Their purpose is to provide guidance and clarity to developers and decision makers in land-use planning matters.

The Shire of Toodyay has a suite of Local Planning Policies which have been adopted for this purpose covering a range of planning matters such as heritage, car parking and the use of shipping containers. Policies should be reviewed regularly to maintain relevance. The Shire of Toodyay has fallen behind in its review of these policies, however some work was done in this space over the 2020/2021 financial year with draft outbuildings and extractive industry policies being developed by the administration. These are still in a drafting phase, and none have been adopted by the Council at the time of writing this report.

It remains an area of focus and attention, with the Shire of Toodyay committed to reviewing and developing its suite of policies to provide quality planning outcomes for the community

State Administrative Tribunal Appeals

From time to time, the decisions of the Shire of Toodyay are appealed by applicants. This can be a challenge to a refusal of an application – or to conditions of approval. This is an important part of the planning process, which unlike other disciplines is not always black and white. Therefore, an appeal through the State Administrative Tribunal (SAT) provides an opportunity for conversation with an applicant through mediation or a fresh and independent look at a planning proposal through a hearing. The aim of this process is to allow for good planning outcomes.

In the 2020/2021 financial year the Shire of Toodyay had one new appeal relating to a planning decision involving the partial demolition of a structure at the Roman Catholic Church Precinct. This appeal underwent mediation between the parties and the matter was subsequently reconsidered, albeit in an amended proposal - at a later meeting of Council where Council set aside its original decision and the modified demolition proposal was approved.

Environmental Health

The Environmental Health section is responsible for the following:

- Issuing licences annually and conducts inspections of lodging houses, food businesses, offensive trades, caravan parks, stables, public buildings and events;
- Responding to health complaints;
- Mosquito monitoring;
- Water sampling of both pools and non-potable water supplies; and
- Public health education.

Environmental Health Snapshot

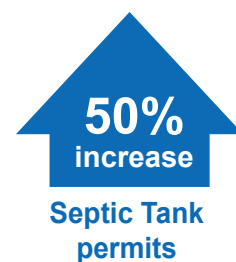
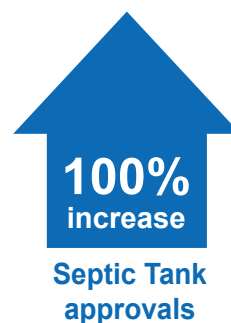
As can be expected, the COVID-19 pandemic has had a major impact on the environmental health operations within the Shire of Toodyay over the 2020/2021 financial year. In addition to normal duties, the Shire's Environmental Health Officer has been heavily involved with community safety, monitoring and reporting throughout the pandemic period. This has been in accordance with State and Commonwealth public health directives. As a result of this vigilance, the Shire of Toodyay community has benefited socially and economically by avoiding lockdowns.

The Shire's Environmental Health Officer (EHO) issues licences annually and conducts inspections of lodging houses, food businesses, offensive trades, caravan parks, stables, public buildings and events. The EHO's activities also include responding to health complaints, mosquito monitoring and water sampling of both pools and non-potable water supplies.

Environmental Health Statistics

For the 2020/2021 financial year, the Shire's EHO issued the following approvals and permits.

| Approval | No. |
|-----------------------------|-----|
| Septic tank - approvals | 24 |
| Septic tank - permit to use | 15 |
| Stallholder permits | 51 |



There was a 100% increase in the number of Septic Tank approvals over the previous year and a 50% increase in Septic tank permits to use.

However, there was a marked reduction in the number of stallholder permits issued with the 51 issued being 107% less than the previous year. This was due to many events being cancelled due to COVID 19.

Building

The Building section of the Development Services is responsible for:

- All matters relating to building control and construction;
- The inspection of private swimming pools within the Shire; and
- Complaints and compliance regarding the above.

The objective is to ensure that all ratepayers work and live in a safe and healthy environment; this is achieved by ensuring all buildings are constructed in accordance with relevant statutory requirements.

DEVELOPMENT AND REGULATORY SERVICES

Building Snapshot

The Shire of Toodyay has experienced a period of unprecedented building enquiry and applications. This, like in planning, is largely attributed to the State government financial grants being provided to developers as a stimulus package for the COVID-19 pandemic economic protection and recovery.

The Shire of Toodyay currently outsources these tasks to a qualified contract building surveyor. The administration of this section is done in house.

Building Statistics

During the 2020/2021 financial year, 177 applications Building Permits were issued within the Shire. This up 50 applications from the previous year. There were a number of categories under which these permits were issued, including: outbuildings, patios, water tanks and single dwellings.

The total value of works approved was \$15,552,213 which is \$2,400,379 less than the previous financial year.

| | |
|-------------------------|------------|
| Outbuilding | 52 |
| Residence | 48 |
| Fit out | 2 |
| Addition | 6 |
| Patio | 18 |
| Carport | 4 |
| Retaining Wall | 5 |
| Re-Roof | 2 |
| Pool | 9 |
| Other | 8 |
| Retrospective | 3 |
| Renewal | 0 |
| Demolition House | 1 |
| Demolition Other | 0 |
| Retail | 0 |
| Water Tank | 18 |
| Ancillary Accommodation | 1 |
| Earthworks | 0 |
| Total | 177 |



Rangers

The Shire Rangers are responsible for undertaking Council's statutory requirements including:

- Dog, cat and stock control;
- Animal welfare,
- Parking control,
- Illegal camping,
- Litter control,
- Fire prevention; and
- Public education.

Ranger Snapshot

Where other sections in the Department have had their activities impacted by COVID-19, the Shire of Toodyay Rangers have been kept busy over the 2020/2021 financial year due to unprecedented storm and flooding events. Here they have assisted the community with emergency road closures and the clearing of fallen trees and branches.

Dog attacks are a continuous and concerning issue in the Shire of Toodyay. As a result, the Rangers took to the streets of Toodyay and put on a barbecue for the community to allow people to come and have a chat about better dog management.

The Rangers will continue to hold community education events in the future as it is a positive way to meet the community and get the message out about these important issues.

DEVELOPMENT AND REGULATORY SERVICES

Ranger Statistics

| MISC RANGER DUTIES | TOTAL | DOG CONTROL | TOTAL |
|-----------------------------------|-------|----------------------------------|-------|
| Public Safety (Trees on road etc) | 35 | Customer Contact / Advice | 164 |
| Rural Street Numbering | 37 | Dog Attacks | 34 |
| Noise Complaints | 10 | Barking Issues | 9 |
| Illegal Camping | 1 | Dogs WAL | |
| Abandoned Vehicles | 3 | Dogs Surrendered | 6 |
| Other Department Assistance | 5 | Dogs Impounded | 10 |
| Outside Contact / Assistance | | Verbal Advice / Caution | |
| Western Power Assistance | | Written Advice / Caution | 36 |
| Police Contact | 4 | Infringements Issued | 75 |
| Ranger Assistance | 14 | Infringements Withdrawn | 20 |
| Wildlife Contact/Advice | 10 | Other Shire Contact / Assistance | |
| | | | |
| PARKING CONTROL | TOTAL | CAT CONTROL | TOTAL |
| Customer Contact / Advice | 10 | Customer Contact / Advice | 25 |
| Parking Patrols | 120 | Cats Trapped | |
| Parking Complaints | | Cats Surrendered | 2 |
| Verbal Ad | | Cats Impounded | 5 |
| Verbal Advice / Caution | | Verbal Advice / Caution | 1 |
| Written Advice / Caution | | Written Advice / Caution | 1 |
| Infringements Issued | 1 | Infringements Issued | 1 |
| Infringements Withdrawn | | Infringements Withdrawn | 1 |
| | | | |

DEVELOPMENT AND REGULATORY SERVICES

| FIRE CONTROL | TOTAL | STOCK CONTROL | TOTAL |
|----------------------------------|-------|----------------------------------|-------|
| Customer Contact / Advice | 15 | Customer Contact / Advice | 30 |
| Fire Danger Signage Change | 10 | Stock on Road / Trespass | 10 |
| Ranger Assistance | 3 | Stock Impounded | 1 |
| Verbal Advice / Caution | | Verbal Advice / Caution | 3 |
| Written Advice / Caution | 2 | Written Advice / Caution | 30 |
| Infringements Issued | | Infringements Issued | |
| Infringements Withdrawn | 4 | Infringements Withdrawn | |
| Other Shire Contact / Assistance | | Other Shire Contact / Assistance | |
| | | | |
| LITTER CONTROL | TOTAL | ANIMAL WELFARE | TOTAL |
| Customer Contact / Advice | 1 | Customer Contact / Advice | |
| Litter Clean ups | 2 | Ranger Attendance | |
| Verbal Advice / Caution | | RSPCA Assistance / Involvement | |
| Written Advice / Caution | | Rehoming Assistance | |
| Infringements Issued | | Animals Removed / Seized | 1 |
| Infringements Withdrawn | | Pound Attendance | |
| Other Shire Contact / Assistance | | Other Shire Contact / Assistance | |
| Illegal Dumping | | | |
| | | | |
| MEETINGS ATTENDED/OTHER | TOTAL | FIRE BREAK CONTROL | TOTAL |
| Meter readings | 9 | Customer Contact / Advice | 1 |
| 3-6 Dog application checks | 8 | Variation Contact / Advice | 1 |
| Rangers Patrol daily | 120 | Firebreak Inspections | |
| Infringement Payment Plan | | Extra Works Letters | |
| Council Meeting | | Hazard Reduction Letters | |
| Dog Registration Checks | 6 | Infringements Issued | |
| Event boards | 6 | Infringements Withdrawn | |
| | | Contractors Contacted | |
| | | Other Shire Contact / Assistance | |

RESERVE MANAGEMENT

Provided on going bush fire response and support throughout the year including issuing of seasonal burning permits.

Overseeing on ground works, 20-21 Mitigation Activity Fund program .

Designed and installed three sheltered interpretive signs and four picnic tables.

Maintained and monitored the Shire's network of fire emergency water tanks.

Promoted, maintained and extended walk tracks in Pelham, Panorama, Dawn Atwell Reserves and the Bilya River Walk Track.

Patrolled and responded to condition of Shire reserves and ensured fire break and access compliance.

Removed illegal dumping and rubbish from reserves and roadsides.

Conducted chemical spraying for fire break compliance and environmental weed control on Shire Reserves and owned land.

Undertook feral pig control activity through trapping techniques and engaging with land holders, DBCA and DPIRD.

Worked closely with the Toodyay Friends of the River Inc. to design and install a significant storm water outlet control project (externally funded).

Prepared and oversaw the revegetation of three sites on Shire land totalling 1.2 hectares, including deep ripping, weed control and volunteer tree planting events.



RESERVE MANAGEMENT

Engaged with DFES and contractors regarding the mechanical fuel reduction program in designated riparian UCL areas.

Met regularly with the Noongar Kaartdijin Aboriginal Corporation to progress Reconciliation Action Plan e.g. Pelham Lookout and Burial Site signage.

Communication with Visitor Centre staff regarding attractions such as walk tracks, picnic areas, wild flowers and Flora Roads.

Responding to work requests, enquiries and complaints from the public.

Serving on the Bushfire Advisory Committee and advising /reporting to Environmental Advisory Committee etc.



CONSTRUCTION JOBS PERFORMED



Parks and Gardens staff performed maintenance duties which include mowing, raking, street sweeping, weed spraying and the general upkeep of lawns, gardens and street verges within the Shire of Toodyay District. These locations include:

- The Shire Office and Depot;
- Toodyay Recreation Precinct;
- Anzac Park;
- Youth Park;
- Toodyay Showground;
- Old Goal & Police Stables;
- Federation Square;
- Duidgee Park,
- Stirling Park and Newcastle Park;
- Railway Station;
- Community Resource Centre & Medical Centre.

Maintenance Staff are responsible for the following duties as well as random duties like storm clean up:

- road maintenance;
- culvert and pipe cleaning;
- tree lopping; verge spraying;
- road signs; guide posts;
- footpaths;
- fire mitigation works;
- cemetery works;
- storm event clean up.



CONSTRUCTION JOBS PERFORMED



| LOCATION | SLK | | DESCRIPTION | GRANT FUNDING | MUNICIPAL FUNDING | TOTAL COST |
|------------------------|-------|-------|-----------------------------------|---------------|-------------------|------------|
| | Start | End | | | | |
| Bejoording Road | 0.00 | 5.20 | Widening, reconstruction, Sealing | \$408,104 | \$204,052 | \$612,156 |
| Julimar Road | 5.20 | 6.00 | Widening | \$415,500 | - | \$415,500 |
| Toodyay Street | 0.02 | 0.38 | Widening, resealing | \$300,160 | - | \$300,160 |
| Leeming Road | 0.00 | 0.90 | Resealing | - | \$150,000 | \$150,000 |
| Lovers Lane | 0.00 | 1.90 | Resealing | - | \$39,900 | \$39,900 |
| McKnoe Drive | 1.48 | 7.42 | Resealing | - | \$91,980 | \$91,980 |
| Red Brook Circle | 0.00 | 4.75 | Resealing | - | \$99,750 | \$99,750 |
| River Road | 2.60 | 4.70 | Resealing | - | \$44,100 | \$44,100 |
| Timber Creek Cr | 0.00 | 3.23 | Resealing | - | \$67,830 | \$67,830 |
| Bindi Bindi Toodyay Rd | | | Resealing | \$115,000 | - | \$115,000 |
| Clinton Street | N/A | N/A | Bicycle and walking paths | \$48,695 | - | \$48,695 |
| Hall Road | 0.00 | 1.80 | Reconstruction, widening, sealing | \$235,000 | - | \$235,000 |
| Bindi Bindi Toodyay Rd | 13.43 | 13.46 | Bridge culvert conversion | \$465,000 | - | \$465,000 |



COMMUNITY EMERGENCY SERVICES

2020-21 MAF Program (\$462,000).

- Using machine clean up, mulching, chemical and burning methods these activities achieved the reduction of fuel levels across 105.7 hectares of Shire managed land.
- The improvement of fire breaks and access through earth works, erosion control, vegetation management and widening equated to a linear 87.7 kilometres.
- The works included reduction of fuel loads and safety improvements on Shire road reserves using selective mulching techniques (Linear 52km).
- 900 metres of stock fencing was constructed on the boundary of a Shire reserve number 4155 to facilitate fuel reduction by grazing.
- Other MAF work included the installation of 8 locked vehicle access gates on Shire reserves.

Emergency Fire Water Facilities

- Additional 750,000 litres of water (for all shire users) at depot via DWER Community Water Supply Program (\$73k [70% DWER/30%SoT])
- New Emergency Fire Water (27,000ltrs) at Dawinia Crescent via DWER Community Water Supply Program (this involved recycling of a Shire asset – water tank from former Coondle-Nunile BFB facility. (\$11k [70% DWER/30%SoT])

BFS Appliance Communications/Equipment Update (all 100% DFES Funded)

- Successfully lobbied DFES for new radio allocation for BFS (now being adopted by other Shire) – All 10 Shire BFS appliances now have 2 x VHF and 1 x UHF radios.
- Celfi-Go mobile booster installed to all BFS appliance.
- Handheld VHF radio chargers installed on appliances.
- Wifi Monitored AEDs installed on all appliances.
- Washroom Upgrade (for PPE and Respiratory Protection Cleaning) upgrades – Toodyay Central BFB \$10k, Bejoording BFB \$5k.

SES Appliance Upgrades

- SES Ute Pod Upgrade (\$26k)

RECORD KEEPING

Overview

The current Record Keeping Policy was adopted at the Ordinary Council Meeting on 25 June 2019.

In accordance with Section 19 (Part 3 Record Keeping Plans for Government Organisations) of the State Records Act 2000 the Shire of Toodyay must have a Record Keeping Plan. At its meeting on 12 December 2019 the State Records Commission Approved The Shire of Toodyay's Amended Record Keeping Plan which is valid for a period of five years.

The Shire of Toodyay is compliant with the State Records Act 2000 and is governed by the Principles and Standards produced by the State Records Commission as per Section 61 of the Act. The General Disposal Authority for Local Government Records DA 2015-001 is used as standard procedure in relation to its records management practices.

For Further information please contact the Shire's Manager Corporate and Community Services on (08) 9574 9300.

Training

When new staff commence, they are provided with records keeping training and given record keeping procedures as part of their induction. The Records Officer provides ongoing training to all staff on a regular and as needs basis.

The record keeping induction is designed to address employee record keeping roles and responsibilities. Each staff member signs to acknowledge they have received the documentation and understands their record keeping requirements.

Elected Members are provided with an information sheet and induction regarding record keeping requirements upon commencement of appointment.



Review

In the past 12 months, records processes have been transitioning in line with the implementation of new software. Once completely transitioned, Records will be processed in a combination of Datascape and SharePoint with AvePoint as the control for Records Retention and Disposal. Historical Records from SynergySoft will be retained in IArchive as a read only database. New procedures will be developed, and a new Recordkeeping Plan submitted to reflect this change of practice.

The next review of the Shire of Toodyay's Record Keeping Policy is June 2024 and the Record Keeping Plan must be submitted to the State Records Office by 12 December 2024.

2020/2021 PRESCRIBED INFORMATION

For the purposes of section 5.53(2)(g) and (i) of the *Local Government Act 1995*

Q1: The number of employees of the local government entitled to an annual salary of \$130,000 or more.

One

Q2: The number of employees of the local government entitled to an annual salary that falls within each band of \$10 000 over \$130 000.

One as per the table below:

| Range | No Employees |
|-----------------------|--------------|
| \$130,000 – \$139,999 | 0 |
| \$140,000 – \$149,999 | 0 |
| \$150,000 – \$159,999 | 0 |
| \$160,000 – \$169,999 | 0 |
| \$170,000 – \$179,999 | 1 |

Q3: Any remuneration or allowances paid by the local government under Schedule 5.1 clause 9 during the financial year

No payments were required by the Shire in regard to Local Government Standards Panel fees.

Q4: Any amount ordered under section 5.110(6)(b)(iv) to be paid by a person against whom a complaint was made under section 5.107(1), 5.109(1) or 5.114(1) to the Local government during the financial year.

No amounts were ordered to be paid.

Q5: The remuneration paid or provided to the Chief Executive Officer during the financial year.

The total remuneration provided to the CEO during the financial year was \$220,498 consisting of annual salary, superannuation, motor vehicle, professional membership and fringe benefits tax payable.

Q6: Details of any modification made to the Shire of Toodyay's Strategic Community Plan during the financial year

Nil.

Q7: Details of any significant modification made to the Shire of Toodyay's Corporate Business Plan during the financial year.

Nil.

PRESCRIBED INFORMATION

| Names | Linguistic background | Country of Birth | No. of Councillors who are aged - | | | No of Councillors who identify as Aboriginal or Torres Strait Islander. |
|------------------|-----------------------|------------------|--|---------------------------------------|-----------------------------------|---|
| | | | (iv) between 45 years and 54 years; | (v) between 55 years and 64 years; | (vi) over the age of 64 years; | |
| Benjamin Bell | English | Australia | 1 | | | 0 |
| Therese Chitty | English | Australia | | 1 | | 0 |
| Paula Greenway | English | New Zealand | | 1 | | 0 |
| Philip Hart | English | Australia | | | 1 | 0 |
| Rosemary Madacsi | English | Australia | | | 1 | 0 |
| Michael McKeown | English | Australia | | | 1 | 0 |
| Susan Pearce | English | Australia | | | 1 | |
| Brian Rayner | English | Australia | | | 1 | 0 |
| Beth Ruthven | English | Australia | | | 1 | 0 |
| Totals | | | 1 | 2 | 6 | 0 |

FINANCIAL REPORT

SHIRE OF TOODYAY

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

TABLE OF CONTENTS

| | |
|---|----|
| Statement by Chief Executive Officer | 2 |
| Statement of Comprehensive Income by Nature or Type | 3 |
| Statement of Comprehensive Income by Program | 4 |
| Statement of Financial Position | 5 |
| Statement of Changes in Equity | 6 |
| Statement of Cash Flows | 7 |
| Rate Setting Statement | 8 |
| Index of Notes to the Financial Report | 9 |
| Independent Auditor's Report | 56 |

COMMUNITY VISION

We are a vibrant rural community that respects our environment, celebrates our past and embraces a sustainable future. Local Government and Community working together to obtain the best social, economic and environmental outcomes for the people of Toodyay

Principal place of business:
15 Fiennes Street
Toodyay WA 6566

**SHIRE OF TOODYAY
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 Toodyay for the financial year ended 30 June 2021 is based on accounts and records that may not present fairly the financial position of the Shire of Toodyay 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 may be inconsistent with the Act, the Australian Accounting Standards.

Signed on the 29th day of May 2023



Chief Executive Officer

Suzie Haslehurst

Name of Chief Executive Officer

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

| | NOTE | 2021 Actual \$ | 2021 Budget \$ | 2020 Actual \$ |
|---|-------|----------------------|----------------------|----------------------|
| Revenue | | | | |
| Rates | 24(a) | 6,454,442 | 6,319,984 | 6,557,996 |
| Operating grants, subsidies and contributions | 2(a) | 2,469,350 | 1,662,906 | 2,879,972 |
| Fees and charges | 2(a) | 1,090,385 | 1,352,013 | 1,326,911 |
| Interest earnings | 2(a) | 5,150 | 31,543 | 109,541 |
| Other revenue | 2(a) | 980,223 | 20,000 | 19,923 |
| | | 10,999,550 | 9,386,446 | 10,894,343 |
| Expenses | | | | |
| Employee costs | | (4,246,564) | (4,376,503) | (4,517,207) |
| Materials and contracts | | (4,163,285) | (3,114,596) | (3,704,891) |
| Utility charges | | (700,592) | (346,468) | (345,446) |
| Depreciation on non-current assets | 11(b) | (4,542,612) | (3,529,141) | (4,417,270) |
| Interest expenses | 2(b) | (118,882) | (255,707) | (110,246) |
| Insurance expenses | | (278,732) | (253,091) | (274,008) |
| Other expenditure | | (363,504) | (95,000) | (100,832) |
| | | (14,414,171) | (11,970,506) | (13,469,900) |
| | | (3,414,621) | (2,584,060) | (2,575,557) |
| Non-operating grants, subsidies and contributions | 2(a) | 5,180,205 | 6,345,520 | 6,981,868 |
| Profit on asset disposals | 11(a) | 17,487 | 63,550 | 1,988 |
| (Loss) on asset disposals | 11(a) | (17,260) | 0 | (87,901) |
| Fair value adjustments to financial assets at fair value through profit or loss | | 1,939 | 0 | 7,016 |
| | | 5,182,371 | 6,409,070 | 6,902,971 |
| Net result for the period | | 1,767,750 | 3,825,010 | 4,327,414 |
| Other comprehensive income | | | | |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | | |
| Changes in asset revaluation surplus | 13 | 0 | 0 | 452,985 |
| Total other comprehensive income for the period | | 0 | 0 | 452,985 |
| Total comprehensive income for the period | | 1,767,750 | 3,825,010 | 4,780,399 |

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

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

| | NOTE | 2021 Actual \$ | 2021 Budget \$ | 2020 Actual \$ |
|---|-------|----------------------|----------------------|----------------------|
| Revenue | | | | |
| | 2(a) | | | |
| Governance | | 314,248 | 59,500 | 73,490 |
| General purpose funding | | 8,076,835 | 7,135,025 | 8,751,917 |
| Law, order, public safety | | 583,963 | 649,813 | 568,100 |
| Health | | 57,691 | 67,500 | 59,038 |
| Housing | | 14,456 | 11,780 | 10,741 |
| Community amenities | | 547,614 | 758,275 | 728,354 |
| Recreation and culture | | 431,822 | 110,500 | 66,592 |
| Transport | | 469,946 | 220,985 | 197,157 |
| Economic services | | 317,201 | 249,866 | 298,073 |
| Other property and services | | 185,774 | 123,202 | 140,881 |
| | | 10,999,550 | 9,386,446 | 10,894,343 |
| Expenses | | | | |
| | 2(b) | | | |
| Governance | | (468,863) | (756,240) | (859,881) |
| General purpose funding | | (536,038) | (352,322) | (355,692) |
| Law, order, public safety | | (2,218,376) | (1,453,047) | (2,375,219) |
| Health | | (216,506) | (309,960) | (282,106) |
| Education and welfare | | (36,323) | (46,314) | (73,310) |
| Housing | | (25,213) | (37,268) | (35,992) |
| Community amenities | | (1,842,931) | (1,183,837) | (1,204,362) |
| Recreation and culture | | (1,880,030) | (1,802,633) | (1,487,891) |
| Transport | | (4,931,126) | (4,483,695) | (4,988,840) |
| Economic services | | (1,188,747) | (1,005,236) | (1,295,427) |
| Other property and services | | (951,136) | (284,247) | (400,934) |
| | | (14,295,289) | (11,714,799) | (13,359,654) |
| Finance Costs | | | | |
| | 2(b) | | | |
| Community amenities | | (469) | 0 | 0 |
| Recreation and culture | | (76,577) | (224,746) | (68,893) |
| Transport | | (31,013) | (28,905) | (33,737) |
| Economic services | | (918) | (1,046) | (2,300) |
| Other property and services | | (9,905) | (1,010) | (5,316) |
| | | (118,882) | (255,707) | (110,246) |
| | | (3,414,621) | (2,584,060) | (2,575,557) |
| Non-operating grants, subsidies and contributions | 2(a) | 5,180,205 | 6,345,520 | 6,981,868 |
| Profit on disposal of assets | 11(a) | 17,487 | 63,550 | 1,988 |
| (Loss) on disposal of assets | 11(a) | (17,260) | 0 | (87,901) |
| Fair value adjustments to financial assets at fair value through profit or loss | | 1,939 | 0 | 7,016 |
| | | 5,182,371 | 6,409,070 | 6,902,971 |
| Net result for the period | | 1,767,750 | 3,825,010 | 4,327,414 |
| Other comprehensive income | | | | |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | | |
| Changes in asset revaluation surplus | 13 | 0 | 0 | 452,985 |
| Total other comprehensive income for the period | | 0 | 0 | 452,985 |
| Total comprehensive income for the period | | 1,767,750 | 3,825,010 | 4,780,399 |

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

SHIRE OF TOODYAY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

| | NOTE | 2021 \$ | 2020 \$ |
|--|-------|--------------------|--------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 3,045,373 | 1,308,070 |
| Trade and other receivables | 6 | 925,602 | 1,136,431 |
| Other financial assets | 5(a) | 0 | 1,638,663 |
| Inventories | 7 | 70,841 | 81,244 |
| Contract assets | 2(a) | 471,000 | 0 |
| TOTAL CURRENT ASSETS | | 4,514,467 | 4,164,408 |
| NON-CURRENT ASSETS | | | |
| Trade and other receivables | 6 | 297,621 | 274,322 |
| Other financial assets | 5(b) | 55,355 | 53,416 |
| Property, plant and equipment | 9 | 36,919,921 | 32,980,100 |
| Infrastructure-Work in Progress | 10 | 125,140,324 | 127,336,932 |
| Right-of-use assets | 12(a) | 470,824 | 433,132 |
| TOTAL NON-CURRENT ASSETS | | 162,884,045 | 161,077,902 |
| TOTAL ASSETS | | 167,398,512 | 165,242,310 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 14 | 1,640,406 | 1,622,366 |
| Other liabilities | 15 | 471,593 | 359,495 |
| Lease liabilities | 16(a) | 339,074 | 145,575 |
| Borrowings | 17(a) | 306,788 | 4,687,594 |
| Employee related provisions | 18 | 644,782 | 598,131 |
| TOTAL CURRENT LIABILITIES | | 3,402,643 | 7,413,161 |
| NON-CURRENT LIABILITIES | | | |
| Lease liabilities | 16(a) | 521,582 | 293,478 |
| Borrowings | 17(a) | 5,590,670 | 1,397,458 |
| Employee related provisions | 18 | 105,157 | 125,336 |
| TOTAL NON-CURRENT LIABILITIES | | 6,217,409 | 1,816,272 |
| TOTAL LIABILITIES | | 9,620,052 | 9,229,433 |
| NET ASSETS | | 157,778,460 | 156,012,877 |
| EQUITY | | | |
| Retained surplus | | 68,676,910 | 67,040,976 |
| Reserves - cash/financial asset backed | 4 | 1,768,312 | 1,638,663 |
| Revaluation surplus | 13 | 87,333,238 | 87,333,238 |
| TOTAL EQUITY | | 157,778,460 | 156,012,877 |

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

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

| | | | RESERVES CASH/FINANCIAL | | |
|-----------------------------------|------|---------------------|----------------------------|------------------------|--------------------|
| | NOTE | RETAINED SURPLUS | ASSET BACKED | REVALUATION SURPLUS | TOTAL EQUITY |
| | | \$ | \$ | \$ | \$ |
| Balance as at 1 July 2019 | | 60,592,835 | 3,759,390 | 86,880,253 | 151,232,478 |
| | | 60,592,835 | 3,759,390 | 86,880,253 | 151,232,478 |
| Comprehensive income | | | | | |
| Net result for the period | | 4,327,414 | 0 | 0 | 4,327,414 |
| Other comprehensive income | 13 | 0 | 0 | 452,985 | 452,985 |
| Total comprehensive income | | 4,327,414 | 0 | 452,985 | 4,780,399 |
| Transfers from reserves | 4 | 2,326,615 | (2,326,615) | 0 | 0 |
| Transfers to reserves | 4 | (205,888) | 205,888 | 0 | 0 |
| Balance as at 30 June 2020 | | 67,040,976 | 1,638,663 | 87,333,238 | 156,012,877 |
| | | 67,040,976 | 1,638,663 | 87,333,238 | 156,012,877 |
| Comprehensive income | | | | | |
| Net result for the period | | 1,767,750 | 0 | 0 | 1,767,750 |
| Other comprehensive income | 13 | 0 | 0 | 0 | 0 |
| Total comprehensive income | | 1,767,750 | 0 | 0 | 1,767,750 |
| Transfers from reserves | 4 | 0 | 0 | 0 | 0 |
| Transfers to reserves | 4 | (129,649) | 129,649 | 0 | 0 |
| Balance as at 30 June 2021 | | 68,676,910 | 1,768,312 | 87,333,238 | 157,778,460 |

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

SHIRE OF TOODYAY
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 | | 6,558,247 | 6,319,984 | 6,621,340 |
| Operating grants, subsidies and contributions | | 2,110,448 | 1,269,786 | 2,819,916 |
| Fees and charges | | 1,090,385 | 1,352,013 | 1,326,911 |
| Interest received | | 5,150 | 31,543 | 109,541 |
| Goods and services tax received | | 38,752 | 0 | 186,839 |
| Other revenue | | 980,223 | 20,000 | 19,673 |
| | | 10,783,205 | 8,993,326 | 11,084,220 |
| Payments | | | | |
| Employee costs | | (4,244,608) | (4,376,503) | (4,556,293) |
| Materials and contracts | | (3,969,427) | (3,114,596) | (3,041,363) |
| Utility charges | | (700,592) | (346,468) | (345,446) |
| Interest expenses | | (126,497) | (255,707) | (118,056) |
| Insurance paid | | (278,732) | (253,091) | (274,008) |
| Goods and services tax paid | | (285,336) | 0 | (427,771) |
| Other expenditure | | (363,504) | (95,000) | (100,832) |
| | | (9,968,696) | (8,441,365) | (8,863,769) |
| Net cash provided by (used in) operating activities | 19 | 814,509 | 551,961 | 2,220,451 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Payments for purchase of property, plant & equipment | 9(a) | (4,832,424) | (4,556,961) | (2,001,747) |
| Payments for construction of infrastructure | 10(a) | (1,434,780) | (3,089,689) | (14,518,300) |
| Non-operating grants, subsidies and contributions | 2(a) | 5,180,205 | 6,345,520 | 6,981,868 |
| Net proceeds from financial assets | 5(a) | 0 | | 2,120,727 |
| Proceeds from financial assets at fair values through profit and loss | | 1,939 | | 0 |
| Proceeds from sale of property, plant & equipment | 11(a) | 179,658 | 159,000 | 29,545 |
| Net cash provided by (used in) investment activities | | (905,402) | (1,142,130) | (7,387,907) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Repayment of borrowings | 17(b) | (4,687,594) | (344,166) | (238,849) |
| Payment of principal for finance lease | 16(b) | (198,065) | 0 | (77,135) |
| Proceeds from finance lease | 16(b) | 235,970 | 0 | 0 |
| Proceeds from borrowings | 17(b) | 4,500,000 | 0 | 4,500,000 |
| Net cash provided by (used in) financing activities | | (149,689) | (344,166) | 4,184,016 |
| Net increase (decrease) in cash held | | (240,582) | (934,335) | (983,440) |
| Cash at beginning of year | | 1,308,070 | 2,851,514 | 2,291,510 |
| Cash and cash equivalents at the end of the year | 19 | 1,067,488 | 1,917,179 | 1,308,070 |

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

SHIRE OF TOODYAY
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) | 25 (b) | 167,485 | 301,670 | 1,521,561 |
| | | 167,485 | 301,670 | 1,521,561 |
| Revenue from operating activities (excluding rates) | | | | |
| Governance | | 316,187 | 59,500 | 80,506 |
| General purpose funding | | 1,622,393 | 815,041 | 2,242,923 |
| Law, order, public safety | | 583,963 | 649,813 | 567,850 |
| Health | | 57,691 | 67,500 | 59,038 |
| Housing | | 14,456 | 11,780 | 10,741 |
| Community amenities | | 547,614 | 758,275 | 728,354 |
| Recreation and culture | | 431,822 | 110,500 | 66,592 |
| Transport | | 469,946 | 220,985 | 199,145 |
| Economic services | | 317,201 | 249,866 | 298,073 |
| Other property and services | | 203,261 | 186,752 | 140,881 |
| | | 4,564,534 | 3,130,012 | 4,394,103 |
| Expenditure from operating activities | | | | |
| Governance | | (468,863) | (756,240) | (859,881) |
| General purpose funding | | (536,038) | (352,322) | (355,692) |
| Law, order, public safety | | (2,218,376) | (1,453,047) | (2,375,219) |
| Health | | (216,506) | (309,960) | (282,106) |
| Education and welfare | | (36,323) | (46,314) | (73,310) |
| Housing | | (25,213) | (37,268) | (35,992) |
| Community amenities | | (1,842,931) | (1,183,837) | (1,204,362) |
| Recreation and culture | | (1,880,030) | (2,027,379) | (1,556,783) |
| Transport | | (4,931,126) | (4,512,600) | (5,121,806) |
| Economic services | | (1,188,747) | (1,006,282) | (1,297,727) |
| Other property and services | | (951,136) | (285,257) | (366,400) |
| | | (14,295,289) | (11,970,506) | (13,529,278) |
| Non-cash amounts excluded from operating activities | 25(a) | 4,497,665 | 3,470,591 | 4,475,996 |
| Amount attributable to operating activities | | (5,065,605) | (5,068,233) | (3,137,618) |
| INVESTING ACTIVITIES | | | | |
| Non-operating grants, subsidies and contributions | 2(a) | 5,180,205 | 6,345,520 | 6,981,868 |
| Proceeds from disposal of assets | 11(a) | 179,658 | 159,000 | 29,545 |
| Purchase of property, plant and equipment | 9(a) | (4,832,424) | (4,556,961) | (2,001,747) |
| Purchase and construction of infrastructure | 10(a) | (1,434,780) | (3,089,689) | (14,518,300) |
| | | (907,341) | (1,142,130) | (9,508,634) |
| Amount attributable to investing activities | | (907,341) | (1,142,130) | (9,508,634) |
| FINANCING ACTIVITIES | | | | |
| Repayment of borrowings | 17(b) | (4,687,594) | (344,166) | (238,849) |
| Proceeds from borrowings | 17(c) | 4,500,000 | 0 | 4,500,000 |
| Payments for principal portion of lease liabilities | 16(b) | (198,065) | 0 | (77,135) |
| Transfers to reserves (restricted assets) | 4 | (129,649) | (195,100) | (205,888) |
| Proceeds from finance lease | 16(b) | 235,970 | 0 | 0 |
| Transfers from reserves (restricted assets) | 4 | 0 | 431,670 | 2,326,615 |
| Amount attributable to financing activities | | (279,338) | (107,596) | 6,304,743 |
| Surplus/(deficit) before imposition of general rates | | (6,252,284) | (6,317,959) | (6,341,509) |
| Total amount raised from general rates | 24(a) | 6,454,442 | 6,319,984 | 6,508,994 |
| Surplus/(deficit) after imposition of general rates | 25(b) | 202,158 | 2,025 | 167,485 |

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

SHIRE OF TOODYAY
INDEX OF NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

| | | |
|---------|--|----|
| Note 1 | Basis of Preparation | 10 |
| Note 2 | Revenue and Expenses | 11 |
| Note 3 | Cash and Cash Equivalents | 16 |
| Note 4 | Reserves - Cash backed | 17 |
| Note 5 | Other Financial Assets | 18 |
| Note 6 | Trade and Other Receivables | 19 |
| Note 7 | Inventories | 20 |
| Note 8 | Property, Plant and Equipment | 21 |
| Note 9 | Infrastructure | 24 |
| Note 10 | Fixed Assets | 28 |
| Note 11 | Leases | 29 |
| Note 12 | Revaluation Surplus | 30 |
| Note 13 | Trade and Other Payables | 31 |
| Note 14 | Other Liabilities | 32 |
| Note 15 | Lease Liabilities | 33 |
| Note 16 | Information on Borrowings | 35 |
| Note 17 | Employee Provisions | 36 |
| Note 18 | Notes to the Statement of Cash Flows | 37 |
| Note 19 | Total Assets Classified by Function and Activity | 38 |
| Note 20 | Commitments | 39 |
| Note 21 | Elected Members Remuneration | 40 |
| Note 22 | Related Party Transactions | 42 |
| Note 23 | Rating Information | 44 |
| Note 24 | Rate Setting Statement Information | 45 |
| Note 25 | Financial Risk Management | 49 |
| Note 26 | Events occurring after the end of the Reporting Period | 50 |
| Note 27 | Initial Application of Australian Accounting Standards | 51 |
| Note 28 | Trust Funds | 52 |
| Note 29 | Other Significant Accounting Policies | 53 |
| Note 30 | Activities/Programs | 54 |
| Note 31 | Financial Ratios | 55 |

SHIRE OF TOODYAY
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 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 29 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 impact of adoption of these standards is described at Note 28.

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:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure"
- estimation uncertainties made in relation to lease accounting

SHIRE OF TOODYAY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES

| REVENUE RECOGNITION POLICY | | | | | | | | |
|--|--|--------------------------------------|--|---|---|---|---|---|
| Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows: | | | | | | | | |
| Revenue Category | Nature of goods and services | When obligations typically satisfied | Payment terms | Returns/Refunds/Warranties | Determination of transaction price | Allocating transaction price | Measuring obligations for returns | Timing of revenue recognition |
| Rates | General Rates | Over time | Payment dates adopted by Council during the year | None | Adopted by council annually | When taxable event occurs | Not applicable | When rates notice is issued |
| Specified area rates | Rates charge for specific defined purpose | Over time | Payment dates adopted by Council during the year | Refund in event monies are unspent | Adopted by council annually | When taxable event occurs | Not applicable | When rates notice is issued |
| Grant contracts with customers | Community events, minor facilities, research, design, planning evaluation and services | Over time | Fixed terms transfer of funds based on agreed milestones and reporting | Contract obligation if project not complete | Set by mutual agreement with the customer | Based on the progress of works to match performance obligations | Returns limited to repayment of transaction price of terms breached | Output method based on project milestones and/or completion date matched to performance |
| Grants, subsidies or contributions for the construction of non-financial assets | Construction or acquisition of recognisable non-financial assets to be controlled by the local government | Over time | Fixed terms transfer of funds based on agreed milestones and reporting | Contract obligation if project not complete | Set by mutual agreement with the customer | Based on the progress of works to match performance obligations | Returns limited to repayment of transaction price of terms breached | Output method based on project milestones and/or completion date matched to performance |
| Grants with no contract commitments | General appropriations and contributions with no reciprocal commitment | No obligations | Not applicable | Not applicable | Cash received | On receipt of funds | Not applicable | When assets are controlled |
| Fees and Charges-Licences/ Registrations/ Approvals | Building, planning, development and animal management, having the same nature as a licence regardless of naming. | Single point in time | Full payment prior to issue | None | Set by State legislation or limited by legislation to the cost of provision | Based on timing of issue of the associated rights | No refunds | On payment and issue of the licence, registration or approval |
| Fees and Charges-Other inspections | Regulatory Food, Health and Safety | Single point in time | Full payment prior to inspection | None | Set by State legislation or limited by | Applied fully on timing of inspection | Not applicable | Revenue recognised after inspection event occurs |
| Fees and Charges-Waste management collections | Kerbside collection service | Over time | Payment on an annual basis in advance | None | Adopted by council annually | Apportioned equally across the collection period | Not applicable | Output method based on regular weekly and fortnightly period as proportionate to |
| Fees and Charges-Waste management entry fees | Waste treatment, recycling and disposal service at disposal sites | Single point in time | Payment in advance at gate or on normal trading terms if credit provided | None | Adopted by council annually | Based on timing of entry to facility | Not applicable | On entry to facility |
| Fees and Charges-Property hire and entry | Use of halls and facilities | Single point in time | In full in advance | Refund if event cancelled within 7 days | Adopted by council annually | Based on timing of entry to facility | Returns limited to repayment of transaction price | On entry or at conclusion of hire |
| Memberships | Gym and pool membership | Over time | Payment in full in advance | Refund for unused portion on application | | | | Output method Over 12 months matched to access right |
| Fees and charges for other goods and services | Cemetery services, library fees, reinstatements and private works | Single point in time | Payment in full in advance | None | Adopted by council annually | Applied fully based on timing of provision | Not applicable | Output method based on provision of service or completion of works |
| Fees and Charges-Sale of stock | Aviation fuel, kiosk and visitor centre stock | Single point in time | In full in advance, on 15 day credit | Refund for faulty goods | Adopted by council annually, set by mutual agreement | Applied fully based on timing of provision | Returns limited to repayment of transaction price | Output method based on goods |
| Other Revenue-Commissions | Commissions on licencing and ticket sales | Over time | Payment in full on sale | None | Set by mutual agreement with the customer | On receipt of funds | Not applicable | When assets are controlled |
| Other Revenue-Reimbursements | Insurance claims | Single point in time | Payment in arrears for claimable event | None | Set by mutual agreement with the customer | When claim is agreed | Not applicable | When claim is agreed |

SHIRE OF TOODYAY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

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 | 0 | 59,500 | 72,107 |
| General purpose funding | 1,575,063 | 758,998 | 2,039,176 |
| Law, order, public safety | 288,728 | 561,939 | 495,925 |
| Health | 0 | 500 | 0 |
| Housing | 0 | 1,500 | 1,381 |
| Community amenities | 0 | 5,000 | 0 |
| Recreation and culture | 333,532 | 16,500 | 7,438 |
| Transport | 272,027 | 220,985 | 197,157 |
| Economic services | 0 | 6,000 | 4,715 |
| Other property and services | 0 | 31,984 | 62,073 |
| | 2,469,350 | 1,662,906 | 2,879,972 |
| Non-operating grants, subsidies and contributions | | | |
| Law, order, public safety | 444,000 | 2,228,815 | 2,456,120 |
| Recreation and culture | 3,186,541 | 2,100,246 | 3,449,877 |
| Transport | 1,549,664 | 2,016,459 | 1,075,871 |
| | 5,180,205 | 6,345,520 | 6,981,868 |
| Total grants, subsidies and contributions | 7,649,555 | 8,008,426 | 9,861,840 |
| Fees and charges | | | |
| Governance | 0 | 0 | 1,384 |
| General purpose funding | 35,920 | 24,500 | 25,532 |
| Law, order, public safety | 69,583 | 87,874 | 71,924 |
| Health | 16,569 | 67,000 | 59,038 |
| Housing | 12,240 | 10,280 | 9,360 |
| Community amenities | 545,189 | 753,275 | 728,354 |
| Recreation and culture | 65,225 | 94,000 | 59,153 |
| Transport | 664 | 0 | 0 |
| Economic services | 266,529 | 243,866 | 293,359 |
| Other property and services | 78,466 | 71,218 | 78,807 |
| | 1,090,385 | 1,352,013 | 1,326,911 |

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.

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

| | 2021 Actual | 2021 Budget | 2020 Actual |
|--|----------------|----------------|----------------|
| | \$ | \$ | \$ |
| 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: | | | |
| Operating grants, subsidies and contributions | 2,469,350 | 0 | 2,879,972 |
| Fees and charges | 1,052,851 | 1,352,013 | 1,192,947 |
| Other revenue | 960,610 | 20,000 | 19,923 |
| Non-operating grants, subsidies and contributions | 5,180,205 | 6,345,520 | 6,981,868 |
| | 9,663,016 | 7,717,533 | 11,074,710 |
| 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 | 359,495 | | 517,659 |
| Revenue recognised in the current period from performance obligations satisfied in previous periods | 167,811 | | 7,657,156 |
| Revenue from contracts with customers recognised during the year | 4,123,316 | 1,372,013 | 3,575,183 |
| Revenue from transfers intended for acquiring or constructing recognisable non financial assets during the year | 5,180,205 | 6,345,520 | 6,981,868 |
| | 9,830,827 | 7,717,533 | 18,731,866 |
| 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 | 348,681 | | 224,156 |
| Contract assets | 471,000 | | 0 |
| Contract liabilities from contracts with customers | (471,593) | | (359,495) |

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at 30 June 2021. Assets associated with contracts with customers were not subject to an impairment charge. Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'. Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met. Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less. Consideration from contracts with customers is included in the transaction price. Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

SHIRE OF TOODYAY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

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

General rates
Statutory permits and licences
Fines

Other revenue

Reimbursements and recoveries
Other

Interest earnings

Interest on reserve funds
Rates instalment and penalty interest (refer Note 24(c))
Other interest earnings

| | 2021 Actual | 2021 Budget | 2020 Actual |
|--|----------------|----------------|----------------|
| | \$ | \$ | \$ |
| | | | |
| | 6,454,442 | 6,318,711 | 6,508,994 |
| | 16,569 | | 113,898 |
| | 20,966 | | 20,066 |
| | 6,491,976 | 6,318,711 | 6,642,958 |
| | | | |
| | 19,613 | 0 | |
| | 960,610 | 20,000 | 19,923 |
| | 980,223 | 20,000 | 19,923 |
| | | | |
| | 5,150 | 20,000 | 47,957 |
| | 0 | 0 | 48,792 |
| | 0 | 11,543 | 12,792 |
| | 5,150 | 31,543 | 109,541 |

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

Interest earnings (continued)

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

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

2. REVENUE AND EXPENSES (Continued)

(b) Expenses

Auditors remuneration

Audit services
 Other services

No audit fee was accrued for 2021.

Interest expenses (finance costs)

Borrowings
 Lease liabilities

Other expenditure

Sundry expenses

| | 2021 Actual | 2021 Budget | 2020 Actual |
|-------------------|----------------|----------------|----------------|
| | \$ | \$ | \$ |
| Audit services | 0 | 25,000 | 27,375 |
| Other services | 0 | 15,000 | 3,050 |
| | 0 | 40,000 | 30,425 |
| | | | |
| Borrowings | 108,977 | 255,707 | 106,728 |
| Lease liabilities | 9,905 | 0 | (7,114) |
| | 118,882 | 255,707 | 99,614 |
| | | | |
| Sundry expenses | 363,504 | 95,000 | 100,832 |
| | 363,504 | 95,000 | 100,832 |

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

3. CASH AND CASH EQUIVALENTS

| NOTE | 2021 | 2020 |
|--|------------------|------------------|
| | \$ | \$ |
| Cash at bank and on hand | 3,045,373 | 1,308,070 |
| Total cash and cash equivalents | 3,045,373 | 1,308,070 |
| 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 | 2,274,659 | 454,710 |
| - Financial assets at amortised cost | 0 | 1,638,663 |
| | 2,274,659 | 2,093,373 |

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

| | | | |
|--|----|------------------|------------------|
| Reserves - cash/financial asset backed | 4 | 1,768,312 | 1,638,663 |
| Contract liabilities from contracts with customers | 15 | 471,593 | 359,495 |
| Bonds and deposits held | 14 | 34,754 | 95,215 |
| Total restricted assets | | 2,274,659 | 2,093,373 |

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

| 4. RESERVES - CASH/FINANCIAL ASSET 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) Employee Entitlement Reserve | 221,732 | 697 | 0 | 222,429 | 221,733 | 55,000 | (50,000) | 226,733 | 246,946 | 63,716 | (88,930) | 221,732 |
| (b) Asset Development Reserve | 0 | 30,000 | 0 | 30,000 | 0 | 30,000 | 0 | 30,000 | 242,991 | 3,057 | (246,048) | 0 |
| (c) CCTV Reserve | 27,030 | 85 | 0 | 27,115 | 27,031 | 350 | 0 | 27,381 | 26,629 | 401 | 0 | 27,030 |
| (d) Emergency Management Reserve | 75,113 | 236 | 0 | 75,349 | 75,114 | 1,000 | 0 | 76,114 | 74,000 | 1,113 | 0 | 75,113 |
| (e) Newcastle Footbridge & Pedestrian Overpass Reserve | 38,374 | 121 | 0 | 38,495 | 11,130 | 250 | 0 | 11,380 | 37,805 | 569 | 0 | 38,374 |
| (f) Heritage Reserve | 11,131 | 35 | 0 | 11,166 | 22,507 | 500 | 0 | 23,007 | 10,966 | 165 | 0 | 11,131 |
| (g) Information Technology Reserve | 22,508 | 71 | 0 | 22,579 | 38,373 | 500 | 0 | 38,873 | 22,174 | 334 | 0 | 22,508 |
| (h) Plant Reserve | 151,528 | 476 | 0 | 152,004 | 151,529 | 2,000 | 0 | 153,529 | 149,282 | 2,246 | 0 | 151,528 |
| (i) Recreation Development Reserve | 17,299 | 14,554 | 0 | 31,853 | 89,499 | 500 | 0 | 89,999 | 1,701,552 | 18,299 | (1,702,552) | 17,299 |
| (j) Refuse Reserve | 115,017 | 361 | 0 | 115,378 | 17,299 | 15,000 | 0 | 32,299 | 113,312 | 1,705 | 0 | 115,017 |
| (k) Road Contribution Reserve | 263,457 | 70,828 | 0 | 334,285 | 115,017 | 1,000 | 0 | 116,017 | 377,283 | 63,174 | (177,000) | 263,457 |
| (l) Swimming Pool Reserve | 0 | 0 | 0 | 0 | 263,457 | 75,000 | (30,000) | 308,457 | 110,691 | 1,394 | (112,085) | 0 |
| (m) Strategic Access & Egress Reserve | 233,585 | 734 | 0 | 234,319 | 233,585 | 2,000 | 0 | 235,585 | 200,567 | 33,018 | 0 | 233,585 |
| (n) Morangup Community Centre Reserve | 352,199 | 1,107 | 0 | 353,306 | 0 | 0 | 0 | 0 | 346,981 | 5,218 | 0 | 352,199 |
| (o) Community Bus Reserve | 89,500 | 281 | 0 | 89,781 | 352,199 | 2,000 | (351,670) | 2,529 | 88,173 | 1,327 | 0 | 89,500 |
| (p) Asset Replacement Reserve | 20,190 | 10,063 | 0 | 30,253 | 20,189 | 10,000 | 0 | 30,189 | 10,038 | 10,152 | 0 | 20,190 |
| | 1,638,663 | 129,649 | 0 | 1,768,312 | 1,638,662 | 195,100 | (431,670) | 1,402,092 | 3,759,390 | 205,888 | (2,326,615) | 1,638,663 |

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

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

| Name of Reserve | Anticipated date of use | Purpose of the reserve |
|--|-------------------------|--|
| (a) Employee Entitlement Reserve | | Funds set aside to provide payments to Employee Entitlement liabilities |
| (b) Asset Development Reserve | | Funds set aside for the future purchase and/or replacement of assets |
| (c) CCTV Reserve | | Funds set aside for the replacement, expansion and maintenance of CCTV |
| (d) Emergency Management Reserve | | Funds set aside to assist in emergency management and recovery |
| (e) Newcastle Footbridge & Pedestrian Overpass Reserve | | Funds set aside for the maintenance and upkeep of the Newcastle Footbridge and the Duke Street Pedestrian Overpass |
| (f) Heritage Reserve | | Funds set aside for the preservation and/or purchase of Built Heritage assets of significance within the Shire of Toodyay |
| (g) Information Technology Reserve | | Funds set aside for the replacement and maintenance of computer hardware |
| (h) Plant Reserve | | Funds set aside for the ongoing upgrade and replacement of Shire owned fleet |
| (i) Recreation Development Reserve | | Funds set aside for the development of recreation facilities within the Recreation precinct located adjacent to the District High School |
| (j) Refuse Reserve | | Funds set aside for the development and maintenance of the Shire of Toodyay Waste Transfer Station |
| (k) Road Contribution Reserve | | Funds set aside for contributions given towards particular roads to assist in the ongoing maintenance and preservation of roads. These funds cannot be used on roads other than those identified in the contribution |
| (l) Swimming Pool Reserve | | Funds collected by way of a voluntary levy in 1996-97 for a swimming pool |
| (m) Strategic Access & Egress Reserve | | Funds set aside for the implementation and maintenance of strategic access and egress tracks |
| (n) Morangup Community Centre Reserve | | Funds set aside for the development of the Morangup Community Centre |
| (o) Community Bus Reserve | | Funds set aside for the purchase of a new Shire of Toodyay Community Bus |
| (p) Asset Replacement Reserve | | Funds set aside for the replacement of playing surfaces at the recreation precinct. |

5. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

(b) Non-current assets

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss

Units in Local Government House Trust

| 2021 | 2020 |
|--------|-----------|
| \$ | \$ |
| 0 | 1,638,663 |
| 0 | 1,638,663 |
| 0 | 1,638,663 |
| 0 | 1,638,663 |
| 55,355 | 53,416 |
| 55,355 | 53,416 |
| 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 26.

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable

Trade and other receivables

GST receivable

Non-current

Pensioner's rates and ESL deferred

| 2021 | 2020 |
|---------|-----------|
| \$ | \$ |
| 544,300 | 594,318 |
| 348,681 | 224,156 |
| 32,621 | 317,957 |
| 925,602 | 1,136,431 |
| 297,621 | 274,322 |
| 297,621 | 274,322 |

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 26.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

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

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

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

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

7. INVENTORIES

Current

Fuel and materials

| 2021 | 2020 |
|--------|--------|
| \$ | \$ |
| 70,841 | 81,244 |
| 70,841 | 81,244 |

The following movements in inventories occurred during the year:

Balance at beginning of year

Inventories expensed during the year

Additions to inventory

Balance at end of year

| | |
|-----------|-----------|
| 81,244 | 73,576 |
| (191,180) | (227,470) |
| 180,777 | 235,138 |
| 70,841 | 81,244 |

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

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

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 - freehold land \$ | Total Land | Buildings - specialised \$ | Buildings - non- specialised \$ | Building - heritage \$ | Total Buildings \$ | Total land and buildings \$ | Furniture and equipment \$ | Plant and equipment \$ | Computer \$ | Total property, plant and equipment \$ |
|--|----------------------------------|------------|----------------------------------|--|------------------------------|--------------------------|--------------------------------------|-------------------------------------|------------------------------|----------------|--|
| Balance at 1 July 2019 | 11,132,000 | 11,132,000 | (305,600) | 10,454,603 | 6,322,085 | 16,471,088 | 27,603,088 | 348,562 | 3,591,235 | 13,371 | 31,556,256 |
| Additions | 0 | 0 | 925,893 | 0 | 427,646 | 1,353,539 | 1,353,539 | 0 | 648,208 | 0 | 2,001,747 |
| (Disposals) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (115,458) | 0 | (115,458) |
| Revaluation increments / (decrements) transferred to revaluation surplus | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,366 | 444,619 | 0 | 452,985 |
| Impairment (losses) / reversals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Depreciation (expense) | 0 | 0 | (174,545) | (10,271) | (109,544) | (294,360) | (294,360) | (86,919) | (520,780) | (13,371) | (915,430) |
| Transfers | 0 | 0 | 38,333 | 3,030 | 44,646 | 86,009 | 86,009 | (86,009) | 0 | 0 | 0 |
| Balance at 30 June 2020 | 11,132,000 | 11,132,000 | 484,081 | 10,447,362 | 6,684,833 | 17,616,276 | 28,748,276 | 184,000 | 4,047,824 | 0 | 32,980,100 |
| Comprises: | | | | | | | | | | | |
| Gross balance amount at 30 June 2020 | 11,132,000 | 11,132,000 | 12,833,349 | 540,970 | 7,862,155 | 21,236,474 | 32,368,474 | 184,000 | 4,047,824 | 53,480 | 36,653,778 |
| Accumulated depreciation at 30 June 2020 | 0 | 0 | (2,385,987) | (56,889) | (1,177,322) | (3,620,198) | (3,620,198) | 0 | 0 | (53,480) | (3,673,678) |
| Accumulated impairment loss at 30 June 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Balance at 30 June 2020 | 11,132,000 | 11,132,000 | 10,447,362 | 484,081 | 6,684,833 | 17,616,276 | 28,748,276 | 184,000 | 4,047,824 | 0 | 32,980,100 |
| Change in accounting policy | | | | | | | | | | | 0 |
| Restated balance at 1 July 2020 | 11,132,000 | 11,132,000 | 10,447,362 | 484,081 | 6,684,833 | 17,616,276 | 28,748,276 | 184,000 | 4,047,824 | 0 | 32,980,100 |
| Additions | 0 | 0 | 4,380,902 | | | 4,380,902 | 4,380,902 | 276,481 | 175,041 | 0 | 4,832,424 |
| (Disposals) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (179,658) | 0 | (179,658) |
| Revaluation increments / (decrements) transferred to revaluation surplus | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Proceeds from sale of plant | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 179,658 | 0 | 179,658 |
| Revaluation (loss) / reversals transferred to profit or loss | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Impairment (losses) / reversals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Depreciation (expense) | 0 | 0 | (260,878) | (11,784) | (140,511) | (413,173) | (413,173) | (20,783) | (458,647) | 0 | (892,603) |
| Transfers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Balance at 30 June 2021 | 11,132,000 | 11,132,000 | 14,567,386 | 472,297 | 6,544,322 | 21,584,005 | 32,716,005 | 439,698 | 3,764,218 | 0 | 36,919,921 |
| Comprises: | | | | | | | | | | | |
| Gross balance amount at 30 June 2021 | 11,132,000 | 11,132,000 | 17,214,251 | 540,970 | 7,862,155 | 25,617,376 | 36,749,376 | 460,481 | 4,222,865 | 53,480 | 41,486,202 |
| Accumulated depreciation at 30 June 2021 | 0 | 0 | (2,646,865) | (68,673) | (1,317,833) | (4,033,371) | (4,033,371) | (20,783) | (458,647) | (53,480) | (4,566,281) |
| Accumulated impairment loss at 30 June 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Balance at 30 June 2021 | 11,132,000 | 11,132,000 | 14,567,386 | 472,297 | 6,544,322 | 21,584,005 | 32,716,005 | 439,698 | 3,764,218 | 0 | 36,919,921 |

SHIRE OF TOODYAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021
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 - freehold land | Level 2/3 | Market approach using observable open market values of similar assets, adjusted for condition and comparability, at their highest and best use | Inderpendant registered Valuer & Management Valuation | June 2017 | Observable or estimated open market value/price per hectare |
| Buildings - specialised | Level 3 | Cost approach using depreciation replacement cost | Inderpendant registered Valuer & Management Valuation | June 2017 | Utilising both observable and unobservable inputs being construction costs based on recent contract prices, current condition (Level 2 inputs), residual values and remaining useful life assessments (Level 3 Inputs) |
| Buildings - non-specialised | Level 2/3 | Market approach using observable open market values of similar assets, adjusted for condition and comparability, at their highest and best use | Inderpendant registered Valuer & Management Valuation | June 2017 | Utilising both observable and unobservable inputs being construction costs based on recent contract prices, current condition (Level 2 inputs), residual values and remaining useful life assessments (Level 3 Inputs) |
| Building - heritage | Level 3 | Coast approach using depreciation replacement cost | Inderpendant registered Valuer & Management Valuation | June 2017 | Takes into consideration the materials required in order to replicate where possible the original construction specifications uncluding allowances for specialised trades and professionals |
| (ii) Cost | | | | | |
| Furniture and equipment | Level 3 | A mix of adjusted market cost and approaches | Management Valuations | June 2020 | Utilising both observable and unobservable inputs being construction costs based on recent contract prices, current condition (Level 2 inputs), residual values and remaining useful life assessments (Level 3 Inputs) |
| Plant and equipment | Level 2 | Market approach using recent observable data for similar plant items | Inderpendent Registered Valuer | June 2020 | Available Market Information |
| Plant and equipment | Level 3 | Market approach using recent observable data for similar plant items | Inderpendant registered Valuer & Management Valuation | June 2020 | Plant associated with all DFES operations - Level 3 inputs due to disposal restrictions |
| Computer | Level 3 | Cost approach using depreciated replacement cost | Management Valuation | June 2020 | Residual Values and remaining useful life assessments |

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

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

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

Following a change to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change 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.

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

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 | Infrastructure - footpaths | Infrastructure - parks and ovals | Infrastructure - other | Infrastructure - bridges | Infrastructure - drainage | Infrastructure - work in progress | Total Infrastructure |
|--|---------------------------|-------------------------------|-------------------------------------|---------------------------|-----------------------------|------------------------------|--------------------------------------|-------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2019 | 82,244,762 | 787,848 | 1,735,120 | 1,934,206 | 26,460,634 | 3,041,526 | 0 | 116,204,096 |
| Additions | 2,469,723 | 0 | 48,546 | 180,480 | 268,984 | 0 | 11,550,567 | 14,518,300 |
| (Disposals) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation increments / (decrements) transferred to revaluation surplus | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation (loss) / reversals transferred to profit or loss | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Impairment (losses) / reversals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Depreciation (expense) | (2,403,107) | (31,324) | (79,255) | (140,745) | (654,334) | (76,699) | 0 | (3,385,464) |
| Transfers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Balance at 30 June 2020 | 82,311,378 | 756,524 | 1,704,411 | 1,973,941 | 26,075,284 | 2,964,827 | 11,550,567 | 127,336,932 |
| Comprises: | | | | | | | | 0 |
| Gross balance at 30 June 2020 | 149,578,837 | 1,879,526 | 2,496,037 | 2,891,554 | 40,760,984 | 5,292,818 | 11,550,567 | 214,450,323 |
| Accumulated depreciation at 30 June 2020 | (67,267,459) | (1,123,002) | (791,626) | (917,613) | (14,685,700) | (2,327,991) | 0 | (87,113,391) |
| Accumulated impairment loss at 30 June 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Balance at 30 June 2020 | 82,311,378 | 756,524 | 1,704,411 | 1,973,941 | 26,075,284 | 2,964,827 | 11,550,567 | 127,336,932 |
| Change in accounting policy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Restated balance at 1 July 2020 | 82,311,378 | 756,524 | 1,704,411 | 1,973,941 | 26,075,284 | 2,964,827 | 11,550,567 | 127,336,932 |
| Additions | 1,392,360 | 94,092 | | 9,763,498 | 488,370 | | (10,303,540) | 1,434,780 |
| (Disposals) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation increments / (decrements) transferred to revaluation surplus | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Proceeds from sale of plant | 0 | 0 | 0 | (179,658) | 0 | 0 | 0 | (179,658) |
| Revaluation (loss) / reversals transferred to profit or loss | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Impairment (losses) / reversals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Depreciation (expense) | (2,303,989) | (31,324) | (79,255) | (302,014) | (658,449) | (76,699) | 0 | (3,451,730) |
| Transfers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Balance at 30 June 2021 | 81,399,749 | 819,292 | 1,625,156 | 11,255,767 | 25,905,205 | 2,888,128 | 1,247,027 | 125,140,324 |
| Comprises: | | | | | | | | |
| Gross balance at 30 June 2021 | 150,971,196 | 1,973,618 | 2,496,037 | 12,475,394 | 41,249,354 | 5,292,818 | 1,247,027 | 215,705,444 |
| Accumulated depreciation at 30 June 2021 | (69,571,447) | (1,154,326) | (870,881) | (1,219,627) | (15,344,149) | (2,404,690) | 0 | (90,565,120) |
| Balance at 30 June 2021 | 81,399,749 | 819,292 | 1,625,156 | 11,255,767 | 25,905,205 | 2,888,128 | 1,247,027 | 125,140,324 |

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

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 | Level 3 | Cost approach using depreciation replacement cost | Management Valuation | June 2018 | Construction cost and current condition (Level 2), residual value and remaining useful life assessments (Level 3) inputs. |
| Infrastructure - footpaths | Level 3 | Cost approach using depreciation replacement cost | Management Valuation | June 2018 | Construction cost and current condition (Level 2), residual value and remaining useful life assessments (Level 3) inputs. |
| Infrastructure - parks and ovals | Level 3 | Cost approach using depreciation replacement cost | Management Valuation | June 2018 | Construction cost and current condition (Level 2), residual value and remaining useful life assessments (Level 3) inputs. |
| Infrastructure - other | Level 3 | Cost approach using depreciation replacement cost | Management Valuation | June 2018 | Construction cost and current condition (Level 2), residual value and remaining useful life assessments (Level 3) inputs. |
| Infrastructure - bridges | Level 3 | Cost approach using depreciation replacement cost | Management Valuation | June 2018 | Construction cost and current condition (Level 2), residual value and remaining useful life assessments (Level 3) inputs. |
| Infrastructure - drainage | Level 3 | Cost approach using depreciation replacement cost | Management Valuation | June 2018 | Construction cost and current condition (Level 2), residual value and remaining useful life assessments (Level 3) inputs. |

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

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

11. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

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

Revaluation

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

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY
Revaluation (Continued)

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).

SHIRE OF TOODYAY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

11. FIXED ASSETS

(a) Disposals of Assets

| | 2021 Actual Net Book Value | 2021 Actual Sale Proceeds | 2021 Actual Profit | 2021 Actual Loss | 2021 Budget Net Book Value | 2021 Budget Sale Proceeds | 2021 Budget Profit | 2021 Budget Loss | 2020 Actual Net Book Value | 2020 Actual Sale Proceeds | 2020 Actual Profit | 2020 Actual Loss |
|---------------------|-------------------------------------|------------------------------------|--------------------------|------------------------|-------------------------------------|------------------------------------|--------------------------|------------------------|-------------------------------------|------------------------------------|--------------------------|------------------------|
| Plant and equipment | \$179,431 | \$179,658 | \$0 | \$227 | \$95,450 | \$159,000 | \$63,550 | \$0 | \$115,458 | \$29,545 | \$1,988 | \$(87,901) |
| | 179,431 | 179,658 | 0 | 227 | 95,450 | 159,000 | 63,550 | 0 | 115,458 | 29,545 | 1,988 | (87,901) |

The following assets were disposed of during the year.

| | 2021 Actual Net Book Value | 2021 Actual Sale Proceeds | 2021 Actual Profit | 2021 Actual Loss |
|--|-------------------------------------|------------------------------------|--------------------------|------------------------|
| Plant and Equipment | \$ | \$ | \$ | \$ |
| Governance | | | | |
| Asset 336-2015 FORD RANGER WILDTRAK (CEO)-MV158 | 30,431 | 36,465 | 6,034 | 0 |
| Law, order, public safety | | | | |
| Asset 341-2018 MITSUBISHI TRITON CREW CAB UTE-MV16 | 21,506 | 19,647 | 0 | (1,859) |
| Transport | | | | |
| Asset 375-DYNAPAC VIBRATING ROLLER-PL024 | 39,872 | 30,815 | 0 | (9,057) |
| Other property and services | | | | |
| Asset 338-Subaru Forester - MV 161- MY18 | 21,890 | 15,546 | 0 | (6,344) |
| Asset 378-JCB Wheel Loader 436ZX Loader PC6764-PL046 | 65,732 | 77,185 | 11,453 | 0 |
| | 179,431 | 179,658 | 17,487 | (17,260) |
| | 179,431 | 179,658 | 17,487 | (17,260) |

11. FIXED ASSETS

(b) Depreciation

| | 2021 Actual | 2021 Budget | 2020 Actual |
|---|----------------|----------------|----------------|
| | \$ | \$ | \$ |
| Buildings - non-specialised | 260,878 | 144,371 | 174,545 |
| Buildings - specialised | 11,784 | 8,552 | 10,271 |
| Furniture and equipment | 20,783 | 72,392 | 86,919 |
| Plant and equipment | 458,647 | 499,790 | 520,780 |
| Building - heritage | 140,511 | 90,801 | 109,544 |
| Computer | 0 | 11,135 | 13,371 |
| Infrastructure - roads | 2,303,989 | 1,885,329 | 2,403,107 |
| Infrastructure - footpaths | 31,324 | 26,089 | 31,324 |
| Infrastructure - parks and ovals | 79,255 | 66,010 | 79,255 |
| Infrastructure - other | 302,014 | 116,118 | 140,745 |
| Infrastructure - bridges | 658,449 | 544,673 | 654,334 |
| Infrastructure - drainage | 76,699 | 63,881 | 76,699 |
| Right-of-use assets - plant and equipment | 198,279 | 0 | 116,376 |
| | 4,542,612 | 3,529,141 | 4,417,270 |

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

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

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

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

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

Depreciation rates

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

| Asset Class | Useful life |
|--|-----------------|
| Buildings | 30 to 100 years |
| Furniture and equipment | 4 to 10 years |
| Plant and equipment | 5 to 15 years |
| Sealed roads and streets formation pavement seal | not depreciated |
| - bituminous seals | 50 - 150 years |
| - asphalt surfaces | 20 years |
| Gravel roads formation pavement | 25 - 50years |
| Footpaths - slab | not depreciated |
| Sewerage piping | 20 - 50 years |
| Water supply piping and drainage systems | 20 years |
| Bridges | 100 years |
| | 75 years |
| | 20 - 60 years |

Depreciation on revaluation

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

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

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

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the note above.

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 - | |
|---|-----------------------|---------------------------|
| | plant and equipment | Right-of-use assets Total |
| | \$ | |
| Balance at 1 July 2019 | 549,508 | 549,508 |
| Depreciation (expense) | (116,376) | (116,376) |
| Balance at 30 June 2020 | 433,132 | 433,132 |
| Additions | 235,970 | 235,970 |
| Depreciation (expense) | (198,279) | (198,278) |
| Balance at 30 June 2021 | 470,823 | 470,824 |
| 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 |
| | \$ | \$ |
| Interest expense on lease liabilities | (9,905) | (7,113) |
| Short-term lease payments recognised as expense | (198,065) | (116,376) |
| Total amount recognised in the statement of comprehensive income | (207,970) | (123,489) |
| Total cash outflow from leases | 207,970 | 123,490 |

The Shire of Toodyay has leases relating to plant and equipment. The lease term for all leases is 4 years. All the leases have variable lease repayments. The measurement of lease liabilities does not include any future cash outflows associated with leases not yet commenced to which the Shire of Toodyay is committed.

The Shire of Toodyay has not revalued the right of use assets relating to leased plant and equipment as the difference between the fair value and carrying amount is immaterial.

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 | 2021 Closing | 2020 Opening | 2020 Revaluation | Total Movement on | 2020 Closing |
|--|-----------------|-----------------|-----------------|---------------------|----------------------|-----------------|
| | Balance | Balance | Balance | Increment | Revaluation | Balance |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Revaluation surplus - Land - freehold land | 6,622,729 | 6,622,729 | 6,622,729 | 0 | 0 | 6,622,729 |
| Revaluation surplus - Buildings - specialised | 8,614,705 | 8,614,705 | 8,614,705 | 0 | 0 | 8,614,705 |
| Revaluation surplus - Furniture and equipment | 639,238 | 639,238 | 630,872 | 8,366 | 8,366 | 639,238 |
| Revaluation surplus - Plant and equipment | 1,159,031 | 1,159,031 | 714,412 | 444,619 | 444,619 | 1,159,031 |
| Revaluation surplus - Infrastructure - roads | 36,616,377 | 36,616,377 | 36,616,377 | 0 | 0 | 36,616,377 |
| Revaluation surplus - Infrastructure - footpaths | 629,537 | 629,537 | 629,537 | 0 | 0 | 629,537 |
| Revaluation surplus - Infrastructure - other | 833,275 | 833,275 | 833,275 | 0 | 0 | 833,275 |
| Revaluation surplus - Infrastructure - bridges | 29,653,922 | 29,653,922 | 29,653,922 | 0 | 0 | 29,653,922 |
| Revaluation surplus - Infrastructure - drainage | 2,564,424 | 2,564,424 | 2,564,424 | 0 | 0 | 2,564,424 |
| | 87,333,238 | 87,333,238 | 86,880,253 | 452,985 | 452,985 | 87,333,238 |

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

| | 2021 | 2020 |
|-------------------------------------|-----------|-----------|
| | \$ | \$ |
| Sundry creditors | 717,765 | 33,721 |
| Prepaid rates | 173,524 | 167,811 |
| Accrued salaries and wages | 61,612 | 59,733 |
| GST Payables | 71,373 | 0 |
| ATO liabilities | 96,869 | 62,803 |
| Bonds and deposits held | 34,754 | 95,215 |
| Accrued interest | 6,946 | 14,561 |
| Debtors Prepayments | 177,976 | 0 |
| Levies Received on Behalf of Others | (272,482) | 0 |
| Accrued expenses | 572,069 | 1,188,522 |
| | 1,640,406 | 1,622,366 |

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

Prepaid rates

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

15. OTHER LIABILITIES

Current

Contract liabilities
Levies Received on Behalf of Others

| 2021 | 2020 |
|---------|---------|
| \$ | \$ |
| 471,593 | 359,495 |
| 0 | 0 |
| 471,593 | 359,495 |
| 471,593 | 359,495 |

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

| Contract liabilities | Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity |
|----------------------|---|
| \$ | \$ |
| 471,593 | 0 |
| 471,593 | 0 |

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

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

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

SHIRE OF TOODYAY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

16. LEASE LIABILITIES

| (a) Lease Liabilities | Restated | |
|-----------------------|----------|---------|
| | 2021 | 2020 |
| | \$ | \$ |
| Current | 193,498 | 145,575 |
| Non-current | 261,424 | 293,478 |
| | 454,922 | 439,053 |

(b) Movements in Carrying Amounts

| | | | | | Actual | 30 June 2021 | 30 June 2021 | 30 June 2021 | 30 June 2021 | | 30 June 2021 | 30 June 2021 | 30 June 2021 | 30 June 2021 | 30 June 2021 | Actual | 30 June 2020 | 30 June 2020 | 30 June 2020 | 30 June 2020 |
|-----------------------------------|--------|--------------------------------|---------------|---------------|-----------------|--------------|-----------------|-----------------|----------------|-------------|--------------|--------------|--------------|--------------|--------------|-----------------|--------------|--------------|--------------|--------------|
| | Lease | | Lease | | Lease Principal | Actual | Lease Principal | Lease Principal | Lease Interest | Budget | Budget | Budget | Budget | Budget | Budget | Lease Principal | Actual | Actual | Actual | Actual |
| Purpose | Number | Institution | Interest Rate | Lease Term | 1 July 2020 | New Leases | Repayments | Outstanding | Repayments | 1 July 2020 | New Leases | Repayments | Outstanding | Repayments | 1 July 2019 | New Leases | Repayments | Outstanding | Repayments | |
| | | | | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| Other property and services | | | | | | | | | | | | | | | | | | | | |
| | 1 | ESRI-Australia | 1.70% | December 2022 | 65,113 | | 28,220 | 36,893 | 895 | | | | 0 | | 81,796 | 0 | 16,683 | 65,113 | 696 | |
| Komatsu Grader | 5 | Grader Komatsu | 2.10% | February 2023 | 131,601 | | 51,782 | 79,819 | 2,311 | 131,016 | 0 | 0 | 131,016 | 0 | 184,472 | 0 | 52,871 | 131,601 | 3,362 | |
| Iveco Truck | 3 | Iveco Truck | 2.10% | June 2023 | 91,525 | | 33,889 | 57,636 | 1,628 | 95,840 | 0 | 0 | 95,840 | 0 | 126,127 | 0 | 34,602 | 91,525 | 2,313 | |
| Gear Select Drum Roller | 2 | Gear Select Drum Roller | 1.50% | June 2025 | 116,764 | | 24,852 | 91,912 | 1,581 | | | | 0 | | 118,852 | | 2,088 | 116,764 | 15 | |
| Front Wheel Loader | 4 | Front Wheel Loader Komatsu | 1.50% | July 2025 | 0 | 235,970 | 49,404 | 186,566 | 2,966 | | | | 0 | | 0 | | 0 | 0 | 0 | |
| ALLLeasing CI | 6 | Fuji Xeror Photocopier | 2.10% | March 2022 | 7,820 | | 4,969 | 2,851 | 119 | | | | 0 | | 12,894 | | 5,074 | 7,820 | 222 | |
| Fuji Xerox Australia Pty Ltd - CI | 7 | Solar Proposal Toodyay-Library | 2.20% | October 2024 | 20,309 | | 4,949 | 15,360 | 405 | | | | 0 | | 25,367 | | 5,058 | 20,309 | 506 | |
| | | | | | 433,132 | 235,970 | 198,065 | 471,037 | 9,905 | 226,856 | 0 | 0 | 226,856 | 0 | 549,508 | 0 | 116,376 | 433,132 | 7,114 | |

SHIRE OF TOODYAY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

17. INFORMATION ON BORROWINGS

| | | |
|----------------|-----------|-----------|
| (a) Borrowings | 2021 | 2020 |
| | \$ | \$ |
| | 306,788 | 4,687,594 |
| | 5,590,670 | 1,397,458 |
| | 5,897,458 | 6,085,052 |

(b) Repayments - Borrowings

| Particulars | Loan Number | Institution | Interest Rate | Actual | 30 June 2021 | 30 June 2021 | 30 June 2021 | 30 June 2021 | 30 June 2021 | 30 June 2021 | 30 June 2021 | 30 June 2021 | 30 June 2021 | 30 June 2021 | 30 June 2020 | 30 June 2020 | 30 June 2020 | 30 June 2020 | |
|----------------------------------|-------------|-------------|---------------|-------------|--------------|----------------------|---------------------|-----------------------|--------------|--------------|----------------------|---------------------|-----------------------|--------------|--------------|----------------------|---------------------|-----------------------|--------|
| | | | | Principal | Actual | Actual | Actual | Actual | Budget | Budget | Budget | Budget | Budget | Actual | Actual | Actual | Actual | Actual | Actual |
| | | | | 1 July 2020 | New Loans | Principal repayments | Interest repayments | Principal outstanding | Principal | New Loans | Principal repayments | Interest repayments | Principal outstanding | 1 July 2019 | New Loans | Principal repayments | Interest repayments | Principal outstanding | |
| | | | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | | |
| Recreation and culture | | | | | | | | | | | | | | | | | | | |
| Loan 65 - Community Centre | 65 | WATC | 6.92% | 13,016 | | (13,016) | (670) | 0 | 13,016 | 0 | (13,016) | (722) | 0 | 30,954 | 0 | (17,938) | (2,760) | 13,016 | |
| Loan 67 - Library Upgrade | 67 | WATC | 6.60% | 183,751 | | (41,565) | (11,453) | 142,186 | 183,751 | 0 | (41,565) | (14,073) | 142,186 | 222,702 | 0 | (38,951) | (15,743) | 183,751 | |
| Loan 69- Library Upgrade | 69 | WATC | 6.26% | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 35,079 | 0 | (35,079) | (1,807) | 0 | |
| Loan 72 - Land - Rec Precinct | 72 | WATC | 4.45% | 744,371 | | (43,380) | (33,647) | 700,991 | 744,371 | 0 | (43,380) | (35,158) | 700,991 | 785,883 | 0 | (41,512) | (39,629) | 744,371 | |
| Loan 73 - Refurbish Courts | 73 | WATC | 3.18% | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10,188 | 0 | (10,188) | (142) | 0 | |
| Loan 75 Recreation Precinct | 75 | WATC | | 4,500,000 | | (4,500,000) | (34,116) | 0 | 4,500,000 | 0 | (156,572) | (174,793) | 4,343,428 | 0 | 4,500,000 | 0 | (8,812) | 4,500,000 | |
| Loan 75B Recreation Precinct | 75B | WATC | | | | 0 | 0 | 4,500,000 | | | | | 0 | 0 | | | | 0 | |
| Transport | | | | | | | | | | | | | | | | | | | |
| Loan 70 - Newcastle Footbridge | 70 | WATC | 5.66% | 15,889 | | (15,889) | (566) | 0 | 15,889 | 0 | (15,889) | (623) | 0 | 30,910 | 0 | (15,021) | (1,690) | 15,889 | |
| Loan 71 - Depot - Stage 2 | 71 | WATC | 4.52% | 590,337 | | (36,056) | (26,715) | 554,281 | 590,337 | 0 | (36,056) | (28,282) | 554,281 | 624,817 | 0 | (34,480) | (32,047) | 590,337 | |
| Economic services | | | | | | | | | | | | | | | | | | | |
| Loan 64 - Visitors Center | 64 | WATC | 6.54% | 19,944 | | (19,944) | (984) | 0 | 19,944 | 0 | (19,944) | (1,046) | 0 | 38,628 | 0 | (18,684) | (2,300) | 19,944 | |
| Other property and services | | | | | | | | | | | | | | | | | | | |
| Loan 63 - Bendigo Bank | 63 | WATC | 6.28% | 17,744 | | (17,744) | (826) | 0 | 17,744 | 0 | (17,744) | (1,010) | 0 | 34,423 | 0 | (16,679) | (1,655) | 17,744 | |
| Loan 74 - Refurbish Bendigo Bank | 74 | WATC | 3.18% | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10,317 | 0 | (10,317) | (143) | 0 | |
| | | | | 6,085,052 | 0 | (4,687,594) | (108,977) | 5,897,458 | 6,085,052 | 0 | (344,166) | (255,707) | 5,740,886 | 1,823,901 | 4,500,000 | (238,849) | (106,728) | 6,085,052 | |
| | | | | 6,085,052 | 0 | (4,687,594) | (108,977) | 5,897,458 | 6,085,052 | 0 | (344,166) | (255,707) | 5,740,886 | 1,823,901 | 4,500,000 | (238,849) | (106,728) | 6,085,052 | |

* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 5 as other financial assets at amortised cost.

All other loan repayments were financed by general purpose revenue.

Loan 75B replaced loan 75 - relates to changing the loan for the Recreation Centre from a short term loan to a 20 year loan

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

17. INFORMATION ON BORROWINGS (Continued)

| Particulars/Purpose | Loan | Term | Interest % | 2021 \$ | 2021 \$ | 2021 \$ | 2021 \$ | Interest & \$ | Balance \$ |
|---|-----------|-----------|------------|---------|---------|---------|---------|---------------|------------|
| | 2021 | 2020 | | | | | | | |
| (c) Undrawn Borrowing Facilities | \$ | \$ | | | | | | | |
| Credit Standby Arrangements | | | | | | | | | |
| Bank overdraft limit | 700,000 | 700,000 | | | | | | | |
| Bank overdraft at balance date | 0 | 0 | | | | | | | |
| Credit card limit | 32,000 | 32,000 | | | | | | | |
| Credit card balance at balance date | | (2,392) | | | | | | | |
| Total amount of credit unused | 732,000 | 729,608 | | | | | | | |
| Loan facilities | | | | | | | | | |
| Loan facilities - current | 306,788 | 4,687,594 | | | | | | | |
| Loan facilities - non-current | 5,590,670 | 1,397,458 | | | | | | | |
| Lease liabilities - current | 193,498 | 145,575 | | | | | | | |
| Lease liabilities - non-current | 261,424 | 293,478 | | | | | | | |
| Total facilities in use at balance date | 6,352,380 | 6,524,105 | | | | | | | |
| Unused loan facilities at balance date | NIL | NIL | | | | | | | |

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 26.

18. EMPLOYEE RELATED PROVISIONS

| (a) Employee Related Provisions | Provision for Annual | Provision for Long Service | Total |
|--|----------------------|----------------------------|---------|
| | Leave | Leave | |
| | \$ | \$ | \$ |
| Opening balance at 1 July 2020 | | | |
| Current provisions | 317,595 | 280,536 | 598,131 |
| Non-current provisions | 0 | 125,336 | 125,336 |
| | 317,595 | 405,872 | 723,467 |
| Additional provision | (2,818) | 29,290 | 26,472 |
| Balance at 30 June 2021 | 314,777 | 435,162 | 749,939 |
| Comprises | | | |
| Current | 314,777 | 330,005 | 644,782 |
| Non-current | 0 | 105,157 | 105,157 |
| | 314,777 | 435,162 | 749,939 |
| Amounts are expected to be settled on the following basis: | 2021 | 2020 | |
| | \$ | \$ | |
| Less than 12 months after the reporting date | 314,776 | 317,595 | |
| More than 12 months from reporting date | 362,363 | 397,379 | |
| Expected reimbursements from other WA local governments | 72,800 | 8,493 | |
| | 749,939 | 723,467 | |

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

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

Other long-term employee benefits (Continued)

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

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

Provisions

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

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

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 \$ | Restated 2020 Actual \$ |
|--|----------------------|----------------------|----------------------------------|
| Cash and cash equivalents | 3,045,373 | 1,917,179 | 1,308,070 |
| Reconciliation of Net Cash Provided By Operating Activities to Net Result | | | |
| Net result | 1,767,750 | 3,825,010 | 4,327,414 |
| Non-cash flows in Net result: | | | |
| Adjustments to fair value of financial assets at fair value through profit and loss | (1,939) | 0 | (7,016) |
| Depreciation on non-current assets | 4,542,612 | 3,529,141 | 4,417,270 |
| (Profit)/loss on sale of asset | (227) | (63,550) | 85,913 |
| Changes in assets and liabilities: | | | |
| (Increase)/decrease in receivables | (187,530) | 0 | (127,209) |
| (Increase)/decrease in other assets | (1,651) | 0 | 172 |
| (Increase)/decrease in inventories | 10,403 | 0 | (7,668) |
| Increase/(decrease) in payables | 290,522 | 0 | 727,747 |
| Increase/(decrease) in employee provisions | 26,472 | 0 | (48,080) |
| Increase/(decrease) in Contract liabilities | 112,098 | (393,120) | (158,164) |
| Non-operating grants, subsidies and contributions | (5,180,205) | (6,345,520) | (6,981,868) |
| Net cash from operating activities | 1,378,305 | 551,961 | 2,228,511 |

20. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

| | 2021 | Restated 2020 |
|-----------------------------|-------------|------------------|
| | \$ | \$ |
| Governance | 12,533,808 | 818,474 |
| General purpose funding | 0 | 10,744,183 |
| Law, order, public safety | 3,719,939 | 4,273,446 |
| Health | 1,212,004 | 1,242,988 |
| Housing | 866,037 | 1,050,260 |
| Community amenities | 288,441 | 397,468 |
| Recreation and culture | 24,263,426 | 9,694,821 |
| Transport | 114,659,895 | 112,623,997 |
| Economic services | 811,470 | 1,319,537 |
| Other property and services | 3,000,237 | 2,544,648 |
| Unallocated | 6,043,255 | 20,532,488 |
| | 167,398,512 | 165,242,310 |

21. CAPITAL COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

| | | |
|--------------------------------|---|-----------|
| - capital expenditure projects | 0 | 4,652,346 |
| - plant & equipment purchases | 0 | 0 |
| | 0 | 4,652,346 |
| Payable: | | |
| - not later than one year | 0 | 4,652,346 |

The Shire does not have any capital commitments as at 30 June 2021

22. ELECTED MEMBERS REMUNERATION

| | 2021 Actual \$ | 2021 Budget \$ | 2020 Actual \$ |
|--|----------------------|----------------------|----------------------|
| Elected member [Rosemary Madacsi] | | | |
| President's annual allowance | 22,220 | 15,205 | 18,479 |
| Meeting attendance fees | 15,205 | 22,174 | 12,671 |
| ICT expenses | 400 | 400 | 400 |
| | 37,825 | 37,779 | 31,550 |
| Elected member [Beth Ruthven] | | | |
| Deputy President's annual allowance | 12,275 | 12,275 | 9,206 |
| Meeting attendance fees | 5,544 | 5,544 | 4,158 |
| ICT expenses | 400 | 400 | 400 |
| | 18,219 | 18,219 | 13,764 |
| Elected member [Brian Rayner] | | | |
| Meeting attendance fees | 12,275 | 12,275 | 9,206 |
| ICT expenses | 400 | 400 | 400 |
| | 12,675 | 12,675 | 9,606 |
| Elected member [Michael MCKeown] | | | |
| Meeting attendance fees | 11,252 | 12,275 | 10,229 |
| ICT expenses | 366 | 400 | 366 |
| | 11,619 | 12,675 | 10,595 |
| Elected member [Benjamin Bell] | | | |
| Meeting attendance fees | 12,275 | 12,275 | 9,206 |
| ICT expenses | 400 | 400 | 400 |
| | 12,675 | 12,675 | 9,606 |
| Elected member [Susan Pearce] | | | |
| Meeting attendance fees | 12,275 | 12,275 | 10,229 |
| ICT expenses | 400 | 400 | 400 |
| | 12,675 | 12,675 | 10,629 |
| Elected member [Therese Chitty] | | | |
| Meeting attendance fees | 12,275 | 12,275 | 10,229 |
| ICT expenses | 400 | 400 | 300 |
| | 12,675 | 12,675 | 10,529 |
| Elected member [Paula Greenway] | | | |
| Meeting attendance fees | 10,229 | 12,275 | 8,184 |
| ICT expenses | 333 | 400 | 333 |
| | 10,562 | 12,675 | 8,516 |
| Elected member [Philip D Hart] | | | |
| Meeting attendance fees | 12,275 | 12,275 | 10,229 |
| ICT expenses | 400 | 400 | 400 |
| | 12,675 | 12,675 | 10,629 |
| | 141,601 | 144,723 | 115,427 |
| Fees, expenses and allowances to be paid or reimbursed to elected council members. | | | |
| President's allowance | 22,220 | 15,205 | 18,479 |
| Deputy President's allowance | 12,275 | 12,275 | 9,206 |
| Meeting attendance fees | 103,607 | 113,643 | 84,343 |
| ICT expenses | 3,499 | 3,600 | 3,399 |
| | 141,601 | 144,723 | 115,427 |

23. RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP) Compensation Disclosure

| | 2021 | 2020 |
|--|---------|---------|
| | Actual | Actual |
| The total of remuneration paid to KMP of the Shire during the year are as follows: | \$ | \$ |
| Short-term employee benefits | 660,041 | 605,323 |
| Post-employment benefits | 69,477 | 79,654 |
| Other long-term benefits | 86,603 | 51,662 |
| Termination benefits | 49,349 | 134,951 |
| | 865,470 | 871,590 |

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.

Termination benefits
These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

23. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

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

| | | |
|---|--------|---------|
| The following transactions occurred with related parties: | 2021 | 2020 |
| | Actual | Actual |
| | \$ | \$ |
| Purchase of goods and services | | 374,512 |
| Short term employee benefits -other 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.

SHIRE OF TOODYAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021
RATING INFORMATION
General Rates

RATE TYPE
Differential general rate / general rate

Gross rental valuations

| | 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 \$ |
|-----------------------|---------------|----------------------------|--|--|---|--|---|--|--|---|---|---|
| GRV Residential | 0.1294 | 555 | 7,261,388 | 939,842 | 41,802 | 9,429 | 991,073 | 928,063 | 0 | 0 | 928,063 | 897,445 |
| GRV Commercial | 0.1402 | 28 | 1,338,282 | 187,627 | (3,827) | 0 | 183,800 | 187,627 | 0 | 0 | 187,627 | 183,800 |
| GRV Industrial | 0.1244 | 19 | 418,800 | 52,279 | | 0 | 52,279 | 52,415 | 0 | 0 | 52,415 | 52,279 |
| GRV Rural | 0.1187 | 100 | 1,427,920 | 169,480 | (43) | 0 | 169,437 | 169,480 | 0 | 0 | 169,480 | 168,520 |
| GRV Rural Residential | 0.1126 | 880 | 12,858,860 | 1,447,908 | (860) | 0 | 1,447,048 | 1,444,039 | 0 | 0 | 1,444,039 | 1,442,342 |

Unimproved valuations

| | | | | | | | | | | | | |
|------------------|---------|-------|-------------|-----------|--------|-------|-----------|-----------|---|---|-----------|-----------|
| UV General | 0.01168 | 405 | 75,698,000 | 884,153 | 268 | (275) | 884,146 | 1,123,009 | 0 | 0 | 1,123,009 | 1,128,970 |
| UV Rural | 0.00897 | 184 | 161,086,000 | 1,444,781 | (573) | (192) | 1,444,016 | 1,391,424 | 0 | 0 | 1,391,424 | 1,390,016 |
| Sub-Total | | 2,171 | 260,089,250 | 5,126,070 | 36,767 | 8,962 | 5,171,799 | 5,296,057 | 0 | 0 | 5,296,057 | 5,263,372 |

Minimum payment

Gross rental valuations

| | | | | | | | | | | | | |
|-----------------------|------|-----|------------|---------|---|---|---------|---------|---|---|---------|---------|
| GRV Residential | 1351 | 238 | 8,614,747 | 321,538 | 0 | 0 | 321,538 | 303,975 | 0 | 0 | 303,975 | 303,975 |
| GRV Commercial | 1351 | 6 | 1,373,482 | 8,106 | 0 | 0 | 8,106 | 8,106 | 0 | 0 | 8,106 | 8,106 |
| GRV Industrial | 1351 | 10 | 456,840 | 13,510 | 0 | 0 | 13,510 | 13,510 | 0 | 0 | 13,510 | 13,510 |
| GRV Rural | 1351 | 43 | 1,782,608 | 58,093 | 0 | 0 | 58,093 | 58,093 | 0 | 0 | 58,093 | 58,093 |
| GRV Rural Residential | 1351 | 528 | 16,351,992 | 713,328 | 0 | 0 | 713,328 | 720,083 | 0 | 0 | 720,083 | 720,083 |

Unimproved valuations

| | | | | | | | | | | | | |
|------------------|------|-----|-------------|-----------|---|---|-----------|-----------|---|---|-----------|-----------|
| UV General | 1351 | 166 | 86,809,835 | 224,266 | 0 | 0 | 224,266 | 141,855 | 0 | 0 | 141,855 | 141,855 |
| UV Rural | 1351 | 0 | 161,497,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Total | | 991 | 276,886,504 | 1,338,841 | 0 | 0 | 1,338,841 | 1,245,622 | 0 | 0 | 1,245,622 | 1,245,622 |

Discounts/concessions (Note 24(b))

Total amount raised from general rate

| | | | | | | | | | | | | |
|-----------------|--|-------|-------------|-----------|--------|-------|-----------|-----------|---|---|-----------|-----------|
| Ex-gratia rates | | | | | | | (56,198) | | | | (222,968) | 0 |
| Prepaid rates | | | | | | | | | | | | |
| Totals | | 3,162 | 536,975,754 | 6,464,911 | 36,767 | 8,962 | 6,510,640 | 6,541,679 | 0 | 0 | 6,541,679 | 6,508,994 |
| | | | | | | | 6,454,442 | | | | 6,318,711 | 6,508,994 |
| | | | | | | | 1,528 | | | | 1,273 | 1,273 |
| | | | | | | | 5,713 | | | | 0 | 47,729 |
| | | | | | | | 6,461,683 | | | | 6,319,984 | 6,557,996 |

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.

24. 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 | 20/08/2020 | 0.00 | 0.00% | 0.00% |
| Option Two | | | | |
| First instalment | 20/08/2020 | 0.00 | 0.00% | 0.00% |
| Second instalment | 21/10/2020 | 0.00 | 0.00% | 0.00% |
| Option Three | | | | |
| First instalment | 20/08/2020 | 0.00 | 0.00% | 0.00% |
| Second instalment | 21/10/2020 | 0.00 | 0.00% | 0.00% |
| Third instalment | 22/12/2020 | 0.00 | 0.00% | 0.00% |
| Fourth instalment | 22/02/2021 | 0.00 | 0.00% | 0.00% |
| | | 2021 Actual \$ | 2021 Budget \$ | 2020 Actual \$ |
| Interest on unpaid rates | | 0 | 0 | 33,112 |
| Interest on instalment plan | | 0 | 0 | 15,680 |
| Charges on instalment plan | | 0 | 0 | 3,258 |
| | | 0 | 0 | 52,050 |

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

25. RATE SETTING STATEMENT INFORMATION

| | | 2020/21 | 2020/21 | 2020/21 | Restated |
|--|--|---------------|---------------|--------------|---------------|
| | | Budget | | | 2019/20 |
| | | (30 June 2021 | (30 June 2021 | (1 July 2020 | (30 June 2020 |
| | | Carried | Carried | Brought | Carried |
| Note | | Forward) | Forward) | Forward) | Forward |
| | | \$ | \$ | \$ | \$ |
| (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 <i>Financial Management Regulation 32</i> . | | | | | |
| Adjustments to operating activities | | | | | |
| | Less: Profit on asset disposals | 11(a) | (17,487) | (63,550) | (1,988) |
| | Less: Movement in liabilities associated with restricted cash | | 697 | 5,000 | (25,214) |
| | Less: Fair value adjustments to financial assets at fair value through profit and loss | | (1,939) | 0 | (7,016) |
| | Movement in pensioner deferred rates (non-current) | | (23,299) | (9,213) | (9,213) |
| | Movement in employee benefit provisions (non-current) | | (20,179) | 50,589 | 50,589 |
| | Add: Loss on disposal of assets | 11(a) | 17,260 | 87,901 | 87,901 |
| | Add: Depreciation on non-current assets | 11(b) | 4,542,612 | 3,529,141 | 4,417,270 |
| | Non cash amounts excluded from operating activities | | 4,497,665 | 3,470,591 | 4,512,329 |
| (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 <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates. | | | | | |
| Adjustments to net current assets | | | | | |
| | Less: Reserves - cash/financial asset backed | 4 | (1,768,312) | (1,402,092) | (1,638,663) |
| | Add: Current liabilities not expected to be cleared at end of year | | | | |
| | - Current portion of borrowings | 17(a) | 306,788 | 4,416,853 | 4,687,594 |
| | - Current portion of lease liabilities | | 339,074 | 80,444 | 145,575 |
| | - Cash Backed Leave Reserves | | 222,429 | 226,733 | 221,732 |
| | Total adjustments to net current assets | | (900,021) | 3,321,938 | 3,416,238 |
| Net current assets used in the Rate Setting Statement | | | | | |
| | Total current assets | | 4,514,467 | 3,145,050 | 4,164,408 |
| | Less: Total current liabilities | | (3,402,643) | (6,464,964) | (7,413,161) |
| | Less: Total adjustments to net current assets | | (900,021) | 3,321,938 | 3,416,238 |
| | Net current assets used in the Rate Setting Statement | | 211,803 | 2,024 | 167,485 |
| (c) Adjustments to current assets and liabilities at 1 July 2020 on application of new accounting standards | | | | | |
| | Total current assets at 30 June 2020 | | 4,451,651 | 4164408 | 4,164,408 |
| | Adjustments on application of new accounting standards | | | | 0 |
| | Total current assets at 1 July 2020 | | 4,451,651 | 4,164,408 | 4,164,408 |
| | Total current liabilities at 30 June 2020 | | (3,353,439) | (7,348,030) | (7,413,161) |
| | Adjustments on application of new accounting standards | 28 | | | 0 |
| | Total current liabilities at 1 July 2020 | | (3,353,439) | (7,348,030) | (7,413,161) |

26. FINANCIAL RISK MANAGEMENT

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

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

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

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close 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 | 0.00% | 3,045,373 | 0 | 3,045,373 | 0 |
| Financial assets at amortised cost - term deposits | 0.00% | 0 | 0 | 0 | 0 |
| 2020 | | | | | |
| Cash and cash equivalents | | 1,308,070 | 0 | 1,308,070 | |
| Financial assets at amortised cost - term de | 0.65% | 1,638,663 | 1,638,663 | 0 | 0 |

Sensitivity

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

Impact of a 1% movement in interest rates on profit and loss and equity*

* Holding all other variables constant

| 2021 | 2020 |
|--------|--------|
| \$ | \$ |
| 30,454 | 13,081 |

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).

26. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

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

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

The 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 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 | | | | | |
| Gross carrying amount | 75,820 | 25,517 | 20,659 | 81,151 | 203,147 |
| 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 | 2,872 | 171,832 | 182,734 | 511,202 | 868,640 |
| 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 | | | | | |
| Gross carrying amount | 311,127 | 2,205 | 849 | 3,838 | 318,019 |
| 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 | 42,564 | 177,164 | 4,428 | 0 | 224,157 |
| Loss allowance | 0 | 0 | 0 | 0 | 0 |

26. 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 | 1,640,406 | 0 | 0 | 1,640,406 | 1,640,406 |
| Borrowings | 306,787 | 1,491,955 | 4,098,716 | 5,897,458 | 5,897,458 |
| Contract liabilities | 471,593 | 0 | 0 | 471,593 | 471,593 |
| Lease liabilities | 258,591 | 416,042 | | 674,633 | 860,656 |
| | 2,677,377 | 1,907,997 | 4,098,716 | 8,684,090 | 8,870,113 |
| 2020 | | | | | |
| Payables | 1,622,366 | 0 | 0 | 1,622,366 | 1,622,366 |
| Borrowings | 4,794,137 | 850,869 | 937,373 | 6,582,379 | 6,085,052 |
| Contract liabilities | 359,495 | 0 | 0 | 359,495 | 359,495 |
| Lease liabilities | 145,575 | 293,478 | 0 | 439,053 | 439,053 |
| | 6,921,573 | 1,144,347 | 937,373 | 9,003,293 | 8,505,966 |

27. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

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

28. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

During the 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.

29. TRUST FUNDS

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

| | 1 July 2020 | Amounts Received | Amounts Paid | Reclassified to Restricted Cash | 30 June 2021 |
|-----------------------------|-------------|---------------------|-----------------|---------------------------------------|--------------|
| | \$ | \$ | \$ | \$ | \$ |
| Quarry Rehabilitation Bonds | 1,863,800 | 28,004 | (698,145) | 0 | 1,193,659 |
| Housing Bonds | 0 | | | | 0 |
| Kerb Deposits | 0 | | | | 0 |
| Key Bonds | 6,361 | 18,525 | (4,010) | (20,876) | 0 |
| Venue Hire Bonds | 0 | | | | 0 |
| Crossover Bonds | 0 | | | | 0 |
| BCITF | 0 | | | | 0 |
| Building Services | 0 | 38,453 | (25,225) | (13,228) | 0 |
| Library Bonds | 0 | | | | 0 |
| Standpipe Bonds | 20,710 | 68,142 | (1,750) | | 87,102 |
| Road Construction Bonds | 27,998 | 6,200 | | | 34,198 |
| Other Bonds | 3,715 | 0 | (3,065) | (650) | 0 |
| Planning Bonds | 35,040 | 213 | (25,706) | | 9,547 |
| Swimming Pool Fund | 0 | | | | 0 |
| | 1,957,624 | 159,537 | (757,901) | (34,754) | 1,324,506 |

SHIRE OF TOODYAY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

30. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

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

31. ACTIVITIES/PROGRAMS

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

| PROGRAM NAME AND OBJECTIVES | ACTIVITIES |
|--|--|
| <p>GOVERNANCE</p> <p>To provide a decision making process for the efficient allocation of scarce resources.</p> | <p>Includes the activities of members of Council and the administrative support available to the Council for the provisions of governance in the district.</p> <p>Other costs relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services.</p> |
| <p>GENERAL PURPOSE FUNDING</p> <p>To collect revenue to allow for the provisions of services.</p> | <p>Rates, general purpose Government grants and interest revenue.</p> |
| <p>LAW, ORDER, PUBLIC SAFETY</p> <p>To provide services to help ensure a safer and enviromentally conscious community.</p> | <p>Supervision and enforcement of various local laws relating to fire prvention, animal control and other aspects of public safety including emergency services.</p> |
| <p>HEALTH</p> <p>To provide an operational framework for enviromental and community health.</p> | <p>Inspection of food outlets and their control, provisions of meat inspection services, noise control and waste disposal compliance.</p> |
| <p>EDUCATION AND WELFARE</p> <p>To provide services to disadvantaged persons, the elderly, children and youth.</p> | <p>Maintenance of child minding centre, playgroup centre, senior citizen and aged care centre. Provisions and maintenance of home and community care programs and youth services.</p> |
| <p>HOUSING</p> <p>To provide and maintain elderly residents housing.</p> | <p>Provisions and maintenance of elderly residents housing.</p> |
| <p>COMMUNITY AMENITIES</p> <p>To provide services to the community.</p> | <p>Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveyinences.</p> |
| <p>RECREATION AND CULTURE</p> <p>To establish and effectively manage infrastructure and resources which will help the social being.</p> | <p>Maintenance of public hallsm civic centres, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.</p> |
| <p>TRANSPORT</p> <p>To provide safe, effective and efficient transport services to the community.</p> | <p>Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees and street lighting etc.</p> |
| <p>ECONOMIC SERVICES</p> <p>To help promote the Shire and its economic wellbeing.</p> | <p>Tourism and area promotion including the maintenance of a caravan park. Provisions of rural services including weed control, vermin control and standpipes. Building control.</p> |
| <p>OTHER PROPERTY AND SERVICES</p> <p>To monitor and control Shire overheads operating account.</p> | <p>Private works operations, plant repair, operation costs and engineering operation costs.</p> |

30 FINANCIAL RATIOS

| | 2021 Actual | 2020 Actual | 2019 Actual |
|-----------------------------------|----------------|----------------|----------------|
| Current ratio | 0.14 | 0.28 | 1.99 |
| Asset consumption ratio | 0.63 | 0.64 | 0.63 |
| Asset renewal funding ratio | 0.28 | 0.30 | 1.44 |
| Asset sustainability ratio | 1.34 | 3.73 | 0.52 |
| Debt service cover ratio | 0.26 | 5.42 | 9.84 |
| Operating surplus ratio | (0.45) | (0.33) | (0.12) |
| Own source revenue coverage ratio | 0.53 | 0.59 | 0.65 |

The above ratios are calculated as follows:

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



Auditor General

INDEPENDENT AUDITOR'S REPORT 2021 Shire of Toodyay

To the Councillors of the Shire of Toodyay,

Report on the audit of the annual financial report

Disclaimer of opinion

I was engaged to audit the annual financial report of the Shire of Toodyay (Shire) which comprises:

- the Statement of Financial Position at 30 June 2021, and the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended
- notes comprising a summary of significant accounting policies and other explanatory information.

I do not express an opinion on the accompanying financial report of the Shire.

Because of the significance of the matter described in the basis for disclaimer of opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report.

Basis for disclaimer of opinion

Financial report not supported with complete and accurate underlying records

I was unable to obtain sufficient appropriate audit evidence regarding the financial report as a whole, as the financial report was submitted for audit purposes without complete and accurate underlying records. I was unable to audit the financial report by alternative means. Consequently, I am unable to determine whether any adjustments were necessary to the financial report as a whole for the year ended 30 June 2021.

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
- 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
- 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. However, based on the matter described in the basis for disclaimer of opinion of the auditor's report, I was not able to obtain adequate and appropriate audit evidence to provide a basis for an audit opinion on the financial report.

Report on other legal and regulatory requirements

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

- (i) The following material matter(s) 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) During my audit I was not provided with sufficient appropriate audit evidence to support the completeness, accuracy, valuation and/or existence or occurrence of cash and cash equivalents, trade and other receivables, property, plant and equipment, right of use of assets, lease liabilities, trade and other payables, contract liabilities and revenue.
 - b) There were differences between the audited financial report for the year ended 30 June 2020, and the comparative information included in the financial report for the year ended 30 June 2021. This is a contravention of Australian Accounting Standard AASB 101 Presentation of Financial Statements and therefore Local Government (Financial Management) Regulation 5A. Accurate comparative information is important for the evaluation of the performance and the results of operations for the year of the Shire.
 - c) Management operated two parallel accounting systems during the year. I was not provided with sufficient appropriate evidence that reconciliations between the systems were performed and reviewed on a regular basis. There are significant differences in the closing balances between the systems as at 30 June 2021. Therefore, I am unable to conclude on the accuracy and completeness of the financial transactions included in the financial report. In the opening balance testing, I noted a significant difference of \$77,970 between the audited closing balance of retained earnings as at 30 June 2020 and the opening balance as at 1 July 2021.
 - d) Bank reconciliations were not performed between the actual bank statements and the new system. No reconciliations were performed between the general ledgers of the two systems. There is an unreconciled difference of \$62,816 between the two systems and the closing balance from the bank statements of the Municipal account as at 30 June 2021. If this important reconciliation is not duly prepared and approved, erroneous or unusual reconciling items may not be detected and investigated in a timely manner.
 - e) For approximately 23% of purchase transactions sampled, I noted several instances of non-compliance with the Shire's procurement policy. For example, purchases not supported by authorised purchase orders or purchase orders dated after the date of corresponding supplier invoice, lack of sufficient number of quotations being obtained to test the market, supplier invoices not being approved or approved by staff not authorised to do so. Also, one purchase transaction was not supported by a valid supplier invoice. These practices increase the risk of fraud or favouritism of suppliers, not obtaining value for money in procurement, and inappropriate or unnecessary purchases.
 - f) From our work on payroll testing, I noted, two employees did not have valid employment contracts and in two instances records of former employees do not contain resignation letters or termination documentation.

- g) A review in relation to the appropriateness and effectiveness of the Council's financial management systems and procedures in relation to risk management, internal controls and legislative compliance was not completed at least once every three years as required by Regulation 5 and Regulation 17 of the Local Government (Financial Management) Regulations 1996 and Local Government (Audit) Regulations 1996 respectively. The last reviews were in 2018.
- (ii) As a result of the matters described in the Basis for Disclaimer of Opinion section of my report, I am not able to report:
- a. Whether there were not any significant adverse trends in the financial position of the Shire.
 - b. That all required information and explanations were obtained by me.
 - c. That all audit procedures were satisfactorily completed.
 - d. That the Asset Consumption Ratio included in the annual financial report was supported by verifiable information and reasonable assumptions.

Other matters

The financial ratios for 2019 and 2020 in Note 30 of the financial report were audited by another auditor when performing their audit of the Shire for the years ending 30 June 2019 and 30 June 2020. The auditor expressed an unmodified opinion on the financial report for those years.

My independence and quality control relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Toodyay 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.

Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
2 June 2023

