



Shire of  
**BODDINGTON**  
*Flowing with Natural Beauty*

# 2021/2022 ANNUAL REPORT



# Acknowledgement of country

The Shire of Boddington acknowledges the Wiilman People of the Noongar Nation as the traditional custodians, and pays respect to Elders past and present, as well as the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples.





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Image: Results from the Boddington Town Clean up



# From the President

I am pleased to present the Annual Report for 2021/22, which has been both a year of challenges and opportunities. The community has continued to show resilience and commitment throughout a difficult time, and through the distractions of the pandemic, planning for the future has been a key priority. Over the course of this year, we have maintained our focus and optimism and started the journey to develop a new long term plan for our Shire. There are also some fantastic achievements over the last 12 months, with a range of projects progressed and delivered.

For Council, the year has been both a busy one, and one of change. Four Councillors were elected during the year, with Cr Webster and myself being re-elected in October 2021, and Cr Ryley and Cr Lewis being elected in February 2022 in an extraordinary election. Cr Jason Hoffman and Cr Samreid Manez ended their terms as Councillors in October 2021, and we thank them for their service to the community. The Council elections were followed by a comprehensive Councillor induction process and a strong commitment from the Elected Members to deliver positive outcomes for the community.

One of the achievements this year has been the increased level of engagement with the community, with a commitment to listening to views and ideas across the Shire. This has been demonstrated through projects as well as the significant engagement around the future planning for the Shire. Over 400 surveys complete, and 90 people attended workshops to contribute to the priorities of the Council Plan. I thank everyone that was involved in this.

The Shire continues to progress options for Aged Care Accommodation in the town, with this year seeing a Strategy completed to confirm demand and viability, and the land adjacent to the hospital being endorsed by Council as the preferred site. The findings of the Strategy supported the community consensus that a solution for local residential aged care is urgently needed. While not the ordinary business of local government, the Shire is taking the lead on this initiative as it has been identified as the highest priority by our community.

The achievement of the State Tidy Town's award was a huge piece of collective work from all of those involved, and is a remarkable reflection on the enormous effort from the community of Boddington. It has been an all round effort, and we have some amazing volunteers in our community who have combined their passion about the environment with a fantastic volunteering spirit and leading by example.

Hotham Park continues to be recognised for its award winning design and diverse offering for all ages. The Park was the most awarded project at the 2022 Western Australia Landscape Architecture Awards, winning the Playspace Award, the Parks and Open Space Award, and the Regional Achievement Award. The awards recognise that the landscape architecture has made a significant difference to improving the community, and the built and natural environment.

Finally, I would like to thank all of those involved in the success of 2021/22, including volunteers, community groups, individuals, businesses, our local mining operators, staff and my fellow Councillors. The Shire of Boddington Team is looking forward to delivering some exciting projects in the next 12 months, and looks forward to ongoing community involvement.

**Garry Ventris**  
**Shire President**





# Chief Executive Officer's Report

The 2021/22 financial year saw our organisation operating, once again, alongside the global COVID-19 pandemic. We remained committed to serving our community and continuing our support for business owners, residents and visitors through uncertain times. I am proud that despite the challenges this year presented, we have been able to deliver on the commitments we made in our 2021/22 Budget, and I'd like to take this opportunity to thank staff and Councillors who helped us achieve this result.

A focus for the Shire this year has been increasing the level of community engagement to ensure we are delivering projects in line with community expectations. I would like to extend particular thanks to the many hundreds in the community who have responded to our frequent requests for input and feedback about what is planned. You help ensure we are on the right track and make our services, and our Shire, better for the benefit of all.

Particular challenges this year have been around the supply of services and materials, with a twofold effect of Covid-19 related supply shortages, and stimulus packages from Government that created a shortage of supply and a high demand for both goods and services. Time delays and increased prices were the key impact of this situation. COVID-19 restrictions also affected how we planned for the delivery of services to the community. We moved to a cloud-based phone system to enable staff to work more flexibly, including from home, which enabled us to continue providing services to our community through COVID-19 restrictions. A roster system was implemented to ensure that critical staff were not crossing over during the period of high community transmission.

I am pleased to say that in my first year in this role, I have witnessed much hard work, dedication and commitment to the community right across the organisation. Much has been asked of staff during this challenging time and I am both impressed by, and appreciative of, their efforts and the work they have produced.

Our financial position remains positive, finishing the year with a \$1.1 million surplus. While tightly managing our budget, we were able to deliver key projects such as those outlined in this Report.

The 2021/22 minimum residential rates per assessment in our Shire is \$984 p.a. This equates to \$18.92 per week, which represents excellent value for money given the multitude of services provided. The Shire will continue to work hard to ensure ongoing management of resources is responsible and in line with community level of service requirements.

As we look forward to 2022/23, with a new Council Plan, the Shire staff, and Council, are excited to be working towards the priorities from a community led direction and we look forward to engaging with the community and our key partners in the year ahead. Whatever the future may bring, our community can feel confident that we remain committed to upholding our shared community values and delivering the essential services needed to support the ongoing growth and prosperity of Boddington.

**Julie Burton**

**Chief Executive Officer**







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

## 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 Wandering and Williams with the Shire's main localities being 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.

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.

### Key Statistics:

Length of Sealed Roads:	126km
Length of Unsealed Roads:	145km
Population:	1844
Distance from Perth:	123 km
Area:	1,901 square km
Rates Levied 2021/22:	\$5.23 million



# Elected Members



Garry Ventris  
Shire President



Earl Schreiber  
Deputy Shire President | July -  
October 2021



Eugene Smalberger  
Deputy Shire President | October  
2021 - Current



Coert Erasmus  
Councillor



Jason Hoffman  
Councillor  
Term ended October 2021



Samreid Manez  
Councillor  
Term ended October 2021



Ian Webster  
Councillor



Lee Lewis  
Councillor  
Term commenced February 2022



Andrew Ryley  
Councillor  
Term commenced February 2022





Image: Aerial image of the existing preferred location.

# Pillar 1: Vibrant & Connected Community

## Attraction

### **Aged Care Accommodation**

Providing high quality aged care accommodation for residents from the Shire of Boddington and surrounding areas was confirmed again as a critical issue by the community in 2021. The Shire continued to progress this project through the commissioning of an Aged Care Services and Accommodation Strategy, with the aim being to determine the current and future demand, provide a recommendation for a suitable model, its expected viability and implementation pathway, and scan the marketplace to determine possibilities for partnerships with approved providers.



Image: One of the proposed options for the facility.

This Strategy was finalised in late 2021, with the report being formally endorsed by Council in April 2022. Following the report finalisation, a number of potential service providers were approached to determine the likelihood for an organisation to deliver the project, based on the demand outlined in the Report. This process resulted in a number of service providers expressing their in-principle interest, subject to various factors such as site identification and provision.

An assessment of various sites in the Boddington townsite took place in June 2022. The Aged Accommodation Committee had previously noted the preferred option as the hospital precinct, with the site assessment seeking primarily to confirm that the land area would be adequate for a 40+ bed facility. The resulting report confirmed both the suitability of the land, and that multiple layout options would be possible on the site.





Image: Aerial image of the multiple award-winning Hotham Park

## **Recreation & Wellbeing**

### **Community Gym**

The Shire of Boddington undertook community consultation to determine the level of support in the community for the Shire to establish and operate a Community Gym to meet existing needs and leverage emerging opportunities.

Since the Boddington Recreation Centre opened in 2017, feedback from the community has expressed aspiration for a gym facility to be incorporated as part of the Recreation Precinct, so the consultation also clarified the community's needs and expectations to inform the future operational requirements of the space.

The results of the survey indicated demand for a Community Gym and Council provided in-principle support for the concept to enable budget provision to progress the project in 2022-23.

### **Hotham Park**

The profile of Hotham Park was enhanced by receiving a number of industry awards including 'Play space over \$0.5m', 'Park of the Year' with Parks Leisure Australia, as well as 'Landscape Architecture Award for Play Spaces', 'Landscape Architecture Award for Parks and Open Spaces' and 'Regional Achievement Award Winner' at the WA Australian Institute of Landscape Architects Awards.

In addition, Hotham Park was also nominated for the Australian Institute of Landscape Architects (National awards).



Images: Hotham Park Awards





Image: Youth Centre Pool Party

## **Mental Health, Community and Pride**

### **Youth Centre**

The Boddington Youth Centre continues to provide young people to learn new skills, hang out, and connect with others in a safe, supervised space. A term and holiday program is now defined by a timetable with the option for young people to participate in an organised activity themed around recreation, the arts or cooking.



Image: Youth Centre Staff & attendees

### **Sculpture Competition**

The 2021 Sculpture Competition featured five categories of entry, ranging from Open Theme, Junior (Under 18), Youth (18-25), Local Sculptor and People's Choice. An incredible array of artworks was entered, using a variety of materials including many recycled materials. Dennis Wilson was the winner of the Open Theme with his piece titled "Mates for Life" – depicting two Red Tailed Black Cockatoos.

The People's choice award was close with "Bush Chook" by Andries Smalberger taking the crown. The Sculpture Competition awarded \$32,000 worth of prize money, with more than half being awarded to local artists. The competition has resulted in some amazing sculptures being added to the communities growing collection which continues to appeal to both local residents and visitors to town.



Image: Major Prize Winner  
"Mates for Life" by Dennis Wilson



Image: People's Choice Winner  
"Bush Chook" by Andries Smalberger



## **Council Changes**

### **Election**

At the local election on 21 October 2021, Cr Garry Ventris was elected as Shire President and Cr Eugene Smalberger elected as Deputy Shire President.

An extraordinary election was held on 25 February 2022 and Cr Andrew Ryley and Cr Lee Lewis were elected as councillors. Cr Jason Hoffman and Cr Samreid Manez ended their terms as councillors in October 2021.

### **Website Redesign**

A major redevelopment of the Shire website was undertaken in 2021/22 which included both the main Shire website, and also the creation of a new Councillor Portal.

The new main website was specifically redesigned to improve the user experience by simplifying the user interface and making the information presented more visually appealing. The Councillor Portal provides a one-stop location for all forms, policies, procedures, documents and training resources.



Images (L-R): Samerid Manez thanked for his service by Cr. Garry Ventris, Cr. Smalberger being sworn in by Wayne English as Deputy President, Wayne English Swearing in President Ventris and Wayne English swearing in Cr. Webster.



Image: Cr. Ventris presenting the Boddington Basketball Club's LOAF Grant.

## **LOAF Grants**

The Shire of Boddington continued to facilitate its Local Organisation Assistance Funding to support the delivery of community-led ideas including:

- Boddington Riding Club's Rejuvenation Project
- Boddington Football Club's Safety Nets
- Boddington Basketball Club's Electronic Scoreboard
- Boddington Progress Association's Medieval Fayre
- Boddington Community Resource Centre's Community Garden Project.

The Local Organisation Assistance Fund was also refreshed and is now referred to as the Community Grants Program.

The application process was simplified, and the funding priority areas were refocused to align with the community's aspirations set out in the Shire's Council Plan.



## Events

The Shire of Boddington continued to provide financial and in-kind support to community-led events. In October the Shire supported the Boddington Community Resource Centre facilitate the Friday Night Festival to provide entertainment to residents and visitors on the eve of the Boddington's Lions Rodeo.

The Shire continued to deliver its in-kind support in the lead up to the Boddington Lion's Rodeo, including managing the temporary camping, managing the shuttle bus service, as well as undertaking works to the grounds and temporary camping areas.

Later in January the Shire of Boddington also collaborated with the Boddington Lion's Club to deliver Australia Day in Boddington, including applying for and being successful in obtaining funding from the Australia Day Council to add value to the annual breakfast, as well as extend the event timeframe into the afternoon at Boddington Swimming Pool.

The Shire of Boddington also delivered events throughout the year including:

- Boddington Christmas Celebration
- Thank a Volunteer Day
- Summer by the River series – End of Summer, Neighbour Day and Youth Week
- National Road Safety Week
- National Reconciliation Week



Images (Top - Bottom): Australia Day Breakfast 2022, Thank a Volunteer Day 2022



Images (Top - Bottom): Lego Club, Children's Week 2021

## Partnerships

The Boddington Library facilitated a Children's Week event with support of Meerilinga featuring storytelling and a range of fun activities like making a veggie monster, playdough, creating a mini garden and healthy snacks.

The Boddington Library launched a suite of programs to keep residents connected, entertained and engaged, as well as serve community need where gaps exist:

- Lego Club to cater for young people on Tuesday afternoon when the Swimming Pool and Youth Centre are closed.
- Home school Group to cater for; and
- iPad Club to meet the technology needs of older people and provide opportunity for social connection.



# Pillar 2: Thriving & Diverse Economy

## Tourism

### Hotham Park

To improve the experience at Hotham Park for tourists, a large map was installed on the rear of the Mosaic wall.

The map of the park includes details about Boddingtons history, as well as showcasing the facilities within the park and surrounding areas.

## Local Business & Support

The Shire of Boddington partnered with Newmont Boddington Gold to facilitate the inaugural Boddington Careers and Business Expo. The Expo linked secondary school students with business and industry representatives to explore opportunities for their future within the region.

The Boddington Motel received funding through the Business Assistance Grants to redevelop its website to integrate with social media, gather data on visitors to the site, as well as have capability to deliver specific campaigns targeted at specific age and interest groups.



Image: Hotham Park Map

## Roadworks

Along with the usual road maintenance that is carried out, the Shire has completed a number of projects within the Shire including:

### Gravel Re-sheeting

- 3.5 km Chalk Brook Rd
- 1.5 km Days Rd

### Crack Sealing

- Lower Hotham Rd
- Hill St
- George St
- Greenstone Way

### Shoulder Reconditioning

- 3km Crossman Rd
- 5km Lower Hotham Rd

### Road Sealing

- 1.3km Days Rd
- 2.0km Harvey Quindanning Rd
- 3.0km Crossman Rd Shoulders

### Footpath Renewal

- Sections of Johnstone St.
- Sections of Wuraming Ave.
- New Access to Town Hall.



Image: Careers Expo Flyer



## **Rating Review**

The Shire undertook a review of the existing rates structure, in order to provide the basis for an overarching framework for rate categories, minimum rates and differential rates. The review was carried out by an independent consultant and included extensive benchmarking across Western Australia. This project resulted in a number of recommendations, including:

- Implement a single (uniform) rate in the dollar for GRV properties, including residential, commercial/industrial and mining
- Review the UV Rural properties method of valuation, to ensure the basis of valuation is appropriate, that is, the land is being used for rural purposes.
- Consolidating UV differential rates to two categories, being mining, and rural.
- Increase the UV Mining rates to align with sector averages.

The Rating Review recommendations were considered by Council through the development of the 2022/23 Budget.

## **Extended Trading**

The Shire of Boddington undertook community consultation to determine the level of support in the community for extending trading hours for general retail businesses. A survey was administered to understand the retail needs and expectations of the local community as well as measure the level of economic leakage taking place to nearby retail centres.

The data is expected to determine the local perceptions in servicing the purchasing needs and expectations of visitors, as well as assist the Shire to implement economic development projects and initiatives to support local businesses. The outcome of the extended training consultation will be finalised in the 2022/23 year.

Image: Boddington Arts Council Shop







Image: Swans at the Boddington Refuse Site

## Pillar 3: Health, Clean, Green & Sustainable Environment

### Environment

#### **Peel Harvey Catchment Council (PHCC)**

The Shire of Boddington continued its support for the PHCC, with a contribution of \$25,000 in the 2021/22 financial year. This enabled the PHCC to continue progressing environmental outcomes through the Hotham Williams catchment.

#### **Tree Planting**

The Shire of Boddington worked again with Peel Harvey Catchment Council for the annual Planting Day in Tunbridge Gully. Approximately 3,000 seedlings were planted in four areas commencing on the Bannister-Marradong Road finishing along the fence line south of Bluegum Park.

The activity was attended by Councillors and staff, and demonstrates the Shires ongoing commitment to sustainable environmental outcomes in the region.

### Waste Management

Boddington was named Western Australia's tidiest town for 2021, taking out the State's highest award. Boddington won the top honour as WA's overall State winner, which was judged over seven categories including litter prevention, general appearance, environmental education, sustainability, preserving heritage, community action and youth leadership.

The award provided recognition of the contribution of many volunteers over a number of years who work tirelessly to contribute to a sustainable future. Boddington's range of activity and outcomes across all categories in the Awards facilitated a close level of alignment with the ethos of Tidy Towns, and demonstrated that individuals and groups within the community have energy and passion for sustainable living, that inspires others.





# Key Statistics

## Integrated Planning and Reporting

All local governments in Western Australia are required to plan for the future of their district under section 5.56 (1) of the Local Government Act 1995.

The Shire's Strategic Community Plan and Corporate Business Plan were developed in 2019 and have formed the basis for projects in 2021/22. During this year, significant consultation has been undertaken as a precursor for a full review of a combined Strategic Community Plan and Corporate Business Plan, to be known as the Council Plan.

A full community survey and workshops provided an opportunity for all stakeholders to get involved, and the Shire received a high level of input. This feedback will be used to inform the draft Council Plan, which will be presented to Council for adoption in the 2022/23 year.

## Disability Access & Inclusion (DAIP)

The Shire implemented a number of initiatives to protect, uphold and advance the rights of people with disability living in Boddington, including:

- introducing a Special Event Application process for event organisers to consider the access needs of people with disability, to ensure events remain inclusive and support independent participation
- launching a Customer Service Charter to safeguard consistent service in-person, by phone or email
- raising greater public awareness of consultation opportunities by engaging in a multi-platform approach to communicate a consistent message to reach diverse cohorts within the community
- continuing to improve access to public facilities via its building and road maintenance programs;
- continuing to promote and offer information in an alternative format, including strategic and operational plans, consultation project fact sheets and the website; and continuing to review all position descriptions for inclusivity when advertising new roles and as part of the annual performance appraisal process.

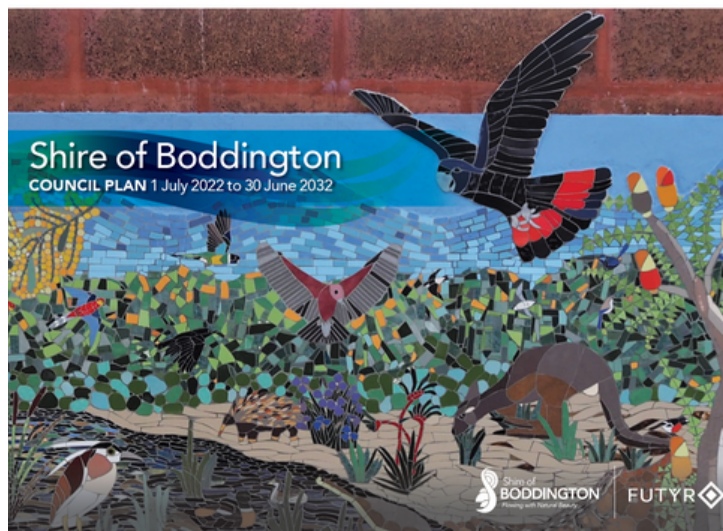


Image: Shire of Boddington Council Plan 2022 - 2032

## Record Keeping

State Records Commission (SRC) Standard 1 requires government organisations to ensure that records are created, managed, maintained, and disposed of in accordance with principles and standards issued by the SRC. SRC Standard 2 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.

The Shire of Boddington's Recordkeeping Plan was reviewed in 2022 by the SRC, and the updated Plan accepted by SRC. All new staff are provided with an in-person induction with the Records Team upon commencement of their employment. Staff are kept updated regarding recordkeeping requirements through insertions in the staff newsletter and ad hoc training sessions.

## 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 2021/2022, the Shire received no Freedom of Information applications.

## Register of Complaints

In accordance with section 5.121 of the Local Government Act 1995, the Shire is required to maintain a Register of Complaints of minor breaches, which result in a finding being made by the Local Government Standards Panel. The Standards Panel made no findings of minor breaches in 2021/22.





Image: Youth Centre NAIDOC Activities

## 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 2021/2022

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

## Elected Member Demographics

Elected Members demographics for the 2021-2022 financial year:

### Councillor Summary

Gender	Male: 6 Female: 1
Country of Birth	Australia: 5 South Africa: 2 Malaysia: 1 United Kingdom: 1
Aboriginal or Torres Strait Islander	Nil
Ages   25 - 34	1
Ages   35 - 44	-
Ages   45 - 55	2
Ages   55 - 65	6

## Remuneration Provided to the CEO

The total remuneration provided to the CEO during the 2021/2022 financial year, including all benefits such as housing, vehicle provision and superannuation was \$199,547.



## 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 (10) 1/7/21 - 30/6/22	Special (6) 1/7/21 - 30/6/22	Audit (2) 1/7/21 - 30/6/22	LEMC (1) 1/7/21 - 30/6/22
Cr G Ventris	10	6	2	
Cr E Schreiber	9	6	2	1
Cr C Erasmus	10	5	2	
Cr L Lewis <small>Term commenced February 2022</small>	4	3	1	
Cr A Ryley <small>Term commenced February 2022</small>	4	2	1	
Cr E Smalberger	9	6	2	
Cr I Webster	10	6	2	
Cr S Manez <small>Term Ended October 2021</small>	2	1		
Cr J Hoffman <small>Term Ended October 2021</small>	2	2		

Image: Council & CEO





**SHIRE OF BODDINGTON**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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The Shire of Boddington conducts the operations of a local government with the following community vision:

A vibrant and connected community with excellent lifestyle and employment opportunities in a beautiful natural environment.

Principal place of business:  
39 Bannister Road  
Boddington WA 6390



**SHIRE OF BODDINGTON  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

The attached financial report of the Shire of Boddington for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the Shire of Boddington at 30 June 2022 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 6 day of December 2022



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Chief Executive Officer

Julie Burton

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Name of Chief Executive Officer



**SHIRE OF BODDINGTON**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>Revenue</b>				
Rates	22(a),2(a)	5,228,314	5,225,193	4,775,251
Operating grants, subsidies and contributions	2(a)	916,167	367,919	600,503
Fees and charges	21(c),2(a)	1,530,187	1,213,952	1,248,865
Interest earnings	2(a)	24,712	17,300	20,511
Other revenue	2(a)	166,285	35,830	74,302
		<b>7,865,665</b>	<b>6,860,194</b>	<b>6,719,432</b>
<b>Expenses</b>				
Employee costs		(2,824,713)	(3,048,975)	(2,595,331)
Materials and contracts		(2,573,370)	(2,578,728)	(2,206,640)
Utility charges		(325,231)	(298,245)	(356,439)
Depreciation	9(a)	(3,013,436)	(2,393,945)	(3,129,176)
Finance costs	2(b)	(74,880)	(86,218)	(91,622)
Insurance		(279,029)	(271,598)	(249,647)
Other expenditure	2(b)	(132,254)	(159,510)	(100,996)
		<b>(9,222,913)</b>	<b>(8,837,219)</b>	<b>(8,729,851)</b>
		<b>(1,357,248)</b>	<b>(1,977,025)</b>	<b>(2,010,419)</b>
Non-Operating grants, subsidies and contributions	2(a)	989,573	1,271,930	613,918
Profit on asset disposals	9(b)	4,870	0	39,637
Loss on asset disposals	9(b)	0	0	(2,982)
Fair value adjustments to financial assets at fair value through profit or loss		1,998	0	1,293
		<b>996,441</b>	<b>1,271,930</b>	<b>651,866</b>
<b>Net result for the period</b>	21(b)	<b>(360,807)</b>	<b>(705,095)</b>	<b>(1,358,553)</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	14	6,086,095	0	0
<b>Total other comprehensive income for the period</b>	14	<b>6,086,095</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>5,725,288</b>	<b>(705,095)</b>	<b>(1,358,553)</b>

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



**SHIRE OF BODDINGTON**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

	NOTE	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	6,328,548	3,934,874
Trade and other receivables	5	436,069	1,573,165
Other assets	6	119,792	158,762
<b>TOTAL CURRENT ASSETS</b>		<b>6,884,409</b>	<b>5,666,801</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	12,846	25,501
Other financial assets	4	38,902	36,904
Property, plant and equipment	7	30,930,672	32,059,421
Infrastructure	8	60,795,584	54,721,893
<b>TOTAL NON-CURRENT ASSETS</b>		<b>91,778,004</b>	<b>86,843,719</b>
<b>TOTAL ASSETS</b>		<b>98,662,413</b>	<b>92,510,520</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	558,532	990,174
Other liabilities	11	2,885,730	1,634,556
Borrowings	12	356,511	357,077
Employee related provisions	13	245,615	260,497
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,046,388</b>	<b>3,242,304</b>
<b>NON-CURRENT LIABILITIES</b>			
Other liabilities	11	300,000	300,000
Borrowings	12	1,756,075	2,116,566
Employee related provisions	13	48,232	65,220
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,104,307</b>	<b>2,481,786</b>
<b>TOTAL LIABILITIES</b>		<b>6,150,695</b>	<b>5,724,090</b>
<b>NET ASSETS</b>		<b>92,511,718</b>	<b>86,786,430</b>
<b>EQUITY</b>			
Retained surplus		33,054,705	33,376,190
Reserve accounts	25	1,629,000	1,668,323
Revaluation surplus	14	57,828,013	51,741,917
<b>TOTAL EQUITY</b>		<b>92,511,718</b>	<b>86,786,430</b>

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 2022**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2020</b>		<b>33,374,011</b>	<b>3,029,055</b>	<b>51,741,917</b>	<b>88,144,983</b>
Comprehensive income for the period					
Net result for the period		(1,358,553)	0	0	(1,358,553)
Total comprehensive income for the period		(1,358,553)	0	0	(1,358,553)
Transfers from reserves	25	1,363,789	(1,363,789)	0	0
Transfers to reserves	25	(3,057)	3,057	0	0
<b>Balance as at 30 June 2021</b>		<b>33,376,190</b>	<b>1,668,323</b>	<b>51,741,917</b>	<b>86,786,430</b>
Comprehensive income for the period					
Net result for the period		(360,807)	0	0	(360,807)
Other comprehensive income for the period	14	0	0	6,086,095	6,086,095
Total comprehensive income for the period		(360,807)	0	6,086,095	5,725,288
Transfers from reserves	25	100,000	(100,000)	0	0
Transfers to reserves	25	(60,677)	60,677	0	0
<b>Balance as at 30 June 2022</b>		<b>33,054,705</b>	<b>1,629,000</b>	<b>57,828,013</b>	<b>92,511,718</b>

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 2022**

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		5,234,346	5,225,193	4,774,406
Operating grants, subsidies and contributions		1,762,028	1,748,334	449,824
Fees and charges		1,530,920	1,213,952	1,248,865
Interest received		24,712	17,300	20,511
Goods and services tax received		322,744	0	217,290
Other revenue		166,285	35,830	74,302
		9,041,035	8,240,609	6,785,198
<b>Payments</b>				
Employee costs		(2,918,573)	(3,014,185)	(2,634,094)
Materials and contracts		(2,466,669)	(2,578,728)	(2,710,846)
Utility charges		(325,231)	(298,245)	(356,439)
Finance costs		(74,880)	(86,218)	(93,549)
Insurance paid		(279,029)	(271,598)	(249,647)
Goods and services tax paid		(452,463)	0	(23,680)
Other expenditure		(131,521)	(159,510)	(100,996)
		(6,648,366)	(6,408,484)	(6,169,251)
<b>Net cash provided by (used in) operating activities</b>	15(b)	2,392,669	1,832,125	615,947
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	7(a)	(353,043)	(347,233)	(677,893)
Payments for construction of infrastructure	8(a)	(1,524,024)	(1,866,023)	(1,586,855)
Non-operating grants, subsidies and contributions		2,229,475	(384,356)	663,503
Proceeds from sale of property, plant & equipment	9(b)	9,654	34,000	138,727
<b>Net cash provided by (used in) investing activities</b>		362,062	(2,563,612)	(1,462,518)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	24(a)	(361,057)	(357,077)	(344,397)
<b>Net cash provided by (used in) financing activities</b>		(361,057)	(357,077)	(344,397)
<b>Net increase (decrease) in cash held</b>		2,393,674	(1,088,564)	(1,190,968)
Cash at beginning of year		3,934,874	3,255,458	5,125,842
<b>Cash and cash equivalents at the end of the year</b>	15(a)	6,328,548	2,166,894	3,934,874

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



**SHIRE OF BODDINGTON**  
**RATE SETTING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>NET CURRENT ASSETS - At start of financial year - surplus/(deficit)</b>	23(b)	1,113,251	1,043,001	520,529
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities (excluding general rate)</b>				
Operating grants, subsidies and contributions		916,167	367,919	600,503
Fees and charges		1,530,187	1,213,952	1,248,865
Interest earnings		24,712	17,300	20,511
Other revenue		166,285	35,830	74,302
Profit on asset disposals	9(b)	4,870	0	39,637
Fair value adjustments to financial assets at fair value through profit or loss		1,998	0	1,293
		2,644,219	1,635,001	1,985,111
<b>Expenditure from operating activities</b>				
Employee costs		(2,824,713)	(3,048,975)	(2,595,331)
Materials and contracts		(2,573,370)	(2,578,728)	(2,206,640)
Utility charges		(325,231)	(298,245)	(356,439)
Depreciation		(3,013,436)	(2,393,945)	(3,129,176)
Finance costs		(74,880)	(86,218)	(91,622)
Insurance		(279,029)	(271,598)	(249,647)
Other expenditure		(132,254)	(159,510)	(100,996)
Loss on asset disposals	9(b)	0	0	(2,982)
		(9,222,913)	(8,837,219)	(8,732,833)
Non-cash amounts excluded from operating activities	23(a)	3,002,235	2,428,735	3,060,961
<b>Amount attributable to operating activities</b>		(3,576,459)	(4,773,483)	(3,686,761)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions		989,573	1,271,930	613,918
Proceeds from disposal of assets	9(b)	9,654	34,000	138,727
Purchase of property, plant and equipment	7(a)	(353,043)	(347,233)	(677,893)
Purchase and construction of infrastructure	8(a)	(1,524,024)	(1,866,023)	(1,586,855)
		(877,840)	(907,326)	(1,512,103)
<b>Amount attributable to investing activities</b>		(877,840)	(907,326)	(1,512,103)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	24(a)	(361,057)	(357,077)	(344,397)
Transfers to reserves (restricted assets)	25	(60,677)	(61,202)	(3,057)
Transfers from reserves (restricted assets)	25	100,000	0	1,363,789
<b>Amount attributable to financing activities</b>		(321,734)	(418,279)	1,016,335
<b>Surplus/(deficit) before imposition of general rates</b>		(3,662,782)	(5,056,087)	(3,662,000)
<b>Total amount raised from general rates</b>	22(a)	5,228,314	5,225,193	4,775,251
<b>Surplus/(deficit) after imposition of general rates</b>	23(b)	<b>1,565,532</b>	<b>169,106</b>	<b>1,113,251</b>

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

**SHIRE OF BODDINGTON**  
**FOR THE YEAR ENDED 30 JUNE 2022**  
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**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**1. BASIS OF PREPARATION**

The financial report comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

**Local Government Act 1995 requirements**  
Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for 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 measurement 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.

All monies held in the Trust Fund are excluded from the financial statements. The Shire does not currently hold any monies in a Trust Fund.

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

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

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

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**2. REVENUE AND EXPENSES**

**(a) Revenue**

**Contracts with customers**

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	Timing of revenue recognition
Operating grants, subsidies and contributions 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	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal control	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management 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	On entry to facility
Fees and charges - sale of stock	Visitor Centre and Youth Centre stock	Single point in time	Payment in advance at time of purchase	Refund for faulty goods	Output method based on goods sold
Fees and charges - private works	Contracted private works	Single point in time	Monthly in arrears	None	Output method based on works done
Fees and charges - property hire and entry	Use of halls and facilities	Single point in time	Payment in full in advance	Refund if event cancelled	On entry or at conclusion of hire
Fees and charges - other goods and services	Cemetery fees, library fees and childcare centre	Single point in time	Payment in advance or on normal trading terms if credit provided	Refund for non-delivery of goods or services	Output method based on provision of goods or services

Consideration from contracts with customers is included in the transaction price.

**Revenue Recognition**

Revenue recognised during the year under each basis of recognition by nature or types of goods or services is provided in the table below:

**For the year ended 30 June 2022**

Nature or type	Contracts with customers	Capital grant/ contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	5,228,314	0	5,228,314
Operating grants, subsidies and contributions	100,822	0	142,966	672,379	916,167
Fees and charges	1,173,684	0	315,915	40,588	1,530,187
Interest earnings	0	0	20,252	4,460	24,712
Other revenue	41,506	0	56,608	68,171	166,285
Non-operating grants, subsidies and contributions	0	989,573	0	0	989,573
<b>Total</b>	<b>1,316,012</b>	<b>989,573</b>	<b>5,764,055</b>	<b>785,598</b>	<b>8,855,238</b>

**For the year ended 30 June 2021**

Nature or type	Contracts with customers	Capital grant/ contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	4,775,251	0	4,775,251
Operating grants, subsidies and contributions	0	0	83,182	517,321	600,503
Fees and charges	936,322	0	278,124	34,419	1,248,865
Interest earnings	0	0	16,401	4,110	20,511
Other revenue	8,011	0	139	66,152	74,302
Non-operating grants, subsidies and contributions	0	613,918	0	0	613,918
<b>Total</b>	<b>944,333</b>	<b>613,918</b>	<b>5,153,097</b>	<b>622,002</b>	<b>7,333,350</b>



**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**2. REVENUE AND EXPENSES (Continued)**

	Note	2022 Actual	2022 Budget	2021 Actual
<b>(a) Revenue (Continued)</b>		\$	\$	\$
<b>Interest earnings</b>				
Interest on reserve funds		1,678	2,000	3,057
Rates instalment and penalty interest (refer Note 22(c))		20,252	14,500	16,401
Other interest earnings		2,782	800	1,053
		24,712	17,300	20,511
<b>(b) Expenses</b>				
<b>Auditors remuneration</b>				
- Audit of the Annual Financial Report		34,500	30,000	28,000
- Other services		7,000	0	0
		41,500	30,000	28,000
<b>Finance costs</b>				
Borrowings	24(a)	74,880	86,218	91,622
		74,880	86,218	91,622
<b>Other expenditure</b>				
Impairment losses on receivables from contracts with customers		733	0	0
Sundry expenses		131,521	159,510	100,996
		132,254	159,510	100,996

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**3. CASH AND CASH EQUIVALENTS**

Cash at bank and on hand  
**Total cash and cash equivalents**

Held as  
- Unrestricted cash and cash equivalents  
- Restricted cash and cash equivalents

Note	2022	2021
	\$	\$
	6,328,548	3,934,874
15(a)	6,328,548	3,934,874
	4,699,548	2,266,551
15(a)	1,629,000	1,668,323
	6,328,548	3,934,874

**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.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

**Restricted financial assets**

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to 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 and for which no liability has been recognised.

Details of restrictions on financial assets can be found at Note 15.

**4. OTHER FINANCIAL ASSETS**

**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

2022	2021
\$	\$
38,902	36,904
38,902	36,904
38,902	36,904
38,902	36,904

**SIGNIFICANT ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 20 (i)) due to the observable market rates.

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

**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 19.



**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**5. TRADE AND OTHER RECEIVABLES**

**Current**

	Note	2022 \$	2021 \$
Rates receivable		275,370	253,667
Trade and other receivables		138,804	1,318,935
Receivables for employee related provisions	13	23,926	0
Allowance for credit losses of trade and other receivables	19(b)	(4,070)	(3,337)
Other sundry receivables		2,039	3,900
		436,069	1,573,165

**Non-current**

Pensioner's rates and ESL deferred		12,846	25,501
		12,846	25,501

	30 June 2022 Actual	30 June 2021 Actual	1 July 2020 Actual
<b>Trade and other receivables from contracts with customers</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Trade and other receivables from contracts with customers	138,804	1,318,935	68,256
Loss allowance from contracts with customers	(4,070)	(3,337)	(3,337)
<b>Total trade and other receivables from contracts with customers</b>	<b>134,734</b>	<b>1,315,598</b>	<b>64,919</b>

**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 grants, contributions, reimbursements, and goods sold and services performed in the ordinary course of business.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

**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 19.

**Classification and subsequent measurement**

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Shire 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 2022**

**6. OTHER ASSETS**

**Other assets - current**

Accrued income

	2022	2021
	\$	\$
	119,792	158,762
	119,792	158,762

**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  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

7. 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.

	Note	Land	Buildings - non- specialised	Buildings - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
		\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>		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
Depreciation	9(a)	0	(353,415)	(853,934)	(1,207,349)	(32,884)	(283,916)	(1,524,149)
<b>Balance at 30 June 2021</b>		3,703,000	4,391,384	21,273,010	29,367,394	75,564	2,616,463	32,059,421
<b>Comprises:</b>								
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)
<b>Balance at 30 June 2021</b>		3,703,000	4,391,384	21,273,010	29,367,394	75,564	2,616,463	32,059,421
Additions		103,049	0	45,597	148,646	45,928	158,469	353,043
Disposals		0	0	0	0	0	(4,784)	(4,784)
Depreciation	9(a)	0	(309,044)	(848,116)	(1,157,160)	(27,646)	(292,202)	(1,477,008)
Transfers		0			0			0
<b>Balance at 30 June 2022</b>		3,806,049	4,082,340	20,470,491	28,358,880	93,846	2,477,946	30,930,672
<b>Comprises:</b>								
Gross balance amount at 30 June 2022		3,806,049	4,744,798	22,172,541	30,723,388	372,629	3,173,517	34,269,534
Accumulated depreciation at 30 June 2022		0	(662,458)	(1,702,050)	(2,364,508)	(278,783)	(695,571)	(3,338,862)
Accumulated impairment loss at 30 June 2022		0			0			0
<b>Balance at 30 June 2022</b>		3,806,049	4,082,340	20,470,491	28,358,880	93,846	2,477,946	30,930,672

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**7. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(b) Carrying Value Measurements**

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>(i) Fair Value</b>					
<b>Land and buildings</b>					
Land	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 valuers	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 valuers	June 2020	Construction costs (level 2), current condition, residual values and remaining useful life assessments (level 3) inputs
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.					
<b>(ii) Cost</b>					
<b>Furniture and equipment</b>		Not applicable	Deemed Cost	Not applicable	Not applicable
<b>Plant and equipment</b>		Not applicable	Deemed Cost	Not applicable	Not applicable



**SHIRE OF BODDINGTON**  
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**8. 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.

	Note	Infrastructure - roads	Infrastructure - bridges & 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	Total Infrastructure
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>		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	54,740,065
Additions		568,260	0	0	9,689	34,379	0	76,719	897,808	0	0	1,586,855
(Disposals)		0	0	0	0	0	0	0	0	0	0	0
Depreciation	9(a)	(858,173)	(214,122)	(55,762)	(80,858)	(29,282)	(124,370)	(129,243)	(51,741)	(16,667)	(44,809)	(1,605,027)
<b>Balance at 30 June 2021</b>		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	54,721,893
<b>Comprises:</b>												
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	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)	(4,502,729)
<b>Balance at 30 June 2021</b>		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	54,721,893
Additions		1,212,515	0	111,722	0	0	25,000	133,470	41,317	0	0	1,524,024
(Disposals)		0	0	0	0	0	0	0	0	0	0	0
Revaluation increments / (decrements) transferred to revaluation surplus		7,187,058	(1,077,888)	(181,732)	158,657	0	0	0	0	0	0	6,086,095
Depreciation	9(a)	(858,057)	(214,091)	(55,761)	(80,851)	(30,017)	(121,903)	(66,687)	(51,470)	(12,784)	(44,807)	(1,536,428)
Transfers		0	0	0	0	(16,238)	0	16,238	0	0	0	0
<b>Balance at 30 June 2022</b>		41,998,412	7,757,248	1,368,724	1,520,251	661,639	1,628,564	1,787,161	2,765,524	62,824	1,245,237	60,795,584
<b>Comprises:</b>												
Gross balance at 30 June 2022		50,506,072	14,397,132	2,581,869	2,257,688	779,977	2,128,857	2,216,184	2,920,853	125,625	1,423,388	79,337,645
Accumulated depreciation at 30 June 2022		(8,507,660)	(6,639,884)	(1,213,145)	(737,437)	(118,338)	(500,293)	(429,023)	(155,329)	(62,801)	(178,151)	(18,542,061)
Accumulated impairment loss at 30 June 2022												0
<b>Balance at 30 June 2022</b>		41,998,412	7,757,248	1,368,724	1,520,251	661,639	1,628,564	1,787,161	2,765,524	62,824	1,245,237	60,795,584

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**8. INFRASTRUCTURE (Continued)**

**(b) Carrying Value Measurements**

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>(i) Fair Value</b>					
<b>Infrastructure - roads</b>	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs (level 2), current condition, residual values and remaining useful life assessments (level 3) inputs
<b>Infrastructure - bridges &amp; culverts</b>	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs (level 2), current condition, residual values and remaining useful life assessments (level 3) inputs
<b>Infrastructure - footpaths</b>	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs (level 2), current condition, residual values and remaining useful life assessments (level 3) inputs
<b>Infrastructure - drainage, kerb and chan</b>	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs (level 2), current condition, residual values and remaining useful life assessments (level 3) inputs
<b>Infrastructure - parks and ovals</b>	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
<b>Infrastructure - public facilities</b>	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
<b>Infrastructure - other infrastructure</b>	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
<b>Infrastructure - foreshore infrastructure</b>	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
<b>Infrastructure - caravan park</b>	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
<b>Infrastructure - waste</b>	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

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

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



**SHIRE OF BODDINGTON**  
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**FOR THE YEAR ENDED 30 JUNE 2022**

**9. FIXED ASSETS**

**(a) Depreciation**

	Note	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
Buildings - non-specialised	7(a)	309,044	56,942	353,415
Buildings - specialised	7(a)	848,116	407,026	853,934
Furniture and equipment	7(a)	27,646	26,346	32,884
Plant and equipment	7(a)	292,202	249,815	283,916
Infrastructure - roads	8(a)	858,057	891,782	858,173
Infrastructure - bridges & culverts	8(a)	214,091	233,878	214,122
Infrastructure - footpaths	8(a)	55,761	59,501	55,762
Infrastructure - drainage, kerb and channel	8(a)	80,851	63,808	80,858
Infrastructure - parks and ovals	8(a)	30,017	32,270	29,282
Infrastructure - public facilities	8(a)	121,903	136,883	124,370
Infrastructure - other infrastructure	8(a)	66,687	137,493	129,243
Infrastructure - foreshore infrastructure	8(a)	51,470	29,757	51,741
Infrastructure - caravan park	8(a)	12,784	19,439	16,667
Infrastructure - waste	8(a)	44,807	49,005	44,809
		3,013,436	2,393,945	3,129,176

**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	75 years
seal	
- 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

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**9. FIXED ASSETS (Continued)**

**(b) Disposals of assets**

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss	2022 Budget Net Book Value	2022 Budget Sale Proceeds	2022 Budget Profit	2022 Budget Loss	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and equipment	4,784	9,654	4,870	0	34,000	34,000	0	0	102,072	138,727	39,637	(2,982)
	4,784	9,654	4,870	0	34,000	34,000	0	0	102,072	138,727	39,637	(2,982)

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
<b>Plant and Equipment</b>	\$	\$	\$	\$
<b>Governance</b>				
<b>Transport</b>				
Trade in Utility - BT07	4,784	7,273	2,489	0
<b>Other property and services</b>				
Sale of Flail Mower	0	2,381	2,381	0
	4,784	9,654	4,870	0

## 9. FIXED ASSETS (Continued)

### SIGNIFICANT ACCOUNTING POLICIES

#### Fixed assets

Each class of fixed assets within either property, 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 for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

#### Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

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 scheduled revaluation dates 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 revaluation date in accordance with the mandatory measurement framework.

#### Revaluation

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

At the end of each period the carrying amount for each asset class 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.

#### Revaluation (continued)

For property, plant and equipment and infrastructure, 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. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

#### Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, 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 on revaluation

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

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

#### Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held ready 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 in the Statement of Comprehensive Income and in Note 9(a).



**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**10. TRADE AND OTHER PAYABLES**

**Current**

Sundry creditors
Prepaid rates
Accrued payroll liabilities
ATO liabilities
Bonds and deposits held
Accrued interest on long term borrowings

2022	2021
\$	\$
370,404	754,059
46,079	30,999
43,919	28,642
(6,265)	71,002
92,995	92,052
11,400	13,420
558,532	990,174

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

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.

**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 usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

**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.

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**11. OTHER LIABILITIES**

**Current**

Contract liabilities  
Capital grant/contributions liabilities

**Non-current**

Retirement village - lease loan

**Reconciliation of changes in contract liabilities**

Opening balance  
Additions  
Revenue from contracts with customers included as a contract liability at the start of the period

The Shire expects to satisfy the performance obligations from contracts with customers unsatisfied at the end of the reporting period to be satisfied within the next 12 months.

**Reconciliation of changes in capital grant/contribution liabilities**

Opening balance  
Additions

**Expected satisfaction of capital grant/contribution liabilities**

Less than 1 year

	2022	2021
	\$	\$
Contract liabilities	160,416	149,144
Capital grant/contributions liabilities	2,725,314	1,485,412
	2,885,730	1,634,556
Retirement village - lease loan	300,000	300,000
	300,000	300,000
Opening balance	149,144	105,416
Additions	160,416	149,144
Revenue from contracts with customers included as a contract liability at the start of the period	(149,144)	(105,416)
	160,416	149,144
Opening balance	1,485,412	379,555
Additions	1,239,902	1,105,857
	2,725,314	1,485,412
Less than 1 year	2,725,314	1,485,412
	2,725,314	1,485,412

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

**SIGNIFICANT ACCOUNTING POLICIES**

**Contract liabilities**

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

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

**Capital grant/contribution liabilities**

Capital grant/contribution liabilities represent the Shire's obligations to construct recognisable non-financial assets to identified specifications to be controlled the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as revenue when the obligations in the contract are satisfied.

Non-current capital grant/contribution liabilities fair values are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 20(i)) due to the unobservable inputs, including own credit risk.

**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**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**12. BORROWINGS**

	Note	2022			2021		
		Current	Non-current	Total	Current	Non-current	Total
<b>Secured</b>		\$	\$	\$	\$	\$	\$
Debentures		356,511	1,756,075	2,112,586	357,077	2,116,566	2,473,643
<b>Total secured borrowings</b>	24(a)	356,511	1,756,075	2,112,586	357,077	2,116,566	2,473,643

**Secured liabilities and assets pledged as security**

The Shire of Boddington has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 years.

**SIGNIFICANT ACCOUNTING POLICIES**

**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.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 20(i)) due to the unobservable inputs, including own credit risk.

**Risk**

Information regarding exposure to risk can be found at Note 19.

Details of individual borrowings required by regulations are provided at Note 24(a).



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

**Employee Related Provisions**

**Current provisions**

**Employee benefit provisions**

Annual Leave  
Long Service Leave  
Other employee provisions

	2022	2021
	\$	\$
Annual Leave	145,239	184,829
Long Service Leave	100,376	75,668
Other employee provisions	0	0
	<u>245,615</u>	<u>260,497</u>
<b>Non-current provisions</b>		
Long Service Leave	48,232	65,220
Other employee provisions	0	0
	<u>48,232</u>	<u>65,220</u>
	<u>293,847</u>	<u>325,717</u>

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

**Amounts are expected to be settled on the following basis:**

Less than 12 months after the reporting date  
More than 12 months from reporting date

Note	2022	2021
	\$	\$
Less than 12 months after the reporting date	216,459	134,211
More than 12 months from reporting date	77,388	191,506
	<u>293,847</u>	<u>325,717</u>

Expected reimbursements of employee related provisions from other WA local governments included within other receivables

5	(23,926)	(35,347)
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**SIGNIFICANT ACCOUNTING POLICIES**

**Employee benefits**

The Shire's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related 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 provisions 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 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.

**SHIRE OF BODDINGTON**  
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**14. REVALUATION SURPLUS**

	2022 Opening Balance	2022 Revaluation Increment	2022 Revaluation (Decrement)	Total Movement on Revaluation	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	2021 Revaluation (Decrement)	Total Movement on Revaluation	2021 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	2,160,759	0	0	0	2,160,759	2,160,759	0	0	0	2,160,759
Revaluation surplus - Buildings - non-specialised	6,782,899	0	0	0	6,782,899	6,782,899	0	0	0	6,782,899
Revaluation surplus - Buildings - specialised	341,556	0	0	0	341,556	341,556	0	0	0	341,556
Revaluation surplus - Plant and equipment	118,039	0	0	0	118,039	118,039	0	0	0	118,039
Revaluation surplus - Infrastructure - roads	27,370,687	7,187,058	0	7,187,058	34,557,745	27,370,687	0	0	0	27,370,687
Revaluation surplus - Infrastructure - bridges & culverts	8,876,736	0	(1,077,888)	(1,077,888)	7,798,848	8,876,736	0	0	0	8,876,736
Revaluation surplus - Infrastructure - footpaths	1,093,794	0	(181,732)	(181,732)	912,062	1,093,794	0	0	0	1,093,794
Revaluation surplus - Infrastructure - drainage, kerb and char	570,324	158,657	0	158,657	728,982	570,324	0	0	0	570,324
Revaluation surplus - Infrastructure - parks and ovals	409,916	0	0	0	409,916	409,916	0	0	0	409,916
Revaluation surplus - Infrastructure - public facilities	1,658,763	0	0	0	1,658,763	1,658,763	0	0	0	1,658,763
Revaluation surplus - Infrastructure - other infrastructure	704,614	0	0	0	704,614	704,614	0	0	0	704,614
Revaluation surplus - Infrastructure - foreshore infrastructure	261,249	0	0	0	261,249	261,249	0	0	0	261,249
Revaluation surplus - Infrastructure - caravan park	43,871	0	0	0	43,871	43,871	0	0	0	43,871
Revaluation surplus - Infrastructure - waste	1,348,710	0	0	0	1,348,710	1,348,710	0	0	0	1,348,710
	51,741,917	7,345,715	(1,259,620)	6,086,095	57,828,013	51,741,917	0	0	0	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**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**15. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash and cash equivalents	3	6,328,548	2,166,894	3,934,874

**Restrictions**

The following classes of financial 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	1,629,000	1,726,467	1,668,323
		1,629,000	1,726,467	1,668,323

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

Restricted reserve accounts	25	1,629,000	1,726,467	1,668,323
<b>Total restricted financial assets</b>		1,629,000	1,726,467	1,668,323

**(b) Reconciliation of Net Result to Net Cash Provided  
By Operating Activities**

Net result		(360,807)	(705,095)	(1,358,553)
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(1,998)	0	(1,293)
Depreciation/amortisation		3,013,436	2,393,945	3,129,176
(Profit)/loss on sale of asset		(4,870)	0	(36,655)
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		1,149,751	1,402,963	(1,048,558)
(Increase)/decrease in other assets		38,970	(1,656,286)	(108,449)
Increase/(decrease) in trade and other payables		(431,642)	0	(436,753)
Increase/(decrease) in employee related provisions		(31,870)	34,790	(9,050)
Increase/(decrease) in other liabilities		1,251,174	(22,548)	1,149,585
Non-operating grants, subsidies and contributions		(2,229,475)	384,356	(663,503)
Net cash provided by/(used in) operating activities		2,392,669	1,832,125	615,947

**(c) Undrawn Borrowing Facilities**

**Credit Standby Arrangements**

Bank overdraft limit	750,000	750,000
Bank overdraft at balance date	0	0
Credit card limit	50,000	50,000
Credit card balance at balance date	(1,272)	(2,759)
<b>Total amount of credit unused</b>	798,728	797,241

**Loan facilities**

Loan facilities - current	356,511	357,077
Loan facilities - non-current	1,756,075	2,116,566
<b>Total facilities in use at balance date</b>	2,112,586	2,473,643



**SHIRE OF BODDINGTON**  
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**FOR THE YEAR ENDED 30 JUNE 2022**

**16. 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.

**17. CAPITAL COMMITMENTS**

	2022	2021
	\$	\$
Contracted for:		
- capital expenditure projects	119,022	0
- plant & equipment purchases	102,868	0
	221,890	0
Payable:		
- not later than one year	221,890	0

The capital expenditure projects outstanding at the end of the current reporting period represent the supply and installation of lighting to Hotham Park. The plant and equipment purchases represent purchase of a 7.5m tandem axle trailer and a new mower.

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**18. RELATED PARTY TRANSACTIONS**

**(a) Elected Member Remuneration**

**Cr G Ventris**

President's annual allowance  
Meeting attendance fees  
Annual allowance for ICT expenses  
Travel and accommodation expenses

**Cr E Smalberger**

Deputy President's annual allowance  
Meeting attendance fees  
Annual allowance for ICT expenses  
Travel and accommodation expenses

**Cr E Schreiber**

Deputy President's annual allowance  
Meeting attendance fees  
Annual allowance for ICT expenses

**Cr C Erasmus**

Meeting attendance fees  
Annual allowance for ICT expenses

**Cr I Webster**

Meeting attendance fees  
Annual allowance for ICT expenses  
Travel and accommodation expenses

**Cr L Lewis**

Meeting attendance fees  
Annual allowance for ICT expenses

**Cr A Ryley**

Meeting attendance fees  
Annual allowance for ICT expenses

**Cr J Hoffman**

Meeting attendance fees  
Annual allowance for ICT expenses

**Cr S Manez**

Meeting attendance fees  
Annual allowance for ICT expenses  
Travel and accommodation expenses

**Cr R McSwain**

Meeting attendance fees

**Cr W McGrath**

Meeting attendance fees

**Cr M Glynn**

Meeting attendance fees

Fees, expenses and allowances to be paid or reimbursed to elected council members.

President's annual allowance  
Deputy President's annual allowance  
Meeting attendance fees  
Annual allowance for ICT expenses  
Travel and accommodation expenses

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
	8,500	8,500	8,500
	11,000	11,000	11,219
	515	515	515
	273	500	0
	20,288	20,515	20,234
	1,594	0	0
	5,500	5,500	5,683
	515	515	515
	255	0	0
	7,864	6,015	6,198
	531	2,125	2,125
	5,500	5,500	5,594
	515	515	515
	6,546	8,140	8,234
	5,500	5,500	5,611
	515	515	515
	6,015	6,015	6,126
	5,500	5,500	4,335
	515	515	515
	663	0	0
	6,678	6,015	4,850
	1,833	0	0
	172	0	0
	2,005	0	0
	1,833	0	0
	172	0	0
	2,005	0	0
	5,500	5,500	1,676
	515	515	129
	6,015	6,015	1,805
	1,375	5,500	4,335
	129	515	515
	27	500	362
	1,531	6,515	5,212
	0	0	1,324
	0	0	1,324
	0	0	313
	0	0	313
	0	0	284
	0	0	284
	58,947	59,230	54,580
	8,500	8,500	8,500
	2,125	2,125	2,125
	43,541	44,000	40,374
	3,563	3,605	3,219
	1,218	1,000	362
18(b)	58,947	59,230	54,580

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**18. RELATED PARTY TRANSACTIONS**

**(b) Key Management Personnel (KMP) Compensation**

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

	<b>2022 Actual</b>	<b>2021 Actual</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	369,637	320,098
Post-employment benefits	60,518	46,502
Employee - other long-term benefits	43,870	31,872
Employee - termination benefits	76,854	258,946
Council member costs	58,947	54,580
18(a)	<b>609,826</b>	<b>711,998</b>

*Short-term employee benefits*

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

*Post-employment benefits*

These amounts are the current-year's cost of the Shire's superannuation contributions made during the year.

*Other long-term benefits*

These amounts represent annual leave and long service leave entitlements accruing during the year.

*Termination benefits*

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

*Council member costs*

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

**(c) 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 guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	<b>2022 Actual</b>	<b>2021 Actual</b>
	<b>\$</b>	<b>\$</b>
Sale of goods and services	8,627	0
Purchase of goods and services	105,060	3,593

**(d) 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 council 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**  
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**19. 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.

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

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

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

**(a) Interest rate risk**

**Cash and cash equivalents**

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

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

	<b>Weighted Average Interest Rate</b> %	<b>Carrying Amounts</b> \$	<b>Fixed Interest Rate</b> \$	<b>Variable Interest Rate</b> \$	<b>Non Interest Bearing</b> \$
<b>2022</b>					
Cash and cash equivalents	0.0518%	6,328,548	0	6,327,508	1,040
<b>2021</b>					
Cash and cash equivalents	0.1045%	3,934,874	0	3,933,834	1,040

**Sensitivity**

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

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% movement in interest rates on profit and loss and equity*	63,275	39,349

\* 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 24(a).

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**19. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk**

**Trade and Other Receivables**

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

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2021 or 1 July 2022 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2022 and 30 June 2021 for rates receivable was determined as follows:

	Less than 1 year past due	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total	Note
<b>30 June 2022</b>						
Rates receivable						
Expected credit loss						
Gross carrying amount	93,788	46,983	40,368	75,037	256,176	
<b>30 June 2021</b>						
Rates receivable						
Expected credit loss						
Gross carrying amount	113,329	69,078	43,226	53,535	279,168	

The loss allowance as at 30 June 2022 and 30 June 2021 was determined as follows for trade receivables.

	Less than 1 year past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total	
<b>30 June 2022</b>						
Trade and other receivables						
Expected credit loss	0.44%	3.85%	4.50%	15.39%		
Gross carrying amount	76,390	50,868	10	11,536	138,804	
Loss allowance	336	1,958	0	1,776	4,070	5
<b>30 June 2021</b>						
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	5

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**19. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk**

The loss allowances for trade receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Rates receivable		Trade and other receivables		Contract Assets	
	2022 Actual	2021 Actual	2022 Actual	2021 Actual	2022 Actual	2021 Actual
	\$	\$	\$	\$	\$	\$
<b>Opening loss allowance as at 1 July</b>	0	0	3,337	3,337	0	0
Increase in loss allowance recognised in profit or loss during the year	0	0	733	0	0	0
Unused amount reversed	0	0	0	0	0	0
<b>Closing loss allowance at 30 June</b>	0	0	4,070	3,337	0	0

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Shire, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

**Contract Assets**

The Shire's contract assets represent work completed, which have not been invoiced at year end. This is due to the Shire not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The Shire applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Shire has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.



**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**19. 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 15(c).

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b>2022</b>					
Trade and other payables	323,396	300,000	0	623,396	623,396
Borrowings	424,384	1,214,575	742,064	2,381,023	2,112,586
	747,780	1,514,575	742,064	3,004,419	2,735,982
<b>2021</b>					
Trade and other 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

## 20. 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) Interest earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost 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).

### i) 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.

### j) 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.

### k) Initial application of accounting standards

During the current year, no new or revised Australian Accounting Standards and Interpretations were compiled, became mandatory and were applicable to its operations.

### 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
- AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

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

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**21. FUNCTION AND ACTIVITY**

**(a) Service objectives and descriptions**

Shire operations as disclosed in this financial report encompass the following service orientated functions and activities.

<b>Objective</b>	<b>Description</b>
<b>Governance</b> To provide a decision making process for the efficient allocation of scarce resources	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.
<b>General purpose funding</b> To collect revenue to allow for the provision of services	To collect revenue in the form of rates, interest and general purpose Government grants to allow for the provision of services.
<b>Law, order, public safety</b> To provide services to help ensure a safer and environmentally conscious community	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
<b>Health</b> To provide an operational framework for environmental and community health	Inspection of food outlets and their control, noise control and waste disposal compliance.
<b>Education and welfare</b> To provide services to the elderly, children and youth	The provision of childcare facilities, aged housing, and the support of youth in the community.
<b>Housing</b> To provide and maintain staff and other housing	Provision and maintenance of staff and other housing.
<b>Community amenities</b> To provide services required by the community	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.
<b>Recreation and culture</b> To establish and effectively manage infrastructure and resource which will help the social well being of the community	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.
<b>Transport</b> To provide safe, effective and efficient transport services to the community	Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.
<b>Economic services</b> To help promote the shire and its economic wellbeing	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.
<b>Other property and services</b> To monitor and control Shire's overheads operating accounts	Private works operation, plant repair and operation costs and engineering operation costs, administration costs allocated and other unclassified works and services.



**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**21. FUNCTION AND ACTIVITY (Continued)**

**(b) Income and expenses**

	<b>2022 Actual</b>	<b>2022 Budget</b>	<b>2021 Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Income excluding grants, subsidies and contributions</b>			
Governance	88,941	37,235	66,700
General purpose funding	5,263,785	5,259,993	4,803,363
Law, order, public safety	42,029	34,600	28,281
Health	45,906	39,290	39,418
Education and welfare	590,270	457,700	466,411
Housing	26,248	23,400	26,189
Community amenities	322,155	296,030	300,276
Recreation and culture	51,976	41,895	81,941
Transport	24,780	300	38,878
Economic services	423,352	290,827	294,367
Other property and services	76,924	11,005	14,035
	<b>6,956,366</b>	<b>6,492,275</b>	<b>6,159,859</b>
<b>Grants, subsidies and contributions</b>			
Governance	2,211	5,200	72,106
General purpose funding	392,422	107,376	305,353
Law, order, public safety	142,966	90,193	83,182
Education and welfare	53,429	47,500	13,461
Community amenities	5,545	100,000	2,247
Recreation and culture	65,418	7,000	145,000
Transport	1,125,958	1,281,710	591,710
Economic services	117,791	870	1,362
	<b>1,905,740</b>	<b>1,639,849</b>	<b>1,214,421</b>
<b>Total Income</b>	<b>8,862,106</b>	<b>8,132,124</b>	<b>7,374,280</b>
<b>Expenses</b>			
Governance	(113,219)	(127,430)	(221,378)
General purpose funding	(11,989)	(22,307)	(11,879)
Law, order, public safety	(520,277)	(523,783)	(502,908)
Health	(252,394)	(218,897)	(206,988)
Education and welfare	(1,064,465)	(822,710)	(1,272,524)
Housing	(33,039)	(19,885)	(240,873)
Community amenities	(883,784)	(837,143)	(733,371)
Recreation and culture	(2,342,458)	(2,123,765)	(2,188,082)
Transport	(3,133,638)	(3,309,496)	(2,679,051)
Economic services	(892,380)	(827,708)	(585,973)
Other property and services	24,730	(4,095)	(89,806)
<b>Total expenses</b>	<b>(9,222,913)</b>	<b>(8,837,219)</b>	<b>(8,732,833)</b>
<b>Net result for the period</b>	<b>(360,807)</b>	<b>(705,095)</b>	<b>(1,358,553)</b>

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**21. FUNCTION AND ACTIVITY (Continued)**

	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>(c) Fees and Charges</b>			
Governance	35,088	30,850	31,884
General purpose funding	10,885	7,500	7,651
Law, order, public safety	41,567	34,600	25,370
Health	45,034	38,250	38,378
Education and welfare	586,127	457,700	466,411
Housing	19,870	22,100	22,754
Community amenities	324,008	296,030	300,276
Recreation and culture	44,007	40,795	57,232
Transport	254	300	4,579
Economic services	404,951	283,322	291,538
Other property and services	18,396	2,505	2,792
	<b>1,530,187</b>	<b>1,213,952</b>	<b>1,248,865</b>
	<b>2022</b>	<b>2021</b>	
	<b>\$</b>	<b>\$</b>	
<b>(d) Total Assets</b>			
Governance	3,178,336	3,226,148	
General purpose funding	867,487	3,282,832	
Law, order, public safety	1,705,492	1,973,030	
Health	1,932,333	1,939,045	
Education and welfare	4,827,391	4,859,568	
Housing	1,821,211	1,913,155	
Community amenities	1,953,967	1,940,125	
Recreation and culture	20,059,619	20,192,551	
Transport	55,208,131	48,744,592	
Economic services	1,476,511	1,488,708	
Other property and services	1,124,345	684,215	
Unallocated	4,507,590	2,266,551	
	<b>98,662,413</b>	<b>92,510,520</b>	

SHIRE OF BODDINGTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

22. RATING INFORMATION

(a) General Rates

RATE TYPE		Rate in	Number	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2020/21
Rate Description	Basis of valuation	\$	of Properties	Actual Rateable Value *	Actual Rate Revenue	Actual Interim Rates	Actual Back Rates	Actual Total Revenue	Budget Rate Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue	Actual Total Revenue
		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
General	Gross rental valuation	0.111213	479	7,152,805	795,485	796	0	796,281	791,726	0	0	791,726	771,862
Mining	Gross rental valuation	0.090161	2	20,635,000	1,860,472	(706)	0	1,859,766	1,860,472	0	0	1,860,472	1,673,829
Rural	Unimproved valuation	0.006884	244	108,471,000	746,715	962	(46)	747,631	746,714	1,000	0	747,714	671,934
Mining	Unimproved valuation	0.032646	48	43,890,051	1,432,835	0	(16)	1,432,819	1,431,496	0	0	1,431,496	1,270,396
Non-Rural	Unimproved valuation	0.025432	2	883,500	22,469	0	0	22,469	22,469	0	0	22,469	19,576
<b>Sub-Total</b>			775	181,032,356	4,857,976	1,052	(62)	4,858,966	4,852,877	1,000	0	4,853,877	4,407,597
<b>Minimum payment</b>		<b>Minimum \$</b>											
General	Gross rental valuation	984	153	419,914	150,552	0	0	150,552	152,520	0	0	152,520	149,760
Mining	Gross rental valuation	984	1	20	984	0	0	984	984	0	0	984	960
Rural	Unimproved valuation	750	234	21,171,000	175,500	0	0	175,500	175,500	0	0	175,500	176,614
Mining	Unimproved valuation	984	43	190,782	42,312	0	0	42,312	42,312	0	0	42,312	40,320
<b>Sub-Total</b>			431	21,781,716	369,348	0	0	369,348	371,316	0	0	371,316	367,654
			1,206	202,814,072	5,227,324	1,052	(62)	5,228,314	5,224,193	1,000	0	5,225,193	4,775,251
<b>Total amount raised from general rates</b>								5,228,314				5,225,193	4,775,251
* Rateable value is based on the value of properties at the time the rate is raised.													
<b>(b) Total Rates</b>								<b>5,228,314</b>				<b>5,225,193</b>	<b>4,775,251</b>

The entire balance of rates revenue has been recognised at a point in time in accordance with AASB 1058 *Income for not-for-profit entities*.



**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**22. RATING INFORMATION (Continued)**

**(c) Interest Charges & Instalments**

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
<b>Option One</b>				
Single full payment	18/11/2021	0.0	0.00%	7.00%
<b>Option Two</b>				
First instalment	18/11/2021	0.0	0.00%	7.00%
Second instalment	18/03/2022	0.0	3.00%	7.00%
<b>Option Three</b>				
First instalment	18/11/2021	0.0	0.00%	7.00%
Second instalment	18/01/2022	0.0	3.00%	7.00%
Third instalment	18/03/2022	0.0	3.00%	7.00%
Fourth instalment	18/05/2022	0.0	3.00%	7.00%
		<b>2022 Actual</b>	<b>2022 Budget</b>	<b>2021 Actual</b>
		\$	\$	\$
Interest on unpaid rates		17,702	12,000	13,536
Interest on instalment plan		2,551	2,500	2,865
		20,252	14,500	16,401

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**23. RATE SETTING STATEMENT INFORMATION**

		2021/22 30 June 2022 Carried Forward)	2021/22 Budget 30 June 2022 Carried Forward)	2021/22 1 July 2021 Brought Forward)	2020/21 30 June 2021 Carried Forward
	Note	\$	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>					
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .					
<b>Adjustments to operating activities</b>					
Less: Profit on asset disposals	9(b)	(4,870)	0	(39,637)	(39,637)
Less: Fair value adjustments to financial assets at fair value through profit and loss		(1,998)	0	(1,293)	(1,293)
Add: Loss on disposal of assets	9(b)	0	0	2,982	2,982
Add: Depreciation	9(a)	3,013,436	2,393,945	3,129,176	3,129,176
Non-cash movements in non-current assets and liabilities:					
Pensioner deferred rates		12,655	0	(6,265)	(6,265)
Employee benefit provisions		(16,988)	34,790	(24,002)	(24,002)
<b>Non-cash amounts excluded from operating activities</b>		<b>3,002,235</b>	<b>2,428,735</b>	<b>3,060,961</b>	<b>3,060,961</b>
<b>(b) Surplus/(deficit) after imposition of general rates</b>					
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.					
<b>Adjustments to net current assets</b>					
Less: Reserve accounts	25	(1,629,000)	(1,726,467)	(1,668,323)	(1,668,323)
Add: Current liabilities not expected to be cleared at end of year					
- Current portion of borrowings	12	356,511	0	357,077	357,077
<b>Total adjustments to net current assets</b>		<b>(1,272,489)</b>	<b>(1,726,467)</b>	<b>(1,311,246)</b>	<b>(1,311,246)</b>
<b>Net current assets used in the Rate Setting Statement</b>					
Total current assets		6,884,409	2,560,070	5,666,801	5,666,801
Less: Total current liabilities		(4,046,388)	(664,497)	(3,242,304)	(3,242,304)
Less: Total adjustments to net current assets		(1,272,489)	(1,726,467)	(1,311,246)	(1,311,246)
<b>Net current assets used in the Rate Setting Statement</b>		<b>1,565,532</b>	<b>169,106</b>	<b>1,113,251</b>	<b>1,113,251</b>

SHIRE OF BODDINGTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

24. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget		
		Principal at 1 July 2020	New Loans During 2020-21	Principal Repayments During 2020-21	Principal at 30 June 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	Principal at 1 July 2021	Principal Repayments During 2021-22	Principal at 30 June 2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Administration Centre		561,337	0	(131,812)	429,525	0	(138,335)	291,190	429,525	(137,150)	292,375
Doctors Residence		25,074	0	(12,132)	12,942	0	(12,942)	0	12,942	(12,942)	0
Childcare Centre		119,180	0	(16,735)	102,445	0	(18,728)	83,717	102,445	(17,826)	84,619
House - 3 Pecan Place		193,702	0	(14,318)	179,384	0	(15,256)	164,128	179,384	(15,256)	164,128
House - 34 Hill Street		196,440	0	(14,520)	181,920	0	(15,472)	166,448	181,920	(15,472)	166,448
Recreation Centre		722,307	0	(61,727)	660,580	0	(65,711)	594,869	660,580	(63,819)	596,761
Recreation Centre		1,000,000	0	(93,153)	906,847	0	(94,613)	812,234	906,847	(94,612)	812,235
<b>Total Borrowings</b>	12	2,818,040	0	(344,397)	2,473,643	0	(361,057)	2,112,586	2,473,643	(357,077)	2,116,566

\* WA Treasury Corporation

All other loan repayments were financed by general purpose revenue.

Borrowing Interest Repayments

Purpose	Note	Function and activity	Loan Number	Institution	Interest Rate	Actual for year ending 30 June 2022	Budget for year ending 30 June 2022	Actual for year ending 30 June 2021
						\$	\$	\$
Administration Centre		Governance	105	WATC *	4.01%	(14,315)	(21,154)	(20,850)
Doctors Residence		Health	83	WATC *	6.47%	(247)	(632)	(1,069)
Childcare Centre		Education and welfare	100	WATC *	6.42%	(4,955)	(6,237)	(6,973)
House - 3 Pecan Place		Housing	94	WATC *	6.45%	(11,237)	(11,328)	(13,091)
House - 34 Hill Street		Housing	97	WATC *	6.45%	(11,396)	(11,488)	(11,444)
Recreation Centre		Recreation and culture	106	WATC *	3.36%	(19,067)	(21,600)	(23,072)
Recreation Centre		Recreation and culture	107	WATC *	1.56%	(13,662)	(13,779)	(15,123)
<b>Total Interest Repayments</b>	2(b)					(74,880)	(86,218)	(91,622)

**SHIRE OF BODDINGTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**25. RESERVE ACCOUNTS**

	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance	2022 Budget Opening Balance	2022 Budget Transfer to	2022 Budget Transfer (from)	2022 Budget Closing Balance	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by council</b>												
(a) Plant reserve	221,172	222	0	221,394	220,766	265	0	221,031	574,467	405	(353,700)	221,172
(b) Building reserve	97,125	97	0	97,222	96,947	116	0	97,063	96,947	178	0	97,125
(c) Local organisation assistance reserve	31,617	9,031	0	40,648	31,559	9,240	0	40,799	31,559	58	0	31,617
(d) Refuse site reserve	39,471	38	0	39,509	39,397	47	0	39,444	39,397	74	0	39,471
(e) Aged housing reserve	366,827	370	(100,000)	267,197	366,155	440	0	366,595	636,605	672	(270,450)	366,827
(f) Swimming pool reserve	21,006	21	0	21,027	20,967	25	0	20,992	20,967	39	0	21,006
(g) River crossing reserve	47,643	48	0	47,691	47,556	57	0	47,613	47,556	87	0	47,643
(h) Prepaid conditional grants reserve	199,559	201	0	199,760	199,193	239	0	199,432	199,193	366	0	199,559
(i) Unspent conditional grants reserve	376,700	380	0	377,080	376,011	452	0	376,463	376,011	689	0	376,700
(j) Public open space reserve	267,203	269	0	267,472	266,714	321	0	267,035	1,006,353	489	(739,639)	267,203
(k) Town Weir reserve	0	50,000	0	50,000	0	50,000	0	50,000	0	0	0	0
	1,668,323	60,677	(100,000)	1,629,000	1,665,265	61,202	0	1,726,467	3,029,055	3,057	(1,363,789)	1,668,323

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 fund the purchase of new or second hand plant and equipment
(b) Building reserve	Ongoing	to fund the construction of buildings
(c) Local organisation assistance reserve	Ongoing	to fund local organisation projects as per Council policy
(d) Refuse site reserve	Ongoing	to fund the establishment and operation of the refuse disposal facilities. All surplus income over expenditure for Sanitation at the end of the financial year is transferred to reserve.
(e) Aged housing reserve	Ongoing	to fund future aged housing developments
(f) Swimming pool reserve	Ongoing	to fund the ongoing upgrading and maintaining of the swimming pool
(g) River crossing reserve	Ongoing	to fund the upgrading and refurbishment of river crossings as decided by Council
(h) Prepaid conditional grants reserve	Ongoing	to provide a mechanism for identifying prepaid grants where the expenditure 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 fund the upgrade and rationalisation of Public Open Space and parklands within the Shire
(k) Town Weir reserve	Ongoing	to fund renewal, replacement, upgrade and maintenance expenses related to the town weir





## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2022 Shire of Boddington

To the Councillors of the Shire of Boddington

#### Opinion

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

- the Statement of Financial Position at 30 June 2022, the Statement of Comprehensive Income by Nature or Type, 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.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2022 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 for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial report and my auditor's report.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to

the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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

The Chief Executive Officer of the Shire is responsible for:

- preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the Shire's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

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

### **Auditor's responsibilities 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.

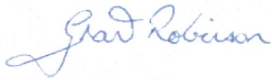
A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

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

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

### **Matters relating to the electronic publication of the audited financial report**

This auditor's report relates to the financial report of the Shire of Boddington for the year ended 30 June 2022 included in the annual report 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. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.



Grant Robinson  
Assistant Auditor General Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
7 December 2022