



**Wanderers Cricket Club**

**A.B.N** 98 908 400 464

PO Box 145

Katanning, WA 6317

**PRESIDENT:** Benjamin Quartermaine

tjbpquartermaine@hotmail.com



**Katanning Wanderers Football Club**

PO Box 237

**KATANNING** WA 6317

**ABN** No: 70 375 246 717

**PRESIDENT:** Dom Laurino

katanningwanderersfc@live.com.au

We the Wanderers Cricket club along with the Katanning Wanderers Football club request from the Shire of Katanning permission to extend the licenced area of the Sprigg Bar as per the discussion with Liquor and Gaming inspector.

This would now include the paved area in front of the Sprigg Bar from the oval access steps north to the car park but not beyond, this would not include the grass in front of pavers.

We would also like the whole upstairs area including the access stair case included in the licence extension.

Looking forward to your favourable reply.

Kind Regards

Benjamin Quartermaine

AMENDMENTS

- 1. Proclaim M406, Clive St Rotary
- 2. Deproclaim M031, Moojebing Rd

PROCLAMATION  
LEGEND

EXISTING PROCLAIMED ROUTE

**H006** Highway  
(^ Road Name)

**M042** Main Road  
(^ Road Name)

SECTION TO BE DE-PROCLAIMED

~~**H002**~~ ~~**M012**~~

SECTION TO BE PROCLAIMED

**H006** Highway

**M042** Main Road

^ Landgate approved local usage name.

**P018** Main Roads Controlled Path

Controlled paths (shared, pedestrian or bicycle) depicted on this drawing are those for which Main Roads Western Australia has responsibility.

Paths, shared, pedestrian or bicycle, the responsibility of other entities are not shown.

This is to certify that Council endorses the proposal shown on this plan.

Council Resolution:.....of

Council Meeting Held On:

OR UNDER DELEGATED AUTHORITY

Chief Executive Officer

Date:.....

Gazette:.....

Page No:.....

DATE OF ORIGINAL ISSUE: 20 Sept 16

DRAWING AMENDMENT DATE: .....

THIS DRAWING SUPERSEDES: 7622-471

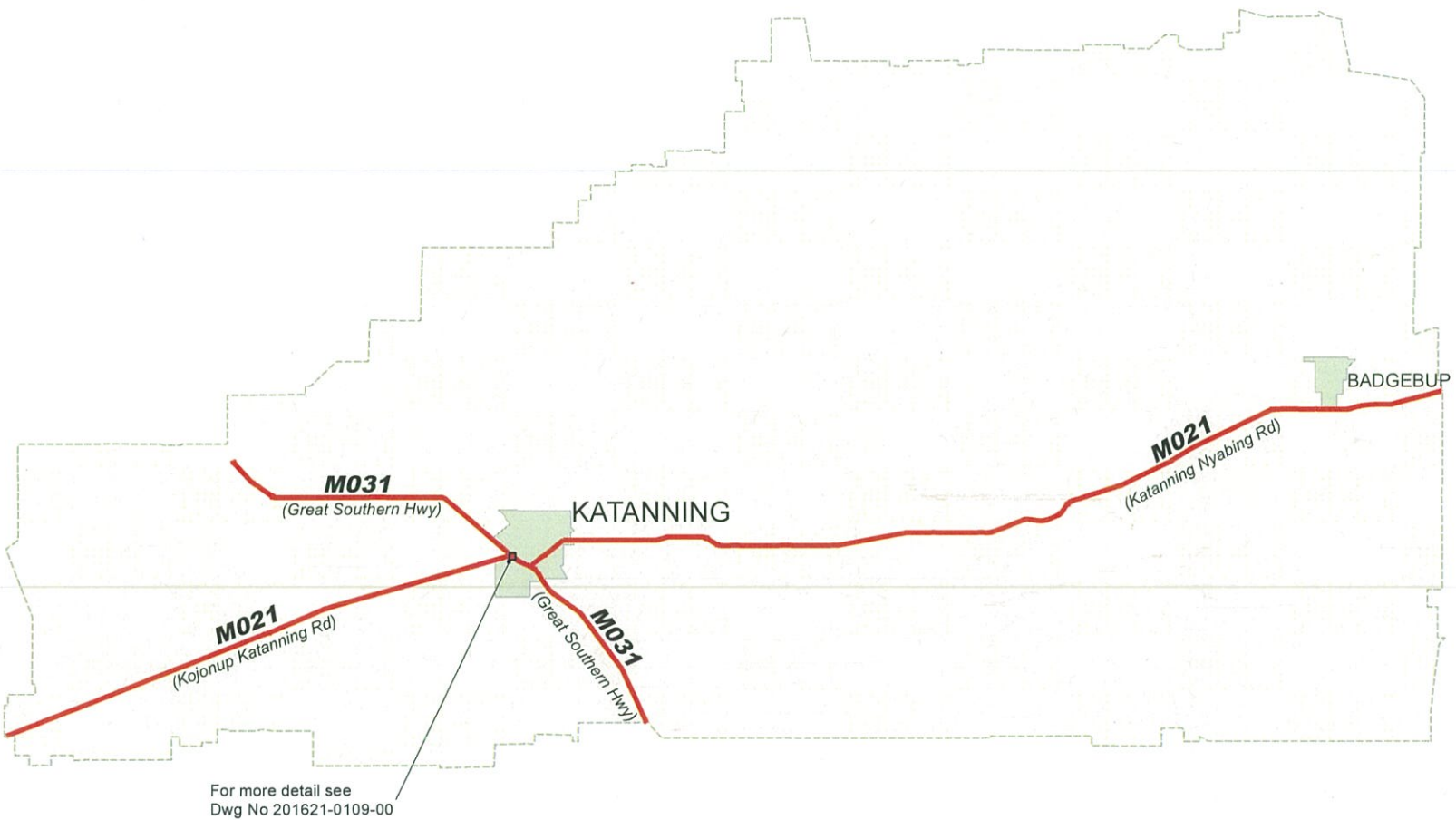
SHIRE OF  
KATANNING

NOTES:

Roads and/or paths are represented by centrelines which are a notional reference line that generates and approximates the centre of the pavement extent.

Ramp intersections are shown schematically. The point at which the lines meet represents the end of the median which separates the converging or diverging carriageways.

Slip lanes where ramps intersect other roads are not shown.



GREAT SOUTHERN  
REGION

SHIRE OF  
KATANNING

BASE MAP  
LEGEND

- Town Site Area And Boundary
- Local Government Area And Boundary
- Cadastral
- Local Road

NOTE: FOR DETAIL OF TOWNSITES - REFER TO TOWNSITE DRAWINGS

PROCLAMATION PLAN

Declared Roads

SHIRE OF KATANNING

SHIRE of KATANNING - LG No. 308

SHEET 1 of 1

MAIN ROADS WESTERN AUSTRALIA

DWG TYPE	FILE No	DWG NUMBER
20:00	16/2025	201621-0106-00

Signature: *[Signature]*  
Position: NPDM  
Date: 22/9/2016

Signature: *[Signature]*  
Position: EOPTS  
Date: 23/9/16



Planning and Technical Services Directorate



AMENDMENTS

PROCLAMATION  
LEGEND

EXISTING PROCLAIMED ROUTE

**H006** Highway  
(^ Road Name)

**M042** Main Road  
(^ Road Name)

SECTION TO BE DE-PROCLAIMED

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Chief Executive Officer

Date:.....

Gazette:.....

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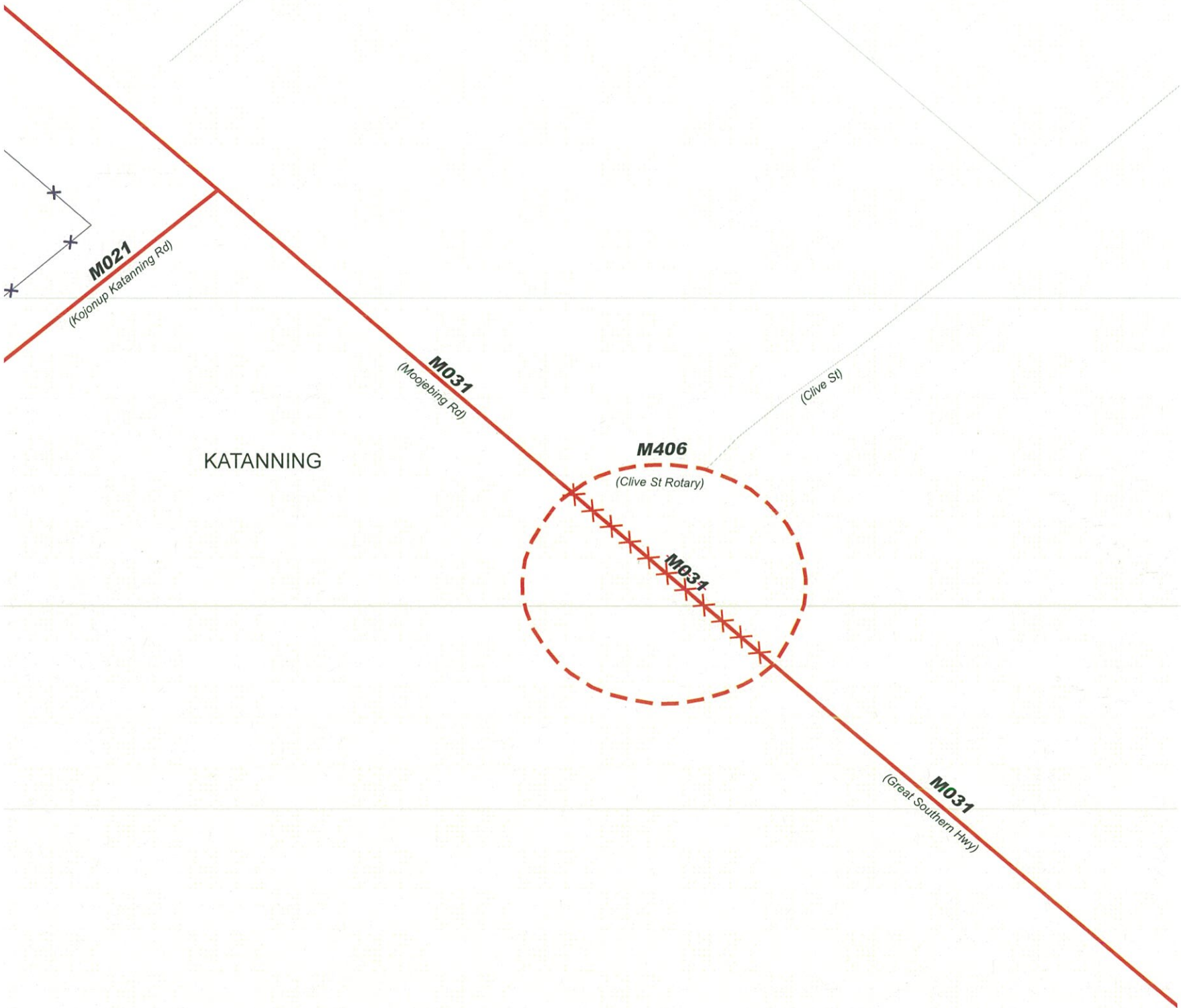
DATE OF ORIGINAL ISSUE: 20 Sept 16

DRAWING AMENDMENT DATE: .....

NOTES:

Roads and/or paths are represented by centrelines which are a notional reference line that generates and approximates the centre of the pavement extent.

SHIRE OF  
KATANNING



SHIRE OF  
KATANNING

BASE MAP  
LEGEND

- Local Government Boundary
- Town Site Area And Boundary
- Cadastre
- Local Road

NOTE: FOR DETAIL OF TOWNSITES - REFER TO TOWNSITE DRAWINGS

Signature: *[Signature]*  
Position: NPDM  
Date: 22/9/2016

Signature: *[Signature]*  
Position: RDPTS  
Date: 23/9/16

0 10 20 30 40 50  
Metres  
Planning and Technical Services Directorate

PROCLAMATION PLAN

Declared Roads  
Proclaim M406 Clive St Rotary,  
Deproclaim M031 Moojebing Rd

SHIRE of KATANNING - LG No. 308

SHEET 1 of 1

MAIN ROADS WESTERN AUSTRALIA

DWG TYPE: 20:00  
FILE No: 16/2025  
DWG NUMBER: 201621-0109-00



## COUNCIL POLICY

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### ADMINISTRATION, FINANCE AND BORROWINGS

#### Recordkeeping Requirements

<b>Policy Number:</b>	3.14
<b>Policy Subject:</b>	Recordkeeping Requirements
<b>Policy Statement:</b>	Full and accurate records will be created and kept, in the appropriate format, of the Shire of Katanning's business decisions and transactions to meet all legislative, business, administrative, financial, evidential and historical requirements.
<b>Objective:</b>	To ensure complete and accurate records are maintained of the decisions and activities carried out by, or on behalf of, the Shire of Katanning and to ensure compliance with the State Records Act 2000.
<b>Guidelines:</b>	<p><b>Definition of a Record</b></p> <p>A record is defined as meaning "any record of information however recorded" and includes:</p> <ol style="list-style-type: none"><li>1) anything on which there is writing or Braille;</li><li>2) a map, plan, diagram or graph;</li><li>3) a drawing, pictorial or graphic work, or photograph;</li><li>4) anything on which there are figures marks, perforations, or symbols, having meaning for persons qualified to interpret them;</li><li>5) anything from which images, sounds, or writings can be reproduced with or without the aid of anything else; and</li><li>6) anything on which information has been stored or recorded, either mechanically, magnetically, or electronically."</li></ol> <p><i>(State Records Act, 2000)</i></p>

### **Capture and Control of Records**

All records created and received in the course of Shire of Katanning business are to be captured at the point of creation, regardless of format, and processed through the Shire's recordkeeping system, which is managed in accordance with sound recordkeeping practices.

### **Elected Members Records**

The State Records Commission policy on elected member's states:

*In relation to the recordkeeping requirements of Local Government elected members, records must be created and kept which properly and adequately record the performance of member functions arising from their participation in the decision making processes of Council and Committees of Council.*

*This requirement should be met through the creation and retention of records of meetings of Council and Committees of Council of Local Government and other communications and transactions of elected members which constitute evidence affecting the accountability of the Council and the discharge of its business.*

*Local Governments must ensure that appropriate practices are established to facilitate the ease of capture and management of elected members' records up to and including the decision making processes of Council.*

In accordance with this policy:

- Elected members will provide Shire Administration with a copy of any records received that relate to any decision or process of the Council and/or Shire.
- Elected members shall provide Shire Administration with a copy of any records received that relate to a meeting agenda item at their earliest opportunity and no later than the commencement of the meeting where the item is to be considered.
- All mail received at the Shire Office addressed to elected members will be opened and processed as per all other records.

### **Security and Protection of Records**

All records are to be categorised as to their level of sensitivity and adequately secured and protected from violation, unauthorised access or destruction, and kept in accordance with necessary retrieval, preservation and storage requirements.

#### **Access to Records**

Access to the Shire of Katanning's records by staff and contractors will be in accordance with designated access and security classifications. Access to the Shire of Katanning's records by the general public will be in accordance with the Freedom of Information Act 1992 and Shire of Katanning policy. Access to the Shire of Katanning's

records by elected members will be via the Chief Executive Officer in accordance with the Local Government Act 1995.

#### Appraisal, Retention & Disposal of Records

All records kept by the Shire of Katanning will be retained and disposed of in accordance with the General Disposal Authority for Local Government Records, produced by the State Records Office of WA.

Ephemeral records which have not been registered in the records management system may be disposed of once their value to the organisation has ceased.

Records which have been registered in the records management system and subsequently identified as ready for disposal must be:

- (i) Logged in the Records Disposal Register, and
- (ii) Authorised for disposal by the Chief Executive Officer.

<b>Resolution No:</b>	Ordinary Council	OC123/04
<b>Resolution Date:</b>	25 February 2004	
<b>Amended:</b>	23 September 2009 22 October 2014	OC43/10 OC/106/14
<b>Source:</b>	Chief Executive Officer	
<b>Date of Review:</b>	October annually	
<b>Review Responsibility:</b>	Chief Executive Officer	



## COUNCIL POLICY

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### ADMINISTRATION, FINANCE AND BORROWINGS

#### Records Management Policy

- Policy Number:** 3.14
- Policy Subject:** Records Management
- Policy Statement:** Full and accurate records will be created and kept, in the appropriate format, of the Shire of Katanning's business decisions and transactions to meet all legislative, business, administrative, financial, evidential and historical requirements.
- Objective:** To ensure complete and accurate records are maintained of the decisions and activities carried out by, or on behalf of, the Shire of Katanning and to ensure compliance with the State Records Act 2000.
- Guidelines:**
- Definitions:**
- Corporate document/record:** Means any document/record that meets one or more of the following criteria:
- Does it convey information essential or relevant in making a decision?
  - Does it convey information upon which others will be, or are likely to make decisions affecting the Shire's operations, or rights and obligations under legislation?
  - Does it commit the Shire to certain courses of action or the commitment of resources or provision of services?
  - Does it convey information about matters of public safety or public interest, or involve information upon which contractual undertakings are entered into?
  - Is the information likely to be needed for future use, or is it of historical value or interest?

**Ephemeral record:** Means any document/record that has no continuing value to the Shire and is generally only needed for a few hours or a few days. As defined within the

State Records Office of Western Australia's publication, General Disposal Authority for Local Government Records. The following are considered to be ephemeral records:

- a. Duplicate (or exact) copies of records, documents, circulars, forms, etc.
- b. Information material including price lists, catalogues, advertising material, brochures etc, produced by other organisations.
- c. Reference sets of directories, addresses and contact lists, including internal directories and lists produced by the local government, other agencies and organisations or suppliers.
- d. Unsolicited letters or promotional material offering goods or services to the local government.
- e. Messages in the form of voice mail, e-mail, telephone messages, post-it or sticky notes when the message does not relate to the business functions of the local government. (N.b.: messages that do relate to the business functions of the local government must be transcribed and placed on the appropriate subject file. Once transcribed the original message may be destroyed.)
- f. Rough drafts of reports, or correspondence, routine or rough calculations not circulated to other staff in the local government, and of which a final draft has been produced and placed on the appropriate subject file. (N.b.: versions of drafts that contain significant changes to context must be placed in the appropriate subject file (e.g.: internal policy)).
- g. Transitory messages giving minor instructions and of a routine or instructional nature that are used to further some activity in either a paper-based or electronic format (e.g.: correcting typing errors; requesting file creation or retrieval; filing a letter; formatting documents; duplicating; etc.)
- h. Letters or cards of appreciation, sympathy or greetings of no enduring value.
- i. Working papers, background notes and reference materials used to prepare or complete other documents. (Those documents become the record of the local government and are placed on the appropriate subject file.) (N.b.: working papers and background notes relating to the development of internal policy must be placed on the appropriate subject file).

**Statement:** Under the State Records Act 2000, the Shire has an obligation as a 'government organisation' to develop a Recordkeeping Plan that sets out the manner in which records are created and kept by the Shire.

This Policy informs the policies and procedures principle within the Recordkeeping Plan, by establishing the Shire's position in relation to appropriate definitions, records



accessibility, destruction of records, management of ephemeral records and training and education.

For greater detail on the processes and legislative requirements relating to recordkeeping responsibilities, refer to the Shire's Recordkeeping Plan.

**Details:**

**4.1. General Recordkeeping:**

- a. The Shire's corporate records are to be managed in accordance with the *Shires Recordkeeping Plan*.
- b. All Elected Members, staff and contractors are responsible for maintaining complete, accurate and reliable evidence of all business transactions, and ensuring all corporate documents are retained within the Shire's official recordkeeping system (Synergy) at the point of creation, regardless of the format being in accordance with the following:
  - *Evidence Act 1906*
  - *Freedom of Information Act 1992*
  - *Local Government Accounting Directions 1994*
  - *Local Government Act 1995*
  - *State Records Act 2000*

**4.2. Access:**

- a. Access to corporate records by Shire staff and contractors will be in accordance with designated access and security classifications, as determined by the Records Officer.
- b. Access to the Shire's records by the general public will be in accordance with the Freedom of Information Act 1992.
- c. Access to the Shire's records by Elected Members and Committee Members will be via the Chief Executive Officer in accordance with Section 5.92 of the Local Government Act 1995.

**4.3. Destruction:**

The Records Officer will dispose of records kept by the Shire in accordance with the State Records Office of Western Australia's publication, *General Disposal Authority for Local Government Records*, following authorisation from the Chief Executive Officer.

#### **4.4. Ephemeral Records:**

Ephemeral records may not be required to be placed within the Shire's official recordkeeping system (Synergy). Elected Members, staff or contractors may dispose of such ephemeral records once reference ceases.

#### **4.5. Training and Education:**

Training in recordkeeping practices and the use of the Shire's document and records management system (Synergy) is available to all newcomers upon commencement and ongoing training is available upon request to the Records Officer.

Elected Members will be made aware of their recordkeeping responsibilities as part of the Elected Members Induction Program.

<b>Resolution No:</b>	Ordinary Council	OC123/04
<b>Resolution Date:</b>	25 February 2004	
<b>Amended:</b>	23 September 2009	OC43/10
	22 October 2014	OC/106/14
	27 June 2017	OCXX/17
<b>Source:</b>	Chief Executive Officer	
<b>Date of Review:</b>	October annually	
<b>Review Responsibility:</b>	Chief Executive Officer	

## COUNCIL POLICY

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### MEMBERS OF COUNCIL Related Party Disclosures

**Policy No:** 1.23

**Policy Subject:** This policy relates to the requirements of Related Party Disclosures to be made in the Shire's Annual Financial Reports in compliance with AASB 124.

**Policy Statement:** That:

1. Council recognises the requirement to comply with AASB 124 and thus disclose Related Party Disclosures in each Annual Financial Report commencing from 1 July 2016 (effectively the report for the year ending 30 June 2017).
2. This policy outlines required mechanisms to meet the disclosure requirements of AASB 124.

**Objectives:** To provide guidance to elected members and identified Key Management Personnel to assist in them making an informed judgement as to who is considered to be a related party and what transactions need to be considered when determining if disclosure is required. The purpose of this procedure is to stipulate the information to be requested from related parties to enable an informed judgement to be made.

#### Guidelines:

##### 1. Identification of Related Parties

AASB 124 provides that the Shire will be required to disclose in its Annual Financial reports, related party relationships, transactions and outstanding balances.

Related parties includes a person who has significant influence over the reporting entity, a member of the key management personnel (KMP) of the entity, or a close family member of that person who may be expected to influence that person.

KMP are defined as persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

For the purposes of determining the application of the standard, the Shire has identified the following persons as meeting the definition of *Related Party*:

- An elected Council member
- Key management personnel being a person employed under section 5.36 of the Local Government Act 1995 in the capacity of Chief Executive Officer, Director or Executive Manager
- Close members of the family of any person listed above, including that person's child, spouse or domestic partner, children of a spouse or domestic partner, dependents of that person or person's spouse or domestic partner.

- Entities that are controlled or jointly controlled by a Council member, KMP or their close family members. (Entities include companies, trusts, joint ventures, partnerships and non-profit associations such as sporting clubs).

The Shire will therefore be required to assess all transactions made with these persons or entities.

## 2. Identification of related party transactions

A related party transaction is a transfer of resources, services or obligations between the Shire (reporting entity) and the related party, regardless of whether a price is charged.

For the purposes of determining whether a related party transaction has occurred, the following transactions or provision of services have been identified as meeting this criteria:

- Paying rates
- Fines
- Use of Shire owned facilities such as [Recreation Centre, Civic Centre, library, parks, ovals and other public open spaces (whether charged a fee or not)]
- Attending council functions that are open to the public
- Employee compensation whether it is for KMP or close family members of KMP
- Application fees paid to the Shire for licences, approvals or permits
- Lease agreements for housing rental (whether for a Shire owned property or property sub-leased by the Shire through a Real Estate Agent)
- Lease agreements for commercial properties
- Monetary and non-monetary transactions between the Shire and any business or associated entity owned or controlled by the related party (including family) in exchange for goods and/or services provided by/to the Shire (trading arrangement)
- Sale or purchase of any property owned by the Shire, to a person identified above.
- Sale or purchase of any property owned by a person identified above, to the Shire
- Loan Arrangements
- Contracts and agreements for construction, consultancy or services

Some of the transactions listed above, occur on terms and conditions no different to those applying to the general public and have been provided in the course of delivering public service objectives. These transactions are those that an ordinary citizen would undertake with council and are referred to as an Ordinary Citizen Transaction (OCT). Where the Shire can determine that an OCT was provided at arms-length, and in similar terms and conditions to other members of the public and, that the nature of the transaction is immaterial, no disclosure in the annual financial report will be required.

## 3. Disclosure Requirements

For the purposes of determining relevant transactions in point 2 above, elected Council members and key management personnel as identified above, will be required to complete a *Related Party Disclosures - Declaration* form for submission to financial services.

### 4. Ordinary Citizen Transactions (OCTs)

Management will put forward a draft resolution to Council annually, declaring that in its opinion, based on the facts and circumstances, the following OCT that are provided on terms and conditions no different to those applying to the general public and which have been provided in the course of delivering public service objectives, are unlikely to influence the decisions that users of the Council's financial statements make. As such no disclosure in the quarterly *Related Party Disclosures - Declaration* form will be required.

- Paying rates

- Fines
- Use of Shire owned facilities such as Recreation Centre, Civic Centre, library, parks, ovals and other public open spaces (whether charged a fee or not)
- Attending council functions that are open to the public

Where these services were not provided at arms-length and under the same terms and conditions applying to the general public, elected Council members and KMP will be required to make a declaration in the *Related Party Disclosures - Declaration* form about the nature of any discount or special terms received.

#### All other transactions

For all other transactions listed in point 2 above, elected Council members and KMP will be required to make a declaration in the *Related Party Disclosures - Declaration* form.

#### Frequency of disclosures

Elected Council members and KMP will be required to complete a *Related Party Disclosures - Declaration* form each quarter.

Disclosures must be made by all Councillors immediately prior to any ordinary or extraordinary election.

Disclosures must be made immediately prior to the termination of employment of/by a KMP.

#### Confidentiality

All information contained in a disclosure return, will be treated in confidence. Generally, related party disclosures in the annual financial reports are reported in aggregate and as such, individuals are not specifically identified. Notwithstanding, management is required to exercise judgement in determining the level of detail to be disclosed based on the nature of a transaction or collective transactions and materiality. Individuals may be specifically identified, if the disclosure requirements of AASB 124 so demands.

### 5. Materiality

Management will apply professional judgement to assess the materiality of transactions disclosed by related parties and their subsequent inclusion in the financial statements.

In assessing materiality, management will consider both the size and nature of the transaction, individually and collectively.

#### Associated Regulatory Framework

*AASB 124 Related Party Disclosures*

*Local Government Act 1995*

*Local Government (Financial Management) Regulations 1996*

#### Further Information

*Related Party Disclosures - Declaration* form

**Resolution No:** Ordinary Council

**Resolution Date:** 27 June 2017 OCxxx/17

**Amended:**

**Source:** Council

**Date of review:** October annually

**Review Responsibility:** Chief Executive Officer



## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

AASB 2015-6

This Standard was issued in March 2015 and extends the Scope of AASB 124 *Related Party Disclosures* to include application by not-for-profit entities.

Operative Date for Local Government: 1 July 2016 (effectively for the year ended 30 June 2017).

Comparatives: No comparatives will be required to be presented in the period of initial implementation.

AASB 124

SUMMARY

APPLICATION AND SCOPE

AASB 124.2

This standard is applied in:

- Identifying related party transactions and relationships;
- Identifying outstanding balances including commitments between an entity and its related parties;
- Identifying circumstances in which disclosure of the above items are required;
- Determining the disclosures to be made about those items.

PURPOSE OF RELATED PARTY DISCLOSURES

AASB 124.5 TO 124.8

Knowledge of related party transactions, outstanding balances and relationships is important to understanding and assessing an entity's operations.

DEFINITIONS

AASB 124.9 TO 124.12

Definitions include related party, compensation, control, key management personnel, director and remuneration as well as some explanations and clarifications.

DISCLOSURE

AASB 124.13 TO 124.27

Includes:

- Relationships between parents and subsidiaries of the entity, regardless of whether there have been any transactions between the related parties (may be applicable to local government under new legislation);
- Information about key management personnel compensation in total and for certain categories;
- Certain information about transactions between related parties and any outstanding balances at reporting date for each type of related party; and
- Information about government-related entities.

ILLUSTRATIVE EXAMPLES

Includes illustrative examples – one specifically relating to a Councillor of a local government.





## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### DISCLOSURES

#### KEY REQUIREMENTS OF AASB 124

#### AASB 124.17

A local government shall disclose key management personnel compensation in total and for each of the following categories:

- a) Short-term employee benefits;
- b) Post-employment benefits;
- c) Other long-term benefits;
- d) Termination benefits; and
- e) Share-based payment.

#### AASB 124.18

If the local government has had related party transactions during the periods covered by the financial statements, it shall disclose the nature of the related party relationship as well as information about those transactions and outstanding balances, including commitments, necessary for users to understand the potential effect of the relationship on the financial statements. These disclosure requirements are in addition to those in paragraph 17. At a minimum, disclosures shall include:

- a) The amount of the transactions;
- b) The amount of outstanding balances, including commitments, and
  - i. their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
  - ii. details of any guarantees given or received;
- c) Provisions for doubtful debts related to the amount of outstanding balances; and
- d) The expense recognised during the period in respect of bad or doubtful debts due from related parties.

#### AASB 124.18A

Amounts incurred by the local government for the provision of key management personnel services that are provided by a separate management entity shall be disclosed.

#### AASB 124.19

The disclosures required by paragraph 18 should be made separately for each of the following categories:

- a) The parent;
- b) Entities with joint control or significant influence over the entity;
- c) Subsidiaries;
- d) Associates;
- e) Joint ventures in which the entity is a venturer;
- f) Key management personnel of the entity or its parent; and
- g) Other related parties.



## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### DISCLOSURES (CONTINUED)

##### AASB 124.21

The following are examples of transactions that are disclosed if they are with a related party:

- a) purchases or sales of goods (finished or unfinished);
- b) purchases or sales of property and other assets;
- c) rendering or receiving of services; and
- d) leases.

##### AASB 124.23

Disclosures that related party transactions were made on terms equivalent to those that prevail in arm's length transactions are made only if such terms can be substantiated.

##### AASB 124.24

Items of a similar nature may be disclosed in aggregate except when separate disclosure is necessary for an understanding of the effects of related party transactions on the financial statements of the local government.

#### RELEVANT DEFINITIONS

##### AASB 124.9

##### **Related Party:**

A person or entity that is related to the local government that is preparing its financial statements.

A person or a close member of that person's family is related if that person:

- i. (not applicable to local government);
- ii. Has significant influence over the reporting entity; or
- iii. Is a member of the key management personnel of the reporting entity.

An entity is related if any of the following conditions applies:

- i. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others) - may be applicable; or
- ii. A person .... is a member of the key management personnel of the entity.

**Note: Many of the other conditions listed in this paragraph do not apply and we have chosen, for the sake of clarity, not to list them here.**

##### **Related Party Transaction:**

A transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.



## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### RELEVANT DEFINITIONS (CONTINUED)

##### **Close Members of the Family of a Person:**

Those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- a) That person’s children and spouse or domestic partner;
- b) Children of that person’s spouse or domestic partner; and
- c) Dependants of that person or that person’s spouse or domestic partner.

##### **Compensation**

Includes all employee benefits – refer to content of AASA 124.9 for specific details.

##### **Key Management Personnel**

Those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

In the case of local government will include all Councillors and Senior Staff.

Senior Staff would include the CEO, deputy CEO and any staff member at a Director or Executive Manager level.

In the case of rural/regional local governments, there would also be the need to include the works supervisor, health inspector, planning officer where they have direct responsibility for an operational area of local government.

#### SUBSTANCE OVER FORM

##### AASB 124.10

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.

#### CLARIFICATIONS

##### AASB 124.11

In the context of AASB 124, the following are not related parties:

- a) Two entities simply because they have a member of key management personnel in common or because a member of key management personnel of one entity has significant influence over the other entity.
- b) Two joint ventures simply because they share joint control over a joint venture.
  - i. providers of finance,
  - ii. trade unions,
  - iii. public utilities, and
  - iv. departments and agencies of a government that does not control, jointly control or significantly influence the local government.
  - v. simply by virtue of their normal dealings with the local government (even though they may affect the freedom of action of a local government or participate in its decision-making process).
- c) A customer, supplier, franchisor, distributor or general agent with whom the local government transacts a significant volume of business.



## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### EXAMPLE DISCLOSURE

**NOTE: Such disclosure is not required until the year ended 30 June 2017. The City/Town/Shire of Somewhere model will be adjusted to incorporate the disclosure requirements of AASB 124 at that time.**

The purpose of this example disclosure is to provide information and guidance with respect to upcoming requirements.

They are in addition to existing disclosure requirements which will be adjusted at the time.

For example, if material, certain disclosures relating to sales of goods, assets etc are already made elsewhere in the financial report and can easily be expanded to include a line item for related parties.

We have also only provided examples of those relating to local government with a comment on their likelihood.

**Please see pages 6 and 7 for example disclosure.**







## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### EXAMPLE DISCLOSURE

##### Key Management Personnel Compensation Disclosure

The totals of remuneration paid to KMP of the City/Town/Shire during the year are as follows:

	2017	2016
	\$	\$
AASB 124.17(a) Short-term employee benefits	AAA	EEE
AASB 124.17(b) Post-employment benefits	BBB	FFF
AASB 124.17(c) Other long-term benefits	CCC	GGG
AASB 124.17(d) Termination benefits	DDD	HHH
Total KMP compensation	ZZZ	XXX

##### Short-term employee benefits

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

Details in respect to fees and benefits paid to Councilors may be found at Note XX.

##### Post-employment benefits

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

##### Other long-term benefits

These amounts represent long service benefits accruing during the year.

##### Termination benefits

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





## SOMEWHERE

## AASB 124 – “RELATED PARTY DISCLOSURES”

## EXAMPLE DISCLOSURE (CONTINUED)

**Related Party Transactions Detail Disclosure****Related Parties****The City/Town/Shire's main related parties are as follows:**i. *Key management personnel:*

AASB 124.9, 18

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

ii. *Entities subject to significant influence by the City/Town/Shire*

AASB 124.9, 18

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.

For details of interests held in associated entities, refer to Note X.

iii. *Joint venture entities accounted for under the equity method:*

AASB 124.9, 18

The Group has a 50% interest in Somewhere Regional Council. The interest in the joint venture entity is accounted for in these financial statements using the equity method of accounting. For details of interests held in joint venture entities, refer to Note YY.

**Transactions with related parties:**

AASB 124.23

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

The following transactions occurred with related parties:

**2017****\$****Associated companies/individuals:**

Sale of goods and services

Likely

Purchase of goods and services

Likely

**Joint venture entities:**AASB 124.18(a),  
19(e), 21(g)

Distributions received from joint venture entities

Possible

**Amounts outstanding from related parties:**

Trade and other receivables

Possible

Loans to associated entities

Possible but highly unlikely

Loans to key management personnel

Possible but highly unlikely

**Note: If loans of this nature are provided, then details relating to terms and conditions should be disclosed in narrative form.**

**Amounts payable to related parties:**

Trade and other payables:

Loans from associated entities

Possible

AASB 124.19(d),  
21(g)

## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### IMPLEMENTATION GUIDANCE

Implementation and guidance applying to public sector entities (ie local government) forms an integral part of AASB 124.

Some key paragraphs to assist with interpretation have been extended and are detailed (unaltered) as follows:

#### KEY MANAGEMENT PERSONNEL

##### AASB 2015-6. IG 3

Paragraph 9 of the Standard defines key management personnel as being those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the entity. In a public sector context, entities should consider the facts and circumstances in assessing whether a person is a member of the key management personnel, as defined, of the entity. For example, the facts and circumstances may reflect that not all persons described as ‘senior executive staff’ or ‘Secretary’ or ‘Minister’ may be key management personnel of the entity. Similarly, in relation to a not-for-profit public sector entity, the facts and circumstances may reflect that a person’s powers do not give rise to a capacity to direct or control the activities of an entity, where the powers are only ceremonial or procedural in substance.

#### RELATED PARTY TRANSACTIONS

##### AASB 2015-6. IG 9

Paragraph 18 of the Standard requires an entity to disclose information about transactions that have occurred between the entity and its related parties, including transactions between the entity and its key management personnel or key management personnel of the entity’s parent, that is necessary for users to understand the potential effect of the relationship on the financial statements.

##### AASB 2015-6. IG 10

Ministers, councillors and other senior public servants may qualify as a related party of a public sector entity under one or more of the criteria set down in paragraph 9(a) of the definition of ‘related party’ in AASB 124. For example, a Minister who is a member of the key management personnel of his government is, under the definition of ‘related party’, a related party not only of the government but also of each controlled entity of that government. In such instances, the Standard requires the controlled government entity to disclose related party transactions with that Minister, whether or not the Minister has responsibility for the entity.

##### AASB 2015-6. IG 11

A related party transaction is a transfer of resources, services or obligations between an entity and its related party, regardless of whether a price is charged. In the not-for-profit public sector, many entities are likely to engage frequently with persons who are a related party of that entity in the course of delivering the entity’s public service objectives, including the raising of funds (for example, rates and taxes) to meet those objectives. These related party transactions often occur on terms and conditions no different to those applying to the general public (for example, the Medicare rebate or public school fees). A not-for-profit public sector entity may determine that information about related party transactions occurring during the course of delivering its public service objectives and which occur on no different terms to that of the general public is not material for disclosure in its general purpose financial statements is included in AASB 101 “Presentation of Financial

Statements and AASA 108 “Accounting Policies, Changes in Accounting Estimates and Errors. The factors described in paragraph 27 of the Standard may also assist an entity in making this determination.

## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### IMPLEMENTATION GUIDANCE (CONTINUED)

#### AASB 2015-6. IG 12

Examples 7-8 describe different types of related party transactions that may occur between not-for-profit public sector entities and their related parties.

#### Example 7

Councillor P is a member of the key management personnel of the LMN local government (the Council). The Council’s functions include raising revenue to fund its functions and activities, and planning for and providing services and facilities (including infrastructure) for the local community. In carrying out its functions, the Council undertakes a wide range of activities including the imposition of rates and charges upon constituents, and the provision without charge of services such as parks and roads.

Councillor P is a ratepayer residing within the Council’s constituency. As such, he takes advantage of the availability of free public access to local parks and libraries. Councillor P also used the swimming pool at the Council’s Recreation Centre twice during the financial year, paying the casual entry fee applicable to the general public each time. The recreation centre has approximately 20,000 visitors each financial year.

All of the transactions described above between the Council and Councillor P are related party transactions of the Council and are considered for disclosure in the Council’s general purpose financial statements. Based on the facts and circumstances described, the Council may determine that these transactions are unlikely to influence the decisions that users of the Council’s financial statements make having regard to both the extent of the transactions, and that the transactions have occurred between the Council and Councillor P within a public service provider/taxpayer relationship.

**Note: Example 8 was not included as it does not relate to local government.**



## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### BASIS FOR CONCLUSIONS

Whilst not forming part of the standard, the AASB has provided explanations in respect to their conclusions. We have extracted (unaltered) some key bases (as they relate to local government).

#### DEFINITION OF KEY MANAGEMENT PERSONNEL

##### AASB 2015-6. BC 8

The Board considered whether an amendment of the definition of key management personnel for the not-for-profit public sector would be necessary to facilitate a decision to remove the not-for-profit public sector exemption from AASB 124, but decided that the present definition was suitable. The AASB noted that, in a public sector context, entities should consider the facts and circumstances in assessing whether a person is a member of the key management personnel, as defined, of the entity.

##### AASB 2015-6. BC 9

The Board considered that normally, the determination of key management personnel will be similar for entities in the public sector or the private sector. For example, a not-for-profit public sector entity will need to determine whether all, or only certain, of its senior executive service employees meet the definition of key management personnel. However, the Board acknowledged constituents’ concerns that the determination of key management personnel may not be straightforward in the not-for-profit public sector given ministerial type roles. The Board noted that it does not regard a Minister to always be a member of the key management personnel of a not-for-profit public sector entity or of a for-profit public sector entity; rather, this is dependent on the particular circumstances of the jurisdiction and of the entity. Accordingly, the Board decided to add guidance to the Standard, in the absence of a private sector analogy, to assist public sector entities in applying the definition of key management personnel to Ministers, as ministerial-type roles do not usually arise in a private sector.

##### AASB 2015-6. BC 17

The Board noted that, as is often the case with related party transactions, judgement would be required as to when transactions are material, especially when qualitative assessments are made about the nature of transactions. The Board considered situations in which Ministers or local government councillors paid taxes, levies or other statutory charges or fees faced generally by citizens. The Board does not expect, absent unusual circumstances, that the application of materiality would result in disclosure in many of these situations. In contrast, a commercial contract entered into by a Minister or local government councillor with a related public sector entity may be relevant for disclosure, similar to a commercial contract between a member of the key management personnel of a for-profit entity and the reporting entity (for example, a contract to provide accountancy services between the entity and an entity controlled by a member of the key management personnel). Accordingly, the Board observed that a not-for-profit public sector entity would also need to apply judgement in determining the extent of information it needs to collect to meet the objective of AASB 124, as there is little value in an entity incurring significant costs to obtain data that is immaterial for disclosure. The Board noted that it would expect appropriate criteria to be identified so that information about transactions that are possible material (for example, transactions that have occurred at a different price or volume to that applying to the general public) is captured for assessment.



## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### DEFINITION OF KEY MANAGEMENT PERSONNEL (CONTINUED)

AASB 2015-6. BC 18

Having regard to the role of materiality, the Board decided that no specific exemption from disclosure of the related party transactions with key management personnel of a not-for-profit public sector entity, including any Ministers or local government councillors where so identified, was necessary. However, to respond to constituents’ requests for clarification on the extent of disclosures required of related party transactions that occur in the not-for-profit public sector, the Board decided to add implementation guidance to AASB 124 to assist not-for-profit public sector entities in this regard.

#### APPLICATION DATE AND TRANSITIONAL PROVISIONS

AASB 2015-6. BC 30

The Board considered the application date and transitional provisions of the amendments to extend the scope of AASB 124 to include not-for-profit public sector entities. The Board acknowledged constituent concerns about the ability of existing systems, processes and controls to capture the information required, and requests for a lengthy transition period prior to mandatory application of the amendments.

AASB 2015-6. BC 31

The Board was disinclined to unnecessarily further extend the period to which these amendments are on issue before mandatory application, having made its key decisions on the amendments in 2012, and as the finalised amendments are largely as were exposed. Further, the Board noted that Australian Implementation Guidance to AASB 10 Consolidated Financial Statements relating to the application of control by not-for-profit entities had been issued by the Board in October 2013. The Board also noted that the forthcoming issue of an amending standard extending the scope of AASB 124 to not-for-profit public sector entities has been signalled in its publicly available work program. Accordingly, the Board decided that the amendments should apply to annual reporting periods beginning on or after 1 July 2016.

AASB 2015-6. BC 32

However, having regard to constituent concerns, the Board decided not to require comparative related party disclosures to be presented in the period of initial application of the amendments.

**AASB 124 – “RELATED PARTY DISCLOSURES”****BUSINESS OPERATING PROCEDURE****Corporate Services/Governance & Finance****Procedure Number XXX****PROCEDURE FOR RELATED PARTY DISCLOSURES**

The scope of AASB 124 *Related Party Disclosures* was extended in July 2015 to include application by not-for-profit entities, including local governments. The operative date for Local Government is 1 July 2016, with the first disclosures to be made in the Financial Statements for year ended 30 June 2017. This procedure outlines required mechanisms to meet the disclosure requirements of AASB 124.

**BACKGROUND**

The objective of the standard is to ensure that an entity's financial statements contain disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and transactions.

The disclosure requirements apply to the existence of relationships regardless of whether a transaction has occurred or not. For each financial year, the Shire/Town/City must make an informed judgement as to who is considered to be a related party and what transactions need to be considered, when determining if disclosure is required.

The purpose of this procedure is to stipulate the information to be requested from related parties to enable an informed judgement to be made.

**1. Identification of Related Parties**

AASB 124 provides that the Shire/Town/City will be required to disclose in its Annual Financial reports, related party relationships, transactions and outstanding balances.

Related parties includes a person who has significant influence over the reporting entity, a member of the key management personnel (KMP) of the entity, or a close family member of that person who may be expected to influence that person.

KMP are defined as persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

For the purposes of determining the application of the standard, the Shire/Town/City has identified the following persons as meeting the definition of *Related Party*:

- An elected Council member
- Key management personnel being a person employed under section 5.36 of the Local Government Act 1995 in the capacity of Chief Executive Officer or Director
- Close members of the family of any person listed above, including that person's child, spouse or domestic partner, children of a spouse or domestic partner, dependents of that person or person's spouse or domestic partner.
- Entities that are controlled or jointly controlled by a Council member, KMP or their close family members. (Entities include companies, trusts, joint ventures, partnerships and non-profit associations such as sporting clubs).

The Shire/Town/City will therefore be required to assess all transactions made with these persons or entities.



## SOMEWHERE

**AASB 124 – “RELATED PARTY DISCLOSURES”**

## 2. Identification of related party transactions

A related party transaction is a transfer of resources, services or obligations between the Shire/Town/City (reporting entity) and the related party, regardless of whether a price is charged.

For the purposes of determining whether a related party transaction has occurred, the following transactions or provision of services have been identified as meeting this criteria:

- Paying rates
- Fines
- Use of Shire/Town/City owned facilities such as [Recreation Centre, Civic Centre, library, parks, ovals and other public open spaces (whether charged a fee or not)]
- Attending council functions that are open to the public
- Employee compensation whether it is for KMP or close family members of KMP
- Application fees paid to the Shire/Town/City for licences, approvals or permits
- Lease agreements for housing rental (whether for a Shire/Town/City owned property or property sub-leased by the Shire/Town/City through a Real Estate Agent)
- Lease agreements for commercial properties
- Monetary and non-monetary transactions between the Shire/Town/City and any business or associated entity owned or controlled by the related party (including family) in exchange for goods and/or services provided by/to the Shire/Town/City (trading arrangement)
- Sale or purchase of any property owned by the Shire/Town/City, to a person identified above.
- Sale or purchase of any property owned by a person identified above, to the Shire/Town/City
- Loan Arrangements
- Contracts and agreements for construction, consultancy or services

Some of the transactions listed above, occur on terms and conditions no different to those applying to the general public and have been provided in the course of delivering public service objectives. These transactions are those that an ordinary citizen would undertake with council and are referred to as an Ordinary Citizen Transaction (OCT). Where the Shire/Town/City can determine that an OCT was provided at arms length, and in similar terms and conditions to other members of the public and, that the nature of the transaction is immaterial, no disclosure in the annual financial report will be required.

## 3. Disclosure Requirements

For the purposes of determining relevant transactions in point 2 above, elected Council members and key management personnel as identified above, will be required to complete a *Related Party Disclosures - Declaration* form for submission to financial services.

Ordinary Citizen Transactions (OCTs)

Management will put forward a draft resolution to Council annually, declaring that in its opinion, based on the facts and circumstances, the following OCT that are provided on terms and conditions no different to those applying to the general public and which have been provided in the course of delivering public service objectives, are unlikely to influence the decisions that users of the Council's financial statements make. As such no disclosure in the quarterly *Related Party Disclosures - Declaration* form will be required.



## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

- Paying rates
- Fines
- Use of Shire/Town/City owned facilities such as Recreation Centre, Civic Centre, library, parks, ovals and other public open spaces (whether charged a fee or not)
- Attending council functions that are open to the public

Where these services were not provided at arms length and under the same terms and conditions applying to the general public, elected Council members and KMP will be required to make a declaration in the *Related Party Disclosures - Declaration* form about the nature of any discount or special terms received.

All other transactions

For all other transactions listed in point 2 above, elected Council members and KMP will be required to make a declaration in the *Related Party Disclosures - Declaration* form.

Frequency of disclosures

Elected Council members and KMP will be required to complete a *Related Party Disclosures - Declaration* form each quarter.

Disclosures must be made by all Councillors immediately prior to any ordinary or extraordinary election.

Disclosures must be made immediately prior to the termination of employment of/by a KMP.

Confidentiality

All information contained in a disclosure return, will be treated in confidence. Generally, related party disclosures in the annual financial reports are reported in aggregate and as such, individuals are not specifically identified. Notwithstanding, management is required to exercise judgement in determining the level of detail to be disclosed based on the nature of a transaction or collective transactions and materiality. Individuals may be specifically identified, if the disclosure requirements of AASB 124 so demands.

#### 4. Materiality

Management will apply professional judgement to assess the materiality of transactions disclosed by related parties and their subsequent inclusion in the financial statements.

In assessing materiality, management will consider both the size and nature of the transaction, individually and collectively.

#### Associated Regulatory Framework

*AASB 124 Related Party Disclosures*

*Local Government Act 1995*

*Local Government (Financial Management) Regulations 1996*

#### Associated Policies

*Include if relevant*

#### Further Information

*Related Party Disclosures - Declaration* form



## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### Review Responsibility

*Coordinator Financial Services*

Date Adopted: XX

Review Required: As Required

Review Undertaken: XX

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Date

Approved / Not Approved



## SOMEWHERE

## AASB 124 – “RELATED PARTY DISCLOSURES”

## Close Family Members

Close family members include:

- a child, spouse or domestic partner;
- children of your spouse or domestic partner;
- dependents of you or your spouse or domestic partner;
- any other close family member;

who may be expected to influence, or be influenced by, your dealings with the council.

The following table may assist you in identifying your close family members:

Definitely a close family member	May be a close family member
Your spouse/domestic partner	Your brothers and sisters, if they could be expected to influence or be influenced by you in their dealings with council
Your children	Your aunts, uncles and cousins, if they could be expected to influence or be influenced by you in their dealings with council
Your dependants	Your parents and grandparents, if they could be expected to influence or be influenced by you in their dealings with council
Children of your spouse/domestic partner	Your nieces and nephews, if they could be expected to influence or be influenced by you in their dealings with council
Dependants of your spouse/domestic partner	Any other member of your family if they could be expected to influence or be influenced by you in their dealings with council

There may be relationships that a council has which are not identified in this appendix but still meet the definition of a related party.

**Example: Cousin of Councillor**

A Councillor for the Shire/Town/City has lived in the Shire/Town/City her whole life. In fact her family has been in the area for generations.

The Councillor's cousin, owns and operates the local newsagent through a company ABC Pty Ltd, in which she owns 100% of the shares. The Councillor and her cousin have always been close and regularly socialise together.

From these facts it would appear that the Councillor's cousin is a close family member of the Councillor because she would be expected to influence, or be influenced by, that person in her dealings with Council.

Both the cousin and the company she controls, ABC Pty Ltd would therefore be related parties of Council.

Any transactions that the Council makes with the newsagent would need to be separately identified and may need to be disclosed.



## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### Control in entities

What is an entity that I, or my close family member, control or jointly control?

Entities include companies, trusts, incorporated and unincorporated associations such as clubs and charities, joint ventures and partnerships.

You control an entity if you have

- a) power over the entity;
- b) exposure, or rights, to variable returns from involvement with the entity; and
- c) the ability to use your power over the entity to affect the amount of your returns.

To jointly control an entity there must be contractually agreed sharing of control of the entity, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

In some cases it will be obvious that you or a family member control or have joint control over an entity. In other cases it will be less clear.

In some cases it will be obvious that you or a family member control or have joint control over an entity. In other cases it will be less clear.

If you are unsure whether you, or a close family member, has control or joint control of an entity then you should contact the Manager Financial Services for a confidential discussion.

#### **Example: Clubs or other incorporated bodies**

(A Shire/Town/City Councillor is the President of a local football club)

A Shire/Town/City Councillor is the President of Shire/Town/City Football Club Inc, the local football club. This club is overseen by a committee which comprises the President and four other committee members. Each member has a single vote when making decisions at meetings. The committee members are not related and do not have agreements to vote with one another. The club has over 100 members that each have a vote in electing the committee members at the club's annual general meeting.

From these facts it would appear that the Councillor does not control or jointly control the football club so it will not be a related party of Council just because the Councillor is the president of the club.

## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### Other examples

##### **Example 1 (Audit committee member)**

Shire/Town/City of Anywhere's audit committee comprises two Councillors and a local retired accountant, Fred. Fred has no other connection with the council.

The audit committee attends to the functions as required under the *Audit Regulations*. It does not make any decisions on behalf of the council but simply provides reports, with recommendations, for the Mayor and councillors to consider.

Based on the facts outlined Fred would not be a KMP of council.

##### **Example 2 (Son of CFO employed by council)**

Shire/Town/City of Anywhere has recently employed Paul's son (George) in the Council's parks and garden's area. Paul is Council's Deputy Chief Executive Officer but was not involved in hiring George. This process was managed by the Director of Parks and Gardens and included an independent assessment process. Paul did not have any influence in George securing the job.

Paul has been identified as a KMP of council, which makes him a related party.

George will also be a related party of Council because he is a close family member of Paul. The recruitment process that was undertaken for George's position is irrelevant when assessing whether George is a related party.

##### **Example 3 (Cousin of Mayor - related party commonly known but omitted from declaration)**

Shelley, the Mayor of Shire/Town/City of Nowhere forgets to include her cousin Mavis, and Mavis' company, when she completes her KMP declaration.

It is commonly known in the community that Shelley and Mavis are close and that Shelley would be expected to influence, or be influenced by, Mavis in her dealings with Council and vice versa.

Mavis and her company are related parties of Council, even though Shelley omitted them from her declaration.

##### **Example 4 (Example of control)**

Fred is the Mayor of Shire/Town/City of Nowhere and owns 100% of the ordinary shares in Shire/Town/City of Nowhere Development Company Pty Ltd (the company). The ordinary shares are the only shares in the company that have voting rights.

Fred controls the company because he has the power to affect the company's decisions and the return that he will get from the company.

Fred will need to include the company on his related party declaration.



## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### **Example 5 (Example of joint control)**

Fred is the Mayor of Shire/Town/City of Nowhere and owns 50% of the ordinary shares in Shire/Town/City of Nowhere Development Company Pty Ltd (the company). Fred's brother Stan owns the other 50% of ordinary shares. Fred and Stan are the only Directors of the company and have equal voting rights on the board.

Fred and Stan have joint control of the company because any decisions require the unanimous consent of them both.

Fred will need to include the company on his related party declaration.

## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### RELATED PARTY DISCLOSURES - DECLARATION

*As per requirements of AASB 124 Related Party Disclosures, and Business Operating Procedure – Related Party Disclosures. For additional information to assist you in making a declaration, please refer to the Appendices to this form.*

The following declaration must be completed by all Council members, the CEO and Directors of the Shire/Town/City who were elected or employed at any time during the financial year.

<b>Disclosure Period (Quarter Ended):</b>	
<b>Person making disclosure:</b>	
<b>Position held by person:</b> e.g. Councillor, Director	

#### 1. CLOSE MEMBERS OF THE FAMILY (See Appendix 1)

Name of Family Member	Relationship to you
<i>If there has been no change since your last declaration, please complete “No Change”</i>	



## AASB 124 – “RELATED PARTY DISCLOSURES”

[illegible]

## SOMEWHERE

**AASB 124 – “RELATED PARTY DISCLOSURES”****3. ORDINARY CITIZEN TRANSACTIONS – NOT PROVIDED AT ARMS LENGTH**

Did you or any member of your close family use facilities provided at Recreation Centre, attend any event at the Civic Centre, or use any other council provided facility AND you received a discount or special terms that would not otherwise be offered to any other member of the public?

Name of person using the facility	Service/Facility used	Nature of transaction	Nature of discount or special conditions received.

Note: Recreation Centre membership provided as part of employment has been provided under the same terms as those memberships provided to the public.

**4. LEASING AGREEMENTS - DOMESTIC RESIDENTIAL**

Did you, a close family member or related entity, enter into a lease agreement with the Shire/Town/City (either as lessee or lessor) for the provision of a domestic rental property (Includes properties owned by the Shire/Town/City and privately owned properties sub-leased through the Shire/Town/City from a real estate agent)? Did you receive or provide a discount or special terms that would not otherwise be offered to any other member of the public?

Name of Person party to the lease	Property Address	Term of Lease & Weekly rent	Detail of any non-arms length conditions

## SOMEWHERE

## AASB 124 – “RELATED PARTY DISCLOSURES”

## 5. LEASING AGREEMENTS - COMMERCIAL

Did you, a close family member or related entity, enter into a commercial leasing agreement with the Shire/Town/City for the provision of a commercial property? Did you receive a discount or special terms that would not otherwise be offered to any other member of the public?

Name of person party to the lease	Property Address	Term of Lease & Weekly rent	Detail of any non-arms length conditions

## 6. TRADING ARRANGEMENTS

Were you or a close family member (as defined above) the owner of any business (or in a position to substantially control the business) that provided goods or services to the Shire/Town/City? Were those goods or services provided on the same terms and conditions as those available to any other customer? If not, please provide details of the specific terms provided to the Shire/Town/City.

Business name	Goods or services provided	Approximate value for the reporting period	Terms & conditions







SOMEWHERE

AASB 124 – “RELATED PARTY DISCLOSURES”

7. OTHER AGREEMENTS (Construction, Consultancy, Service Contracts)

Did you, a close family member or related entity, enter into any other agreements/arrangements with the Shire/Town/City (whether or not a price was charged)?

This may include (but is not limited to): construction contracts, consultancy services, service contracts (such as cleaning, maintenance, security).

For e.g. a company that a close family member controls, was awarded a contract with the Shire/Town/City for building a new office facility.

Name of person or business/company	Nature of agreement	Value of agreement	Terms & conditions



## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### 8. PURCHASE OF PROPERTY

Did you, a close family member or related entity, purchase any property or other assets from the Shire/Town/City? (This may include vehicles or other plant items, land or buildings).

Was the purchase made at arms length (for e.g. at public auction), and on terms and conditions available to any other member of the public? If not, please provide details of the specific terms provided to you.

Name of person or entity name	Property purchased	Value of the purchase	Terms & conditions

#### 9. SALE OF PROPERTY

Did you, a close family member or related entity, sell any property or other assets to the Shire/Town/City? (This may include vehicles or other plant items, land or buildings).

Was the sale made at arms length, and on terms and conditions available to any other member of the public? If not, please provide details of the specific terms provided.

Name of person or entity name	Property Sold	Value of the Sale	Terms & conditions

## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

#### 10. FEES & CHARGES FOR APPLICATIONS

Did you, a close family member or related entity, make an application to Council for a trading, building, planning or development application, licence or approval, or any other type of permit or licence?

Name of person or entity name	Application type	Application and/or receipt number

#### 11. SELF SUPPORTING LOANS

Did you, a close family member or related entity, enter into a loan agreement with the Shire/Town/City?  
For e.g. a club for which you have control (See Appendix 2 for example)

Name of person or entity name	Loan details	Value of the loan	Terms & conditions

#### 12. OTHER AGREEMENTS

Please list any other agreement or arrangement you believe is a related party transaction and should be declared.

Name of person or business/company	Nature of agreement	Value of agreement	Terms & conditions

## SOMEWHERE

### AASB 124 – “RELATED PARTY DISCLOSURES”

I declare that all information and details provided in this form are true and correct to the best of my knowledge and belief and that no known relevant information has been omitted.

I have made this declaration after reading the information supplied by Council which details the meaning of the definitions to which this declaration relates.

SELECT OPTION 1: ☐ Handwritten Signature

Signed: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Once signed please provide to the Manager Financial Services.

OR

SELECT OPTION 2: ☐ Electronic Signature

This form can be sent by email to the Manager Financial Services provided the email is sent by the person making the disclosure from their work or personal (e.g. Councillors) email account.

