



## **Elector's General Meeting**

16 August 2023

# **Minutes**

To: Electors and Councillors.

Here within are the Meeting Minutes of the Elector's General Meeting, held on the above-mentioned date in the Shire of Toodyay Council Chambers, 15 Fiennes Street, Toodyay WA 6566.

  
Suzie Haslehurst  
**CHIEF EXECUTIVE OFFICER**



## **Preface**

When the Chief Executive Officer approves these Minutes for distribution they are in essence "Unconfirmed" until the next Council Meeting, where the Minutes will be confirmed subject to any amendments made by Council.

The "Confirmed" Minutes are then signed off by the Presiding Person.

Attachments that formed part of the Agenda, in addition to those tabled at the Meeting are incorporated into separate attachments to these Minutes.

## **Unconfirmed Minutes**

These minutes were approved for distribution on 18 August 2023.

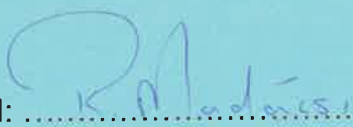


Suzie Haslehurst

**CHIEF EXECUTIVE OFFICER**

## **Confirmed Minutes**

These minutes were confirmed at an Ordinary Council Meeting held on 27 September 2023.

Signed:  .....

*Note: The Presiding Member at the meeting at which the minutes were confirmed is the person who signs above.*



## **CONTENTS**

<b>1</b>	<b>DECLARATION OF OPENING .....</b>	<b>4</b>
	<b>1.1 RECORD OF ATTENDANCE AND APOLOGIES.....</b>	<b>4</b>
<b>2</b>	<b>ANNUAL REPORT .....</b>	<b>4</b>
	<b>2.1 2020-2021 Annual Report Accepted by Council.....</b>	<b>4</b>
<b>3</b>	<b>GENERAL BUSINESS.....</b>	<b>7</b>
	<b>3.1 Questions taken on notice at the previous EGM .....</b>	<b>7</b>
<b>3</b>	<b>OTHER BUSINESS .....</b>	<b>8</b>
<b>4</b>	<b>CLOSURE OF MEETING.....</b>	<b>8</b>

## **1 DECLARATION OF OPENING**

Cr R Madacsi, Chairperson, declared the meeting open at 5.01pm.

### **1.1 RECORD OF ATTENDANCE AND APOLOGIES**

#### Members

Cr C Duri	Councillor
Cr P Hart	Councillor ( <i>via zoom</i> )
Cr R Madacsi	Shire President (Presiding)
Cr M McKeown	Councillor
Cr S Pearce	Councillor
Cr B Ruthven	Deputy Shire President

#### Staff

Ms S Haslehurst	Chief Executive Officer
Ms T Bateman	Executive Manager Corporate and Community Services ( <i>via zoom</i> )
Mr M Werder	Project Manager
Mrs M Rebane	Executive Assistant

#### Gallery

S Dival  
P Ruthven  
C Jean  
R Mills

#### Apologies

Cr S McCormick	Councillor
Cr D Wrench	Councillor

## **2 ANNUAL REPORT**

<b>2.1 2020-2021 Annual Report Accepted by Council</b>
--

### **BACKGROUND**

In accordance with s.5.27 of the *Local Government Act 1995*, a general meeting of the electors of a district is to be held once every financial year on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.

The purpose of holding a general meeting is to discuss prescribed matters in accordance with r.15 of the *Local Government (Administration) Regulations 1996* which states that “*the matters to be discussed at a general electors’ meeting are, firstly, the contents of the annual report for the previous financial year and then any other general business.*”

A general meeting has not been held since February 2021 due to the challenges in finalising the 2020/21 audit. Under usual circumstances, the legislated dates for audit completion can be comfortably achieved subject to auditors’ availability. However, as reported to the Audit

and Risk Committee and Council, there were a number of factors, most significantly, a flawed Enterprise Resource Planning (ERP) transition, that led to substantial delays in the process.

The Annual Financial Statements for the year ended 30 June 2021 were signed off by the Office of the Auditor-General on Friday, 1 June 2023. At an Ordinary Council Meeting held on 28 June 2023, Council accepted the 2020/2021 Annual Report.

This report is presented to be received.

## **COMMENTS AND DETAILS**

It is clear that elements of the transition to the new ERP (Datascope) were flawed, and errors arose potentially from a lack of focus on project management, insufficient understanding of Datascope capabilities, the staged move to Datascope and significant staff turnover. The Datascope implementation challenges are the major contributing factor for delays to what are considered ordinary financial management practices.

As a result, the auditors expressed concerns that not all values could be verified which led to the disclaimer opinion being received for the 2020/21 financial year. It is important to note that at no point were the auditors or Shire management concerned that the financials contained fraudulent transactions or activities. Whilst individual transactions could be easily identified and verified, the issues lay within the bulk journals containing aggregated balances for hundreds of transactions.

Officers have continued to work on these issues, working closely with the auditors, Datascope developers and the Department of Local Government, Sport & Cultural Industries to resolve current challenges.

To assist with this process, the Shire has engaged Moore Australia to undertake the Financial Management and Audit Regulation reviews which will provide a valuable benchmarking tool for Officers. Due to the timing and availability of the contractor, this process is expected to commence in August 2023. A full report will be brought back to the Audit and Risk Committee and Council upon completion.

## **VOTING REQUIREMENTS**

Simple Majority

### **OFFICER'S RECOMMENDATION**

That the Shire of Toodyay Annual Report for the 2020/2021 financial year, that was accepted by Council Resolution No. OCM137/06/23 on 28 June 2023, as presented, be received.

Cr Pearce moved the Officer's Recommendation.

S Dival objected to the motion, proposing an amendment that would state "*while it is accepted it is not a verified Audited financial report.*"

Clarification was sought

S Dival moved an amendment to the motion as follows:

***The words "Noting the disclaimer opinion contained in the Independent Auditor's Report" were included after the words "as presented"***

C Jean seconded the amendment to the motion.

C Jean seconded the motion.

**AMENDMENT/EGM RESOLUTION NO.EGM001/08/23**

**MOVED** Ms S Dival

**SECONDED** Ms C Jean

That the words "Noting the disclaimer opinion contained in the Independent Auditor's report" were included after the words "as presented".

Voted For: S Dival, R Mills, C Jean, P Ruthven, Crs C Duri, P Hart, R Madacsi, M McKeown, S Pearce and B Ruthven.

Voted Against: Nil

**MOTION CARRIED 10/0**

Discussion ensued.

The substantive motion was put.

**OFFICER'S RECOMMENDATION/EGM RESOLUTION NO.EGM002/08/23**

**MOVED** Cr S Pearce

**SECONDED** Ms C Jean

That the Shire of Toodyay Annual Report for the 2020/2021 financial year, that was accepted by Council Resolution No. OCM137/06/23 on 28 June 2023, as presented, noting the disclaimer opinion contained in the Independent Auditor's report be received..

Voted For: S Dival, R Mills, C Jean, P Ruthven, Crs C Duri, P Hart, R Madacsi, M McKeown, S Pearce and B Ruthven.

Voted Against: Nil

**MOTION CARRIED 10/0**

### **3 GENERAL BUSINESS**

<b>3.1 Questions taken on notice at the previous EGM</b>
--

The questions asked at the previous Electors' General Meeting that were taken on notice are as follows:

E Twine

#### **Summary of Question One**

On page 18, with respect to the roadworks in the report it says that the grant funding was \$396,249 and that there was no Council funding and total cost was exactly the same as the grant funding. Is that correct?

On the figures with the grant funding compared to the total cost and there is no council funding and usually with grants, black spot funding is two thirds/one third and regional road group funding it is 50/50. In the budget the total costs were higher than what they say in this report. I just wondered why it is like that.

*The Shire President responded as follows:*

*We will take the question on notice as we do not have the Finance Officer present.*

#### **Response**

*Some Black Spot funding can be fully funded however in this instance, the top 4 amounts are the budgeted cost of the projects however, they are two third funded by Main Roads and on third funded by the Shire of Toodyay.*

*The project budget was \$396,750 with MRWA paying \$264,500 and the Shire paying \$132,250. On page 18, the top four projects were all  $\frac{2}{3}$  --  $\frac{1}{3}$  funded, including the next two projects; Bejoording and Dreyer are correct as Roads to Recovery fully funded.*

#### **Summary of Question Two**

In the emergency services, it says there was a heap of mitigation work done and roughly I thought it was \$1.2million dollars grant funding we got. Was that fully expended or did we have to hand some back?

*The Shire President responded as follows:*

*My understanding is that some was returned but I will seek clarification on that.*

#### **Response**

Total funding allocation was \$1,092,800 and we expended \$920,100. There was an underspend of \$172,700 due to cost savings with treatments not conducted due to unfavourable weather conditions.

**3 OTHER BUSINESS**

S Dival

Summary of Question One

What was the date of the last Elector's General Meeting and what annual report and financials were being considered at that meeting?

*Response from the CEO*

*The last Elector's meeting was held on 4 February 2021 and that meeting referred to the Annual Report for the 2019 / 2020 financial year.*

Cr McKeown

Summary of Question Two

In regard to the response to Mr Twine's second question, did the Shire have to refund some money?

*Response from the CEO*

*Yes we did have to refund some money.*

Clarification was sought.

Cr McKeown

Summary of Question Three

Was the mitigation work fully funded?

*Response from the Shire President*

*Yes it was fully funded.*

S Dival

Summary of Question Four

I understand that you are not sure when Datascope will get sorted out but can we it be taken to Council that an Elector's Meeting is held as soon as practicable after those financial reports are verified so that the community is brought up to speed?

*Response from the Shire President*

*It is regulated that we do that anyway.*

Clarification was sought in regard to the financials being two years out-of-date.

*The Shire President provided an overview of the pressures the Shire is under at present and invited the community to submit any questions or concerns to the Shire.*

**4 CLOSURE OF MEETING**

There being no other business, the Shire President closed the meeting at 5.27pm.





# 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](mailto:records@toodyay.wa.gov.au)  
Website: [www.toodyay.wa.gov.au](http://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

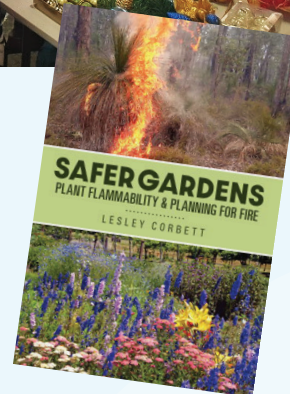
The library organised and hosted three diverse events this past financial year, all free to attend as always.

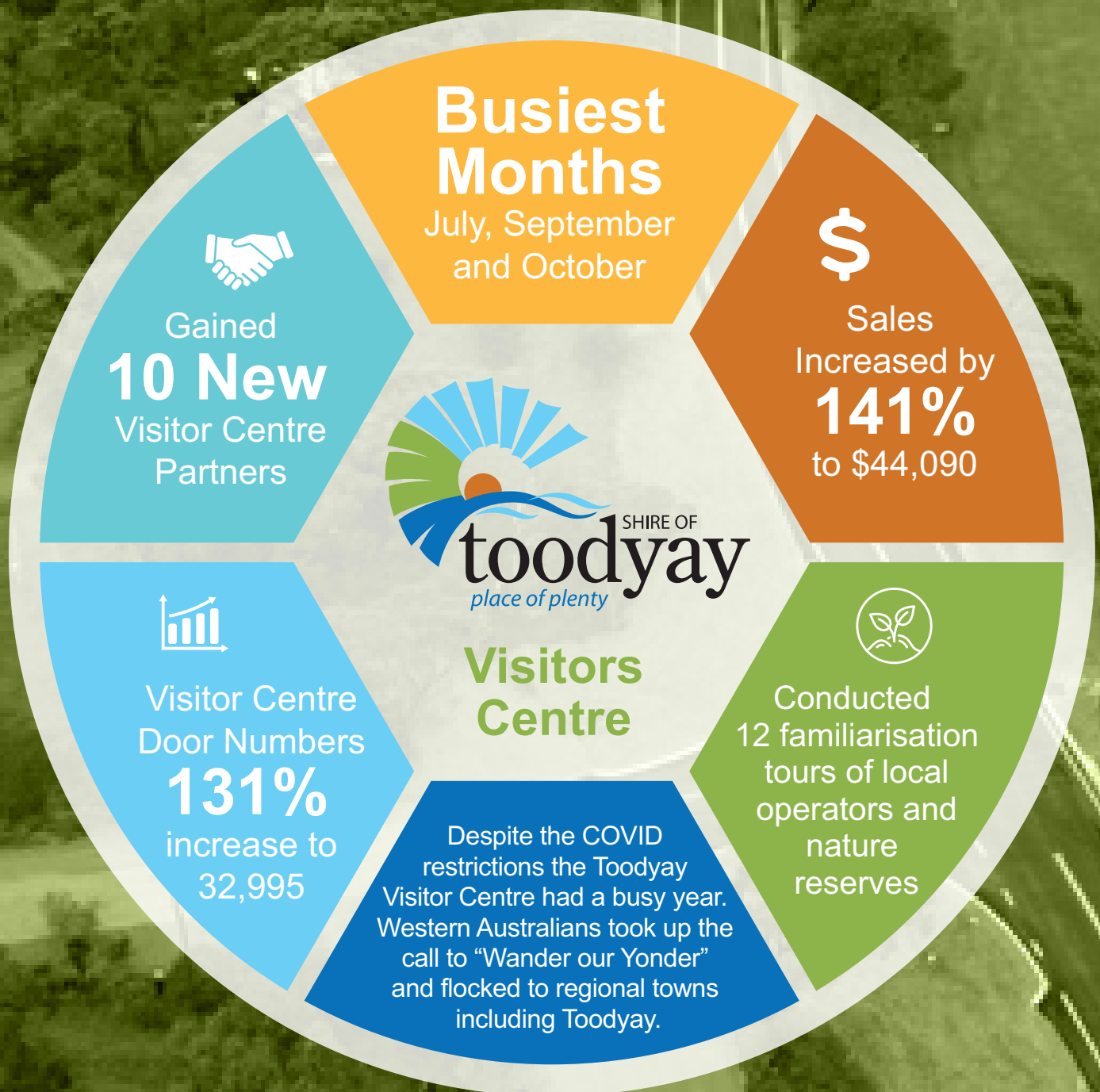
September 2020 saw professional organiser Sara Hall join us for an Ultimate Organised Home workshop, where she presented laundry-loads of tips and tricks for keeping any household's clutter under control.

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

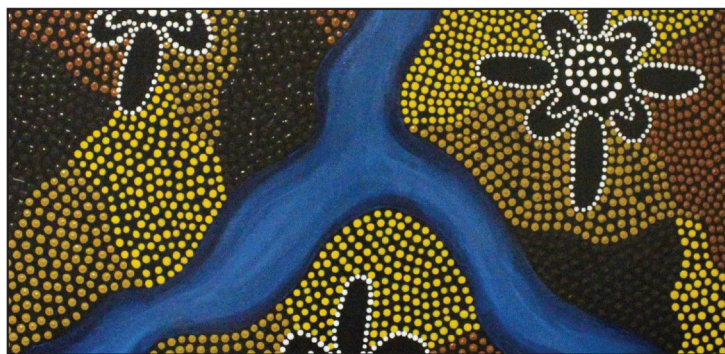
We were very pleased to launch Toodyay's first Reconciliation Action Plan on 31st May 2021.

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



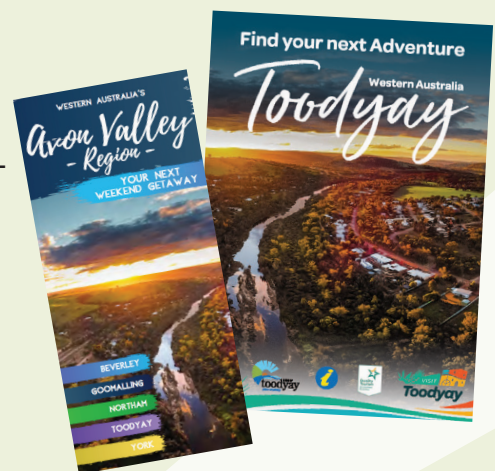
## Tourism

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

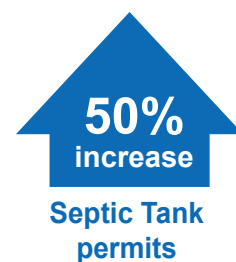
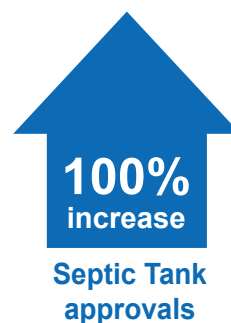
As can be expected, the COVID-19 pandemic has had a major impact on the environmental health operations within the Shire of Toodyay over the 2020/2021 financial year. In addition to normal duties, the Shire's Environmental Health Officer has been heavily involved with community safety, monitoring and 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
<b>Total</b>	<b>177</b>





## 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
<b>Totals</b>			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 \$
<b>Revenue</b>				
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
<b>Expenses</b>				
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
<b>Net result for the period</b>		<b>1,767,750</b>	<b>3,825,010</b>	<b>4,327,414</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	0	0	452,985
<b>Total other comprehensive income for the period</b>		<b>0</b>	<b>0</b>	<b>452,985</b>
<b>Total comprehensive income for the period</b>		<b>1,767,750</b>	<b>3,825,010</b>	<b>4,780,399</b>

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 \$
<b>Revenue</b>				
	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
<b>Expenses</b>				
	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)
<b>Finance Costs</b>				
	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
<b>Net result for the period</b>		<b>1,767,750</b>	<b>3,825,010</b>	<b>4,327,414</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	0	0	452,985
<b>Total other comprehensive income for the period</b>		<b>0</b>	<b>0</b>	<b>452,985</b>
<b>Total comprehensive income for the period</b>		<b>1,767,750</b>	<b>3,825,010</b>	<b>4,780,399</b>

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 \$
<b>CURRENT ASSETS</b>			
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
<b>TOTAL CURRENT ASSETS</b>		<b>4,514,467</b>	<b>4,164,408</b>
<b>NON-CURRENT ASSETS</b>			
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
<b>TOTAL NON-CURRENT ASSETS</b>		<b>162,884,045</b>	<b>161,077,902</b>
<b>TOTAL ASSETS</b>		<b>167,398,512</b>	<b>165,242,310</b>
<b>CURRENT LIABILITIES</b>			
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
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,402,643</b>	<b>7,413,161</b>
<b>NON-CURRENT LIABILITIES</b>			
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
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>6,217,409</b>	<b>1,816,272</b>
<b>TOTAL LIABILITIES</b>		<b>9,620,052</b>	<b>9,229,433</b>
<b>NET ASSETS</b>		<b>157,778,460</b>	<b>156,012,877</b>
<b>EQUITY</b>			
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
<b>TOTAL EQUITY</b>		<b>157,778,460</b>	<b>156,012,877</b>

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
		\$	\$	\$
<b>Balance as at 1 July 2019</b>		<b>60,592,835</b>	<b>3,759,390</b>	<b>86,880,253</b>
		<b>60,592,835</b>	<b>3,759,390</b>	<b>86,880,253</b>
Comprehensive income				
Net result for the period		4,327,414	0	0
Other comprehensive income	13	0	0	452,985
Total comprehensive income		4,327,414	0	452,985
Transfers from reserves	4	2,326,615	(2,326,615)	0
Transfers to reserves	4	(205,888)	205,888	0
<b>Balance as at 30 June 2020</b>		<b>67,040,976</b>	<b>1,638,663</b>	<b>87,333,238</b>
		<b>67,040,976</b>	<b>1,638,663</b>	<b>87,333,238</b>
Comprehensive income				
Net result for the period		1,767,750	0	0
Other comprehensive income	13	0	0	0
Total comprehensive income		1,767,750	0	0
Transfers from reserves	4	0	0	0
Transfers to reserves	4	(129,649)	129,649	0
<b>Balance as at 30 June 2021</b>		<b>68,676,910</b>	<b>1,768,312</b>	<b>87,333,238</b>
		<b>68,676,910</b>	<b>1,768,312</b>	<b>87,333,238</b>

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 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
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
<b>Payments</b>				
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)
<b>Net cash provided by (used in) operating activities</b>	19	814,509	551,961	2,220,451
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
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
<b>Net cash provided by (used in) investment activities</b>		(905,402)	(1,142,130)	(7,387,907)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
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
<b>Net cash provided by (used in) financing activities</b>		(149,689)	(344,166)	4,184,016
<b>Net increase (decrease) in cash held</b>		(240,582)	(934,335)	(983,440)
Cash at beginning of year		1,308,070	2,851,514	2,291,510
<b>Cash and cash equivalents at the end of the year</b>	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 \$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at start of financial year - surplus/(deficit)</b>	25 (b)	167,485	301,670	1,521,561
		167,485	301,670	1,521,561
<b>Revenue from operating activities (excluding rates)</b>				
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
<b>Expenditure from operating activities</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)	(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
<b>Amount attributable to operating activities</b>		(5,065,605)	(5,068,233)	(3,137,618)
<b>INVESTING ACTIVITIES</b>				
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)
<b>Amount attributable to investing activities</b>		(907,341)	(1,142,130)	(9,508,634)
<b>FINANCING ACTIVITIES</b>				
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
<b>Amount attributable to financing activities</b>		(279,338)	(107,596)	6,304,743
<b>Surplus/(deficit) before imposition of general rates</b>		(6,252,284)	(6,317,959)	(6,341,509)
<b>Total amount raised from general rates</b>	24(a)	6,454,442	6,319,984	6,508,994
<b>Surplus/(deficit) after imposition of general rates</b>	25(b)	<b>202,158</b>	<b>2,025</b>	<b>167,485</b>

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 \$
<b>Operating grants, subsidies and contributions</b>			
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
<b>Non-operating grants, subsidies and contributions</b>			
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
<b>Total grants, subsidies and contributions</b>	7,649,555	8,008,426	9,861,840
<b>Fees and charges</b>			
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)**

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

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

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Operating grants, subsidies and contributions	2,469,350	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
<b>Total cash and cash equivalents</b>	<b>3,045,373</b>	<b>1,308,070</b>
<b>Restrictions</b>		
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
	<b>2,274,659</b>	<b>2,093,373</b>

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
<b>Total restricted assets</b>		<b>2,274,659</b>	<b>2,093,373</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

**Restricted assets**

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

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 \$
<b>Balance at 1 July 2019</b>	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
<b>Balance at 30 June 2020</b>	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
<b>Comprises:</b>											
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
<b>Balance at 30 June 2020</b>	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
<b>Restated balance at 1 July 2020</b>	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
<b>Balance at 30 June 2021</b>	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
<b>Comprises:</b>											
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
<b>Balance at 30 June 2021</b>	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
<b>(i) Fair Value</b>					
<b>Land and buildings</b>					
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
<b>(ii) Cost</b>					
<b>Furniture and equipment</b>	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)
<b>Plant and equipment</b>	Level 2	Market approach using recent observable data for similar plant items	Inderpendent Registered Valuer	June 2020	Available Market Information
<b>Plant and equipment</b>	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
<b>Computer</b>	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
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2019</b>	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
<b>Balance at 30 June 2020</b>	82,311,378	756,524	1,704,411	1,973,941	26,075,284	2,964,827	11,550,567	127,336,932
<b>Comprises:</b>								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
<b>Balance at 30 June 2020</b>	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
<b>Restated balance at 1 July 2020</b>	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
<b>Balance at 30 June 2021</b>	81,399,749	819,292	1,625,156	11,255,767	25,905,205	2,888,128	1,247,027	125,140,324
<b>Comprises:</b>								
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)
<b>Balance at 30 June 2021</b>	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
<b>Plant and Equipment</b>	\$	\$	\$	\$
<b>Governance</b>				
Asset 336-2015 FORD RANGER WILDTRAK (CEO)-MV158	30,431	36,465	6,034	0
<b>Law, order, public safety</b>				
Asset 341-2018 MITSUBISHI TRITON CREW CAB UTE-MV16	21,506	19,647	0	(1,859)
<b>Transport</b>				
Asset 375-DYNAPAC VIBRATING ROLLER-PL024	39,872	30,815	0	(9,057)
<b>Other property and services</b>				
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)

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

**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

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Actual	30 June 2021	30 June 2021	30 June 2021	30 June 2021	Budget	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 Principal 1 July 2020	Actual New Leases	Lease Principal Repayments	Lease Principal Outstanding	Lease Interest Repayments		Lease Principal 1 July 2020	Budget New Leases	Budget Lease Principal Repayments	Budget Lease Principal Outstanding		Budget Lease Interest Repayments	Lease Principal 1 July 2019	Actual New Leases	Lease Principal 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	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 2021	30 June 2020	30 June 2020	30 June 2020	30 June 2020	
				Actual	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual	Actual	Actual
				Principal 1 July 2020	New Loans	Principal repayments	Interest repayments	Principal outstanding	Principal 1 July 2020	New Loans	Principal repayments	Interest repayments	Principal outstanding	Principal 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	
	Leave	Leave	Total
	\$	\$	\$
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:

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
<b>Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>			
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 \$
<b>Elected member [Rosemary Madacsi]</b>			
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
<b>Elected member [Beth Ruthven]</b>			
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
<b>Elected member [Brian Rayner]</b>			
Meeting attendance fees	12,275	12,275	9,206
ICT expenses	400	400	400
	12,675	12,675	9,606
<b>Elected member [Michael MCKeown]</b>			
Meeting attendance fees	11,252	12,275	10,229
ICT expenses	366	400	366
	11,619	12,675	10,595
<b>Elected member [Benjamin Bell]</b>			
Meeting attendance fees	12,275	12,275	9,206
ICT expenses	400	400	400
	12,675	12,675	9,606
<b>Elected member [Susan Pearce]</b>			
Meeting attendance fees	12,275	12,275	10,229
ICT expenses	400	400	400
	12,675	12,675	10,629
<b>Elected member [Therese Chitty]</b>			
Meeting attendance fees	12,275	12,275	10,229
ICT expenses	400	400	300
	12,675	12,675	10,529
<b>Elected member [Paula Greenway]</b>			
Meeting attendance fees	10,229	12,275	8,184
ICT expenses	333	400	333
	10,562	12,675	8,516
<b>Elected member [Philip D Hart]</b>			
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

<b>Sub-Total</b>		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

<b>Sub-Total</b>		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												
<b>Totals</b>		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 %
<b>Option One</b>				
Single full payment	20/08/2020	0.00	0.00%	0.00%
<b>Option Two</b>				
First instalment	20/08/2020	0.00	0.00%	0.00%
Second instalment	21/10/2020	0.00	0.00%	0.00%
<b>Option Three</b>				
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%
		<b>2021 Actual</b> \$	<b>2021 Budget</b> \$	<b>2020 Actual</b> \$
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
		2020/21	Budget	2020/21	2019/20
		(30 June 2021	(30 June 2021	(1 July 2020	(30 June 2020
		Carried	Carried	Brought	Carried
Note		Forward)	Forward)	Forward)	Forward
		\$	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>					
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .					
<b>Adjustments to operating activities</b>					
	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
	<b>Non cash amounts excluded from operating activities</b>		4,497,665	4,512,329	4,512,329
<b>(b) Surplus/(deficit) after imposition of general rates</b>					
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.					
<b>Adjustments to net current assets</b>					
	Less: Reserves - cash/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
	<b>Total adjustments to net current assets</b>		(900,021)	3,321,938	3,416,238
<b>Net current assets used in the Rate Setting Statement</b>					
	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
	<b>Net current assets used in the Rate Setting Statement</b>		211,803	2,024	167,485
<b>(c) Adjustments to current assets and liabilities at 1 July 2020 on application of new accounting standards</b>					
	<b>Total current assets at 30 June 2020</b>		4,451,651	4164408	4,164,408
	Adjustments on application of new accounting standards				0
	<b>Total current assets at 1 July 2020</b>		4,451,651	4,164,408	4,164,408
	<b>Total current liabilities at 30 June 2020</b>		(3,353,439)	(7,348,030)	(7,413,161)
	Adjustments on application of new accounting standards	28			0
	<b>Total current liabilities at 1 July 2020</b>		(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
<b>Market risk - interest rate</b>	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
<b>Credit risk</b>	Cash and cash equivalents, trade receivables, financial assets and	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
<b>Liquidity risk</b>	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
	%	\$	\$	\$	\$
<b>2021</b>					
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
<b>2020</b>					
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
<b>30 June 2021</b>					
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
<b>30 June 2020</b>					
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
<b>30 June 2021</b>					
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
<b>30 June 2020</b>					
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
	\$	\$	\$	\$	\$
<b>2021</b>					
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
<b>2020</b>					
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><b>GOVERNANCE</b></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><b>GENERAL PURPOSE FUNDING</b></p> <p>To collect revenue to allow for the provisions of services.</p>	<p>Rates, general purpose Government grants and interest revenue.</p>
<p><b>LAW, ORDER, PUBLIC SAFETY</b></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><b>HEALTH</b></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><b>EDUCATION AND WELFARE</b></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><b>HOUSING</b></p> <p>To provide and maintain elderly residents housing.</p>	<p>Provisions and maintenance of elderly residents housing.</p>
<p><b>COMMUNITY AMENITIES</b></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><b>RECREATION AND CULTURE</b></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><b>TRANSPORT</b></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><b>ECONOMIC SERVICES</b></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><b>OTHER PROPERTY AND SERVICES</b></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



