

SHIRE OF BODDINGTON
2020/2021
ANNUAL
REPORT





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About Boddington

The Shire of Boddington is situated in the Peel region of Western Australia, approximately 123 kilometres southeast of Perth and 92 kilometres southeast of Mandurah. The Shire is accessible from the north via the Albany Highway from Perth and via the Pinjarra Williams Road from Mandurah to the west. The Shire has no separate wards and all seven Shire Councillors are elected from a single, district ward. The Shire of Boddington borders the local government authorities of Collie, Harvey, Waroona, Murray, Wandering and Williams. The Shire's main localities are Boddington, Ranford, Marradong, and Quindanning.

Boddington is a rural township with a strong community base and a diverse range of community groups. The town owes its name to an early settler, Henry Boddington, who was a shepherd in the 1860's, later moving to Wagin. His name became associated with a pool in the Hotham River at which he frequently camped with his sheep.

The original settlement was called 'The Hotham', found 2km west of the current town, at the end of what is now known as Farmers Avenue, named after the Farmer family on whose farm a post office and school were established. The Hotham Valley Railway was constructed in 1912 to meet demand created by the local timber industry to 'Farmers Crossing'.

A townsite was chosen adjacent to the Boddington Pools on the Hotham River, and subsequently was gazetted as a town. The railway line continued to Boddington in 1916 and in 1920 a new one-roomed school was built. This was followed by further buildings including Roads Board office, hotel, shops and an agricultural hall.

The town continued to expand with new industries including farming, timber, Tannin Extracts, and later the mining industry. A railway bridge was built over the upper reaches of the Murray River in 1949, originally known as "Asquith Bridge" and later as the Long Gully bridge. This was used for carting railway timber to the Banksiadale sawmill.



Image: "Boddington" entry statement on Albany Hwy, constructed locally

The area declined slowly over time, and the Dwellingup fires of 1961 devastated the local timber industry. By 1969, the railway had been closed and Boddington became a typical small service area for the surrounding district.

The establishment of Bauxite mining in 1979 at Boddington continues to service Western Australia's alumina refinery at Worsley (near Collie). Further mining followed with the opening of the Boddington Gold Mine in 1987. Together the gold & bauxite mines create a thriving rural mining town.



Image: Boddington's rich history on display at the Visitor and Interpretative Centre

Key Statistics:

Length of Sealed Roads:	126km
Length of Unsealed Roads:	145km
Population:	1844
Distance from Perth:	123 km
Area:	1,901 square kilometres
Rates Levied 2020/21:	\$4.78 million

Elected Members



Garry Ventris
Shire President



Earl Schreiber
Deputy Shire President



Coert Erasmus
Councillor



Jason Hoffman
Councillor



Samreid Manez
Councillor



Eugene Smalberger
Councillor



Ian Webster
Councillor

From the President

It is my pleasure to introduce the Shire of Boddington's Annual Report to provide details of the Shire's operations for the 2020/21 financial year. The year saw the continuation of the challenges of a worldwide pandemic, which required us to be agile in the way we dealt with continual change, and again demonstrated that our community is supportive and resilient in times of crisis.

Over the course of this year, we have maintained our focus and optimism and achieved some notable projects to keep the Shire moving forward. Reading through the Annual Report 2020-2021, it is wonderful to see the range of completed projects delivered and services provided over the last year. Foremost was the finalisation of the Hotham Park precinct. This significant project will contribute to both connecting our community and tourism growth in our region, helping to build a strong local economy and regional prosperity. It will bring many years of enjoyment and recreation opportunities to the local community, Peel residents, and visitors alike. This amazing project leverages the natural beauty and amenity of the Hotham River foreshore, providing a skate park, pump track, nature play and fitness zone as well as extensive landscaping for wide recreational use. The collaborative approach with the Department of Primary Industries and Regional Development, the Department of Local Government Sport and Cultural Industries, Newmont Australia, South 32 Worsley Alumina, Suez and the Lions Club, provided an outstanding outcome, and I thank all partners for their generous contribution.

The 2020/21 year was a period of change for Boddington as an organisation, with Mr Graham Stanley filling the role of Acting Chief Executive Officer for the majority of the year. Julie Burton commenced as Chief Executive Officer in June 2021. An extraordinary election was also held due to the resignation of Cr McSwain and Cr McGrath. Cr Ian Webster and Cr Samreid Manez were successfully elected with their term commencing in September 2020. We thank Cr McSwain and Cr McGrath for their contributions to Council over their terms.

As we begin to recover and emerge into a new normal, the Shire is continuing to gather momentum for a positive and vibrant future. Thank you to the Councillors for their collaboration and leadership, and our dedicated staff and volunteers for their passion and commitment to an inclusive and sustainable future, helping make Boddington a great place to live, work and visit.

Garry Ventris
Shire President



Chief Executive Officer's Report

Having commenced with the Shire of Boddington in June of 2021, I am pleased to provide this report detailing the activities, projects and services that took place during the 2020/21 financial year.

The year saw the organisation operating, once again, alongside the global COVID-19 pandemic, presenting both challenges and opportunities for our Shire. While we endured periods of lockdown, there were valued moments to be enjoyed with family and friends, and locally, we remained committed to serving our community and continuing our support for business owners, residents and visitors through uncertain times.

As a new resident to town, the quality of the Hotham Park project against the stunning backdrop of the Hotham River has been a source enjoyment, and I would like to congratulate all those involved in the delivery of this unique space. This project demonstrates the collaborative relationship that the Shire has with its funding partners, with the resulting project enjoyed by many residents, ratepayers and visitors.

It is pleasing to see the range of successful services, programs and events already established locally, and as an organisation we look forward to continually improving our service delivery in the areas of identified need. I was delighted in my first week to attend the annual planting day in Tunbridge Gully, which immediately demonstrated the partnership approach that is so crucial in successful outcomes.

As we move forward, we are committed to continuous improvement and excellence, on a foundation of strong values, and are very much looking forward to achieving outstanding results.

I would like to thank all the Councillors and staff at the Shire for their continued community focus and commitment. Their positive attitude and fantastic values contribute significantly in delivering services to the community

Julie Burton
Chief Executive Officer





Image: Mosaic Wall constructed by the local community

Key Projects: Hotham Park

The Hotham River Foreshore project was officially opened in March 2021, and combined close engagement with the community and Council to deliver something special for both local residents and visitors. This major project delivered an amazing adventure playground alongside the Hotham River, which includes a double flying fox, water play, nature based play, swings, slide, tunnels, and a climbing net.

In addition to the playground the project also included a skate park, pump track, basketball court and outdoor gym, perfect for active families to play and exercise together.

The Boddington Art Council Mosaic Group worked tirelessly to deliver a wonderful piece of art that represents so many elements of Boddington. This impressive entry to the Park is a statement piece that is admired by all who visit.

Funding contributors to the 2.5 million dollar project included the Department of Infrastructure and Regional Development, Shire of Boddington, Newmont Australia, South 32 Worsley Alumina, Suez, and the Department of Local Government Sport and Cultural Industries and the Boddington Lions Club.



Image: Skate park in action

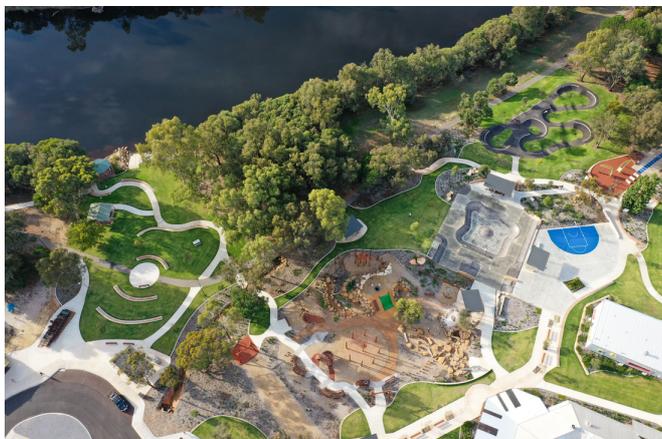


Image: Aerial view of Hotham Park



Image: Outdoor Exercise Equipment



Image: Boddington Mosaic Group with their Australia Day award for 2021 Group of the Year

Strategic Community Plan Achievements

A Vibrant and Connected Community

Australia Day Awards Nominations for the Community Citizen of the Year Awards

The Australia Day Awards Nominations for 2021 continued to be hosted by the Boddington Lions Club at the Boddington Rodeo Grounds and provided a fantastic opportunity for the community to honour their citizens.

Award Winners:

- Senior Citizen of the Year – Dawn Newman
- Group of the Year – Boddington Mosaic Group
- Community Citizen of the Year – Cindy Mulcahy



Image (L-R): Cindy Mulcahy being presented the Community Citizen of the Year Award by Cr Smalberger and Cr Hoffman.



Image (L-R): Cr. Schreiber presenting Dawn Newman Senior Citizen of the Year Award by Cr Smalberger and Cr Hoffman.

Boddington Youth Centre - Dwellingup Trees Adventure- sponsored by Newmont Social club

The Dwellingup Trees Adventure excursion was a huge success with 33 Youth Centre Members and 3 staff members attending the Dwellingup Adventures High Ropes Course on Friday 22 January 2021. The teamwork shown by the youth while supporting their peers was admirable.

Many youth stepped out of their comfort zones challenging themselves to participate in high ropes and water activities. Support from Newmont employees and Peel Youth Services on the high ropes course was very encouraging. Youth then appreciated a fun swim at Lane Pool Reserve with lunch being provided by ESS.

Youth Week was presented by the Boddington Youth Centre together with South 32. Our “Freedom Festival” was a fun packed event promoting inclusivity, engagement and community.

The Freedom Festival Youth Week saw over 50 youth attending the event. Thanks to South 32 for funding, the youth were able to enjoy a wide variety of activities showcasing ways youth can combat emotional stress through creating, crafting and connection.

Through the support of staff, Peel Youth Services and local engagement from the community a variety of activities were on offer for the youth ranging from tie-dye, beading, macramé, nature crafts and many more. The day ended with many youth expanding their skills and building new connections.

Strategic Community Plan Achievements

A Vibrant and Connected Community

Living Longer, Living Stronger going from Strength to Strength

Living Longer, Living Stronger fitness program commenced in 2019 and has continued to have many accomplishments. During 2020/2021 the program had 15 local individuals participate with over 575 attendances. Living Longer, Living Stronger is a program aimed at over 50's which takes a tailored fitness approach to each person and focuses specifically on areas they would like to see improvements in, concentrating on strength, flexibility and balance.



Image: Living Longer, Living Stronger

LOAF (community funding)

Council provides financial support for not for profit local services, community groups and sporting organisations in the form of Local Organisation Assistance Fund (LOAF), with 3 funding rounds each year, March, July and November.

Applications from 4 community organisations were awarded in the 2020/21 year, being:

- \$1,500 to the Boddington Progress Group, to host the production of Albert Facey
- \$1,500 to the Boddington Community Resource Centre for recordable internal and external CCTV.
- \$1,500 to the Boddington RSL Sub-branch to assist with re-roofing the RSL building
- \$900 to the Boddington Family Support Group to assist with the World Play Day held on 28 May 2021.

Street Banners

Council was successful in a grant from the Australia Day Council to support a set of Australia Day street banners for the main street. These banners will be used yearly appearing between mid-January and mid-February.

Art Collection

The Shire's collection has 25 works which are now documented and hanging within the Shire Administration walls.

Bike Repair Station and a Skateboard Repair Station at Hotham Park.

The bike and skateboard repair stations were donated by the Boddington Lions club and installation arranged by the Shire of Boddington. These fantastic pieces of equipment are well used by the visitors to Hotham Park.

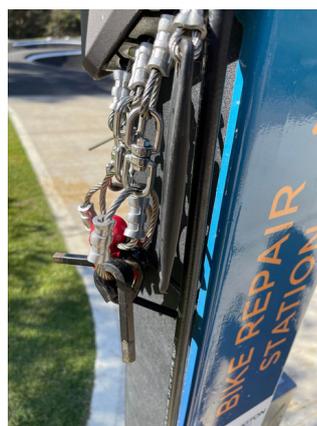


Image: Bike Repair Station



Image: Skateboard Repair Station



Image: "Activate Boddington" Skateboard Clinic

Image: "Activate Boddington" Pump Track Clinic

A Vibrant and Connected Community

Events

- Lighting of the Christmas Tree
- Department of Local Government, Sport and Cultural Industries – “Activate Boddington” – 17 clinics at Hotham Park included Skate and Pump track clinics.
- South32 Worsley Alumina Summer by the River – 5 events
- Campervan & Motorhome Club of Australia. A large rally was held on the oval with a number of small clubs booking regularly into the Caravan Park.



Image: Summer by the River Stilt Walkers



Image: Summer by the River Rollerbladers

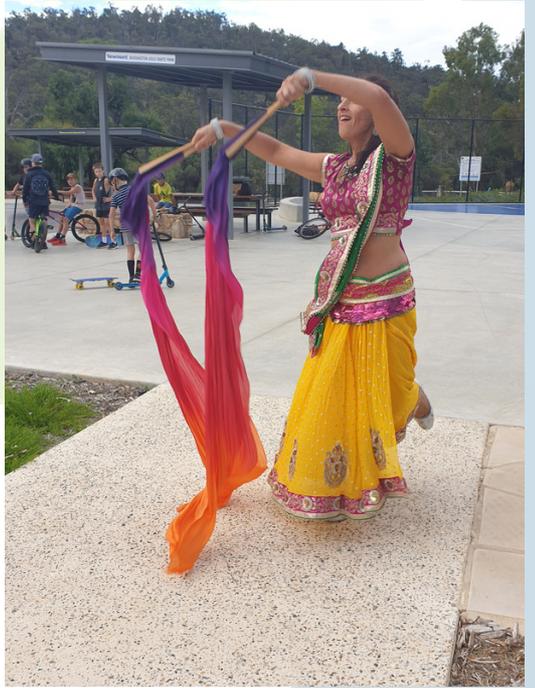


Image: Summer by the River Bollywood Dancers



Image: Summer by the River attendees enjoying a picnic



Image: Summer by the River attendees enjoying a picnic

Strategic Community Plan Achievements

A Vibrant and Connected Community

Partnerships

The Shire has continued to partner with a number of community organisations during 2020/2021:

- Boddington Early Years Network. Shire staff have worked with this community committee (Playgroup WA, Holyoak, Parenting Connections, Anglicare (Playful Hearts), West Australian Country Health Service (WACHS), WANSLEA, Department of Communities) on projects such as the Nationwide Literacy event (Simultaneous Story Telling, May), and National Children's Week (October) as well as promoting relevant Early Years workshops run by these organisations.
- Children's University Western Australia. The Shire of Boddington in conjunction with Boddington District High School have partnered with Edith Cowan University and University of Western Australia to inspire a passion for lifelong learning in our local students. Through a 'Passport to Learning' children participate in learning activities of their choice beyond the classroom. The program embraces local learning opportunities offered by places such as libraries, parks, sporting clubs and businesses. All learning experiences are designed to have links to higher education learning and courses.
- Boddington Men's Shed. The members designed and constructed a chair for Father Christmas to sit on and meet the local children at the Lighting of the Christmas tree.
- Lions Boddington Rodeo – Opportunities were given to members of the Boddington Golf Club and Boddington Cricket Club to manage the overflowing parking on the 2020 Rodeo weekend on behalf of the Shire of Boddington. Both Newmont Boddington and South32 Worsley Alumina also helped by marking out the camping spots utilising the relevant equipment they have which will now make marking out the camping bays easier and quicker in years to come.
- Boddington District High School. 21 year six students visited the Shire to meet the staff and were provided with an overview of how the Council works. The students did a mock Council meeting in conjunction with the Shire's Ranger discussing future local cat laws.
- With the completion of the Hotham Park the focus of the "Activate Boddington" changed to the Hotham Park facilities. This involved skate board, pump track and basketball clinics as well as how to use the outdoor exercise equipment at the park.



Images: Men's Shed Santa Chair



Image: Outdoor Equipment demonstration at Hotham Park

- Boddington Heritage Group. To help preserve the groups Heritage collection of photographs the Shire is continuing to scan the photographic collection.

Strategic Community Plan Achievements

A Thriving and Diverse Economy

Tourism

Since opening, Hotham Park has been added to a number of social media sites to encourage visitors/tourists to the town. These include mountain bike, skate park and pump track related sites. Caravan clubs have also been encouraged to add the Boddington Caravan Park to their social media sites.

A number of non-residential organisations have brought events to the Shire of Boddington including the Blossom Festival, LARP (Live Action Role Play) and the Tom Curtin Outback Experience. These events bring tourists to the town who in turn provide economic benefit to local businesses.

Shire Buildings

Solar Panels as well as an accessible toilet and shower were installed at the Boddington Swimming Pool.

An extension was made to the Boddington Library resulting in an expanded space to deliver programs and activities.

An installation of safety glass and screens was made to the Function Room of the Sports Pavilion.



Images: Accessible Toilet at the Boddington Swimming Pool

Purchase of plant and equipment

The Shire of Boddington acquired several new pieces of equipment, notably the new M140 motor grader. The equipment is proving to be invaluable in road construction and maintenance and will hold a good resale value for the Shire when disposed.

The Toro ground master mower was acquired for the mowing of Hotham Park and other reserves. This superior piece of equipment will handle the terrain and wet conditions.

Road Construction

The road crew and contractors have completed many projects over the year including:

- Stage 1 of Days Rd gravel re- sheet and sealing of first 1km.
- Construction of 1km of Harvey Quindanning Rd.
- Construction and asphaltting of Wuraming Ave Carpark.
- New footpaths constructed from the Visitor Information Bay to Wuraming Ave and from Banister Rd to the public toilets on Wuraming Ave.
- Final balancing of the pump that connects the town dam to the Football oval.
- Crack sealing on Lower Hotham Rd, Hill St, George St and Greenstone Way.

Drainage Infrastructure

New Culverts have been installed along Crossman Rd, Harvey Quindanning Rd and Days Rd.

Foreshore Infrastructure

Some lighting has been installed at Hotham Park in two stages with a third stage to follow that includes tower lights for the skate bowl and pump track.



Images: Lighting at Hotham Park

Parks & Ovals Infrastructure

More emphasis is being placed on long term management of ovals rather than reactive maintenance. Coring has taken place and vertimowing is planned. Soil and water samples have been undertaken and a fertiliser program has been developed in line with sample results.



Image: Darminning (Ranford) Pool

Strategic Community Plan Achievements

A Healthy, Clean, Green and Sustainable Environment

Annual Planting Day in Tunbridge Gully in June of 2021

Peel Harvey Catchment Council organised this event, attended by Shire councillors and staff, South 32, Newmont Gold, Friends of the Reserves and students from Boddington District High School.



Image: Councillors and CEO assisting with the tree planting at Tunbridge Gully

South 32 donated Jarrah seedlings

Shire of Boddington Shire President Garry Ventris and Acting CEO Graham Stanley received Jarrah seedlings from South 32, presented by Reghan Mann, Environmental Specialist at South 32.

Peel Harvey Catchment Council

The Shire of Boddington continued its support for the PHCC, with a contribution of \$25,000 in the 2020/21 financial year.

This enabled the PHCC to continue the fantastic work they undertake throughout the catchment, including the completion of the Hotham-Williams River Action Plan and Ranford Pool Restoration.

Corporate Business Plan

The Shire's Corporate Business Plan 2019 – 2023 was adopted in March 2020, and provides a detailed four year planning document to give effect to the initial years of the Strategic Community Plan. The Corporate Business Plan is updated every year to allow reassessment of priorities, while still maintaining strong links to the 10 year Strategic Plan.

National Competition Policy

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.

The Shire is required to comply with certain policies contained within the National Competition Policy Statement, and report on the progress in connection with the National Competitive Neutrality Principles and review of Local Laws. During the financial year the Shire met its obligations under the National Competition Policy. The Shire continues to monitor Council policies and local laws for anti-competitive practices. The Shire does not operate significant business activities which compete or could compete with private business.



Image: Shearing Competition held at the Boddington Lions Rodeo

Disability Access & Inclusion (DAIP)

The Shire of Boddington 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) 2019 - 2024.

The Shire's DAIP is a statutory requirement of the State Government under The Disability Services Act (1993, amended 2004). The DAIP 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.boddington.wa.gov.au/documents/publications>

Public Interest Disclosure

In accordance with the Public Interest Disclosure Act 2003, procedures have been implemented to facilitate reporting and action on public interest disclosures. During the 2020/21 reporting period, no public interest disclosures were lodged.

Freedom of Information

Access to Shire of Boddington information/documents may be granted under the Freedom of Information Act 1992. An Information Statement is available along with application forms on the Shire's website. The statement is a guide on the Freedom of Information process, and also lists the types of documents available outside of this process. During 2020/2021, the Shire received no Freedom of Information applications.

Record Keeping

State Records Commission (SRC) Standard 1 – Government Recordkeeping, requires that government organisations ensure that records are created, managed and maintained over time and disposed of in accordance with principles and standards issued by the SRC. SRC Standard 2 – Recordkeeping Plans comprises six recordkeeping principles each of which contains minimum compliance requirements. Section 28 (5) of the State Records Act 2000 requires that no more than 5 years must lapse between a review of a government organisation's Recordkeeping Plan and an approval by the SRC of any changes made. The Shire of Boddington's Recordkeeping Plan is currently being reviewed.

The plan provides an accurate reflection of the recordkeeping program within the organisation, including information regarding the recordkeeping system(s), disposal arrangements, policies, practices and processes. The Records Management System at the Shire of Boddington is currently being transitioned to an electronic system.

Register of Complaints

The Shire of Boddington maintains a register of complaints on the Shire of Boddington website. There were no complaints against Councillors in the 2020/2021 financial year that were considered a minor breach under section 5.121 of the Local Government Act 1995.

Image: Boddington Memorial Rose Garden



Employee Remuneration

Set out below, in bands of \$10,000 is the number of employees of the Shire entitled to an annual salary of \$130,000 or more.

Salary Range 2020/2021

\$130,000 - \$140,000	-
\$140,000 - \$150,000	1
\$150,000 - \$160,000	-
\$160,000 - \$170,000	-
\$180,000 - \$190,000	-

Remuneration Provided to the CEO

The total remuneration provided to the CEO during the 2020/2021 financial year, including all benefits such as housing, vehicle provision and superannuation was \$184,845.

Elected Member Demographics

Elected Members demographics for the 2020-2021 financial year:

Councillor Summary

Gender	Male: 6 Female: 1
Linguistic Background	English: 4 Malay: 1 Afrikaans: 2
Country of Birth	Australia: 4, Malaysia: 1 South Africa: 2
Aboriginal or Torres Strait Islander	Nil
Ages 25 - 34	1
Ages 35 - 44	-
Ages 45 - 55	2
Ages 55 - 65	4

Attendance at Council and Committee Meetings

The Council of the Shire of Boddington meets monthly for information sessions and workshops on a variety of topics. In the third week of the month, Council convenes an Ordinary Council Meeting. Below is a table outlining individual Elected Members' attendance, for the financial year, on various Council Meetings and Committees in their capacity as an Elected Member.

Councillor Name *	Ordinary Council Meetings	Special Council Meetings	Audit Committee	LEMC
Cr G Ventris	11	7	1	N/A
Cr E Schreiber	11	7	1	3
Cr C Erasmus	11	6	0	N/A
Cr Cr J Hoffman	10	6	0	N/A
Cr S Manez	8	5	1	N/A
Cr E Smalberger	10	7	1	N/A
Cr I Webster	8	4	1	3

Cr I Webster Term Commenced on 17/9/20

Cr SR Manez Term commenced on 17/9/20, ended Term October 2021

Cr J Hoffman Term ended on October 2021

SHIRE OF BODDINGTON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

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COMMUNITY VISION

A vibrant and connected community, providing employment and lifestyle opportunities and a beautiful natural environment, surprisingly close to the coast and city.

Principal place of business:
39 Bannister Road
BODDINGTON WA 6390

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

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Boddington for the financial year ended 30 June 2021 is based on proper accounts and records to present fairly the financial position of the Shire of Boddington at 30 June 2021 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 5th day of April 2022



Chief Executive Officer

JULIE BURTON

Name of Chief Executive Officer

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

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
Rates	22(a)	4,775,251	4,769,615	4,543,706
Operating grants, subsidies and contributions	2(a)	600,503	410,750	681,139
Fees and charges	2(a)	1,248,865	1,106,573	1,121,056
Interest earnings	2(a)	20,511	42,500	98,339
Other revenue	2(a)	74,302	47,155	146,576
		6,719,432	6,376,593	6,590,816
Expenses				
Employee costs		(2,595,331)	(2,893,730)	(2,583,325)
Materials and contracts		(2,206,640)	(1,911,354)	(1,833,883)
Utility charges		(356,439)	(312,930)	(378,422)
Depreciation on non-current assets	10(b)	(3,129,176)	(2,393,945)	(2,254,722)
Interest expenses	2(b)	(91,622)	(92,845)	(88,704)
Insurance expenses		(249,647)	(234,543)	(223,594)
Other expenditure		(100,996)	(135,017)	(149,610)
		(8,729,851)	(7,974,364)	(7,512,260)
		(2,010,419)	(1,597,771)	(921,444)
Non-operating grants, subsidies and contributions	2(a)	613,918	1,305,799	683,682
Profit on asset disposals	10(a)	39,637	0	36,277
(Loss) on asset disposals	10(a)	(2,982)	0	(12,669)
Fair value adjustments to financial assets at fair value through profit or loss		1,293	0	4,677
		651,866	1,305,799	711,967
Net result for the period		(1,358,553)	(291,972)	(209,477)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	11	0	0	3,487,594
Total other comprehensive income for the period		0	0	3,487,594
Total comprehensive income for the period		(1,358,553)	(291,972)	3,278,117

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

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

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
Governance		131,831	43,000	82,466
General purpose funding		5,108,716	4,931,771	4,966,888
Law, order, public safety		111,463	154,264	242,183
Health		39,418	20,265	20,212
Education and welfare		479,872	449,580	445,221
Housing		26,189	20,100	20,613
Community amenities		302,523	289,310	290,300
Recreation and culture		85,441	67,918	37,374
Transport		124,215	128,210	124,967
Economic services		295,729	241,170	249,944
Other property and services		14,035	31,005	110,648
		6,719,432	6,376,593	6,590,816
Expenses				
Governance		(197,546)	(87,241)	(393,954)
General purpose funding		(11,879)	(24,080)	(21,583)
Law, order, public safety		(502,908)	(490,460)	(594,400)
Health		(206,988)	(232,570)	(230,830)
Education and welfare		(1,265,551)	(672,863)	(693,897)
Housing		(215,269)	312	(13,084)
Community amenities		(733,371)	(977,558)	(669,931)
Recreation and culture		(2,149,887)	(1,852,819)	(1,765,467)
Transport		(2,679,051)	(2,866,826)	(2,540,639)
Economic services		(585,973)	(653,317)	(616,185)
Other property and services		(89,806)	(24,097)	116,414
		(8,638,229)	(7,881,519)	(7,423,556)
Finance Costs				
	2(b)			
Governance		(20,850)	(21,154)	(26,291)
Health		0	0	(744)
Education and welfare		(6,973)	(7,329)	(7,996)
Housing		(25,604)	(26,158)	(27,387)
Recreation and culture		(38,195)	(38,204)	(26,286)
		(91,622)	(92,845)	(88,704)
		(2,010,419)	(1,597,771)	(921,444)
Non-operating grants, subsidies and contributions	2(a)	613,918	1,305,799	683,682
Profit on disposal of assets	10(a)	39,637	0	36,277
(Loss) on disposal of assets	10(a)	(2,982)	0	(12,669)
Fair value adjustments to financial assets at fair value through profit or loss		1,293	0	4,677
		651,866	1,305,799	711,967
Net result for the period		(1,358,553)	(291,972)	(209,477)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	11	0	0	3,487,594
Total other comprehensive income for the period		0	0	3,487,594
Total comprehensive income for the period		(1,358,553)	(291,972)	3,278,117

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

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

	NOTE	2021	2020
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	3,934,874	5,125,842
Trade and other receivables	6	1,573,165	530,872
Other assets	7	158,762	50,313
TOTAL CURRENT ASSETS		5,666,801	5,707,027
NON-CURRENT ASSETS			
Trade and other receivables	6	25,501	19,236
Other financial assets	5(a)	36,904	35,611
Property, plant and equipment	8	32,059,421	33,007,749
Infrastructure	9	54,721,893	54,740,065
TOTAL NON-CURRENT ASSETS		86,843,719	87,802,661
TOTAL ASSETS		92,510,520	93,509,688
CURRENT LIABILITIES			
Trade and other payables	12	990,174	1,426,927
Contract liabilities	13	1,634,556	484,971
Borrowings	14(a)	357,077	344,397
Employee related provisions	15	260,497	245,545
TOTAL CURRENT LIABILITIES		3,242,304	2,501,840
NON-CURRENT LIABILITIES			
Trade and other payables	12	300,000	300,000
Borrowings	14(a)	2,116,566	2,473,643
Employee related provisions	15	65,220	89,222
TOTAL NON-CURRENT LIABILITIES		2,481,786	2,862,865
TOTAL LIABILITIES		5,724,090	5,364,705
NET ASSETS		86,786,430	88,144,983
EQUITY			
Retained surplus		33,376,190	33,374,011
Reserves - cash backed	4	1,668,323	3,029,055
Revaluation surplus	11	51,741,917	51,741,917
TOTAL EQUITY		86,786,430	88,144,983

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

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

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2019		32,246,739	4,365,804	48,254,323	84,866,866
Comprehensive income					
Net result for the period		(209,477)	0	0	(209,477)
Other comprehensive income	11	0	0	3,487,594	3,487,594
Total comprehensive income		(209,477)	0	3,487,594	3,278,117
Transfers from reserves	4	1,396,438	(1,396,438)	0	0
Transfers to reserves	4	(59,689)	59,689	0	0
Balance as at 30 June 2020		33,374,011	3,029,055	51,741,917	88,144,983
Comprehensive income					
Net result for the period		(1,358,553)	0	0	(1,358,553)
Total comprehensive income		(1,358,553)	0	0	(1,358,553)
Transfers from reserves	4	1,363,789	(1,363,789)	0	0
Transfers to reserves	4	(3,057)	3,057	0	0
Balance as at 30 June 2021		33,376,190	1,668,323	51,741,917	86,786,430

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

SHIRE OF BODDINGTON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		4,774,406	4,769,615	4,563,901
Operating grants, subsidies and contributions		449,824	389,309	661,576
Fees and charges		1,248,865	1,106,573	1,285,593
Interest received		20,511	42,500	103,822
Goods and services tax received		217,290	0	0
Other revenue		74,302	47,155	146,576
		6,785,198	6,355,152	6,761,468
Payments				
Employee costs		(2,634,094)	(2,858,940)	(2,684,132)
Materials and contracts		(2,710,846)	(1,911,354)	(1,056,173)
Utility charges		(356,439)	(312,930)	(378,422)
Interest expenses		(93,549)	(92,845)	(88,704)
Insurance paid		(249,647)	(234,543)	(223,594)
Goods and services tax paid		(23,680)	0	(128,109)
Other expenditure		(100,996)	(135,017)	(149,491)
		(6,169,251)	(5,545,629)	(4,708,625)
Net cash provided by (used in) operating activities	16	615,947	809,523	2,052,843
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	8(a)	(677,893)	(968,382)	(723,349)
Payments for construction of infrastructure	9(a)	(1,586,855)	(3,033,745)	(2,885,363)
Non-operating grants, subsidies and contributions		663,503	1,305,799	683,682
Proceeds from sale of property, plant & equipment	10(a)	138,727	113,818	185,630
Net cash provided by (used in) investment activities		(1,462,518)	(2,582,510)	(2,739,400)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	14(b)	(344,397)	(345,124)	(240,531)
Proceeds from new borrowings	14(b)	0	0	1,000,000
Net cash provided by (used in) financing activities		(344,397)	(345,124)	759,469
Net increase (decrease) in cash held		(1,190,968)	(2,118,111)	72,912
Cash at beginning of year		5,125,842	5,125,713	5,052,930
Cash and cash equivalents at the end of the year	16	3,934,874	3,007,602	5,125,842

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

SHIRE OF BODDINGTON
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	23 (b)	520,529	1,023,331	(146,266)
		520,529	1,023,331	(146,266)
Revenue from operating activities (excluding rates)				
Governance		137,513	43,000	82,466
General purpose funding		333,465	162,156	423,182
Law, order, public safety		111,463	154,264	242,183
Health		39,418	20,265	20,212
Education and welfare		479,872	449,580	445,221
Housing		26,189	20,100	20,613
Community amenities		302,523	289,310	290,300
Recreation and culture		85,441	67,918	37,374
Transport		158,170	128,210	161,244
Economic services		297,022	241,170	254,621
Other property and services		14,035	31,005	110,648
		1,985,111	1,606,978	2,088,064
Expenditure from operating activities				
Governance		(221,378)	(108,395)	(425,222)
General purpose funding		(11,879)	(24,080)	(21,583)
Law, order, public safety		(502,908)	(490,460)	(594,400)
Health		(206,988)	(232,570)	(231,574)
Education and welfare		(1,272,524)	(680,192)	(701,893)
Housing		(240,873)	(25,846)	(40,471)
Community amenities		(733,371)	(977,558)	(669,931)
Recreation and culture		(2,188,082)	(1,891,023)	(1,791,753)
Transport		(2,679,051)	(2,866,826)	(2,548,331)
Economic services		(585,973)	(653,317)	(616,185)
Other property and services		(89,806)	(24,097)	116,414
		(8,732,833)	(7,974,364)	(7,524,929)
Non-cash amounts excluded from operating activities	23(a)	3,060,961	2,428,735	2,203,136
Amount attributable to operating activities		(3,166,232)	(2,915,320)	(3,379,995)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	613,918	1,305,799	683,682
Proceeds from disposal of assets	10(a)	138,727	113,818	185,630
Purchase of property, plant and equipment	8(a)	(677,893)	(968,382)	(723,349)
Purchase and construction of infrastructure	9(a)	(1,586,855)	(3,033,745)	(2,885,363)
		(1,512,103)	(2,582,510)	(2,739,400)
Amount attributable to investing activities		(1,512,103)	(2,582,510)	(2,739,400)
FINANCING ACTIVITIES				
Repayment of borrowings	14(b)	(344,397)	(345,124)	(240,531)
Proceeds from borrowings	14(c)	0	0	1,000,000
Transfers to reserves (restricted assets)	4	(3,057)	(20,000)	(59,689)
Transfers from reserves (restricted assets)	4	1,363,789	1,093,339	1,396,438
Amount attributable to financing activities		1,016,335	728,215	2,096,218
Surplus/(deficit) before imposition of general rates		(3,662,000)	(4,769,615)	(4,023,177)
Total amount raised from general rates	22(a)	4,775,251	4,769,615	4,543,706
Surplus/(deficit) after imposition of general rates	23(b)	1,113,251	0	520,529

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

SHIRE OF BODDINGTON
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FOR THE YEAR ENDED 30 JUNE 2021

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

1. BASIS OF PREPARATION

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

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

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. The Shire did not hold any trust monies for the year ended 30 June 2021.

INITIAL APPLICATION OF ACCOUNTING STANDARDS

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

These were:

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

The impact of adoption of these standards is described at Note 26.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

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

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

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

CRITICAL ACCOUNTING ESTIMATES

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

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

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

- Employee Expenses
- Other Financial Assets
- Property, Plant and Equipment
- Infrastructure
- Borrowing Liabilities
- Provisions

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

2. REVENUE AND EXPENSES

(a) Grant revenue

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

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Operating grants, subsidies and contributions			
Governance	72,106	2,600	0
General purpose funding	305,353	107,376	311,864
Law, order, public safety	83,182	100,764	180,140
Health	0	0	5,058
Education and welfare	13,461	45,000	49,263
Community amenities	2,247	0	0
Recreation and culture	3,500	25,000	50
Transport	119,292	127,910	122,076
Economic services	1,362	2,100	12,688
	600,503	410,750	681,139
Non-operating grants, subsidies and contributions			
Community amenities	0	0	75,000
Recreation and culture	141,500	137,500	234,883
Transport	472,418	1,168,299	373,799
	613,918	1,305,799	683,682
Total grants, subsidies and contributions	1,214,421	1,716,549	1,364,821
Fees and charges			
Governance	31,884	29,800	30,954
General purpose funding	7,651	3,500	4,718
Law, order, public safety	25,370	53,500	61,902
Health	38,378	19,225	14,180
Education and welfare	466,411	404,580	395,957
Housing	22,754	16,720	14,723
Community amenities	300,276	289,310	290,300
Recreation and culture	57,232	35,608	32,906
Transport	4,579	300	331
Economic services	291,538	231,525	229,191
Other property and services	2,792	22,505	45,894
	1,248,865	1,106,573	1,121,056

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

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Contracts with customers and transfers for recognisable non-financial assets			
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:			
Operating grants, subsidies and contributions	220,063	305,063	308,263
Fees and charges	1,214,631	1,068,373	1,121,056
Other revenue	11,241	0	0
Non-operating grants, subsidies and contributions	613,918	1,305,799	683,682
	2,059,853	2,679,235	2,113,001
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:			
Revenue from contracts with customers included as a contract liability at the start of the period	484,971	21,441	454,947
Revenue recognised in the current period from performance obligations satisfied in previous periods	0	0	228,735
Revenue from contracts with customers recognised during the year	960,964	1,351,995	1,429,319
Revenue from transfers intended for acquiring or constructing recognisable non financial assets during the year	613,918	1,305,799	0
	2,059,853	2,679,235	2,113,001
Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:			
Trade and other receivables from contracts with customers	1,318,935		68,256
Contract liabilities from contracts with customers	(1,634,556)		(484,971)

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

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

General rates
 Statutory permits and licences
 Fines

Other revenue

Reimbursements and recoveries
 Other

Interest earnings

Interest on reserve funds
 Rates instalment and penalty interest (refer Note 22(b))
 Other interest earnings

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
General rates	4,775,251	4,769,615	4,543,706
Statutory permits and licences	33,026	32,100	0
Fines	1,208	6,100	0
	4,809,485	4,807,815	4,543,706
Reimbursements and recoveries	63,061	47,155	132,681
Other	11,241	0	13,895
	74,302	47,155	146,576
Interest on reserve funds	3,057	20,000	59,689
Rates instalment and penalty interest (refer Note 22(b))	16,401	21,500	35,364
Other interest earnings	1,053	1,000	3,286
	20,511	42,500	98,339

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

Interest earnings (continued)

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

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

2. REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates - general rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
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 peiod as proportionate to collection service.
Waste mangement entry fees	Waste treatment, recycling and disposal service at disposal site	Single point in time	Payment in advance at gate or on normal trading terms if credit provided.	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the funding body	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Fees and charges	Cemetery services, library fees, reinstatements and private works	Single point in time	Full payment in advance	None	Adopted by Council annually	Applied fully based on timing of provision/entry.	Not applicable	Output method based on provision of service or completion of works, or on payment
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by legislation	Apportioned equally across inspection cycle	No refunds	After inspection complete based a 4 year cycle
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 timing of inspections	Not applicable	Revenue recognised after inspection event occurs
Other revenue - Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Other revenue - Reimbursements	Insurance claims and reimbursable expenses	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed or expense is incurred	Not applicable	When claim is agreed or when reimbursement is agreed

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

3. CASH AND CASH EQUIVALENTS

NOTE	2021	2020
	\$	\$
Cash at bank and on hand	3,934,874	4,022,314
Term deposits	0	1,103,528
Total cash and cash equivalents	3,934,874	5,125,842
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	3,394,931	3,909,535
	3,394,931	3,909,535

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

Reserves - cash backed	4	1,668,323	3,029,055
Contract liabilities from contracts with customers	13	1,634,556	484,971
Bonds and deposits	12	92,052	88,823
Unspent loans	14(c)	0	306,686
Total restricted assets		3,394,931	3,909,535

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

4. RESERVES - CASH BACKED

	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance	2021 Budget Opening Balance	2021 Budget Transfer to	2021 Budget Transfer (from)	2021 Budget Closing Balance	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Plant reserve	574,467	405	(353,700)	221,172	574,466	3,794	(353,700)	224,560	886,944	12,126	(324,603)	574,467
(b) Building reserve	96,947	178		97,125	96,946	640	0	97,586	321,078	4,390	(228,521)	96,947
(c) Local organisation assistance reserve	31,559	58		31,617	31,559	208	0	31,767	31,133	426	0	31,559
(d) Refuse site reserve	39,397	74		39,471	39,397	260	0	39,657	38,866	531	0	39,397
(e) Aged housing reserve	636,605	672	(270,450)	366,827	636,605	4,203	0	640,808	628,019	8,586	0	636,605
(f) Swimming pool reserve	20,967	39		21,006	20,967	138	0	21,105	20,684	283	0	20,967
(g) River crossing reserve	47,556	87		47,643	47,556	314	0	47,870	46,915	641	0	47,556
(h) Prepaid conditional grants reserve	199,193	366		199,559	199,193	1,315	0	200,508	196,506	2,687	0	199,193
(i) Unspent conditional grants reserve	376,011	689		376,700	376,011	2,483	0	378,494	420,265	5,746	(50,000)	376,011
(j) Public open space reserve	1,006,353	489	(739,639)	267,203	1,006,353	6,645	(739,639)	273,359	1,775,394	24,273	(793,314)	1,006,353
	3,029,055	3,057	(1,363,789)	1,668,323	3,029,053	20,000	(1,093,339)	1,955,714	4,365,804	59,689	(1,396,438)	3,029,055

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

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Plant reserve	Ongoing	To be used to fund the purchaser of new or second hand plant and equipment.
(b) Building reserve	Ongoing	To be used to fund the construction of buildings.
(c) Local organisation assistance reserve	Ongoing	To be used to fund local organisations projects as per Council Policy.
(d) Refuse site reserve	Ongoing	To be used to fund the establishment and operation of the refuse site. All surplus income over expenditure for Sanitation at the end of each financial year is transferred to this reserve.
(e) Aged housing reserve	Ongoing	To be used to fund future aged housing developments.
(f) Swimming pool reserve	Ongoing	To be used to fund the ongoing upgrading and maintaining of the swimming pool.
(g) River crossing reserve	Ongoing	To be used to fund the ongoing upgrading and refurbishment of river crossings as decided by Council.
(h) Prepaid conditional grants reserve	Ongoing	To be used to provide a mechanism for identifying prepaid grants where the expenditure associated will be incurred in the next financial year, these mainly consist of prepaid Financial Assistance Grants and Local Road Grants.
(i) Unspent conditional grants reserve	Ongoing	To be used to provide a mechanism for identifying conditional unspent grants where the expenditure associated will be undertaken in future years, be it operating or capital in nature.
(j) Public open space reserve	Ongoing	To be used to fund the upgrade and rationalisation of Public Open Space and parklands within the Shire.

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

5. OTHER FINANCIAL ASSETS

(a) Non-current assets

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss

Units in Local Government House Trust

	2021	2020
	\$	\$
	36,904	35,611
	36,904	35,611
	36,904	35,611
	36,904	35,611

SIGNIFICANT ACCOUNTING POLICIES

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 24.

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

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Trade and other receivables	
GST receivable	
Allowance for impairment of receivables	
Other sundry receivables	

Non-current

Pensioner's rates and ESL deferred	
------------------------------------	--

	2021	2020
	\$	\$
	253,667	268,443
	1,318,935	68,256
	0	193,610
	(3,337)	(3,337)
	3,900	3,900
	1,573,165	530,872
	25,501	19,236
	25,501	19,236

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 24.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

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

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

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

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

7. OTHER ASSETS

Other assets - current

Accrued income

	2021	2020
	\$	\$
	158,762	50,313
	158,762	50,313

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

SHIRE OF BODDINGTON
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8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings - non- specialised	Buildings - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	3,513,210	1,683,524	21,931,964	27,128,698	122,486	2,432,740	29,683,924
Additions	0	131,664	102,357	234,021	9,770	479,558	723,349
(Disposals)	0	0	0	0	0	(162,022)	(162,022)
Revaluation increments / (decrements) transferred to revaluation surplus	189,790	2,956,248	341,556	3,487,594	0	0	3,487,594
Depreciation (expense)	0	(52,169)	(372,222)	(424,391)	(31,897)	(268,808)	(725,096)
Balance at 30 June 2020	3,703,000	4,719,267	22,003,655	30,425,922	100,359	2,481,468	33,007,749
Comprises:							
Gross balance amount at 30 June 2020	3,703,000	4,719,267	22,003,655	30,425,922	318,612	2,634,275	33,378,809
Accumulated depreciation at 30 June 2020	0	0	0	0	(218,253)	(152,807)	(371,060)
Balance at 30 June 2020	3,703,000	4,719,267	22,003,655	30,425,922	100,359	2,481,468	33,007,749
Additions	0	25,532	123,289	148,821	8,089	520,983	677,893
(Disposals)	0	0	0	0	0	(102,072)	(102,072)
Depreciation (expense)	0	(353,415)	(853,934)	(1,207,349)	(32,884)	(283,916)	(1,524,149)
Balance at 30 June 2021	3,703,000	4,391,384	21,273,010	29,367,394	75,564	2,616,463	32,059,421
Comprises:							
Gross balance amount at 30 June 2021	3,703,000	4,744,799	22,126,944	30,574,743	326,701	3,040,167	33,941,611
Accumulated depreciation at 30 June 2021	0	(353,415)	(853,934)	(1,207,349)	(251,137)	(423,704)	(1,882,190)
Balance at 30 June 2021	3,703,000	4,391,384	21,273,010	29,367,394	75,564	2,616,463	32,059,421

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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	Level 2	Market approach	Independent registered valuers	June 2020	Recent observable market data for similar properties/income approach using discounted cash flow methodology
Buildings - non-specialised	Level 2	Market approach	Independent registered valuer	June 2020	Recent observable market data for similar properties/income approach using discounted cash flow methodology
Buildings - specialised	Level 3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuer	June 2020	Construction costs (Level 2), current condition, residual values and remaining useful life assessments (Level 3) inputs
(ii) Cost					
Furniture and equipment		Cost approach	Deemed Cost		Purchase cost
Plant and equipment		Cost approach	Deemed Cost		Purchase cost

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

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

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - bridges and culverts	Infrastructure - footpaths	Infrastructure - drainage, kerb and channel	Infrastructure - parks and ovals	Infrastructure - public facilities	Infrastructure - other infrastructure	Infrastructure - foreshore infrastructure	Infrastructure - caravan park	Infrastructure - waste	Infrastructure - water assets	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	34,844,161	9,458,207	1,575,943	1,430,758	716,019	1,975,028	1,511,350	269,044	110,049	1,379,661	114,108	53,384,328
Additions	701,188	19,011	28,831	173,986	16,239	0	257,055	1,689,053	0	0	0	2,885,363
Depreciation (expense)	(824,108)	(213,869)	(54,517)	(65,562)	(29,461)	(125,191)	(125,849)	(28,487)	(17,774)	(44,808)	0	(1,529,626)
Transfers	25,568	0	0	(25,568)	0	0	114,108	0	0	0	(114,108)	0
Balance at 30 June 2020	34,746,809	9,263,349	1,550,257	1,513,614	702,797	1,849,837	1,756,664	1,929,610	92,275	1,334,853	0	54,740,065
Comprises:												
Gross balance at 30 June 2020	36,291,299	9,672,020	1,653,931	1,634,328	761,837	2,103,856	1,989,757	1,981,727	125,625	1,423,387	0	57,637,767
Accumulated depreciation at 30 June 2020	(1,544,490)	(408,671)	(103,674)	(120,714)	(59,040)	(254,019)	(233,093)	(52,117)	(33,350)	(88,534)	0	(2,897,702)
Balance at 30 June 2020	34,746,809	9,263,349	1,550,257	1,513,614	702,797	1,849,837	1,756,664	1,929,610	92,275	1,334,853	0	54,740,065
Additions	568,260	0	0	9,689	34,379	0	76,719	897,808	0	0	0	1,586,855
Depreciation (expense)	(858,173)	(214,122)	(55,762)	(80,858)	(29,282)	(124,370)	(129,243)	(51,741)	(16,667)	(44,809)	0	(1,605,027)
Balance at 30 June 2021	34,456,896	9,049,227	1,494,495	1,442,445	707,894	1,725,467	1,704,140	2,775,677	75,608	1,290,044	0	54,721,893
Comprises:												
Gross balance at 30 June 2021	36,859,559	9,672,020	1,653,931	1,644,017	796,216	2,103,856	2,066,476	2,879,535	125,625	1,423,387	0	59,224,622
Accumulated depreciation at 30 June 2021	(2,402,663)	(622,793)	(159,436)	(201,572)	(88,322)	(378,389)	(362,336)	(103,858)	(50,017)	(133,343)	0	(4,502,729)
Balance at 30 June 2021	34,456,896	9,049,227	1,494,495	1,442,445	707,894	1,725,467	1,704,140	2,775,677	75,608	1,290,044	0	54,721,893

SHIRE OF BODDINGTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs (Level 2); current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - bridges and culverts	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs (Level 2); current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - footpaths	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs (Level 2); current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - drainage, kerb and channel	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs (Level 2); current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - parks and ovals	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs (Level 2); current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - public facilities	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs (Level 2); current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - other infrastructure	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs (Level 2); current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - foreshore infrastructure	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs (Level 2); current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - caravan park	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs (Level 2); current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - waste	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs (Level 2); current condition, residual values and remaining useful life assessments (Level 3) inputs

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

10. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

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

Revaluation

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

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY Revaluation (Continued)

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

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

Land under roads from 1 July 2019

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

Vested improvements from 1 July 2019

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

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

10. FIXED ASSETS

(a) Disposals of Assets

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss	2021 Budget Net Book Value	2021 Budget Sale Proceeds	2021 Budget Profit	2021 Budget Loss	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and equipment	102,072	138,727	39,637	(2,982)	113,818	113,818	0	0	162,022	185,630	36,277	(12,669)
	102,072	138,727	39,637	(2,982)	113,818	113,818	0	0	162,022	185,630	36,277	(12,669)

The following assets were disposed of during the year.

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$
Plant and Equipment				
Governance				
Ford Territory 2013	4,800	1,818	0	(2,982)
Subaru Forrester 2017	15,227	20,909	5,682	0
Transport				
Massey Ferguson Tractor	4,318	10,000	5,682	0
Komatsu Grader 2012	77,727	106,000	28,273	0
	102,072	138,727	39,637	(2,982)

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10. FIXED ASSETS

(b) Depreciation

	2021	2021	2020
	Actual	Budget	Actual
	\$	\$	\$
Buildings - non-specialised	353,415	56,942	52,169
Buildings - specialised	853,934	407,026	372,222
Furniture and equipment	32,884	26,346	31,897
Plant and equipment	283,916	249,815	268,808
Infrastructure - roads	858,173	891,782	824,108
Infrastructure - bridges and culverts	214,122	59,501	213,869
Infrastructure - footpaths	55,762	233,878	54,517
Infrastructure - drainage, kerb and channel	80,858	63,808	65,562
Infrastructure - parks and ovals	29,282	32,270	29,461
Infrastructure - public facilities	124,370	136,883	125,191
Infrastructure - other infrastructure	129,243	137,493	125,849
Infrastructure - foreshore infrastructure	51,741	29,757	28,487
Infrastructure - caravan park	16,667	19,439	17,774
Infrastructure - waste	44,809	49,005	44,808
	3,129,176	2,393,945	2,254,722

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	5 to 100 years
Furniture and equipment	1 to 12 years
Plant and equipment	1 to 15 years
Sealed roads and streets	
- formation	not depreciated
- pavement seal	75 years
- bituminous seals	10 to 30 years
- asphalt surfaces	10 to 30 years
Gravel roads	
- formation	not depreciated
- pavement	6 to 15 years
Footpaths - slab	30 years
Sewerage piping	75 years
Water supply piping and drainage systems	20 to 75 years
Caravan park infrastructure	7 to 15 years
Foreshore infrastructure	10 to 25 years
Parks and ovals infrastructure	5 to 25 years
Public use facilities infrastructure	5 to 30 years
Waste site infrastructure	20 to 40 years
Other infrastructure	3 to 50 years

Depreciation on revaluation

When an item of property, plant and equipment is revalued, 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.

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.

SHIRE OF BODDINGTON
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FOR THE YEAR ENDED 30 JUNE 2021

11. REVALUATION SURPLUS

	2021 Opening Balance	2021 Closing Balance	2020 Opening Balance	2020 Change in Accounting Policy	2020 Revaluation Increment	Total Movement on Revaluation	2020 Closing Balance
	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	2,160,759	2,160,759	1,970,969	0	189,790	189,790	2,160,759
Revaluation surplus - Land - vested in and under the control of Council	0	0	157,617	(157,617)	0	0	0
Revaluation surplus - Buildings - non-specialised	6,782,899	6,782,899	3,826,651	0	2,956,248	2,956,248	6,782,899
Revaluation surplus - Buildings - specialised	341,556	341,556	0	0	341,556	341,556	341,556
Revaluation surplus - Plant and equipment	118,039	118,039	118,039	0	0	0	118,039
Revaluation surplus - Infrastructure - roads	27,370,687	27,370,687	27,370,687	0	0	0	27,370,687
Revaluation surplus - Infrastructure - bridges and culverts	8,876,736	8,876,736	8,876,736	0	0	0	8,876,736
Revaluation surplus - Infrastructure - footpaths	1,093,794	1,093,794	1,093,794	0	0	0	1,093,794
Revaluation surplus - Infrastructure - drainage, kerb and channel	570,324	570,324	570,324	0	0	0	570,324
Revaluation surplus - Infrastructure - parks and ovals	409,916	409,916	409,916	0	0	0	409,916
Revaluation surplus - Infrastructure - public facilities	1,658,763	1,658,763	1,658,763	0	0	0	1,658,763
Revaluation surplus - Infrastructure - other infrastructure	704,614	704,614	704,614	0	0	0	704,614
Revaluation surplus - Infrastructure - foreshore infrastructure	261,249	261,249	261,249	0	0	0	261,249
Revaluation surplus - Infrastructure - caravan park	43,871	43,871	43,871	0	0	0	43,871
Revaluation surplus - Infrastructure - waste	1,348,710	1,348,710	1,348,710	0	0	0	1,348,710
	51,741,917	51,741,917	48,411,940	(157,617)	3,487,594	3,487,594	51,741,917

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 BODDINGTON
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FOR THE YEAR ENDED 30 JUNE 2021

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors	754,059	1,153,045
Prepaid rates	30,999	40,355
Accrued salaries and wages	28,642	16,913
ATO liabilities	71,002	112,444
Bonds and deposits held	92,052	88,823
Accrued interest on long term borrowings	13,420	15,347
	990,174	1,426,927

Non-Current

Retirement village - lease loan	300,000	300,000
	300,000	300,000

	2021	2020
	\$	\$
	754,059	1,153,045
	30,999	40,355
	28,642	16,913
	71,002	112,444
	92,052	88,823
	13,420	15,347
	990,174	1,426,927
	300,000	300,000
	300,000	300,000

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.

Retirement village - lease loan

The Retirement village lease loan is a 45 year non-transferable lease for a residence at "Hotham Rise Lifestyle Village" located at Forrest Street, Boddington. After the lease is terminated and a replacement resident settles the grant of a new lease the Shire has agreed to repay the lessee the loan amount.

SHIRE OF BODDINGTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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13. CONTRACT LIABILITIES

Current
 Contract liabilities

2021	2020
\$	\$
1,634,556	484,971

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

Less than 1 year

Contract liabilities	Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity
\$	\$
1,634,556	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.

Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity

Grant liabilities represent the the Shire's performance obligations to construct recognisable non-financial assets to identified specifications which are yet to be satisfied.

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

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

14. INFORMATION ON BORROWINGS

(a) Borrowings	2021	2020
	\$	\$
Current	357,077	344,397
Non-current	2,116,566	2,473,643
	<u>2,473,643</u>	<u>2,818,040</u>

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	Actual	30 June 2021	30 June 2021	30 June 2021	Budget	30 June 2021	30 June 2021	30 June 2021	Actual	30 June 2020	30 June 2020	30 June 2020	30 June 2020
				Principal	Actual	Actual	Actual	Principal	Budget	Budget	Budget	Principal	Actual	Actual	Actual	Actual
				1 July 2020	Repayments	Repayments	Outstanding	1 July 2020	Repayments	Repayments	Outstanding	1 July 2019	New Loans	Repayments	Repayments	Outstanding
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance																
Administration Centre	105	WATC*	4.01%	561,337	(131,812)	(20,850)	429,525	561,337	(131,812)	(21,154)	429,525	688,018	0	(126,681)	(26,291)	561,337
Health																
Doctors Residence	83	WATC*	6.47%	25,074	(12,132)	(1,069)	12,942	26,114	(12,132)	(1,451)	13,982	36,446	0	(11,372)	(1,832)	25,074
Education and welfare																
Childcare Centre	100	WATC*	6.42%	119,180	(16,735)	(6,973)	102,445	119,180	(16,735)	(7,329)	102,445	134,890	0	(15,710)	(7,996)	119,180
Housing																
3 Pecan Street Residence	94	WATC*	6.45%	193,702	(14,318)	(13,091)	179,384	193,702	(14,318)	(12,267)	179,384	207,139	0	(13,437)	(13,057)	193,702
34 Hill Street Residence	97	WATC*	6.45%	196,440	(14,520)	(11,444)	181,920	196,895	(14,520)	(12,440)	182,375	210,067	0	(13,627)	(13,241)	196,440
Recreation and culture																
Recreation Centre	106	WATC*	3.36%	722,307	(61,727)	(23,072)	660,580	722,307	(61,727)	(23,692)	660,580	782,011	0	(59,704)	(25,051)	722,307
Recreation Centre	107	WATC*	1.56%	1,000,000	(93,153)	(15,123)	906,847	1,000,000	(93,880)	(14,512)	906,120	0	1,000,000	0	(1,236)	1,000,000
				<u>2,818,040</u>	<u>(344,397)</u>	<u>(91,622)</u>	<u>2,473,643</u>	<u>2,819,535</u>	<u>(345,124)</u>	<u>(92,845)</u>	<u>2,474,411</u>	<u>2,058,571</u>	<u>1,000,000</u>	<u>(240,531)</u>	<u>(88,704)</u>	<u>2,818,040</u>

* WA Treasury Corporation

SHIRE OF BODDINGTON
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FOR THE YEAR ENDED 30 JUNE 2021

14. INFORMATION ON BORROWINGS (Continued)

(c) Unspent Borrowings

Particulars	Date Borrowed	Unspent Balance 1 July 2020	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2021
		\$	\$	\$	\$
Recreation Centre - Loan 107	2020	306,686	0	(306,686)	0
* WA Treasury Corporation		306,686	0	(306,686)	0

(d) Undrawn Borrowing Facilities

	2021	2020
	\$	\$
Credit Standby Arrangements		
Bank overdraft limit	750,000	750,000
Bank overdraft at balance date	0	0
Credit card limit	50,000	30,000
Credit card balance at balance date	(2,759)	(3,460)
Total amount of credit unused	797,241	776,540

Loan facilities

Loan facilities - current	357,077	344,397
Loan facilities - non-current	2,116,566	2,473,643
Total facilities in use at balance date	2,473,643	2,818,040

Unused loan facilities at balance date NIL NIL

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are recognised at fair value when the Shire becomes a party to the contractual provisions to the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Risk

Information regarding exposure to risk can be found at Note 24.

SHIRE OF BODDINGTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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15. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
Opening balance at 1 July 2020			
Current provisions	176,278	69,267	245,545
Non-current provisions	0	89,222	89,222
	<u>176,278</u>	<u>158,489</u>	<u>334,767</u>
Additional provision	155,986	27,353	183,339
Amounts used	(147,435)	(44,954)	(192,389)
Balance at 30 June 2021	<u>184,829</u>	<u>140,888</u>	<u>325,717</u>
Comprises			
Current	184,829	75,668	260,497
Non-current	0	65,220	65,220
	<u>184,829</u>	<u>140,888</u>	<u>325,717</u>

Amounts are expected to be settled on the following basis:

	2021 \$	2020 \$
Less than 12 months after the reporting date	134,211	167,209
More than 12 months from reporting date	156,159	132,211
Expected reimbursements from other WA local governments	35,347	35,347
	<u>325,717</u>	<u>334,767</u>

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees.

Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations.

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.

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

16. 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.

Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Cash and cash equivalents	3,934,874	3,007,602	5,125,842
Reconciliation of Net Result to Net Cash Provided By / (Used In) Operating Activities			
Net result for the period	(1,358,553)	(291,972)	(209,477)
Non-cash flows items:			
Adjustments to fair value of financial assets at fair value through profit and loss	(1,293)	0	(4,677)
Depreciation on non-current assets	3,129,176	2,393,945	2,254,722
(Profit)/loss on sale of asset	(36,655)	0	(23,608)
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(1,048,558)	0	(3,040)
(Increase)/decrease in other assets	(108,449)	0	(38,246)
Increase/(decrease) in payables	(436,753)		764,710
Increase/(decrease) in employee provisions	(9,050)	34,790	(33,883)
Increase/(decrease) in other liabilities	1,149,585	(21,441)	30,024
Non-operating grants, subsidies and contributions	(663,503)	(1,305,799)	(683,682)
Net cash provided by / (used in) operating activities	615,947	809,523	2,052,843

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

17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	<u>2021</u>	<u>2020</u>
	\$	\$
Governance	3,226,148	3,260,408
General purpose funding	5,549,383	5,672,157
Law, order, public safety	1,973,030	2,019,708
Health	1,939,045	2,002,670
Education and welfare	4,859,568	5,204,119
Housing	1,913,155	2,055,000
Community amenities	1,940,125	1,997,243
Recreation and culture	20,192,551	20,025,893
Transport	48,744,592	49,132,118
Economic services	1,488,708	1,449,952
Other property and services	684,215	690,420
	<u>92,510,520</u>	<u>93,509,688</u>

18. CONTINGENT LIABILITIES

In compliance with Contaminated Sites Act 2003 Section 11, the Shire has listed sites to be possible sources of contamination. Details of those sites are:

- Shire Refuse Site – Lot 71 Robins Rd, Boddington
- Shire Old Depot - 50 Johnstone Street, Boddington
- Shire Old Refuse Site - Lot 15965 River Road, Boddington

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Water and Environmental Regulation on the need and criteria for remediation of a risk based approach, the Shire is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Water and Environmental Regulation Guidelines.

SHIRE OF BODDINGTON
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FOR THE YEAR ENDED 30 JUNE 2021

19. CAPITAL COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects
- plant & equipment purchases

	2021	2020
	\$	\$
	0	596,275
	0	103,510
	0	699,785
Payable:		
- not later than one year	0	699,785

In 2020 the Shire had uncompleted contracted works for the foreshore development totalling \$596,275 and \$103,510 for the purchase of a new tractor and a new utility.

SHIRE OF BODDINGTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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20. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Elected member G Ventris			
President's annual allowance	8,500	8,320	693
Deputy President's annual allowance	0	0	1,213
Meeting attendance fees	11,219	6,195	5,633
Annual allowance for ICT expenses	515	100	515
	20,234	14,615	8,054
Elected member E Schreiber			
Deputy President's annual allowance	2,125	2,080	174
Meeting attendance fees	5,594	5,200	3,467
Annual allowance for ICT expenses	515	67	343
	8,234	7,347	3,984
Elected member E Coert			
Meeting attendance fees	5,611	5,200	3,467
Annual allowance for ICT expenses	515	67	343
	6,126	5,267	3,810
Elected member J Hoffman			
Meeting attendance fees	1,676	5,200	5,200
Annual allowance for ICT expenses	129	66	515
	1,805	5,266	5,715
Elected member Cr Samreid Manez			
Meeting attendance fees	4,335	5,200	0
Annual allowance for ICT expenses	515	67	0
Travel and accommodation expenses	362	1,000	0
	5,212	6,267	0
Elected member E Smallberger			
Meeting attendance fees	5,683	5,200	433
Annual allowance for ICT expenses	515	67	129
	6,198	5,267	562
Elected member I Webster			
Meeting attendance fees	4,335	5,200	0
Annual allowance for ICT expenses	515	66	0
	4,850	5,266	0
Elected member R McSwain			
President's annual allowance	0	0	4,853
Meeting attendance fees	1,324	0	7,062
Annual allowance for ICT expenses	0	0	515
Travel and accommodation expenses	0	0	141
	1,324	0	12,571
Elected member W McGrath			
Meeting attendance fees	313	0	4,767
Annual allowance for ICT expenses	0	0	515
	313	0	5,282
Elected member M Glynn			
President's annual allowance	0	0	2,774
Meeting attendance fees	284	0	3,900
Annual allowance for ICT expenses	0	0	257
Travel and accommodation expenses	0	0	464
	284	0	7,395

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20. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Elected member Cr D Smart			
Deputy President's annual allowance	0	0	693
Meeting attendance fees			1,733
Annual allowance for ICT expenses			172
	0	0	2,598
Elected member Cr Sharan Manez			
Meeting attendance fees	0	0	1,733
Annual allowance for ICT expenses	0	0	172
	0	0	1,905
	54,580	49,295	51,876
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
President's allowance	8,500	8,320	8,320
Deputy President's allowance	2,125	2,080	2,080
Meeting attendance fees	40,374	37,395	37,395
Annual allowance for ICT expenses	3,219	500	3,476
Travel and accommodation expenses	362	1,000	605
	54,580	49,295	51,876

21. RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP) Compensation Disclosure

	2021 Actual	2020 Actual
The total of remuneration paid to KMP of the Shire during the year are as follows:	\$	\$
Short-term employee benefits	320,098	619,301
Post-employment benefits	46,502	80,643
Other long-term benefits	31,872	55,116
Termination benefits	258,946	0
	<u>657,418</u>	<u>755,060</u>

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.

21. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

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

The following transactions occurred with related parties:	2021 Actual	2020 Actual
	\$	\$
Sale of goods and services - property rental fees and tipping fees	0	12,862
Purchase of goods and services - stationery, postage and skip bin hire	3,593	29,573
Amounts outstanding from related parties:		
Trade and other receivables	0	112
Amounts payable to related parties:		
Trade and other payables	0	2,014

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

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

iii. Entities subject to significant influence by the Shire

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

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

22. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	2020/21 Actual Rateable Value \$	2020/21 Actual Rate Revenue \$	2020/21 Actual Interim Rates \$	2020/21 Actual Back Rates \$	2020/21 Actual Total Revenue \$	2020/21 Budget Rate Revenue \$	2020/21 Budget Interim Rate \$	2020/21 Budget Back Rate \$	2020/21 Budget Total Revenue \$	2019/20 Actual Total Revenue \$
Differential general rate / general rate												
Gross rental valuations												
GRV Townsites	0.108500	475	7,112,505	771,707	155	0	771,862	771,706	0	0	771,706	773,471
GRV Mining	0.081116	2	20,635,000	1,673,829	0	0	1,673,829	1,673,828	0	0	1,673,828	1,532,561
Unimproved valuations												
UV Rural	0.006716	244	100,015,000	671,701	233	0	671,934	673,816	0	0	673,816	636,958
UV Mining	0.031850	46	39,887,347	1,270,412	(16)	0	1,270,396	1,264,325	0	0	1,264,325	1,200,968
UV Non Rural	0.024812	1	737,000	18,286	1,290	0	19,576	18,286	0	0	18,286	17,443
Sub-Total		768	168,386,852	4,405,935	1,662	0	4,407,597	4,401,961	0	0	4,401,961	4,161,401
Minimum payment	\$											
Gross rental valuations												
GRV Townsites	960	156	420,709	149,760	0	0	149,760	149,760	0	0	149,760	148,800
GRV Mining	960	1	20	960	0	0	960	960	0	0	960	960
Unimproved valuations												
UV Rural	758	233	21,302,499	176,614	0	0	176,614	176,614	0	0	176,614	192,225
UV Mining	960	42	186,628	40,320	0	0	40,320	40,320	0	0	40,320	40,320
UV Non Rural	960	0	0	0	0	0	0	0	0	0	0	0
Sub-Total		432	21,909,856	367,654	0	0	367,654	367,654	0	0	367,654	382,305
Total amount raised from general rate		1,200	190,296,708	4,773,589	1,662	0	4,775,251	4,769,615	0	0	4,769,615	4,543,706
							4,775,251				4,769,615	4,543,706

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.

SHIRE OF BODDINGTON
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22. 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	18/11/2020	0.00	0.00%	8.00%
Option Two				
First instalment	18/11/2020	0.00	0.00%	8.00%
Second instalment	18/03/2021	0.00	3.00%	8.00%
Option Three				
First instalment	18/11/2020	0.00	0.00%	8.00%
Second instalment	18/01/2021	0.00	3.00%	8.00%
Third instalment	18/03/2021	0.00	3.00%	8.00%
Fourth instalment	18/05/2021	0.00	3.00%	8.00%

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Interest on unpaid rates	13,536	19,000	29,377
Interest on instalment plan	2,865	2,500	5,987
Charges on instalment plan	0	0	1,153
	16,401	21,500	36,517

SHIRE OF BODDINGTON
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23. RATE SETTING STATEMENT INFORMATION

Note	2020/21	2020/21	2019/20	
	(30 June 2021 Carried Forward)	Budget (30 June 2021 Carried Forward)	(30 June 2020 Carried 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	10(a)	(39,637)	0	(36,277)
Less: Fair value adjustments to financial assets at fair value through profit and loss		(1,293)	0	26,257
Movement in pensioner deferred rates (non-current)		(6,265)	0	(19,236)
Movement in employee benefit provisions (non-current)		(24,002)	34,790	44,198
Movement in other sundry debtors		0	0	9,633
Movement in Bonds and deposits		0	0	(88,830)
Add: Loss on disposal of assets	10(a)	2,982	0	12,669
Add: Depreciation on non-current assets	10(b)	3,129,176	2,393,945	2,254,722
Non cash amounts excluded from operating activities		3,060,961	2,428,735	2,203,136
(b) Surplus/(deficit) after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserves - cash backed	4	(1,668,323)	(1,955,714)	(3,029,055)
Add: Current liabilities not expected to be cleared at end of year - Current portion of borrowings	14(a)	357,077	0	344,397
Total adjustments to net current assets		(1,311,246)	(1,955,714)	(2,684,658)
Net current assets used in the Rate Setting Statement				
Total current assets		5,666,801	3,593,536	5,707,027
Less: Total current liabilities		(3,242,304)	(1,637,822)	(2,501,840)
Less: Total adjustments to net current assets		(1,311,246)	(1,955,714)	(2,684,658)
Net current assets used in the Rate Setting Statement		1,113,251	0	520,529

24. 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 debt investments	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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2021					
Cash and cash equivalents	0.1045%	3,934,874	0	3,933,834	1,040
2020					
Cash and cash equivalents	1.2286%	5,125,842	1,103,528	4,021,374	940

Sensitivity

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

	2021	2020
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	39,349	51,258

* 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 14(b).

24. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

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

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

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

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

No expected credit loss was forecast on 1 July 2020 or 30 June 2021 for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2021					
Rates receivable					
Gross carrying amount	113,329	69,078	43,226	53,535	279,168
30 June 2020					
Rates receivable					
Gross carrying amount	3,090	156,021	66,401	62,167	287,679

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2021					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	1.2903%	4.4531%	
Gross carrying amount	1,208,205	34,583	1,705	74,442	1,318,935
Loss allowance	0	0	22	3,315	3,337
30 June 2020					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.0833%	9.96%	
Gross carrying amount	6,951	1,605	26,417	33,283	68,256
Loss allowance	0	0	22	3,315	3,337

24. 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 14(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
	\$	\$	\$	\$	\$
<u>2021</u>					
Payables	990,174	300,000	0	1,290,174	1,290,174
Borrowings	437,957	1,393,690	991,309	2,822,956	2,473,643
	1,428,131	1,693,690	991,309	4,113,130	3,763,817
<u>2020</u>					
Payables	1,426,927	300,000	0	1,726,927	1,726,927
Borrowings	437,945	1,559,325	1,263,630	3,260,900	2,818,040
	1,864,872	1,859,325	1,263,630	4,987,827	4,544,967

25. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

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

26. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

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

(a) AASB 1059 Service Concession Arrangements: Grantors

The Shire adopted AASB 1059 Service Concession Arrangements: Grantors on 1 July 2020, which resulted in no financial impact.

SHIRE OF BODDINGTON
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27. 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 regularity to ensure the carrying value does not differ materially from that which would be determined using fair value at the end of the reporting period.

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28. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
<p>GOVERNANCE To provide a decision making process for the efficient allocation of scarce resources</p>	<p>Administration and operation of members of Council. Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.</p>
<p>GENERAL PURPOSE FUNDING To collect revenue to allow for the provision of services</p>	<p>To collect revenue in the form of rates, interest and general purpose Government grants to allow for the provision of services.</p>
<p>LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer and environmentally conscious community</p>	<p>Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.</p>
<p>HEALTH To provide an operational framework for environmental and community health</p>	<p>Inspection of food outlets and their control, noise control and waste disposal compliance.</p>
<p>EDUCATION AND WELFARE To provide services to the elderly, children and youth</p>	<p>The provision of childcare facilities, aged housing, and the support of youth in the community.</p>
<p>HOUSING To provide and maintain staff and other housing</p>	<p>Provision and maintenance of staff and other housing.</p>
<p>COMMUNITY AMENITIES To provide services required by the community</p>	<p>Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.</p>
<p>RECREATION AND CULTURE To establish and effectively manage infrastructure and resource which will help the social well being of the community</p>	<p>Maintenance of public halls, civic centres, swimming pool, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library and other cultural facilities.</p>
<p>TRANSPORT To provide safe, effective and efficient transport services to the community</p>	<p>Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.</p>
<p>ECONOMIC SERVICES To help promote the shire and its economic wellbeing</p>	<p>Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control.</p>
<p>OTHER PROPERTY AND SERVICES To monitor and control Shire's overheads operating accounts</p>	<p>Private works operation, plant repair and operation costs and engineering operation costs, administration costs allocated and other unclassified works and services.</p>

29. FINANCIAL RATIOS

	2021 Actual	2020 Actual	2019 Actual
Current ratio	1.50	1.11	0.94
Asset consumption ratio	0.77	0.79	0.69
Asset renewal funding ratio **	N/A	0.78	0.82
Asset sustainability ratio	0.32	0.35	0.51
Debt service cover ratio	2.86	4.41	4.87
Operating surplus ratio	(0.32)	(0.15)	(0.10)
Own source revenue coverage ratio	0.70	0.79	0.80

* Note: The Asset Renewal Funding Ratio has not been calculated as the Shire's Long Term Financial Plan and Asset Management Plans are outdated.

The above ratios are calculated as follows:

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



Auditor General

INDEPENDENT AUDITOR'S REPORT 2021 Shire of Boddington

To the Councillors of the Shire of Boddington

Report on the audit of the annual financial report

Opinion

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

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

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

- is based on proper accounts and records
- fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2021 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities section below. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Chief Executive Officer and Council for the financial report

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

In preparing the financial report, the CEO is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

Auditor's responsibility for the audit of the financial report

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

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

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

Report on other legal and regulatory requirements

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

- (i) In my opinion, the following material matters indicates a significant adverse trend in the financial position of the Shire:
 - a) The Operating Surplus Ratio as reported in Note 29 of the annual financial report is below the Department of Local Government, Sport and Cultural Industries standard for the past 3 financial years.
 - b) The Asset Sustainability Ratio as reported in Note 29 of the annual financial report is below the Department of Local Government, Sport and Cultural Industries standard for the past 3 financial years.
- (ii) The following material matters indicating non-compliance with Part 6 of the Act, the Regulations or applicable financial controls of any other relevant written law were identified during the course of my audit:
 - a) Accounting journal adjustments were processed with no evidence of independent review and approval. Accounting journals can represent significant adjustments to

previously approved accounting transactions, and therefore should be appropriately reviewed and approved.

- b) Changes to employee bank account details and adding of new employees records to the Payroll Masterfile were made without any evidence of independent review. This increases the risk of unauthorised changes to key payroll information.
 - c) The Shire has not reported the Asset Renewal Funding Ratio for 2021 in the annual financial report as required by Section 50(1) of the Local Government (Financial Management) Regulations 1996, as the Shire does not have a current and up to date Asset Management Plan and Long-Term Financial Plan. Consequently, the Asset Renewal Funding Ratio is not supported by verifiable information or reasonable assumptions.
- (iii) All required information and explanations were obtained by me.
 - (iv) All audit procedures were satisfactorily completed.
 - (v) In my opinion, the Asset Consumption Ratio included in the financial report was supported by verifiable information and reasonable assumptions.

Other information

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

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

Matters relating to the electronic publication of the audited financial report

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



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
7 April 2021