

2019 / 2020 Annual Report



Adopted by Council
15 December 2020

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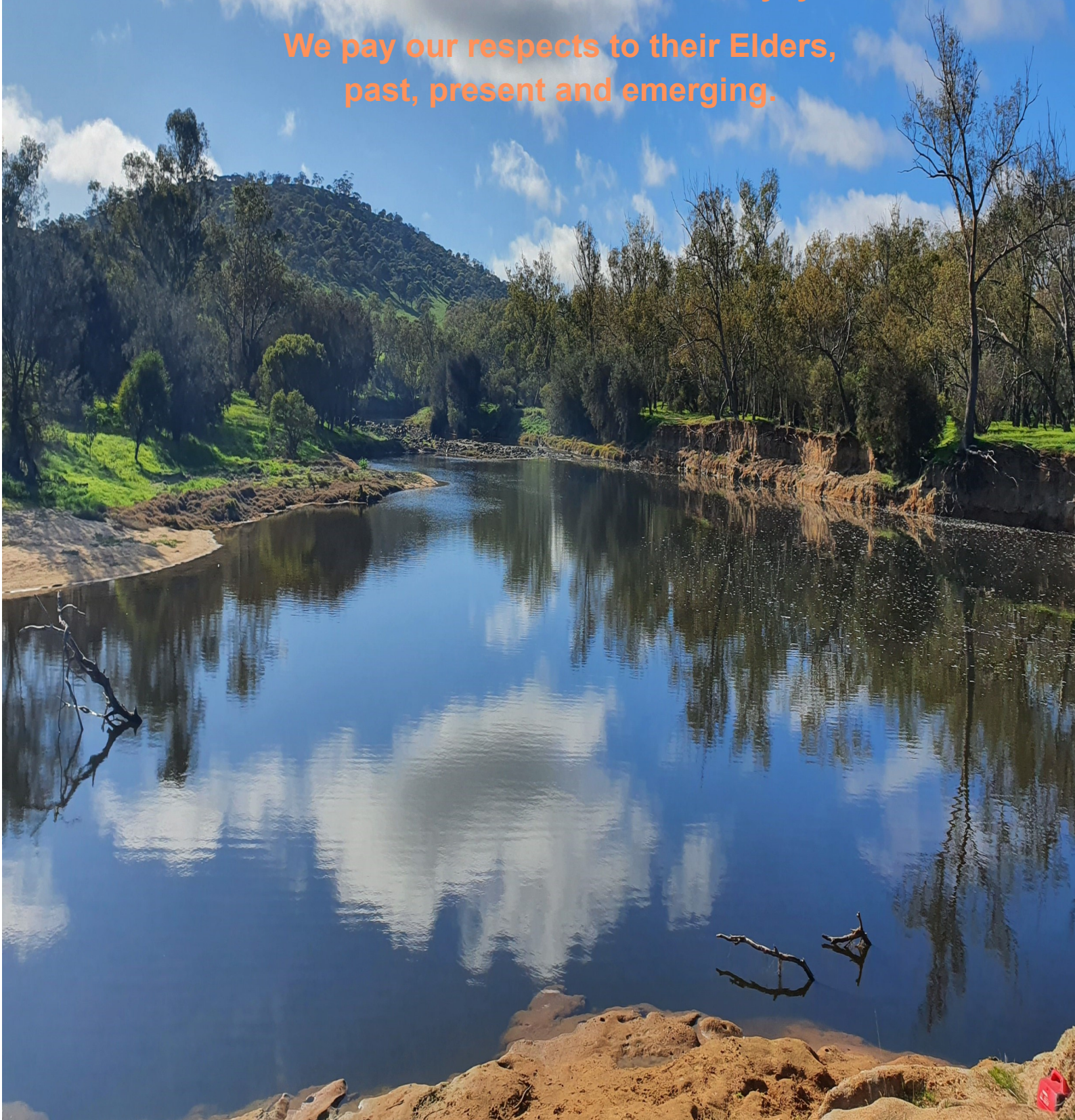
Corporate Business Plan

Annual Financial Report



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.

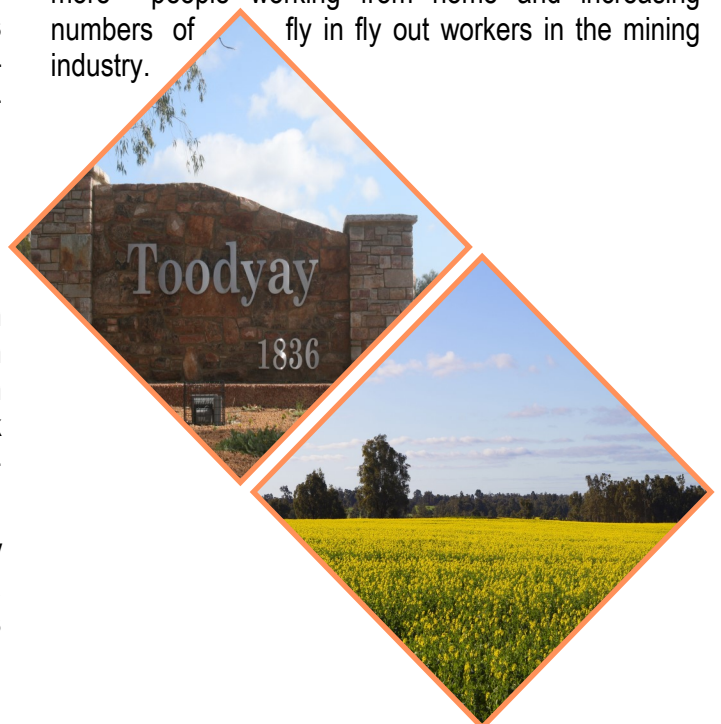
The Shire of Toodyay forms part of the Western

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 working from home and increasing numbers of fly in fly out workers in the mining industry.



Shire President - Cr Madasci

It is a requirement under Section 5.53(2) of the *Local Government Act 1995* that reports from the Shire President and CEO are included in the Annual Report. This report will address the affairs of Council.

The 2019/2020 financial year was notable for change and challenges. The most significant challenge was the advent of the coronavirus which altered our perspective and required adaptations that will be reflected in how we as a council, move forward.

Significant achievements have also marked this year. Foremost was the commencement of construction of the \$14.9 million Stage 1, Sports and Recreation Precinct which is on target to be completed without cost overruns and almost on schedule. The addition of the Precinct's excellent upgraded tennis facilities and new netball/basketball courts, a large multipurpose soccer/hockey/rugby field and an aquatic facility scheduled to open in September 2020, will provide a strong attraction to living in Toodyay and opportunities to enrich the community.

Second was a \$1.09 million Bushfire Mitigation Activity Fund (MAF) grant through DFES for expansion of bushfire risk mitigation action.

Change was the notable feature of this period. Five new Councillors were elected at the October elections, Cr Bill Manning was elected President and a review of key legislation placed additional pressure onto staff and council.

Review of the *Local Government Act 1995* saw the introduction in August 2019 of compulsory councillor training, strong personal reporting obligations and other requirements. Local government auditing is under a state-wide conversion from independent auditors to the Office of the Auditor General and a series of reviews.

The Shire auditor advised two key Shire financial ratios had been below the Department standard for the past three years and indicated a significant adverse trend in the financial position of the Shire.

Council and staff responded to address these ratios by commencing budget workshops in November 2019, rather than March 2020. A merger of two departments and relocation of Planning and Development to the Visitors Centre resulted. We were able to provide a 0% rate increase and provide rate concessions for those whose property valuations increased. Toodyay was one of only a few local governments to achieve this, despite a drop in UV valuations.

In late February, the Manager of Corporate Services, instrumental in the budget review, was required to assume the additional role of Acting CEO when the incumbent CEO, took

leave.

WA was declared a State of Emergency on March 15. Venues were ordered closed, a 4m² social distancing rule applied, and Toodyay changed overnight. The community rallied and adapted.

The Shire administration offices closed on 4 April, but operations continued. The 150th anniversary of Connor's Mill was celebrated at the Visitors Centre, evidence of the ongoing commitment to restoration of our heritage by passionate people. Notably, the recent completion of an extended restoration program culminated in the installation of new roof shingles and repurposing of the old by volunteers.

The Presidency changed with the resignation of Cr Manning and election of Cr Rosemary Madasci. Numerous workshops and meetings to review the budget, process applicants for the CEO position and the finalisation of our outgoing CEO's contract, were completed.

ANZAC Day services were cancelled, for only the second time since the 1916 Gallipoli campaign which claimed Toodyay sons and in which our nation suffered the highest death and wounding rate per capita of the battle. Yet Toodyay remembered, in isolation or by the roadside, the coming up of the dawn.

May saw the departure of our CEO. June, the early start of our new CEO Suzanne Haslehurst and adoption of the 2020/2021 Budget.

I'd like to acknowledge all elected members, past and present for their work during the year.

Council's emphasis on governance, efficiency and transparency has continued. The strengthening of oversight has progressed well. Committees and council better reflect the emphasis on division of powers and clarification of roles. Practices have improved and a series of reviews of practice, policy and delegations are ongoing. Transparency is foremost and evident in live streamed council meetings, names being recorded against votes and a reduction in confidential business. At the time of writing this report, Council has not received the Inquiry Report into the Shire of Toodyay although preparation is underway to address the findings.

The 2019/2020 year has ended with tourism strong and the town busy. Although recovery rates vary in Toodyay, overall, business and agribusiness have fared better than the national average. Committees are busy planning for the coming season and a strong resurgence in visitor numbers is positive.

Elected Members



Cr Rosemary Madacsi
President



Cr Beth Ruthven
Deputy President



Cr Paula Greenway



Cr Therese Chitty



Cr Sue Pearce



Cr Brian Rayner



Cr Ben Bell



Cr Phil Hart



Cr Bill Manning (Retired)

CEO - Suzie Haslehurst

Having commenced at the very end of the 2019/20 financial year, the information below is provided by way of observation as the new CEO.

Echoing the sentiments of the Shire President, the year was indeed one of significant change. New councillors, the departure of a long term CEO, an organisational restructure, an on-going inquiry, a global pandemic, recruitment and appointment of a new CEO, all while endeavouring to meet the expectations of the community on a day to day basis, meant that the organisation was and continues to be faced with a number of challenges.

I'd like to acknowledge the work of all staff during this time, particularly the Manager of Corporate and Community Services who took on the added portfolio of community development and acted in the role of CEO during the challenges of the COVID lockdown. She was ably supported by the Executive team.

The information contained in the following pages demonstrates that the Shire of Toodyay's workforce is a passionate and dedicated team that continues to work together to generate positive outcomes for the community.

Like most smaller local governments, financial sustainability continues to be the major challenge facing the Shire. Auditors reported an adverse trend in two important indicative financial ratios. This means that Toodyay has to find new ways to deliver on people's expectations without imposing significant rate increases.

The opening of a fantastic new recreation and aquatic facility will deliver significant community benefits that I'm sure will be enjoyed by many residents, ratepayers and visitors. However, the Shire will need to be particularly fiscally responsible to ensure future sustainability.

Therefore, the immediate focus for Council and staff will be to work together to identify innovative ways to generate revenue and rationalise expenditure.



Suzie Haslehurst
Chief Executive Officer

Executive Staff



Suzie Haslehurst
Chief Executive Officer
Executive Services
Governance
Strategic Planning
Marketing & Communication
OSH
Economic Development



Chileya 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

Conduct of Officials

Elected Member Conduct Section 5.121 of the *Local Government Act 1995* requires that local governments maintain a register of complaints that result in action under Section 5.110 (6) (b) or (c). There were no minor breach findings during the 2019/2020 financial year.

Meeting Attendance

Attending Council meetings is an obligation of each Councillor as set out in the *Local Government Act 1995*. Council meetings held during the year ending 30 June 2020 and attended by each Elected Member are as follows:

	Ordinary Council Meetings	Special Council Meetings	Electors Meetings
	12 Meetings	12 Meetings	1 Meeting
President Rosemary Madasci (Elected to Council October 2019)	9	10	1
Deputy President Beth Ruthven (Elected to Council October 2019)	9	10	1
Councillor Brian Rayner	12	11	1
Councillor Ben Bell	12	9	1
Councillor Therese Chitty	12	11	1
Councillor Paula Greenway	10	10	1
Councillor Susan Pearce (Elected to Council October 2019)	9	10	1
Councillor Phil Hart (Elected to Council October 2019)	9	10	1
Councillor Bill Manning (Resigned from Council April 2020)	10	8	1

Toodyay Library

150% = how much our eResources usage increased by during our COVID closure

2010 = the year the extension housing our fiction collection was added on to the original building

210,031 = the number of borrowable books, audio books and DVDs on our shelves.

1874 = the year our library building was constructed.

3116 = our current number of members

The first half of the 2019/2020 financial year was both busy and enjoyable, with many new members welcomed and some exciting changes made to the library space. The most notable of these changes was new shelving in the non-fiction section, which brightens up the overall look of the library; makes books more accessible and visible, simplifying the browsing experience; and is fitted with wheels, each bay being mobile to allow extra room as required for author talks, workshops and other activities. Unfortunately, the shelves were not used to their maximum advantage, as the scheduled events for the second half of the financial year were cancelled due to the coronavirus crisis.

COVID-19 provided multiple and unique challenges, particularly as the Library strived to provide services to the public without compromising community or staff health and safety. This led to the creation and implementation of a two-part plan offering the following:

Contactless Collection:

Members were invited to call or email on an ad hoc basis, and staff would then select a range of items – based on their specific requests and / or borrower history – to be packaged and collected at their convenience.

Home Delivery:

Available to self-isolating / high-risk individuals, this alternative saw staff follow the same process as above with the addition of safely delivering each package to the patron's doorstep, allowing them to borrow from the comfort and safety of their own home.

Both collection and home delivery proved very popular during our eight-week closure. Since reopening to the public, the Library continues to offer these options to community members who are continuing to self-isolate or who feel more at ease borrowing without entering the building.

Tourism

To kick the year off to a positive start, the Shire of Toodyay was awarded Bronze at the WA Perth Airport Tourism Awards for the Excellence in Local Government Tourism, a highly recognised and coveted award. Well done to all involved.

The Toodyay Visitors Centre is open seven days a week and continued to provide accredited, quality service and information about Toodyay for tourists from all over the world.

While browsing the Centre, visitors were able to purchase souvenir gifts of Toodyay with a range of local produce on offer as well. Images from our local tourism operators were displayed on the wall mounted TV screen and our brochure stand was well perused. Many new souvenir items have been introduced to sit alongside already well established items.

The Visitors Centre acquired eight new 'Partners' during the year, local businesses who are promoted and marketed through many and various avenues including the Visitors Centre website and Facebook page.

During the COVID-19 lockdown there was a large surge in social media promotion via the Toodyay Visitor Centre and local operators to ensure Toodyay remained at the forefront of tourists' minds. After the lockdown and with the relaxing of restrictions in June 2020, tourism bounced back quickly with visitors returning in high numbers.

Throughout the year relationships with industry bodies such as Destination Perth, Tourism Council of WA and Tourism WA were strengthened.



Tourism



July	NAIDOC Week, Northam to Toodyay Paddle, Arts Trail, Toodyay Community Program, Farmers Market
August	Avon Descent, International Food Festival, Make Smoking History Targa West Rally, Farmers Market
September	Toodyay Farmers Market, Vino Art Exhibition, Toodyay Picnic Race Day
October	Toodyay Community Program, Toodyay Agricultural Show, Farmers Market
November	Bush Poets Festival, Remembrance Day, Car & Motorcycle Show, Farmers Market
December	Christmas Street Party, Farmers Market, Carols in the Park
January	Australia Day BBQ Breakfast
February	Toodyay Twilight Farmers Market
March	Farmers Market, Black Dog Ride, Toodyay Music Fest, Healing Festival
April	Lions Jumbo Auction, Toodyay Farmers Market, Toodyay Community Program, Anzac Day
May	Moondyne Festival, Farmers Market
June	Reconciliation Week, Toodyay Fibre Festival, Farmers Market

Museums and Heritage

Newcastle Gaol

The major heritage project throughout the past year has been the restoration of the 1865 gaol. The Shire would like to acknowledge Lotterywest for supporting this project.

The work undertaken included the replacement of the shingled roof, the repair of the lapping boards (to which the shingles are nailed), repair and replacement of some rafters and hip joints, installation of a waterproof membrane under the shingles, repair of stone walls, pest control spraying, replacement of gutters, installation of sub-soil drainage along the base of all the external walls and re-exposure of the vents along the base of the front walls.

The interiors of the front and side wings of the gaol have been repainted, as well as the front shutters and door.

New interpretive signs have been installed at the Shearing Shed, the Police Stables and the Machinery Shed behind the gaol. While the gaol was closed for restoration, one side of the 1907 lock-up was temporarily opened for public viewing.

Connors Mill

In honour of Connor's Mill 150th anniversary year a 32 page souvenir booklet was produced and throughout the year a slide presentation was shown in the mill about the various eras of its operation as a flour mill, a power station, a visitor information centre and a museum. While a launch event for the year's activities was held, the COVID-19 pandemic saw the cancellation of the program at this site for the remainder of the 2020 financial year.

A new display about the Industrial Extracts tanning mill operations between 1952 and 1971 was installed on the top floor.



Museums and Heritage

Online

The Shire continues to share historical information about Toodyay online including through the Wikipedia Toodyaypedia project and also on various platforms such as the Australian War Memorial's Places of Pride website where four entries pertaining to war memorials in Toodyay have been created.

Over the last twelve months Toodyay museums have continued to expand beyond the walls of the two heritage sites with online exhibitions, the completion of the roll-out of an educational package, regular posts on the Toodyay Museums Facebook and Instagram pages, and most recently with preparations to share the Shire's museum collections via the Collections WA platform.

Convict Walk

Linked with the restoration of the gaol has been the development of a loop walking trail linking the Toodyay Visitors Centre and the Newcastle Gaol precinct via Stirling Terrace and the Duke Street footbridge. Convict arrow trail markers were made by a local artist and signage features snippets on Moondyne Joe and historical information about convict-era Toodyay.

In addition, through the fundraising efforts of our museum volunteers, a bench seat was donated. This has been positioned beside the footbridge along the walk route.



Community Development

Throughout 2019/2020, the Shire continued to work in partnership with the local community. Celebrating and strengthening community relationships is key to understanding and providing the wide range of events, grants, services and activities desired by the community.

Events

While COVID-19 affected the ability to hold events, preparation has already begun for events planned for late 2020 and into 2021.

Youth

Connection with Toodyay young people via the support of the Chaplaincy service to the school continues to develop. During school holidays the Shire undertakes activities for kids of all ages in Toodyay and the Morangup community centres.

Seniors

The Dementia Friendly Plan was completed. The Shire has continued its support for the Memory Café and the Forget-Me-Knot-Café group and has partnered with the Toodyay Chamber of Commerce for a number of senior events throughout the year.



Community Development

Volunteers

Volunteers are a vital part of the community and both the 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. This year saw some museum volunteers use the old shingles from the Newcastle Gaol roof to fundraise for special projects.

Community groups

Our community groups continue to achieve great things. Engaging with community groups is vital in gathering much needed information and to enable collaboration on various projects throughout the year. The Shire has commenced working with the Noongar Kaartdijin Aboriginal Corporation to create a Reconciliation Action Plan.

Business

The Shire continues to promote through various ways the importance of small business. This year the Shire supported the Chamber of Commerce & Industries with the lights and tree for the Annual Christmas Street Party. A Small Business Charter was adopted which ensures support of small business in Toodyay.



Local Planning Scheme and Strategy

Local governments are responsible for planning their local communities by ensuring appropriate planning controls exist for land use and development. They do this by preparing local planning strategies and schemes.

The Shire of Toodyay's Local Planning Strategy (LPS) provides vision, framework for long-term planning and development in the Shire over the next 10-15 years.

A review of the Shire's LPS has been completed and was endorsed by the Western Australian Planning Commission (WAPC) on 22 June 2018. The LPS forms the interface between regional and local planning, and sets out the Shire's long-term planning direction and objectives for future planning and development.

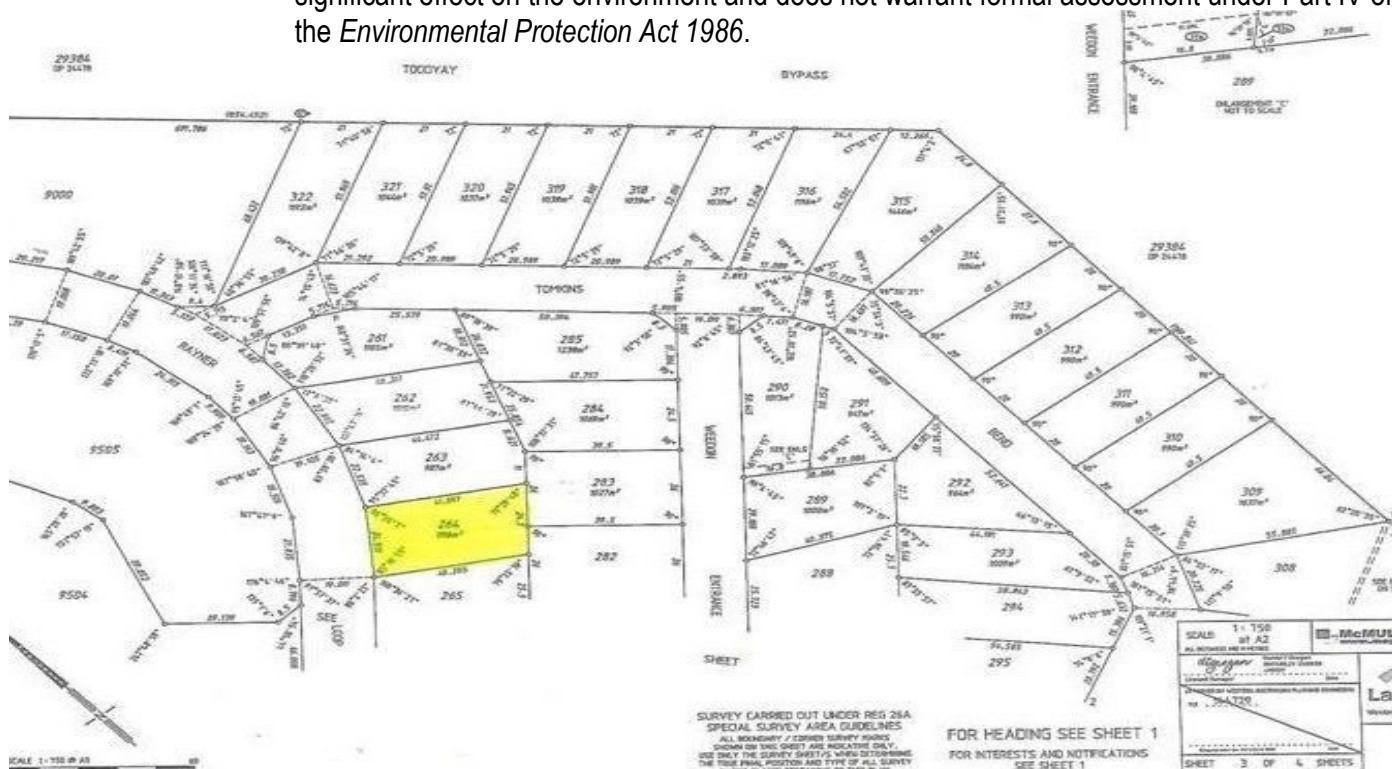
Local planning schemes, on the other hand, set out the way land is to be used and developed, classify areas for land use and include provisions to coordinate infrastructure and development within the local government area.

The Shire's current Local Planning Scheme (Scheme) is *Shire of Toodyay Local Planning Scheme No.4*, and was gazetted by the WAPC on 13 February 2008 to replace and update the former *Shire of Toodyay Town Planning Scheme No.1*.

The Scheme has so far been subject to 11 amendments and has largely fulfilled its stated objectives.

Council's 2018 LPS provides direction for the preparation of a new local planning scheme – Local Planning Scheme No. 5 (LPS5) – to ensure that scheme provisions are contemporary and reflect changes to policy, social and economic circumstances.

The WAPC has examined LPS5 and on 21 May 2019, advised that it was suitable to be advertised subject to minor modifications. The Chairman of the Environmental Protection Authority (EPA) also examined LPS5, and on 6 April 2020 determined that LPS5 is unlikely to have a significant effect on the environment and does not warrant formal assessment under Part IV of the *Environmental Protection Act 1986*.



Development and Building

Development Applications

A total of 91 development applications were determined during the 2019/2020 financial year. The total value of planning works approved was \$4,138,538. This is \$1,710,551 less than the previous financial year.

Sub-divisions

During the 2019/2020 financial year, the Planning Services department responded to three sub-division referrals from the WAPC.

Environmental Health

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. Mosquito monitoring will continue during high mosquito activity periods, and the community will be alerted when results dictate. A water sampling regime will also be ongoing in relation to non-potable water supplies.

For the 2019/2020 financial year, the Shire's EHO issued the following approvals, permits and notices.

Approval	No.
Septic tank - approvals	12
Septic tank - permit to use	10
Stallholder permits	158
Notices*	2

(*untidy land and dwellings unfit for habitation)

Permits Issued

During the 2019/2020 financial year, 120 Building Permits were issued within the Shire. There were a number of categories under which these permits were issued, including: outbuildings, patios, water tanks and single dwellings.

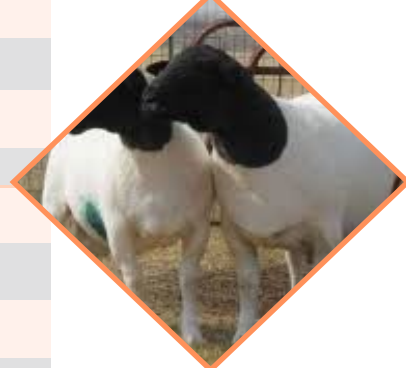
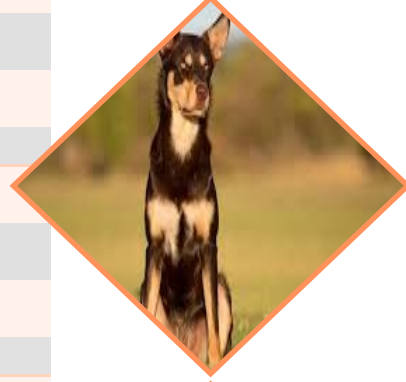
The total value of works approved was \$17,952,592 which is \$8,479,981 more than the previous financial year.

Permit / Approval	%
Water tanks	9
Commercial	2
Retrospective	5
Other	6
Pools	5
Re-roof	7
Retaining walls	3
Carports	2
Patios	13
Additions	4
Residence	13
Outbuildings	31

Shire Rangers

Ranger Responses

		Numbers Recorded
Miscellaneous	Customer contact	31
	Abandoned Vehicles	15
	Fallen Trees	12
	Parking Control	32
	Rural Street Number	8
	Other	32
Dog Control	Customer contact	20
	Dogs wandering at large	52
	Dogs surrendered / impounded	22
	Other	22
Cat Control	Customer contact	11
	Cats Trapped	10
	Cats surrendered / impounded	18
	Other	1
Stock Control	Customer contact	2
	Stock on road / trespass	76
	Other	11
Animal Welfare	Customer contact	25
	Ranger attendance	26
	RSPCA involvement	1
Firebreak / Fire Control	Customer contact	2
	Variation approvals	3
	Cautions / infringements	20
	Investigations attended	5
	Firebreak inspections	47



Roadworks



Location	SLK	Description	Grant Funding	Council Funding	Total Cost
Lovers Lane (Black Spot)	1.90 to 6.96	Widen, reconstruct and Seal	\$396,750		\$396,750
Julimar Road (Black Spot)	26.06 to 26.06	Widen	\$249,127		\$249,127
Bejoording Road (Regional Roads Group)	5.70 to 9.10	Widen and reseal	\$329,940		\$329,940
Toodyay Bindi Bindi Road (Regional Roads Group)	30.90 to 33.40	Widen and reseal	\$252,010		\$252,010
Bejoording/Nunile Road (Roads to Recovery)	N/A	Intersection Upgrade	\$155,000		\$155,00
Dreyer Road (Roads to Recovery)	N/A	Drainage, Construct and Seal	\$89,100		\$89,100
Sinclair Place	N/A	Drainage, Construct and Seal		\$103,950	\$103,950
River Road	5.70 to 7.08	Seal		\$161,788	\$161,788
Rosedale/Piesse Street	N/A	Safety Improvements		\$10,000	\$10,000
Hamersley Street	N/A	Level Crossing		\$120,000	\$120,000
Fifth Rd	N/A	Resheet		\$46,200	\$46,200
Folewood Road	2.90 to 4.15	Reseal		\$32,500	\$32,500
Harvester Drive	N/A	Reseal		\$70,200	\$70,200

Emergency Services

The 2019/20 financial year saw some major milestone achievements in the Emergency Services sphere. First cab off the rank was the completion of the new Coondle-Nunile Fire Station for the Coondle-Nunile Volunteer Bush Fire Brigade. The Shire re-imagined the standard 2-Bay BFB facility design specified by DFES to ensure brigade requirements could be met now and into the future. The design features large drive in – drive out vehicle bays, PPE washing facilities, modern and comfortable offices and meeting/training room facilities. The qualities of this design were acknowledged by DFES which has subsequently adopted the concept as its standard design for Emergency Services Levy funded facilities. The Coondle-Nunile brigade, which also received a new flagship 3.4U fire appliance earlier in 2019, relocated in October and over the fire season, members have settled into their new home.

The Shire completed a major extension / renovation of the Morangup Fire Station, now known as the Morangup Co-location Centre which now officially recognises Toodyay SES' operations from the site. This project converted the original building into a large 7-Bay facility – which is believed to be the largest in the Goldfields Midlands Region. The revamp also included PPE storage and washing facilities, modern and comfortable offices, meeting / training room and kitchen facilities. The brigade and SES unit moved back in June and are busy adjusting to their new surroundings.

Both the Coondle-Nunile and Morangup projects were funded by DFES' Local Government Grant Scheme, from Emergency Services Levy proceeds. Official openings for both facilities are planned for later this year which will be an opportunity for the community to inspect these impressive facilities.

The construction of the Morangup Co-location facility also provided a new lease of life on the facility's original water tank which has been relocated to the western end of McKnoe Drive in Morangup to assist fire services with essential fire emergency water supplies. The Coondle-Nunile Fire Station project also included new fire emergency water tanks, funded partly by a Department of Water and Environment Regulation Watering WA (Royalties for Regions) grant and with the remainder provided by the Shire.

The Shire has also been busy with its largest bushfire mitigation program ever. Funded by the DFES Mitigation Activity Fund, from Emergency Services Levy proceeds, a total of 115 treatments were undertaken across the Shire. Treatments included fire access track upgrades, two hazard reduction burns and mulching of high risk road verges. While these works have been undertaken to mitigate the effects of bushfire on the community, it is important all residents play their part in preparing their property for the upcoming fire season. Many of these works will make the Shire's wonderful reserves more accessible for passive recreation, however misuse by recreational motorised vehicles will limit the long term effectiveness of these works/investment and the Shire urges residents to use reserves responsibly.



Reserves

Reserves Management

The management of the Shire's reserves has been supported by the significant bush fire mitigation results achieved. Fuel reduction has occurred across areas of strategically important Shire managed land especially that adjoining subdivisions. In addition to hazard reduction burning - chemical, mechanical and grazing methods have been used which has seen the creation and expansion of low fuel buffer zones. Improvement of fire breaks and access through erosion control measures and vegetation management has continued. Gating with signage to discourage unauthorised vehicle entry is proving to be effective.

Unfortunately, the Shire is kept busy attending to the results of inappropriate activities in reserves such as dumping and vandalism but fortunately these incidents seem to be trending downwards. Environmental issues, especially invasive weeds and feral animals require ongoing vigilance and response in order to control.

Improving access, amenity and information for visitors to reserves has continued apace with the installation of interpretive signage, picnic tables, and marked walking tracks. The historic Ringa Bridge site, Dawn Atwell, Ray Paynter, Wallaby, Majestic Heights and Panorama Reserves are some examples. Along the river outstanding Indigenous interpretation has been added to the Bird Hide at Red Banks Pool and canoe ramps have been constructed at Millard's Pool and Weatherall Reserve. The ever popular Bilya Walk Track is always being maintained and upgraded. The Reserves Management Officer works closely with the Visitor Centre staff to ensure seasonal conditions and other information is accurate and up-dated.



Statutory Reporting

Record Keeping

The Shire complies with the *State Records Act 2000*. The Shire's record keeping plan is constantly being reviewed to ensure the Shire of Toodyay remains compliant, addresses requirements stemming from technological changes and makes improvements to record keeping practices where necessary. The next major review will be undertaken by 2024 in accordance with regulatory requirements.

All communications to and from the Shire are stored electronically, ensuring an important information source is secure and accessible to all staff, and information is captured in accordance with the Principles and Standards of the *State Records Act*. New employees are provided with in-house assistance to ensure they understand their record keeping obligations and responsibilities. Ongoing records management support is available to all staff from experienced administration staff. Incoming correspondence registration and response is monitored by progress reports generated on a fortnightly basis.

Competitive Neutrality

This principle deals with ensuring that government business operations do not have any advantage or disadvantage in comparison to the private sector. In the period under notice, no activities undertaken by the Shire were classified as either a Public Trading Enterprise or a Public Financial Enterprise. During the reporting period no allegations of non-compliance with the principles of Competitive Neutrality were received.

Freedom of Information

The Shire of Toodyay is subject to the provisions of the *Freedom of Information Act 1992* (the Act). The Shire processed seven Freedom of Information applications during the 2019/2020 financial year.

The Shire reviews its Information Statement annually, as required under the Act. For further information on the Shire's Freedom of Information process, visit:

<https://www.toodyay.wa.gov.au/Council/Shire-of-Toodyay-Documents/Freedom-of-Information>

National Competition

The National Competition Policy was introduced by the Commonwealth Government in 1995, to promote competition for the benefit of business, consumers and the economy by removing unnecessary protection of monopolies of markets where competition can be enhanced. It affects local governments as factors such as exemption from company and income tax or possible local regulations and laws may give local government a potential advantage over private contractors.

In respect to the Shire's responsibilities in relation to the National Competition Policy the Shire reports as follows:

- No business enterprise of the Shire of Toodyay has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or a Public Financial Enterprise.
- Competitive neutrality has not applied to any activity undertaken by the Shire in this reporting period.
- No allegations of non-compliance with the competitive neutrality principles have been made by any private entity.
- The principles of competitive neutrality will be implemented in respect of any relevant activity undertaken during the next financial reporting period.

Statutory Reporting

Disability, Access and Inclusion

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)*.

In 2019, the Shire of Toodyay reviewed its 2016 – 2019 DAIP and developed a new DAIP 2020 – 2025. This new 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/Council/Shire-of-Toodyay-Documents/Master-Plans>

Employee Remuneration

The *Local Government Act 1995* requires Council to disclose information regarding the number of employees entitled to an annual salary of \$100,000 or more and to identify this in increments of \$10,000. For the period under review, the Shire of Toodyay had six employees whose salary exceeded \$100,000 as follows:

Salary Range	2019/2020
\$100,000 and \$110,000	2
\$110,000 and \$120,000	2
\$120,000 and \$130,000	1
\$180,000 and \$190,000	1





Corporate Business Plan

2019 - 2022

Adopted by Council
23 April 2019
Resolution No. 103/04/19
Item No. 9.5.2 Corporate Business Plan 2022

Key Toodyay Statistics

- Area = 1,693 Km²
- Distance From Perth CBD = 85 Kms
- Population = 4,507
- Electors = 3,270
- Medium Age = 51
- Total Employment = 2,228
- Dwellings = 2,354
- FTE's = 54.66

The Shire of Toodyay

The 'Old Courthouse'

15 Fiennes Street (PO Box 96)
TOODYAY WA 6566

Administration: (08) 9574 9300

Works and Services Depot: (08) 9574 9360

Community Development: (08) 9574 9390

Rangers: (08) 9574 9370

Toodyay Public Library: (08) 9574 2323

Toodyay Visitor Centre: (08) 9574 9380

Email: records@toodyay.wa.gov.au

Web: <http://www.toodyay.wa.gov.au>

Visitor Centre web: www.toodyay.com

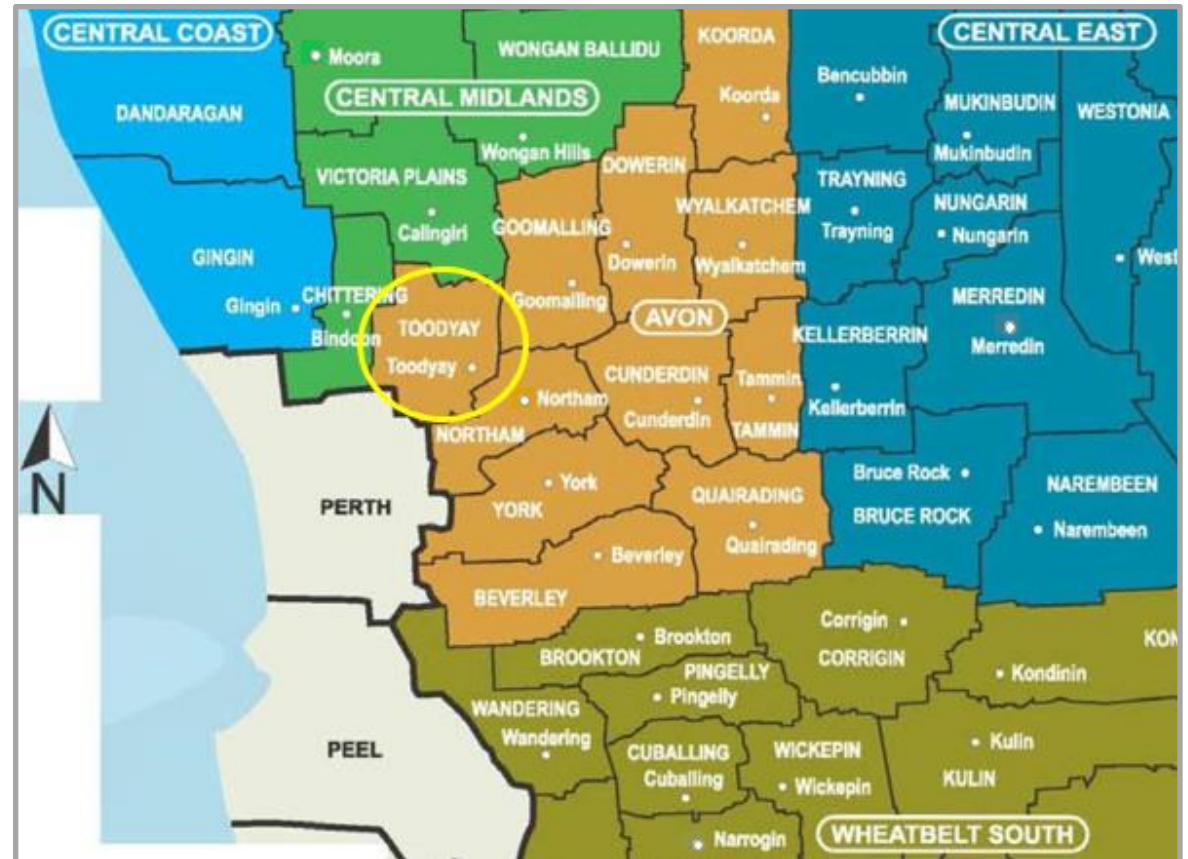


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Section 1 – Introduction Key Requirements

Understanding community needs and aspirations then integrating these with real tangible Plans - a **Corporate Business Plan**, is critical to the Shire of Toodyay because it provides us a sense of direction and outlines measurable goals that we can be held accountable to.

The Corporate Business Plan is a management tool that guides day-to-day decisions and also serves the purpose of helping us do a better job because a plan focuses the energy, resources, and time of everyone in the Shire in the same direction.

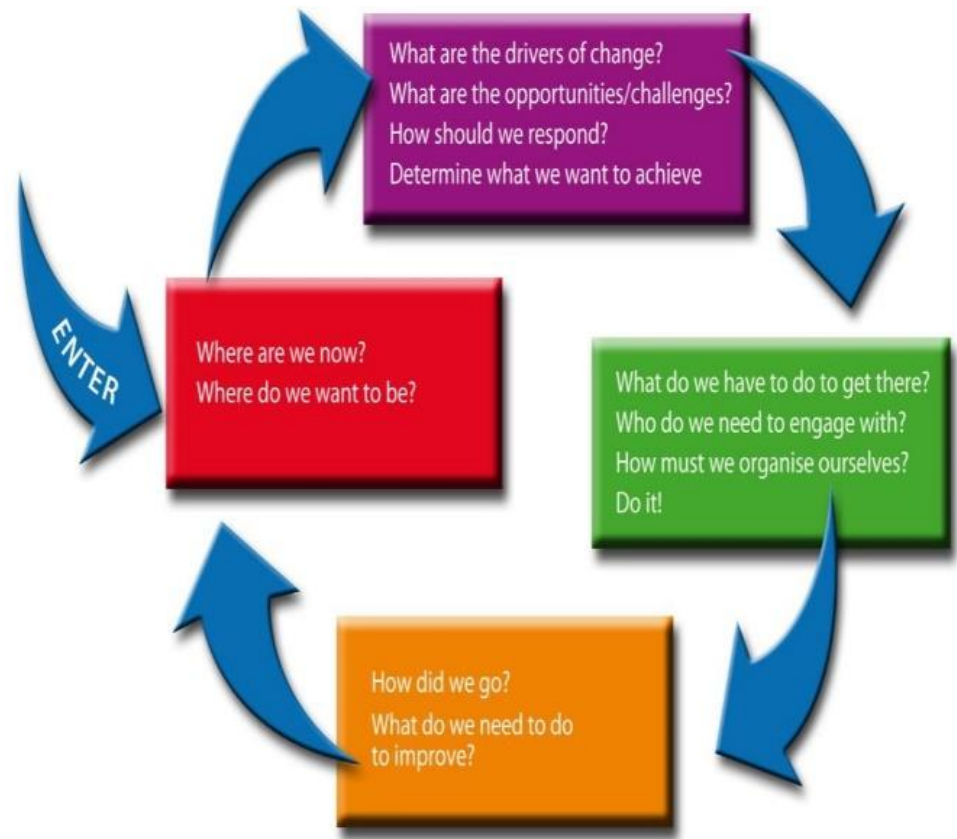
Our Council have adopted a ten (10) Year Strategic Community Plan after engaging our community. It takes into account current and future drivers for us to be cognizant of. These drivers can be external including, but not limited to, our community demographic trends, changing community needs and service expectations, legislative requirements, industry and global trends, and the economic climate in the State. Likewise the drivers may be internal like, our cost and organisational structures, skills and competencies, culture, systems and processes.

To help us finalise the Corporate Business Plan we needed to understand the drivers of change, what are our strengths, opportunities, threats and challenges.

The Plan helps us align, coordinate our activities and allocate resources and is consistent with the Department of Local Government's integrated planning framework, which is...*"A framework for establishing community priorities and linking this information into different parts of a local*

government's functions" (Integrated Planning and Reporting Framework and Guidelines). Department of Local Government, Sport and Cultural Industries (October 2010).

To implement and achieve the required performance and outcomes which are reported in our Annual Report to the community.



Section 2 - Forward from the Chief Executive Officer



I am pleased to present the Shire of Toodyay's Corporate Business Plan for the next 4 years (2019 – 2022). The Corporate Business Plan revision began in 2017 and progressed as shown in the diagram below. The integrated planning process adopted by the Shire has three distinct phases from engaging the community what they want and desire and formulating the dialogue with each other into a Strategic Community Plan that clearly links the community's aspirations with the Council's vision and long term strategy for Toodyay – **Phase 1**.

Phase 2 - is the development of a Corporate Business Plan that integrates resources with specific council plans to act as a guide to Administration to work towards and achieve the long term strategy for the Shire

Phase 3 – The Corporate Business Plan is underpinned by a series of informing strategies and plans.

The Shire of Toodyay has a number of unique challenges to deal with and resolve. We have low overall growth in the shire with a decrease in some 200 people since 2013, coupled with the median age of the Shire being 51 years brings with it many challenges as our population is aging faster than the Western Australian population.

On the economic front we're doing better with unemployment below the regional average and some 2,228 local jobs and the Gross Regional Product (GRP) for the Shire at \$141 million, a 3.7% increase since 2013. Via the Strategic Community Plan, the Corporate Business Plan will keep us focused for the years ahead.

February-March 2017	December 2017	March-May 2018	May-July 2018	August-Sept 2018	October 2018	December 2018	January – March 2019
Councillors and Senior Staff begin process of review of Community Strategic Plan	Community and staff consultation on needs and aspirations	Community consultation from workshops surveys interviews	Initial drafting of Plan elicit public feedback and submissions	Incorporate feedback from community and redraft Community Plan	Public presentation and Council adoption of Community Strategic Plan	Strategic review of current Corporate Business Plan	Adopt Corporate Business Plan and deploy

Section 3 – Our Service Offering to the Community

The Shire of Toodyay provides an extensive range of services to our community which fall into the following programs as prescribed under the Local Government (Financial Management) Regulations 1996.

GOVERNANCE

Objective: To provide a decision making process for the efficient allocation of scarce resources.
Activities: Administration and operation of facilities and services to members of the Council. Other costs that relate to the assisting of elected members and ratepayers on matters which do not relate to specific Council services. The creation and implementation and ongoing development of policies, procedures, strategic and other long term plans including financial.

GENERAL PURPOSE FUNDING

Objective: To collect revenue to allow for the provision of services.
Activities: Rates, general purpose government grants and interest revenue.

LAW, ORDER AND PUBLIC SAFETY

Objective: To provide services to help ensure a safer community.
Activities: Supervision of various by-laws, fire prevention, emergency services and animal control.

Section 3 - Our Service Offering to the Community continued....

HEALTH

Objective: To provide an operational framework for good community health.
Activities: Food quality and control, pest control and operation of the Medical Centre.

EDUCATION AND WELFARE

No allowance for income and expenditure has been made for this program.

HOUSING

Objective: Ensure adequate housing.
Activities: Maintenance of staff housing and other Shire owned rental properties.

COMMUNITY AMENITIES

Objective: To provide services required by the community.
Activities: Rubbish collection services, operation of the waste transfer station, environmental protection, administration of the local planning scheme, community sponsorship and maintenance of cemeteries.

Section 3 - Our Service Offering to the Community continued...

RECREATION AND CULTURE

Objective: To establish and manage efficiently, infrastructure and resources which will help the social wellbeing of the community.
Activities: Maintenance of halls, recreation facilities and reserves, operation of library/s, heritage facilities and cultural activities.

TRANSPORT

Objective: To provide effective and efficient transport infrastructure and services to the community.
Activities: Construction and maintenance of roads, bridges, street lighting and depot maintenance.

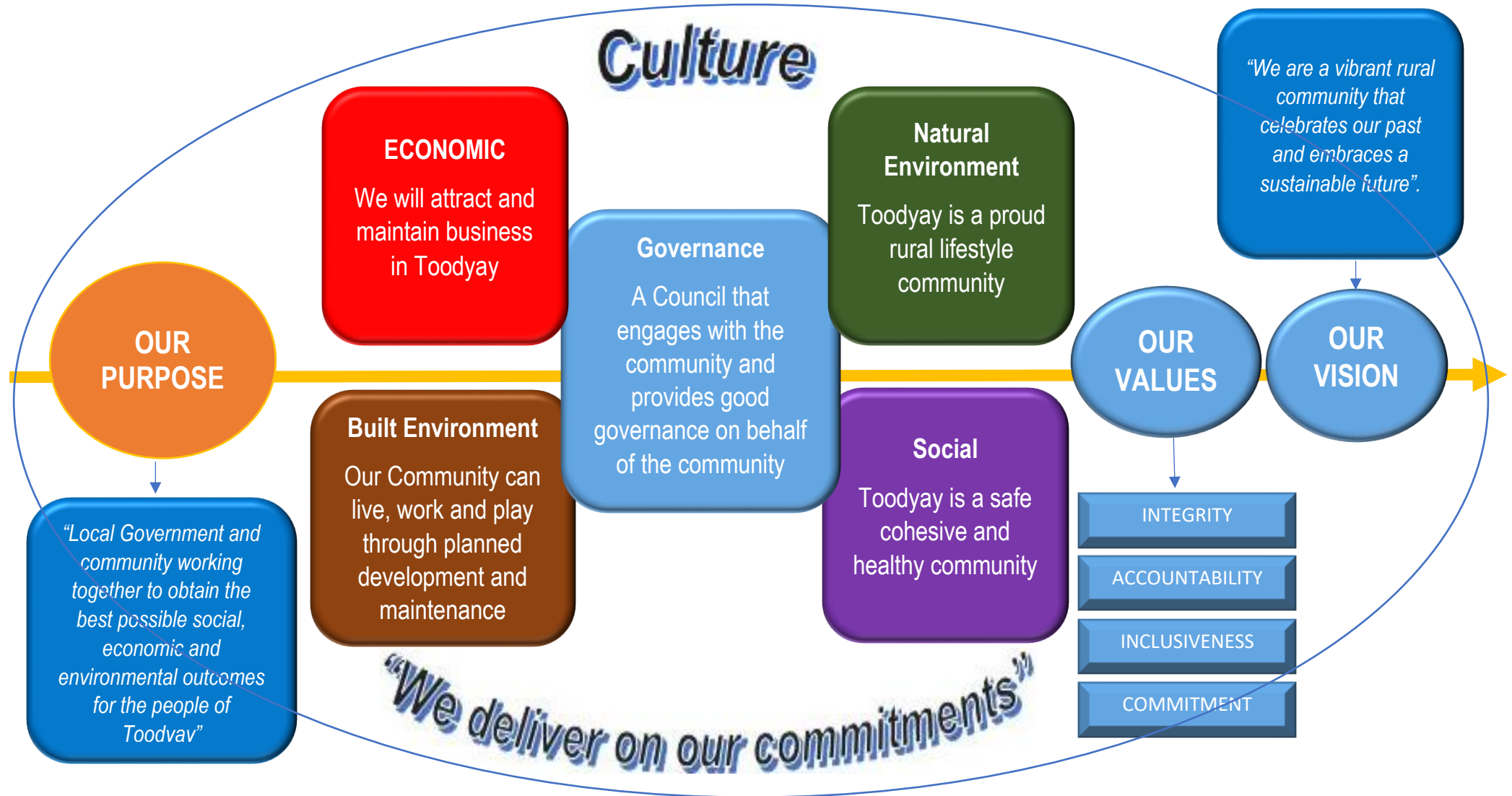
ECONOMIC SERVICES

Objective: To promote the Shire and improve its economic wellbeing.
Activities: The regulation and provision of tourism, area promotion, economic development, building control, weed control and water standpipes.

OTHER PROPERTY AND SERVICES.

Objective: To monitor and control Council's overheads operating accounts and unclassified works/services.
Activities: Private works, public works overheads, plant operation costs.

Section 4 – Plan on a Page – Toodyay Vision 2022



Section 5 – Shire of Toodyay Purpose

Vision

“We are a vibrant rural community that celebrates our past and embraces a sustainable future”.

Purpose

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

Values

Integrity:	<i>“We behave honestly to the highest ethical standards”.</i>
Accountability:	<i>“We are transparent in our actions and accountable to the community”</i>
Inclusiveness:	<i>“We are responsive to the community and we encourage involvement by all people”.</i>
Commitment:	<i>“We translate our plans into actions and demonstrate the persistence that produces results”.</i>

Section 6 – What we found by asking

The Corporate Business Planning process directs the Shire to achieve the requirements of the *Local Government Act 1995* (as Amended). Section 1.3 “In carrying out its functions a local government is to use its best endeavours to meet the needs of current and future generations through an integration of environmental protection, social advancement and economic prosperity”. This is commonly known as the triple bottom line and with governance the quadruple bottom line.

This was undertaken by engaging the Toodyay Community to understand their wishes, needs and desires now and into the future. We have called these the Community Goals.

From the broad goals we can then distil the most important things into community Themes. From these themes we can develop our strategies and tactics to respond in a timely way to our community thereby **“creating a safe, cohesive and healthy community”**.

Quadruple Bottom Line	Economic	Governance	Social	Natural Environment	Built Environment
Community Goals	Help protect rural lifestyles and local jobs	Restricted revenue base and increasing customer demands impacts on rates	Sense of community and community engagement	Protect our unique environment	Our buildings, roads and transport
Community Themes	<ul style="list-style-type: none"> Support local businesses Support local employment Improve Avon Link Remove red tape Seek tourism potential 	<ul style="list-style-type: none"> Transparency and openness Community cohesion Compliance Elected member leadership 	<ul style="list-style-type: none"> Build recreation Build swimming pool facilities Support local events Engage youth and aging Create inclusion plan 	<ul style="list-style-type: none"> Improve building designs Protect Shire environment Create sense of peace Ensure safe roads Protect town heritage Improve waste management 	<ul style="list-style-type: none"> Upgrade footpaths Encourage ‘Avon Link’ Develop public transport for youth/aged access Build recreational facility Improve access to river Advocate for internet coverage

Section 7 – Strategic Community Plan at a glance – Shire of Toodyay

Vision: We are a vibrant rural community that respects our environment, celebrates our past and embraces a sustainable future.				
Social Our community wellbeing and connection	Economic Business and jobs in the community	Natural environment Protecting where we live	Built environment Our buildings, roads and transport	Governance The way the Shire leads and operates
Strategic outcomes				
<i>Toodyay is a safe, cohesive and healthy community.</i>	<i>We will attract, develop and maintain business in Toodyay.</i>	<i>Toodyay is a proud, rural lifestyle community with many natural assets including ecosystems that are maintained and protected for future generations.</i>	<i>Our community can live, work and play through planned development and maintenance.</i>	<i>A Council that engages with the community and provides good governance on behalf of the community.</i>
Objectives				
0 1: Maintain and develop services that meet the requirements of our diverse community. 0 2: Facilitate community safety and wellbeing. 0 3: Support the development of places and spaces for recreation, learning, art and culture.	0 1: Encourage and support investment into new and existing businesses in Toodyay. 0 2: Promote Toodyay as a tourism destination. 0 3: Encourage economic diversification.	0 1: Preserve and protect our natural assets for future generations. 0 2: Ensure sustainable operating practices.	0 1: Ensure safe and sustainable transport options. 0 2: Ensure our built environment meets community needs. 0 3: Improve processes to support the built environment.	0 1: Provide accountable and transparent leadership for the community. 0 2: Consistently improve our governance practices. 0 3: Ensure rigorous organisational systems.
Measures to be assessed and reported to Council and the community				
<ul style="list-style-type: none"> Level of community satisfaction with services offered, through repeat surveys of established baselines. 	<ul style="list-style-type: none"> Satisfaction with business support services offered by the Shire. Growth in local employment. Growth in tourism visits. 	<ul style="list-style-type: none"> Annual reporting on the quality of Shire controlled nature reserves. Annual reporting on the implementation of the Environmental Management Strategy. 	<ul style="list-style-type: none"> Condition of Shire assets. Community satisfaction with public spaces. Condition of Shire controlled heritage assets. 	<ul style="list-style-type: none"> Community satisfaction with the Shire's responsiveness. Improving Net Promoter Scores for the Shire. DLGSCI financial health indicator.

Section 8 – Key Performance Indicators

To ensure progress against the Community Strategic Plan, adopted by Council, we have developed this Corporate Business Plan to drive and align the Administration of the Shire towards achievement of the community and Council's needs, wants and aspirations. It also focusses us on the parameters that will trend our improvement efforts and results.

To further assist administration measure our achievements, a suite of qualitative and quantitate key performance indicators have been developed to track and trend our progress over time. The purpose of metrics and key performance indicators (KPIs) is to measure the performance of the solutions, 'Strategies,' we have identified to meet the expressed needs and wishes outlined by the Community in the Community Strategic Plan.

We use key metrics to measure different aspects of business activity at a specific point in time. KPIs embody strategic objectives and measure performance against a specific target. These targets are defined in strategic planning or budget sessions and have a range of performance indicators. KPIs are the detailed specifications that are used to track business objectives.

We have set 'Leading' indicators that may help us predict the outcome of our process and our eventual achievement of our vision:

"We are a vibrant rural community that celebrates our past and embraces a sustainable future".

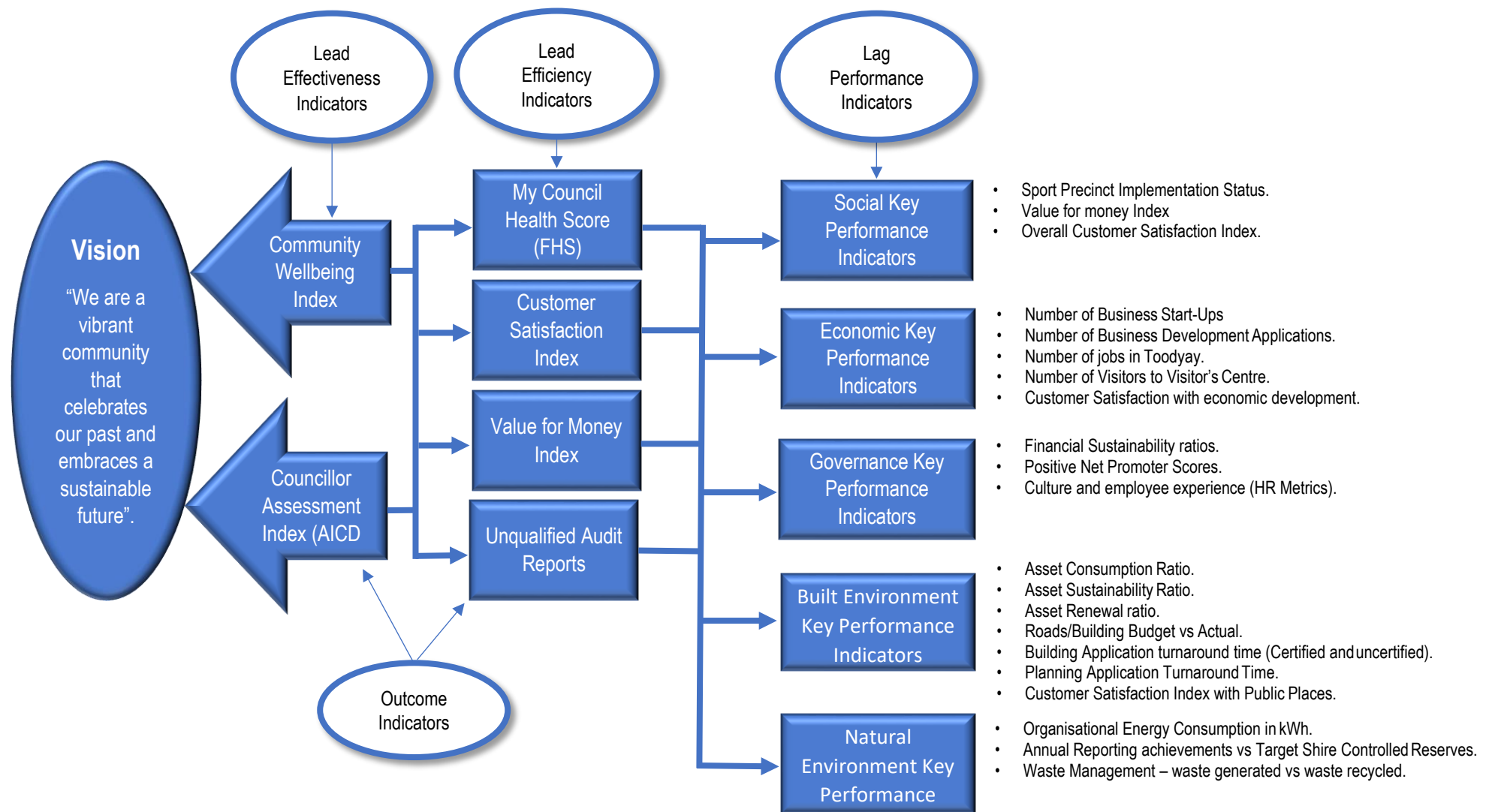
We also have cascaded our metrics with 'Lagging' indicators that present our success, or outline our opportunities for improvement.

Key Efficiency and Effectiveness Indicators for Toodyay have also been identified through this process being:

- Social – the Community Wellbeing Index, Employment
- Economic – The Employment Self Sufficiency Index.
- Natural Environment – Environmental Management Strategy (achievement of Environmental Management Strategy).
- Built Environment –Asset Rankings.
- Governance – the Financial Health Score.

A *Cause and Effect* chart of performance indicators is graphically shown in the next slide. The chart shows that there is a direct link between the lagging indicator with the lead outcome indicator – poor performance at one level will lead to potentially not achieving the outcome (lead Indicator) at another level. Causation therefore, or *cause and effect* is simply an action with a reaction. When an event or result occurs, its effect impacts the course of the organisational performance, often changing the character or later performance dramatically.

Section 8.1 – Key Performance Indicator Cause and Effect Chart



Section 9 – How we will respond

9.1 Goal – Social “Our Community Wellbeing and Connection”

Strategic Outcome – “Toodyay is a safe, cohesive and healthy Community”.

Objective 1 – “Maintain and develop services that meet the requirements of our diverse community”

Council Adopted Strategies to achieve Objective	RO	Shires response to make it happen	2019	2020	2021	2022
S1.1: Develop the Sport and Recreation Precinct, including aquatic facilities.	CEO	<ul style="list-style-type: none"> Continue advocacy for grant funding; develop project implementation plan and implement as part of the Stage 1 Sport and Recreation Precinct Plan. 	●	●		
S1.2: Support development of community groups and sponsorships.	MCD	<ul style="list-style-type: none"> Continue annual community sponsorship process. Develop, through engagement, a Reconciliation Action Plan. 	●	●	● ●	●
S1.3: Build partnerships that strengthen our community wellbeing.	MCD	<ul style="list-style-type: none"> Develop ‘Wellbeing Survey’ process to identify wellbeing metrics which can be benchmarked with other local Governments, identify gaps with a view to close identified gaps in community wellbeing. 		●		
	MPD	<ul style="list-style-type: none"> Develop and implement Public Health Plan. 		●	●	
S1.4: Continue services and facilities to support senior residents.	MCD	<ul style="list-style-type: none"> Review, update and implement ‘Age Friendly’ Plan. Assist with the Development of walk trail plan. 	● ●	● ●	●	●
S1.5: Build services and facilities to support our younger residents.	MCD	<ul style="list-style-type: none"> Implement Youth Plan. Assist with development of walk and mountain bike trails. 	●	● ●	● ●	●

Objective 2 – “Facilitate Community safety and wellbeing”

S2.1: Implement, or lobby, for safety initiatives in the community.	MCD	<ul style="list-style-type: none"> Adopt and implement ‘Safe Toodyay Plan’. Implement ‘Choose Respect Campaign’. 	●	● ●	● ●	● ●
S2.2: Partner with health, medical and aged care service provided by others.	MCD	<ul style="list-style-type: none"> Develop and implement Dementia Friendly Plan. 	●	●	●	●
S2.3: Collaborate with fire and emergency services, law and order programs and other volunteer services.	MWS	<ul style="list-style-type: none"> Develop and implement ‘Bushfire Risk Management Plan’. 	●	●		
	MWS	<ul style="list-style-type: none"> Complete the Coondle-Nunile Volunteer Bushfire Brigade fire shed relocation and upgrade. 	●	●		
	MWS	<ul style="list-style-type: none"> Complete the Morangup co-located Incident Control Centre. 	●	●		
	MCS	<ul style="list-style-type: none"> Continue budgetary funding supporting emergency volunteer services 	●	●	●	●
	MCS	<ul style="list-style-type: none"> Upgrade Shire CCTV. 	●	●		
	MPD	<ul style="list-style-type: none"> Maintain Shire CCTV. 		●	●	●

9.1 Goal – Social “Our Community Wellbeing and Connection”

Strategic Outcome – “Toodyay is a safe, cohesive and healthy Community”.

Objective 3 – “Support the development of places and spaces for recreation, learning, art and culture”.

Council Adopted Strategies to achieve Objective	RO	Shires response to make it happen	2019	2020	2021	2022
S3.1: Continue to support community focused facilities and services.	MPD CEO	<ul style="list-style-type: none"> Expand Morangup Community Centre. Continue construction of Sport and Recreation Precinct Project into Stage 2. 	●	●	●	●
S3.2: Support and encourage growth in events that utilise the talents of the community.	MCD	<ul style="list-style-type: none"> Continue with Shires ‘Events Calendar’. 	●	●	●	●
S3.3: Utilise the river spaces more effectively as a natural recreation facility.	MWS MWS	<ul style="list-style-type: none"> Develop, fund and implement the ‘Riverwalk Way Plan’. Develop walk and mountain bike trails and integrate with the Riverwalk Way Plan. 		●	●	●
S3.4: Maintain open space for recreation and connection.	MWS MWS MCD	<ul style="list-style-type: none"> Create a Parks and Reserves Master Plan for Key Shire spaces. Complete Management Plans for every Shire controlled reserve and implement. Develop a Public Art Policy for the Shire. 	●	●	●	●

9.1.1 Goal – Social Key Performance Indicators (KPIs)

The following KPIs have been identified to monitor progress against the Goals

Goal Area - Efficiency and Effectiveness Indicator	<ul style="list-style-type: none"> Community Satisfaction and Wellbeing Index (as measured by regular survey).
Goal Area monitoring and accountability KPIs	<ul style="list-style-type: none"> Overall Customer Satisfaction Index. Value for money Index. Sport and Recreation Precinct Project Status.

9.2 Goal – Economic “Protect rural lifestyles and local jobs”

Strategic Outcome – “We attract, develop and maintain business in Toodyay”.

Objective 1 – “Encourage and support Investment into new and existing businesses in Toodyay”

Council Adopted Strategies to achieve Objective	RO	Shires response to make it happen	2019	2020	2021	2022
S1.1: Promote environmentally sustainable development that is consistent with our rural setting.	MPD	• Complete the Shire’s Local Planning Scheme No 5 and ensure relevant Policies support that.		●		
S1.2: Work collaboratively with business stakeholders to minimise impediments.	CEO	• Review Local Law on extractive industries.		●		
S1.3: Encourage new businesses and new business sectors to come to Toodyay.	CEO	• Review and update the Toodyay Economic Development Plan			●	
S1.4: Seek to maximise local purchasing and local content into shire works and projects.	CEO CEO	• Create and maintain Local Suppliers Register. • Support and promote #Toodyay First – Buy Local Campaign.	● ●	● ●	● ●	● ●

Objective 2 – “Promote Toodyay as a Tourism destination”

S2.1: Develop successful and collaborative partnerships that support the Tourism Strategy.	MCD	• Implement Tourism Strategy.	●	●	●	●
S2.2: Support focus on boosting overnight experiential tourism.	CPD MCD	• Improve overflow camping facilities at the sportsground. • Develop a Tourism Stakeholder Reference Group Plan.	● ●			
S2.3: Advocate for infrastructure to support tourism.	CEO	• Lobby for investment in tourism infrastructure	●	●	●	●
S2.4: Support development of arts, culture, heritage and environmental tourism.	MPD MPD MPD MCD MCD	• Review the Heritage Strategy and implement findings. • Review and update the Clinton Street Heritage Precinct Plan. • Replace the Newcastle Gaol Museum Roof. • Support the involvement of arts in Tourism. • Develop the Convict Depot Walk.	 ● ●	 ● ● ●	● ● ●	● ●

9.2 Goal – Economic “Protect rural lifestyles and local jobs”

Strategic Outcome – “We attract, develop and maintain business in Toodyay”.

Objective 3 – “Encourage economic diversification”

Council Adopted Strategies to achieve Objective	RO	Shires response to make it happen	2019	2020	2021	2022
S3.1: Advocate for increased opportunities for premium food production.	CEO	<ul style="list-style-type: none"> Support the Chamber of Commerce and Industry (TCCI) 'Food Trail Strategy'. 	●	●	●	●
S3.2: Engage with local manufacturing, building and construction sectors.	CEO	<ul style="list-style-type: none"> Facilitate engagement with key stakeholders. 	●	●	●	●
S3.3: Facilitate participation in digital Economy and knowledge intensive enterprises.	CEO	<ul style="list-style-type: none"> Develop Social Media Policy and Guidelines which includes continued use of social media and digital platforms. 	●	●	●	●

9.2.1 Goal – Economic Key Performance Indicators (KPIs)

The following KPIs have been identified to monitor progress against the Goals

Goal Area - Efficiency and Effectiveness Indicator	<ul style="list-style-type: none"> Percentage of local jobs filled by local people.
Goal Area monitoring and accountability KPIs	<ul style="list-style-type: none"> Number of Visitors to the Visitor's Centre. Number of jobs in Toodyay Number of Business Start-ups. Number of Business Development Applications. Customer Satisfaction with Economic Development (as determined by survey).

9.3 Goal – Natural Environment “Protecting where we live”

Strategic Outcome – “Toodyay is a proud, rural lifestyle community with many natural assets including ecosystems that are maintained and protected for future generations”.

Objective 1 – “Preserve and protect our natural assets for future generations”

Council Adopted Strategies to achieve Objective	RO	Shires response to make it happen	2019	2020	2021	2022
S1.1: Help protect and enhance the river ecosystem including the riparian vegetation.	MPD CEO	<ul style="list-style-type: none"> Review and Implement the Environmental Management Strategy. Continue to lobby relevant government agencies. 	● ●	● ●	● ●	● ●
S1.2: Support the mitigation of adverse environmental impact to biodiversity and natural ecosystems throughout the Shire.	MPD	<ul style="list-style-type: none"> Continue with Planning Controls and Policy development. 	●	●	●	●
S1.3: Enhance and protect biodiversity and natural ecosystems in Shire controlled reserves.	MWS MPD	<ul style="list-style-type: none"> Implement Reserve Management Plans. Develop a Biodiversity Strategy to protect flora and fauna within the district. 	● ●	● ●	●	●
S1.4: Reduce the extreme weather impacts through emergency management planning.	CEO CEO	<ul style="list-style-type: none"> Continue support for the Local Emergency Management Committee and Bush Fire Advisory Committee and continue funding for the Community Emergency Services Manager. Implement Local Emergency Management Arrangements. 	● ●	● ●	● ●	● ●
S1.5: Develop strategies to interpret and utilise the natural environment for recreation, eco-tourism and land conservation.	MWS MWS	<ul style="list-style-type: none"> Initiate improvements to Pelham Reserve. Construct the River-walk way. 	●	●		● ●

Objective 2 – “Ensure sustainable operating practices”

S2.1: Embed environmental awareness into operational decisions to better understand and minimise impacts on natural ecosystems, erosion and sediment inflows to waterways.	MWS	<ul style="list-style-type: none"> Mitigate environmental impacts through design and infrastructure projects. 	●	●	●	●
S2.2: Continue to implement Environmental Management Strategy.	MPD	<ul style="list-style-type: none"> Continue as planned. 	●	●	●	●
S2.3: Support resources and opportunities that minimise waste and improve recycling.	CEO	<ul style="list-style-type: none"> Continue implementation of Regional Waste Minimisation Plan. 	●	●	●	●
S2.4: Introduce targeted initiatives to reduce our carbon footprint.	MPD	<ul style="list-style-type: none"> Continue to investigate options to reduce the Shire’s carbon footprint. 			●	
S2.5: Support conservation protection covenants and Policies.	MPD	<ul style="list-style-type: none"> Continue review of Policies to ensure they remain relevant to invite natural environment outcomes. 	●	●	●	●

9.3.1 Goal – Natural Environment Key Performance Indicators (KPIs)

The following KPIs have been identified to monitor progress against the Goals

Goal Area - Efficiency and Effectiveness Indicator

- Achievements in line with Environmental Management Strategy and other guiding documents.

Goal Area monitoring and accountability KPIs

- Waste Management – Waste Generated vs Waste Recycled.
- Organisation Energy Consumption in kWh.
- Annual Reporting on achievement vs targeted activities on Shire controlled reserves.

9.4 Goal – Built Environment “Protecting where we live”

Strategic Outcome – “Our community can live, work and play through planned development and maintenance”.

Objective 1 – “Ensure safe and sustainable transport options”

Council Adopted Strategies to achieve Objective	RO	Shires response to make it happen	2019	2020	2021	2022
S1.1: Apply metrics to local road upgrades and maintenance to ensure best practice value expenditure.	MWS	<ul style="list-style-type: none"> Integrate metrics and service standards to capital and maintenance planning. 	●	●	●	●
S1.2: Continue to invest in local road infrastructure	MWS MCS MWS	<ul style="list-style-type: none"> Continue implement Capital and Maintenance Plans as per LTFP. Monitor the financial sustainability ratios (Health Score Asset Metrics). Update Road Preservation Plan 	● ● ●	● ● ●	● ● ●	● ● ●
S1.3: Continue advocacy for investment in State road systems.	CEO	<ul style="list-style-type: none"> Advocate and lobby as required. 	●	●	●	●
S1.4: Improve footpaths and streetscapes.	MWS MWS MWS	<ul style="list-style-type: none"> Develop Streetscape Plan. Update Shared Path Plan. Develop walk and mountain bike trails. 	●	●	●	●
S1.5: Advocate for improved public transport options for residents.	CEO	<ul style="list-style-type: none"> Continue advocacy as required 	●	●	●	●

Objective 2 – “Ensure our built environment meets community needs”

S2.1: Encourage diverse housing and development options.	MPD	<ul style="list-style-type: none"> Complete the Shire Local Planning Scheme No 5 and relevant Policies. 		●		
S2.1: Upgrade local infrastructure to cater for seniors.	CEO MWS	<ul style="list-style-type: none"> Advocate for improvements to Pedestrian Railway crossings in Toodyay. Implement infrastructure requirements in the ‘Age Friendly’ Plan. 	● ●	● ●	● ●	● ●
S2.3: Ensure appropriate facilities to engage and retain young people.	MCD MCD	<ul style="list-style-type: none"> Collaborate with the Community Resource Centre in respect to youth engagement. Continue to advocate for age appropriate facilities for young people. 	● ●	● ●	● ●	● ●
S2.4 Reinforce our heritage vision in local planning scheme review.	MPD	<ul style="list-style-type: none"> Implement the Heritage Strategy and integrate with the review of the Shire Local Planning Scheme No 5 and relevant Policies. 			●	●
S2.5: Enhance and maintain our parks, gardens and public greens.	MWS	<ul style="list-style-type: none"> Create and implement Maintenance Plans for specific spaces. 		●	●	●

9.4 Goal – Built Environment “Protecting where we live”

Strategic Outcome – “Our community can live, work and play through planned development and maintenance”.

Objective 3 – “Improve processes to support the built environment”

Council Adopted Strategies to achieve Objective	RO	Shires response to make it happen	2019	2020	2021	2022
S3.1: Adjust regulatory processes to be more enabling and accessible.	MPD	<ul style="list-style-type: none"> Upgrade and build disability access to identified public toilets and public buildings as specified in the Disability Access and Inclusion Plan (DAIP). 		●	●	●
S3.2: Implement asset rationalisation and consolidation.	CEO	<ul style="list-style-type: none"> Continue with the rationalisation of Council built assets. 	●	●		

9.4.1 Goal – Built Environment Key Performance Indicators (KPIs)

The following KPIs have been identified to monitor progress against the Goals

Goal Area - Efficiency and Effectiveness Indicator	<p>As per Asset Management Plan:</p> <ul style="list-style-type: none"> Infrastructure Asset Rating. Building Asset Rating. Plant and Equipment Asset Rating.
Goal Area monitoring and accountability KPIs	<ul style="list-style-type: none"> Asset Consumption Ratio. Asset Sustainability Ratio Asset Renewal Funding Ratio. Roads Budget vs Actual. Buildings Budget vs Actual. Building Applications turnaround time (Certified and uncertified). Planning Applications turnaround time. Customer Satisfaction Index with Public Places.

9.5 Goal – Governance “Responsible and responsive civic leadership”

Strategic Outcome – “A Council that engages with the community and provides good governance on behalf of the community”

Objective 1 – “Provide accountable and transparent leadership for the community”

Council Adopted Strategies to achieve Objective	RO	Shires response to make it happen	2019	2020	2021	2022
S1.1: Use Strategic Community Plan as a blueprint for Council policy development and decisions.	CEO	<ul style="list-style-type: none"> Adopt and implement the Corporate Business Plan. Implement and review informing strategies. 	● ●	● ●	● ●	● ●
S1.2: Complete the development of a new Local Planning Scheme No. 5 and related Policies.	MPD	<ul style="list-style-type: none"> Complete the Shire Local Planning Scheme No 5 and relevant Policies. 		●		
S1.3: Provide clear and engaged leadership on behalf of the community.	CEO CEO	<ul style="list-style-type: none"> Finalise the Community Engagement Strategy. Ongoing monitoring and update of the Risk Register. 	● ●	●	●	●
S1.4 Increase communication on advocacy undertaken for services and initiatives that benefit.	CEO	<ul style="list-style-type: none"> Continue to lobby Government agencies to support the Shire. 	●	●	●	●

Objective 2 – “Consistently improve our governance practices”

S2.1: Build a positive culture of engagement between the Shire and its community.	CEO	<ul style="list-style-type: none"> Implement the Community Engagement Strategy. 		●	●	●
S2.2: Improve internal and external communication to maximise transparency.	CEO CEO	<ul style="list-style-type: none"> Continue organisational team briefings for staff. Complete Communication Plan. 	●	● ●	●	●
S2.3: Ensure appropriate induction and skills for all elected members.	CEO	<ul style="list-style-type: none"> Review and improve Councillor induction program with facilitation and legal practitioners input. 	●		●	
	CEO	<ul style="list-style-type: none"> Review Councillor Information Bulletin for adequacy and appropriate content. 	●	●	●	●
	CEO	<ul style="list-style-type: none"> Participate in the Australian Institute of Company Directors Best Practice Review. 		●		●

9.5 Goal – Governance “Responsible and responsive civic leadership”

Strategic Outcome – “A Council that engages with the community and provides good governance on behalf of the community”

Objective 3 – “Ensure rigorous organisational system”

Council Adopted Strategies to achieve Objective	RO	Shires response to make it happen	2019	2020	2021	2022
S3.1: Maintain long term financial (LTFP) and resourcing plans.	MCS	<ul style="list-style-type: none"> Continue to test assumptions and update the current LTFP. Continue to review and update Asset Management Plans and other informing strategies. 	●	●	●	●
S3.2: Operate to best practice management in all areas.	CEO	<ul style="list-style-type: none"> Implement and monitor the HR Operational Plan to ensure a well resourced, skilled and effective workforce. 	●			
	CEO	<ul style="list-style-type: none"> Continue routine Policy and procedures review. 	●	●	●	●
	CEO	<ul style="list-style-type: none"> Continue to review and update governance practices via the shire’s compliance calendar. 	●	●	●	●
S3.3: Ongoing review of customer service and satisfaction.	CEO	<ul style="list-style-type: none"> Undertake a regular Customer Satisfaction and Wellbeing survey against Shire products and service offerings on a periodic basis to set targets and actions. 	●	●	●	●
S3.4: Embed innovation in information and communication technologies.	CEO	<ul style="list-style-type: none"> Continue implementation of ICT upgrades and review document Information management. 	●	●	●	●
	CEO	<ul style="list-style-type: none"> Review dedicated Councillor Extranet system. 		●		
	MCS	<ul style="list-style-type: none"> Develop and Implement the ICT Strategy. 	●	●	●	●

9.5.1 Goal – Governance Key Performance Indicators (KPIs)

The following KPIs have been identified to monitor progress against the Goals

Goal Area - Efficiency and Effectiveness Indicator	<ul style="list-style-type: none"> MyCouncil Financial Health Score (FHS). Results of Compliance Audit Return/s. Unqualified Financial Audit Reports. Councillor self-assessment through AICD Index.
Goal Area monitoring and accountability KPIs	<ul style="list-style-type: none"> Financial Sustainability Ratios Positive Net Promoter Scores Culture and Employee experience (HR Metrics)

Section 10 – Revenue by Program

	2018/19	2019/20	2020/21	2021/22	2022/23
	Budget	Budget	Budget	Budget	Budget
	\$	\$	\$	\$	\$
Revenue					
Governance	59,500	60,809	62,147	63,514	64,911
General purpose funding	7,437,013	8,231,795	8,430,841	8,634,894	8,843,939
Law, order, public safety	373,358	381,044	389,427	397,994	406,750
Health	64,500	65,919	67,369	68,851	70,366
Housing	10,500	10,731	10,967	11,208	11,455
Community amenities	720,900	736,760	752,969	769,534	786,464
Recreation and culture	125,000	127,024	129,093	231,207	133,367
Transport	175,128	175,128	178,981	182,918	186,943
Economic services	197,000	201,334	205,763	210,290	214,917
Other property and services	115,500	118,041	120,638	123,292	126,004
Total	9,278,399	10,108,584	10,348,194	10,693,703	10,845,115

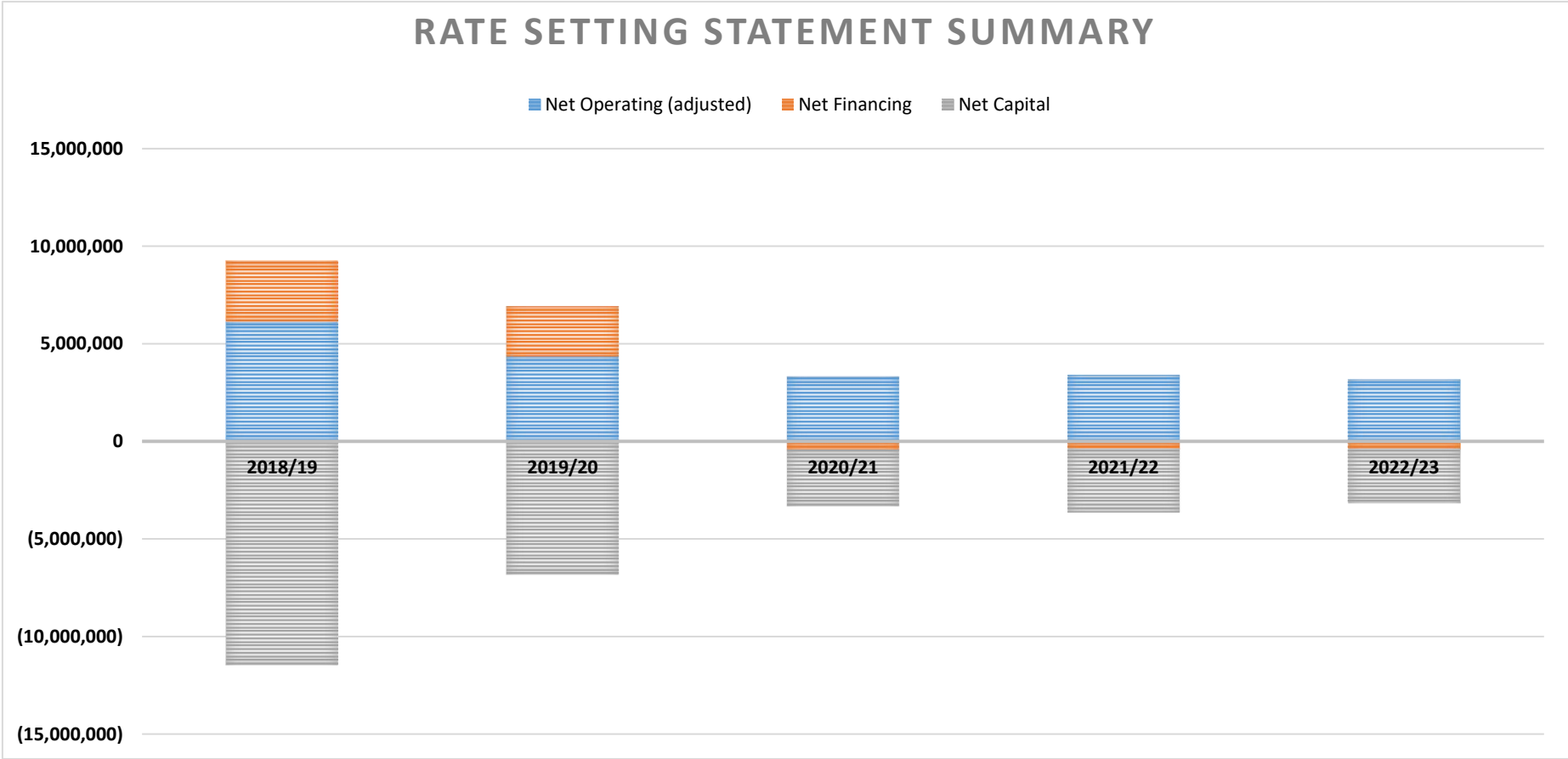
Section 11 – Expenditure by Program

	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget
EXPENSES EXCLUDING FINANCE COSTS	\$	\$	\$	\$	\$
Governance	(813,077)	(863,131)	(856,339)	(868,500)	(863,048)
General purpose funding	(440,623)	(333,675)	(339,916)	(329,342)	(336,128)
Law, order, public safety	(1,239,420)	(1,144,678)	(1,165,077)	(1,175,435)	(1,196,774)
Health	(295,939)	(289,340)	(294,650)	(296,533)	(302,135)
Education and welfare	(64,034)	(63,876)	(65,210)	(64,674)	(66,097)
Housing	(39,307)	(46,160)	(46,470)	(46,787)	(47,112)
Community amenities	(1,300,252)	(1,296,849)	(1,324,800)	(1,341,850)	(1,370,819)
Recreation and culture	(1,465,415)	(1,667,573)	(1,784,885)	(1,883,897)	(1,916,456)
Transport	(4,481,610)	(4,174,562)	(4,355,522)	(4,373,891)	(4,462,256)
Economic services	(1,183,766)	(1,156,906)	(1,180,782)	(1,187,393)	(1,211,906)
Other property and services	(323,411)	(378,094)	(386,145)	(385,213)	(393,785)
Total	(11,646,854)	(11,414,844)	(11,799,795)	(11,953,514)	(12,166,516)
FINANCE COSTS					
Recreation and culture	(136,422)	(175,855)	(221,059)	(208,937)	(196,989)
Transport	(34,040)	(31,701)	(29,040)	(26,509)	(24,654)
Economic services	(3,603)	(2,362)	(1,043)	0	0
Other property and services	(3,973)	(1,054)	(876)	0	0
Total	(178,038)	(210,972)	(252,018)	(235,446)	(221,642)
OPERATING ACTIVITIES					
(profit) on asset disposal	(101,685)	(1,760)	0	(33,141)	(115,058)
Loss on asset disposal	194,752	0	47,137	0	0
Depreciation on assets	3,706,700	3,584,114	3,666,836	3,628,898	3,646,677
Grand Total	(8,025,125)	(8,043,462)	(8,337,840)	(8,593,203)	(8,856,540)

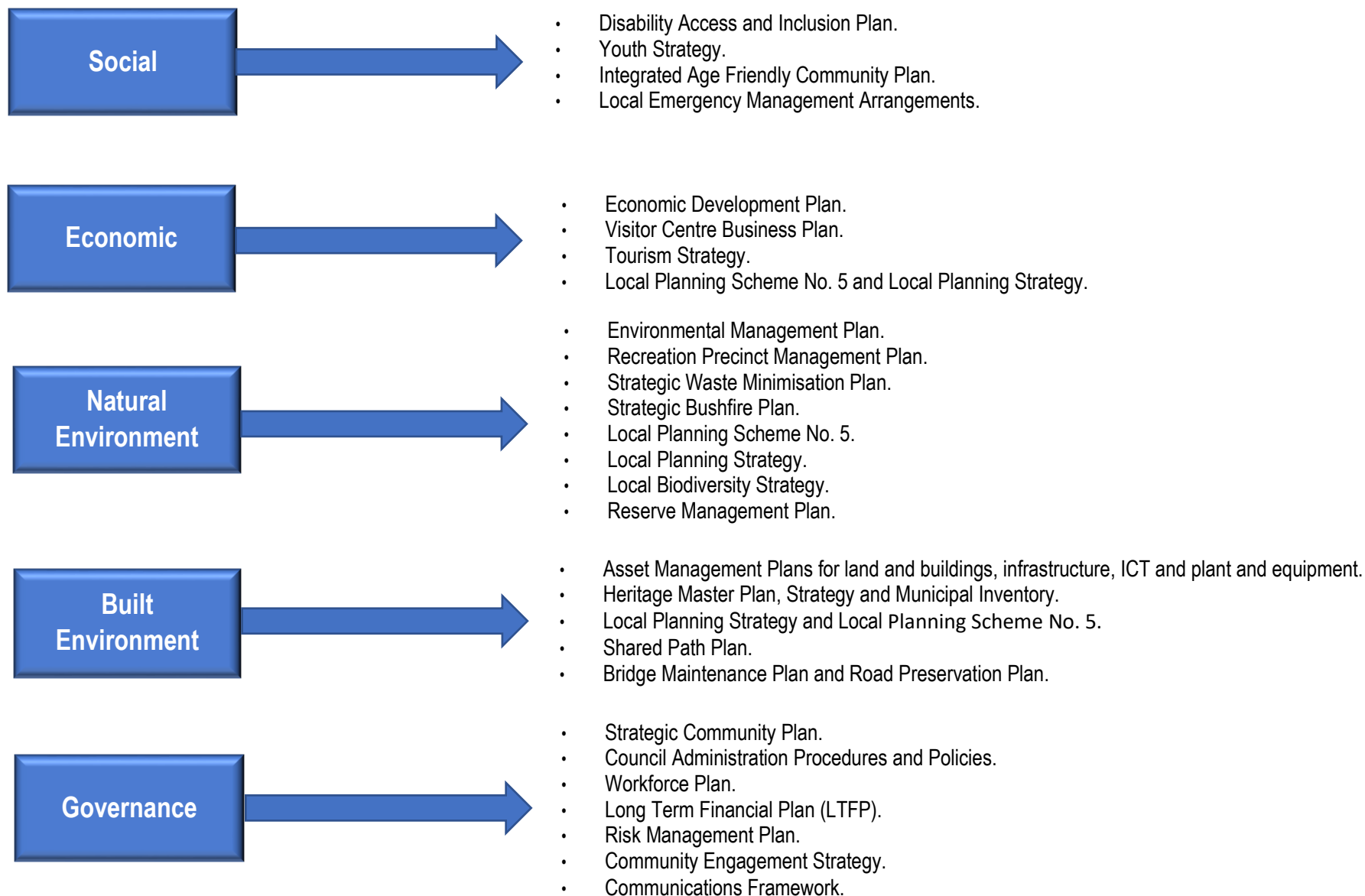
Section 12 – Capital, Asset Improvement and Major Projects

	2018/19	2019/20	2020/21	2021/22	2022/23
	Budget	Budget	Budget	Budget	Budget
	\$	\$	\$	\$	\$
Governance	58,000	75,500	25,500	251,500	20,500
Law, Order, Public Safety	773,308	48,180	385,911	409,841	32,880
Health	0	21,000	6,000	8,000	30,000
Education & Welfare Services	20,000	0	0	0	0
Housing	0	19,000	39,000	14,000	44,000
Community Amenities	48,000	0	0	0	112,000
Recreation And Culture	9,133,021	4,401,987	176,000	290,500	178,500
Transport	2,803,026	2,601,599	2,582,983	2,637,989	2,795,654
Economic Services	22,900	8,000	10,000	0	10,000
Other Property And Services	700,000	73,500	70,000	80,000	80,000
Finance & Borrowing	301,176	336,609	342,730	288,328	301,576
Total	13,859,431	7,585,375	3,638,124	3,980,158	3,605,110

Section 13 – Rates Setting Statement Summary



Section 14 – Resourcing and Informing Plans



SHIRE OF TOODYAY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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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 2020**

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

Signed on the 4 day of December 2020



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 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
Rates	24(a)	6,557,996	6,542,879	6,401,667
Operating grants, subsidies and contributions	2(a)	2,879,972	1,810,387	3,349,662
Fees and charges	2(a)	1,326,911	1,312,780	1,272,979
Interest earnings	2(a)	109,541	145,000	173,625
Other revenue	2(a)	19,673	20,000	19,725
		10,894,093	9,831,046	11,217,658
Expenses				
Employee costs		(4,517,207)	(4,590,707)	(4,485,833)
Materials and contracts		(3,704,891)	(2,950,872)	(2,728,069)
Utility charges		(345,446)	(259,801)	(272,637)
Depreciation on non-current assets	11(b)	(4,380,937)	(4,428,700)	(4,214,625)
Interest expenses	2(b)	(118,056)	(271,262)	(110,038)
Insurance expenses		(274,008)	(257,063)	(274,141)
Other expenditure		(100,832)	(130,500)	(97,136)
		(13,441,377)	(12,888,905)	(12,182,479)
		(2,547,284)	(3,057,859)	(964,821)
Non-operating grants, subsidies and contributions	2(a)	6,981,868	8,017,394	595,291
Profit on asset disposals	11(a)	1,988	63,866	48,326
(Loss) on asset disposals	11(a)	(87,901)	(35,250)	(38,007)
Fair value adjustments to financial assets at fair value through profit or loss	5(b)	7,016	0	46,400
Assets Written Off	10(a)	0	0	(18,989)
		6,902,971	8,046,010	633,021
Net result for the period		4,355,687	4,988,151	(331,800)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	452,985	0	0
Total other comprehensive income for the period		452,985	0	0
Total comprehensive income for the period		4,808,672	4,988,151	(331,800)

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 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
Governance	2(a)	73,490	49,500	31,394
General purpose funding		8,751,917	7,509,536	8,197,515
Law, order, public safety		567,850	768,066	802,397
Health		59,038	67,500	55,278
Housing		10,741	10,500	10,714
Community amenities		728,354	731,860	697,940
Recreation and culture		66,592	127,250	344,923
Transport		197,157	214,214	588,878
Economic services		298,073	233,500	250,539
Other property and services		140,881	119,120	238,080
		10,894,093	9,831,046	11,217,658
Expenses				
Governance	2(b)	(859,881)	(837,896)	(791,792)
General purpose funding		(355,692)	(380,331)	(411,426)
Law, order, public safety		(2,375,219)	(1,371,427)	(1,274,547)
Health		(282,106)	(314,097)	(301,743)
Education and welfare		(73,310)	(67,858)	(65,797)
Housing		(35,992)	(36,562)	(34,195)
Community amenities		(1,204,362)	(1,259,157)	(1,258,925)
Recreation and culture		(1,487,891)	(1,532,832)	(1,440,176)
Transport		(4,988,840)	(5,344,360)	(4,731,484)
Economic services		(1,295,427)	(1,233,393)	(1,249,671)
Other property and services		(364,601)	(239,730)	(512,685)
		(13,323,321)	(12,617,643)	(12,072,441)
Finance Costs				
Recreation and culture	2(b)	(68,892)	(234,768)	(66,482)
Transport		(45,065)	(31,711)	(36,352)
Economic services		(2,300)	(2,440)	(3,600)
Other property and services		(1,799)	(2,343)	(3,604)
		(118,056)	(271,262)	(110,038)
		(2,547,284)	(3,057,859)	(964,821)
Non-operating grants, subsidies and contributions	2(a)	6,981,868	8,017,394	595,291
Profit on disposal of assets	11(a)	1,988	63,866	48,326
(Loss) on disposal of assets	11(a)	(87,901)	(35,250)	(38,007)
Fair value adjustments to financial assets at fair value through profit or loss	5(b)	7,016	0	46,400
Assets Written Off	10(a)	0	0	(18,989)
		6,902,971	8,046,010	633,021
Net result for the period		4,355,687	4,988,151	(331,800)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	452,985	0	0
Total other comprehensive income for the period		452,985	0	0
Total comprehensive income for the period		4,808,672	4,988,151	(331,800)

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

SHIRE OF TOODYAY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	NOTE	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	3	1,308,070	2,291,510
Trade and other receivables	6	1,136,431	1,018,435
Other financial assets	5(a)	1,638,663	3,759,390
Inventories	7	81,244	73,576
Other assets	8	0	172
TOTAL CURRENT ASSETS		4,164,408	7,143,083
NON-CURRENT ASSETS			
Trade and other receivables	6	274,322	265,109
Other financial assets	5(b)	53,416	46,400
Property, plant and equipment	9	32,980,100	31,556,255
Infrastructure	10	127,336,932	116,204,096
Right of use assets	12(a)	223,948	0
TOTAL NON-CURRENT ASSETS		160,868,718	148,071,860
TOTAL ASSETS		165,033,126	155,214,943
CURRENT LIABILITIES			
Trade and other payables	14	1,622,366	774,537
Contract liabilities	15	359,495	0
Lease liabilities	16(a)	80,444	0
Borrowings	17(a)	4,687,594	238,849
Employee related provisions	18	598,131	696,800
TOTAL CURRENT LIABILITIES		7,348,030	1,710,186
NON-CURRENT LIABILITIES			
Lease liabilities	16(a)	146,412	0
Borrowings	17(a)	1,397,458	1,585,052
Employee related provisions	18	125,336	74,747
TOTAL NON-CURRENT LIABILITIES		1,669,206	1,659,799
TOTAL LIABILITIES		9,017,236	3,369,985
NET ASSETS		156,015,890	151,844,959
EQUITY			
Retained surplus		67,043,989	61,205,316
Reserve - cash backed	4	1,638,663	3,759,390
Revaluation surplus	13	87,333,238	86,880,253
TOTAL EQUITY		156,015,890	151,844,959

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 2020

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2018		61,976,052	3,320,454	86,880,253	152,176,759
Comprehensive income					
Net result for the period		(331,800)	0	0	(331,800)
Other comprehensive income	13	0	0	0	0
Total comprehensive income		(331,800)	0	0	(331,800)
Transfers from reserves	4	328,000	(328,000)	0	0
Transfers to reserves	4	(766,936)	766,936	0	0
Balance as at 30 June 2019		61,205,316	3,759,390	86,880,253	151,844,959
Change in accounting policy	27(d)	(637,741)	0	0	(637,741)
Restated total equity at 1 July 2019		60,567,575	3,759,390	86,880,253	151,207,218
Comprehensive income					
Net result for the period		4,355,687	0	0	4,355,687
Other comprehensive income	13	0	0	452,985	452,985
Total comprehensive income		4,355,687	0	452,985	4,808,672
Transfers from reserves	4	2,326,614	(2,326,614)	0	0
Transfers to reserves	4	(205,887)	205,887	0	0
Balance as at 30 June 2020		67,043,989	1,638,663	87,333,238	156,015,890

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 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		6,621,340	6,542,879	6,285,265
Operating grants, subsidies and contributions		2,819,916	1,810,387	3,675,382
Fees and charges		1,326,911	1,312,780	1,272,979
Interest received		109,541	145,000	173,625
Goods and services tax received		186,839	0	208,582
Other revenue		19,673	20,000	19,725
		11,084,220	9,831,046	11,635,558
Payments				
Employee costs		(4,556,293)	(4,590,707)	(4,427,872)
Materials and contracts		(3,041,363)	(2,950,872)	(2,432,915)
Utility charges		(345,446)	(259,801)	(272,637)
Interest expenses		(118,056)	(271,262)	(111,620)
Insurance paid		(274,008)	(257,063)	(274,141)
Goods and services tax paid		(427,771)	0	(160,855)
Other expenditure		(100,832)	(130,500)	(97,136)
		(8,863,769)	(8,460,205)	(7,777,176)
Net cash provided by (used in) operating activities	19	2,220,451	1,370,841	3,858,382
CASH FLOWS FROM INVESTING ACTIVITIES				
Net proceeds from financial assets	5(a)	2,120,727	0	(3,759,390)
Payments for purchase of property, plant & equipment	9(a)	(2,001,747)	(6,738,768)	(1,176,057)
Payments for construction of infrastructure	10(a)	(14,518,300)	(12,014,067)	(2,627,146)
Non-operating grants, subsidies and contributions	2(a)	6,981,868	8,017,394	595,291
Proceeds from sale of property, plant & equipment	11(a)	29,545	573,000	390,288
Net cash provided by (used in) investment activities		(7,387,907)	(10,162,441)	(6,577,014)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(238,849)	(383,565)	(235,200)
Payments for principal portion of lease liabilities	16(b)	(77,135)	0	0
Proceeds from new borrowings	17(b)	4,500,000	4,500,000	0
Net cash provided by (used in) financing activities		4,184,016	4,116,435	(235,200)
Net increase (decrease) in cash held		(983,440)	(4,675,165)	(2,953,832)
Cash at beginning of year		2,291,510	6,007,685	5,245,342
Cash and cash equivalents at the end of the year	19	1,308,070	1,332,520	2,291,510

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

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

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	25 (b)	1,521,561	2,319,310	2,441,160
		1,521,561	2,319,310	2,441,160
Revenue from operating activities (excluding rates)				
Governance		80,506	49,500	77,794
General purpose funding		2,242,923	966,657	1,830,729
Law, order, public safety		567,850	768,066	802,397
Health		59,038	67,500	55,278
Housing		10,741	10,500	10,714
Community amenities		728,354	731,860	697,940
Recreation and culture		66,592	127,250	344,923
Transport		199,145	214,214	637,204
Economic services		298,073	294,164	250,539
Other property and services		140,881	122,322	238,080
		4,394,103	3,352,033	4,945,598
Expenditure from operating activities				
Governance		(859,881)	(837,896)	(791,792)
General purpose funding		(355,692)	(380,331)	(411,426)
Law, order, public safety		(2,375,219)	(1,371,427)	(1,274,547)
Health		(282,106)	(314,097)	(301,743)
Education and welfare		(73,310)	(67,858)	(65,797)
Housing		(35,992)	(36,562)	(34,195)
Community amenities		(1,204,362)	(1,259,157)	(1,258,925)
Recreation and culture		(1,556,783)	(1,767,600)	(1,512,365)
Transport		(5,121,806)	(5,376,071)	(4,811,970)
Economic services		(1,297,727)	(1,270,833)	(1,253,271)
Other property and services		(366,400)	(242,323)	(523,444)
		(13,529,278)	(12,924,155)	(12,239,475)
Non-cash amounts excluded from operating activities	25(a)	4,475,996	4,400,084	4,136,993
Amount attributable to operating activities		(3,137,618)	(2,852,728)	(715,724)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	6,981,868	8,017,394	595,291
Proceeds from disposal of assets	11(a)	29,545	573,000	390,288
Purchase of property, plant and equipment	9(a)	(2,001,747)	(6,738,768)	(1,176,057)
Purchase and construction of infrastructure	10(a)	(14,518,300)	(12,014,067)	(2,627,146)
Amount attributable to investing activities		(9,508,634)	(10,162,441)	(2,817,624)
FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(238,849)	(383,565)	(235,200)
Proceeds from borrowings	17(b)	4,500,000	4,500,000	0
Payments for principal portion of lease liabilities	16(b)	(77,135)	0	0
Transfers to reserves (restricted assets)	4	(205,888)	(683,350)	(766,936)
Transfers from reserves (restricted assets)	4	2,326,614	3,179,640	328,000
Amount attributable to financing activities		6,304,743	6,612,725	(674,136)
Surplus/(deficit) before imposition of general rates		(6,341,509)	(6,402,444)	(4,207,484)
Total amount raised from general rates	24(a)	6,508,994	6,542,879	6,366,786
Surplus/(deficit) after imposition of general rates	25(b)	167,485	140,435	2,159,302

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

SHIRE OF TOODYAY
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FOR THE YEAR ENDED 30 JUNE 2020

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1. BASIS OF PREPARATION

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

AMENDMENTS TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Prior to 1 July 2019, *Financial Management Regulation 16* arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Shire. This was not in accordance with the requirements of AASB 1051 *Land Under Roads* paragraph 15 and AASB 116 *Property, Plant and Equipment* paragraph 7.

From 1 July 2019, the Shire has applied AASB 16 *Leases* which requires leases to be included by lessees in the statement of financial position. Also, the *Local Government (Financial Management) Regulations 1996* have been amended to 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 (i.e. not included in the statement of financial position) 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.

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparative year amounts have been retained as AASB 16 does not require comparatives to be restated in the year of transition.

Therefore the departure from AASB 1051 and AASB 16 in respect of the comparatives for the year ended 30 June 2019 remains.

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

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

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

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

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

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

CRITICAL ACCOUNTING ESTIMATES

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 28 to these financial statements.

SHIRE OF TOODYAY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

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	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by Council annually	When taxable event occurs	Not Applicable	When rate notice is issued
Service Charges	Charge for specific service	Over time	Payment dates adopted by Council during the year		Adopted by Council annually	When taxable event occurs	Not Applicable	When rate notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed term transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with funding body	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction of acquisitions of recognisable non-financial assets to be controlled by the local government	Over time	Fixed term transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with funding body	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations
Grants, subsidies or contributions with no contractual 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 of the licence, registration or approval
Fees and Charges - Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annual fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
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 legislation to the cost of provision	Applied fully on time 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 collection service. On entry to facility
Fees and Charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payments 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	On entry or at conclusion of hire
Fees and Charges - membership	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by Council annually	Apportioned equally across the access period	Returns limited to repayment of transaction	Output method over 12 months matched to access right
Fees and Charges for other goods and services	Cemetery services, library fees, reinstatement 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	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	Output method based on goods
Fees and Charges - Fines	Fines issued for breaches of local laws	Single point in time	Payment in full within defined time	None	Adopted by Council through local law	When taxable event occurs	Not Applicable	When fine notice is issued
Other revenue - commissions	Commission on ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	Won 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 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 2020

2. REVENUE AND EXPENSES

(a) Grant revenue

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Operating grants, subsidies and contributions			
Governance	72,107	49,500	30,241
General purpose funding	2,039,176	774,157	1,579,371
Law, order, public safety	495,925	681,266	721,175
Health	0	500	0
Housing	1,381	500	1,354
Community amenities	0	5,000	909
Recreation and culture	7,438	48,250	268,020
Transport	197,157	214,214	637,203
Economic services	4,715	6,000	4,609
Other property and services	62,073	31,000	106,780
	2,879,972	1,810,387	3,349,662
Non-operating grants, subsidies and contributions			
Law, order, public safety	2,456,120	790,930	0
Recreation and culture	3,449,877	5,772,425	0
Transport	1,075,871	1,454,039	595,291
	6,981,868	8,017,394	595,291
Total grants, subsidies and contributions	9,861,840	9,827,781	3,944,953
Fees and charges			
Governance	1,384	0	1,152
General purpose funding	25,532	27,500	23,129
Law, order, public safety	71,924	86,800	81,222
Health	59,038	67,000	55,278
Housing	9,360	10,000	9,360
Community amenities	728,354	726,860	697,031
Recreation and culture	59,153	79,000	76,903
Economic services	293,359	227,500	245,930
Other property and services	78,807	88,120	82,974
	1,326,911	1,312,780	1,272,979

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 2020

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Contracts with customers and transfers for recognisable non-financial assets

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

Fees and charges	1,192,947	1,175,080	1,143,821
Non-operating grants, subsidies and contributions	6,981,868	8,017,394	595,291
	8,174,815	9,192,474	1,739,112

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:

Contracts with customers included as a contract liability at the start of period	517,659	517,659	0
Other revenue from performance obligations satisfied during the year	7,657,156	8,674,815	0
	8,174,815	9,192,474	0

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:

Contract liabilities from contracts with customers	(359,495)	0	0
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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 2020

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

Other

Interest earnings

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

Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
24(a)	6,508,994	6,541,679	6,366,786
	113,898	110,200	103,467
	20,066	27,500	25,691
	6,642,958	6,679,379	6,495,944
	19,673	20,000	19,725
	19,673	20,000	19,725
	47,957	50,000	85,582
	48,792	65,000	56,507
	12,792	30,000	31,536
	109,541	145,000	173,625

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.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services

Interest expenses (finance costs)

Borrowings
Lease liabilities

Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
	27,375	25,000	29,005
	3,050	15,000	14,772
	30,425	40,000	43,777
17(b)	106,728	271,262	110,038
16(b)	11,328	0	0
	118,056	271,262	110,038

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

3. CASH AND CASH EQUIVALENTS

NOTE	2020 \$	2019 \$
Cash at bank and on hand	1,308,070	1,480,172
Term deposits	0	811,338
Total cash and cash equivalents	1,308,070	2,291,510

Restrictions

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

- Cash and cash equivalents	454,710	560,874
- Financial assets at amortised cost	1,638,663	3,759,390
	2,093,373	4,320,264

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

Reserve - cash backed	4	1,638,663	3,759,390
Contract liabilities from contracts with customers	15	359,495	0
Unspent grants, subsidies and contributions		0	517,659
Bonds and Deposits Held	14	95,215	43,215
Total restricted assets		2,093,373	4,320,264

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 2020

4. RESERVE - CASH BACKED

	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance	2020 Budget Opening Balance	2020 Budget Transfer to	2020 Budget Transfer (from)	2020 Budget Closing Balance	2019 Actual Opening Balance	2019 Actual Transfer to	2019 Actual Transfer (from)	2019 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Employee Entitlement Reserve	246,946	63,716	(88,930)	221,732	246,949	65,000	(65,000)	246,949	243,738	56,208	(53,000)	246,946
(b) Asset Development Reserve	242,991	3,057	(246,048)	0	242,991	470,000	(712,991)	0	159,676	83,315	0	242,991
(c) CCTV Reserve	26,629	401	0	27,030	26,630	350	0	26,980	16,179	10,450	0	26,629
(d) Emergency Management Reserve	74,000	1,113	0	75,113	74,001	2,500	0	76,501	72,159	1,841	0	74,000
(e) Newcastle Footbridge & Pedestrian Overpass Reserve	37,805	569	0	38,374	37,805	500	0	38,305	36,864	941	0	37,805
(f) Heritage Reserve	10,966	165	0	11,131	10,965	500	0	11,465	10,693	273	0	10,966
(g) Information Technology Reserve	22,174	334	0	22,508	22,173	500	0	22,673	21,622	552	0	22,174
(h) Plant Reserve	149,282	2,246	0	151,528	149,282	4,000	0	153,282	145,568	3,714	0	149,282
(i) Recreation Development Reserve	1,701,552	18,299	(1,702,552)	17,299	1,701,552	15,000	(1,701,552)	15,000	1,844,990	106,562	(250,000)	1,701,552
(j) Refuse Reserve	113,312	1,705	0	115,017	113,312	2,000	0	115,312	110,493	2,819	0	113,312
(k) Road Contribution Reserve	377,283	63,174	(177,000)	263,457	377,283	75,000	(177,000)	275,283	328,391	73,892	(25,000)	377,283
(l) Swimming Pool Reserve	110,691	1,393	(112,084)	0	110,691	2,000	(110,691)	2,000	107,937	2,754	0	110,691
(m) Strategic Access & Egress Reserve	200,567	33,018	0	233,585	200,567	33,000	0	233,567	146,637	53,930	0	200,567
(n) Morangup Community Centre Reserve	346,981	5,218	0	352,199	346,981	2,000	(348,981)	0	15,348	331,633	0	346,981
(o) Community Bus Reserve	88,173	1,327	0	89,500	88,173	1,000	(63,425)	25,748	60,159	28,014	0	88,173
(p) Asset Replacement Reserve	10,038	10,152	0	20,190	10,038	10,000	0	20,038	0	10,038	0	10,038
	3,759,390	205,887	(2,326,613)	1,638,663	3,759,393	683,350	(3,179,640)	1,263,103	3,320,454	766,936	(328,000)	3,759,390

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.

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

5. OTHER FINANCIAL ASSETS

(a) Current assets

Other 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

	2020	2019
	\$	\$
	1,638,663	3,759,390
	1,638,663	3,759,390
	1,638,663	3,759,390
	1,638,663	3,759,390
	53,416	46,400
	53,416	46,400
	53,416	46,400
	53,416	46,400

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

2020	2019
\$	\$
594,318	619,146
224,156	322,264
317,957	77,025
1,136,431	1,018,435
274,322	265,109
274,322	265,109

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.

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7. INVENTORIES

Current

Fuel and materials

	2020	2019
	\$	\$
	81,244	73,576
	81,244	73,576
	73,576	61,366
	(227,470)	(221,067)
	235,138	233,277
	81,244	73,576

The following movements in inventories occurred during the year:

Carrying amount at beginning of period

Inventories expensed during the year

Additions to inventory

Carrying amount at end of period

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

8. OTHER ASSETS

Other assets - current

Accrued income

2020	2019
\$	\$
0	172
0	172

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other non-financial assets include accrued income which represents expenditure that has been accrued for which the related revenue has not yet been receipted.

SHIRE OF TOODYAY
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9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Carrying Amounts

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

	Land - freehold land \$	Total land \$	Buildings - non - specialised \$	Buildings - specialised \$	Buildings - Heritage \$	Total buildings \$	Total land and buildings \$	Furniture and equipment \$	Plant and equipment \$	Computers \$	Total property, plant and equipment \$
Balance at 1 July 2018	11,222,000	11,222,000	501,591	9,476,555	6,363,098	16,341,244	27,563,244	435,089	3,624,740	26,741	31,649,814
Additions	0	0	0	348,287	66,920	415,207	415,207	8,912	751,938	0	1,176,057
(Disposals)	(90,000)	(90,000)	0	0	0	0	(90,000)	0	(289,969)	0	(379,969)
Asset Written Off	0	0	0	0	0	0	0	(8,637)	(4,645)	0	(13,282)
Depreciation (expense)	0	0	(10,269)	(167,161)	(107,933)	(285,363)	(285,363)	(86,802)	(490,829)	(13,370)	(876,364)
Carrying amount at 30 June 2019	11,132,000	11,132,000	491,322	9,657,681	6,322,085	16,471,088	27,603,088	348,562	3,591,235	13,371	31,556,256
Comprises:											
Gross carrying amount at 30 June 2019	11,132,000	11,132,000	531,880	11,809,732	7,294,691	19,636,303	30,768,303	603,971	4,705,234	53,480	36,130,988
Accumulated depreciation at 30 June 2019	0	0	(40,558)	(2,152,051)	(972,606)	(3,165,215)	(3,165,215)	(255,409)	(1,113,999)	(40,109)	(4,574,732)
Carrying amount at 30 June 2019	11,132,000	11,132,000	491,322	9,657,681	6,322,085	16,471,088	27,603,088	348,562	3,591,235	13,371	31,556,256
Additions	0	0	0	925,893	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
Depreciation (expense)	0	0	(10,271)	(174,545)	(109,544)	(294,360)	(294,360)	(86,919)	(520,780)	(13,371)	(915,430)
Transfers	0	0	3,030	38,333	44,646	86,009	86,009	(86,009)	0	0	0
Carrying amount at 30 June 2020	11,132,000	11,132,000	484,081	10,447,362	6,684,833	17,616,276	28,748,276	184,000	4,047,824	0	32,980,100
Comprises:											
Gross carrying amount at 30 June 2020	11,132,000	11,132,000	540,970	12,833,349	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	(56,889)	(2,385,987)	(1,177,322)	(3,620,198)	(3,620,198)	0	0	(53,480)	(3,673,678)
Carrying amount at 30 June 2020	11,132,000	11,132,000	484,081	10,447,362	6,684,833	17,616,276	28,748,276	184,000	4,047,824	0	32,980,100

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land - freehold land	Level 2/3	Market approach using observable open market values of similar assets, adjusted for condition and comparability, at their highest and best use	Interpendant registered Valuer & Management Valuation	June 2017	Observable or estimated open market value/price per hectare
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	Interpendant 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 - specialised	Level 3	Cost approach using depreciation replacement cost	Interpendant 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 - Heritage	Level 3	Cost approach using depreciation replacement cost	Interpendant registered Valuer & Management Valuation	June 2017	Takes into consideration the materials required in order to replicate where possible the original construction specifications including allowances for specialised trades and professionals
Furniture and equipment	Level 3	A mix of adjusted market cost and approaches	Management Valuations	June 2020	Utilising both observable and unobservable inputs being construction costs based on recent contract prices, current condition (Level 2 inputs), residual values and remaining useful life assessments (Level 3 Inputs)

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Plant and equipment	Level 2	Market approach using recent observable data for similar plant items	Independent Registered Valuer	June 2020	Available Market Information
Plant and Equipment	Level 3	Market approach using recent observable data for similar plant items	Independent registered Valuer & Management Valuation	June 2020	Plant associated with all DFES operations - Level 3 inputs due to disposal restrictions
Computers	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2020	Residual Values and remaining useful life assessments

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 is effective from 1 July 2019 and represents a change in accounting policy.

Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.

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10. INFRASTRUCTURE

(a) Movements in Carrying Amounts

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

	Infrastructure - Roads	Footpaths	Bridges	Parks & Ovals	Other infrastructure	Drainage	Infrastructure - Work in Progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2018	82,882,358	805,679	27,114,600	1,150,760	1,849,295	3,118,226	0	116,920,918
Additions	1,744,197	13,272	0	660,491	209,186	0	0	2,627,146
Impairment (losses) / reversals	0	0	0	(3,040)	(2,667)	0	0	(5,707)
Depreciation (expense)	(2,381,793)	(31,103)	(653,966)	(73,091)	(121,608)	(76,700)	0	(3,338,261)
Carrying amount at 30 June 2019	82,244,762	787,848	26,460,634	1,735,120	1,934,206	3,041,526	0	116,204,096
Comprises:								
Gross carrying amount at 30 June 2019	147,109,114	1,879,526	40,492,000	2,447,491	2,711,074	5,292,818	0	199,932,023
Accumulated depreciation at 30 June 2019	(64,864,352)	(1,091,678)	(14,031,366)	(712,371)	(776,868)	(2,251,292)	0	(83,727,927)
Carrying amount at 30 June 2019	82,244,762	787,848	26,460,634	1,735,120	1,934,206	3,041,526	0	116,204,096
Additions	2,469,723	0	268,984	48,546	180,480	0	11,550,567	14,518,300
Depreciation (expense)	(2,403,107)	(31,324)	(654,334)	(79,255)	(140,745)	(76,699)	0	(3,385,464)
Carrying amount at 30 June 2020	82,311,378	756,524	26,075,284	1,704,411	1,973,941	2,964,827	11,550,567	127,336,932
Comprises:								
Gross carrying amount at 30 June 2020	149,578,837	1,879,526	40,760,984	2,496,037	2,891,554	5,292,818	11,550,567	214,450,323
Accumulated depreciation at 30 June 2020	(67,267,459)	(1,123,002)	(14,685,700)	(791,626)	(917,613)	(2,327,991)	0	(87,113,391)
Carrying amount at 30 June 2020	82,311,378	756,524	26,075,284	1,704,411	1,973,941	2,964,827	11,550,567	127,336,932

SHIRE OF TOODYAY
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10. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
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.
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.
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.
Parks & 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.
Other infrastructure	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.
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.

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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.

At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

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

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under control prior to 1 July 2019

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

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

Land under roads prior to 1 July 2019

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

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008.

This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the then *Local Government (Financial Management) Regulation 16(a)(i)* which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

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

Whilst such treatment is inconsistent with the requirements of *AASB 1051, Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail. Consequently, any land under roads acquired on or after 1 July 2008 was not included as an asset of the Shire.

Land under roads from 1 July 2019

As a result of amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, are 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.

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

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).

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11. FIXED ASSETS

(a) Disposals of Assets

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss	2020 Budget Net Book Value	2020 Budget Sale Proceeds	2020 Budget Profit	2020 Budget Loss	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	0	0	0	0	253,000	225,000	7,000	(35,000)	90,000	79,241	0	(10,759)
Buildings - specialised	0	0	0	0	186,336	240,000	53,664	0	0	0	0	0
Plant and equipment	115,458	29,545	1,988	(87,901)	105,048	108,000	3,202	(250)	289,969	311,047	48,326	(27,248)
	115,458	29,545	1,988	(87,901)	544,384	573,000	63,866	(35,250)	379,969	390,288	48,326	(38,007)

The following assets were disposed of during the year.

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
Plant and Equipment				
Transport				
BF018 - Isuzu FSS550 Fire Truck	109,719	21,818	0	(87,901)
MV150 - Mitsubishi Triton Ute	5,739	7,727	1,988	0
	115,458	29,545	1,988	(87,901)
	115,458	29,545	1,988	(87,901)

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11. FIXED ASSETS

(b) Depreciation

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Buildings - specialised	10,271	10,328	10,269
Buildings - non - specialised	174,545	168,124	167,161
Furniture and equipment	86,919	87,302	86,802
Plant and equipment	520,780	506,210	490,829
Buildings - Heritage	109,544	108,555	107,933
Computers	13,371	13,447	13,370
Infrastructure - Roads	2,403,107	2,450,891	2,381,793
Footpaths	31,324	31,282	31,103
Bridges	654,334	657,733	653,966
Parks & Ovals	79,255	73,513	73,091
Other infrastructure	140,745	122,309	121,608
Drainage	76,699	199,006	76,700
Right of use assets - plant and equipment	80,043	0	0
	4,380,937	4,428,700	4,214,625

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	not depreciated
pavement	50 - 150 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 - 50 years
Gravel roads	
formation	not depreciated
pavement	20 - 50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years
Bridges	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 carrying amounts 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
Carrying amount at 30 June 2019	0	0
Recognised on initial application of AASB 16	303,991	303,991
Restated total equity at the beginning of the financial year	303,991	303,991
Depreciation (expense)	(80,043)	(80,043)
Carrying amount at 30 June 2020	223,948	223,948
(b) Cash outflow from leases		
Interest expense on lease liabilities	11,328	11,328
Lease principal expense	77,135	77,135
Total cash outflow from leases	88,463	88,463

The Shire of Toodyay has leases relating to plant and equipment. The lease term for both leases is 4 years. One of the leases has 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.

Right-of-use assets - valuation

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

Refer to Note 11 for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

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13. REVALUATION SURPLUS

	2020 Opening Balance \$	2020 Revaluation Increment \$	2020 Revaluation (Decrement) \$	Total Movement on Revaluation \$	2020 Closing Balance \$	2019 Opening Balance \$	2019 Revaluation Increment \$	2019 Revaluation (Decrement) \$	Total Movement on Revaluation \$	2019 Closing Balance \$
Revaluation surplus - Land - freehold land	6,622,729	0	0	0	6,622,729	6,622,729	0	0	0	6,622,729
Revaluation surplus - Buildings - specialised	8,614,705	0	0	0	8,614,705	8,614,705	0	0	0	8,614,705
Revaluation surplus - Furniture and equipment	630,872	8,366	0	8,366	639,238	630,872	0	0	0	630,872
Revaluation surplus - Plant and equipment	714,412	444,619	0	444,619	1,159,031	714,412	0	0	0	714,412
Revaluation surplus - Infrastructure - Roads	36,616,377	0	0	0	36,616,377	36,616,377	0	0	0	36,616,377
Revaluation surplus - Footpaths	629,537	0	0	0	629,537	629,537	0	0	0	629,537
Revaluation surplus - Bridges	29,653,922	0	0	0	29,653,922	29,653,922	0	0	0	29,653,922
Revaluation surplus - Other infrastructure	833,275	0	0	0	833,275	833,275	0	0	0	833,275
Revaluation surplus - Drainage	2,564,424	0	0	0	2,564,424	2,564,424	0	0	0	2,564,424
	86,880,253	452,985	0	452,985	87,333,238	86,880,253	0	0	0	86,880,253

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

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

14 TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid Rates
Accrued salaries and wages
ATO liabilities
Accrued Interest
Accrued Expense
Bonds and deposits held

2020	2019
\$	\$
33,721	180,485
167,811	0
59,733	38,778
62,803	74,764
14,561	7,167
1,188,522	430,128
95,215	43,215
1,622,366	774,537

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 CONTRACT LIABILITIES

Current

Contract liabilities from contracts with customers

Performance obligations from contracts with customers are expected to be recognised as revenue in accordance with the following time bands:

Less than 1 year

2020	2019
\$	\$
359,495	0
359,495	0
359,495	0
359,495	0
359,495	0
359,495	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 2020

16 LEASE LIABILITIES

(a) Lease Liabilities		2020	2019
		\$	\$
Current		80,444	0
Non-current		146,412	0
		<u>226,856</u>	<u>0</u>

(b) Movements in Carrying Amounts

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Actual Lease Principal 1 July 2019	30 June 2020 Actual New Leases	30 June 2020 Actual Lease Principal Repayments	30 June 2020 Actual Lease Principal Outstanding	30 June 2020 Actual Lease Interest Repayments
					\$	\$	\$	\$	\$
Transport									
Komatsu Grader		Komatsu	4.15%	February 2023	177,986	0	46,970	131,016	6,500
Iveco Truck		CNHl Capital	4.30%	June 2023	126,005	0	30,165	95,840	4,828
					<u>303,991</u>	<u>0</u>	<u>77,135</u>	<u>226,856</u>	<u>11,328</u>

Budget Lease Principal 1 July 2019	30 June 2020 Budget New Leases	30 June 2020 Budget Lease Principal Repayments	30 June 2020 Budget Lease Principal Outstanding	30 June 2020 Budget Lease Interest Repayments
\$	\$	\$	\$	\$
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0

Actual Lease Principal 1 July 2018	30 June 2019 Actual New Loans	30 June 2019 Actual Lease Principal Repayments	30 June 2019 Actual Lease Principal Outstanding	30 June 2019 Actual Lease Interest Repayments
\$	\$	\$	\$	\$
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0

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

17 INFORMATION ON BORROWINGS

(a) Borrowings

	2020	2019
	\$	\$
Current	4,687,594	238,849
Non-current	1,397,458	1,585,052
	6,085,052	1,823,901

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	Actual	30 June 2020	30 June 2020	30 June 2020	30 June 2020	Budget	30 June 2020	30 June 2020	30 June 2020	30 June 2020	Actual	30 June 2019	30 June 2019	30 June 2019	30 June 2019
				Principal	Actual	Actual	Actual	Actual	Principal	Budget	Budget	Budget	Budget	Principal	Actual	Actual	Actual	Actual
				1 July 2019	New Loans	Principal repayments	Interest repayments	Principal outstanding	1 July 2019	New Loans	Principal repayments	Interest repayments	Principal outstanding	1 July 2018	New Loans	Principal repayments	Interest repayments	Principal outstanding
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Recreation and culture																		
Community Centre	65	WATC	6.92%	30,954	0	17,938	2,760	13,016	30,954	0	12,161	1,658	18,793	36,537	0	5,583	1,516	30,954
Library Upgrade	67	WATC	6.60%	222,702	0	38,951	15,743	183,751	222,702	0	38,951	15,033	183,751	259,204	0	36,502	18,347	222,702
Library Upgrade	69	WATC	6.26%	35,079	0	35,079	1,807	0	35,079	0	35,079	1,972	0	68,061	0	32,982	4,115	35,079
Land - Recreation Precinct	72	WATC	4.45%	785,883	0	41,512	39,629	744,371	785,883	0	41,512	37,307	744,371	825,608	0	39,725	41,690	785,883
Multi Use Courts	73	WATC	3.18%	10,188	0	10,188	142	0	10,188	0	10,189	288	(1)	30,089	0	19,901	814	10,188
Recreation Precinct	75	WATC		0	4,500,000	0	8,812	4,500,000	0	4,500,000	150,492	178,510	4,349,508	0	0	0	0	0
Transport																		
Newcastle Footbridge	70	WATC	5.66%	30,910	0	15,021	1,690	15,889	30,910	0	15,021	1,618	15,889	45,110	0	14,200	2,596	30,910
Depot Stage 2	71	WATC	4.52%	624,817	0	34,480	32,047	590,337	624,816	0	34,480	30,093	590,336	657,789	0	32,972	33,756	624,817
Economic services																		
Visitors Centre	64	WATC	6.54%	38,628	0	18,683	2,300	19,945	38,628	0	18,683	2,440	19,945	56,130	0	17,502	3,600	38,628
Other property and services																		
Bendigo Bank	63	WATC	6.28%	34,423	0	16,680	1,655	17,743	34,424	0	16,680	2,052	17,744	50,103	0	15,680	2,780	34,423
Refurbish Bendigo Bank	74	WATC	3.18%	10,317	0	10,317	143	0	10,317	0	10,317	291	0	30,470	0	20,153	824	10,317
				1,823,901	4,500,000	238,849	106,728	6,085,052	1,823,901	4,500,000	383,565	271,262	5,940,336	2,059,101	0	235,200	110,038	1,823,901
				1,823,901	4,500,000	238,849	106,728	6,085,052	1,823,901	4,500,000	383,565	271,262	5,940,336	2,059,101	0	235,200	110,038	1,823,901

* WA Treasury Corporation

SHIRE OF TOODYAY
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17 INFORMATION ON BORROWINGS (Continued)

(c) New Borrowings - 2019/20

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate %	Amount Borrowed		Amount (Used)		Total Interest & Charges \$	Actual Balance Unspent \$
					2020 Actual \$	2020 Budget \$	2020 Actual \$	2020 Budget \$		
Recreation Precinct	WATC		20	4.00%	4,500,000	4,500,000	4,500,000	4,500,000	0	0
* WA Treasury Corporation					4,500,000	4,500,000	4,500,000	4,500,000	0	0

(d) Undrawn Borrowing Facilities

Credit Standby Arrangements

	2020 \$	2019 \$
Bank overdraft limit	700,000	400,000
Bank overdraft at balance date	0	0
Credit card limit	32,000	32,000
Credit card balance at balance date	(2,392)	(6,828)
Total amount of credit unused	729,608	425,172

Loan facilities

Loan facilities - current	4,687,594	238,849
Loan facilities - non-current	1,397,458	1,585,052
Lease liabilities - current	80,444	0
Lease liabilities - non-current	146,412	0
Total facilities in use at balance date	6,311,908	1,823,901

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

Opening balance at 1 July 2019

Current provisions

Non-current provisions

Additional provision

Amounts used

Balance at 30 June 2020

Comprises

Current

Non-current

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2019			
Current provisions	378,399	318,401	696,800
Non-current provisions	0	74,747	74,747
	378,399	393,148	771,547
Additional provision	236,446	105,329	341,775
Amounts used	(297,250)	(92,605)	(389,855)
Balance at 30 June 2020	317,595	405,872	723,467
Comprises			
Current	317,595	280,536	598,131
Non-current	0	125,336	125,336
	317,595	405,872	723,467

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date

More than 12 months from reporting date

Expected reimbursements from other WA local governments

	2020	2019
	\$	\$
Less than 12 months after the reporting date	337,902	469,002
More than 12 months from reporting date	377,072	302,545
Expected reimbursements from other WA local governments	8,493	0
	723,467	771,547

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

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

Other long-term employee benefits (Continued)

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

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

Provisions

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

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

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:

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Cash and cash equivalents	1,308,070	1,332,520	2,291,510
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	4,355,687	4,988,151	(331,800)
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(7,016)	0	(46,400)
Depreciation on non-current assets	4,380,937	4,428,700	4,214,625
(Profit)/loss on sale of asset	85,913	(28,616)	(10,319)
Assets Written off	0	0	18,989
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(127,209)	0	257,045
(Increase)/decrease in other assets	172	0	1,844
(Increase)/decrease in inventories	(7,668)	0	(12,210)
Increase/(decrease) in payables	727,747	0	351,168
Increase/(decrease) in provisions	(48,080)	0	10,731
Increase/(decrease) in contract liabilities	(158,164)	0	0
Non-operating grants, subsidies and contributions	(6,981,868)	(8,017,394)	(595,291)
Net cash from operating activities	2,220,451	1,370,841	3,858,382

20. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2020	2019
	\$	\$
Governance	818,474	941,410
General purpose funding	10,744,183	10,839,467
Law, order, public safety	4,273,446	3,245,806
Health	1,242,988	1,278,445
Housing	1,050,260	1,075,031
Community amenities	397,468	409,514
Recreation and culture	9,694,821	9,483,913
Transport	112,623,997	115,194,389
Economic services	1,319,537	1,331,427
Other property and services	2,544,648	2,403,820
Unallocated	20,323,304	9,011,721
	165,033,126	155,214,943

21 CONTINGENT LIABILITIES

The Shire of Toodyay has no contingent liabilities as at 30 June 2020.

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

22 CAPITAL COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects

2020

\$

4,652,346

4,652,346

2019

\$

14,084,413

14,084,413

Payable:

- not later than one year

4,652,346

14,084,413

The capital expenditure project outstanding at the end of the reporting period represents the construction of the Toodyay Sport and Recreation Precinct.

23. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Meeting fees	113,067	125,026	125,634
President's allowance	20,511	20,326	20,887
Deputy President's allowance	5,251	5,081	5,222
Travelling expenses	0	9,000	406
Telecommunications allowance	9,386	12,600	11,881
	148,215	172,033	164,030

Key Management Personnel (KMP) Compensation Disclosure

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

	2020 Actual	2019 Actual
	\$	\$
Short-term employee benefits	605,323	702,047
Post-employment benefits	79,654	62,669
Other long-term benefits	51,662	22,901
Termination benefits	134,951	0
	871,590	787,617

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.

	2020 Actual	2019 Actual
The following transactions occurred with related parties:	\$	\$
Purchase of goods and services	374,512	230,023

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

iii. Entities subject to significant influence by the Shire

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

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

24. RATING INFORMATION

(a) Rates

RATE TYPE

Differential general rate / general rate

Gross rental valuations

	Rate in \$	Number of Properties	2019/20 Actual Rateable Value \$	2019/20 Actual Rate Revenue \$	2019/20 Actual Interim Rates \$	2019/20 Actual Back Rates \$	2019/20 Actual Total Revenue \$	2019/20 Budget Rate Revenue \$	2019/20 Budget Interim Rate \$	2019/20 Budget Back Rate \$	2019/20 Budget Total Revenue \$	2018/19 Actual Total Revenue \$
GRV Residential	12.94300	508	7,170,388	928,063	(34,583)	3,965	897,445	928,063	0	0	928,063	906,443
GRV Commercial	14.02000	28	1,338,282	187,627	(3,827)	0	183,800	187,627	0	0	187,627	186,163
GRV Industrial	12.34830	20	424,471	52,415	(136)	0	52,279	52,415	0	0	52,415	49,714
GRV Rural	11.86900	100	1,427,920	169,480	(960)	0	168,520	169,480	0	0	169,480	164,815
GRV Rural Residential	11.26000	878	12,824,500	1,444,039	(2,033)	336	1,442,342	1,444,039	0	0	1,444,039	1,412,255
Unimproved valuations												
UV General	0.011680	450	96,148,000	1,123,009	5,948	13	1,128,970	1,123,009	0	0	1,123,009	1,066,150
UV Rural	0.008969	178	155,137,000	1,391,424	(983)	(425)	1,390,016	1,391,424	0	0	1,391,424	1,362,096
Sub-Total		2,162	274,470,561	5,296,057	(36,574)	3,889	5,263,372	5,296,057	0	0	5,296,057	5,147,636

Minimum payment

Gross rental valuations

		Minimum \$										
GRV Residential	1,351	225	1,239,049	303,975	0	0	303,975	303,975	0	0	303,975	289,960
GRV Commercial	1,351	6	35,200	8,106	0	0	8,106	8,106	0	0	8,106	5,272
GRV Industrial	1,351	10	33,461	13,510	0	0	13,510	13,510	0	0	13,510	14,498
GRV Rural	1,351	43	354,688	58,093	0	0	58,093	58,093	0	0	58,093	57,992
GRV Rural Residential	1,351	533	3,509,842	720,083	0	0	720,083	720,083	0	0	720,083	701,176
Unimproved valuations												
UV General	1,351	105	6,500,800	141,855	0	0	141,855	141,855	0	0	141,855	150,252
UV Rural	1,351	0	0	0	0	0	0	0	0	0	0	0
Sub-Total		922	11,673,040	1,245,622	0	0	1,245,622	1,245,622	0	0	1,245,622	1,219,150

Total amount raised from general rate

Ex-gratia rates							6,508,994				6,541,679	6,366,786
Rates Paid in Advance							1,273				1,200	1,186
Totals							47,729				0	33,695
							6,557,996				6,542,879	6,401,667

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)

(b) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single full payment	10/09/2019	0.00	0.00%	7.50%
Option Two				
First instalment	10/12/2019	0.00	3.00%	7.50%
Second instalment	12/11/2019	7.50	3.00%	7.50%
Third instalment	14/01/2020	7.50	3.00%	7.50%
Fourth instalment	17/03/2020	7.50	3.00%	7.50%

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Interest on unpaid rates	33,112	50,000	41,541
Interest on instalment plan	15,680	15,000	14,966
Charges on instalment plan	3,258	3,000	1,146
	52,050	68,000	57,653

SHIRE OF TOODYAY
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25. RATE SETTING STATEMENT INFORMATION

		2019/20 Budget	2019/20	2018/19
		(30 June 2020	(1 July 2019	(30 June 2019
		Carried	Brought	Carried
Note		Forward)	Forward)	Forward
		\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals	11(a)	(1,988)	(63,866)	(48,326)
Less: Movement in employee entitlement reserve		(25,214)	3,208	3,208
Less: Fair value adjustments to financial assets at fair value through profit and loss		(7,016)	0	(46,400)
Movement in pensioner deferred rates (non-current)		(9,213)	0	(34,948)
Movement in employee benefit provisions (non-current)		50,589	0	(8,162)
Movement in other provisions (non-current)				
Add: Loss on disposal of assets	11(a)	87,901	35,250	38,007
Add: Loss on revaluation of fixed assets	10(a)	0	0	18,989
Add: Depreciation on non-current assets	11(b)	4,380,937	4,428,700	4,214,625
Non cash amounts excluded from operating activities		4,475,996	4,400,084	4,136,993
(b) Surplus/(deficit) after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve - cash backed	4	(1,638,663)	(1,263,103)	(3,759,390)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	17(a)	4,687,594	5,776	238,849
- Current portion of lease liabilities		80,444	0	0
- Employee entitlement reserve		221,732	294,331	246,946
Total adjustments to net current assets		3,351,107	(962,996)	(3,273,595)
Net current assets used in the Rate Setting Statement				
Total current assets		4,164,408	2,395,698	7,143,083
Less: Total current liabilities		(7,348,030)	(1,292,267)	(1,710,186)
Less: Total adjustments to net current assets		3,351,107	(962,996)	(3,273,595)
Net current assets used in the Rate Setting Statement		167,485	140,435	2,159,302
(c) Adjustments to current assets and liabilities at 1 July 2019 on application of new accounting standards				
Total current assets at 30 June 2019				
- Contract assets	27(a)			7,143,083
Total current assets at 1 July 2019				7,143,083
Total current liabilities at 30 June 2019				
- Contract liabilities from contracts with customers	27(a)			(1,710,186)
- Rates paid in advance	27(b)			(517,659)
Total current liabilities at 1 July 2019				(120,082)
				(2,347,927)

26. FINANCIAL RISK MANAGEMENT

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

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

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

Financial risk management is carried out by the finance area under policies approved by Council. The finance area identifies, evaluates and manages financial risk in close co-operation with operating divisions. Council have approved the overall risk management policy and provides 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 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
	%	\$	\$	\$	\$
2020					
Cash and cash equivalents		1,308,070	0	0	1,308,070
Financial assets at amortised cost - term deposits	0.65%	1,638,663	1,638,663	0	0
2019					
Cash and cash equivalents	1.29%	2,248,295	811,338	0	1,436,957
Financial assets at amortised cost	2.10%	3,759,390	3,759,390	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.

	2020	2019
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	13,081	22,483

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 17(b).

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. The Shire is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages 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 2019 or 1 July 2020 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 of rates, and accordingly adjustments are made to the expected credit loss rate based on these factors. There are no material receivables that have been subject to re-negotiation of repayment terms.

The loss allowance as at 30 June 2020 and 1 July 2019 (on adoption of AASB 9) was determined as follows for rates receivable. No expected credit loss was forecast on 1 July 2019 or 30 June 2020 for rates receivable as penalty interest applied to unpaid rates and properties associated with unpaid rates may be disposed of to recover rates.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2020					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	2,872	171,832	182,734	511,202	868,640
Loss allowance	0	0	0	0	0
30 June 2019					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	4,629	278,028	137,404	464,194	884,255
Loss allowance	0	0	0	0	0

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2020					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	42,564	177,164	4,428	0	224,156
Loss allowance	0	0	0	0	0
30 June 2019					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	318,760	14	3,490	0	322,264
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(d).

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
	\$	\$	\$	\$	\$
2020					
Payables	1,622,366	0	0	1,622,366	1,622,366
Borrowings	4,794,137	850,869	937,373	6,582,379	6,085,052
Contract liabilities	359,495	0	0	359,495	359,495
Lease liabilities	80,444	146,412	0	226,856	226,856
	6,856,442	997,281	937,373	8,791,096	8,293,769
2019					
Payables	774,537	0	0	774,537	774,537
Borrowings	318,538	835,164	1,214,099	2,367,801	1,823,901
	1,093,075	835,164	1,214,099	3,142,338	2,598,438

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27. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

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

(a) AASB 15: Revenue from Contracts with Customers

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

	Note	AASB 118 carrying amount 30 June 2019 \$	Reclassification \$	AASB 15 carrying amount 01 July 2019 \$
Contract liabilities - current				
Contract liabilities from contracts with customers	15	0	(517,659)	(517,659)
Adjustment to retained surplus from adoption of AASB 15	27(d)		(517,659)	

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

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

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

	Note	AASB 118 and AASB 1004 carrying amount 30 June 2019 \$	Reclassification \$	AASB 1058 carrying amount 01 July 2019 \$
Trade and other payables				
Rates paid in advance	14	0	(120,082)	(120,082)
Adjustment to retained surplus from adoption of AASB 1058	27(d)		(120,082)	

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

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

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27. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

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

		2020 \$		2020 \$
	Note	As reported under AASB 15 and AASB 1058	Adjustment due to application of AASB 15 and AASB 1058	Compared to AASB 118 and AASB 1004
Statement of Comprehensive Income				
Revenue				
Rates	24(a)	6,557,996	167,811	6,725,807
Operating grants, subsidies and contributions	2(a)	2,886,988	0	2,886,988
Fees and charges	2(a)	1,326,911	0	1,326,911
Non-operating grants, subsidies and contributions	2(a)	6,981,868	359,495	7,341,363
Net result		4,355,687	527,306	4,882,993
Statement of Financial Position				
Trade and other payables	14	1,622,366	(167,811)	1,454,555
Contract liabilities	15	359,495	(359,495)	0
Net assets		156,015,890	527,306	156,543,196
Statement of Changes in Equity				
Net result		4,355,687	527,306	4,882,993
Retained surplus		67,043,989	527,306	67,571,295

Refer to Note 2(a) for new revenue recognition accounting policies as a result of the application of AASB 15 and AASB 1058.

(c) AASB 16: Leases

The Shire adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the Shire has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB16 recognised on 1 July 2019. In applying AASB 16, under the specific transition provisions chosen, the Shire will not restate comparatives for prior reporting periods.

On adoption of AASB 16, the Shire recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' applying AASB117 (excluding short term and low value leases). These lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate on 1 July 2019. the weighted average lessee's incremental borrowing rate applied to the lease liability on 1 July 2019 was 4.30%

	Note	2020 \$
Operating lease commitments at 30 June 2019 applying AAS 117		345,059
Discount applied using incremental borrowing rate		(41,068)
Lease liability recognised as 1 July 2019 discounted using the Shire's incremental borrowing rate of 4.3%	16(b)	303,991
Lease liability - current		77,135
Lease liability - non-current		226,856
Right-of-use assets recognised at 1 July 2019		303,991

On adoption of AASB 16, the Shire recognised a right-of-use asset in relation to leases which had previously been classified as an 'operating lease' applying AASB 117. The right-of-use asset is deemed to be equal to the lease liability adjusted by the amounts of any prepaid or accrued lease payments.

Property, plant and equipment and lease liabilities increased by \$303,991 on 1 July 2019 resulting in no impact on retained surplus.

On adoption of AASB 16 Leases (issued February 2016), for leases which had previously been classified as an 'operating lease' when applying AASB 117, the Shire is not required to make any adjustments on transition for leases for which the underlying asset is of low value. Assets for which the fair value as at the date for acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5).

In applying AASB 16 for the first time, the Shire will use the following practical expedient permitted by the standard.

- The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

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27. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

(d) Impact of New Accounting Standards on Retained Surplus

The impact on the Shire's retained surplus due to the adoption of AASB 15, AASB 1058 and AASB 16 as at 1 July 2019 was as follows:

	Note	Adjustments	2019
			\$
Retained surplus - 30 June 2019			61,205,316
Adjustment to retained surplus from adoption of AASB 15	27(a)	(517,659)	
Adjustment to retained surplus from adoption of AASB 16	27(c)	0	
Adjustment to retained surplus from adoption of AASB 1058	27(b)	(120,082)	(637,741)
Retained surplus - 1 July 2019			60,567,575

28. TRUST FUNDS

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

	1 July 2019	Amounts Received	Amounts Paid	Amounts Reclassified to Restricted Cash	30 June 2020
	\$	\$	\$	\$	\$
Quarry Rehabilitation Bonds	1,615,532	248,268	0	0	1,863,800
Housing Bonds	0	13,525	0	(13,525)	0
Kerb Deposits	9,200	0	(1,240)	(7,960)	0
Key Bonds	0	7,961	(1,600)	0	6,361
Venue Hire Bonds	0	13,800	(9,500)	(4,300)	0
Crossover Bonds	53,540	0	0	(53,540)	0
BCITF	0	36,731	(31,488)	(5,243)	0
Building Services	0	41,888	(31,960)	(9,928)	0
Library Bonds	175	0	(175)	0	0
Standpipe Bonds	17,110	4,400	(800)	0	20,710
Road Construction Bonds	27,998	0	0	0	27,998
Other Bonds	4,920	1,040	(1,526)	(719)	3,715
Planning Bonds	537	34,503	0	0	35,040
Swimming Pool Fund	121,404	1,553	(122,957)	0	0
	1,850,416	403,669	(201,246)	(95,215)	1,957,624

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29. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

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

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30. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
GOVERNANCE To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of Council and the administrative support available to the Council for the provisions of governance in the district. Other costs relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services.
GENERAL PURPOSE FUNDING To collect revenue to allow for the provisions of services.	Rates, general purpose Government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer and enviromentally conscious community.	Supervision and enforcement of various local laws relating to fire prvention, animal control and other aspects of public safety including emergency services.
HEALTH To provide an operational framework for enviromental and community health.	Inspection of food outlets and their control, provisions of meat inspection services, noise control and waste disposal compliance.
EDUCATION AND WELFARE To provide services to disadvantaged persons, the elderly, children and youth.	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.
HOUSING To provide and maintain elderly residents housing.	Provisions and maintenance of elderly residents housing.
COMMUNITY AMENITIES To provide services to the community.	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 conveyiniences.
RECREATION AND CULTURE To establish and effectively manage infrastructure and resources which will help the social being.	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.
TRANSPORT To provide safe, effective and efficient transport services to the community.	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.
ECONOMIC SERVICES To help promote the Shire and its economic wellbeing.	Tourism and area promotion including the maintenance of a caravan park. Provisions of rural services including weed control, vermin control and standpipes. Building control.
OTHER PROPERTY AND SERVICES To monitor and control Shire overheads operating account.	Private works operations, plant repair, operation costs and engineering operation costs.

31. FINANCIAL RATIOS

	2020 Actual	2019 Actual	2018 Actual
Current ratio	0.31	1.99	2.96
Asset consumption ratio	0.64	0.63	0.64
Asset renewal funding ratio	1.41	1.44	0.91
Asset sustainability ratio	0.79	0.52	0.58
Debt service cover ratio	5.42	9.84	5.27
Operating surplus ratio	(0.33)	(0.12)	(0.21)
Own source revenue coverage ratio	0.59	0.65	0.72

The above ratios are calculated as follows:

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