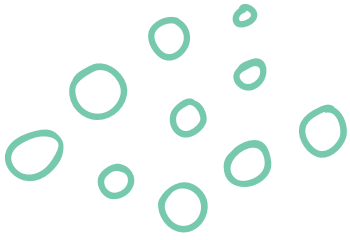


Annual Report

2020–2021





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Acknowledgement of Country

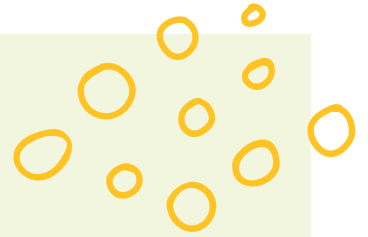
Ngalak kaartitj nidja Boodja
baal Whadjuk Noongar Boodja
Ngalak nyininy.

We-together know this land.
It Whadjuk Noongar land.
We together sitting.

In the language of the first people of this land, we say that we know we are gathered together here on the land of the Whadjuk Noongar people. Always was, always will be.



Background



Annual Report 2020/21

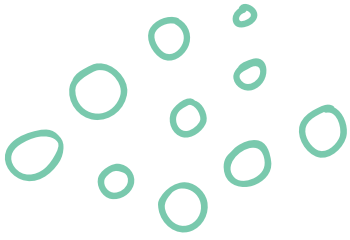
The *WA Local Government Act 1995* requires every local government to produce an Annual Report by 31 December each year which:

- Informs the community and key stakeholders about achievements, challenges and future plans
- Promotes greater community awareness of the Town's programs and services which contribute to a high quality of life for residents, visitors and stakeholders
- Demonstrates the Town's performance against the long-term vision of the Strategic Community Plan and related projects and priorities
- Provides information about the Town's organisational performance
- Illustrates the Town's commitment to accountable and transparent government.

Alternative Formats

The annual report and financial statements are available in hardcopy from the Town's Customer Service Centre and on the Town's website at www.bassendean.wa.gov.au.





Our Vision for the Future

Over the next ten years, our Town and community will be

A welcoming and inclusive community whose members know and support each other.



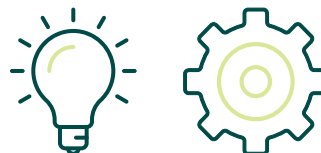
A community and local government that take environmentally sustainable actions for our town, state, country and planet.

An accessible place with a rich natural environment, thriving town centre and precincts, and connection to history.



Supported by proactive local government that makes brave decisions and enables positive change.

Resilient, adaptable to change and moving towards self-sufficiency.



We value the One Planet Living Principles

HEALTH AND HAPPINESS	SUSTAINABLE WATER	ZERO WASTE
EQUITY AND LOCAL ECONOMY	LOCAL AND SUSTAINABLE FOOD	CULTURE AND HERITAGE
SUSTAINABLE MATERIALS	LAND USE AND WILDLIFE	SUSTAINABLE TRANSPORT
ZERO CARBON		



Who We Are

The Town of Bassendean is a small metropolitan local government located on the Swan River 10 km from the centre of Perth.

We are well situated in terms of transport on the Perth-Midland transport corridor with three train stations at Ashfield, Bassendean and Success Hill, as well as excellent access to Guildford Road, Tonkin Highway and Morley Drive.

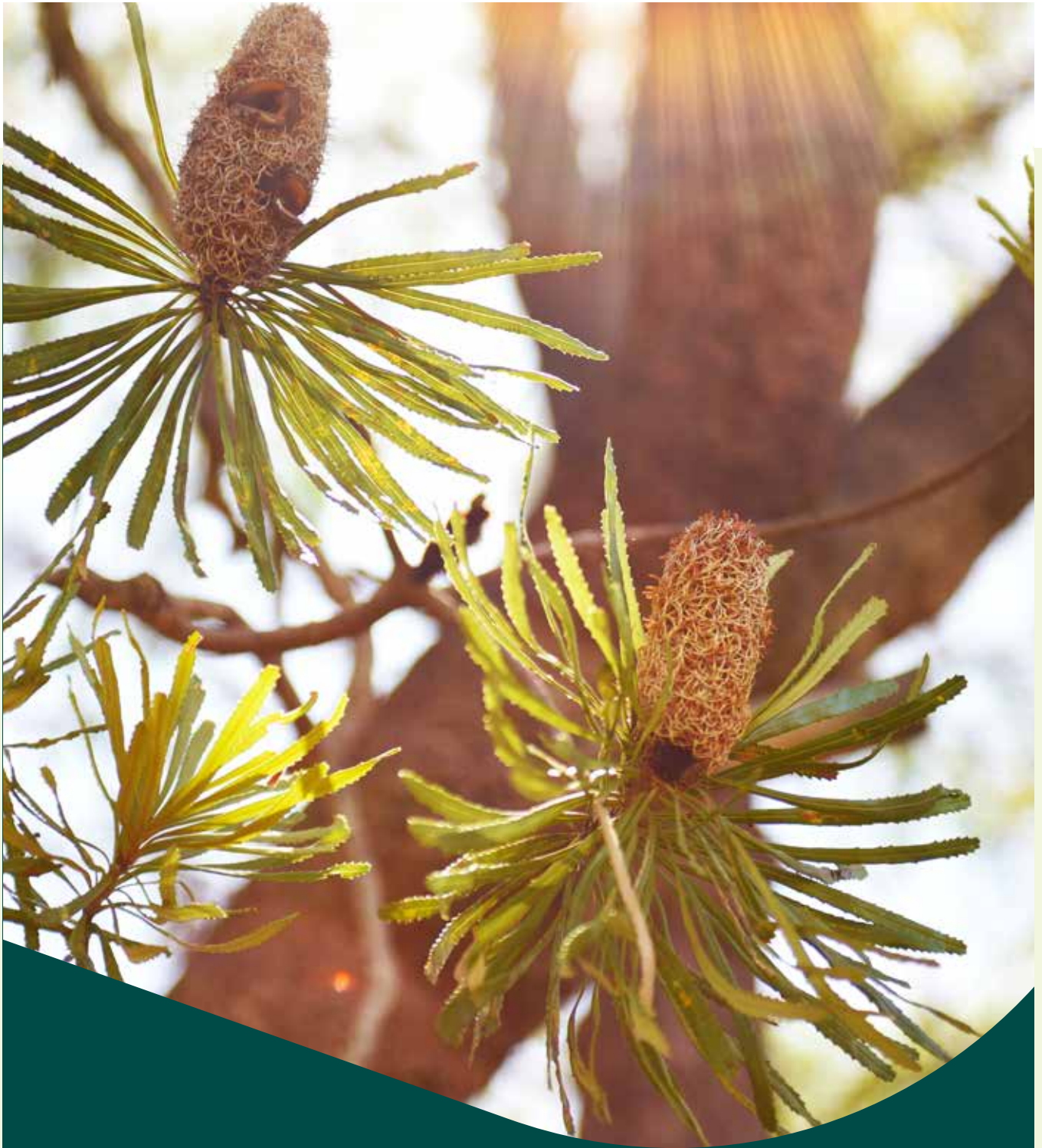
The Town's 15,000 residents form a close-knit community. This sense of belonging has been enhanced by Council's protection of the natural environment, particularly the river foreshore and wetlands, preservation of cultural and municipal heritage sites and valuing the urban streetscape.

The Town contains an important regional industrial area, regional sporting facilities at Bassendean Oval, Ashfield and Jubilee Reserves, 6 primary schools and a senior educational campus operated by the Department of Education WA. The Town is a founding member of the Eastern Metropolitan Regional Council

(EMRC) participating in regional initiatives and bulk purchasing arrangements, enabling it to enjoy the economies of scale of larger municipalities.

Council has a strong focus on community participation and supports events and activities for the community which add to the vitality of the Town. The Town is committed to providing for the wellbeing of its citizens through the direct provision of community services in partnership with State and Federal governments. Programs undertaken range from youth and children's services, to a variety of home and community care services for the frail, aged and disabled. Ranger services are preferred to security patrols as part of a holistic approach to community safety. Value is added to programs by a dedicated team of over 100 community volunteers.

Total Area	10.3km ²
Location	North-East Metropolitan Area of Perth
Estimated Residential Population	15 092 (2016 Census)
Number of Electors	11,387
Number of Dwellings	7,308



The Council

The Council of the Town of Bassendean



Cr. Renee McLennan
MAYOR



Cr. Kath Hamilton
DEPUTY MAYOR



Cr John Gangell



Cr. Sarah Quinton



Cr. Jai Wilson



Cr. Hilary MacWilliam



Cr. Chris Barty

Contact the Town of Bassendean

35 Old Perth Road Bassendean, WA 6054

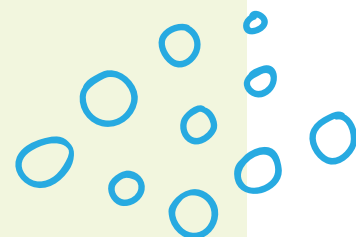
PO Box 87, Bassendean WA 6934

(08) 9377 8000

mail@bassendean.wa.gov.au

www.facebook.com/bassendeancouncil

www.bassendean.wa.gov.au





Message from the Mayor

I am honored and privileged to be serving the community for a further term and more recently to have been appointed Mayor for the Town of Bassendean.

For the purposes of 2020/21, I would like to recognise the incredible efforts of former Mayor, Cr Renée McLennan, whose leadership contributed significantly to achieving the change our community wants to see. Fortunately, Cr McLennan has continued her term as a Councillor and now Deputy Mayor.

I would also like to thank all Councillors for their tireless efforts throughout the year. Whilst at times challenging with difficult decisions made in the best interests of the broader community, it has also been a rewarding year in terms of collaboration and forward planning.

The impacts of the pandemic throughout 2020/21 caused Council to promptly implement a range of financial measures to support ratepayers and offer certainty in difficult times by developing a financial hardship policy, a commitment to no increase in rates revenue and deferring underground power charges.

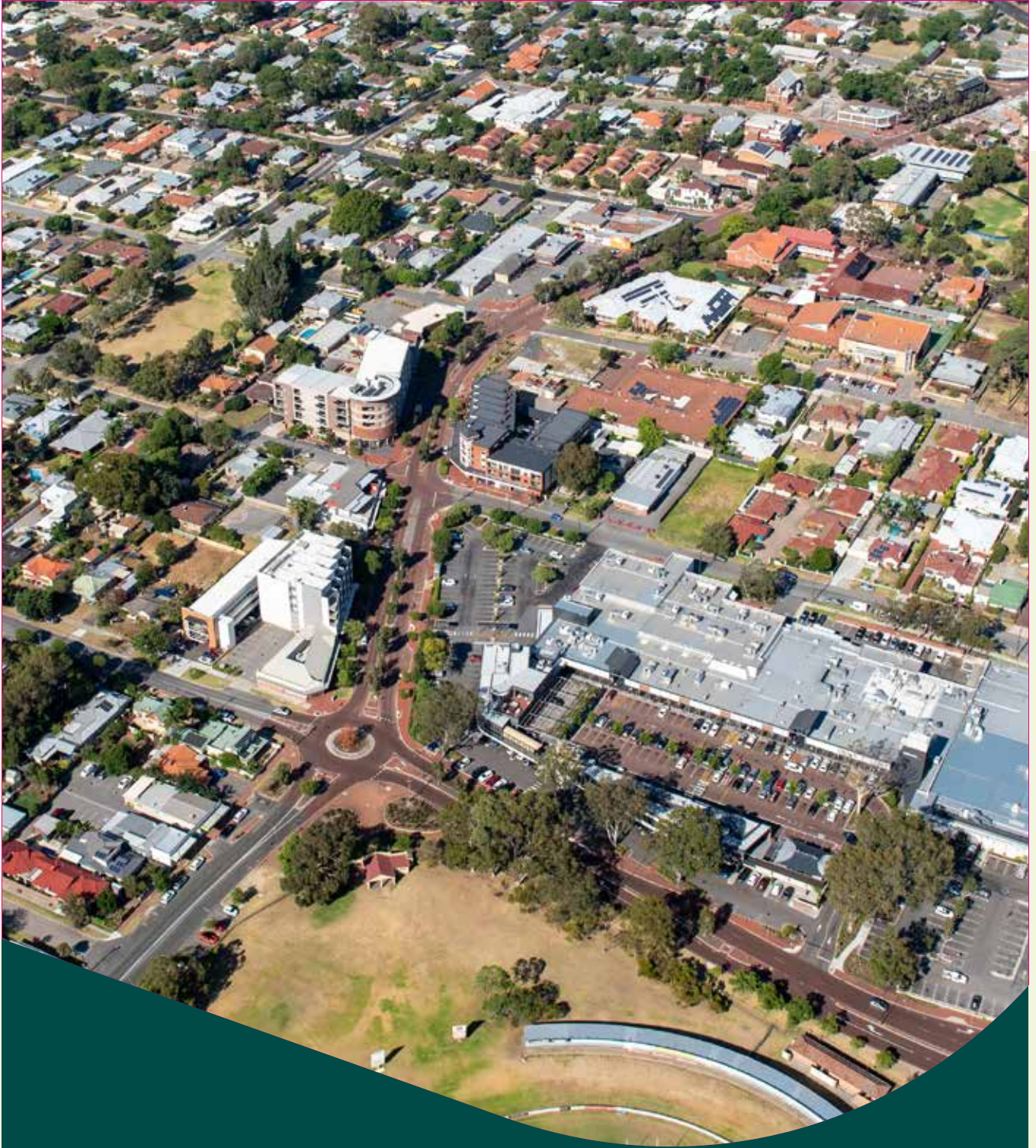
Our commitment to be environmentally sustainable saw the Town roll-out FOGO, as the first Council north of the river to achieve this. The Town is now the envy of local governments for their knowledge and expertise in this area. Additionally, a new Strategic Waste Plan was created and progress made towards implementation.

The creation of a new Draft Local Planning Strategy and Scheme as well as a new Town Centre master planning project reflect careful consideration of future growth balanced against retention of green spaces and heritage. Both planning exercises, either have or will have, extensive community input to shape the future growth of our community and how this is to be best accommodated.

The year has been one of uncertainty, globally and locally. Whilst more fortunate than many countries and communities, the pandemic has impacted a number of our residents. We are very fortunate to have such an incredible number of wonderful volunteers in our community. During 2020/21, this translated to providing support for our most vulnerable and providing opportunities for community connection. The support, care and commitment shown in our community has been outstanding and I thank everyone for their efforts, resolve and resilience.

The Town of Bassendean continues to remain focused on achieving the best possible outcomes for our community. I thank my Council colleagues, the Town's CEO and all the staff for their professionalism, energy and tireless efforts during what has been a challenging year.

Kathryn Hamilton
MAYOR



Chief Executive Officer Foreword

This is our first year of reporting against our newly developed Strategic Community Plan 2020/2030, following extensive feedback on the aspirations and priorities of our community.

This year we've seen increasing effort and outcomes of cross-functional collaboration organisationally, in order to deliver on Council decisions and priorities.

Our response to the pandemic was testament to this - the Administration responded quickly to support each other and our community through COVID-19. For some this meant working remotely at times, whilst continuing the provision of services to our community.

The extraordinary circumstances brought about by the pandemic enabled us to rethink the way we work, with flexible work practices (and an increased reliance on IT), now becoming normalised for most of the Administration.

We continued our internal reform efforts in a range of areas including asset management, financial management, ICT, procurement, corporate planning and reporting.

The year saw the Town engage in significant planning for the long-term future. This included developing a draft Local Planning Strategy and Scheme, in addition to a draft Town Centre Masterplan.

Collectively, these efforts have strengthened our organisational governance and positioned us well for the future of our organisation and community.

In addition to the usual services, supports and facilities that the Town provides for our community, projects undertaken this year included:

- substantial progress of a community-led Town Centre Masterplan to attract investment and fulfil the community's vision for a vibrant town centre

- creation of a Draft Local Planning Strategy and Scheme which we hope to share with our community for feedback in 2021/22
- a Strategic River Assessment to plan for the health and preservation of our river and foreshore
- the introduction of a Food Organics and Garden Organics bin system
- planning for Underground Power in parts of Eden Hill and Bassendean
- planting out another 1,000 new shade trees across our neighbourhoods
- building two new playgrounds at Palmerston Reserve, Bassendean and at Padbury Way Reserve, Eden Hill
- substantial planning towards a new playground at Sandy Beach with a tender for construction to be awarded early in 2021/22
- resumption of Old Perth Road Markets
- creation of a masterplan for Jubilee Reserve
- construction of the Whitfield Safe Active Street
- fit-out of the newly constructed Men's Shed
- regeneration of Mary Crescent Reserve
- a new Green Trail, blending path infrastructure with vegetation along our railway
- restoration of Bindaring Wetlands.

We delivered one of the biggest works programs and internal reform agendas in many years. Looking back on a challenging year, with a high volume of planned and unplanned activity, I am very proud of what our organisation has achieved in 2020/21 and would especially like to recognise all the staff and Councillors for making this possible.

Peta Mabbs

CHIEF EXECUTIVE OFFICER



Organisational Structure

The Town has four business units in addition to the Office of the CEO. These are:

- Corporate Services
- Community Planning
- Infrastructure
- Sustainability and Environment.

The information below provides the delineation of the responsibilities of each business unit.

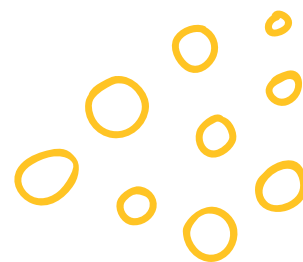
Chief Executive Officer (CEO)



Ms Peta Mabbs

CHIEF EXECUTIVE OFFICER

- Manage day-to-day operations of the local government
 - Liaison with the Mayor on local government affairs and function
 - Implement council decisions
 - Council support
 - Corporate communications
 - Human resources and organisational development
 - Strategy, governance and reporting
-



Executive Management



Paul White

DIRECTOR CORPORATE SERVICES

- Finance, rates and procurement
- Customer service
- Information management and IT
- Children's services
- Seniors services



Luke Gibson

DIRECTOR COMMUNITY PLANNING

- Strategic town planning
- Development control
- Rangers and environmental health
- Community engagement, development and recreation
- Volunteering
- Library services
- Youth services



Phillip Adams

EXECUTIVE MANAGER INFRASTRUCTURE

- Roads, cycling and transport
- Parks and gardens
- Civil construction projects
- Facilities maintenance
- Asset management
- Fleet



Jeremy Maher

EXECUTIVE MANAGER SUSTAINABILITY AND ENVIRONMENT

- Waste management and recycling
- Sustainability
- Environment
- Sustainable Urban Form



COVID-19

The pandemic changed the way that the Town had to operate.

At specific times, throughout the year, due to public health requirements playgrounds were required to close, community events were cancelled or postponed, face to face interactions were no longer possible, and the Town's Administration closed its physical doors to the public.

However, the Town remained open to its customers through the virtual world. The pandemic meant that the Town became creative in the way it could provide services to its community especially those who were vulnerable.

The Library moved online providing services once conducted in the library face to face, but now in the virtual format.

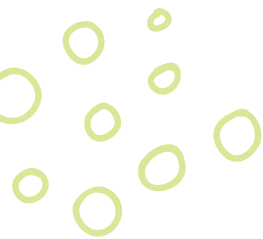
Books and multimedia were delivered to members' doors. Customers could still access the Town's services by email, web, or telephone.

Building and planning applications were still assessed and processed.

The Wind in the Willows Early Childhood Education Centres remained open to ensure that parents who could not work from home or who were employed in essential services, could still work and know that their children were looked after in quality care.

The Town's Seniors and Disability Services continued to operate, providing essential care to the vulnerable in the community. The service was able to provide high-quality care to its clients and meet the increased demand during the lockdown periods.

The most significant difference in the way that the Town operated internally was employees working from home through remote access, with electronic meetings becoming the norm.





Strategic Community Plan

During 2020, the Town undertook a major review of its Strategic Community Plan (SCP). The SCP is available to view and download from the Town's website. The SCP is an important planning tool for the Town, developed through an extensive community engagement process, to identify community priorities for service provision over the next 10 years.

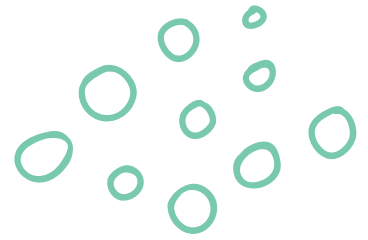
The SCP defines the priorities, actions and initiatives that Council will focus on to satisfy community expectations. This sets the benchmark for the Town to monitor its progress and performance.

The SCP now comprises seven key focus areas:

- Strengthening and connecting our community
- Leading environmental sustainability
- Creating a vibrant Town and precincts
- Driving financial sustainability

- Facilitating people centred services
- Providing visionary leadership and making great decisions
- Building community identity by celebrating culture and heritage.

The SCP is extensively reviewed every four years (with a minor review every two years) to make sure it reflects community aspirations. The next review is due in 2024.



Corporate Business Plan

A new Corporate Business Plan was adopted by Council on 27 October 2020 to reflect the change in strategic direction and priority from adoption of the Strategic Community Plan.

A Corporate Business Plan is used as the local government’s internal business planning tool that translates Council priorities from the Strategic Community Plan into operational outcomes. In its entirety, it details the services, operations and projects a local government will deliver over a defined period.

The Corporate Executive Committee, comprised of the executive team at the Town, conducted workshop sessions throughout August and September 2020, to develop a new Corporate Business Plan that would align with the priority areas, objectives, strategies and success measures, already endorsed by Council, in the Strategic Community Plan.

The adopted Corporate Business Plan was informed by the Strategic Community Plan. It reflects the strategic priorities identified as part of the “BassenDream Our Future” consultation process and feedback from the MARKYT Community Scorecard survey.

The Corporate Business Plan represents the Town’s four year delivery plan, which gives effect to its first four years of the 10 year Strategic Community Plan. It outlines the projects/actions and day to day service delivery of the Town. The Corporate Business Plan contains the key projects agreed upon by Council. These projects have been resourced through the budgetary process as achievable in the forthcoming years.



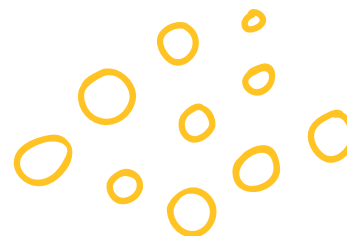
Artist Sharon Peterkin, 2019

Our Services

Day-to-Day Activities Delivered by the Town of Bassendean.

Directorate	Activities
Office of the CEO	Provide oversight and compliance with the Local Government Act and Regulations; drive organisational performance and culture
Human Resources	Delivery of human resource and organisational development services in relation to workforce planning, recruitment and selection, occupational health and safety, training and development and recognition and wellbeing
Governance	Coordinate election process and education programs for councillors; management of meetings and decisions; local laws; delegations; policy reviews; risk management; Annual Report; and governance advice
Strategic Communications	Provision of strategic advocacy and media management
Integrated Planning and Reporting	Monitor, report and review the Strategic Community Plan and Corporate Business Plan
Council and Executive Support	Support the Mayor and Elected Members
Corporate Services	Deliver financial management and good governance
Customer Services	Respond to requests and enquiries
Finance Services	Efficient, effective and compliant accounting services, financial management and reporting; development of long term financial plan
Rating Services	Manage the application and payment of approved rates to properties across the Town
Information Management	Plan and manage IT resources to support the business; provide systems to promote compliance with the State Records Act and FOI requirements
Procurement Services	Coordinate and manage the procurement of goods and services, in compliance with legislation and policy
Children's Services	Manage the Wind in the Willows Early Childhood Education Centres
Seniors Services	Manage the Hyde Retirement Village and provision of home support services for seniors

Our Services (Continued)



Community Planning		Plan and deliver services and facilities for the community
Community Development	Coordinate civic events, management of recreation facilities, provision of recreation and volunteering programs; support of community groups and initiatives and provide opportunities for community inclusion and connection	
Ranger Services	Parking and vehicle control; protection of public amenity; pet registration, animal control; and fire risk management	
Planning and Building Services	Development control (assessment and determination of development, subdivision and building proposals), preparation of a draft amended Local Planning Strategy and a new Local Planning Scheme, development-related compliance and pool inspections	
Environmental Health Services	Protect and enhance public health via regulation and education, food safety and mosquito control	
Library Services	Support the recreational, educational and technological needs of the community	
Youth Services	Provision of youth programs and support	
Infrastructure		Facilitate development and implementation of asset management plans; deliver and maintain infrastructure within the Town
Engineering Services	Provide safe, efficient and effective infrastructure including roads, paths, drainage, lighting, traffic management and associated structures, along with compliance with the road reserve	
Parks and Gardens	Maintain parks and reserves, playing fields, garden beds, reticulation bores, and tree planting	
Facilities Management	Day to day management of the Town's facilities	
Asset Planning and Management	Development and management of asset plans aligned to the Strategic Community Plan and Corporate Business Plan	
Project Delivery	Development and delivery of civil construction projects and contract management	
Sustainability and Environment		Develop, manage and implement plans for the future sustainability of our environment
Waste Management and Recycling	Coordinate the Town's collection, processing and disposal agreements and develop and implement strategies and engagement to reduce waste Implement Waste Plan	
Sustainability	Develop and implement strategies to reduce the organisation and District's water use and carbon footprint	
Environment	Improve the water quality of the river and catchment areas; develop and implement plans to improve the natural environment including urban forest and natural area reserves	

Operational Highlights

Road Maintenance



- **250 Tonnes** of recycled road profiling from road resurfacing projects carried out within the Town.
- 189m² of **new footpath**.
- 141m² of **footpath maintenance**.

Community Development



- Over **100 volunteers**.
- **440 participants** in the Town's Relax program.

Parks and Gardens



- **Over 1000 trees planted** in the winter 2021 planting program.
- **60 Gallipoli Centenary Roses** at BIC Reserve War Memorial.
- **250 native plants** at Mary Crescent.
- **1000's various species** to back fill and improve existing street gardens.

Customer Service and Rates



- **13271** customer service interactions.
- **94** new Town residents.
- **7308** rateable properties.
- **839** current cat registrations.
- **2192** current dog registrations.

Operational Highlights (Continued)

Development



- The Town experienced a **58% increase** in building and development applications compared to the previous year.

Environmental Health



- **188 food business risk** assessments to assess compliance with the Food Safety Standards.
- **50 temporary food business** (stallholder) permits issued.
- **11005 mosquitoes trapped**.

Sustainability



- Re-endorsement as a **Gold Waterwise Council**.
- Organised **20 community workshops** on Waste and Sustainability.
- Organised **two community planting days**: Success Hill Reserve and Green Trail.
- Participation in EMRC's **'Flood Aware Be Prepared'** awareness project.

Youth Services



- The RYDE (Regional Youth Driver Education) Program developed 3 new franchise sites; one which operates within the numerous internal programs at MercyCare in Mirrabooka, one delivered by the City of Joondalup, and a third run by Robe River Kuruma Aboriginal Corporation specifically for indigenous young people. These bring the number of RYDE sites to 8. During the 2020/21 financial year, **731 driving sessions** were completed totalling **1031 driving hours**, supporting around **200 young drivers**.
- Youth Services continued to deliver individual case management, after school drop-in hours, and medium term accommodation for **4 disadvantaged young mothers**.
- Negotiated with the Scout Association of WA to introduce a **new Scout Group** to Bassendean operating from the Youth Centre building.
- **Secured grants from Lotterywest** and the WA Police Graffiti Fund for young people to produce mural art boards which will displace graffiti on the residential retaining wall at the end of Railway Parade in Success Hill.



Natural Areas



- **20 hectares of natural areas** managed in partnership with community groups.
- **6 kilometres of Swan River foreshore** under various management including the Town, Department of Planning, Lands and Heritage and private owners.
- **Established 15000 local, native plants** as part of environmental restoration projects.

Library Services



- **18408 volumes to the value of \$191814**, previously owned by the State Library, became property of Bassendean Memorial Library as part of the new model for delivering public library services in WA.
- **Implemented a Radio Frequency Identification system** for the circulation of library stock, where multiple items can be simultaneously issued either at the self-checker or at the issue desk, making the transaction faster and more efficient.
- **The Oral History project progressed**; with another five interviews conducted by a professional oral historian with notable community members.

Wind in the Willows Early Childhood Education



- **200 children were enrolled** at the two centres.
- Both centres **remained open** during the shutdown.
- The centres are rated as exceeding the **National Quality Standards**, in recognition of the quality care and education programs.
- **Child and Family Network established** to optimise and improve outcomes for families with children aged from pre-birth to 12 years of age, living within the Town of Bassendean.

Seniors and Disability Services



- Provided **20584** home support services and social services to 450 clients under the Commonwealth Home Support Program.
- Provided a range of services under the Home Care Package Program to **45 clients** with more complex needs.

Our Events 2020

July

No activities staged due to the 2020/2021 budget being considered for adoption in light of COVID

August

Old Perth Road Markets

September

Citizenship Ceremony
Old Perth Road Markets

October

Old Perth Road Markets

November

Online acknowledgement of NAIDOC
(Date switched due to COVID)
Online acknowledgement
of Seniors Week
Old Perth Road Markets
Telethon Community Cinemas

December

Westcare/International Day of People with
Disability Morning Tea
Thank a Volunteer Day (International
Volunteer Day) Movie Screening
Our Park Our Place Mary Crescent
Community Event
Old Perth Road Markets
Telethon Community Cinemas

Our Events 2021

January

Australia Day Citizenship Ceremony and Community BBQ
FOGO Community Celebration
Telethon Community Cinemas

February

Old Perth Road Markets
Telethon Community Cinemas

March

Basso's Biggest BBQ
Whitfield Safe Active Street Activation
International Women's Day
Old Perth Road Markets
Telethon Community Cinemas

April

Bikefest
Whitfield Safe Active Street Activation
ANZAC Day and Old Perth Road Markets
(Cancelled due to Covid lockdown)

May

Community Awards and Citizenship Ceremony
Old Perth Road Markets

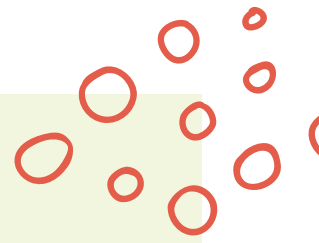
June

No markets due to poor weather





Key Projects in 2020/21



The introduction of FOGO

Sustainability is a high priority for our community.

Council became a leader in waste management by introducing a third bin for Food Organics and Garden Organics (FOGO).

Through the Town's partnership with the Eastern Metropolitan Regional Council, the goal to introduce FOGO was achieved.

The new bin system is comprised of the yellow lid recycling bin along with a new FOGO bin with a lime-green lid, a new smaller general waste bin with a red lid as well as a kitchen caddy and

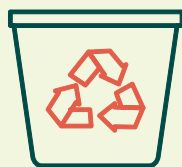
compostable liners to collect food scraps in the kitchen.

The introduction of FOGO has delivered benefits to the environment, the community and the economy. Food scraps and green waste will be made into compost and returned to the Town for use in parks and residents' gardens.

The new three bin system will enable the Town to meet important waste reduction targets set by the WA Government for a 75% diversion of waste from landfill.



Kerbside General Waste
2528 tonnes



Kerbside Recycling
1395 tonnes



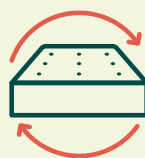
Kerbside FOGO
2970 tonnes



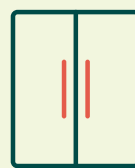
Vergeside waste collected
600.5 tonnes



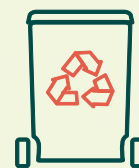
Community Drop Off
9.3 tonnes



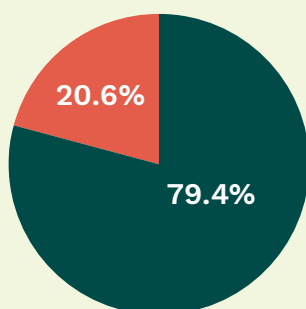
Mattresses (each)
935



Fridges and Freezers (each)
210

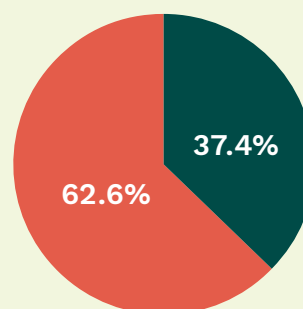


Number of FOGO bins collected
354925



2019/20 Landfill Division

■ Diverted
■ Landfilled



2020/21 Landfill Division

■ Diverted
■ Landfilled

Key Projects in 2020/21 (Continued)

Whitfield Safe Active Street



The State Government funded the Town to create a 30km/h road environment from Guildford Road to Sandy Beach Reserve and Ashfield Flats along Whitfield Street to allow for safe cycling and walking. The Safe Active Street allows residents to easily commute to local café's and shops, train stations and schools. It has also created a greener street scape where active transport is prioritised. The Town presented a number of community activations during the year to promote the safe and frequent usage of the new amenity.

Underground Power



Planning for underground power in parts of Eden Hill and Bassendean occurred, with Western Power funding the major infrastructure and property owners funding the cost of connection from the boundary to the home. Underground power will mean reduced outages and an enhanced streetscape with provision for improved tree canopy. Property owner contributions will commence in 2022/23.

Jubilee Reserve Masterplan



The Town engaged Tredwell Management to develop a high-level concept master plan for Jubilee Reserve, maximising sustainable reserve usage and providing an accessible, multipurpose facility. Importantly, the masterplan represents the culmination of extensive input from our community involving site visits, face to face meetings with clubs, and surveys of user groups and community members. The concept masterplan has been delivered with a detailed building design of the multipurpose facility.

Town Centre Masterplan



The Town worked with Creating Communities to develop a community-led Town Centre Masterplan, to be considered by Council in 2021/22. The masterplan will contemplate an additional 2000 dwellings within the precinct centred on the transport hubs of Bassendean and Success Hill train stations, and will aim to encourage overall economic and jobs growth in the area to increase town centre vibrancy.



Sandy Beach Playground



The detailed design for the playground has been completed and the Town will issue a tender for construction next financial year. The playground will feature a flying fox with timber platform, an A-frame triple wind with basket, tree tower, concrete slide, water fountain and water play trough, timber steppers, an accessible tee pee, stilts, balance logs, a dual tight rope, hive cubby, sand pit, sand play table and sand pulley, barbeques, lighting and seating. New ablutions will be constructed alongside the new playground which is due for completion at the end of 2021/22.

Padbury Reserve Playground, Eden Hill



The new neighbourhood playground at Padbury Reserve was funded by the Australian Government's Local Roads and Community Infrastructure Program and the Town of Bassendean. Padbury Reserve is a local level playground which is the smallest category of play space and is intended for people in the surrounding areas to walk to and enjoy. Importantly, the local neighbourhood reflected their aspirations for the new playground in the design.

Mary Crescent Reserve



The 'Our Park, Our Place' project aims to help reduce the heat island effect in Eden Hill by transforming Mary Crescent Reserve. The project was funded by Lotterywest and delivered by Greening Australia, Town of Bassendean and the Behaviour Change Collaborative with support from the Water Corporation's Drainage for Liveability Program and the Eden Hill Community Action Network.

Local Planning Strategy and Scheme



The Town progressed the review of the local planning framework, which led to Council, in November 2020, resolving to adopt (for the purposes of advertising) a draft amended Local Planning Strategy and draft Local Planning Scheme No. 11. The matter is currently subject to discussion between the Town and the Department of Planning, Lands and Heritage. The new Local Planning Strategy and Scheme will shape land use and development in the area over the coming years to cater for our growing community.

Key Projects in 2020/21 (Continued)

Men's Shed Fit-Out



The new Men's Shed community facility, constructed last financial year, received a fit-out during the year funded by the Gaming Community Trust. The new amenity aims to improve the health and wellbeing of members through the camaraderie and support of a local network. The Men's Shed now provides an environment for men to undertake a variety of projects whilst enjoying the company that comes from sharing experiences. The facility also provides a separate space for community groups to use.

The Lookout



Ashfield Community Action Network (AshfieldCAN) worked to transform what was a contaminated site into a place of contemplation and connection with plans for a new community space that enables residents to admire the sweeping view over the Ashfield Flats wetland and the Darling Scarp and beyond. The Lookout is a collaborative local project led by AshfieldCAN, supported by Dave Kelly MLA, the Town of Bassendean, and GHEMS Revegetation Environmental.

Palmerston Reserve Playground Bassendean



The Town received funding through the Australian Government's Local Roads and Community Infrastructure Program to create a new nature-based playground including a large climbing fort, new swings, monkey bars, balance logs and other balancing equipment. A whimsical fairy garden has also been installed to promote imaginative play. This and other playgrounds built throughout the year cater for the growing number of young families moving into the area.



Achievements for 2020/21

Priority Area 1: Strengthening and Connecting our Community

- The Town fostered relationships with various community groups to achieve shared outcomes for our community. Understanding what was important to groups and how we could better work together was a key focus. These discussions informed key changes including capacity building (through workshops); a new community funding policy; the promotion of grants from other sources; and the introduction of the concept of community insurance.
- A new Community Awards framework was developed to recognise outstanding community leaders.
- As part of the ongoing review of services delivered by a local government, the Town reviewed its delivery of markets. An Expression of Interest was promoted for interested parties to deliver the markets in the future.
- Palmerston and Padbury Reserves were upgraded to create places where people feel welcome and can connect with community.
- Planning work continued in partnership with Western Power on the undergrounding of power in Eden Hill and parts of Bassendean (north of the railway line).
- A co-design project in conjunction with Eden Hill Community Action Network, Greening Australia and the community was undertaken to convert an old sump at Mary Crescent Reserve into micro wetlands, with new plantings, paths and seating.
- The planning for a new nature-based playground and ablutions at Sandy Beach Reserve was undertaken.
- The Whitfield 'Safe Active Street' was completed providing a people friendly transport corridor between Guildford Road and Ashfield Flats and Sandy Beach.
- Working in partnership with the Ashfield Community Action Network, State Government (and others), the unused parcel of land was transformed into a scenic look-out over Ashfield Flats providing a place of contemplation for our community.

Achievements for 2020/21 (Continued)

Priority Area 2: Leading Environmental Sustainability

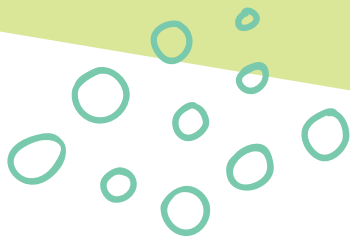
- A Waste Plan providing a vision for the Town's waste services for the next 10 years was developed. It strengthens the Council's commitment to minimising environmental impacts associated with its waste management activities and also supports the provision of best practice waste services and facilities.
- Work commenced on planning to reduce the Administration's footprint by exploring the opportunity to co-locate.
- As an early adopter of FOGO, the Town provided guidance and strategic advice to other local governments in their planning and preparations to implement FOGO.
- To reduce the impact on the earth's resources, the Town commenced implementing recycled footpaths and kerbsides.
- Exploration of 'green' power for Town facilities and battery storage and power purchasing agreements was undertaken.
- Continued campaigns and community awareness promoted the benefits of more sustainable approaches.
- A river foreshore assessment commenced in order to guide future investment and preservation of this natural asset.
- A water indexing workshop with community members was undertaken to inform the development of a water-wise strategy.
- Planning for the development of a living stream between Second and Fourth Avenue continued to transform a drain into new community amenity.
- A 'green trail' along the Principal Shared Path between Lord Street and Bassendean Train Station will deliver a shady, cool corridor for pedestrians and cyclists in the future.
- For the second consecutive year, the Town planted over 1000 trees across the District, to reduce the heat island effect and create a cooler environment for everyone to enjoy.

- The transformation of two local drain inlets to Bindaring Wetland into Living Streams, involving an area of 1000m² and 3700 new plants.
- Implementation of two pilot verge transformation programs to support residents to create waterwise verges, resulting in a total of 27 verges being transformed.
- The implementation of this years Plants to Residents Program supplied 7150 native and waterwise plants to residents at a subsidised cost, for planting in their backyards/gardens.
- A service level assessment was undertaken on all operations completed within the road reserve which resulted in bringing street tree and garden bed watering in house to improve outcomes and efficiencies. The Town purchased a purpose built watering trailer and a new water tank to ensure the sustainability of street tree and garden bed assets.

Priority Area 3: Creating a Vibrant Town and Precincts

- Off the back of 'Bassendean Our Future', the most extensive community engagement undertaken by the Town, planning commenced for a Town Centre Masterplan responding to the community's desire for vibrancy in our town centre.
- Engagement with developers and State Government was undertaken to advocate for the development of key Crown sites in the town centre.
- In response to the State Government's requirement for an additional 4150 new dwellings by 2050, a draft Local Planning Strategy and Scheme was developed and submitted to the Department of Planning, Lands and Heritage for consideration.
- Reforms and improvements to a raft of planning policies was undertaken to reflect the values of Council and State Government direction.





Priority Area 4: Driving Financial Sustainability

- The Town undertook a 'ground-up' review of its asset management to improve understanding of the associated lifecycle costs and impact on the overall budget. Furthermore, the review enabled improved integration between the Strategic Community Plan, community aspirations and long term financial sustainability. Further work will continue over the coming year.
- A masterplan was developed for Jubilee Reserve, involving extensive engagement with residents and various community and sporting groups. The masterplan promotes a multi-functional community hub with a funding commitment by Council of up to \$2 million. The Town advocated to both the State and Federal government for the remaining funds to make the masterplan a reality.
- A new Purchasing Policy and Procurement Framework was implemented, to guide procurement activity to provide value for money for the Town, while incorporating principles of sustainable procurement.
- Planning for a new Community Leasing Framework was undertaken to achieve improved consistency and equity across various leases with community and sporting groups.

Priority Area 5: Facilitating People-Centred Services

- The Town continued to explore and implement ways to reach our community. A comprehensive review of our communications framework was undertaken identifying further improvements that will be implemented over the coming year.
- An ICT investment and roadmap for the future was created to better support our operations and improve our customer-facing services.
- Improvements have continued with regards to our website functionality and online lodgements, applications and payments.
- A suite of financial hardship policies were implemented to support those members of the community who may be struggling with debt. This was particularly important in light of the early impacts of COVID on employment.

Priority Area 6: Providing Visionary Leadership and Making Great Decisions

- As leaders in good governance, planning commenced on the development of a new Risk Management Framework and Fraud and Corruption Control Plan.
- A new Strategic Community Plan and Corporate Business Plan was developed to represent the vision, values, aspirations and priorities of our community aligned to our resourcing capabilities.
- A new Quarterly Report Framework was implemented to align performance reporting to our new Strategic Community Plan and Corporate Business Plan.
- A new Employee Performance Management System was implemented to align the contributions of staff to the outcomes identified in our new Strategic Community Plan and Corporate Business Plan.
- In light of the impacts of COVID, work was undertaken to update Business Continuity, Pandemic and Disaster Recovery Plans.
- An annual review of delegated authority was undertaken to balance risk and efficient operations.
- Work continued throughout the year on reviewing and improving a range of policies and strengthening our internal controls.
- Professional development opportunities aligned to the requirements of roles were offered to elected members and staff.

Priority Area 7: Building Community Identity By Celebrating Culture and Heritage

- Further opportunities to share the history of the Town were created through history walks available to the community.
- A review of the Town's Local Heritage Survey was undertaken to ensure heritage locations and buildings of historical value within the Town are recognised and cared for.



Priorities for the Year Ahead

Strategic Priorities	Key Initiatives
1. Strengthening and Connecting Community	<p>We will complete the Sandy Beach Playground and ablutions to create a new riverpark for families to recreate and enjoy our natural environment.</p> <p>We will complete stage 2 of the Palmerston Reserve upgrade, supplementing the new nature-based playground with pathways and further plantings.</p> <p>We will build community capacity through the provision of community insurance for eligible groups, enhance access to community funding and provide capacity building initiatives.</p>
2. Leading Environmental Sustainability	<p>We will develop a Corporate Emissions Reduction Strategy, power our Town with 100% renewable energy and will be carbon neutral through high quality Australian carbon offsets for those emissions that cannot yet be eliminated.</p> <p>Working in partnership with Western Power, the undergrounding of power will commence, with new LED street lighting in parts of Eden Hill and Bassendean, leading to less outages and improved tree canopy and streetscapes.</p> <p>We will continue our extensive tree planting program for the third consecutive year, planting 1000 verge trees to improve canopy cover, keep our streets and natural areas cooler and provide vital habitat. An additional 16000 local, native plants will be established in natural areas.</p> <p>We will repurpose the open drain between Second Avenue and Third Avenue to create a living stream and new public open space.</p>
3. Creating a Vibrant Town and Precincts	<p>We will complete a Town Centre Masterplan to drive future investment and development to create a vibrant town centre in line with community aspirations.</p> <p>We will engage with our community to plan for the future of Point Reserve.</p>
4. Driving Financial Sustainability	<p>We will invest in our assets such as a new drainage solution and jetty for Success Hill and build our reserves for future projects, including the restoration of Bindaring Park and Point Reserve.</p>
5. Facilitating People Centred Services	<p>We will continue to support those who may be struggling to meet their financial obligations through a financial hardship policy.</p> <p>We will improve our Information and Communications Technology to enhance service delivery.</p>



Strategic Priorities	Key Initiatives
6. Providing Visionary Leadership and Making Great Decisions	<p>We will continue to progress our Local Planning Framework to accommodate the future growth of our District in a way that reflects the aspirations of our community.</p> <p>We will facilitate a plan for the co-location of the Town’s administration to reduce our footprint, running costs and improve communication.</p> <p>We will advocate for future investment and development in the town centre and for key projects.</p>
7. Building Community Identity by Celebrating Culture and Heritage	<p>We will review the Town’s Local Heritage Survey and create a Local Planning Policy to recognise and protect our local heritage and character.</p> <p>We will deliver digital artworks along the new Green Trail (between First and Third Avenue along the railway line), and install QR codes along the Green Trail and The Lookout.</p> <p>We will create a plan for the provision of public artwork within the Town.</p>





Statutory reporting

The Council

The Town consists of seven Councillors (elected members) who are usually elected for a four-year term. Elections are held every two years at which approximately half of the seats are contested.

Council governs the affairs of the Town, monitors performance and is responsible for allocating finances and the Town's resources to achieve the strategic goals of the Town. Council is responsible for reviewing the Town's policies, delegations, plans and statutory requirements.

The Town has implemented a meeting cycle that runs from February to December, with no meetings held during January. The Town's four weekly meeting cycle consists of scheduled workshops on the first and second Tuesdays of each month, an agenda Briefing Session on the third Tuesday, and an Ordinary Council meeting on the fourth Tuesday of the month.

Under regulation 19B of the Local Government (Administration) Regulations 1996, a local government is required to report on the number of council and committee meetings attended by each Councillor during the financial year.

Register of Councillor Attendance at Meetings (Regulation 19B(f)) 1 July 2020 to 30 June 2021

Councillor	Ordinary Council Meetings	General Meeting of Electors	Council Committees	Special Council Meetings
			Audit and Governance BLEMC	
McLennan	10	1	4	2
Hamilton	11	1	9	2
Gangell	9	0	1	2
Wilson	11	0	1	2
Quinton	10	0	1	2
Barty	9	1	4	2
MacWilliam	10	1	10	2

Gender distribution on Council (Regulation 19B(g))

Male	3	42.8%
Female	4	57.2%
TOTAL	7	100%

Workforce

In accordance with s. 5.53(2)(g) of the *Local Government Act 1995* and regulation 19B of the *Local Government (Administration) Regulations 1996*, a local government is required to report the number of Town employees earning an annual salary of \$130000 or more; and the number of employees of the local government entitled to an annual salary that falls within each band of \$10000 over \$130000.

The number of those employees with an annual salary entitlement that falls within each band of \$10000 over \$130000 is:

Salary Range	Total
\$130 000 - \$139 999	3
\$140 000 - \$149 999	
\$150 000 - \$159 999	
\$160 000 - \$169 999	
\$170 000 - \$179 999	2
\$180 000 - \$189 999	
\$190 000 - \$199 999	
\$200 000 - \$209 999	1

Infographic on gender equality:

Male	53	28%
Female	133	72%
TOTAL	186	100%

Remuneration to the CEO during the financial year (Regulation 19B(e))

\$206770.

Annual Electors' Meeting 2020/21

17 March 2021.

Official conduct report – complaints

In accordance with section 5.121 of the *Local Government Act 1995* the Town maintains a register of complaints of minor breaches.

No complaints alleging minor breaches by Council Members were received in 2020/21.

Compliance Audit Return

The Town carried out its Compliance Audit Return for the period 1 January 2020 to 31 December 2020. The Town's Compliance Audit Return was presented to Council on 23 March 2021. A certified copy of the Compliance Audit Return was submitted to the Director General of the Department of Local Government, Sport and Cultural Industries.

Record Keeping

Under the *State Records Act 2000*, the Town and its employees are obliged to comply with the Town's Record Keeping Plan. A revised plan was endorsed by the State Records Office of WA in June 2018 and remains valid until 2023. During 2020/21, 33442 documents have been registered to the Town's records management system, with 1264 new files being created.

Statutory reporting (Continued)

Record Keeping Training

In compliance with the *State Records Act 2000*, all employees are required to undertake record keeping training.

Throughout the year, 96 records management training sessions were provided to employees, including induction and records refresher training.

Freedom of Information

The *Freedom of Information Act 1992* gives the public the right to apply for access to information held by the Town of Bassendean. In 2020/21, ten FOI requests were processed.

National Competition Policy

The Competition Principles Agreement (CPA) is an agreement between the Federal Government and all State and Territory Governments. The CPA aims to ensure all public enterprises operate in a transparent manner in the best interests of the public. Under the CPA, public enterprises are required to review their operations to ensure they have no competitive advantage or disadvantage as a result of their public status.

Competitive Neutrality (under the CPA)

Competitive neutrality addresses potential advantages or disadvantages that public enterprises may have compared with businesses operating in the private sector. Local Government is affected where it operates business activities which could compete with private businesses, and where its local laws may unnecessarily affect competition.

Disability Services Act 1993 (section 29(2))

The Town adheres to an ethos of social inclusion.

During 2020/21, the Town demonstrated its commitment to the provision of an accessible community.

The Town maintained its operation of the Bassendean Seniors and Disability Services, providing quality aged care services to residents of the Town as well as to clients from surrounding local government districts.

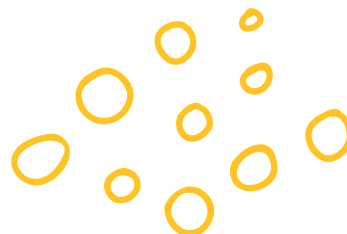
Completion of the new Safe Active Street on Whitfield Street, in partnership with the Department of Transport now provides not only traffic calming initiatives along the length of the thoroughfare, but also provision of pedestrian and mobile access for those with disabilities.

The Town plans to implement an e-news service next financial year in order to make its news and current affairs more accessible to a wider audience.

The Town has implemented a Disability Access and Inclusion Plan (DAIP).

Public Interest Disclosure

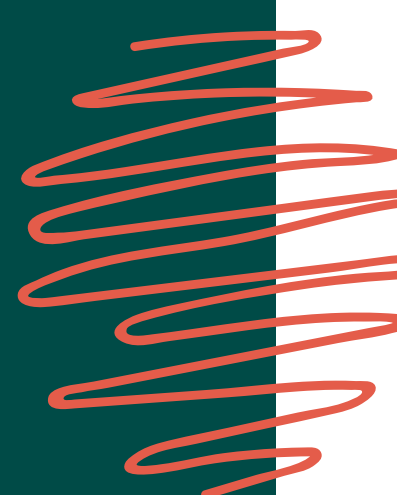
No public interest disclosures were made in the reporting period.





Financial Report

For The Year Ended 30 June 2021



TOWN OF BASSENDEAN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

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COMMUNITY VISION

"A connected community, developing a vibrant and sustainable future, that is built upon the foundations of our past".

Principal place of business:
48 Old Perth Road
BASSENDEAN WA 6054

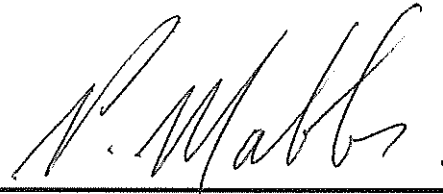
**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

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

Signed on the ninth day of December 2021.



Chief Executive Officer

Peta Mabbs

TOWN OF BASSENDEAN
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
Rates	26(a)	13,487,147	13,480,660	13,375,582
Operating grants, subsidies and contributions	2(a)	2,908,950	2,619,115	3,249,254
Fees and charges	2(a)	6,453,256	6,031,127	5,969,778
Interest earnings	2(a)	230,965	285,208	364,799
Other revenue	2(a)	413,831	441,131	463,019
		<u>23,494,149</u>	<u>22,857,241</u>	<u>23,422,432</u>
Expenses				
Employee costs		(13,151,286)	(13,476,198)	(13,158,941)
Materials and contracts		(6,284,637)	(7,327,227)	(6,960,228)
Utility charges		(669,465)	(696,582)	(695,799)
Depreciation on non-current assets	11(b)	(3,761,716)	(3,559,374)	(3,731,705)
Interest expenses	2(b)	(37,661)	(32,689)	(46,220)
Insurance expenses		(474,756)	(492,162)	(473,470)
Other expenditure		(885,971)	(978,941)	(632,526)
		<u>(25,265,492)</u>	<u>(26,563,173)</u>	<u>(25,698,889)</u>
		<u>(1,771,343)</u>	<u>(3,705,932)</u>	<u>(2,276,457)</u>
Non-operating grants, subsidies and contributions	2(a)	1,935,996	1,837,947	1,349,865
Profit on asset disposals	11(a)	30,464	32,819	0
(Loss) on asset disposals	11(a)	(223,006)	(334,324)	(3,868)
Investment in Local Government House	5(b)	4,525	0	2,017
Net Share of Interest in Associate - EMRC	25(a)	192,588	0	(638,176)
		<u>1,940,567</u>	<u>1,536,442</u>	<u>709,838</u>
Net result for the period		169,224	(2,169,490)	(1,566,619)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Share of changes in asset revaluation surplus of associate	13	(209,871)	0	104,712
Impairment of non-current assets	13	(700,013)	0	0
Total other comprehensive income for the period		(909,884)	0	104,712
Total comprehensive income for the period		(740,660)	(2,169,490)	(1,461,907)

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

TOWN OF BASSENDEAN
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
Governance		28,060	35,375	61,074
General purpose funding		14,476,691	14,273,838	14,698,027
Law, order, public safety		118,852	114,110	118,788
Health		3,120,277	2,835,170	2,894,086
Education and welfare		4,776,491	5,046,381	5,003,626
Community amenities		289,294	82,300	136,273
Recreation and culture		266,232	183,993	241,865
Transport		106,248	104,081	64,356
Economic services		192,594	78,222	107,128
Other property and services		119,410	103,771	97,209
		23,494,149	22,857,241	23,422,432
Expenses				
Governance		(966,772)	(1,014,745)	(1,135,786)
General purpose funding		(838,873)	(880,223)	(954,023)
Law, order, public safety		(639,977)	(699,355)	(648,258)
Health		(3,794,554)	(3,910,909)	(3,289,396)
Education and welfare		(5,816,941)	(5,986,717)	(5,811,723)
Community amenities		(1,042,640)	(1,190,045)	(1,271,977)
Recreation and culture		(5,511,162)	(5,930,255)	(5,999,596)
Transport		(6,051,810)	(6,305,828)	(5,989,756)
Economic services		(507,442)	(549,407)	(503,182)
Other property and services		(57,660)	(63,000)	(48,972)
		(25,227,831)	(26,530,484)	(25,652,669)
Finance Costs				
	2(b)			
Governance		(2,165)	0	(2,125)
General purpose funding		(12,889)	(13,053)	(14,442)
Law, order, public safety		(43)	0	(250)
Health		(109)	0	(309)
Education and welfare		(198)	0	(605)
Community amenities		(3)	0	(20)
Recreation and culture		(19,563)	(19,636)	(25,167)
Transport		0	0	(52)
Economic services		(8)	0	(68)
Other property and services		(2,683)	0	(3,182)
		(37,661)	(32,689)	(46,220)
		(1,771,343)	(3,705,932)	(2,276,457)
Non-operating grants, subsidies and contributions	2(a)	1,935,996	1,837,947	1,349,865
Profit on disposal of assets	11(a)	30,464	32,819	0
(Loss) on disposal of assets	11(a)	(223,006)	(334,324)	(3,868)
Investment in Local Government House	5(b)	4,525	0	2,017
Share of net profit of associates accounted for using the equity method	25(a)	192,588	0	(638,176)
		1,940,567	1,536,442	709,838
Net result for the period		169,224	(2,169,490)	(1,566,619)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Share of changes in asset revaluation surplus of associate	13	(209,871)	0	104,712
Changes on revaluation of non-current assets	13	(700,013)	0	0
Total other comprehensive income for the period		(909,884)	0	104,712
Total comprehensive income for the period		(740,660)	(2,169,490)	(1,461,907)

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

**TOWN OF BASSENDEAN
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

	NOTE	2021	2020
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	13,222,897	4,273,122
Trade and other receivables	6	1,305,896	1,706,165
Other financial assets	5(a)	1,712,214	8,974,492
Inventories	7	6,298	9,037
Other assets	8	23,724	41,240
TOTAL CURRENT ASSETS		16,271,029	15,004,056
NON-CURRENT ASSETS			
Trade and other receivables	6	351,868	325,083
Other financial assets	5(b)	290,062	305,667
Investment in associate	25(a)	7,835,333	7,852,617
Property, plant and equipment	9	55,007,611	56,339,210
Infrastructure	10	104,025,496	105,286,630
Right-of-use assets	12	214,107	318,281
TOTAL NON-CURRENT ASSETS		167,724,477	170,427,488
TOTAL ASSETS		183,995,506	185,431,544
CURRENT LIABILITIES			
Trade and other payables	14	4,685,158	5,542,603
Contract liabilities	15	628,512	455,426
Lease liabilities	16(a)	93,799	152,712
Borrowings	17(a)	97,696	97,006
Employee related provisions	18	2,434,492	2,258,170
TOTAL CURRENT LIABILITIES		7,939,657	8,505,917
NON-CURRENT LIABILITIES			
Contract liabilities	15	1,560	29,286
Lease liabilities	16(a)	121,891	167,151
Borrowings	17(a)	354,613	452,310
Employee related provisions	18	256,909	215,344
TOTAL NON-CURRENT LIABILITIES		734,973	864,091
TOTAL LIABILITIES		8,674,630	9,370,008
NET ASSETS		175,320,876	176,061,536
EQUITY			
Retained surplus		26,369,739	26,916,719
Reserves - cash/financial asset backed	4	6,875,891	6,159,687
Revaluation surplus	13	142,075,246	142,985,130
TOTAL EQUITY		175,320,876	176,061,536

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

**TOWN OF BASSENDEAN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

		RESERVES			
		CASH/FINANCIAL		REVALUATION	TOTAL
	NOTE	RETAINED	ASSET	SURPLUS	EQUITY
		SURPLUS	BACKED	SURPLUS	EQUITY
		\$	\$	\$	\$
Balance as at 1 July 2019		27,686,013	6,957,012	142,880,418	177,523,443
Comprehensive income					
Net result for the period		(1,566,619)	0	0	(1,566,619)
Other comprehensive income	13	0	0	104,712	104,712
Total comprehensive income		(1,566,619)	0	104,712	(1,461,907)
Transfers from reserves	4	2,097,054	(2,097,054)	0	0
Transfers to reserves	4	(1,299,729)	1,299,729	0	0
Balance as at 30 June 2020		26,916,719	6,159,687	142,985,130	176,061,536
Comprehensive income					
Net result for the period		169,224	0	0	169,224
Other comprehensive income	13	0	0	(909,884)	(909,884)
Total comprehensive income		169,224	0	(909,884)	(740,660)
Transfers from reserves	4	191,394	(191,394)	0	0
Transfers to reserves	4	(907,598)	907,598	0	0
Balance as at 30 June 2021		26,369,739	6,875,891	142,075,246	175,320,876

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

TOWN OF BASSENDEAN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		13,779,197	13,680,660	11,911,879
Operating grants, subsidies and contributions		3,140,333	2,619,115	3,413,702
Fees and charges		6,455,489	6,031,127	5,969,778
Interest received		230,965	285,208	364,799
Goods and services tax received		1,097,861	960,483	896,442
Other revenue		221,243	441,131	463,019
		<u>24,925,088</u>	<u>24,017,724</u>	<u>23,019,619</u>
Payments				
Employee costs		(12,933,399)	(13,411,106)	(13,175,810)
Materials and contracts		(7,200,698)	(7,354,227)	(5,168,172)
Utility charges		(669,465)	(696,582)	(695,799)
Interest expenses		(37,661)	(32,689)	(46,220)
Insurance paid		(474,752)	(492,162)	(473,470)
Goods and services tax paid		(1,025,812)	(925,575)	(1,019,511)
Other expenditure		(693,383)	(978,941)	(632,526)
		<u>(23,035,170)</u>	<u>(23,891,282)</u>	<u>(21,211,508)</u>
Net cash provided by (used in) operating activities	19	<u>1,889,918</u>	<u>126,442</u>	<u>1,808,111</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	9(a)	(1,370,482)	(2,220,078)	(1,190,079)
Payments for construction of infrastructure	10(a)	(2,129,496)	(4,195,269)	(816,198)
Non-operating grants, subsidies and contributions	2(a)	1,935,996	1,837,947	1,349,865
Proceeds from financial assets at amortised cost - term deposits		7,253,752	0	(4,557,871)
Proceeds from financial assets at fair values through profit and loss		4,525	0	2,017
Proceeds from sale of property, plant & equipment	11(a)	1,605,745	1,515,000	8,514
Net cash provided by (used in) investment activities		<u>7,300,040</u>	<u>(3,062,400)</u>	<u>(5,203,752)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(97,007)	(97,370)	(130,367)
Payments for principal portion of lease liabilities	16(b)	(167,306)	0	(185,431)
Proceeds from self supporting loans	17(b)	24,130	24,494	23,766
Net cash provided by (used in) financing activities		<u>(240,183)</u>	<u>(72,876)</u>	<u>(292,032)</u>
Net increase (decrease) in cash held		<u>8,949,775</u>	<u>(3,008,834)</u>	<u>(3,687,673)</u>
Cash at beginning of year		4,273,122	12,653,905	7,960,795
Cash and cash equivalents at the end of the year	19	<u><u>13,222,897</u></u>	<u><u>9,645,071</u></u>	<u><u>4,273,122</u></u>

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

**TOWN OF BASSENDEAN
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	27 (b)	796,267	745,317	(61,574)
		796,267	745,317	(61,574)
Revenue from operating activities (excluding rates)				
Governance		32,585	35,375	63,091
General purpose funding		989,544	799,482	1,322,446
Law, order, public safety		118,852	114,110	118,789
Health		3,120,277	2,835,170	2,894,086
Education and welfare		4,776,491	5,046,381	5,003,626
Community amenities		319,294	112,300	136,273
Recreation and culture		266,232	183,993	241,865
Transport		106,248	106,900	64,356
Economic services		192,594	78,222	107,128
Other property and services		119,874	103,771	97,209
		10,041,991	9,415,704	10,048,869
Expenditure from operating activities				
Governance		(968,937)	(1,014,745)	(1,137,918)
General purpose funding		(851,762)	(893,276)	(968,465)
Law, order, public safety		(640,020)	(716,355)	(648,508)
Health		(3,794,663)	(3,910,909)	(3,289,705)
Education and welfare		(5,817,139)	(5,986,717)	(5,812,327)
Community amenities		(1,255,371)	(1,495,045)	(1,271,997)
Recreation and culture		(5,530,726)	(5,962,215)	(6,024,762)
Transport		(6,051,810)	(6,305,828)	(5,989,808)
Economic services		(507,449)	(549,407)	(503,250)
Other property and services		(70,621)	(63,000)	(56,022)
		(25,488,498)	(26,897,497)	(25,702,762)
Non-cash amounts excluded from operating activities	27(a)	3,943,073	3,863,585	3,278,757
Amount attributable to operating activities		(10,707,167)	(12,872,891)	(12,436,710)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	1,935,996	1,837,947	1,349,865
Proceeds from disposal of assets	11(a)	1,605,745	1,515,000	8,514
Purchase of property, plant and equipment	9(a)	(1,370,482)	(2,220,078)	(1,190,079)
Purchase and construction of infrastructure	10(a)	(2,129,496)	(4,195,269)	(816,198)
		41,763	(3,062,400)	(647,898)
Amount attributable to investing activities		41,763	(3,062,400)	(647,898)
FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(97,007)	(97,006)	(130,367)
Proceeds from self supporting loans	17(b)	24,130	24,130	23,766
Payments for principal portion of lease liabilities	16(b)	(167,306)	0	(185,431)
Transfers to reserves (restricted assets)	4	(907,598)	(1,620,000)	(1,299,729)
Transfers from reserves (restricted assets)	4	191,394	4,158,458	2,097,054
Amount attributable to financing activities		(956,387)	2,465,582	505,293
Surplus/(deficit) before imposition of general rates		(11,621,791)	(13,469,709)	(12,579,315)
Total amount raised from general rates	26(a)	13,487,147	13,474,356	13,375,582
Surplus/(deficit) after imposition of general rates	27(b)	1,865,356	4,647	796,267

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

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

1. BASIS OF PREPARATION

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

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

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

INITIAL APPLICATION OF ACCOUNTING STANDARDS

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

These were:

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

The adoption of these standards had no material impact on the financial report.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

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

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

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

CRITICAL ACCOUNTING ESTIMATES

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

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

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

2. REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

Recognition of revenue is 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	Not applicable	When rates notice is issued
Grant contracts with customers	Community events	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Fees and charges for other goods and services	Library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

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

2. REVENUE AND EXPENSES

(a) Grant revenue

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

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Operating grants, subsidies and contributions			
Governance	21,120	26,662	2,962
General purpose funding	551,155	262,985	771,562
Law, order, public safety	42,999	44,110	49,676
Health	208,768	0	0
Education and welfare	1,958,808	2,156,256	2,322,983
Community amenities	22,563	0	3,609
Recreation and culture	45,387	30,640	40,000
Transport	58,150	98,462	58,462
	2,908,950	2,619,115	3,249,254
Non-operating grants, subsidies and contributions			
Health	56,736	23,250	604,346
Recreation and culture	50,000	984,706	200,000
Transport	1,829,260	829,991	545,519
	1,935,996	1,837,947	1,349,865
Total grants, subsidies and contributions	4,844,946	4,457,062	4,599,119
Fees and charges			
General purpose funding	106,202	110,068	106,824
Law, order, public safety	62,566	53,000	63,032
Health	2,909,615	2,834,670	2,858,373
Education and welfare	2,720,535	2,728,125	2,498,966
Community amenities	218,223	82,000	128,911
Recreation and culture	164,745	101,107	169,897
Transport	18,097	2,800	4,398
Economic services	184,886	72,722	90,159
Other property and services	68,387	46,635	49,217
	6,453,256	6,031,127	5,969,778

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

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

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

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

Fees and Charges

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

Contracts with customers and transfers for recognisable non-financial assets

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

	2,021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Operating grants, subsidies and contributions	1,351,169	2619115	2474730
Fees and charges	6,280,067	5,977,827	5,882,877
Other revenue	364,409	441,131	298,144
Non-operating grants, subsidies and contributions	1,935,996	1,837,947	1,349,865
	9,931,641	10,876,020	10,005,616

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

Revenue from contracts with customers included as a contract liability at the start of the period	455,426	48,587	168,000
Revenue from contracts with customers recognised during the year	7,540,219	8,989,486	8,655,751
Revenue from transfers intended for acquiring or constructing recognisable non financial assets held as a liability at the start of the period	1,142,107	0	29,286
Revenue from transfers intended for acquiring or constructing recognisable non financial assets during the year	793,889	1,837,947	1,152,579
	9,931,641	10,876,020	10,005,616

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

2. REVENUE AND EXPENSES (Continued)

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

	2,021 Actual \$	2021 Budget \$	2020 Actual \$
Trade and other receivables from contracts with customers	110,757	0	178,957
Contract liabilities from contracts with customers	(630,072)	0	(484,712)

Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'. Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met. Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less. Consideration from contracts with customers is included in the transaction price. Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

Revenue from statutory requirements

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

	2,021 Actual \$	2021 Budget \$	2020 Actual \$
General rates	13,487,147	13,480,660	13,375,582
Statutory permits and licences	157,313	43,800	99,145
Fines	15,876	9,500	19,017
Inspection fees	29,922	29,000	17,306
Town Planning Fees	262,205	82,300	99,521
Registration Fees	49,948	45,000	48,414
Freedom of Information	342	300	255
	14,002,753	13,690,560	13,659,239

Other revenue

Reimbursements and recoveries	49,422	0	53,069
Other	364,409	441,131	409,950
	413,831	441,131	463,019

Interest earnings

Financial assets at amortised cost - self supporting loans	13,051	13,053	14,785
Interest on reserve funds	46,666	70,000	93,350
Rates instalment and penalty interest (refer Note 26(e))	147,732	132,155	169,730
Other interest earnings	23,516	70,000	86,934
	230,965	285,208	364,799

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

Interest earnings (continued)

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

(b) Expenses

Auditors remuneration

Note	2,021 Actual \$	2021 Budget \$	2020 Actual \$
- Audit of the Annual Financial Report	40,000	40,000	40,000
- Other services	900	900	900
- Internal Audit Fees	0	35,900	24,088
	40,900	76,800	64,988

Interest expenses (finance costs)

Borrowings	17(b) 32,301	32,689	39,237
Lease liabilities	16(b) 5,360	0	6,983
	37,661	32,689	46,220

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

3. CASH AND CASH EQUIVALENTS

	NOTE	2021 \$	2020 \$
Cash at bank and on hand		1,613,346	3,273,122
Term deposits		11,609,551	1,000,000
Total cash and cash equivalents		13,222,897	4,273,122
Restrictions			
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents		8,130,122	222,346
- Financial assets at amortised cost		1,692,084	8,950,362
		9,822,206	9,172,708
The restricted assets are a result of the following specific purposes to which the assets may be used:			
Reserves - cash/financial asset backed	4	6,875,891	6,159,687
Contract liabilities from contracts with customers	15	630,072	484,712
		7,505,963	6,644,399
Other restricted cash and cash equivalents and other financial assets at amortised cost			
Bonds and Other Deposits	14	2,213,743	2,309,859
Hyde Retirement Village Bonds	14	102,500	218,450
		2,316,243	2,528,309
Total restricted assets		9,822,206	9,172,708

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Restricted assets

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

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

**4. RESERVES - CASH/FINANCIAL ASSET
BACKED**

	2021 Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance	2021 Budget Opening Balance	2021 Budget Transfer to	2021 Budget Transfer (from)	2021 Budget Closing Balance	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance
(a) Employee Entitlements Reserve	\$ 232,226	\$ 6,284	\$ 0	\$ 238,510	\$ 232,721	\$ 2,706	\$ (24,250)	\$ 211,177	\$ 743,532	\$ 12,234	\$ (523,540)	\$ 232,226
(b) Plant And Equipment Reserve	373,872	0	(6,506)	367,366	373,483	4,343	(68,000)	309,826	396,298	7,035	(29,461)	373,872
(c) Waste Management Reserve	1,393,497	9,454	1,402,951	1,741,533	1,741,533	20,252	(722,824)	1,038,961	1,085,370	308,127	0	1,393,497
(d) Wind In The Willows Child Care Reserve	40,683	0	(25,662)	15,021	30,000	349	(30,000)	349	48,206	856	(8,379)	40,683
(e) Aged Persons Reserve	560,864	4,629	0	565,493	561,281	6,527	0	567,808	550,966	9,898	0	560,864
(f) Youth Development Reserve	29,746	245	0	29,991	29,774	346	(4,000)	26,120	29,227	519	0	29,746
(g) Community Facilities Reserve	54,568	450	0	55,018	54,620	635	(27,000)	28,255	53,616	952	0	54,568
(h) Underground Power Reserve	85,851	709	0	86,560	85,933	999	(20,000)	66,932	84,354	1,497	0	85,851
(i) Drainage Infrastructure Reserve	126,402	1,192	0	127,594	126,542	1,472	(126,620)	1,394	144,737	2,570	(20,905)	126,402
(j) Hacc Asset Replacement Reserve	114,083	948	0	115,031	120,914	1,406	(5,000)	117,320	122,784	1,897	(10,598)	114,083
(k) Unspent Grants Reserve	400,432	0	(106,832)	293,600	1,858,865	0	(1,397,033)	461,832	1,628,014	100,426	(1,328,008)	400,432
(l) Bus Shelter Reserve	21,623	179	0	21,802	21,644	252	(4,000)	17,896	21,300	323	0	21,623
(m) Street Tree Reserve	92,670	1,043	0	93,713	0	0	0	0	160,860	108,173	(176,163)	92,670
(n) Land And Buildings Infrastructure Reserve	1,921,462	857,204	0	2,778,666	1,923,292	1,522,367	(1,389,731)	2,055,928	1,887,948	33,514	0	1,921,462
(o) Information Technology Reserve	200,000	232	0	200,232	200,000	2,326	(200,000)	2,326	0	200,000	0	200,000
(p) Future Projects Reserve	511,708	0	(52,394)	459,314	517,708	6,020	(140,000)	383,728	0	511,708	0	511,708
(q) Marine Assets Reserve	0	25,029	0	25,029	7,878,310	1,620,000	(4,158,458)	5,339,852	6,957,012	1,299,729	(2,087,054)	6,159,687
	6,159,687	907,598	(191,394)	6,875,891								

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

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

Anticipated date of use	Name of Reserve	Purpose of the reserve
Ongoing	(a) Employee Entitlements Reserve	To provide funds for future payments to staff for employee entitlements.
Ongoing	(b) Plant And Equipment Reserve	To accrue funds for the purpose of replacement of major plant items.
Ongoing	(c) Waste Management Reserve	To accrue funds for the purpose of renewal or upgrade of waste management services.
Ongoing	(d) Wind In The Willows Child Care Reserve	To accrue funds for the purpose of asset improvement in the Centre and to cater for future surplus or deficit from operations.
Ongoing	(e) Aged Persons Reserve	To accrue funds to provide for the operational deficit, refurbishment and capital expenses, for Hyde Retirement Village.
Ongoing	(f) Youth Development Reserve	To provide funds for activities and facilities for the benefit of youth in the Town.
Ongoing	(g) Community Facilities Reserve	To accrue funds for major expenditure in the provision of community facilities and community events.
Ongoing	(h) Underground Power Reserve	To accrue funds for engaging consultants to consider the implementation of Underground Power.
Ongoing	(i) Drainage Infrastructure Reserve	To provide for the renewal and upgrade of the drainage network.
Ongoing	(j) Hacc Asset Replacement Reserve	To provide funding for support of community care programs for senior and disability services.
Ongoing	(k) Unspent Grants Reserve	To provide funding for the purpose of installation or replacement of bus shelters within the Town.
Ongoing	(l) Bus Shelter Reserve	To accrue unspent funds from tree planting program for the purpose of planting and maintaining trees.
Ongoing	(m) Street Tree Reserve	To hold funds accrued as a result of sale of land and buildings and for the provisions of funds for the purchase and development of land and building infrastructure.
Ongoing	(n) Land And Buildings Infrastructure Reserve	To fund the acquisition and enhancement of technology and digital service delivery initiatives.
Ongoing	(o) Information Technology Reserve	To assist in funding new and upgrade capital initiatives that are generally significant in nature and provide a means to spread the cost of intergenerational assets over multiple years.
Ongoing	(p) Future Projects Reserve	To fund the renewal of marine assets i.e. jetty, pontoons and associated river bank restoration projects.
Ongoing	(q) Marine Assets Reserve	

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

5. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

Self supporting loans

(b) Non-current assets

Units in Local Government House Trust

Financial assets at amortised cost - self supporting loans

Increase in Value of Local Government House Trust Units

7 Units Held @ \$18,451.71 per unit

Financial assets at amortised cost

Self supporting loans

Units in Local Government House Trust

	2021	2020
	\$	\$
	1,712,214	8,974,492
	1,712,214	8,974,492
	1,692,084	8,950,362
	20,130	24,130
	1,712,214	8,974,492
	129,162	124,637
	160,900	181,030
	290,062	305,667
	4,525	2,017
	160,900	181,030
	129,162	124,637
	290,062	305,667

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

The Town classifies the following financial assets at fair value through profit and loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the Town has not elected to recognise fair value gains and losses through other comprehensive income.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 28.

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

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Receivables from contracts with customers	
GST receivable	
Accrued interest	
LSL Due from other Councils	

Non-current

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

	2021	2020
	\$	\$
	983,747	1,223,711
	110,757	178,957
	118,211	190,260
	9,872	12,105
	83,309	101,132
	<u>1,305,896</u>	<u>1,706,165</u>
	351,868	325,083
	<u>351,868</u>	<u>325,083</u>

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables are equivalent to fair value as it is due for settlement within 30 days.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 28.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

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

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

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

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

7. INVENTORIES

Current

Fuel and materials

The following movements in inventories occurred during the year:

Balance at beginning of year

Inventories expensed during the year

Additions to inventory

Balance at end of year

	2021	2020
	\$	\$
	6,298	9,037
	6,298	9,037
	9,037	17,080
	(88,675)	(98,939)
	85,936	90,896
	6,298	9,037

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

8. OTHER ASSETS

Other assets - current

Prepayments

	2,021	2020
	23,724	41,240
	23,724	41,240

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

Inventories

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.

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

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land - Freehold Land	Buildings	Buildings - specialised	Total Land and Buildings	Furniture and Equipment	Plant and Equipment	Minor Assets (Artworks)	Work in Progress	Total Property, Plant and Equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	36,381,646	17,999,518	54,381,164	288,577	1,047,644	62,620	0	55,780,005	
Additions	0	529,347	529,347	0	37,975	0	622,757	1,190,079	
(Disposals)	0	0	0	0	(12,382)	0	0	(12,382)	
Depreciation (expense)	0	(496,778)	(496,778)	(42,386)	(79,329)	0	0	(618,493)	
Balance at 30 June 2020	36,381,646	18,032,087	54,413,733	246,191	993,908	62,620	622,757	56,339,209	
Comprises:									
Gross balance amount at 30 June 2020	36,381,646	26,805,277	63,186,923	446,515	2,646,459	62,620	622,757	66,965,274	
Accumulated depreciation at 30 June 2020	0	(8,773,190)	(8,773,190)	(200,323)	(1,652,551)	0	0	(10,626,064)	
Balance at 30 June 2020	36,381,646	18,032,087	54,413,733	246,192	993,908	62,620	622,757	56,339,210	
Additions	701,377	0	267,613	968,990	172,059	31,390	198,043	1,370,482	
(Disposals)	(1,775,000)	0	(1,775,000)	0	(23,287)	0	0	(1,798,287)	
Impairment (losses) / reversals - No 1 Surrey Street	0	0	(125,893)	(125,893)	0	0	0	(125,893)	
Depreciation (expense)	0	(502,327)	(502,327)	(69,749)	(79,588)	0	0	(651,664)	
Transfers	0	0	(107,826)	(107,826)	604,346	0	(622,757)	(126,237)	
Balance at 30 June 2021	35,308,023	17,563,654	52,871,677	952,848	922,423	62,620	198,043	55,007,611	
Comprises:									
Gross balance amount at 30 June 2021	35,308,023	26,542,914	61,850,937	1,222,919	2,606,268	62,620	198,043	65,940,787	
Accumulated depreciation at 30 June 2021	0	(8,979,260)	(8,979,260)	(270,071)	(1,683,845)	0	0	(10,933,176)	
Balance at 30 June 2021	35,308,023	17,563,654	52,871,677	952,848	922,423	62,620	198,043	55,007,611	

The Town resolved on 27 July 2021 to sell the property at 1 Surrey Street, Bassendean to the Perth History Association Inc. (trading as the Museum of Perth) for \$1. The sale was based on certain conditions that included community access to the Pensioner Guard Cottage and the restoration of the existing Residence for a period of up to four years and thereafter to maintain both buildings. The Council retains the right to purchase back the site at \$1 if the restoration is not completed within four years.

Consequently, the value of the buildings in the location is reduced to \$1 and the impairment is charged against the revaluation surplus of the asset class as on 30 June 2021.

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

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings						
	Land - Freehold Land	2	Market approach using recent observable market data for similar items. (Net revaluation method)	Independent Valuation	June 2017	Price per hectare/market borrowing rate
	Buildings - specialised	3	Cost approach using depreciated replacement cost. (Net revaluation method)	Independent Valuation	June 2017	Construction/Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.						
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.						
Following a change to <i>Local Government (Financial Management) Regulation 17A</i> , plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.						
(ii) Cost						
	Furniture and equipment	3	Cost approach using depreciated replacement cost. (Net revaluation method)	Management Valuation	June 2016	Construction/Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
	Plant and equipment	2	Market approach using recent observable market data for similar items. (Net revaluation method)	Independent Valuation	June 2016	Construction/Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
	Minor Assets (Artworks)	3	Cost approach using depreciated replacement cost. (Net revaluation method)	Independent Valuation	June 2016	Construction/Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
		2	Market approach using recent observable market data for similar items. (Net revaluation method)	Management Valuation	June 2018	Comparison with items offered for sale in the open market.

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

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

10. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - Roads	Infrastructure - Drainage	Infrastructure - Footpaths	Infrastructure - Parks & Ovals	Work in Progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	66,481,731	22,409,540	6,847,250	11,658,110	0	107,396,631
Additions	550,037	9,862	46,505	89,750	120,044	816,198
Depreciation (expense)	(1,481,284)	(594,999)	(242,894)	(607,022)	0	(2,926,199)
Balance at 30 June 2020	65,550,484	21,824,403	6,650,861	11,140,838	120,044	105,286,630
Comprises:						
Gross balance at 30 June 2020	85,149,623	40,485,161	10,378,616	18,481,956	120,044	154,615,400
Accumulated depreciation at 30 June 2020	(19,599,139)	(18,660,758)	(3,727,755)	(7,341,118)	0	(49,328,770)
Balance at 30 June 2020	65,550,484	21,824,403	6,650,861	11,140,838	120,044	105,286,630
Additions	330,810	34,422	128,347	1,656	1,634,261	2,129,496
Impairment (losses) / reversals*	0	(355,450)	0	(218,670)	0	(574,120)
Depreciation (expense)	(1,490,364)	(595,275)	(243,898)	(613,210)	0	(2,942,747)
Transfers	0	0	0	126,237	0	126,237
Balance at 30 June 2021	64,390,930	20,908,100	6,535,310	10,436,851	1,754,305	104,025,496
Comprises:						
Gross balance at 30 June 2021	85,480,433	40,164,133	10,506,963	18,391,179	1,754,305	156,297,013
Accumulated depreciation at 30 June 2021	(21,089,503)	(19,256,033)	(3,971,653)	(7,954,328)	0	(52,271,517)
Balance at 30 June 2021	64,390,930	20,908,100	6,535,310	10,436,851	1,754,305	104,025,496

* The impairment relates to failure of drainage works and jetty at Success Hill and are charged against the revaluation surplus of the relevant assets.

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

10. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
	Infrastructure - Roads	3	Cost approach using depreciated replacement cost. (Gross revaluation method)	Independent Valuation	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - Drainage	3	Cost approach using depreciated replacement cost. (Gross revaluation method)	Independent Valuation	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - Footpaths	3	Cost approach using depreciated replacement cost. (Gross revaluation method)	Independent Valuation	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - Parks & Ovals	3	Cost approach using depreciated replacement cost. (Gross revaluation method)	Independent Valuation	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

11. FIXED ASSETS

(a) Disposals of Assets

	2021			2021			2021			2020		
	Actual Net Book Value	Actual Sale Proceeds	2021 Actual Profit Loss	Budget Net Book Value	Budget Sale Proceeds	2021 Budget Profit Loss	Actual Net Book Value	Actual Sale Proceeds	2020 Actual Profit Loss	Actual Net Book Value	Actual Sale Proceeds	2020 Actual Profit Loss
Land - freehold land	1,775,000	1,592,273	30,000	1,775,000	1,500,000	30,000	1,775,000	1,500,000	(305,000)	0	0	0
Plant and Equipment	23,287	13,472	464	41,505	15,000	(2,819)	41,505	15,000	(29,324)	12,382	8,514	(3,868)
	1,798,287	1,605,745	30,464	1,816,505	1,515,000	32,819	1,816,505	1,515,000	(334,324)	12,382	8,514	(3,868)

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

11. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

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

Revaluation

The fair value of land, buildings, infrastructure and investment properties are 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 Town.

**AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY
Revaluation (Continued)**

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

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

Land under roads from 1 July 2019

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

Vested improvements from 1 July 2019

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

Refer to Note 12 that details the significant accounting policies applying to leases (including right-of-use assets).

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

11. FIXED ASSETS

(b) Depreciation

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Buildings	502,327	498,587	496,778
Furniture and Equipment	69,749	42,813	42,386
Plant and Equipment	79,588	79,836	79,329
Infrastructure - Roads	1,490,364	1,487,269	1,481,284
Infrastructure - Footpaths	243,897	243,916	242,894
Infrastructure - Parks & Ovals	613,210	597,710	607,022
Infrastructure - Drainage	595,275	609,243	594,999
Right-of-use assets - Plant and Equipment	125,846	0	157,205
Right-of-use assets - Furniture and Equipment	41,460	0	29,808
	3,761,716	3,559,374	3,731,705

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset Class	Useful life
Buildings	15 to 120 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Infrastructure - Roads Componentised	18 to 120 Years
Infrastructure - Parks Plant & Equipment	3 to 80 years
Infrastructure - Footpaths Componentised	10 to 50 years
Infrastructure - Drainage Componentised	10 to 120 years

Depreciation on revaluation

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:
(a) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
(b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the note above.

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

12. LEASES

Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.	Right-of-use assets -		
	Right-of-use assets - Plant and Equipment	Furniture and Equipment	Right-of-use assets Total
	\$	\$	
Balance at 1 July 2019	295,726	34,030	329,756
Additions	44,506	131,031	175,537
Depreciation (expense)	(157,205)	(29,808)	(187,013)
Balance at 30 June 2020	183,027	135,253	318,280
Additions	63,133	0	63,133
Depreciation (expense)	(125,846)	(41,460)	(167,306)
Balance at 30 June 2021	120,314	93,793	214,107

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:

	2021 Actual \$	2020 Actual \$
Depreciation expense on lease liabilities	167,305	187,013
Interest expense on lease liabilities	5,416	6,983
Total cash outflow from leases	172,721	193,996
Short-term lease payments recognised as expense	0	(16,637)
Low-value asset lease payments recognised as expense	0	(9,137)

The measurement of lease liabilities does not include any future cash outflows associated with leases not yet commenced to which the Town is committed.

The Town has not revalued the right of use assets relating to leased plant and furniture equipment as the difference between the fair value and carrying amount is immaterial.

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the Town 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 Town uses its incremental borrowing rate.

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

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

Right-of-use assets - valuation

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

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

Right-of-use assets - depreciation

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

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

13. REVALUATION SURPLUS

	2021		2021		2021		2020		2020		2020	
	Opening	Impairment	Revaluation (Decrement)	Revaluation/Impairment	Revaluation (Decrement)	Revaluation/Impairment	Opening	Revaluation	Revaluation (Decrement)	Revaluation	Opening	Closing
	Balance	Decrement	(Decrement)	Revaluation/Impairment	(Decrement)	Revaluation/Impairment	Balance	Increment	(Decrement)	Revaluation	Balance	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	41,252,189	0	0	0	0	0	41,252,189	0	0	0	0	41,252,189
Revaluation surplus - Buildings - non-specialised	12,637,520	(125,893)	0	(125,893)	0	12,511,627	12,637,520	0	0	0	0	12,637,520
Revaluation surplus - Furniture and Equipment	56,792	0	0	0	0	56,792	56,792	0	0	0	0	56,792
Revaluation surplus - Plant and Equipment	732,285	0	0	0	0	732,285	732,285	0	0	0	0	732,285
Revaluation surplus - Infrastructure - Roads	57,996,640	0	0	0	0	57,996,640	57,996,640	0	0	0	0	57,996,640
Revaluation surplus - Infrastructure - Footpaths	4,698,372	0	0	0	0	4,698,372	4,698,372	0	0	0	0	4,698,372
Revaluation surplus - Infrastructure - Parks & Ovals	5,881,532	(218,670)	0	(218,670)	0	5,662,862	5,881,532	0	0	0	0	5,881,532
Revaluation surplus - Infrastructure - Drainage	17,762,118	(355,450)	0	(355,450)	0	17,406,668	17,762,118	0	0	0	0	17,762,118
Revaluation surplus/deficit EMRC	1,967,682	0	(209,871)	(209,871)	0	1,757,811	1,862,970	104,712	0	104,712	0	1,967,682
	142,985,130	(700,013)	(209,871)	(909,884)	(909,884)	142,075,246	142,880,418	104,712	0	104,712	0	142,985,130

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

Impairment refer to No 1 Surrey Street (Refer Note 9(a)) and failure of drainage works and jetty at Success Hill (Refer Note 10(a)).

Vested land is no longer required to be recognised at fair value. Land under golf courses, showgrounds, racecourses or any other sporting or recreational facility of State or regional significance are recognised at zero cost.

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

14. TRADE AND OTHER PAYABLES

Current

Sundry creditors	
Prepaid rates	
Accrued employee costs	
Bonds and deposits	
Hyde Retirement Village bonds	
CHSP Provision	
Deferred revenue	
Accrued interest on long term borrowings	

2021	2020
\$	\$
1,257,206	1,213,564
378,951	300,080
304,261	355,606
2,213,743	2,309,859
102,500	218,450
425,947	-
-	1,142,107
2,550	2,937
4,685,158	5,542,603

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Town prior to the end of the financial year that are unpaid and arise when the Town becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Town recognises revenue for the prepaid rates that have not been refunded.

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

15. CONTRACT LIABILITIES

Current

Contract liabilities from contracts with customers

Non-current

Contract liabilities from contracts with customers

	2021	2020
	\$	\$
Contract liabilities from contracts with customers	628,512	455,426
Contract liabilities from contracts with customers	1,560	29,286
	630,072	484,712

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

Less than 1 year
1 to 2 years

Contract liabilities	Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity
\$	\$
136,560	491,952
1,560	0
138,120	491,952

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

With respect to transfers for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.

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

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

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

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

Service concession liabilities

Service concession liabilities relate to the grant of right to an operator in respect of an asset controlled by the Town. They represent the unearned revenue related to the grant of right, and is recognised as revenue according to the economic substance of the service concession arrangement.

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

16. LEASE LIABILITIES

	2021	2020
(a) Lease Liabilities	\$	\$
Current	93,799	152,712
Non-current	121,891	167,151
	<u>215,690</u>	<u>319,863</u>

(b) Movements in Carrying Amounts

Purpose	30 June 2021		30 June 2021		30 June 2021		30 June 2021		30 June 2020		30 June 2020		30 June 2020	
	Actual Lease Principal 1 July 2020	Actual New Leases	Actual Lease Principal Repayments	Actual Lease Principal Outstanding	Actual Lease Interest Repayments	Actual Lease Principal	Actual Lease Interest	Actual Lease Principal	Actual Lease Interest	Actual Lease Principal Repayments	Actual Lease Principal Outstanding	Actual Lease Interest Repayments	Actual Lease Principal	Actual Lease Interest
Furniture and equipment	172,368	63,133	116,642	118,859	2,993	274,695	44,506	146,833	172,368	4,627	147,495	38,598	172,368	4,627
Plant and equipment	147,495	0	50,664	96,831	2,367	55,061	131,032	38,598	147,495	2,356	147,495	319,863	147,495	2,356
	<u>319,863</u>	<u>63,133</u>	<u>167,306</u>	<u>215,690</u>	<u>5,360</u>	<u>329,756</u>	<u>175,538</u>	<u>185,431</u>	<u>319,863</u>	<u>6,983</u>	<u>319,863</u>	<u>319,863</u>	<u>319,863</u>	<u>6,983</u>

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

17. INFORMATION ON BORROWINGS

	2021	2020
(a) Borrowings	\$	\$
Current	97,696	97,006
Non-current	354,613	452,310
	452,309	549,316

(b) Repayments - Borrowings

Particulars	Loan Number	Institution *	Interest Rate	30 June 2021			30 June 2021			30 June 2021			30 June 2021			30 June 2020		
				Actual Principal	Actual Interest	Actual repayments	Budget Principal	Budget Interest	Budget repayments	Actual Principal	Actual Interest	Actual repayments	Budget Principal	Budget Interest	Budget repayments	Actual Principal	Actual Interest	Actual repayments
Recreation and culture																		
Civic Centre Redevelopment	156	WATC	8.07%	0	0	0	0	0	0	0	0	38,133	38,133	0	0	0	0	
Civic Centre Redevelopment	160A	WATC	6.31%	240,296	54,472	13,505	240,295	54,471	13,891	185,824	185,824	291,410	51,114	17,168	240,296	17,168	240,296	
Civic Centre Redevelopment	160B	WATC	5.92%	103,860	18,405	5,745	103,859	18,405	5,745	85,454	85,454	121,214	17,354	6,609	103,860	6,609	103,860	
				344,156	72,877	19,250	344,154	72,876	19,636	271,278	271,278	450,757	106,601	24,795	344,156	24,795	344,156	
Self Supporting Loans																		
Governance																		
Ashfield Soccer Club	157	WATC	6.70%	5,285	5,285	223	5,285	5,285	224	181,029	181,029	11,408	6,123	5,285	561	5,285		
TADWA	162	WATC	6.65%	199,875	18,845	12,828	199,875	18,846	12,829	181,030	181,030	217,518	17,643	13,881	199,875	13,881	199,875	
				205,160	24,130	13,051	205,160	24,131	13,053	181,030	181,030	228,926	23,766	14,442	205,160	14,442	205,160	
				549,316	97,007	32,301	549,314	97,007	32,689	452,308	452,308	679,683	130,367	39,237	549,316	39,237	549,316	

* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 5 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.

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

17. INFORMATION ON BORROWINGS (Continued)

	2021	2020
	\$	\$
(c) Undrawn Borrowing Facilities		
Credit Standby Arrangements		
Bank overdraft limit	100,000	100,000
Credit card limit	150,000	150,000
Credit card balance at balance date	(14,916)	(13,098)
Total amount of credit unused	235,084	236,902
Loan facilities		
Loan facilities - current	97,696	97,006
Loan facilities - non-current	354,613	452,310
Lease liabilities - current	93,799	152,712
Lease liabilities - non-current	121,891	167,151
Total facilities in use at balance date	667,999	869,179

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Borrowing costs

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

Risk

Information regarding exposure to risk can be found at Note 28.

TOWN OF BASSENDEAN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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18. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

	Provision for Annual Leave \$	Provision for Long Service Leave \$	On-Costs Annual Leave \$	On-Costs Long Service Leave \$	Total \$
Opening balance at 1 July 2019					
Current provisions	913,917	1,213,802	124,625	165,580	2,417,924
Non-current provisions	0	139,830	0	19,007	158,837
	913,917	1,353,633	124,625	184,586	2,576,761
Additional provision					
Amounts used	701,194	179,713	85,504	16,174	982,585
Increase in the discounted amount arising because of time and the effect of any change in the discounted rate	(701,472)	(271,522)	(91,152)	(35,283)	(1,099,429)
	1,966	11,631	0	0	13,597
Balance at 30 June 2020	915,605	1,273,454	118,977	165,478	2,473,514
Opening balance at 1 July 2020					
Current provisions	915,605	1,082,875	118,977	140,713	2,258,170
Non-current provisions	0	190,579	0	24,765	215,344
	915,605	1,273,454	118,977	165,478	2,473,514
Additional provision					
Amounts used	876,114	214,899	3,686	13,287	1,107,986
Increase in the discounted amount arising because of time and the effect of any change in the discounted rate	(771,153)	(108,873)	0	(13,064)	(893,090)
	1,628	1,363	0	0	2,991
Balance at 30 June 2021	1,022,194	1,380,843	122,663	165,701	2,691,401
Comprises					
Current	1,022,194	1,151,460	122,663	138,175	2,434,492
Non-current	0	229,383	0	27,526	256,909
	1,022,194	1,380,843	122,663	165,701	2,691,401
Amounts are expected to be settled on the following basis:	2021	2020			
	\$	\$			
Less than 12 months after the reporting date	859,237	114,830			
More than 12 months from reporting date	1,832,164	2,358,684			
	2,691,401	2,473,514			

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

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

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

Other long-term employee benefits (Continued)

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

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

Provisions

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

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

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

19. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	\$	\$
Cash and cash equivalents	13,222,897	9,645,071	4,273,122
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	169,224	(2,169,490)	(1,566,619)
Non-cash flows in Net result:			
(Increase)/decrease in investment in Local Government House Trust	(4,525)	0	(2,017)
Depreciation on non-current assets	3,761,716	3,559,374	3,731,705
(Profit)/loss on sale of asset	192,542	301,505	3,868
Share of profits of associates	(192,588)	0	638,176
Changes in assets and liabilities:			
(Increase)/decrease in receivables	373,484	200,000	(683,912)
(Increase)/decrease in other assets	17,516	0	(41,241)
(Increase)/decrease in inventories	2,739	(2,000)	8,043
Increase/(decrease) in payables	(857,441)	(25,000)	885,793
Increase/(decrease) in employee provisions	217,887	100,000	(103,247)
Increase/(decrease) in contract liabilities	145,360	0	287,426
Non-operating grants, subsidies and contributions	(1,935,996)	(1,837,947)	(1,349,864)
Net cash from operating activities	1,889,918	126,442	1,808,111

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

20. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2021	2020
	\$	\$
General purpose funding	4,332,066	5,103,033
Law, order, public safety	138,740	147,618
Health	1,497,438	107,458
Education and welfare	3,171,368	3,958,857
Community amenities	44,597,588	45,421,914
Recreation and culture	22,027,039	22,887,307
Transport	94,735,829	96,065,803
Economic services	1,006,560	920,000
Other property and services	1,509,147	1,436,361
Unallocated	10,979,731	9,383,193
	183,995,506	185,431,544

21. CONTINGENT LIABILITIES

In compliance with the Contaminated Sites Act 2003 Section 11, the Town has listed the following sites as potential sources of contamination:

87 Whitfield Street, Bassendean
69 Scadden Street, Bassendean
17 Anstey Road, Bassendean
19 Anstey Road, Bassendean
14 Ivenson Place, Bassendean
27 Hyland Street, Bassendean
87 Whitfield Street, Bassendean

The Town may have other sites that are possible sources of contamination. Until the Town conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with Department of Water and Environmental Regulation on the need and criteria for remediation of a risk-based approach, the Town is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Water and Environmental Regulation Guidelines.

In addition to the above, there are no other contingent liabilities as at 30 June 2021.

22. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

The Town has capital commitments at the end of the current reporting period.

	2021	2020
Contracted for:	\$	\$
- capital expenditure projects	345,944	0
Payable:		
- not later than one year	345,944	0

The capital expenditure projects outstanding at the end of the current reporting period mainly represents:
 Sandy Beach Ablutions
 Drainage - Relining in Hamilton Street
 Mary Crescent Reserve

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts (short term and low value leases).

	2021	2020
Payable:	\$	\$
- not later than one year	0	7,435
- later than one year but not later than five years	0	4,986
	0	12,421

SIGNIFICANT ACCOUNTING POLICIES

Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Town, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower of the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leases (Continued)

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

TOWN OF BASSENDEAN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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24. RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP) Compensation Disclosure

	2021	2020
	Actual	Actual
	\$	\$
The total of remuneration paid to KMP of the Town during the year are as follows:		
Short-term employee benefits	1,025,549	726,541
Post-employment benefits	133,295	77,046
Other long-term benefits	(73,676)	(63,864)
Termination benefits	0	283,348
	1,085,168	1,023,071

Short-term employee benefits

These amounts include all salary, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

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

Transactions with related parties

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

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

Related Parties

The Town's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

iii. Entities subject to significant influence by the Town

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

**TOWN OF BASSENDEAN
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FOR THE YEAR ENDED 30 JUNE 2021**

23. ELECTED MEMBERS REMUNERATION

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Councillor Renee McLennan, Mayor			
Mayor's annual allowance	36,957	36,957	36,957
Meeting attendance fees	25,342	25,342	25,345
ICT expenses	3,500	3,500	3,500
Training Expenses	2,157	2,143	2,853
	67,956	67,942	68,655
Councillor Kathryn Hamilton, Deputy Mayor			
Deputy Mayor's annual allowance	9,239	6,455	6,452
Meeting attendance fees	16,367	16,367	16,367
ICT expenses	3,500	3,500	3,500
Training Expenses	954	2,143	1,128
	30,060	28,465	27,447
Councillor Hillary Macwilliam			
Meeting attendance fees	16,367	11,434	11,430
ICT expenses	3,500	2,445	2,444
Training Expenses	1,317	1,497	2,093
	21,184	15,377	15,967
Councillor Sarah Quinton			
Meeting attendance fees	16,367	16,367	16,367
ICT expenses	3,500	3,500	3,500
Training Expenses		2,143	689
	19,867	22,010	20,556
Councillor Jai Wilson			
Meeting attendance fees	16,367	16,367	16,367
ICT expenses	3,500	3,500	3,500
Training Expenses	390	2,143	613
	20,257	22,010	20,480
Councillor Chris Barty			
Meeting attendance fees	16,367	11,434	11,430
ICT expenses	3,500	2,445	2,444
Training Expenses	1,177	1,497	2,873
	21,044	15,377	16,747
Councillor John Gangell			
Meeting attendance fees	16,367	16,367	16,367
ICT expenses	3,500	3,500	3,500
Training Expenses	899	2,143	1,513
	20,766	22,010	21,380
Councillor Melissa Myktiuk (2019/20)			
Meeting attendance fees	0	4,933	4,937
ICT expenses	0	1,055	1,056
Training Expenses	0	646	3,972
	0	6,633	9,964
Councillor Robert Brown, Deputy Mayor (2019/20)			
Deputy Mayor's annual allowance	0	2,784	2,787
Meeting attendance fees	0	4,933	4,937
ICT expenses	0	1,055	1,056
Training Expenses	0	646	75
	0	9,417	8,854
	201,134	209,240	210,050
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
Mayor's allowance	36,957	36,957	36,957
Deputy Mayor's allowance	9,239	9,239	9,239
Meeting attendance fees	123,544	123,544	123,547
ICT expenses	24,500	24,500	24,500
Training Expenses	6,894	15,000	15,808
	201,134	209,240	210,050

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

25. INVESTMENT IN JOINT VENTURE

(a) Balance of investment in Joint Venture

The Council is a member of the Eastern Metropolitan Regional Council. EMRC was established in accordance with the Local Government Act 1995 and consists of six local governments, namely, Town of Bassendean, City of Bayswater, City of Belmont, Shire of Kalamunda, Shire of Mundaring, and City of Swan. The Town's interest in the associate calculated by EMRC as at 30 June 2021 was 4.22%, representing its share of the net assets of \$7,835,333. Bassendean's interest in the assets and liabilities of the EMRC is as follows:

	2021	2020
	\$	\$
Current assets	91,484,741	89,551,063
Non current assets	115,414,742	110,359,239
Total assets	206,899,483	199,910,302
Current liabilities	14,439,344	8,026,411
Non current liabilities	6,707,161	7,432,011
Total liabilities	21,146,505	15,458,422
Net assets	185,752,978	184,451,880
- Share of EMRC'S net Assets	7,835,333	7,852,617
- Share of associates other comprehensive income arising during the period		
- Share of associates total comprehensive income arising during the period	7,835,333	7,852,617
Balance at 1 July	7,852,617	8,386,081
- Share of associates total comprehensive income arising during the period	(17,284)	(533,464)
Balance at 30 June	7,835,333	7,852,617

SIGNIFICANT ACCOUNTING POLICIES

Interests in joint arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method. The equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Town's share of net assets of the associate. In addition, the Town's share of the profit or loss of the associate is included in the Town's profit or loss.

Interests in joint arrangements (Continued)

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Town's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

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

26. RATING INFORMATION

(a) Rates

RATE TYPE	Number of Properties	Rate in \$	2020/21 Actual Rateable Value \$	2020/21 Actual		2020/21 Actual		2020/21 Actual		2020/21 Budget		2020/21 Budget		2019/20 Actual	
				Rate	Revenue	Interim Rates	Back Rates	Rate	Revenue	Interim Rates	Back Rates	Rate	Revenue	Total	Revenue
General rental valuations		cents													
General	4,911	8.323	130,949,625	10,776,078	64,418	2,328	10,842,824			50,000	3,500	10,829,578		11,939,994	
Sub-Total	4,911		130,949,625	10,776,078	64,418	2,328	10,842,824			50,000	3,500	10,829,578		11,939,994	
		\$					0					0			
Minimum Payment															
General	2,397	1.106	28,212,978	2,651,082	0	0	2,651,082			0	0	2,651,082		1,435,588	
Sub-Total	2,397		28,212,978	2,651,082	0	0	2,651,082			0	0	2,651,082		1,435,588	
Discounts/concessions	7,308		159,162,603	13,427,160	64,418	2,328	13,493,906			50,000	3,500	13,480,660		13,375,582	
Total amount raised from general rate															
							(6,759)					(6,304)			
							13,487,147					13,474,356		13,375,582	

SIGNIFICANT ACCOUNTING POLICIES

Rates
Control over assets acquired from rates is obtained at the commencement of the rating period.

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Town recognises revenue for the prepaid rates that have not been refunded.

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

26. RATING INFORMATION (Continued)

(b) Specified Area Rate

The Town did not raise specified area rates for the year ended 30 June 2021.

(c) Service Charges

The Town did not raise service charges for the year ended 30 June 2021.

**(d) Discounts, Incentives, Concessions, & Write-offs
Waivers or Concessions**

**Rate or Fee and
Charge to which
the Waiver or
Concession is Granted**

	Type	Discount %	2021 Actual \$	2021 Budget \$	2020 Actual \$
Westcare Inc	Concession	0.50%	6,759	6,304	6,304
Total discounts/concessions			6,759	6,304	6,304

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

26. RATING INFORMATION (Continued)

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option one - Full amount				
Payment in Full	25/09/2020	0	0.0%	8.0%
Option two - Two instalments				
Instalment 1	25/09/2020	0	0.0%	8.0%
Instalment 2	27/11/2020	12	5.5%	8.0%
Option three - Four instalments				
Instalment 1	25/09/2020	0	0.0%	8.0%
Instalment 2	27/11/2020	12	5.5%	8.0%
Instalment 3	29/01/2021	12	5.5%	8.0%
Instalment 4	01/04/2021	12	5.5%	8.0%

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Interest on unpaid rates	144,372	125,000	162,575
Interest in instalment plan	3,360	7,155	7,155
Charges on instalment plan	57,204	63,300	63,204
	204,936	195,455	232,934

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

27. RATE SETTING STATEMENT INFORMATION

		2020/21	2020/21	2019/20
	Note	2020/21 (30 June 2021 Carried Forward) \$	Budget (30 June 2021 Carried Forward) \$	(30 June 2020 Carried Forward) \$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals	11(a)	(30,464)	(32,819)	0
Movement in financial assets at amortised cost - LG House Trust	13	(4,525)	0	(2,017)
Movement in pensioner deferred rates (non-current)		(26,785)	0	0
Movement in employee benefit provisions (non-current)		41,567	0	56,507
Movement in contract liabilities (non-current)		(27,726)	0	0
Movement in employee entitlement reserve		6,284	2,706	(511,306)
Add: Loss on disposal of assets	11(a)	223,006	334,324	3,868
Add: Depreciation on non-current assets	11(b)	3,761,716	3,559,374	3,731,705
Non cash amounts excluded from operating activities		3,943,073	3,863,585	3,278,757
(b) Surplus/(deficit) after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserves - cash/financial asset backed	4	(6,875,891)	(5,339,852)	(6,159,687)
Less: Financial assets at amortised cost - self supporting loans	5(a)	(20,130)	(24,130)	(24,130)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	17(a)	97,696	0	97,006
- Current portion of lease liabilities		93,799	0	152,712
- Employee benefit provisions		0	235,427	0
Total adjustments to net current assets		(6,704,526)	(5,128,555)	(5,934,099)
Net current assets used in the Rate Setting Statement				
Total current assets		16,271,029	10,765,647	15,004,057
Less: Total current liabilities		(7,939,657)	(5,632,445)	(8,505,917)
Less: Total adjustments to net current assets		(6,704,526)	(5,128,555)	(5,934,099)
Add: Liabilities funded by Cash Backed Reserve		238,510	0	232,226
Net current assets used in the Rate Setting Statement		1,865,356	4,647	796,267

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

28. FINANCIAL RISK MANAGEMENT

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

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

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2021					
Cash and cash equivalents	0.25%	13,222,901	9,509,538	2,100,013	1,613,350
Financial assets at amortised cost - term deposits	0.42%	1,692,084	1,692,084	0	0
2020					
Cash and cash equivalents	0.25%	4,273,122	1,000,000	3,273,122	0
Financial assets at amortised cost	1.95%	8,950,362	8,950,362	0	0

Sensitivity

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

	2021	2020
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	21,000	42,731

* 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 Town 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 Town does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 17(b).

TOWN OF BASSENDEAN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021
28. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The Town'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 Town manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

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

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

The Town 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 is separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2020 or 1 July 2021 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

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

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2021					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	983,747	351,868	0	0	1,335,615
30 June 2020					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	1,223,711	325,083	0	0	1,548,794

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2021					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.41%	
Gross carrying amount	30,839	36,719	910	42,289	110,757
30 June 2020					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.41%	
Gross carrying amount	119,324	0	3,090	56,543	178,957

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

28. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Town manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 17(c).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2021					
Payables	3,075,270	728,108	485,035	4,288,413	4,685,158
Borrowings	124,241	315,672	62,832	502,745	452,309
Contract liabilities	628,512	1,560	0	630,072	630,072
Lease liabilities	93,799	127,251	0	221,050	215,690
	<u>3,921,822</u>	<u>1,172,591</u>	<u>547,867</u>	<u>5,642,280</u>	<u>5,983,229</u>

2020

Payables	1,872,187	2,528,309	0	4,400,496	5,542,603
Borrowings	129,693	428,757	102,939	661,389	549,316
Contract liabilities	455,426	0	0	455,426	484,712
Lease liabilities	149,325	180,422	0	329,747	319,863
	<u>2,606,631</u>	<u>3,137,488</u>	<u>102,939</u>	<u>5,847,058</u>	<u>6,896,494</u>

29. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

Divestment from the Commonwealth Home Support Program (CHSP) and Home Care Packages (HCP) programmes.

By a confidential Council Resolution in November 2020, the Council has made a determination to divest from the Commonwealth Home Support Program (CHSP) and Home Care Packages (HCP) programmes effective 1 July 2022. Council endorsed those plans on the 28 September 2021. The decision on the disposal or lease of non-current assets that have been used to run these programs as at the date of the report. These decisions are expected after the selection of the new provider.

As at 30 June 2021, all the non-current assets related to this programmes were continued to be used by the Town. These assets are not specifically identified for sale or lease as at that date.

The Town formally notified the Department of Health of the Town's decision to divest, on 31 August 2021.

The selection of the new provider will be made by the Department of Health and most likely will be announced around March 2022.

In line with AASB 5, the Town is not classifying any non-current assets as held for sale in the 2020/21 Financial Statements.

Sale of 1 Surrey Street ,Bassendean to the Perth History Association Inc.

The Town resolved on 27 July 2021 to sell the property at 1 Surrey Street, Bassendean to the Perth History Association Inc. (trading as the Museum of Perth) for \$1.

The sale was based on certain conditions that included community access to the Pensioner Guard Cottage and the restoration of the existing Residence for a period of up to four years and thereafter to maintain both buildings. The Council retains the right to purchase back the site at \$1 if the restoration is not completed with four years.

Consequently, the value of the buildings in the location is reduced to \$1 and the impairment is charged against the revaluation surplus of the asset class as on 30 June 2021.

Except for the above, there were no other post balance sheet events after 30 June 2021.

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

30. TRUST FUNDS

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

	<u>1 July 2020</u>	<u>Amounts Received</u>	<u>Amounts Paid</u>	<u>30 June 2021</u>
	\$	\$	\$	\$
Public Open Space	741,892	2,060	0	743,952
	<u>741,892</u>	<u>2,060</u>	<u>0</u>	<u>743,952</u>

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

31. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

Fair value is the price that the Town 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 value of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

The Town 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 Town are consistent with one or more of the following valuation approaches:

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

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

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

32. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES

ACTIVITIES

GOVERNANCE

Administration and operation of facilities and services to members of council; Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services.

GENERAL PURPOSE FUNDING

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Supervision of various by-laws, fire prevention, emergency services and animal control.

HEALTH

Food quality and pest control, immunisation services, inspection of public buildings and operation of child health services.

EDUCATION AND WELFARE

Provision, management and support of educational services at the pre-school level and assistance to schools. The provision, management and support of welfare services for families, youth, children and the aged within the community.

COMMUNITY AMENITIES

The provision of sanitation (waste management), stormwater drainage, town and regional planning and development, the provision of rest rooms and protection of environment.

RECREATION AND CULTURE

Provision of facilities, and support of organisations concerned with leisure time activities and sport. This includes the provision of leisure programs, halls and community centres, libraries, historical sites, recreation centres, parks, gardens and sportsgrounds.

TRANSPORT

The construction and maintenance of streets, roads, bridges, footpaths and cycle ways.

ECONOMIC SERVICES

Regulation support and/or provision of such services as tourism, area promotion and building control.

OTHER PROPERTY AND SERVICES

Private works, public works overheads, plant operations and other revenues and expenses not elsewhere classified.

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

33. FINANCIAL RATIOS

	2021 Actual	2020 Actual	2019 Actual
Current ratio	1.15	1.02	1.48
Asset consumption ratio	0.66	0.68	0.69
Asset renewal funding ratio	1.15	1.00	1.00
Asset sustainability ratio	0.15	0.15	0.48
Debt service cover ratio	6.73	5.08	15.02
Operating surplus ratio	(0.09)	(0.15)	(0.03)
Own source revenue coverage ratio	0.81	0.79	0.83

The above ratios are calculated as follows:

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



Auditor General

INDEPENDENT AUDITOR'S REPORT 2021 Town of Bassendean

To the Councillors of the Town of Bassendean

Report on the audit of the annual financial report

Opinion

I have audited the financial report of the Town of Bassendean (Town) which comprises:

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

In my opinion the financial report of the Town of Bassendean:

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

Basis for opinion

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

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

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

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

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

Auditor's responsibility for the audit of the financial report

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

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

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

Report on other legal and regulatory requirements

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

- (i) In my opinion, the following material matters indicate a significant adverse trend in the financial position of the Town:
 - a) The Asset Sustainability Ratio as set out in Note 33 has been below the Department of Local Government, Sport and Cultural Industries (DLGSCI) standard for the last three financial years.
 - b) The Operating Surplus Ratio as set out in Note 33 has been below the DLGSCI standard for the last three financial years.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the financial report were supported by verifiable information and reasonable assumptions.

Other information

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

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

Matters relating to the electronic publication of the audited financial report

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



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

Artist Anya Brock, 2015





www.bassendean.wa.gov.au