



SHIRE OF BEVERLEY

ANNUAL REPORT 2021/22



YOUR COUNCIL



Elected Council 2021-2023 (Standing Back Row L to R): Cr Don Davis, Cr Chris Lawlor (Deputy President), Mr Stephen Gollan (CEO) Cr David White (Shire President), Cr Alan Sattler, Cr John Maxwell and Mr Simon Marshall (Deputy CEO). (Seated Front Row L to R): Cr Peter Gogol, Cr Matt Norman, Cr Susan Martin and Cr Tim Seed.

COUNCIL MEETINGS

An Ordinary meeting of Council is held on the fourth Tuesday of each month excluding January (11 in total). There were two Special Meetings of Council in 2021/22.

Council has four active Committees:

The **Audit and Risk Committee** met twice during the financial year. Cr's Norman, White and Lawlor are members of the Audit and Risk Committee. The Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to Financial Reporting, Internal Control & Risk Management Systems, Annual Business Plans, Internal Audits, External Audits and Other Investigations.

The **Corporate Strategy Committee** met once during the financial year. All Council members are members of the Corporate Strategy Committee. The Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to Strategic Planning, Budget, Asset Management, Policies and Integrated Planning.

The **Works Committee** met once during the financial year. Cr's Sattler, Davis, Lawlor and Seed are members of the Works Committee. The Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to Roads, Plant and Equipment, Footpaths, Community Spaces and Environmental matters.

The **Cropping Committee** was not required to meet this financial year. Cr's Seed, Sattler and White are members of the Cropping Committee. The Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to the Community Cropping Program.



2021/22 MEETING ATTENDANCE

COUNCILLOR	ORDINARY MEETINGS	SPECIAL MEETINGS	COMMITTEE MEETINGS
Cr David White (President)	10	2	4
Cr Chris Lawlor (Deputy President)	11	2	4
Cr Don Davis	11	2	4
Cr Peter Gogol	11	2	4
Cr Susan Martin	11	2	3
Cr John Maxwell	8	1	2
Cr Matt Norman	4	1	2
Cr Alan Sattler	5	2	2
Cr Tim Seed	8	2	1
Cr Terry McLaughlin**	3	0	2
Cr Chris Pepper*	3	0	1

* resigned from Council at the 2021 Local Government Election

** resigned from Council in September 2021 after the Election Period

2021/22 COUNCILLOR REMUNERATION

POSITION	SITTING FEES	IT ALLOWANCE	TRAVEL ALLOWANCE***	CONFERENCE ALLOWANCE
President*	21,200	3,748	0	1,011
Deputy President**	4,975	3,748	0	1,011
Councillor	3,600	3,748	306	1,011

*Sitting Fees include Presidential Allowance of \$5,500 per annum.

** Sitting Fees include Deputy Presidential Allowance of \$1,375 per annum.

*** Cr McLaughlin claimed a travel allowance during 2021/22.

In addition, all Councillors are supplied with a fully maintained Laptop to manage Council meeting documents and Council related email correspondence.



COUNCILLOR TRAINING REPORT 2021/22

From October 2019 all newly and re-elected Councillors are required to complete Council Member Essentials.

WALGA's Council Member Essentials encompasses all five of the required training courses. This training has been specifically developed to deliver the essential skills and knowledge required by an Elected Member to perform their role as defined in the Local Government Act 1995.

The five courses are:

- Understanding Local Government;
- Conflicts of Interest;
- Serving on Council;
- Understanding Financial Reports and Budgets; and
- Meeting Procedures

At the October 2021 Election, Cr's White, Davis, Maxwell, Sattler, Seed and Martin were elected. All have commenced the Council Member Essentials via E-Learning. Cr's Sattler and Martin have completed all five courses. Cr White has 3 remaining, Cr Davis 3 remaining and Cr Maxwell two remaining. They have until 15 October 2022 to complete the courses.

Cr Norman was elected at an extraordinary election in January 2022 and has registered for the e-learning training.

Council has 'EM010 Councillor Training and Professional Development Policy' and through this policy, Councillors are encouraged to request additional training if they so wish.

Mr Stephen Gollan
Chief Executive Officer



ACHIEVEMENTS

During the 2021/22 Financial Year Council achieved the following:

STRATEGIC ACTIVITIES	OUTCOME
<p>1. Maintain Moderate Rate Increases</p>	<p>Following the freezing of Rates and Fees and Charges in the 2020/21 Financial Year, Council resolved to increase Rates by 5% in 2021/22 (effectively 2.5% per year).</p> <p>Further, Council maintained its 10% discount for Rates paid within 21 days. The Shire of Beverley is the only Local Government Authority that continues to offer such an incentive in the State.</p>
<p>2. Vincent Street Streetscape</p>	<p>Construction of the Vincent St Streetscape project began in October 2021 marking one of the biggest undertakings Council has progressed.</p> <p>Works completed during the year included the undergrounding of power, drainage renewal, reconstruction and bitumen seal of the road and the installation of new streetlighting.</p> <p>Footpath works, landscaping and the application of the final asphalt seal are due to be completed in 2022/23.</p> <p>The project is well funded attracting Building Better Regions funding of \$1.5M, Local Roads and Community Infrastructure funding of \$954,000 and Roads to Recovery funding of \$300,000.</p> <p>Council also raised a loan of \$1M and utilised Reserve funds to ensure adequate financial resources are available to deliver the project.</p>
<p>3. Caravan Park Onsite Cabin Accommodation</p>	<p>The construction of six onsite accommodation units at the Beverley Caravan Park was completed in July 2021 with our first guests utilising the new facilities in August 2021.</p> <p>The Cabins, as they have become affectionately known, have been extremely well received attracting many visitors to Town and providing an alternative for visiting contractors.</p> <p>Operationally the Cabins achieved an occupancy rate of ~50%, produced \$120,000 in revenue and made a operating profit of \$64,000 in their first 10 months of operation.</p>
<p>4. Road Construction</p>	<p>Council invested \$1.46 Million in road construction works (excluding the Vincent St works) during 2021/22.</p> <p>This represents 23% of Councils capital expenditure for the year.</p> <p>Road construction works for 2021/22 covered 24 Km.</p>



ACHIEVEMENTS *CONTINUED*

STRATEGIC ACTIVITIES	OUTCOME
5. Closing Surplus Position	<p>Council achieved a closing surplus position for the 2021/22 financial year of \$2.42 Million.</p> <p>This includes an advanced payment of \$1M in financial assistance grants and carried over grant funding associated with the Vincent St project.</p>
6. Maintain Acceptable Debt Levels	<p>Council raised a loan of \$1M during 2021/22 to partially fund the Vincent St project at a 20 year fixed interest rate of 1.99%.</p> <p>Council's overall debt as at 30 June 2022 was \$2.26M.</p> <p>Council's debt servicing ratio, which compares operating surplus to principal and interest expenses, strengthened to 10.34.</p> <p>Council's internal ratio of Rates to Debt, which expresses Rates raised as a multiple of debt levels was 1.30 reflecting the new borrowings.</p> <p>Council does not intend to raise any loans in 2022/23.</p>



KEY STRATEGIC ACTIVITIES FOR 2022/23

The following are the key activities funded in the 2022/23 Annual Budget and these will contribute in achieving the strategic vision, goals and outcomes detailed in the Shire's Strategic Community Plan.

STRATEGIC ACTIVITIES	PLANNED WORKS	TIMELINE
Vincent Street Streetscape Project	Completion of the redevelopment of Vincent Street including footpath renewal, landscaping and road pavement works.	Complete by October 2022.
Electric Vehicle (EV) Fast Charger	Install an EV fast charger at the Cornerstone to attract EV visitors to Town. It is planned to leverage State Government funding as announced in the recent State Budget.	Complete by April 2023.
Swimming Pool Solar Power	Install a 25kW Solar System on the Ram Shed to reduce mains power consumption at the Swimming Pool.	Complete by November 2022.
Plant Replacement	Ongoing replacement of Plant as per Councils 10 Year Program. 2021/22 replacements include a Grader and several passenger vehicles.	Complete by June 2023.
Bridge Works	Work on Bridge 3203 Kokeby East Road scheduled to be undertaken in 2021/22 have been carried over.	Complete by June 2023.
Road Construction	Ongoing upgrade and renewal works across the Shire including West Dale and Mawson Roads and a continued 2nd seal, gravel resheeting, roadside spraying and tree lopping program.	Complete by June 2023.



STATEMENT BY THE SHIRE PRESIDENT

2021/2022 was a year of significant challenges with increased concerns over the general economic outlook, not just for Australia, but the world at large. Covid underpinned most of these concerns as businesses came under pressure through supply chain issues and staff shortages. Both of these issues were felt by the Shire and are not expected to ease in the financial year 2022/2023.

We commenced the 2021/2022 financial year with our main project for Vincent Street being the primary one. Using a combination of external grant funding, reserves and a low interest treasury loan the Vincent Street Streetscape Project commenced in earnest. The power was sunk underground, the footpaths were replaced, the old road base replaced and kerbing installed. Unfortunately, the project suffered delays through COVID-19, staff shortages, inclement weather and supply issues. Therefore, the expected 30 June 2022 completion date was not met. Nevertheless, staff and Council continue to push on and when completed the Vincent Street business precinct will be invigorated with a new hot mix surface, new street furniture, safe pedestrian crossings and much needed greenery.

Council completed the construction of six accommodation units on the vacant area north of the Caravan Park with landscaping and carports in 21/22. Three of the units are two bedrooms to cater for visiting families and groups and three units are one bedroom to cater for travelling singles, couples and contractors. The units were officially opened in February 2022. The project has been a complete success, achieving an occupancy rate of about 60% since opening in August 2021.

Together with the Vincent Street redevelopment and onsite units, the recent completion of Moort Wabiny Park and the Cornerstone Building have added much to the renewal of infrastructure in the town. They have all been initiated to revitalise Beverley, encourage visitors, new business, more foot traffic and economic development within the townsite.

Council continues to support and be involved in our local community. Through our Community Grants program over \$22,000.00 was awarded to 11 different groups for various projects. Council was also pleased to support our local youth and indigenous peoples by sponsoring \$7,000.00 towards the development of the Ballardong Planisphere in conjunction with Astrotourism WA and RDA Wheatbelt

Council was approached by the Beverley Redbacks Football and Netball Clubs to redevelop the viewing area at the function centre of the sports oval. The club offered both a financial and in-kind contribution to the project. As the project met a Disability Access and Inclusion Program outcome, the project was happily supported by Council and has now resulted in an area that has inclusive access and can be enjoyed by all community members and visitors.

Council continued to sponsor large events that attract regional visitors to our town. The Beverley Agricultural Show, Annual Beverley Station Arts Easter Art Exhibition and the Easter Tennis tournament. These are all run entirely by Committees of volunteers and Council extends its appreciation to everyone involved. Volunteering is vital in communities such as ours.



In 2021/22 rate levels increased overall by 5%. Council is mindful of economic challenges for constituents, aiming to use sound planning and access to external funding where possible to support responsible financial management for the district. The rate increase was again retained below the 10-year financial plan projection. Council is proud to be one of the last Local Government Authorities that still offer its ratepayers a 10% discount for early and full payment of rates.

Over 65% of the rate revenue was allocated to Council's biggest assets being roads, plant replacement and bridges. In 21/22 Council invested in a new Tip Truck and Rubber Tyred Roller. Construction of the industrial land road was completed, along with the general road works programme.

The responsible and positive relationship that exists between Council, Administration and Staff at the Shire of Beverley is notable. On behalf of Council I would like to extend appreciation to our management team led by CEO Stephen Gollan for their practical and financially responsible endeavours to complete the main street in a time of serious inflation and supply issues, all which is being achieved for the benefit of the community of Beverley for the next 150 years.

Cr David White
Shire President



STATEMENT BY THE CHIEF EXECUTIVE OFFICER

I am pleased to present the 2021/22 Annual Report to elected members, residents and rate payers.

Guided by the Shire of Beverley Community Strategic Plan, staff and council continue to work hard throughout the year to deliver quality services and facilities to the Beverley Community. The 21/22 financial year was a busy year, notably with the commencement of the Vincent Street Redevelopment, completion of the onsite units at the caravan park and delivering a large road construction and maintenance program.

In August 2021 the onsite units, located north of the caravan park, had the finishing touches applied and were open for business. Located within 400m walking of the shopping precinct they are continually booked out and constantly receive excellent praise and review. The official opening was held in February 2022 and was well attended. Thank you to Simon Marshall, Deputy Chief Executive Officer for delivering a successful project on time and on budget.

October 2021 saw the Local Government Elections held. Council bid farewell to retiring Deputy President Chris Pepper at this time. Thanks to Chris for his valuable time representing the Community for a total of 10 years. Council was pleased to welcome new Councillors John Maxwell, Matt Norman and Alan Sattler.

Excitement unfolded in October 2021 when ground was broken to commence the Vincent Street Redevelopment. The undergrounding of power was successfully completed by February 2022. Unfortunately, due to many outside factors including covid, supply issues, staff shortages and the underground unknowns of a 150 year old road, the project has incurred several delays. I look forward to a completed and revitalised main street in late 2022. Manager of Planning, Stefan de Beer has worked tirelessly and often in stressful times to deliver this project on behalf of the Council and Community. He is to be commended for his outstanding work ethic and positive attitude in trying times.

Throughout all the financial year, ongoing outside Shire activities including infrastructure works, construction programs, maintenance programs and gardening occur for all our major assets, and I thank Steve Vincent, Manager of Works and the outside team for their hard work to complete the various programs. Also occurring year-round, staff in the administration office complete various functions for the benefit of the community, this year including co-ordinating the preparations for the Spring Back to Beverley event; applying for external funding; executing planning and building applications; ongoing licensing training for the Department of Transport; and facilitating the production of the Beverley Blarney.

Thanks is extended to the Beverley Historical Society and Beverley Station Arts Committees whose members volunteer their time to look after Shire assets. The Dead Finish Museum and Beverley Platform Theatre are always well looked after and presented impeccably to the community and visitors.



Thank you to the Shire President Cr David White, continuing and newly Elected Members for their commitment to the community and for meeting their ongoing training expectations to further their understanding of Local Government.

Finally, throughout the year (and previous years), the Shire has invited ‘Community Comment or Participation’ in the form of Annual Electors Meeting, Consultation for the Avon River Concept Plan and Consultation for Avondale. Only a very small number of community members attended or participated. The production of concept plans for shovel ready projects comes from these consultation exercises. They are essential to have in the draw for when future external funding becomes available. It is vital that the Beverley Community actively participates in the decision-making and consultation process in large numbers so that Council can make informed decisions on behalf of the electors and for Staff who carry out the procedural operations for Council.



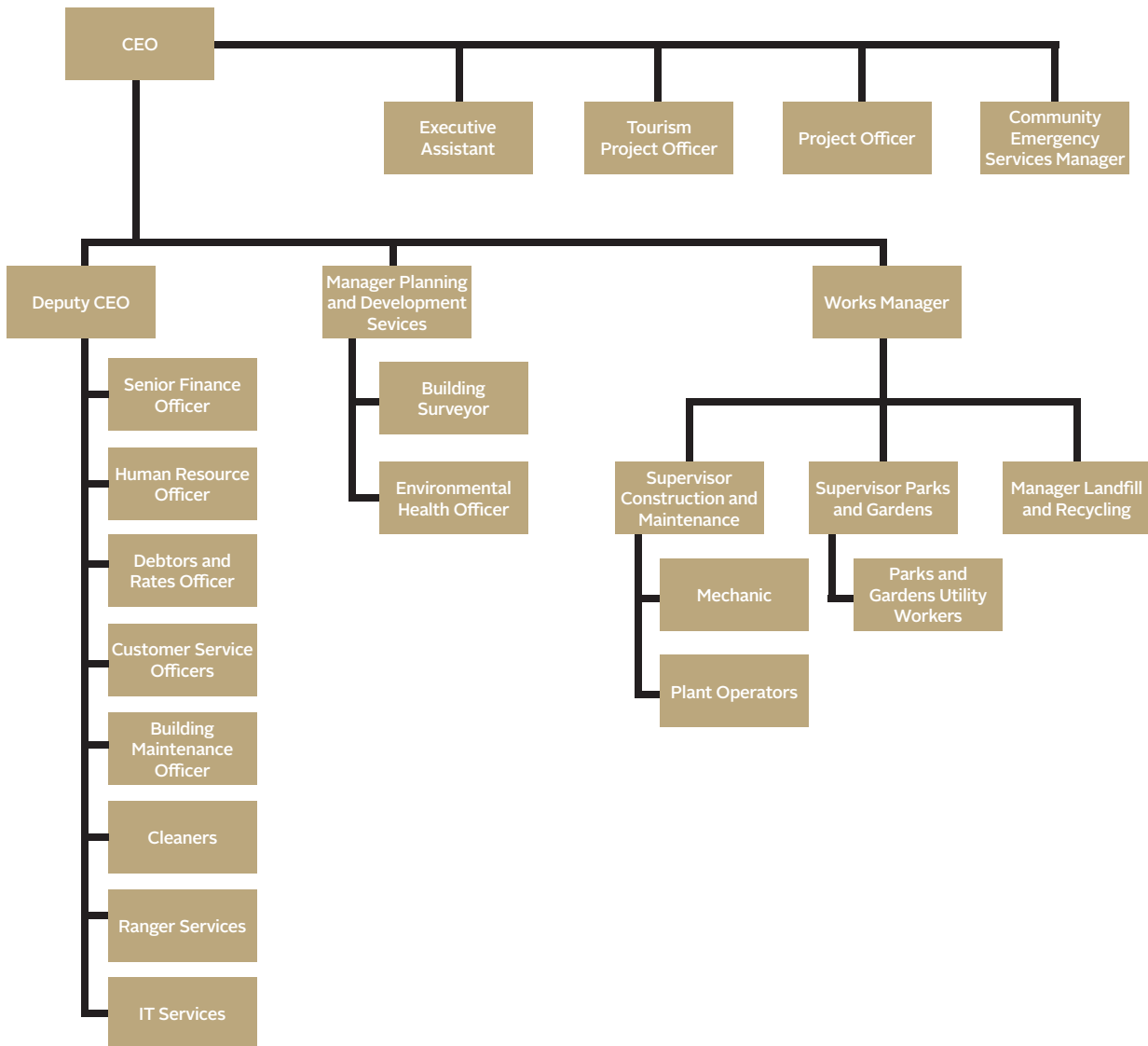
Mr Stephen Gollan
Chief Executive Officer



ORGANISATIONAL STRUCTURE

The Shire of Beverley staff members are part of the corporate structure headed by the Chief Executive Officer. This corporate approach ensures that staff members work towards achieving common goals.

The Shire’s staff are organised across four Divisions, Community Services, Corporate Services, Infrastructure Services and Technical Services. Whilst the Chief Executive Officer is responsible for the overall management of the organisation, each Division has its own Senior Officer who oversees the functioning of their respective Division. The Corporate Management Team implements and administers the policies of the Elected Members.



LEGISLATIVE COMPLIANCE

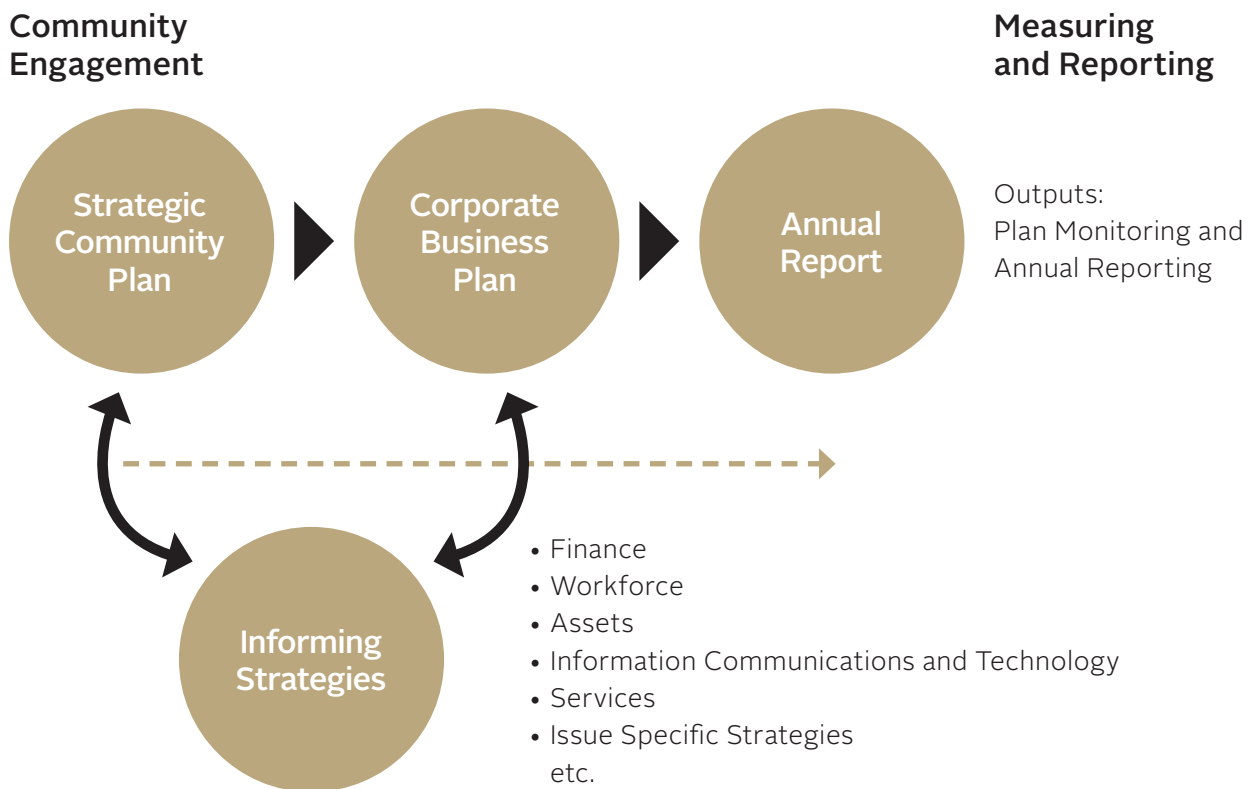
INTEGRATED PLANNING AND REPORTING (IPR) FRAMEWORK

The IPR framework is designed to establish community priorities and linking this information into different parts of a local government's functions.

The IPR framework requirements are outlined in the Local Government (Administration) Regulations Division 3 – Planning for the Future.

The minimum requirements of the Regulations stipulate that the Local Government is to produce a Strategic Community Plan covering a period of no less than 10 years and a Corporate Business Plan covering a period of at least four years.

The diagram below illustrates the different elements of the IPR:



ELEMENTS OF INTEGRATED PLANNING AND REPORTING FRAMEWORK



STRATEGIC COMMUNITY PLAN

Our Strategic Community Plan 2017-2027 is a Council visionary forward planning document based on community feedback, our current position and desired position.

REVIEW

Council completed a Minor Review of the Strategic Community Plan in April 2021. The updates were then made available for public comment throughout May and June 2021. The updated document was then formally adopted by Council. A full review is set for 2023.

Council's vision, value's, priorities and goals remain as:

OUR VISION:

A vibrant and progressive community which values its history in a welcoming and friendly place to live, work and visit. Beverley is the place to BE!

WE VALUE:

- The contributions made by our community towards an inclusive, active, diverse and friendly community
- Our natural resources and our place in the natural environment
- Economic diversity and opportunistic growth
- Forward thinking leadership and good governance

COUNCIL PRIORITIES:

1. Our investments support or facilitate employment and local business growth.
2. Our people, the community and quality of life are important to our success.
3. Our relationships bring financial, social, health and environmental benefits to the organisation and residents

GOALS:

The Strategic Plan has 12 goals covering Infrastructure, Economic Development, Our People, Our Location and Governance.

Achievements of the 2021/22 financial year are listed on the following pages.

2021/22 STRATEGIC COMMUNITY PLAN ACHIEVEMENTS

The following objectives as outlined in the Shire of Beverley's Strategic Community Plan were achieved during the 2021/22 financial year:

INFRASTRUCTURE – GOAL 1

- **Shire infrastructure is prepared for economic gains and increase in our population:** Council invested \$1.46M in road construction which covered 24km of roads. \$209,000 was invested in plant renewal which included a tip truck and a new multi tyre roller.

INFRASTRUCTURE – GOAL 2

- **Community infrastructure of significance, economic value and history adds to our identity:** The Shire has developed a Heritage Trail on Vincent Street. The trail will include a trail head marker, place signage and an interactive QR App.
Council continues to support various grant funding applications by Noongar Land Enterprises to develop and establish Bush Foods Industry at Avondale Farm.

ECONOMIC DEVELOPMENT – GOAL 3

- **To have land available for domestic and commercial growth:** In line with the Shire of Beverley Housing Strategy an unused property was sold (with public notice) to allow the growth of a private enterprise business that supports both residents, other business and the agricultural sector.

ECONOMIC DEVELOPMENT – GOAL 4

- **Vincent Street is activated and aesthetically improved:** The Vincent Street Streetscape Project commenced construction in 21/22. The project, which will finish in late 2022, will see the beautification of the street with lighting, seating, safe pedestrian crossings and the inclusion of a heritage trail. Portions of



the project completed in 21/22 were the undergrounding of power, construction of new drainage, construction of the road base, kerbing and new footpaths.

ECONOMIC DEVELOPMENT – GOAL 5

- **Existing businesses can grow in Beverley and new business are attracted:** The industrial land road was completed to improve access, making land in the industrial area more attractive.

Council has supported CRISP Wireless in their grant funding applications to enable better internet connectivity for the Shire of Beverley. The importance of business including primary producers, health centres and residents having fast and secure internet connectivity cannot be understated. Improving connectivity will see business remain and grow in Beverley.

ECONOMIC DEVELOPMENT – GOAL 6

- Beverley has a unique identity in the region and is well visited: Council supported the growing tourism by completing the construction of six new onsite (self-contained) cabins at the Beverley Caravan Park. The onsite accommodation was formally opened in February 2022.

Council continues to support community events including the annual Beverley Agricultural Show and Beverley Rose Show.

The Tourism Project Officer has worked closely with a Community Working Group throughout 21/22 to produce the “Springback to Beverley 2022” event which will celebrate 150 years of the Dead Finish Museum and 150 years of the Beverley Roads Board.

OUR PEOPLE – GOAL 7

- **Increase all forms of club participation:** the Shire allocated \$25,000 to two rounds of Community Grants that are open to all incorporated groups. In 2021/22, just over \$22,000 was distributed to a total of eleven community groups and clubs.

OUR PEOPLE – GOAL 8

- **Beverley continues to be an inclusive, friendly and caring community:** Council continues to work towards providing universal access to all Council facilities where possible. In 2021/22 the viewing area at the Beverley Oval was redeveloped to include a new access ramp and tiered seating.

Further upgrades to the playground at the oval were made including covered seating and swings for smaller children.

OUR PEOPLE – GOAL 9

- **We have a healthy and safe community:** The Local Emergency Management Group meets quarterly and is represented by Council, Fire Control Officers, Beverley Police, Beverley Hospital, Beverley District High School and the Beverley CWA. The Local Emergency Plan is updated at each meeting.

Council has a representative on the Early Years Network Committee, the Alex Miles Lodge Committee and the Local Health Advisory Group.

OUR LOCATION – GOAL 10

- **Rivers, lakes and reserves are an attraction for locals and visitors:** A new trail opened at Dale River Pool complete with signage.

Council consulted with the Community to develop a concept plan for the Avon River Park area.

OUR LOCATION – GOAL 11

- **We aim to protect, manage and preserve our natural environment:** The Shire has undertaken mitigation works along the Avon River to clear vital paths in case of fire or other disasters.

Water captured by Council’s Storm Water Harvesting Dams and treated water provided by the Water Corporation is continuing to sustain the Town Oval and the main street gardens.



Solar power systems on the Shire Administration Building and Cornerstone Community Centre are working well, reducing Council's use of non-renewable power sources and at the same time reducing operating expenses. Council has added solar to two of its housing stock. It is investigating ways of utilising roof space on other Council owned assets for the purpose of harvesting solar energy.

GOVERNANCE – GOAL 12

- Council leads the organisation and engages with the community in an accountable and professional manner:**
Council works closely with its Auditors to ensure all legislative requirements are met.

Community consultation was held for the Avon River Park Concept Plan.

Council has engaged with multiple state government departments and commercial companies to lobby for improvements to services in the Beverley district. These included hosting visits from state and federal political representatives and strengthening ongoing relationships with the National Trust, Lotterywest, Water Corporation and Main Roads WA.

INFORMING STRATEGIES

CORPORATE BUSINESS PLAN

The Shire of Beverley's Corporate Business Plan demonstrates how Council is going to achieve the Communities aspirations as identified in the Strategic Community Plan covering a medium term, four year time frame.

The Corporate Business Plan was adopted in 2014 and provides direction to the CEO regarding medium term operational and capital investment parameters.

A desktop review of the Corporate Business Plan is completed annually as part of the annual budgeting process.

There were no modifications made to the Shire of Beverley's Corporate Business Plan in the 2021/22 financial year. A full review will run

concurrently with the Strategic Community Plan, Disability Access and Inclusion Plan and Long Term Financial Plan in 2023.

10 YEAR LONG TERM FINANCIAL PLAN (LTFP)

The LTFP reflects detailed financial workings based on achieving the objectives of the Strategic Community Plan and incorporating elements of workforce planning and asset management. The LTFP was revised and adopted in 2019.

4 YEAR WORKFORCE PLAN (WFP)

The WFP, first adopted in 2013 and reviewed in 2019, provides a detailed management plan of Council's workforce which reflects the staffing requirements required to achieve the objectives of the Strategic Community Plan. The WFP was reviewed as part of the LTFP review process.

10 YEAR INFRASTRUCTURE ASSET MANAGEMENT PLAN (IAMP)

The IAMP, first adopted in 2013, reflects the renewal requirements of Council's infrastructure assets.

The 10 Year Infrastructure Asset Management Plan was reviewed in 2019/20 to assist in informing the review of the 10 year Long Term Financial Plan.

10 YEAR BUILDINGS ASSET MANAGEMENT PLAN (BAMP)

The BAMP, first adopted in 2012, reflects the renewal requirements of Council's building assets.

The 10 Year Building Asset Management Plan was reviewed in 2019/20. The BAMP assists in informing the review of the 10 Year Long Term Financial Plan.

10 YEAR PLANT REPLACEMENT PROGRAM (PRP)

The PRP, first adopted in 2015 and reviewed annually by Council reflects Council's Plant replacement requirements.



NATIONAL COMPETITION POLICY

The introduction of the National Competition Policy requires all local governments to include in the Annual Report, statements relating to the following:

THE STRUCTURAL REFORM OF PUBLIC MONOPOLIES

The intention of the Structural Reform of Public Monopolies, is that:

- There is a separation of regulatory and commercial functions of Public Monopolies.
- There is a separation of natural monopolistic operations and potentially competitive activities of Public Monopolies.
- There is a separation of potential competitive activities into a number of smaller, essentially independent business units.

The Shire of Beverley is not considered a natural monopoly, nor does it conduct any business activity that can be considered a Public Monopoly. Therefore the principle of structural reform of Public Monopolies does not apply to the Shire of Beverley.

COMPETITIVE NEUTRALITY

For significant local government business enterprises, which are classified as 'Public Financial Enterprises', local government will, where appropriate:

- Adopt a corporatisation model for those local government business enterprises.
- Impose on significant business enterprises:
 - Full Commonwealth, State and Territory taxes on tax equivalent systems;
 - Debt guarantee fees directed towards off-setting the competitive advantages provided by government guarantees; and
 - Those regulations to which private sector businesses are normally subject, such as those relating to the protection of the environment and planning and approval processes, on an equivalent basis to private sector competitors.

These principles have been designed to ensure that a local government has no unfair advantage over any competitor in the market place.

These principles only apply to business activities that receive more than \$200,000 in annual income, of which the Shire of Beverley has none, and therefore do not apply to the Shire of Beverley.

Council has not received any allegations of non compliance with Competitive Neutrality Principles from the private sector.

LEGISLATION REVIEW

In accordance with the National Competition Policy, all Local Laws are currently being reviewed.



DISABILITY ACCESS AND INCLUSION PLAN

The Disability Services Act 1993 was amended in December 2004, creating a requirement of public authorities to develop and implement Disability Access and Inclusion Plans (DAIPs). These Plans had to be fully developed by July 2007, and replaced and built on the achievements of Disability Service Plans (DSPs).

A complete review of the 2013-2018 plan was completed in November 2018 with Council adopting the DAIP 2018-2023 in December 2018. The next major review will be in early 2023.

A DAIP progress report is completed annually and forwarded to the Disability Services Commission. The 2021/22 progress report was completed and submitted in May 2022.

The following overarching strategies have been developed to address each of the seven desired outcome areas of the Disability Services Act from feedback gained in the consultation process.

OUTCOME 1

People with disability have the same opportunities as other people to access the services of, and any events organised by the Shire of Beverley.

STRATEGY

Ensure that people with Disability are consulted on their needs for services and the accessibility of current services.

Monitor Shire services to ensure equitable access and inclusion.

Develop links between the DAIP and other Shire Integrated plans.

Shire organised or funded events are accessible to people with Disability.

Promote Disability Services and programs available within our Shire and neighbouring Shires.



OUTCOME 2

People with disability have the same opportunities as other people to access the buildings and other facilities of the Shire of Beverley.

STRATEGY
Ensure that all Shire buildings and facilities are physically accessible to people with Disability.
Ensure that all new or redevelopment work to public buildings and applications incorporates universal access and meets BCA standards.
Improvements to the accessibility and safe crossing on the main roads (Vincent Street) in Beverley.
Advocate to local businesses the requirements for and benefits flowing from the provision of accessible venues.
Ensure that all recreational areas are accessible.
Ensure that ACROD parking meets the needs of people with disability in terms of visibility, quantity and location.

OUTCOME 3

People with disability receive information from the Shire of Beverley in a format that will enable them to access the information as readily as other people are able to access it.

STRATEGY
Improve community awareness of Shire information being available in alternative formats.
Improve employee awareness of accessible information needs and how to provide information in other formats.
Ensure that the Shire's website meets accessibility guidelines.

OUTCOME 4

People with disability receive the same level and quality of service from the employees of a public authority as other people receive from the employees of the Shire of Beverley.

STRATEGY
Ensure that all employees, current and new, are aware of disability and access issues and have the skills to provide appropriate service and information.
Ensure that all elected members are aware of the Disability Access and Inclusion Plan and Shire's commitment to it.



OUTCOME 5

People with disability have the same opportunities as other people to make complaints to a public authority.

STRATEGY

Ensure that feedback and grievance mechanisms are known and accessible for people with Disability and are acted upon.

OUTCOME 6

People with disability have the same opportunities as other people to participate in any public consultation by a public authority.

STRATEGY

Ensure that people with disability are actively consulted about the DAIP and any other significant Shire planning processes.

Ensure that all Shire public consultations, forums, workshops and meetings are inclusive and accessible and people with disability are aware of them.

OUTCOME 7

People with disability have the same opportunities as other people to maintain employment with the Shire of Beverley.

STRATEGY

Ensure that inclusive recruitment practices are undertaken when advertising all employment positions.

Improve methods of attracting, recruiting and retaining people with disability.

Of note in 2021-22, the Shire of Beverley was pleased to work with the Beverley Redbacks Football and Netball Club to redevelop the viewing area at the function centre located at the sports oval. The project resulted in an area that has inclusive access and can be enjoyed by all community members and visitors.



PUBLIC INTEREST DISCLOSURE

PUBLIC INTEREST

The Public Interest Disclosure Act 2003 (the Act), aims to facilitate and encourage the disclosure of public interest information, and to provide protection for those who have made disclosures, and for those about whom disclosures are made.

The Shire of Beverley does not tolerate corrupt or other improper conduct, including mismanagement of public resources, and the exercise of the public functions of the Shire and its officers, employees and contractors.

The Shire is committed to the aims and objectives of the Act, and recognises the value and importance of contributions of staff to enhance administrative and management practices, and supports disclosures being made by staff regarding corrupt or other improper conduct.

During the 2021/22 Financial Year there were no disclosures made under the Act.



RECORD KEEPING PLAN

The State Records Act 2000 requires that the Shire maintains and disposes of all records in the prescribed manner.

Principal 6 - Compliance: Government Organisations ensure their employees comply with the Record Keeping Plan.

RATIONALE

An Organisation and its employees must comply with the Organisation's Record Keeping Plan. Organisations should develop and implement strategies for ensuring that each employee is aware of the compliance responsibilities.

MINIMUM COMPLIANCE REQUIREMENTS

The Record Keeping Plan is to provide evidence to adduce that:

1. The efficiency and effectiveness of the organisation's record keeping system is evaluated not less than once every 5 years.
2. The Organisation conducts a record keeping program.
3. The efficiency and effectiveness of the record keeping training program is reviewed from time to time.
4. The Organisation's induction program addresses employee roles and responsibilities in regards to their compliance with the Organisation's Record Keeping Plan.

The Shire of Beverley has complied with items 1 to 4.

In the updated Plan 2020-25, the Shire of Beverley has committed to increasing staff awareness of the disposal program for records kept offsite, including understanding and awareness on how to access offsite records; and the development of a Records Disaster Recovery Plan, to include the following strategies:

- Centralised storage location of Vital Records for easy removal or recovery.
- A Register of Vital Records, listing where vital records are stored in hardcopy and electronically and how they would be recovered after a disaster.
- Coordinating details for the salvaging and documenting of damaged records, along with planning an alternative work area.
- Installation of a Records Disaster Recovery Bin.

In 2021-22 the Shire of Beverley developed its Vital Record Register and Records Disaster Recovery Plan.



REGISTER OF MINOR COMPLAINTS

Section 5.121 of the Local Government Act 1995 (Register of Certain Complaints of Minor Breaches), requires the Complaints Officer for each local government to maintain a Register of Complaints which records all complaints that result in action under Section 5.110(6) (b) or (c) of the Act (Conduct of Certain Officials).

Section 5.53 (2) (hb) of the Local Government Act 1995 requires disclosure in the Annual Report of details of entries made under Section 5.121 during the financial year in the Register of Complaints, including:

- i. The number of complaints recorded on the register of complaints;
- ii. How the recorded complaints were dealt with; and
- iii. Any other details that the Regulations may require.

In accordance with these requirements, it is advised that no complaints or minor breaches under the Local Government Act 1995 were received during 2021/22.



FREEDOM OF INFORMATION

Section 96 of the Freedom of Information Act requires local governments to publish an Information Statement.

In summary, the Shire of Beverley's Statement indicates that the Shire of Beverley is responsible for the good governance of the Shire, and carries out functions as required, including statutory compliance and provision of services and facilities.

All Council meetings are open to the public, and meeting dates and venues are advertised on a regular basis. Members of the public are invited to ask questions during Public Question Time, shortly after the commencement of each meeting.

The Shire of Beverley maintains records relating to the function and administration of the Shire, each property within the Shire, and includes such documents as the Minutes of Meetings, Rate Book, Town Planning Scheme, Local Laws, Codes of Conduct, Register of Financial Interests, Register of Delegated Authority, Financial Statements, and Electoral Rolls. These documents can be inspected free of charge at the Shire Office, 136 Vincent Street, Beverley, during office hours.

No Freedom of Information requests were received in 2021/22.



**2021/22 ANNUAL
FINANCIAL REPORT**



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

**LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Beverley for the financial year ended 30th June 2022 is based on proper accounts and records to present fairly the financial position of the Shire of Beverley at 30th 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 consistent with the Act, the Australian Accounting Standards.

Signed on the 24th day of October, 2022



S.P. Gollan
Chief Executive Officer

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

	NOTE	2021/22 Actual \$	2021/22 Budget \$	2020/21 Actual \$
Revenue				
Rates	23(a)	2,932,607	2,940,151	2,796,908
Operating Grants, Subsidies and Contributions	29	2,074,783	1,063,533	1,637,341
Fees and Charges	28	812,987	648,180	694,412
Interest Earnings	2(a)	35,081	25,831	50,043
Other Revenue		487,763	500,874	492,457
		<u>6,343,221</u>	<u>5,178,569</u>	<u>5,671,161</u>
Expenses				
Employee Costs		(2,188,326)	(2,245,286)	(2,065,363)
Materials and Contracts		(1,474,120)	(2,000,424)	(1,539,506)
Utility Charges		(234,835)	(199,182)	(219,427)
Depreciation on Non-Current Assets	2(a)	(2,379,431)	(2,405,057)	(2,359,536)
Interest Expenses	2(a)	(85,247)	(65,273)	(65,624)
Insurance Expenses		(229,584)	(227,251)	(201,256)
Other Expenditure		(113,757)	(107,725)	(93,604)
		<u>(6,705,302)</u>	<u>(7,250,198)</u>	<u>(6,544,316)</u>
		(362,079)	(2,071,629)	(873,155)
Non-Operating Grants, Subsidies and Contributions	29	3,096,186	3,659,796	2,326,087
Profit/(Loss) on Asset Disposals	21	46,248	35,100	(21,293)
Net Result		2,780,355	1,623,267	1,431,639
Other Comprehensive Income				
Changes on revaluation of non-current assets	14	-	-	8,393,340
Total Other Comprehensive Income		-	-	8,393,340
Total Comprehensive Income		2,780,355	1,623,267	9,824,979

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



**SHIRE OF BEVERLEY
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2022**

	NOTE	2021/22 Actual \$	2021/22 Budget \$	2020/21 Actual \$
Revenue				
General Purpose Funding		3,941,906	3,388,968	3,707,196
Governance		8,120	3,600	23,554
Law, Order, Public Safety		294,683	242,100	264,769
Health		1,418	300	1,910
Housing		123,864	129,692	126,792
Community Amenities		226,842	211,385	225,962
Recreation and Culture		194,146	140,541	172,148
Transport		847,491	388,327	650,004
Economic Services		283,127	177,344	124,265
Other Property and Services		10,912	(1,110)	52,014
		<u>5,932,509</u>	<u>4,681,147</u>	<u>5,348,614</u>
Expenses				
General Purpose Funding		(141,460)	(162,227)	(172,081)
Governance		(269,520)	(306,541)	(244,253)
Law, Order, Public Safety		(349,151)	(432,526)	(358,407)
Health		(127,166)	(144,777)	(151,554)
Education and Welfare		(69,633)	(111,017)	(71,281)
Housing		(171,332)	(205,724)	(192,335)
Community Amenities		(626,876)	(666,749)	(695,774)
Recreation and Culture		(1,386,150)	(1,527,427)	(1,390,484)
Transport		(2,541,356)	(2,519,187)	(2,483,962)
Economic Services		(511,683)	(593,888)	(397,711)
Other Property and Services		(15,014)	(17,440)	1,698
		<u>(6,209,341)</u>	<u>(6,687,503)</u>	<u>(6,156,144)</u>
Finance Costs				
Law, Order, Public Safety		-	-	-
Housing		-	-	-
Community Amenities		-	-	(514)
Recreation and Culture		(85,247)	(65,273)	(65,110)
	2(a)	<u>(85,247)</u>	<u>(65,273)</u>	<u>(65,624)</u>
Non-Operating Grants, Subsidies and Contributions				
Recreation and Culture		77,893	77,893	1,096,073
Transport		3,018,293	3,561,903	650,013
Economic Services		-	20,000	580,000
		<u>3,096,186</u>	<u>3,659,796</u>	<u>2,326,086</u>
Profit/(Loss) on Disposal of Assets				
Governance		21,257	(1,500)	(3,025)
Health		-	(10,000)	-
Housing		(883)	-	(3,532)
Economic Services		(5,418)	-	-
Other Property and Services		31,292	46,600	(14,736)
	21	<u>46,248</u>	<u>35,100</u>	<u>(21,293)</u>
Net Result		<u>2,780,355</u>	<u>1,623,267</u>	<u>1,431,639</u>
Other Comprehensive Income				
Changes on revaluation of non-current assets	14	-	-	8,393,340
Total Other Comprehensive Income		<u>-</u>	<u>-</u>	<u>8,393,340</u>
Total Comprehensive Income		<u>2,780,355</u>	<u>1,623,267</u>	<u>9,824,979</u>

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



**SHIRE OF BEVERLEY
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2022**

	NOTE	2021/22 Actual \$	2020/21 Actual \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	5,731,785	5,446,092
Trade and Other Receivables	4	440,166	374,613
Contract Assets	2(a)	540,382	100,000
Inventories	6	19,124	10,281
TOTAL CURRENT ASSETS		<u>6,731,457</u>	<u>5,930,986</u>
NON-CURRENT ASSETS			
Other Receivables	4	148,045	145,806
Other Financial Assets	5	58,365	55,355
Property, Plant and Equipment	7(a)	31,996,579	32,400,881
Infrastructure	8(a)	64,135,531	60,266,729
TOTAL NON-CURRENT ASSETS		<u>96,338,520</u>	<u>92,868,771</u>
TOTAL ASSETS		<u>103,069,977</u>	<u>98,799,757</u>
CURRENT LIABILITIES			
Trade and Other Payables	9	1,194,835	450,588
Other Liabilities	10	333,560	462,862
Long Term Borrowings	11	138,425	102,055
Employee Related Provisions	12	397,892	359,518
Lease Liability	17	6,837	6,833
TOTAL CURRENT LIABILITIES		<u>2,071,549</u>	<u>1,381,856</u>
NON-CURRENT LIABILITIES			
Trade and Other Payables	9	280,078	292,066
Long Term Borrowings	11	2,118,273	1,277,172
Employee Related Provisions	12	76,311	98,416
Lease Liability	17	6,837	13,673
TOTAL NON-CURRENT LIABILITIES		<u>2,481,499</u>	<u>1,681,327</u>
TOTAL LIABILITIES		<u>4,553,048</u>	<u>3,063,183</u>
NET ASSETS		<u>98,516,929</u>	<u>95,736,574</u>
EQUITY			
Retained Surplus		47,991,699	44,609,993
Reserves - Cash Backed	13	2,229,360	2,830,711
Revaluation Surplus	14	48,295,870	48,295,870
TOTAL EQUITY		<u>98,516,929</u>	<u>95,736,574</u>

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



**SHIRE OF BEVERLEY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2022**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH/ INVESTMENT BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2020		43,427,040	2,582,025	39,902,530	85,911,595
Comprehensive Income					
Net Result		1,431,639	-	-	1,431,639
Changes on Revaluation of Non-Current Assets	14	-	-	8,393,340	8,393,340
Total Comprehensive Income		1,431,639	-	8,393,340	9,824,979
Reserve Transfers		(248,686)	248,686	-	-
Balance as at 30 June 2021		44,609,993	2,830,711	48,295,870	95,736,574
Comprehensive Income					
Net Result		2,780,355	-	-	2,780,355
Total Other Comprehensive Income		2,780,355	-	-	2,780,355
Reserve Transfers		601,351	(601,351)	-	-
Balance as at 30 June 2022		47,991,699	2,229,360	48,295,870	98,516,929

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

**SHIRE OF BEVERLEY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2022**

	NOTE	2021/22 Actual \$	2021/22 Budget \$	2020/21 Actual \$
Cash Flows From Operating Activities				
Receipts				
Rates		2,932,608	2,940,151	2,796,908
Operating Grants, Subsidies and Contributions		2,074,783	1,063,533	1,637,341
Fees and Charges		812,985	648,180	694,412
Interest Earnings		35,082	25,831	50,044
Other Revenue		(125,643)	500,872	899,350
		<u>5,729,815</u>	<u>5,178,567</u>	<u>6,078,055</u>
Payments				
Employee Costs		(2,172,057)	(2,245,286)	(2,026,781)
Materials and Contracts		(1,474,120)	(2,000,424)	(1,539,506)
Utility Charges		(234,835)	(199,182)	(219,427)
Insurance Expenses		(229,584)	(227,251)	(201,256)
Interest expenses		(78,024)	(65,273)	(66,010)
Other Expenditure		573,064	(112,963)	(87,441)
		<u>(3,615,556)</u>	<u>(4,850,379)</u>	<u>(4,140,421)</u>
Net Cash Provided By (Used In)				
Operating Activities	15(b)	<u>2,114,259</u>	<u>328,188</u>	<u>1,937,634</u>
Cash Flows from Investing Activities				
Payments for Purchase of Property, Plant & Equipment	7(b)	(1,123,988)	(1,276,873)	(2,027,351)
Payments for Construction of Infrastructure	8(b)	(5,238,520)	(6,802,098)	(1,269,914)
Non-Operating Grants, Subsidies and Contributions	29	3,096,186	3,296,934	2,326,087
Proceeds from Sale of Plant & Equipment	21	564,826	359,000	78,182
Proceeds (to) financial assets at amortised cost - Bonds		(11,988)	-	(11,988)
Payments from financial assets at amortised cost – Term Deposits		-	-	2,582,024
		<u>(2,713,484)</u>	<u>(4,423,037)</u>	<u>1,677,040</u>
Net Cash Provided By (Used In)				
Investing Activities		<u>(2,713,484)</u>	<u>(4,423,037)</u>	<u>1,677,040</u>
Cash Flows from Financing Activities				
Repayment of Debentures	22	(122,530)	(102,053)	(137,937)
Proceeds from Self Supporting Loans		14,285	14,285	17,288
Repayment of Finance Leases		(6,837)	(6,837)	20,508
Proceeds from New Debentures	22	1,000,000	1,000,000	-
		<u>884,918</u>	<u>905,395</u>	<u>(100,141)</u>
Net Cash Provided By (Used In)				
Financing Activities		<u>884,918</u>	<u>905,395</u>	<u>(100,141)</u>
Net Increase (Decrease) in Cash Held				
Cash at Beginning of Year		5,446,092	5,142,037	1,931,559
Cash and Cash Equivalents at the End of the Year				
	15(a)	<u><u>5,731,785</u></u>	<u><u>1,952,583</u></u>	<u><u>5,446,092</u></u>

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



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

	NOTE	2021/22 Actual \$	2021/22 Budget \$	2020/21 Actual \$
Revenue				
General Purpose Funding		1,009,298	448,316	910,288
Governance		29,377	2,100	23,554
Law, Order, Public Safety		294,683	242,100	264,769
Health		1,418	300	1,910
Housing		123,864	129,692	126,792
Community Amenities		226,842	211,385	225,962
Recreation and Culture		272,039	218,434	1,268,221
Transport		3,865,784	3,950,230	1,300,017
Economic Services		283,127	197,344	704,265
Other Property and Services		42,204	45,490	52,014
		<u>6,148,636</u>	<u>5,445,391</u>	<u>4,877,792</u>
Expenses				
General Purpose Funding		(141,460)	(161,727)	(172,081)
Governance		(269,520)	(306,541)	(247,278)
Law, Order, Public Safety		(349,151)	(432,526)	(358,407)
Health		(127,166)	(154,777)	(151,554)
Education and Welfare		(69,633)	(111,017)	(71,281)
Housing		(172,215)	(205,724)	(192,335)
Community Amenities		(626,876)	(666,749)	(696,288)
Recreation and Culture		(1,471,397)	(1,592,700)	(1,459,126)
Transport		(2,541,356)	(2,519,187)	(2,483,962)
Economic Services		(517,101)	(593,888)	(397,711)
Other Property and Services		(15,014)	(17,440)	(13,038)
		<u>(6,300,889)</u>	<u>(6,762,276)</u>	<u>(6,243,061)</u>
Net Result Excluding Rates		(152,253)	(1,316,885)	(1,365,269)
Adjustments for Cash Budget Requirements:				
Non-Cash Expenditure and Revenue				
Movements in Non-Current to Current Items		(37,821)	-	3,330
(Profit)/Loss on Asset Disposals	21	(46,248)	(35,100)	21,293
Depreciation and Amortisation on Assets	2(a)	2,379,431	2,405,057	2,359,536
Total Non-Cash Expenditure and Revenue		2,295,364	2,369,957	2,384,159
Capital Expenditure and Revenue				
Purchase Land and Buildings	7(b)	(313,877)	(329,893)	(1,805,071)
Purchase Plant and Equipment	7(b)	(810,111)	(946,980)	(191,731)
Purchase Furniture and Equipment	7(b)	-	-	(30,549)
Purchase Infrastructure Assets - Roads	8(b)	(2,925,543)	(6,556,552)	(1,203,986)
Purchase Infrastructure Assets - Other	8(b)	(2,312,977)	(245,546)	(65,928)
Proceeds from Disposal of Assets	21	564,826	359,000	78,182
Repayment of Leases	17	(6,837)	-	-
Repayment of Debentures	22	(122,530)	(102,053)	(137,937)
Proceeds from New Debentures	22	1,000,000	1,000,000	-
Self-Supporting Loan Principal Income		14,285	14,285	17,288
Transfers to Reserves (Restricted Assets)	13	(506,455)	(122,618)	(279,356)
Transfers from Reserves (Restricted Assets)	13	1,107,806	1,283,324	30,670
Total Capital Expenditure and Revenue		(4,311,413)	(5,647,033)	(3,588,418)
ADD Surplus/(Deficit) July 1 B/Fwd.	23(b)	1,653,812	1,653,810	1,426,432
LESS Surplus/(Deficit) June 30 C/Fwd.	23(b)	2,418,115	-	1,653,812
Total (Deficit) to be covered by General Rate	23(a)	(2,932,607)	(2,940,151)	(2,796,908)

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

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

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

(a) Basis of Preparation

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

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

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost 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 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 as 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.

(b) The Local Government Reporting Entity, Judgments and Estimates

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, but a separate statement of those monies appears at Note 20 to these financial statements.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgments, 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 judgments 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, infrastructure and investment property;
- Estimation uncertainties made in relation to lease accounting; and
- Estimated useful life of intangible assets.



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

1. SIGNIFICANT ACCOUNTING POLICIES

(c) 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.

(d) Cash and Cash Equivalents

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

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable within 24 hours notice with no loss of interest.

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

(e) Restricted Financial Assets

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

Details of restrictions on financial assets can be found at Note 3.

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) 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.

Information about impairment of trade receivables and their exposure to credit risk can be found in Note 34.

Receivables which are generally due for settlement within 30 days except rates receivable 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 BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2022**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Trade and Other Receivables (continued)

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

Revenue Category	Nature of Goods and Services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates	General rates	Over time	Payment dates adopted by Council during the year	None	Adopted by Council annually	When taxable event occurs	N/A	When rates notice is issued
Grants, subsidies or contributions for the construction of non-financial assets.	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed term transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with funding body	Based on the progress of works matched to performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations
Grants, subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No obligations	N/A	N/A	Cash received	On receipt of funds	N/A	When assets are controlled
Fees and charges- licences, registrations, approvals	Building, planning, development and animal management, having the same nature as a licence	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost provision	Based on timing of issue of the associated rights	No refunds	On payment of the licence, registration or approval

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Trade and Other Receivables (continued)

Revenue Category	Nature of Goods and Services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Fees and charges- Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annual fee	None	Set by State legislation	Apportioned equally across the inspection cycle	N/A	After inspection complete based on a four year cycle
Fees and charges- Other inspections	Regulatory food, health and safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost provision	Applied fully at time of inspection	N/A	After inspection complete
Fees and charges- Waste management	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by Council annually	Apportioned equally over the collection period	N/A	Output method based on regular weekly and fortnightly periods as proportionate to collection service
Fees and charges- Property hire	Use of Halls and other facilities	Single point in time	Payment in full in advance	Refund if event cancelled	Adopted by Council annually	Based on timing of entry to facility	Returned limited to repayment of transaction	On entry or at conclusion of hire
Fees and charges- Commercial lease	Lease of office facilities	Over time	Fixed term transfer of funds based on agreed lease terms	None	As per lease agreement	Based on timing of entry to facility	N/A	Output method over lease term matched to access right



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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Trade and Other Receivables (continued)

Revenue Category	Nature of Goods and Services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Fees and charges- Memberships	Community Gym and Pool Memberships	Over time	Payment in full in advance	None	Adopted by Council annually	Apportioned equally over the access period	Returned limited to repayment of transaction	Output method over 12 months matched to access right
Fees and charges- Other goods and services	Cemetery services, Library fees, private works	Single point in time	Payment in full in advance	None	Adopted by Council annually	Applied fully based on timing of provision	N/A	Output method based on provision of service or completion of works
Fees and charges- Fines	Fines issued for breaches of local laws	Single point in time	Payment in full within defined time	None	Adopted by Council annually	When taxable event occurs	N/A	When fine notice is issued
Other Revenue- Commissions	Commissions on transport licencing and building levies	Single point in time	Payment in full on sale	None	Set by mutual agreement with customer	On receipt of funds	N/A	When assets are controlled
Other Revenue- Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with customer	When claim is agreed	N/A	When claim is agreed

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Inventories

General

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

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

(h) Fixed Assets

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

Initial recognition and measurement

All assets are initially 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.

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 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.



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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Fixed Assets (Continued)

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

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



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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Fixed Assets (Continued)

Depreciation of Non-Current Assets

All non-current assets having a limited useful life (excluding freehold and vested land) are separately and systematically depreciated over their useful lives in a manner which reflects the Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period.

Major depreciation periods are:

Land	not depreciated
Buildings	25 to 50 years
Furniture and Equipment	3 to 10 years
Plant and Equipment	5 to 50 years
Sealed roads and streets	
- Formation	not depreciated
- Pavement	40 years
- Bituminous seals	15 years
Gravel roads	
- Formation	not depreciated
- Pavement	40 years
- Gravel sheet	20 years
Formed roads (unsealed)	
- Formation	not depreciated
- Pavement	40 years
Bridges	100 years
Footpaths - slab	48 years
Water supply piping & drainage systems	54 years
Parks and Ovals	25 years



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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Fixed Assets (Continued)

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. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

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 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.

(i) Fair Value of Assets and Liabilities

When performing a revaluation, Council uses a mix of both independent and management valuations using the following as a guide:

Fair Value is the price that Council 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.



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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Fair Value of Assets and Liabilities (Continued)

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

Council 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 Council 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 an asset at its current service capacity.

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, Council 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.



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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Impairment of assets

In accordance with Australian Accounting Standards the Council'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). 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 amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

(k) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. 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 BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2022**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Employee Benefits

The Council'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 Council'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.

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

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at 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.

Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where Council 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 BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2022**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) 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.

(n) Provisions

Provisions are recognised when:

- a) the Council has a present legal or constructive obligation as a result of past events;
- b) for which it is probable that an outflow of economic benefits will result; and
- c) that outflow can be reliably measured.

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

(o) Leases

At the inception of the contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Lease for right of use assets are secured over the asset being leased.

Right of use asset - valuation

ROU assets are measured at cost. This means that all ROU assets (other than vested improvements) under zero cost concessionary lease are measured at zero cost (i.e. not included on the balance sheet). The exception is vested improvements which are reported at fair value.

Right of use asset - depreciation

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Investments in Associates

The Council has no investments held in any third party entities.

(q) Joint Venture

The Council has no interest in any Joint Venture.

(r) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

(s) Superannuation

The Council contributes to a number of superannuation funds on behalf of employees. All funds to which the Council contributes are defined contribution plans.

(t) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where the Council 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 even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.

(u) 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.

(v) Comparative Figures

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

When the council applied an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement that has a material effect on the statement of financial position, a statement of financial position as at the beginning of the earliest period will be disclosed.

(w) 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.



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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) 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.

(y) New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Council.

Management's assessment of the new and amended pronouncement that are relevant to the Council, applicable to future reporting periods and which have not yet been adopted are set out as follows.

	Title and Topic	Issued	Applicable (*)	Impact
(i)	AASB 2020-1 Amendments to Australian Accounting Standards – Classification of liabilities as current or non-current	March 2020	1 January 2022	AASB 2020-1 Amendments to Australian Accounting Standards – Classification of liabilities as current or non-current is not expected to impact the financial report.
(ii)	AASB 2020-3 Amendments to Australian Accounting Standards – Annual improvements 2018-2020 and other amendments	June 2020	1 January 2022	AASB 2020-3 Amendments to Australian Accounting Standards – Annual improvements 2018-2020 and other amendments is not expected to impact the financial report.
(iii)	AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of accounting policies or definition of accounting estimates	February 2021	1 January 2023	AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of accounting policies or definition of accounting estimates is not expected to impact the financial report.
(iv)	AASB 2021-7 Amendments to Australian Accounting Standards – Effective date of amendments to AASB 10 and AASB 128 and editorial corrections	December 2021	1 January 2025	AASB 2021-7 Amendments to Australian Accounting Standards – Effective date of amendments to AASB 10 and AASB 128 and editorial corrections is not expected to impact the financial report.

Notes:

(*) Applicable to reporting periods commencing on or after the given date.

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

2. REVENUE AND EXPENSES	2021/22	2020/21	
	Actual	Actual	
	\$	\$	
(a) Net Result			
The Net Result includes:			
(i) Charging as an Expense:			
Auditors Remuneration			
Audit Expenses	22,810	22,810	
Other Services	400	400	
Depreciation			
Buildings	726,764	683,587	
Furniture and Equipment	31,481	16,438	
Plant and Equipment	251,468	289,793	
Roads	822,389	822,389	
Bridges	385,142	385,142	
Footpaths	37,944	37,944	
Drainage	49,658	49,658	
Parks and Gardens	74,585	74,585	
	<u>2,379,431</u>	<u>2,359,536</u>	
Interest Expenses (Finance Costs)			
Debentures (<i>refer Note 22(a)</i>)	85,247	65,624	
	<u>85,247</u>	<u>65,624</u>	
(ii) Crediting as Revenue:			
	2021/22	2021/22	2020/21
	Actual	Budget	Actual
	\$	\$	\$
Interest Earnings			
Investments			
- Reserve Funds	7,972	2,831	12,013
- Other Funds	3,402	2,500	5,741
Other Interest Revenue (<i>refer Note 27</i>)	23,707	20,500	32,289
	<u>35,081</u>	<u>25,831</u>	<u>50,043</u>



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

2. REVENUE AND EXPENSES (Continued)	2021/22 Actual	2021/22 Budget	2020/21 Actual
	\$	\$	\$
(ii) Crediting as Revenue (Continued):			
Contracts With Customers			
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:			
Operating grants, subsidies and contributions	2,074,783	1,063,533	1,637,341
Fees and charges	812,987	648,180	694,412
Other revenue	487,763	500,874	492,457
Non-operating grants, subsidies and contributions	3,096,186	3,659,796	2,326,087
	<u>6,471,719</u>	<u>5,872,383</u>	<u>5,150,297</u>

Additional detail on Fees and Charges and Grants can be found in notes 28 and 29.

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:

Revenue from contracts with customers included as contract liability at the start of the period	333,560	-	462,862
Revenue from contracts with customers recognised during the year	6,138,159	5,872,383	4,687,435
Revenue from transfers intended for acquiring or constructing recognisable non financial assets held as a liability at the start of the period	-	-	-
Revenue from transfers intended for acquiring or constructing recognisable non financial assets during the year	-	-	-
	<u>6,471,719</u>	<u>5,872,383</u>	<u>5,150,297</u>

Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable financial assets is:

Trade and other receivables from contracts with customers	-	-
Contract Assets	540,382	100,000
Contract Liabilities from contracts with customers	(333,560)	(462,862)
Financial assets held from transfers for recognisable financial assets	-	-
Grant liabilities from transfers for recognisable non financial assets	-	-

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at 30 June 2022.

Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance for which revenue is recognised over time as the performance obligations are met. Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less.

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

Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

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

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis and for each of its broad activities/programs.

Council operations as disclosed in this report encompass the following service orientated activities/programs:

GOVERNANCE

Member of Council Allowances and Reimbursements, Civic Functions, Election Expenses and Administration Expenses.

GENERAL PURPOSE FUNDING

Rates Levied, Interest on Late Payment of Rates, General Purpose Grants and Interest Received on Investments.

LAW, ORDER, PUBLIC SAFETY

Supervision of various Local Laws, Fire Prevention and Animal Control.

HEALTH

Subsidisation of the Beverley Medical Practice, Environmental Health, Food Control and Pest Control.

EDUCATION AND WELFARE

Pre-Schools and other Education. Care of Families and Children.

HOUSING

Aged Persons Residence and Staff Housing.

COMMUNITY AMENITIES

Refuse Collection Services, Landfill Site Operations, Protection of the Environment. Administration of the Town Planning Scheme and Urban Stormwater and Drainage Works.

RECREATION AND CULTURE

Maintenance of Halls, Swimming Pool, Recreation Ground, Reserves, Libraries and Other Culture.

TRANSPORT

Maintenance of Roads, Drainage Works, Footpaths, Street Lighting, Crossovers, Verge Maintenance and Street Sweeping.

ECONOMIC SERVICES

Weed Control, Area Promotion, Implementation of Building Controls, Swimming Pool Inspections.

OTHER PROPERTY & SERVICES

Private Works, Public Works Overheads, Plant Operations, Materials, Salaries and Wages Controls and Other Unclassified Activities.



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

	2021/22 Actual \$	2020/21 Actual \$
3. CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	2,876,799	1,848,465
Term Deposits	2,854,986	3,597,627
	<u>5,731,785</u>	<u>5,446,092</u>
Unrestricted	2,876,799	1,848,465
Restricted	2,854,986	3,597,627
	<u>5,731,785</u>	<u>5,446,092</u>
The following restrictions have been imposed by regulations or other externally imposed requirements:		
Reserve Funds - Cash Backed (<i>refer Note 13</i>)	2,229,360	2,830,711
Unspent Grants	333,560	462,862
ILU Retention Fees - Bond	292,066	304,054
	<u>2,854,986</u>	<u>3,597,627</u>
4. TRADE AND OTHER RECEIVABLES		
Current		
Rates Outstanding	266,561	257,252
Sundry Debtors	112,442	103,076
GST Receivable	50,195	-
Loans - Clubs/Institutions	10,968	14,285
	<u>440,166</u>	<u>374,613</u>
Non-Current		
Rates Outstanding - Pensioners	148,045	134,838
Loans - Clubs/Institutions	-	10,968
	<u>148,045</u>	<u>145,806</u>
5. OTHER FINANCIAL ASSETS		
Non-Current		
Investment - Local Government House*	58,365	55,355
	<u>58,365</u>	<u>55,355</u>
*The Shire of Beverley holds three units in the Local Government House Trust.		
6. INVENTORIES		
Current		
Fuel and Materials	19,124	10,281
	<u>19,124</u>	<u>10,281</u>



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

	2021/22 Actual \$	2020/21 Actual \$
7. PROPERTY, PLANT AND EQUIPMENT		
(a) Land and Buildings		
Freehold Land at Fair Value	2,434,196	2,457,196
Total Land	<u>2,434,196</u>	<u>2,457,196</u>
Buildings at Fair Value	35,938,350	35,840,573
Less Accumulated Depreciation	(8,647,471)	(7,923,506)
Total Buildings	<u>27,290,879</u>	<u>27,917,067</u>
Total Land and Buildings	<u>29,725,075</u>	<u>30,374,263</u>
Plant and Equipment		
Plant and Equipment at Cost	4,165,780	4,048,028
Less Accumulated Depreciation	(1,987,151)	(2,145,766)
Total Plant and Equipment	<u>2,178,629</u>	<u>1,902,262</u>
Furniture and Equipment		
Furniture and Equipment at Cost	222,897	222,897
Less Accumulated Depreciation	(130,022)	(98,541)
Total Furniture and Equipment	<u>92,875</u>	<u>124,356</u>
Total Property, Plant and Equipment	<u><u>31,996,579</u></u>	<u><u>32,400,881</u></u>

Land and Buildings:

A valuation of land and building assets was undertaken by an external consultant in April 2021 and the valuation was adopted as the fair value in June 2021.

The revaluation of land and building assets resulted in an increase on revaluation of \$8,393,343 in the net value of land and buildings.

All of this increase was credited to the revaluation surplus (refer Note 13) and was recognised as Changes on Revaluation of non-current assets in the Statement of Comprehensive Income.

Plant and Equipment:

Plant and equipment assets are measured under the cost model.

Furniture and Equipment:

Furniture and equipment assets are measured under the cost model.



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

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Movements in Carrying Amounts

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

Fair Value Hierarchy Valuation Approach Last Valued	<u>Land</u>	<u>Non- Specialised Buildings</u>	<u>Specialised Buildings</u>	<u>Total Buildings</u>	<u>Total Land and Buildings</u>	<u>Plant and Equipment</u>	<u>Furniture and Equipment</u>	<u>Total</u>
	Level 2 Market 2021	Level 2/3 Market/Cost 2021	Level 3 Cost 2021			Level 3 Cost 2021	Level 3 Cost 2021	
	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at the beginning of the year	2,457,196	8,931,794	18,985,273	27,917,067	30,374,263	1,902,262	124,356	32,400,881
Additions	-	47,783	266,094	313,877	313,877	810,111	-	1,123,988
(Disposals)	(23,000)	(207,883)	(5,418)	(213,301)	(236,301)	(282,276)	-	(518,577)
Depreciation (Expense)	-	(203,834)	(522,930)	(726,764)	(726,764)	(251,468)	(31,481)	(1,009,713)
Carrying amount at the end of year	<u>2,434,196</u>	<u>8,567,860</u>	<u>18,723,019</u>	<u>27,290,879</u>	<u>29,725,075</u>	<u>2,178,629</u>	<u>92,875</u>	<u>31,996,579</u>

The fair value of Land and Buildings is determined at least every five years in accordance with legislative requirements. Additions since the date of valuation are shown as cost, given they were acquired at arm's length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions.

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

7 PROPERTY, PLANT AND EQUIPMENT (Continued)**(c) Carrying Value Measurements**

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
(i) Fair Value					
Land and buildings					
Freehold land	2	Market approach using recent observable market data for similar properties.	Independent Registered Valuer	June 2021	Inputs, other than quoted prices, that are observable for the asset, either directly or indirectly e.g. local land sales.
Non-specialised buildings	2/3	Market approach using recent observable market data for similar properties & Cost approach using depreciated replacement cost.	Independent Registered Valuer	June 2021	Inputs, other than quoted prices, that are observable for the asset, either directly or indirectly e.g. local property sales and Depreciated replacement cost to acquire a modern equivalent that would provide equal utility.
Specialised buildings	3	Cost approach using depreciated replacement cost.	Independent Registered Valuer	June 2021	Depreciated replacement cost to acquire a modern equivalent that would provide equal utility.
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.					
(ii) Cost					
Plant and Equipment	-	Deemed Cost	Deemed Cost	N/A	Purchase Cost
Furniture and Equipment	-	Deemed Cost	Deemed Cost	N/A	Purchase Cost



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

	2021/22 Actual \$	2020/21 Actual \$
8. INFRASTRUCTURE		
(a) Roads - Valuation	41,797,483	38,871,940
Less Accumulated Depreciation	<u>(12,719,316)</u>	<u>(11,896,927)</u>
	29,078,167	26,975,013
Bridges - Valuation	42,227,546	42,227,546
Less Accumulated Depreciation	<u>(13,483,014)</u>	<u>(13,097,872)</u>
	28,744,532	29,129,674
Footpaths - Valuation	3,853,629	1,893,308
Less Accumulated Depreciation	<u>(1,263,314)</u>	<u>(1,225,370)</u>
	2,590,315	667,938
Drainage - Valuation	3,055,856	2,703,200
Less Accumulated Depreciation	<u>(719,949)</u>	<u>(670,291)</u>
	2,335,907	2,032,909
Parks & Ovals - Valuation	2,034,941	2,034,941
Less Accumulated Depreciation	<u>(648,331)</u>	<u>(573,746)</u>
	1,386,610	1,461,195
	<u>64,135,531</u>	<u>60,266,729</u>

Infrastructure:

A full road asset network revaluation was undertaken by external consultants in December 2017. The fair value is determined as the current replacement cost (CRC) less accumulated depreciation to reflect the already consumed or expired economic benefits. This approach is consistent with AASB 116 and following review of current market rates were adopted as the fair value at 30 June 2018.

A full bridge asset valuation was undertaken by external consultants in December 2017. The fair value is determined as the current replacement cost (CRC) less accumulated depreciation to reflect the already consumed or expired economic benefits. This approach is consistent with AASB 116 and were adopted as the fair value at 30 June 2018.

A full footpath asset network revaluation was undertaken by external consultants in December 2017. The fair value is determined as the current replacement cost (CRC) less accumulated depreciation to reflect the already consumed or expired economic benefits. This approach is consistent with AASB 116 and were adopted as the fair value at 30 June 2018.

A full drainage asset network valuation was undertaken by external consultants in December 2017. The fair value is determined as the current replacement cost (CRC) less accumulated depreciation to reflect the already consumed or expired economic benefits. This approach is consistent with AASB 116 and were adopted as the fair value at 30 June 2018.

A full parks and ovals asset valuation was undertaken by external consultants in December 2017. The fair value is determined as the current replacement cost (CRC) less accumulated depreciation to reflect the already consumed or expired economic benefits. This approach is consistent with AASB 116 and were adopted as the fair value at 30 June 2018.

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

8. INFRASTRUCTURE (Continued)**(b) Movements in Carrying Amounts**

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

	<u>Roads</u>	<u>Bridges</u>	<u>Footpaths</u>	<u>Drainage</u>	<u>Parks & Ovals</u>	<u>Total</u>
Fair Value Hierarchy	Level 3	Level 3	Level 3	Level 3	Level 3	
Valuation Approach	Cost	Cost	Cost	Cost	Cost	
Last Valued	2018	2018	2018	2018	2018	
	\$	\$	\$	\$	\$	\$
Balance at the beginning of the year	26,975,013	29,129,674	667,938	2,032,909	1,461,195	60,266,729
Additions	2,925,543	-	1,960,321	352,656	-	5,238,520
Depreciation (Expense)	(822,389)	(385,142)	(37,944)	(49,658)	(74,585)	(1,369,718)
Carrying amount at the end of year	<u>29,078,167</u>	<u>28,744,532</u>	<u>2,590,315</u>	<u>2,335,907</u>	<u>1,386,610</u>	<u>64,135,531</u>

The fair value of infrastructure is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown at cost, given they were acquired at arm's length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires infrastructure to be shown at fair value.



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

8. INFRASTRUCTURE (Continued)

(c) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
(i) Fair Value					
Roads	3	Cost approach using depreciated replacement cost.	Independent Valuation	June 2018	Sample assessment of Road assets conducted.
Bridges	3	Cost approach using depreciated replacement cost.	Independent Valuation	June 2018	Full pick up and condition assessment of Bridge assets conducted.
Footpaths	3	Cost approach using depreciated replacement cost.	Independent Valuation	June 2018	Sample assessment of Footpath assets conducted.
Drainage	3	Cost approach using depreciated replacement cost.	Independent Valuation	June 2018	Full pick up and condition assessment of Drainage assets conducted.
Parks & Ovals	3	Cost approach using depreciated replacement cost.	Independent Valuation	June 2018	Full pick up and condition assessment of Parks & Ovals assets conducted.

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

	2021/22	2020/21
	Actual	Actual
	\$	\$
9. TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	1,118,737	387,308
GST Payable	-	1,815
ILU Retention Fee - Bond	11,988	11,988
Accrued Interest on Debentures	12,463	5,238
Accrued Salaries and Wages	51,647	44,239
	<u>1,194,835</u>	<u>450,588</u>
Non-Current		
ILU Retention Fee - Bond	280,078	292,066
	<u>280,078</u>	<u>292,066</u>
10. OTHER LIABILITIES		
Current		
Contract Liabilities	333,560	462,862
	<u>333,560</u>	<u>462,862</u>
Performance obligations for each type of liability are expected to be recognised as revenue in accordance with the following time bands:		
	Contract Liabilities	
Less than 1 year	333,560	
	<u>333,560</u>	
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.		
With respect to transfer for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.		
Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.		
11. LONG-TERM BORROWINGS		
Current		
Secured by Floating Charge		
Debentures	138,425	102,055
	<u>138,425</u>	<u>102,055</u>
Non-Current		
Secured by Floating Charge		
Debentures	2,118,273	1,277,172
	<u>2,118,273</u>	<u>1,277,172</u>

Additional detail on borrowings is provided in Note 22.



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

	2021/22 Actual \$	2020/21 Actual \$
12. EMPLOYEE RELATED PROVISIONS		
Analysis of Total Provisions		
Current Provisions	397,892	359,518
Non Current Provisions	76,311	98,416
	<u>474,203</u>	<u>457,934</u>
 Provision for Annual Leave		
Opening balance as at 1 July 2021	252,079	198,907
Additional provisions	26,169	76,737
Amounts used	(23,565)	(23,565)
Balance at 30 June 2022	<u>254,683</u>	<u>252,079</u>
 Provision for Long Service Leave		
Opening balance as at 1 July 2021	205,855	220,444
Additional provisions	74,539	46,285
Amounts used	(60,874)	(60,874)
Balance at 30 June 2022	<u>219,520</u>	<u>205,855</u>



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

	2021/22 Actual \$	2021/22 Budget \$	2020/21 Actual \$
13. RESERVES - CASH BACKED			
(a) Annual Leave Reserve			
<i>Purpose - to be used to fund annual leave requirements.</i>			
Opening Balance	139,689	139,689	139,052
Amount Set Aside / Transfer to Reserve	499	140	637
Amount Used / Transfer from Reserve	-	-	-
	<u>140,188</u>	<u>139,829</u>	<u>139,689</u>
(b) Avon River Development Reserve			
<i>Purpose - to be used to develop the Avon River pool and surrounding environment.</i>			
Opening Balance	25,960	25,959	25,842
Amount Set Aside / Transfer to Reserve	34	26	118
Amount Used / Transfer from Reserve	(25,994)	(20,115)	-
	<u>-</u>	<u>5,870</u>	<u>25,960</u>
(c) Building Reserve			
<i>Purpose - to be used to fund the construction of new and renovation of existing Council buildings.</i>			
Opening Balance	290,321	290,321	288,997
Amount Set Aside / Transfer to Reserve	321,109	290	1,324
Amount Used / Transfer from Reserve	(100,000)	(224,000)	-
	<u>511,430</u>	<u>66,611</u>	<u>290,321</u>
(d) Community Bus Reserve			
<i>Purpose - to be used for the replacement of the Community Bus.</i>			
Opening Balance	38,016	38,016	37,843
Amount Set Aside / Transfer to Reserve	1,637	1,198	173
Amount Used / Transfer from Reserve	-	-	-
	<u>39,653</u>	<u>39,214</u>	<u>38,016</u>
(e) Cropping Committee Reserve			
<i>Purpose - to be used to fund Community Based projects and assist Community Groups.</i>			
Opening Balance	190,703	190,702	159,096
Amount Set Aside / Transfer to Reserve	45,669	24,851	31,607
Amount Used / Transfer from Reserve	(24,000)	(44,000)	-
	<u>212,372</u>	<u>171,553</u>	<u>190,703</u>
(f) Emergency Services Reserve			
<i>Purpose - to be used to acquire Emergency Service support equipment.</i>			
Opening Balance	28,701	28,700	28,570
Amount Set Aside / Transfer to Reserve	103	29	131
Amount Used / Transfer from Reserve	-	-	-
	<u>28,804</u>	<u>28,729</u>	<u>28,701</u>
(g) LSL and Gratuity Reserve			
<i>Purpose - to be used to fund Long Service Leave and Gratuity payment obligations.</i>			
Opening Balance	-	-	30,567
Amount Set Aside / Transfer to Reserve	-	-	103
Amount Used / Transfer from Reserve	-	-	(30,670)
	<u>-</u>	<u>-</u>	<u>-</u>



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

	2021/22 Actual \$	2021/22 Budget \$	2020/21 Actual \$
13. RESERVES - CASH BACKED (Continued)			
(h) Office Equipment Replacement Reserve			
<i>Purpose - to be used for the replacement of office equipment.</i>			
Opening Balance	-	-	-
Amount Set Aside / Transfer to Reserve	20,018	20,000	-
Amount Used / Transfer from Reserve	-	-	-
	<u>20,018</u>	<u>20,000</u>	<u>-</u>
(i) Plant Replacement Reserve			
<i>Purpose - to be used for the purchase of major plant.</i>			
Opening Balance	418,970	418,968	367,264
Amount Set Aside / Transfer to Reserve	50,900	50,419	51,706
Amount Used / Transfer from Reserve	(225,000)	(247,500)	-
	<u>244,870</u>	<u>221,887</u>	<u>418,970</u>
(j) Recreation Ground Reserve			
<i>Purpose - to be used for the upgrade or maintenance of recreation areas and buildings, including the Swimming Pool.</i>			
Opening Balance	577,460	577,461	432,413
Amount Set Aside / Transfer to Reserve	7,074	5,578	145,047
Amount Used / Transfer from Reserve	-	-	-
	<u>584,534</u>	<u>583,039</u>	<u>577,460</u>
(k) Road Construction Reserve			
<i>Purpose - to be used to fund the construction and maintenance of roads.</i>			
Opening Balance	551,030	551,030	513,661
Amount Set Aside / Transfer to Reserve	1,108	551	37,369
Amount Used / Transfer from Reserve	(385,000)	(385,000)	-
	<u>167,138</u>	<u>166,581</u>	<u>551,030</u>
(l) Airfield Emergency Lighting Reserve			
<i>Purpose - to be used for the upgrade and maintenance of the Airfield runway lighting.</i>			
Opening Balance	40,130	40,130	39,947
Amount Set Aside / Transfer to Reserve	143	40	183
Amount Used / Transfer from Reserve	-	-	-
	<u>40,273</u>	<u>40,170</u>	<u>40,130</u>
(m) Senior's Housing Reserve			
<i>Purpose - to be used for the future development and current maintenance of Senior's Housing.</i>			
Opening Balance	162,054	162,054	152,773
Amount Set Aside / Transfer to Reserve	57,536	19,129	9,281
Amount Used / Transfer from Reserve	(40,000)	(20,000)	-
	<u>179,590</u>	<u>161,183</u>	<u>162,054</u>
(n) Mainstreet Redevelopment Reserve			
<i>Purpose - to be used to fund the redevelopment of Vincent Street including undergrounding of power supply.</i>			
Opening Balance	307,402	307,402	306,000
Amount Set Aside / Transfer to Reserve	410	307	1,402
Amount Used / Transfer from Reserve	(307,812)	(307,709)	-
	<u>-</u>	<u>-</u>	<u>307,402</u>



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

	2021/22 Actual \$	2021/22 Budget \$	2020/21 Actual \$
13. RESERVES - CASH BACKED (Continued)			
(o) Avondale Machinery Museum Reserve			
<i>Purpose - to be used to fund Avondale Machinery Museum upgrades and special projects.</i>			
Opening Balance	60,275	60,275	60,000
Amount Set Aside / Transfer to Reserve	215	60	275
Amount Used / Transfer from Reserve	-	(35,000)	-
	<u>60,490</u>	<u>25,335</u>	<u>60,275</u>
(n) Summary			
Opening Balance	2,830,711	2,830,707	2,582,025
Amount Set Aside / Transfer to Reserve	506,455	122,618	279,356
Amount Used / Transfer from Reserve	(1,107,806)	(1,283,324)	(30,670)
Total Reserves	<u><u>2,229,360</u></u>	<u><u>1,670,001</u></u>	<u><u>2,830,711</u></u>

All of the reserve accounts are supported by money held in financial institutions and match the amounts shown as restricted cash in this financial report.



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

	2021/22 Actual \$	2020/21 Actual \$
14. ASSET REVALUATION SURPLUS		
Asset revaluation surplus have arisen on revaluation of the following classes of non-current assets:		
(a) Land and Buildings		
Opening balance	17,916,211	9,522,871
Revaluation Increment	-	8,393,340
	<u>17,916,211</u>	<u>17,916,211</u>
(b) Plant and Equipment		
Opening Balance	436,388	436,388
	<u>436,388</u>	<u>436,388</u>
(c) Infrastructure - Footpaths		
Opening Balance	538,684	538,684
	<u>538,684</u>	<u>538,684</u>
(d) Infrastructure - Bridges		
Opening Balance	25,921,379	25,921,379
	<u>25,921,379</u>	<u>25,921,379</u>
(e) Infrastructure - Drainage		
Opening Balance	1,798,258	1,798,258
	<u>1,798,258</u>	<u>1,798,258</u>
(f) Infrastructure - Parks & Ovals		
Opening Balance	1,684,950	1,684,950
	<u>1,684,950</u>	<u>1,684,950</u>
TOTAL ASSET REVALUATION RESERVES	<u><u>48,295,870</u></u>	<u><u>48,295,870</u></u>



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

	2021/22 Actual \$	2020/21 Actual \$
17. LEASE LIABILITY AND CAPITAL COMMITMENTS		
(a) Lease Liabilities		
Payable:		
- Current	6,837	6,833
- Non-current	6,837	13,673
	<u>13,674</u>	<u>20,506</u>

The Shire has one lease relating to the provision of a photocopier. The lease term is three years with fixed repayments.

(b) Capital Expenditure Commitments

Contracted for:		
- capital expenditure projects	1,530,000	96,170
- plant & equipment purchases	-	506,980
	<u>1,530,000</u>	<u>603,150</u>
Payable:		
- not later than one year	1,530,000	603,150
	<u>1,530,000</u>	<u>603,150</u>

18. JOINT VENTURE

The Shire of Beverley did not participate in any joint venture in the 2021/22 financial year.

19. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

Governance	1,162,825	1,013,303
Law, Order, Public Safety	208,177	187,730
Health	647,034	466,468
Housing	3,642,303	3,312,129
Community Amenities	204,910	98,067
Recreation and Culture	23,169,054	10,962,294
Transport	63,437,997	65,063,432
Economic Services	1,351,438	570,509
Other Property and Services	2,308,376	1,861,084
Unallocated	6,937,863	15,264,741
	<u>103,069,977</u>	<u>98,799,757</u>



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

20. TRUST FUNDS

Funds held at balance date over which the Shire has no control and which are not included in the financial statements are as follows:

All funds held in trust are required by law or are held by agreement with fund owners.

Description	Balance 1-Jul-21 \$	Amounts Received \$	Amounts Paid (\$)	Reclassification Municipal Fund (\$)	Balance 30-Jun-22 \$
Unclaimed Monies	319	84	(84)	-	319
Nomination Deposits	-	560	(560)	-	-
Second Hand Housing Deposits	5,000	-	-	-	5,000
Housing Rental Bonds	5,092	2,300	(1,390)	-	6,002
Subdivision Bonds	10,000	-	-	-	10,000
Cat Trap Bonds	-	50	-	-	50
Key Bonds	2,350	450	(1,080)	-	1,720
Cleaning Bonds	1,650	1,350	(1,050)	-	1,950
Project Retention Fee Fund	33,963	180,537	(33,963)	-	180,537
Cornerstone Commercial Tenancy Bond	8,508	-	(3,180)	-	5,328
	<u>66,882</u>				<u>210,906</u>



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

21. DISPOSAL OF ASSETS

	2021/22 Actual Net Book Value	2021/22 Actual Sales Proceeds	2021/22 Actual Profit	2021/22 Actual (Loss)	2021/22 Budget Net Book Value	2021/22 Budget Sales Proceeds	2021/22 Budget Profit	2021/22 Budget (Loss)	2020/21 Actual Net Book Value	2020/21 Actual Sales Proceeds	2020/21 Actual Profit	2020/21 Actual (Loss)
Land	23,000	-	-	(23,000)	-	-	-	-	-	-	-	-
Buildings - Non Specialised	207,883	230,000	22,117	-	-	-	-	-	-	-	-	-
Buildings - Specialised	5,418	-	-	(5,418)	-	-	-	-	-	-	-	-
Plant and Equipment	282,277	334,826	80,273	(27,724)	323,900	359,000	80,600	(45,500)	99,475	78,182	-	(21,293)
	518,578	564,826	102,390	(56,142)	323,900	359,000	80,600	(45,500)	99,475	78,182	-	(21,293)

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Governance						
2020 Mazda CX9	45,766	50,500	54,100	41,000	8,334	(9,500)
2016 Holden SV6 Wagon	11,622	12,000	24,545	20,000	12,923	8,000
Health						
2018 Holden Commodore Sedan	-	20,000	-	10,000	-	(10,000)
Housing						
50 Dawson Street - Land	23,000	-	-	-	(23,000)	-
50 Dawson Street - Residence	207,883	-	230,000	-	22,117	-
Economic Services						
Kinetic Sculpture (demolished)	5,418	-	-	-	(5,418)	-
Other Property & Services						
2010 Holden Colorado 4x4 Utility	6,065	6,400	13,636	15,000	7,571	8,600
2013 John Deere 670GP Grader	138,555	145,000	190,000	209,000	51,445	64,000
2011 Isuzu Tip Truck	32,216	34,000	24,545	24,000	(7,671)	(10,000)
2012 Bomag Multi Tyre Roller	48,053	56,000	28,000	40,000	(20,053)	(16,000)
	518,578	323,900	564,826	359,000	46,248	35,100

Profit on Asset Disposal
(Loss) on Asset Disposal

2021/22 Actual \$	2020/21 Actual \$
102,390	-
(56,142)	(21,293)
46,248	(21,293)



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

22. BORROWINGS AND LEASE LIABILITIES**(a) Repayments - Borrowings**

Particulars	Principal		New Loans		Principal Repayments		Principal Outstanding		Interest Repayments		Principal	New Loans	Principal Repayments	Principal Outstanding	Interest Repayments			
	1-Jul-21	30-Jun-22	30-Jun-22		30-Jun-22		30-Jun-22		1-Jul-20	30-Jun-21						30-Jun-21	30-Jun-21	30-Jun-21
	Actual \$	Actual \$	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Actual \$						Actual \$	Actual \$	Actual \$
Community Amenities																		
Loan 119 - Storm Water Dams <i>Loan Date: 23 June 2016</i> <i>Term: 5 Years</i> <i>Fixed Interest Rate: 2.21%</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	514		
Recreation & Culture																		
Loan 117 - Bowling Greens* <i>Loan Date: 22 November 2006</i> <i>Term: 15 Years</i> <i>Fixed Interest Rate: 6.16%</i>	9,047	-	9,047	9,046	-	-	-	-	485	461	26,334	-	17,287	9,047	1,466			
Loan 118 - Recreation Centre <i>Loan Date: 10 May 2013</i> <i>Term: 20 Years</i> <i>Fixed Interest Rate: 4.68%</i>	698,712	-	47,103	47,103	651,609	651,609	36,994	37,000	743,686	-	44,974	698,712	36,823					
Loan 120 - Cornerstone Centre <i>Loan Date: 12 April 2018</i> <i>Term: 15 Years</i> <i>Fixed Interest Rate: 3.50%</i>	671,468	-	45,904	45,904	625,564	625,564	27,460	27,812	715,807	-	44,339	671,468	26,821					
Transport																		
Loan 121 - Vincent Street Streetscape <i>Loan Date: 10 August 2021</i> <i>Term: 20 Years</i> <i>Fixed Interest Rate: 1.99%</i>	-	1,000,000	20,476	-	979,524	1,000,000	20,308	-	31,337	-	31,337	-	514					
	1,379,227	1,000,000	122,530	102,053	2,256,697	2,277,173	85,247	65,273	1,517,164	-	137,937	1,379,227	65,624					

(*) Self supporting loan financed by payments from third parties. All other loan repayments were financed by general purpose revenue.

(b) New Borrowings

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges \$	Interest Rate %	Amount Used		Balance Unspent \$
	Actual \$	Budget \$						Actual \$	Budget \$	
Transport										
Vincent Street Streetscape Project <i>Loan Date - 10 August 2021</i>	1,000,000	1,000,000	WATC	Fixed Term Debenture	20	217,125	1.99%	1,000,000	1,000,000	-

(c) Unspent Borrowings

Council had no unspent debentures at the balance date.

(d) Overdraft

Council did not utilise an overdraft facility in the 2021/22 financial year.

(e) Lease Liabilities

Purpose	Actual						Budget				
	Principal	New Leases	Principal Repayments	Principal Outstanding	New Leases	Principal Repayment	Principal Outstanding	Principal	New Loans	Principal Repayment	Principal Outstanding
	1-Jul-20	2020-21	2020-21	30-Jun-21	2021-22	2021-22	30-Jun-22	1-Jul-21	2021-22	2021-22	2021-22
Photocopier	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	-	20,511	-	20,511	-	6,837	13,674	20,511	-	6,837	13,674
	-	20,511	-	20,511	-	6,837	13,674	20,511	-	6,837	13,674

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

23. RATING INFORMATION**(a) Rates**

RATE TYPE	Rate in \$	Number of Properties	2021/22 Rateable Value \$	2021/22 Rate Revenue \$	2021/22 Interim Rates \$	2021/22 Back Rates \$	2021/22 Total Revenue \$	2021/22 Budget Rate Revenue \$	2021/22 Budget Interim Rates \$	2021/22 Budget Back Rates \$	2021/22 Budget Total Revenue \$	2020/21 Total Revenue \$
General Rate												
General Rate - GRV	0.115782	502	5,851,422	677,489	(203)	-	677,286	677,489	1,000	-	678,489	645,332
General Rate - UV	0.008237	569	268,373,000	2,210,588	(2,028)	-	2,208,560	2,210,588	1,000	-	2,211,588	2,149,862
General Rate - UV Mining	0.008237	-	-	-	-	-	-	-	-	-	-	-
Sub-Totals		1,071	274,224,422	2,888,077	(2,231)	-	2,885,846	2,888,077	2,000	-	2,890,077	2,795,194
Minimum Rates	Minimum \$											
Minimum Rates - GRV	896	160	604,543	143,360	-	-	143,360	142,464	-	-	142,464	138,186
Minimum Rates - UV	896	161	13,477,700	144,256	-	-	144,256	144,256	-	-	144,256	110,037
Minimum Rates - UV Mining	896	18	212,625	16,128	-	-	16,128	16,128	-	-	16,128	3,412
Sub-Totals		339	14,294,868	303,744	-	-	303,744	302,848	-	-	302,848	251,635
Discounts (refer note 26)							3,189,590				3,192,925	3,046,829
Total Amount Raised from General Rate							(258,213)				(255,274)	(252,411)
							2,931,377				2,937,651	2,794,418
Ex-Gratia Rates							3,621				3,000	3,449
Rates Written Off							(2,391)				(500)	(959)
Specified Area Rate (refer note 24)							-				-	-
Total Rates							2,932,607				2,940,151	2,796,908



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

23. RATING INFORMATION (Continued)

(b) Information on Surplus/(Deficit) Brought Forward	2021/22 (30 June 2022 Carried Forward) \$	2020/21 (1 July 2021 Brought Forward) \$	2020/21 (30 June 2021 Carried Forward) \$
Surplus/(Deficit) - Rate Setting Statement	<u>2,418,115</u>	<u>1,653,812</u>	<u>1,653,812</u>
<u>Comprises:</u>			
Cash - Unrestricted	2,876,799	1,848,468	1,848,468
Cash - Restricted Grant Funds	333,560	462,862	462,862
Cash - Restricted Reserves	2,229,360	2,830,709	2,830,709
Rates - Current	266,561	257,252	257,252
Sundry Debtors	112,442	103,076	103,076
Contract Asset	540,382	100,000	100,000
GST Receivable	50,195	-	-
Inventories			
- Fuel and Materials	19,124	10,281	10,281
Less:			
Reserves - Cash Backed	(2,229,360)	(2,830,709)	(2,830,709)
Sundry Creditors	(1,118,737)	(395,958)	(395,958)
Contract Liability	(333,560)	(462,862)	(462,862)
Lease Liability	(6,837)	-	-
Accrued Expenses	-	-	-
Accrued Interest on Debentures	(12,463)	(5,239)	(5,239)
Accrued Salaries and Wages	(51,647)	(44,239)	(44,239)
Current Employee Benefits Provision	(397,892)	(359,518)	(359,518)
Employee Benefits - Cash Backed	140,188	139,689	139,689
Surplus/(Deficit)	<u>2,418,115</u>	<u>1,653,812</u>	<u>1,653,812</u>

There was no difference between the Surplus/(Deficit) 1 July 2021 Brought Forward position used in the 2021/22 audited financial report and the Surplus/(Deficit) Carried Forward position as disclosed in the 2020/21 audited financial report.

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

4. SPECIFIED AREA RATE

Council has not levied any Specified Area Rates during 2021/22 financial year.

5. SERVICE CHARGES

Council has not levied any Service Charges during the 2021/22 financial year.

6. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$	2020/21 Actual \$
General Rates	Discount	10.00%			
Minimum Rate	Discount	10.00%	258,213	255,274	252,411

A discount on rates is granted to all who pay their rates in full within 35 days of the date of service appearing on the rate notice.

7. INTEREST CHARGES AND INSTALMENTS

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$	2020/21 Actual \$
Interest on Unpaid Rates	7.00%	-	20,260	14,500	25,820
Interest on Deferred Pensioner Rates	2.26%	-	166	2,000	3,691
Interest on Instalments Plan	5.50%	-	3,281	4,000	2,778
Admin. Charge on Instalments Plan	0.00%	10	3,560	4,000	2,990
			27,267	24,500	35,279

Ratepayers had the option of paying rates in four equal instalments, due on 10th September 2021, 10th November 2021, 10th January 2022 and 10th March 2022. Administration charges and interest applied to the final three instalments.

8. FEES & CHARGES

	2021/22 Actual \$	2020/21 Actual \$
General Purpose Funding	30,244	30,855
Governance	-	4,595
Law, Order, Public Safety	10,829	18,988
Health	164	327
Housing	99,769	104,054
Community Amenities	238,627	234,859
Recreation and Culture	151,103	152,189
Transport	7,195	7,195
Economic Services	261,888	122,190
Other Property and Services	13,168	19,160
	812,987	694,412

All fees are generally set on a cost recovery basis.



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

29. GRANT REVENUE

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

	2021/22	2020/21
	Actual	Actual
	\$	\$
By Nature and Type:		
Operating Grants, Subsidies and Contributions*	2,074,783	1,637,341
Non-Operating Grants, Subsidies and Contributions	3,096,186	2,326,087
	<u>5,170,969</u>	<u>3,963,428</u>
By Program:		
General Purpose Funding	943,973	829,389
Governance	2,385	2,071
Law, Order, Public Safety	283,854	159,472
Health	855	-
Education and Welfare	-	-
Housing	12,107	10,750
Community Amenities	203	3,091
Recreation and Culture	81,987	1,116,059
Transport	3,822,233	1,258,218
Economic Services	20,890	581,755
Other Property and Services	2,482	2,623
	<u>5,170,969</u>	<u>3,963,428</u>

* Operating Grants, Subsidies and Contributions total includes Reimbursements of \$268,088.



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

0. ELECTED MEMBERS REMUNERATION	2021/22 Actual \$	2021/22 Budget \$	2020/21 Actual \$
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees			
Cr Don Davis	7,850	7,850	12,100
Cr Peter Gogol	3,600	3,600	3,600
Cr Chris Lawlor	3,600	3,600	3,600
Cr Matthew Norman	900	1,800	-
Cr Sue Martin	3,600	3,600	3,600
Cr John Maxwell	1,800	1,800	-
Cr Alan Sattler	1,800	1,800	-
Cr Tim Seed	3,600	3,600	3,600
Cr David White	7,850	7,850	3,600
Cr Darryl Brown	-	1,800	1,800
Cr Terrence McLaughlin	1,800	1,800	3,600
Cr Chris Pepper	1,800	1,800	3,600
	<u>38,200</u>	<u>40,900</u>	<u>39,100</u>
President's Allowance			
Cr David White	2,750	-	-
Cr Don Davis	2,750	5,500	5,500
	<u>5,500</u>	<u>5,500</u>	<u>5,500</u>
Deputy President's Allowance			
Cr Chris Lawlor	688	-	-
Cr Chris Pepper	687	1,375	1,375
	<u>1,375</u>	<u>1,375</u>	<u>1,375</u>
Travel Allowance			
Cr Terrence McLaughlin	306	5,000	2,091
	<u>306</u>	<u>5,000</u>	<u>2,091</u>
Telecommunications Allowance			
Cr Don Davis	3,248	4,239	1,122
Cr Peter Gogol	3,748	4,239	1,122
Cr Chris Lawlor	3,748	4,239	1,122
Cr Matthew Norman	3,248	4,239	-
Cr Sue Martin	3,748	4,239	1,122
Cr John Maxwell	3,248	4,239	-
Cr Alan Sattler	3,248	4,239	-
Cr Tim Seed	3,748	4,239	1,122
Cr David White	3,748	4,238	1,122
Cr Darryl Brown	-	-	500
Cr Terrence McLaughlin	500	-	1,122
Cr Chris Pepper	500	-	1,122
	<u>32,732</u>	<u>38,150</u>	<u>9,476</u>



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

31. EMPLOYEE NUMBERS	2021/22 Actual \$	2020/21 Actual \$
The number of full-time equivalent employees at balance date	<u>28</u>	<u>28</u>
Number of Employees earning \$100,000+ Gross Salary per annum.	<u>2</u>	<u>2</u>

The Chief Executive Officer and Deputy Chief Executive Officer earned a gross salary of \$100,000+ in 2021/22.

32. MAJOR LAND TRANSACTIONS

Council did not participate in any major land transactions during the 2021/22 financial year.

33. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2021/22 financial year.



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

FINANCIAL RISK MANAGEMENT

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

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

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

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

i) 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.

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 are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Inter Bearin
	%	\$	\$	\$	\$
2021/22					
Cash and cash equivalents	0.93%	5,439,720	2,229,366	3,209,655	
2020/21					
Cash and cash equivalents	0.18%	5,142,037	2,830,709	2,311,028	

Sensitivity

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

	2021/22	2020/21
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	57,318	54,461

* 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 22.



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

34. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade 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 a 10% rate discount incentive.

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

The 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 loss allowance as at 30 June 2022 was determined as follows for rates and trade receivables:

No expected credit loss was forecast on 30 June 2022 for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

No expected credit loss was forecast on 30 June 2022 for trade receivables.



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

34. FINANCIAL RISK MANAGEMENT (Continued)**(c) Payable and borrowings liquidity risk**

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. Council 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.

The contractual undiscounted cash flows of Council's Payables and Borrowings are set out in the Liquidity Sensitivity Table below:

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2021/22					
Payables	1,194,835	-	-	1,194,835	1,194,835
Borrowings	-	-	2,256,697	2,256,697	2,256,698
	<u>1,194,835</u>	<u>-</u>	<u>2,256,697</u>	<u>3,451,532</u>	<u>3,451,533</u>
2020/21					
Payables	450,588	-	-	450,588	450,588
Borrowings	9,047	-	1,370,180	1,379,227	1,379,227
	<u>459,635</u>	<u>-</u>	<u>1,370,180</u>	<u>1,829,815</u>	<u>1,829,815</u>



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

34. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables

Borrowings (Continued)

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs. Council 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 following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
Year Ended 30 June 2022								
Fixed Rate								
Debentures	-	-	-	-	-	2,256,697	2,256,697	2.36%
Weighted Average Effective Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	2.36%		
Year Ended 30 June 2021								
Fixed Rate								
Debentures	9,047	-	-	-	-	1,370,180	1,379,227	4.07%
Weighted Average Effective Interest Rate	6.16%	0.00%	0.00%	0.00%	0.00%	4.10%		

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

35. RELATED PARTY DISCLOSURES

(a) Key Management Personnel Compensation

Key Management Personnel (KMP) <i>Executive Staff with decision making responsibilities regarding the allocation of Council's resources.</i>	Short Term Benefits *	Post- Employment Benefits **	Other Long Term Benefits ***	Termination Benefits ****
Executive Staff Total	486,199	61,710	75,176	-

*** Short-term employee benefits**

These amounts include all gross salary, paid leave, fringe benefits and cash bonuses awarded to KMP.

Details in respect to fees and benefits paid to Elected Members may be found at Note 30.

**** Post-employment benefits**

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

***** Other long term benefits**

These amounts represent long service benefits accruing during the year.

****** Termination benefits**

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



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

35. RELATED PARTY DISCLOSURES (Continued)

(b) Related Party Disclosures

i) Ordinary Citizen Transactions

Use of facilities or any other Council provided service where a discount or special terms were applied that would not otherwise be offered to any other person.

KMP/Elected Member	Related Party	Nature	Value
Chief Executive Officer	N/A	Subsidised Gym Membership	200
Deputy Chief Executive Officer	N/A	Subsidised Gym Membership	200
Manager of Works	N/A	Subsidised Gym Membership	200
Manager of Planning and Development Services	N/A	Subsidised Gym Membership	200

ii) Leasing Agreements - Domestic Residential

Use of Council owned Domestic Residential Property whether by lease agreement or provisions under any other special terms that would not otherwise be offered to any other member of the public.

KMP/Elected Member	Related Party	Nature	Value
Chief Executive Officer	N/A	Subsidised Housing Lease	13,000
Deputy Chief Executive Officer	N/A	Subsidised Housing Lease	13,000
Manager of Planning and Development Services	N/A	Subsidised Housing Lease	13,000

iii) Leasing Agreements - Commercial

Use of Council owned Commercial Property whether by lease agreement or provisions under any other special terms that would not otherwise be offered to any other member of the public.

KMP/Elected Member	Related Party	Nature	Value
Manager of Planning and Development Services	Fun 2B Kids Family Day Care	Commercial lease of Office Space.	17,698



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Shire of Beverley

To the Councillors of the Shire of Beverley

Opinion

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

- the Statement of Financial Position at 30 June 2022, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, and 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.

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 Beverley 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.



Sandra Labuschagne
Deputy Auditor General
Delegate of the Auditor General for Western Australia
Perth, Western Australia
25 October 2022



**SHIRE OF BEVERLEY
COUNCILLOR'S DECLARATION
FOR THE YEAR ENDED 30TH JUNE 2022**

In accordance with a resolution of the Councillors of the Shire of Beverley, we state that:

1. In the opinion of the Councillors:
 - 1.1 the financial statements and notes of the Shire of Beverley are in accordance with the Local Government Act 1995 and Regulations, including:
 - (a) giving a true and fair view of the Shire of Beverley's financial position as at 30 June 2022 and of its performance for the year ended on that date; and,
 - (b) complying with applicable Australian Accounting Standards; and
 - 1.2 there are reasonable grounds to believe that the Shire of Beverley will be able to pay its debts as and when they become due and payable.

On behalf of the Council:



Cr DC White
President



Cr CJ Lawlor
Deputy President

Dated this 25th day of October 2022



