



Audit Risk and Improvement Committee Meeting

Thursday 18 December 2025

Attachment Provided Under Separate Cover

9.12.25.02A

Annual Financial Report and Audit Report 2024/2025





**2024 / 2025
ANNUAL
REPORT**



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ACKNOWLEDGEMENT OF COUNTRY

The BROOKTON community would like to acknowledge the traditional custodians of this land, Nyoongar People and pay respect to all Elders, past, present, and emerging. The Shire wishes to acknowledge and respect local people's continuing culture and the contribution they make to country and its life.



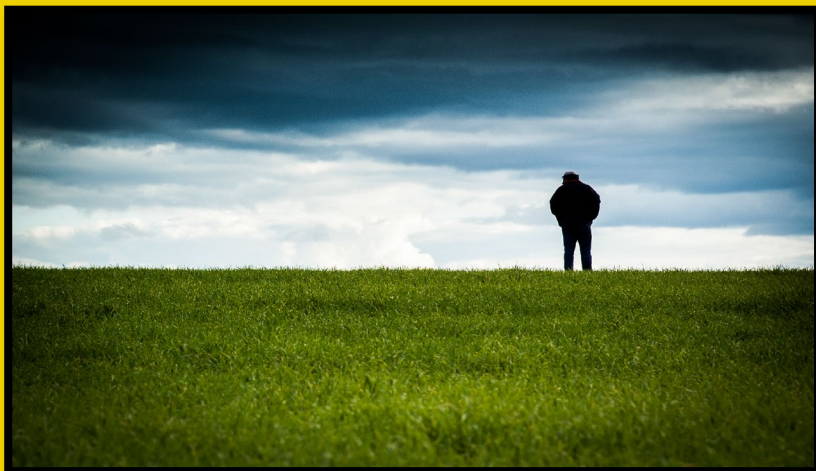
SHIRE MISSION AND VISION

VISION

BROOKTON is
a Well-recognised business and agricultural hub,
a flourishing stop-over destination, and
a celebrated place to live.

MISSION

Shire of Brookton Mission
To Sustain the Balance of BROOKTON +
To Build a Bigger Better BROOKTON



LIVING VALUES



Living Values

Collaborate

We will be supportive, applaud courage, celebrate success for us and the community. We will adapt to new circumstances, apply curiosity and share new things.

I will

- listen hard, speak less, and ask questions for understanding and clarity.
- share ideas, remind my colleagues of our work goals and demonstrate my leadership behaviours. acknowledge when things are going well and when we are facing difficulties.
- seek ways of working together and recognise when we succeed in our work.
- Compliment others when they are courageous and speak up.

We will grow our knowledge and experience and have pride in ourselves, our efforts and community.

I will

- seek and accept new ways of doing things.
- research and share newfound skills and knowledge.
- ask for assistance and input when I'm not sure.

Learn

Integrity

We will demonstrate honest and open behaviour at all times. Our communications will be respectful, with empathy and be fully accountable for our own actions.

I will

- communicate honestly with colleagues and respect their views.
- actively contribute to a culture of trust and openness in the Shire.
- be brave and speak up when things are not right.
- offer my colleagues support regardless of their background, role or experience.

We will meet the many challenges, identify and apply solutions and lean on our colleagues.

I will

- be sure to include and engage with my workmates in a positive and constructive manner.
- look after myself, be mindful of my self-esteem and that of others.
- maintain a 'can-do' approach and seek support from others. be aware that my behaviour may impact on others and reduce their confidence.
- know my strengths and aware of my weaknesses.

Resilient

SHIRE PRESIDENT MESSAGE



I'd like to thank Katrina Crute who was a progressive and inspiring Councillor/Shire President for 16 years. I wish her the best of luck for her future endeavours.

Since being elected as Shire President in October 2025, I've had the privilege of stepping into this role and beginning the journey alongside Council and our community. It is with pleasure that I present the Shire of Brookton's Annual Report and a summary of activities for the year ending 30 June 2025.

Through a combination of capital investment and operational delivery, this report showcases Council's progress over the past 12 months and reflects the positive impact these efforts have had in shaping Brookton a place residents are proud to call home.

Through the support of State and Federal grant funding, along with the Council's rate revenue, we have achieved significant achievements this year through financial investments and operational advancements in the following projects:

Financial Investments

- Electronic equipment upgrades
- Expanding CCTV coverage to enhance community safety
- Facilities painting program
- Continuation of sewer infrastructure renewal
- Construction of East Brookton fire shed and internal fit-out
- Increasing Happy Valley pipeline capacity and upgrading associated pump infrastructure
- Furniture renewal at Memorial Hall
- Patio renewal and shed addition at Brookton Aquatic Centre
- Lighting upgrade for town oval
- Irrigation upgrade at Memorial Park
- New fitness equipment Brookton Community Gymnasium
- Infrastructure investment – Roads, Bridges and Footpaths
- Vending machine installation at Caravan Park
- Portable restroom and trailer
- Plant replacement program (all classes)
- Continued phase planning including technical works Brookton Railway Station
- Basketball Court equipment renewal

Operational Advancements

- Increased programming by Brookton Community Resource Centre to promote an inclusive community with many events free to community members and visitors
- Partnership with Spay It Forward for a pet sterilisation initiative
- Partnership DPIRD - Regional Traineeship Program
- Beach volleyball exhibition match

- Christmas Tree Appeal - Partnership Salvation Army
- Containers for Change Shire Depot
- User Way Accessibility Widget – Shire website
- Drum MUSTER - environmental sustainability
- Curtin University Immersion Program
- Produce and Publish Brookton Telegraph
- Circuit & Strength and Balance exercise classes
- Phone System
- Bushfire Mitigation
- Local Emergency Management Arrangements (LEMA)
- Library Management System
- Personalised Programs - Brookton Gym
- WA Auditor General's Top 20 Local Government Best Practice Entity for 2023/2024 Financial year

These achievements reflect our dedication to fostering a vibrant, inclusive community where all residents enjoy a high quality of life. The Shire continues to prioritise community feedback, actively engaging with residents across a range of projects and initiatives.

Council continued to support several programs and community organisations during the financial year through the Brookton Community Chest Fund, this reinforces Council's ongoing commitment and valued partnerships with the community.

The Community Chest Fund empowers local groups, supports free events, and strengthens community connection. The Community Chest plays a key role in empowering residents and enhancing community life.

I wish to also extend Council's congratulations to the Australia Day Award recipients for the 2025 year.

- Citizen of the Year – Kathy Bassett
- Community Event of the Year – Brookton DHS P & C Aussie Icons Quiz Night

I sincerely thank our Shire Councillors, Community Committee Members, Shire Officers and all volunteers for their dedication and contributions throughout 2024/2025. A special acknowledgment to our CEO Mr Gary Sherry for his outstanding leadership and support. Your collective efforts have been instrumental in driving progress and serving our community.



Roderick (Rod) Wallis
Shire President

LEGACY OF LEADERSHIP



Former Shire President Katrina Crute was awarded Life Membership of WALGA at the WA Local Government Awards in Perth on 19 July 2025.

These annual awards recognise and celebrate the outstanding achievements and lasting contributions made by Elected Members and employees to their respective Local Governments, the Local Government sector, WALGA and the wider community.


As chair of both the BWSFN and the Wheatbelt South Regional Road Group, Katrina was instrumental in securing \$187.5 million for improvements to these critical and strategic freight routes. This allocation of funding will continue to have a positive and long-term impact on the safety and efficiency of roads that were not originally designed to safely cope with the size and number of vehicles now required by the agricultural industry to remain competitive.

As President of the Shire of Brookton, Katrina was successful in obtaining funding for both a regional Community Emergency Services Manager and the construction of new facilities for local bushfire brigades. Engaging with all sectors of the Brookton Community, Katrina oversaw the sale of the Shire of Brookton's Kalkarni Aged Care Residence in 2019 and development of the refurbishment programs for the Brookton Memorial Hall and Brookton Railway Station.

A passionate, positive and dedicated Elected Member, Katrina's leadership of the Brookton community during the COVID-19 lockdown period was inspirational ensuring the concerns of all community members were acknowledged and understood by Council.

An advocate for long term community planning, Katrina spearheaded the development of Brookton's Strategic Community Plan (SCP), an innovative road map for the future that involved extensive community consultation and was recognised as a best-practice approach by WALGA.

Highly regarded as a leader who values continuous improvement, Katrina completed the WALGA Diploma of Local Government and always encourages fellow Elected Members to pursue personal and professional development opportunities.



Katrina was the Shire's Delegate to the Central Country Zone, was a member of the Zone Executive Committee since 2015, was a Deputy State Councillor from 2019 to 2023, and recently nominated to the Department of Local Government, Sport and Cultural Industries (now Department of Local Government Industry Regulation and safety) Council Plans Working Group.

On behalf of the entire community, we extend our deepest thanks to Katrina, who has served as a progressive and inspiring Shire President and Councillor for the past 16 years. First elected to the Shire of Brookton in 2009, Katrina served as Deputy President from 2013 and was appointed President in 2017, leading with distinction and dedication.

Her dedication, leadership, and unwavering commitment have left a lasting impact on Brookton. Through her tireless efforts, she has helped shape a stronger, more inclusive, and forward-thinking community - one we are all proud to be part of.

We wish her every success and happiness in her future endeavours. Her legacy will continue to inspire.

CHIEF EXECUTIVE OFFICER MESSAGE



The 2024/2025 Annual Report highlights the positive outcomes driven by Council's strategic leadership and the exceptional performance of Shire staff.

I am pleased to present an update on the statutory reporting requirements, along with the ongoing commitment of the Shire administration and infrastructure teams to deliver services and capital projects to the community.

Management and Governance

Under contract with the Office of the Auditor General (OAG), Nexia Australia has led the audit of the Shire's financial management and governance practices. The final Audit Report issued by the OAG confirmed no findings - an outcome that reflects the integrity of our systems and the diligence of our Finance and Administration team.

The Shire remains committed to maintaining strong internal controls and continuously improving operational efficiency. We value transparency, accountability, and the trust placed in us by our community, and we will continue to uphold these standards in all aspects of our work.

In April 2025 the Shire of Brookton was recognised as one of the 20 best financial practice local government entities for the second consecutive year for 2023/2024 by the OAG. This prestigious acknowledgement reflects our ongoing commitment to excellence in a clear audit opinion, prompt audit preparation, high-quality financial reports and working papers, and effective financial management controls in the 2023/2024 Financial Statement.

Beyond the accolade itself, this achievement reinforces the Shire's reputation for integrity, accountability and service excellence – values that continue to strengthen community pride.

The Shire of Brookton continues to maintain a positive financial position, with a surplus of \$1,660,757 achieved at the 30 June 2025, with the prepayment of the Federal Financial Assistance Grants significantly contributing to this surplus. As at 30 June 2025 Council held a strong Reserve Fund balance of \$12,600,298. This robust financial position provides a strategic advantage, enabling the Shire to leverage these funds to attract external investment and support major infrastructure and asset replacement programs in future years.

The Annual Financial Report together with the Auditor's comments and findings for the 2024/2025 financial year is included in this report.

Key Assets

Major Infrastructure

Council continues to prioritise the maintenance and enhancement of critical infrastructure across the Shire. In the 2024/2025 financial year, a total of \$4,641,169 was invested in a range of essential works, including:

- Road upgrades and maintenance
- Bridge renewal
- Footpath improvements
- Parks and Gardens renewal
- Sewerage system renewals
- Water infrastructure renewal

This significant investment reflects Council’s ongoing commitment to building a safer, more connected, and future-ready Shire. These works not only support day-to-day transport and logistics but also strengthen the foundations of our community for generations to come.

Council remains committed to the maintenance and improvement of roads in the Shire to ensure the safe passage of vehicles, including farm machinery and grain transport with the following infrastructure projects undertaken in the 2024/2025 financial year:

Project	Project Description	Total Expenditure
York Williams Road	Reconstruct a 7 metre wide 2 coat seal	\$549,376
Davis Road	Gravel Sheeting	\$99,533
Mattingly Road	Gravel Sheeting	\$88,667
South Kweda Road	Resheeting	\$107,982
Bodey Street	Widen junction -Brookton Hwy	\$2,901
Mattingly Road	Repair two failed creek crossings	\$36,595
Tiller Street	Roadbase sheeting	\$33,355
Dangin-Meares Road	Pavement reconstruction and overlay	\$1,059,006
Woods Loop Road	Resheet & Tree Lopping	\$113,711
Bridge Renewal	Bridge 3146A Boygarra Road	\$77,500
Bridge Renewal	Bridge 3163A Jaensch Road	\$49,200
Bridge Renewal	Bridge 3158A Matthews Road	\$24,970
Bridge Renewal	Bridge 4863 York-Williams Road	\$23,380
Bridge Renewal	Bridge 3143 Yeo Road	\$561,000
Road Maintenance	Town Street Network	\$293,656
Road Maintenance	Rural Road Network	\$653,630
Infrastructure Renewal	Sewerage Capital Projects	\$491,742
Infrastructure Renewal	Water Capital Projects	\$69,140
Infrastructure Renewal	Parks & Gardens Capital Projects	\$167,225
Infrastructure Renewal	Footpath Capital Projects	\$138,600

Project	Project Description	Total Expenditure
Total Infrastructure Investment 2024/2025		\$4,641,169

Plant and Equipment

Council continues to implement its annual plant replacement program as part of a long-term strategy to maintain a modern, reliable, and efficient fleet. This proactive approach helps minimise maintenance costs and operational downtime, ensuring the timely delivery of roadworks and other essential services.

All acquisitions are reviewed annually and aligned with Council's ten-year Plant Replacement Program, which reflects current and future operational requirements. This has seen the acquisition totalling \$552,897 of the following replacement (new for old) of major plant items:

Program	Description	Total Expenditure
Governance	Light Vehicle	\$50,428
Law, Order & Public Safety	Light Vehicle	\$79,354
Transport	Mini Excavator	\$86,990
Transport	Bomag Multi Tyre Roller	\$191,000
Transport	Light Vehicle	\$49,238
Transport	Light Vehicle	\$46,648
Transport	Light Vehicle	\$49,239
Total Plant & Equipment Investment 2024/2025		\$552,897

Other Works

The other works performed during the year includes:

Program	Description	Total Expenditure
Governance	Internal painting Admin Office	\$25,455
Governance	Furniture & Equipment replacements	\$49,472
Law, Order & Public Safety	East Brookton Fire shed	\$691,036
Law, Order & Public Safety	West Brookton Fire shed	\$230,824
Law, Order & Public Safety	CCTV – Robinson Road	\$6,671
Economic Services	Vending Machine - Caravan Park	\$8,641
Recreation & Culture	Internal painting WB Eva Pavilion	\$20,000
Recreation & Culture	Patio – Aquatic Centre	\$7,272
Recreation & Culture	Storage Shed – Aquatic Centre	\$25,415
Recreation & Culture	Memorial Hall renewals	\$19,661
Recreation & Culture	Railway Station refurbishment	\$21,965

Program	Description	Total Expenditure
Recreation & Culture	Tables & Chairs Memorial Hall	\$41,282
Recreation & Culture	Smith Machine - Gym Equipment	\$6,990
Total Other Works Investment 2024/2025		\$1,154,684

Council continue to offer a range of services for both the community and visitors which include:

- Parks and gardens including BBQ areas
- Waste Management
- Fire and Emergency Management
- Independent Living Units
- Caravan Park including accessible chalets
- Recreational Facilities – Sports ground, Aquatic Centre and gymnasium
- Public Conveniences
- Animal Control
- Building Permits
- Cemetery

This overview offers a glimpse of the community focused projects completed in 2024/25, with more detailed in the report.

I extend my thanks to our Councillors and Shire staff, who continue to serve with professionalism, dedication, and a strong commitment to the values that guide our community. While not every decision may be welcomed, each is made with integrity, transparency, and in the best interests of both current and future generations.

We also acknowledge the tireless efforts of our teams across all areas of service - from frontline operations to strategic planning - whose work underpins the progress we've made.

To our community, thank you for your ongoing support. It strengthens our resolve and inspires us to keep delivering meaningful outcomes that enhance Brookton's future.



Gary Sherry
Chief Executive Officer

YOUR COUNCIL



Elected Council 2024/2025 L - R Seated: Mr. Gary Sherry (Chief Executive Officer), Cr Katrina Crute (Shire President), Cr Tamara de Lange (Deputy President), Mrs. Deanne Sweeney (Manager Corporate and Community).

L- R Standing: Cr Rod Wallis, Cr Charlene Hayden, Cr Harold Bell, Cr Beryl Copping, Cr Lachlan McCabe.

During the 2024/25 financial year, the shire farewelled Cr Charlene Hayden, who concluded her term in February 2025 following her resignation.

We extend our heartfelt thanks to our Councillors for their tireless and often challenging work in service of our community. Much of what they do goes unseen, yet it is guided by a deep commitment to the wellbeing of Brookton - both now and for generations to come. Their decisions, though not always easy, are made with integrity and a clear focus on shaping a strong and sustainable future for us all.

ELECTED MEMBER ATTENDANCE AT MEETINGS

Council convenes an Ordinary Council Meeting on the third Thursday of the month excluding January. The number of Council and Committee meetings attended by each elected member during 2024/2025 is outlined below.

Councillor	Council Meetings		Elector Meetings		Committee Meetings			
	Ordinary	Special	Annual	Special	Audit & Risk	BFAC	LEMC	Employment
Cr Katrina Crute Shire President	10	2	1	1	3	2	2	0
Cr de Lange Deputy Shire President	9	2	1	1	4	0	n/a	0
Cr Harold Bell	11	2	1	1	4	n/a	n/a	0
Cr Lachlan McCabe	11	2	1	1	2	1	1	0
Cr Bery Copping	11	2	1	1	3	n/a	n/a	0
Cr Rob Wallis	11	1	1	1	2	n/a	n/a	0
Cr Charlene Hayden Resigned February 2025	5	1	1	1	1	n/a	n/a	0

n/a refers to a Councillor who is not a member of that Committee and therefore did not attend any meetings.

Meeting Type	Number of meetings held in 2024/2025 year
Ordinary Meeting of Council	11
Special Meeting of Council	2
Annual Electors Meeting	1
Special Electors Meeting	1
Audit and Risk Committee	4
Bushfire Advisory Committee (BFAC)	2
Local Emergency Management Committee (LEMC)	2
Employment Committee	0

ELECTED MEMBER REMUNERATION

In line with section 5.53(2)(i), the Annual Report must list fees, expenses, and allowances paid to each Council Member, Mayor, or President for financial years starting on or after 1 July 2022.

Councillor	<i>Fees, Expenses and Allowances</i>					
	<i>President's Allowance</i>	<i>Deputy President's Allowance</i>	<i>Sitting Fees</i>	<i>ICT Allowance</i>	<i>Travel Allowance</i>	<i>Total</i>
Cr Katrina Crute Shire President	\$7,500	\$0	\$7,000	\$0	\$474	\$14,974
Cr de Lange Deputy Shire President	\$0	\$1,875	\$3,884	\$0	\$1276	\$7,035
Cr Harold Bell	\$0	\$0	\$3,884	\$0	\$0	\$3,884
Cr Lachlan McCabe	\$0	\$0	\$3,884	\$0	\$0	\$3,884
Cr Bery Copping	\$0	\$0	\$3,884	\$0	\$0	\$3,884
Cr Rob Wallis	\$0	\$0	\$3,884	\$0	\$0	\$3,884
Cr Charlene Hayden Resigned February 2025	\$0	\$0	\$2,553	\$0	\$0	\$2,553
Total	\$7,500	\$1,875	\$28,973	\$0	\$1,750	\$40,098

MEETINGS OF COUNCIL

Ordinary Meeting of Council

An Ordinary Meeting of the Council, held on a monthly basis, or otherwise as determined by the Council, is for the purpose of considering and dealing with ordinary business of the Council.

Special Meeting of Council

A Special Meeting of the Council is held for the purpose of considering and dealing with Council business that is urgent, complex in nature, for a particular purpose, or confidential.

Annual Electors Meeting

A General Meeting of the electors of a district is to be held once every financial year. The purpose of the annual electors meeting is to discuss the contents of the annual report and any other general business.

Special Electors Meeting

Special Meeting of Electors refers to a meeting held at the request of electors, or council members to discuss specific matters.

Audit, Risk and Improvement Committee

This Committee is authorised to oversee and make recommendations to Council in respect to the organisation's fiscal and risk management, together with its governance and compliance through internal and external auditing. The Committee's function is to also imbed a culture of continuous improvement across the operations of the Shire of Brookton.

Many of the key duties of this Committee are detailed in both the Local Government (Audit) Regulations and the Terms of Reference by Council.

Bushfire Advisory Committee

This Committee advises Council on all matters relating to the prevention, controlling and extinguishing of bushfires, formation of bushfire brigades, the ensuring of co-operation and co-ordination in their efforts and activities of the bushfire brigades; and other matters relating to bushfire control.

Local Emergency Management Committee

This Committee advises and assists the Council in ensuring that local emergency management arrangements are established for the Shire, and to liaise with public authorities and other persons in the development, review, and testing of local emergency management arrangements, as well as carrying out other emergency management activities as directed by the State Emergency Management Committee (SEMC), or as prescribed by legislation and regulations.

Employment Committee

The role of the Employment Committee is to recruit and review the performance and salary of the Chief Executive Officer.

EXECUTIVE STAFF

Council had three designated executive employee positions in accordance with section 5.37 of the *Local Government Act 1995*.

- Chief Executive Officer Mr Gary Sherry
- Manager Corporate and Community Mrs Deanne Sweeney
- Acting Manager Infrastructure and Works Mr Kevin D’Alton

In total the Shire of Brookton employed 29.7 full time equivalent (FTE) employees during the 2024/2025 financial year.

Regulation 19B(2)(b) of the *Local Government (Administration) Regulations 1996* requires the annual report to contain the details of the number of employees of the local government entitled to an annual salary of \$130,000 or more in bands of \$10,000, for each such band over \$130,000.

Salary Range	2024	2025
\$130,000 - \$139,999	0	0
\$140,000 - \$149,999	1	0
\$150,000 - \$159,000	0	1

Regulation 19B(2)(e), of the *Local Government (Administration) Regulations 1996*, requires the annual report to include the remuneration package provided to the CEO. The total remuneration provided to the CEO during the 2024/2025 financial year, including all benefits such as housing, superannuation and vehicle provision was \$224,254.

SHIRE PROFILE

The Shire of Brookton is located in the Wheatbelt region of Western Australia, 138km southeast of Perth. The town was established in 1899 with the key industries include cereal cropping, cattle and sheep production and agricultural innovation.

Brookton is a vibrant community offering high-quality infrastructure, fantastic services and endless opportunities. The community has a strong vision of “a well-recognised business and agricultural hub, a flourishing stop-over destination and a celebrated place to live”.

The Shire of Brookton borders the local government authorities of Pingelly, Beverley and Corrigin with the Shire's main localities being Brookton, Kweda and Aldersyde.

The following information is general information about the Shire of Brookton. All specific enquiries should be directed to the Shire office during normal business hours.

Shire of Brookton Administration Centre

14 White Street

(PO Box 42)

BROOKTON WA 6306

Telephone: (08) 9642 1106

Email: mail@brookton.wa.gov.au

Brookton Community Resource Centre

89 Robinson Road

BROOKTON WA 6306

Telephone: (08) 9642 1377

Email: crcmail@brookton.wa.gov.au

Key Facts - Our Shire	
Area	1,601 square Kilometres
Population	929 (as at 2021 Census)
Median Age	50 (as at 2021 Census)
Number of Dwellings	476 (as at 2021 Census)
Number of Council Employees	29.7
Number of Elected Members	7
Distance from Perth	138 kilometres
Length of Roads - Sealed	122 kilometres
Length of Roads - Unsealed	425 kilometres



SHIRE SERVICES

Council continues to offer a broad range of services to support both the community and visitors. These services reflect our ongoing commitment to accessibility, engagement, and quality of life.



ACCESS INCLUSION PLAN

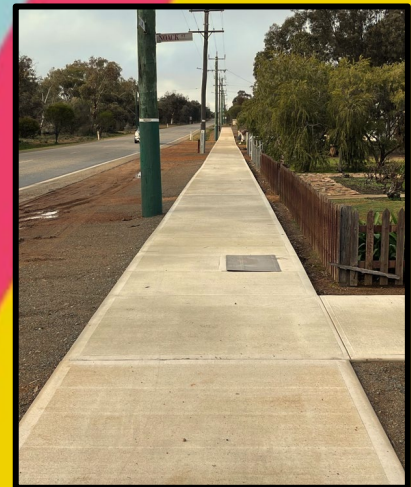
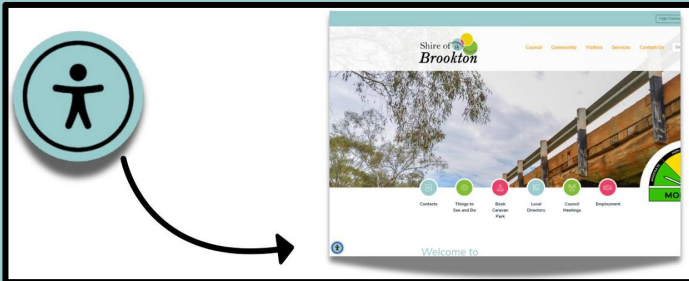
The Access Inclusion Plan 2024/2029 (AIP) is a strategic document developed by the Shire of Brookton and formally endorsed by Council at the September 2024 Ordinary Council Meeting. The AIP is registered with the State Government's Department of Communities and reported on annually.

The purpose of an Access and Inclusion Plan (AIP) is to ensure that access to services, facilities, buildings and information provided by the Shire and opportunities within our community are accessible and inclusive for everyone. The AIP is designed to create an environment where all community members feel valued and can contribute meaningfully. This change reflects a commitment to creating a more inclusive environment for the entire community.

As part of the review of the Access Inclusion Plan (AIP) a community survey was conducted in April 2024, followed by a consultation session in July. Insights and ideas gathered from these engagements informed the development of a targeted AIP project list. The resulting initiatives are practical, achievable, and focused on enhancing quality of life across the community. These projects will be embedded into future planning through the Strategic Resource Plan (SRP) and the annual budgeting process.

The key achievements during 2024/25 include:

- Seating around Brookton Town Oval - encouraging social interaction and inclusivity for all users.
- Construction of footpath Williams Street to Vines Medical Centre - Improve access for all residents and visitors.
- Thermal Pool Blankets - Ensure the pool is accessible and comfortable for all users.
- Basketball Court - Promote an inclusive environment where individuals can participate.
- UserWay Accessibility Widget on the Shire of Brookton website - adjust website settings ensuring a more inclusive experience for everyone.
- Footpath maintenance to reduce trip hazards.
- The Shire of Brookton is committed to valuing and respecting diversity in the workplace and identifies as an Equal Opportunity Employer. As part of the onboarding process for new employees, we gather information through a Diversity Questionnaire.
- Balance and strength classes to support mobility and inclusion.
- Provide all-inclusive art and craft sessions at the Brookton Community Resource Centre.
- All staff Social Inclusion and Disability Awareness training.



INTEGRATED PLANNING AND REPORTING (IPR)

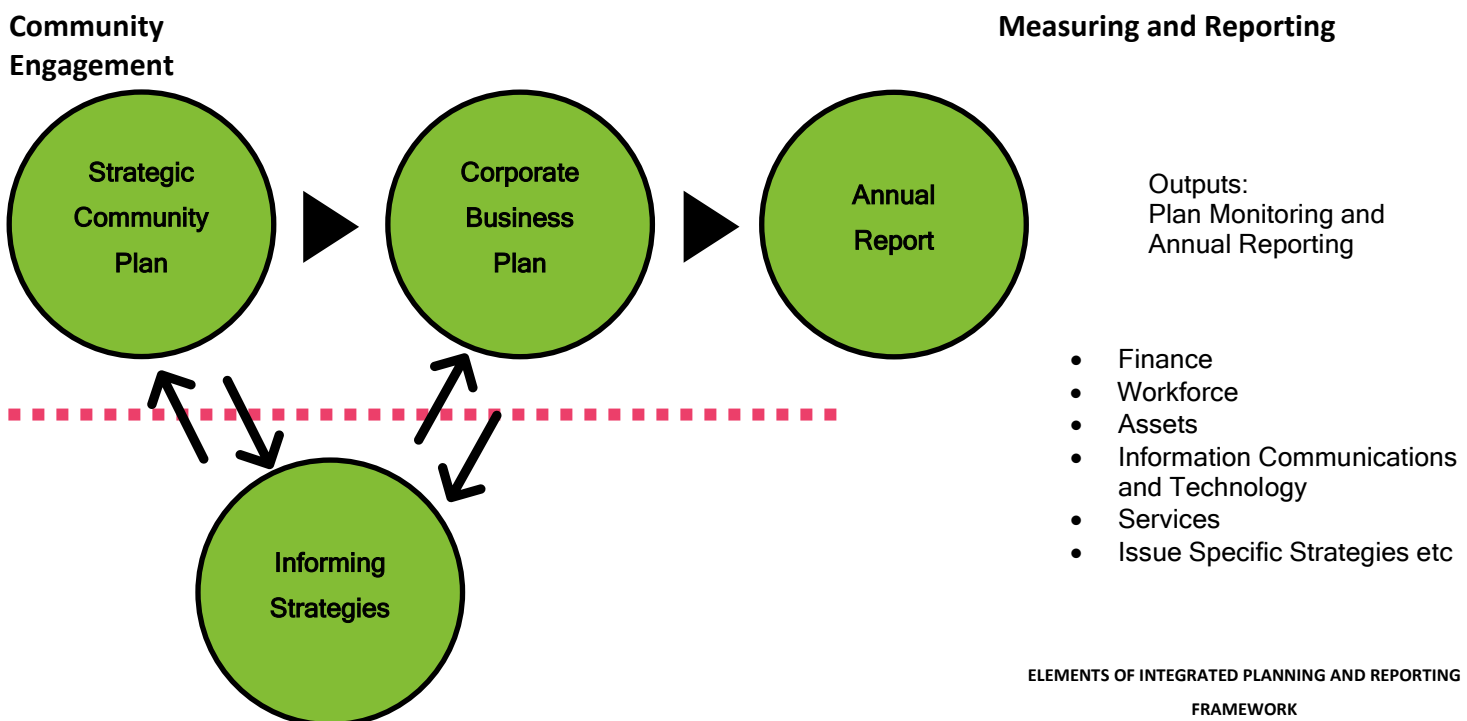
The Integrated Planning and Reporting (IPR) Framework provides a structured approach to aligning the Shire's strategic direction with community aspirations and available resources. It ensures that Council decisions are forward looking, community informed, and focused on delivering meaningful outcomes. The framework is built on core planning levels:

- Strategic Resource Plan (15 years): The SRP combines the Long Term Financial Plan (LTFP) and the Asset Management Plan (AMP) and guides the allocation of resources over fifteen years to meet our strategic outcomes and objectives.
- Strategic Community Plan (4 years): Sets long-term priorities based on community consultation and vision.
- Corporate Business Plan (4 years): Translates strategic goals into operational actions, services, and projects.
- Annual Budget (1 year): Allocates resources to deliver planned activities and services.

The Strategic Resource Plan 2024 – 2039 (SRP) adopted in March 2024, supports financial sustainability and is reviewed annually alongside the budget. This ensures that resource allocation remains responsive to changing priorities and supports the delivery of strategic objectives.

The Shire's Strategic Community Plan (SCP) and Corporate Business Plan (CBP) were endorsed by Council on 17 November 2022 following community consultation. A full review is scheduled for 2025/26 to ensure continued alignment with community needs and legislative requirements.

Together, these plans guide the Shire's operations, promote place-based wellbeing, and strengthen community engagement.



BROOKTON - 15

The Corporate Business Plan includes the Brookton 15 – a series of 15 outcomes we aim to achieve by June 2026, reflecting the original four year plan with one year remaining.



The following section outlines the achievements of the Shire of Brookton's Strategic Community Plan during the 2024/2025 financial year.

GROWTH PILLAR - A WELL-RECOGNISED BUSINESS AND AGRICULTURE HUB

The Shire of Brookton has demonstrated a strong commitment to youth development and regional workforce growth by successfully securing \$40,000 in funding through the DPIRD Regional Traineeship Program. This initiative enabled Council to appoint a local trainee who completed a Certificate III Business through Central Regional TAFE, gaining valuable skills and experience within the local government sector.

This program highlights the Shire of Brookton's proactive commitment to regional development and youth employment, delivering the following outcomes:

- Fostered long-term career pathways for youth
- Building a skilled and confident local workforce
- Provided meaningful employment and training opportunities for young people in the community
- Strengthened local capacity by investing in skill development within the local government area

Congratulations to Bonnie McIvor, who has now transitioned into full-time employment with the Shire of Brookton following the successful completion of their traineeship. This achievement reflects the council's dedication to empowering young people and building a resilient, skilled regional workforce.

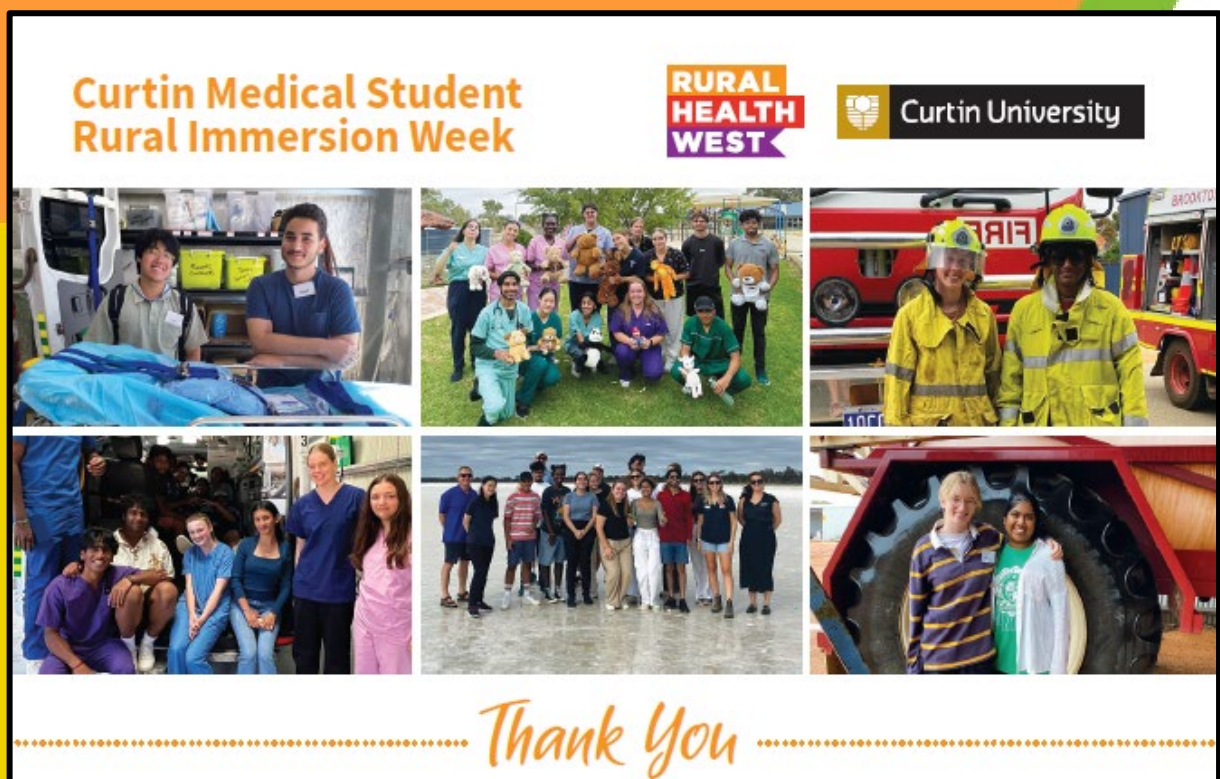


Curtin University students visited Brookton for the Medical Student Rural Immersion Program from 11 to 14 March 2025.

Launched in 2019, this initiative offers second year medical students a chance to experience rural life and healthcare up close. During the four day placement, students stay with local families, gaining insight into the unique challenges and rewards of rural healthcare. The program aims to reshape students' perceptions of rural medicine early in their studies, encouraging them to consider careers in these areas.

Sessional Academic, Curtin Medical School Gary Hepworth said:

"The wheatbelt immersion program is a really important part of the student's learning. It helps them to have a realistic view of what life could be like as a rural doctor and encourages them to consider a rural pathway and to seek ways to improve equity for those living in rural and remote communities. Anecdotal feedback from the trip is that students loved the program mix of health /medical and community engagement activities. Many of them are now considering Rural Clinical School as a pathway to complete their medical degrees, and we hope that some of them end up living and working as medical practitioners in Wheatbelt towns and shires"



GROWTH PILLAR - A FLOURISHING STOP-OVER DESTINATION

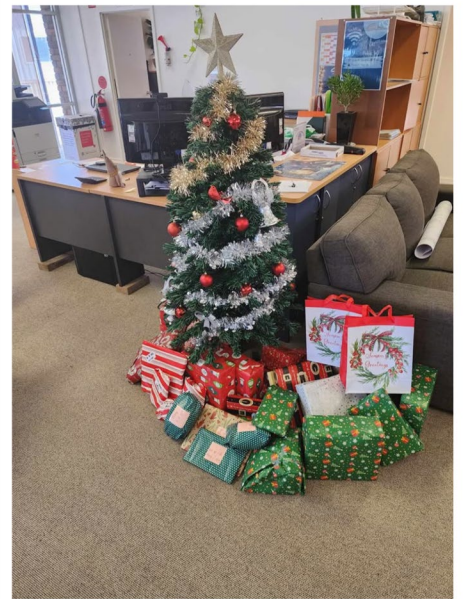
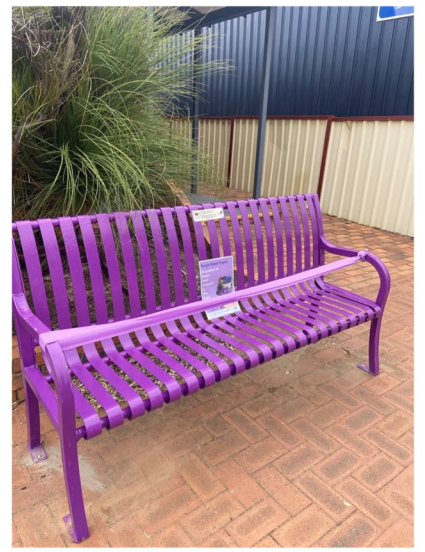
The Brookton Community Resource Centre continues to be a vital hub for connection, learning, and support in our region. Throughout the year, we've delivered a wide range of services and events that enrich the lives of local residents - from digital literacy workshops and youth programs to seniors' activities, business support, and community celebrations. By providing access to technology, training, and inclusive spaces, the CRC empowers individuals, strengthens local networks, and fosters a more resilient and engaged community.

Key events and services delivered this year include:

Events	Month	Community Impact
Games Mornings	Recurring	Encourages social interaction and friendship
Arts & Craft Mornings	Recurring	Fosters social connection and inclusion
Be Better Bikers	September 2024	Promotes safer cycling practices
Ballroom for Balance	September 2024	Boosts confidence and mental wellbeing
Purple Bench Project	September 2024	Raises awareness of domestic violence
DrumMUSTER	October 2024	Promotes environmental sustainability
A Circus Sensation	November 2024	Encourages family-friendly engagement
Christmas Cheer Collection	December 2024	Spreads joy and generosity during the festive season
Christmas Cheer Appeal	December 2024	Fosters community generosity and unity
Australia Day	January 2025	Encourages cultural reflection and inclusivity
Energy Ahead Workshop	February 2025	Empowers households with practical knowledge
Girl Guide - Library Badge	March 2025	Promotes literacy and learning
ANZAC Biscuit Bake Off	April 2025	Celebrates ANZAC spirit
Ripples of Change - Kindness is contagious	May 2025	Inspires acts of kindness across the community
Stay on Your Feet	June 2025	Supports healthy aging and mobility
A tribute to Legacy and Service	June 2025	Honours the contributions of volunteers and seniors

Services	Frequency	Community Impact
School Holiday Programs	Term break	Foster youth engagement and social connection
Services Australia	Daily	Improves access to essential government support
Business Workshops	On demand	Strengthen small business skills and confidence
Public Library	Daily	Promote lifelong learning and literacy
Free Public Computer Access	Daily	Promotes digital literacy and independence
Referral Agency	Daily	Connects people to vital support networks
Office and Room Hire	Daily	Creates affordable access to workspaces
Produce and Publish Brookton Telegraph	Fortnightly	Keeps the community informed and connected





Australia Day Celebrations

During the 2024/2025 financial year, the Shire of Brookton successfully secured \$10,000 in funding through the National Australia Day Council (NADC) to support our Australia Day event held on 26 January 2025. This vibrant celebration was delivered in collaboration with Brookton Girl Guides and Seabrook Aboriginal Corporation, helping to create a culturally inclusive and engaging experience.

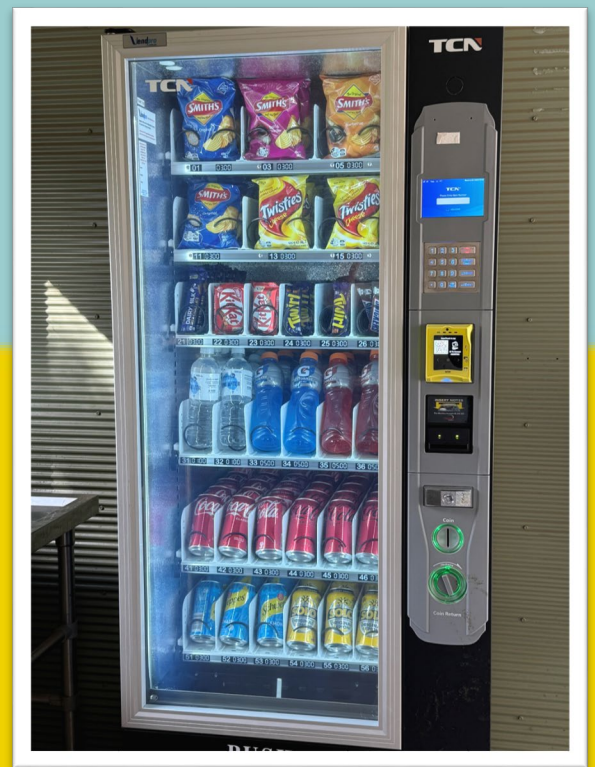
The morning began with an awards ceremony attended by over 100 community members, featuring presentation to Mrs Kathy Bassett for Citizen of the Year and Brookton Parents and Citizens Association for Community Event of the year. Later in the day, more than 120 attendees gathered at the Brookton Aquatic Centre, where the inflatable pool attraction provided hours of fun for families and children.



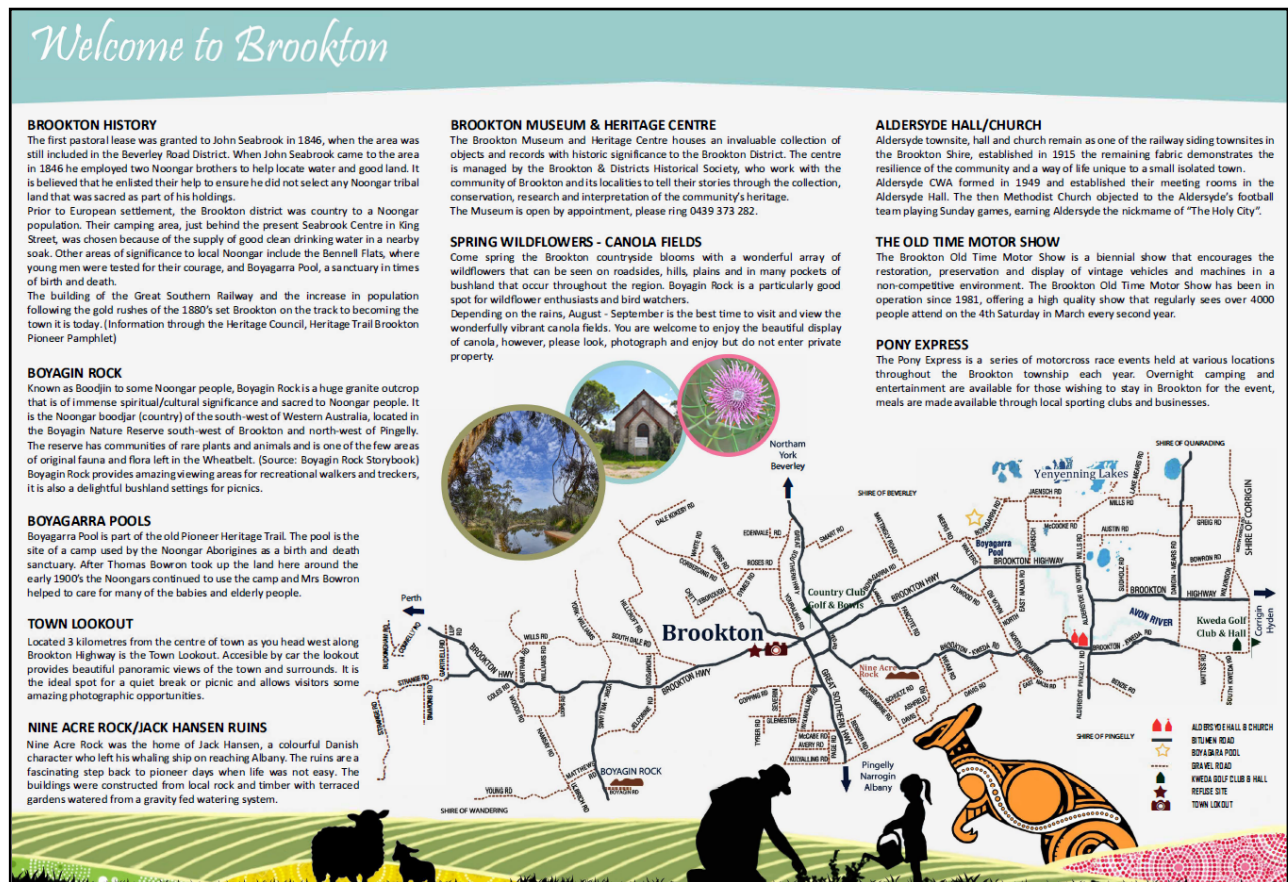


Caravan Park

The Caravan Park has once again welcomed a steady stream of visitors and groups, reinforcing its role as a valued destination. To encourage guests to stay a little longer and enjoy all that our town has to offer, we've introduced a vending machine stocked with refreshments to meet the needs of both visitors and overnight guests. Additional seating has also been installed around the oval, creating inviting spaces for relaxation, socialising, and enjoying the outdoors. We continue to receive positive feedback from guests about the park's amenities, atmosphere, and friendly service. These enhancements reflect our commitment to improving the visitor experience and supporting local tourism.



The “Welcome to Brookton” A3 tear-off map has been produced to showcase the rich heritage, key attractions, and local businesses of Brookton. Designed to support tourism and boost local engagement, the map serves as a practical and informative guide for visitors, helping them discover more of what our town has to offer and encouraging extended stays within the community.



GROWTH PILLAR – A CONNECTED AND SPIRITED COMMUNITY

The Community Chest Fund proudly supported five community groups, an initiative designed to provide financial support to local community groups. These fund allows Council to Support local community groups and initiatives. A total budget of \$20,000 was allocated for the 2024/2025 financial year, with \$10,174.50 distributed to successful applicants.

This year's recipients included:

Community Group	Project	Funding
Seabrook Aboriginal Corporation	Birdiya Yok Leadership Program	\$3,000
Aldersyde Agriculture Hall Inc	Construction of a limestone wall	\$5,000
Brookton Women's Hockey Club	Audio Equipment	\$174.50
Brookton Historical Society	Insurance Expenditure	\$1,000
Brookton Community Inc	Insurance Expenditure	\$1,000
TOTAL		\$10,174.50

The ongoing support of this fund reflects Council's strong commitment to empowering local groups and recognising the vital role they play in fostering a vibrant, connected, and resilient community.



WA PET PROJECT SPAY IT FORWARD

In collaboration with Heartlands Vet and Spay It Forward, the Shire of Brookton hosted a Parvo vaccination event on Sunday 27 April. This valuable partnership supports responsible pet ownership and delivers a range of free services including Parvo vaccinations, general health checks, microchipping, and flea and worming treatments. The Shire also offered free lifetime dog registration for concession card holders whose dogs are desexed. Parvo is a highly contagious and potentially fatal virus that spreads through contact with infected faeces. By working together, we help protect animal welfare, reduce the spread of disease, and support pet owners in maintaining healthy, safe environments. These efforts reflect our shared commitment to community wellbeing and the importance of accessible veterinary care for all.





December 2024, a fire occurred at the Refuse site. Thanks to the swift response and dedication of our local emergency volunteers, the incident was quickly brought under control, minimising damage and ensuring public safety. This event highlighted the critical role our volunteers play in protecting and supporting the community. Their efforts are a testament to the strength of our community readiness, which continues to build resilience and preparedness across the Shire. Council acknowledges and celebrates the invaluable contribution of volunteers - not only in times of crisis but throughout the year - in

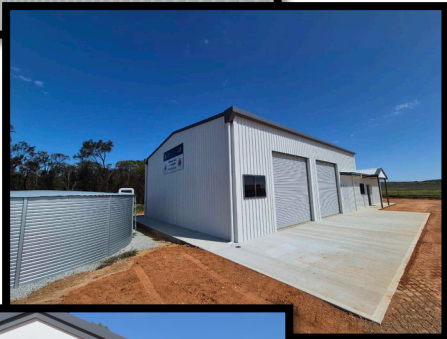


delivering services, supporting events, and fostering a safer, more connected community. Their dedication is fundamental to the strength and wellbeing of our community.

The West Brookton Fire Station was officially opened on Friday 13 September 2024 and now serves as the headquarters for the West Brookton Fire Brigade and its two fire tenders. Purpose built to DFES specifications and funded through the Emergency Services Levy, the facility features modern infrastructure including solar power, a backup generator, kitchen and laundry amenities, communications equipment, and a dedicated training office. Designed to support regular brigade meetings and community events, the station also has the capacity to function as a command centre during major fire emergencies. This investment strengthens local emergency response capabilities and reflects our Shire's commitment to safety, resilience, and community support.

Construction of the East Brookton Fire Station commence at the Aldersyde site in 2024/2025. The new facility, located on Railway Terrace adjacent to the CBH site, will feature a one-appliance bay shed equipped with modern training and amenities for Brigade members. This investment

will significantly strengthen local firefighting capacity and emergency preparedness. The Shire is proud to support this project, which reflects our focus on safety, resilience and the vital role of volunteers.



The Shire of Brookton has once again secured funding through the DFES Mitigation Activity Fund (MAF) to carry out vital fire mitigation works. These efforts have reduced bushfire risks on state-managed land, particularly in high-risk areas, enhancing community safety and resilience. Activities included fuel load reduction within the town site, ongoing maintenance to support firefighting and protect critical infrastructure and property.



GROWTH PILLAR – A CELEBRATED PLACE TO LIVE. CELEBRATED LIFE.

In the 2024/2025 financial year, the Shire of Brookton invested significant funds into infrastructure projects aimed at enhancing community liveability, safety, and enjoyment for all residents. These investments reflect Council's commitment to building a vibrant, resilient, and well connected community.

Major projects include:

Investment	Purpose
Install CCTV system at the Shire administration office and additional camera in the main street	Enhance public and workplace safety
Replace the boundary fence surrounding the oxidation pond	Enhance security, safety & meet environmental obligations
Reline effluent pipeline	Extend infrastructure lifespan and ensure safe, compliant wastewater management
Upgrade pump and pipeline for Happy Valley water supply	Improve water supply and ensure sustainability
Construct storage shed at Brookton Aquatic Centre	Provide dedicated storage for swimming club equipment
Upgrade oval lights	Improve visibility and access for sports and community use
Upgrade reticulation at Memorial Park	Improve irrigation efficiency and support park maintenance
Purchase new gym equipment based on member survey – Smith Machine	Enhance user experience and meet member needs
Road Projects – York Williams Road, Davis Road, Mattingly Road, South Kweda Road, Bodey Street, Tiller Street, Dangin-Mearns Road & Wood Loop Road	Improve access, safety and support community growth
Bridge Projects – Bridge 3146A Boygarra Road, 3163A Jaensch Road, 3158A Matthews Road, 4683 York-Williams Road, 3143 Yeo Road	Safer travel and better connectivity
Footpath Projects – Falls Street, King Street, Noack Street, Williams Street	Improve pedestrian safety, access and community connectivity

These investments are designed to improve essential services, support local growth, and create welcoming spaces for current and future generations.

Community Enrichment Initiatives

To foster a vibrant, inclusive, and connected community, the Shire of Brookton has delivered a range of initiatives aimed at enhancing quality of life across cultural, environmental, and recreational domains.



Recycling and Waste

The Shire Depot provides accessible recycling services that promote responsible waste disposal and environmental sustainability. This includes participation in the DrumMUSTER program, which facilitates the safe collection and recycling of eligible agricultural chemical containers. Through this initiative, the Shire collaborates with community groups to support fundraising efforts, reinforcing both environmental stewardship and local engagement.

Cultural Activation

The Shire has marked key national events by flying the Noongar, Australian, and Torres Strait Islander flags on Australia Day and during the Anniversary of the Apology to Members of the Stolen Generations. These actions promote cultural recognition, respect, and reconciliation.

Sport and Recreation

The Shire delivered a range of recreational initiatives to promote active lifestyles and community engagement. These included the community gym open day, group exercise classes, a beach volleyball exhibition match, and the End of Season Pool Party.





GROWTH PILLAR – HIGH PERFORMING COUNCIL

Recognition for Excellence in Financial Reporting

The Shire of Brookton has been acknowledged by the Office of the Auditor General (OAG) as a Best Practice Entity for the second consecutive year, placing among the top 20 performing local governments for the 2023/24 financial year. This recognition, also received in 2022/23, reflects the Shire's ongoing commitment to high standards in financial governance and transparency.



The OAG's assessment is based on several key criteria, including:

- Timely submission of CEO certified financial reports
- Accuracy and clarity of financial statements and accompanying notes
- Quality of supporting documentation
- Effective resolution of accounting matters
- Availability of key staff throughout the audit process
- Minimal and low risk audit findings
- Unqualified audit opinion with no Emphasis of Matter or modifications

This recognition reinforces public confidence in the Shire's financial management and accountability. It ensures that resources are being managed responsibly, supports informed decision-making, and strengthens the Shire's capacity to deliver services, infrastructure, and community programs efficiently and sustainably. Ultimately, it reflects a culture of integrity and professionalism that benefits all residents.

Community Communication and Engagement

The Shire of Brookton is committed to transparent and inclusive communication with the community. A variety of formats are used to ensure information is accessible, timely, and relevant to all residents. These include, but are not limited to:

- Media releases
- Monthly Council meeting minutes
- Shire of Brookton Website
- Direct mail and mail drops
- Social media platforms (e.g. Facebook)
- SMS and Telegraph updates
- Rates brochures
- Annual reports
- Annual Electors Meeting
- Seasonal messages, such as the Christmas address from the Shire President.

Telegraph Notes

5 August 2024

2024/25 Council Budget

Council has adopted their 2024/25 Budget.

In summary the 2024/25 Budget includes:

- Operating Revenue - \$7,695,632;
- Operating Expenses - \$7,599,536;
- Capital Grant Income - \$3,508,256;
- Capital Expenditure - \$9,027,010;
- A new loan for \$600,000;
- Net transfers from Council's financial reserves of \$2,930,738; and
- an estimated surplus of \$1,814,091 brought forward from 30 June 2024. This surplus includes \$1,254,918 of federal Financial Assistance Grants received in 2023/24 that are intended for expenditure in 2024/25.



This year Council has budgeted to expend a total of \$936,484 in capital improvements and operating costs. This is an increase of \$798,166 from last year.

To meet this increased expenditure, Council has increased the Sewerage Rates charged by Council by 23.3%.

This year Council will collect \$269,837 in Sewerage Rates from those residents connected to the service. This is an increase of \$50,991 from last year.

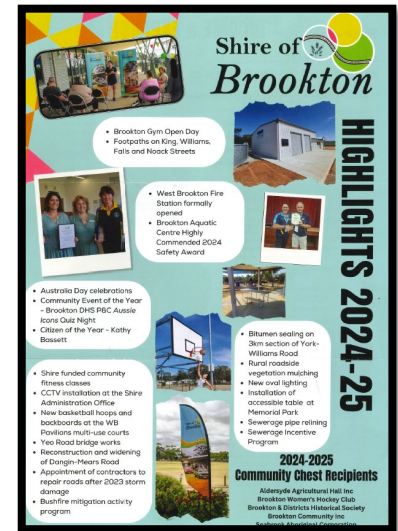
The works to be completed this financial year include:

1. Continued relining of sewerage pipe work under the Brookton townsite at a cost of



These communication channels serve multiple purposes, including informing residents about Council decisions, services, and upcoming initiatives, promoting community events and opportunities for participation, providing updates on infrastructure, planning, and financial matters, encouraging feedback and dialogue between Council and the community and reinforcing transparency and accountability in local governance.

The Annual Report in particular provides a comprehensive overview of Council's performance, financial position, and strategic progress over the financial year. Together, these formats ensure that residents are well-informed, engaged, and empowered to contribute to the future of the Shire.



Asset Maintenance Program

Council has committed to ongoing investment in the Shire's Asset Maintenance Program, encompassing scheduled replacements for the Administration and Depot, Caravan Park, Community Gym, Brookton Aquatic Centre, Brookton CRC for furniture, equipment and plant. These programs are reviewed annually and were adopted by Council in June 2024, ensuring that infrastructure remains safe, functional, and fit for purpose.

To support this program, Council utilises financial reserves strategically allocated funds set aside to manage long-term asset renewal and capital works. These reserves provide financial stability, reduce reliance on external borrowing, and enable the Shire to plan and deliver future projects with confidence and fiscal responsibility.

This approach ensures:

- Proactive maintenance and timely asset replacement
- Reduced lifecycle costs and service disruptions
- Financial resilience and capacity to respond to emerging needs
- Alignment with long-term community infrastructure goal

Brookton Railway Station Restoration – Community Engagement and Council Decision

The Shire of Brookton has undertaken extensive community consultation regarding the future of the Brookton Railway Station, which has been fenced off for public safety since 2019 and is now in poor condition. In September 2024, Council held a public meeting to discuss the proposed restoration, with three tenders received for Stage 1 of the works, ranging from \$1.57 million to \$2.17 million. Additional costs were anticipated due to rail safety requirements associated with working near an operational railway line.



significance of the site. Council remains committed to working collaboratively with the community to find a balanced and sustainable solution. Council endorsed to go back out to tender in June 2025, with construction works anticipated to commence in the 2025/26 financial year.

Although this process has been challenging at times, the outcome reflects a genuine collaboration between Council and the community, demonstrating a shared commitment to preserving local heritage, respecting diverse views, and working together toward a solution that benefits the broader community.

The Shire thanks all community members for their engagement and contributions, which continue to shape the future of this important community landmark.

High Performing Culture

To support a positive and resilient workplace culture, the Shire of Brookton conducted a Psychological Safety at Work Survey among staff. This initiative aimed to assess how safe employees feel to speak up, share ideas, and raise concerns without fear of negative consequences. In today's environment, where external pressures such as regulatory changes, community expectations, and service demands continue to grow, fostering psychological safety is essential. It enables staff to navigate challenges collaboratively, adapt to change, and maintain wellbeing. The insights gained from the survey help guide improvements in leadership, communication, and team dynamics. Promoting psychological safety not only reduces stress and enhances morale, but also strengthens trust, innovation, and accountability - key foundations of a high-performing and supportive organisational culture.

Following community feedback and concerns about value for money, Council resolved at its September 2024 meeting not to accept any tenders, pausing the project. This decision was informed by public input received at meetings held in September, November, and December 2024, including a Special Electors Meeting. Discussions explored alternative funding sources and procurement options.

Council acknowledges the strong community interest in preserving the station's heritage, as well as differing views on funding priorities. These perspectives are valid and reflect the emotional





As part of our ongoing commitment to staff wellbeing and professional development, a “Smart Snacking” session was held for all staff. The initiative aimed to provide practical tools and education around nutritious food choices in the workplace, supporting both physical health and informed decision-making. By promoting healthier habits, the session also serves as a proactive measure to reduce potential workplace health claims. Staff engagement was positive, and the session contributed to a broader culture of wellness, knowledge sharing and preventative care.

All staff participated in a Social Inclusion and Disability Awareness workshop aimed at building knowledge and confidence to create a more inclusive and welcoming workplace, especially for people with disability. The session covered models of disability, respectful language, and unconscious bias. Staff also engaged with lived experiences to help integrate inclusive practices into daily work.



CAPITAL GRANTS FOR ASSET RENEWAL

In accordance with 19BE Local Government Financial Management Regulations the following capital grants subsidies and contributions, were for replacing and renewing assets.

Capital Grant Program	2024/2025
Roads to Recovery	\$293,834
Local Roads and Community Infrastructure Grant	\$ 93,179
Regional Road Group Program	\$360,348
Total	\$747,361

Total Capital Grant Program 2024/2025	\$2,694,651
Amount Allocated to Capital Renewal	\$747,361
Roads to Recovery Funding	
Davis Road	\$ 99,532
Mattingly Road	\$ 88,667
South Kweda Road	\$105,635
Local Roads and Community Infrastructure Grant	
Oval Lights	\$ 96,179
Regional Road Group Program	
York-Williams Road	\$360,348



FREEDOM OF INFORMATION STATEMENT

The Shire of Brookton has prepared a Freedom of Information (FOI) to provide an Information Statement in accordance with the *Freedom of Information Act 1992*.

Part 5, Section 94 of the *Freedom of Information Act, 1992* requires the Shire of Brookton to prepare an information statement which conveys the maximum possible details to the public about the shire's operation, and which makes available to the public documents which have previously been unavailable in many cases. Agencies are required to make this publication available ensuring that the public has access to the information it needs to effectively use FOI.

Information held by the Shire, unless deemed by Council or another Act to be confidential, is generally available to members of the public for viewing.

A full information statement in this regard is available on the Shire's website and can be provided in alternative formats upon request. The Shire website information is

<https://www.brookton.wa.gov.au/council/public-documents/freedom-of-information-documents.aspx>

Statements can also be provided during the Shire business hours, by contacting: the FOI Officer, Shire of Brookton, 14 White Street, Brookton, 6306, WA. The telephone number is (08) 9642 1106.

During the 2024/2025 reporting period, one request was received under the Freedom of Information Act 1992. After assessment in accordance with the Freedom of Information Act 1992 (WA), the request was declined. The decision was made based on that it is exempt under clause 3 of Schedule 1.



OTHER STATEMENTS

State Records Act 2000

Recordkeeping Plan Section 19 of the State Records Act 2000 requires every government organisation to have a Recordkeeping Plan (RKP) that has been approved by the State Records Commission.

The RKP sets out the matters about which records are to be created by the organisation and how it is to be kept. This document provides as accurate reflection of the RKP program within the Shire of Brookton. The inclusion of such documentation will constitute evidence of compliance.

Staff members are kept updated regarding record keeping requirements through ad hoc training sessions.

In accordance with Section 28 of the State Records Act 2000, the RKP for the Shire of Brookton was reviewed and approved by the State Records Commission in 2021 with the next review of the plan to be completed in 2025/2026.

National Reform Agenda (Previously known as the National Competition Policy)

The *Competition Policy Reform Act 1995* was initially set up to detail the principles by which all levels of governments would ensure anti-competitive practices as part of their operations. Local Government falls under these principles.

The main aim of the National Reform Agenda (NRA) is to further boost competition, productivity and the efficient functioning of markets building on the works done previously by the National Competition Policy (NCP) principles.

The Shire, when developing its local laws and policies, needs to consider the principles of the NCP and NRA, particularly in relation to its procurement practices and 'buy local' approach. The Shire has no policies or local laws that contain anti-competitive provisions.

No complaints were received by the Shire in the 2024/2025 financial year for anti-competitive practices, rather it has adhered to a competitive approach to achieve value for money.

Official Conduct Report

Under Section 5.121 of the *Local Government Act, 1995* the Shire is required to disclose if any complaints were made regarding elected members conduct.

There were no complaints of this nature received and recorded in the register for the 2024/2025 reporting period.

Register of Certain Complaints and Minor Breaches

Section 5.121 of the *Local Government Act 1995* requires a local government to maintain a register of complaints that result in an action, or a finding, under section 5.110(2)(a) of the *Local Government Act 1995*.

During the 2024/2025 financial year, there was no complaints where an action or finding was determined. An up-to-date register is available on the Shire's website at:

<https://www.brookton.wa.gov.au/council/council/complaints-register-20202021.aspx>

ANNUAL FINANCIAL REPORT 2024/2025

SHIRE OF BROOKTON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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

*a well recognised business and agricultural hub,
a flourishing stopover destination, and
a celebrated place to live.*

Principal place of business:
14 White Street Brookton WA 6306
Phone: (08) 9642 1106
E-mail: mail@brookton.wa.gov.au
Web: www.brookton.wa.gov.au

**SHIRE OF BROOKTON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

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

Statement by CEO

The accompanying financial report of the Shire of Brookton has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2025 and the financial position as at 30 June 2025.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 18 day of November 2025



CEO

Gary Sherry
Name of CEO



**SHIRE OF BROOKTON
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
Revenue				
Rates	2(a),25	2,888,383	2,874,905	2,716,933
Grants, subsidies and contributions	2(a)	2,094,336	1,513,445	1,788,844
Fees and charges	2(a)	1,176,612	910,585	954,503
Interest revenue	2(a)	675,256	347,470	625,025
Other revenue	2(a)	444,929	2,049,227	372,254
		7,279,516	7,695,632	6,457,559
Expenses				
Employee costs	2(b)	(2,472,143)	(2,623,566)	(2,502,648)
Materials and contracts		(1,601,091)	(4,288,616)	(1,400,438)
Utility charges		(221,160)	(267,774)	(205,801)
Depreciation		(2,479,120)	(2,297,086)	(2,342,069)
Finance costs	2(b)	(55,645)	(65,317)	(45,257)
Insurance		(237,213)	(228,961)	(229,697)
Other expenditure	2(b)	(71,185)	(125,302)	(64,650)
		(7,137,557)	(9,896,622)	(6,790,560)
		141,959	(2,200,990)	(333,001)
Capital grants, subsidies and contributions	2(a)	2,694,651	3,508,256	2,107,842
Profit on asset disposals		12,972	12,042	92,945
Loss on asset disposals		(133,989)	(64,405)	(9,021)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(2,663)	0	1,261
		2,570,971	3,455,893	2,193,027
Net result for the period		2,712,930	1,254,903	1,860,026
Total comprehensive income for the period		2,712,930	1,254,903	1,860,026

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



SHIRE OF BROOKTON
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025 \$	2024 \$
CURRENT ASSETS			
Cash and cash equivalents	3	2,172,337	2,848,027
Trade and other receivables	5	514,538	265,799
Other financial assets	4(a)	12,632,384	11,910,632
Inventories	6	57,012	25,544
Other assets	7	48,737	21,804
TOTAL CURRENT ASSETS		15,425,008	15,071,806
NON-CURRENT ASSETS			
Trade and other receivables	5	82,875	87,267
Other financial assets	4(b)	122,147	156,897
Property, plant and equipment	8	18,366,347	17,665,923
Infrastructure	9	77,291,367	75,332,850
Right-of-use assets	11(a)	17,469	19,037
TOTAL NON-CURRENT ASSETS		95,880,205	93,261,974
TOTAL ASSETS		111,305,213	108,333,780
CURRENT LIABILITIES			
Trade and other payables	12	614,220	226,525
Other liabilities	13	144,823	688,741
Lease liabilities	11(b)	1,622	1,568
Borrowings	14	222,321	161,834
Employee related provisions	15	372,824	353,757
TOTAL CURRENT LIABILITIES		1,355,810	1,432,425
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	15,847	17,469
Borrowings	14	708,897	355,313
Employee related provisions	15	63,541	80,385
TOTAL NON-CURRENT LIABILITIES		788,285	453,167
TOTAL LIABILITIES		2,144,095	1,885,592
NET ASSETS		109,161,118	106,448,188
EQUITY			
Retained surplus		18,707,347	16,714,050
Reserve accounts	28	12,600,298	11,880,665
Revaluation surplus	16	77,853,473	77,853,473
TOTAL EQUITY		109,161,118	106,448,188

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



SHIRE OF BROOKTON
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	Retained surplus	Reserve accounts	Revaluation surplus	Total equity
		\$	\$	\$	\$
Balance as at 1 July 2023		13,980,087	12,754,602	77,853,473	104,588,162
Comprehensive income for the period					
Net result for the period		1,860,026	0	0	1,860,026
Total comprehensive income for the period		1,860,026	0	0	1,860,026
Transfers from reserve accounts	28	12,872,509	(12,872,509)	0	0
Transfers to reserve accounts	28	(11,998,572)	11,998,572	0	0
Balance as at 30 June 2024		16,714,050	11,880,665	77,853,473	106,448,188
Comprehensive income for the period					
Net result for the period		2,712,930	0	0	2,712,930
Total comprehensive income for the period		2,712,930	0	0	2,712,930
Transfers from reserve accounts	28	936,155	(936,155)	0	0
Transfers to reserve accounts	28	(1,655,788)	1,655,788	0	0
Balance as at 30 June 2025		18,707,347	12,600,298	77,853,473	109,161,118

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

**SHIRE OF BROOKTON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 Actual \$	2024 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		2,841,428	2,713,025
Grants, subsidies and contributions		1,393,576	2,001,814
Fees and charges		1,176,612	954,503
Interest revenue		675,256	625,025
Goods and services tax received		438,557	358,741
Other revenue		444,929	372,254
		6,970,358	7,025,362
Payments			
Employee costs		(2,470,800)	(2,443,167)
Materials and contracts		(1,277,155)	(1,574,100)
Utility charges		(221,160)	(205,801)
Finance costs		(55,645)	(38,959)
Insurance paid		(237,213)	(229,697)
Goods and services tax paid		(472,869)	(362,152)
Other expenditure		(71,185)	(64,650)
		(4,806,027)	(4,918,526)
Net cash provided by operating activities		2,164,331	2,106,836
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for financial assets at amortised cost - term deposits		(1,655,788)	(11,998,572)
Payments for purchase of property, plant & equipment	8(a)	(1,765,660)	(2,944,555)
Payments for construction of infrastructure	9(a)	(3,693,883)	(1,906,665)
Proceeds from capital grants, subsidies and contributions		2,694,651	2,107,842
Proceeds for financial assets at amortised cost - term deposits		936,155	12,872,508
Proceeds from financial assets at amortised cost - self-supporting loans		29,968	27,988
Proceeds from sale of property, plant & equipment		202,033	262,545
Net cash used in investing activities		(3,252,524)	(1,578,909)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	27(a)	(185,929)	(151,836)
Payments for principal portion of lease liabilities	27(d)	(1,568)	(1,515)
Proceeds from new borrowings	27(a)	600,000	0
Net cash provided by (used in) financing activities		412,503	(153,351)
Net (decrease)/ increase in cash held		(675,690)	374,576
Cash at beginning of year		2,848,027	2,473,451
Cash and cash equivalents at the end of the year		2,172,337	2,848,027

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

**SHIRE OF BROOKTON
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	25	2,842,660	2,829,182	2,673,932
Rates excluding general rates	25	45,723	45,723	43,001
Grants, subsidies and contributions		2,094,336	1,513,445	1,788,844
Fees and charges		1,176,612	910,585	954,503
Interest revenue		675,256	347,470	625,025
Other revenue		444,929	2,049,227	372,254
Profit on asset disposals		12,972	12,042	92,945
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	0	0	1,261
		7,292,488	7,707,674	6,551,765
Expenditure from operating activities				
Employee costs		(2,472,143)	(2,623,566)	(2,502,648)
Materials and contracts		(1,601,091)	(4,288,616)	(1,400,438)
Utility charges		(221,160)	(267,774)	(205,801)
Depreciation		(2,479,120)	(2,297,086)	(2,342,069)
Finance costs		(55,645)	(65,317)	(45,257)
Insurance		(237,213)	(228,961)	(229,697)
Other expenditure		(71,185)	(125,302)	(64,650)
Loss on asset disposals		(133,989)	(64,405)	(9,021)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(2,663)	0	0
		(7,274,209)	(9,961,027)	(6,799,581)
Non-cash amounts excluded from operating activities	26(a)	2,590,348	2,349,449	2,268,021
Amount attributable to operating activities		2,608,627	96,096	2,020,205
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions	2(a)	2,694,651	3,508,256	2,107,842
Proceeds from disposal of assets		202,033	260,000	262,545
Proceeds from financial assets at amortised cost - self-supporting loans	27(a)	29,968	29,967	27,988
		2,926,652	3,798,223	2,398,375
Outflows from investing activities				
Acquisition of property, plant and equipment	8(a)	(1,765,660)	(5,065,337)	(2,944,555)
Acquisition of infrastructure	9(a)	(3,693,883)	(3,961,673)	(1,906,665)
		(5,459,543)	(9,027,010)	(4,851,220)
Amount attributable to investing activities		(2,532,891)	(5,228,787)	(2,452,845)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	27(a)	600,000	600,000	0
Transfers from reserve accounts	28	936,155	4,377,069	12,872,509
		1,536,155	4,977,069	12,872,509
Outflows from financing activities				
Repayment of borrowings	27(a)	(185,929)	(210,570)	(151,836)
Payments for principal portion of lease liabilities	27(d)	(1,568)	(1,568)	(1,515)
Transfers to reserve accounts	28	(1,655,788)	(1,446,331)	(11,998,572)
		(1,843,285)	(1,658,469)	(12,151,923)
Amount attributable to financing activities		(307,130)	3,318,600	720,586
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	26(b)	1,892,151	1,814,091	1,604,205
Amount attributable to operating activities		2,608,627	96,096	2,020,205
Amount attributable to investing activities		(2,532,891)	(5,228,787)	(2,452,845)
Amount attributable to financing activities		(307,130)	3,318,600	720,586
Surplus or deficit after imposition of general rates	26(b)	1,660,757	0	1,892,151

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

SHIRE OF BROOKTON
FOR THE YEAR ENDED 30 JUNE 2025
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SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

1. BASIS OF PREPARATION

The financial report of the Shire of Brookton which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

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

The *Local Government (Financial Management) Regulations 1996* provide that:

- land and buildings classified as property, plant and equipment; or
 - infrastructure; or
 - vested improvements that the local government controls;
- and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 *Property, Plant and Equipment*, which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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

Critical accounting estimates and judgements

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 amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
- Measurement of employee benefits - note 15

- Fair value hierarchy information can be found in note 24

The local government reporting entity

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

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-1 Amendments to Australian Accounting Standards
 - Classification of Liabilities as Current or Non-current
- AASB 2022-5 Amendments to Australian Accounting Standards
 - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards
 - Non-current Liabilities with Covenants
- AASB 2023-3 Amendments to Australian Accounting Standards
 - Disclosure of Non-current Liabilities with Covenants: Tier 2
- AASB 2024-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements: Tier 2 Disclosures
- AASB 2023-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements

These amendments are not expected to have any material impact on the financial report on initial application.

- AASB 2022-10 Amendments to Australian Accounting Standards
 - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

This amendment may result in changes to the fair value of certain non-financial assets on revaluation. The impact has not been quantified as it is not considered practicable to determine the amount of the difference in fair value attributable to the change in the standard.

New accounting standards for application in future years

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

- AASB 2014-10 Amendments to Australian Accounting Standards
 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2024-4b Amendments to Australian Accounting Standards
 - Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-9 Amendments to Australian Accounting Standards
 - Insurance Contracts in the Public Sector
- AASB 2023-5 Amendments to Australian Accounting Standards
 - Lack of Exchangeability
- AASB 18 (FP) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for for-profit entities]
- AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for not-for-profit and superannuation entities]
- AASB 2024-2 Amendments to Australian Accounting Standards
 - Classification and Measurement of Financial Instruments
- AASB 2024-3 Amendments to Australian Accounting Standards
 - Annual Improvements Volume 11

These amendments are not expected to have any material impact on the financial report on initial application.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/refunds/warranties	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	When rates notice is issued
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations 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	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	When assets are controlled
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annual fee	None	After inspection complete based on a 4 year cycle
Fees and charges - Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Revenue recognised after inspection event occurs
Fees and charges - Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Output method based on regular weekly and fortnightly period as proportionate to collection service
Fees and charges - 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	On entry to facility
Fees and charges - Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	On entry or at conclusion of hire
Fees and charges - Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Output method Over 12 months matched to access right
Fees and charges - Other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue recognition

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

For the year ended 30 June 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	2,844,399	43,984	2,888,383
Grants, subsidies and contributions	2,094,336	0	0	0	2,094,336
Fees and charges	1,121,707	0	54,905	0	1,176,612
Interest revenue	0	0	24,500	650,756	675,256
Other revenue	444,929	0	0	0	444,929
Capital grants, subsidies and contributions	0	2,694,651	0	0	2,694,651
Total	3,660,972	2,694,651	2,923,804	694,740	9,974,167

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	2,716,933	0	2,716,933
Grants, subsidies and contributions	1,788,844	0	0	0	1,788,844
Fees and charges	939,916	0	14,587	0	954,503
Interest revenue	0	0	19,719	605,306	625,025
Other revenue	372,254	0	0	0	372,254
Capital grants, subsidies and contributions	0	2,107,842	0	0	2,107,842
Total	3,101,014	2,107,842	2,751,239	605,306	8,565,401

Interest revenue

Financial assets at amortised cost - self-supporting loans
Interest on reserve account
Trade and other receivables overdue interest
Other interest revenue

The 2025 original budget estimate in relation to:
Trade and other receivables overdue interest was \$17,025.

Fees and charges relating to rates receivable

Charges on instalment plan

The 2025 original budget estimate in relation to:
Charges on instalment plan was \$3,000.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services – grant acquittals

Employee Costs

Employee benefit costs
Other employee costs

Finance costs

Borrowings
Borrowings guarantee fee
Lease liabilities

Other expenditure

Councillor fees
Community Resource Centre operating expenditure
Sundry expenses

2025 Actual	2024 Actual
\$	\$
7,445	9,424
530,350	544,565
24,499	19,719
112,962	51,317
675,256	625,025
3,590	3,440
44,100	40,090
3,700	3,220
47,800	43,310
2,425,286	2,464,465
46,857	38,183
2,472,143	2,502,648
51,519	39,673
3,512	4,917
614	667
55,645	45,257
30,928	31,624
0	2,183
40,257	30,843
71,185	64,650

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

3. CASH AND CASH EQUIVALENTS

Note	2025	2024
	\$	\$
Cash at bank and on hand	2,172,337	2,848,027
Total cash and cash equivalents	2,172,337	2,848,027
Held as		
- Unrestricted cash and cash equivalents	1,861,295	2,143,806
- Restricted cash and cash equivalents	311,042	704,221
17	2,172,337	2,848,027

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Note	2025	2024
	\$	\$
	12,632,384	11,910,632
	12,632,384	11,910,632

Other financial assets at amortised cost

Self-supporting loans receivable
Term deposits

26(b)	32,086	29,967
	12,600,298	11,880,665
	12,632,384	11,910,632

Held as

- Unrestricted other financial assets at amortised cost
- Restricted other financial assets at amortised cost

26(b)	32,086	29,967
17/28	12,600,298	11,880,665
	12,632,384	11,910,632

(b) Non-current assets

Financial assets at amortised cost

Financial assets at fair value through profit or loss

	62,432	94,519
	59,715	62,378
	122,147	156,897

Financial assets at amortised cost

Self-supporting loans receivable
Term deposits

	52,431	84,518
	10,001	10,001
	62,432	94,519

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance
Movement attributable to fair value (decrement)/ increment
Units in Local Government House Trust - closing balance

	62,378	61,117
	(2,663)	1,261
	59,715	62,378

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 27(a) as self supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 24 (i)) due to the observable market rates.

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

Financial assets at fair value through profit or loss

The Shire classifies the following financial assets at fair value through profit or loss:

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

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

5. TRADE AND OTHER RECEIVABLES

	2025	2024
	\$	\$
Current		
Rates and statutory receivables	152,766	105,538
Trade receivables	266,353	100,743
GST receivable	40,058	5,746
Receivables for employee related provisions	55,361	53,772
	514,538	265,799
Non-current		
Rates and statutory receivables	68,331	62,366
Receivables for employee related provisions	14,544	24,901
	82,875	87,267

Disclosure of opening and closing balances related to contracts with customers

Information about receivables 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:

	30 June 2025 Actual	30 June 2024 Actual	1 July 2023 Actual
	\$	\$	\$
Trade and other receivables from contracts with customers	144,822	688,741	477,426
Total trade and other receivables from contracts with customers	144,822	688,741	477,426

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations or for the construction of recognisable non financial assets as part of the ordinary course of business.

Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

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

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

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

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

6. INVENTORIES

	2025	2024
Current	\$	\$
Fuel and materials	57,012	25,544
	57,012	25,544
The following movements in inventories occurred during the year:		
Balance at beginning of year	25,544	32,367
Additions to inventory	31,468	(6,823)
Balance at end of year	57,012	25,544

MATERIAL 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.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

7. OTHER ASSETS

	2025	2024
	\$	\$
Other assets - current		
Prepayments	48,737	21,804
	48,737	21,804

MATERIAL ACCOUNTING POLICIES

Other current assets

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

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in balances

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

	Assets not subject to operating lease		Total property				Plant and equipment			Total property, plant and equipment	
	Note	Land	Buildings	Land	Buildings	PPE - work in progress	Total property	Furniture and equipment	Plant and equipment		Other property, plant and equipment - Bushfire
		\$	\$	\$	\$	\$	\$	\$	\$	\$	
Balance at 1 July 2023		813,107	11,155,154	813,107	11,155,154	323,111	12,291,372	85,870	2,270,935	892,788	15,540,965
Additions		0	1,732,884	0	1,732,884	505,525	2,238,409	34,208	662,576	9,362	2,944,555
Disposals		(40,360)	0	(40,360)	0	0	(40,360)	0	(138,261)	0	(178,621)
Depreciation		0	(260,158)	0	(260,158)	0	(260,158)	(21,849)	(246,903)	(112,066)	(640,976)
Balance at 30 June 2024		772,747	12,627,880	772,747	12,627,880	828,636	14,229,263	98,229	2,548,347	790,084	17,665,923
Comprises:											
Gross balance amount at 30 June 2024		772,747	13,138,397	772,747	13,138,397	828,636	14,739,780	165,026	3,287,565	1,081,452	19,273,823
Accumulated depreciation at 30 June 2024		0	(510,517)	0	(510,517)	0	(510,517)	(66,797)	(739,218)	(291,368)	(1,607,900)
Balance at 30 June 2024	8(b)	772,747	12,627,880	772,747	12,627,880	828,636	14,229,263	98,229	2,548,347	790,084	17,665,923
Additions		0	985,100	0	985,100	21,966	1,007,066	150,851	597,083	10,660	1,765,660
Disposals		(13,414)	0	(13,414)	0	0	(13,414)	0	(309,636)	0	(323,050)
Depreciation		0	(320,067)	0	(320,067)	0	(320,067)	(22,861)	(283,341)	(115,917)	(742,186)
Transfers		0	722,158	0	722,158	(722,158)	0	0	0	0	0
Balance at 30 June 2025		759,333	14,015,071	759,333	14,015,071	128,444	14,902,848	226,219	2,552,453	684,827	18,366,347
Comprises:											
Gross balance amount at 30 June 2025		759,333	14,845,655	759,333	14,845,655	128,444	15,733,432	315,876	3,473,012	1,092,112	20,614,432
Accumulated depreciation at 30 June 2025		0	(830,584)	0	(830,584)	0	(830,584)	(89,657)	(920,559)	(407,285)	(2,248,085)
Balance at 30 June 2025	8(b)	759,333	14,015,071	759,333	14,015,071	128,444	14,902,848	226,219	2,552,453	684,827	18,366,347

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025 \$	Carrying amount 2024 \$	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date								
Land and buildings								
Land - market value		759,333	772,747	2	Market Approach - asset assessed in terms of the factors relevant to a market participant and a value determined after adjusting for difference	Independent registered valuers	June 2022	Available market information
Total land	8(a)	759,333	772,747					
Buildings - specialised		14,015,071	12,627,880	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2022	Utilising both observable and unobservable inputs being construction costs based on recent contract prices, residual values and remaining useful life assessments.
Total buildings	8(a)	14,015,071	12,627,880					
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. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.								
(ii) Cost								
Furniture and equipment					Not applicable	Cost	Not applicable	Not applicable
Plant and equipment					Not applicable	Cost	Not applicable	Not applicable
PPE - work in progress					Not applicable	Cost	Not applicable	Not applicable
Other property, plant and equipment - Bushfire					Not applicable	Cost	Not applicable	Not applicable

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

9. INFRASTRUCTURE

(a) Movements in balances

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

	Infrastructure -						Total
	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - sewerage	parks and gardens	Infrastructure - water	Infrastructure - work in progress	infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	70,091,554	557,371	1,575,330	2,851,851	20,336	29,943	75,126,385
Additions	1,544,651	0	0	0	304,421	57,593	1,906,665
Depreciation	(1,468,427)	(32,801)	(28,996)	(167,442)	(2,534)	0	(1,700,200)
Balance at 30 June 2024	70,167,778	524,570	1,546,334	2,684,409	322,223	87,536	75,332,850
Comprises:							
Gross balance at 30 June 2024	92,851,488	889,614	2,239,388	5,037,630	324,757	87,536	101,430,413
Accumulated depreciation at 30 June 2024	(22,683,710)	(365,044)	(693,054)	(2,353,221)	(2,534)	0	(26,097,563)
Balance at 30 June 2024	70,167,778	524,570	1,546,334	2,684,409	322,223	87,536	75,332,850
Additions	2,827,175	138,600	491,741	167,227	69,140	0	3,693,883
Depreciation	(1,495,812)	(33,810)	(28,605)	(168,209)	(8,930)	0	(1,735,366)
Transfers	0	0	87,536	0	0	(87,536)	0
Balance at 30 June 2025	71,499,141	629,360	2,097,006	2,683,427	382,433	0	77,291,367
Comprises:							
Gross balance at 30 June 2025	95,678,663	1,028,214	2,818,665	5,204,857	393,897	0	105,124,296
Accumulated depreciation at 30 June 2025	(24,179,522)	(398,854)	(721,659)	(2,521,430)	(11,464)	0	(27,832,929)
Balance at 30 June 2025	71,499,141	629,360	2,097,006	2,683,427	382,433	0	77,291,367

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

9. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management Valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - footpaths	3	Cost approach using depreciated replacement cost	Management Valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - sewerage	3	Cost approach using depreciated replacement cost	Management Valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - parks and gardens	3	Cost approach using depreciated replacement cost	Management Valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - water	3	Cost	Cost	Not applicable	Not applicable
Infrastructure - work in progress		Not applicable	Cost	Not applicable	Not applicable

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

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

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

10. FIXED ASSETS

(a) Depreciation

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 - specialised	50 to 80 years
Furniture and equipment	2 to 50 years
Plant and equipment	2 to 100 years
Other property, plant and equipment - Bushfire	2 to 100 years
Infrastructure - roads	0 to 100 years
Other infrastructure - footpaths	2 to 60 years
Other infrastructure - sewerage	0 to 100 years
Other infrastructure - parks & gardens	0 to 100 years
Right of use land	based on the remaining lease

Revision of useful lives of plant and equipment

During the year there was no revision to the depreciation rates.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

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

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 *Local Government (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.

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable value

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are land and buildings classified as property, plant and equipment, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

Revaluation

Land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls and measured at reportable value, are only required to be revalued 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 land vested in the Shire.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Shire to revalue earlier if it chooses to do so.

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

Depreciation on revaluation

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

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset; or
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Impairment

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the Shire is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the 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 or losses on disposal

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.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

11. LEASES

(a) 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.

	Note	Right-of-use assets - Infrastructure	Total right-of-use assets
		\$	\$
Balance at 1 July 2023		19,930	19,930
Depreciation		(893)	(893)
Balance at 30 June 2024		19,037	19,037
Gross balance amount at 30 June 2024		19,930	19,930
Accumulated depreciation at 30 June 2024		(893)	(893)
Balance at 30 June 2024		19,037	19,037
Depreciation		(1,568)	(1,568)
Balance at 30 June 2025		17,469	17,469
Gross balance amount at 30 June 2025		19,037	19,037
Accumulated depreciation at 30 June 2025		(1,568)	(1,568)
Balance at 30 June 2025		17,469	17,469

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

		2025 Actual	2024 Actual
		\$	\$
Depreciation on right-of-use assets		(1,568)	(893)
Finance charge on lease liabilities	27(d)	(614)	(667)
Total amount recognised in the statement of comprehensive income		(2,182)	(1,560)
Total cash outflow from leases		(2,182)	(2,182)

(b) Lease liabilities

Current		1,622	1,568
Non-current		15,847	17,469
	27(d)	17,469	19,037

The Shire has a lease relating to land and vested improvement. The lease term is 25 years with no extension option. Land is not depreciated.

Secured liabilities and assets pledged as security

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

MATERIAL ACCOUNTING POLICIES

Leases

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

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

All contracts that are classified as short-term leases (i.e. a lease with a 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.

Details of individual lease liabilities required by regulations are provided at Note 27(d).

Right-of-use assets - measurement

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised 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 10 under revaluation for details on the material 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 shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

11. LEASES (Continued)

(c) Lessor - property, plant and equipment subject to lease

The Shire leases houses to staff and aged persons with rentals payable fortnightly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The staff houses are not considered investment property as they are leased for use in the supply of services to the community. The aged persons housing are considered a joint operation and are not considered investment property as the primary purpose is provision of community housing.

Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the Shire is exposed to changes in the residual value at the end of the current leases, the Shire typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

MATERIAL ACCOUNTING POLICIES

The Shire as lessor

Upon entering into each contract as a lessor, the Shire assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Shire applies AASB 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

SHIRE OF BROOKTON
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FOR THE YEAR ENDED 30 JUNE 2025

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Prepaid rates
 Accrued payroll liabilities
 Bonds and deposits held
 Accrued interest
 Accrued expenditure

2025	2024
\$	\$
462,735	130,693
44,336	38,098
35,076	35,956
17,357	15,480
12,536	6,298
42,180	0
614,220	226,525

MATERIAL ACCOUNTING POLICIES

Financial liabilities

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

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

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

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

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

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

13. OTHER LIABILITIES

Current

Contract liabilities	33,872	5,511
Capital grant/contributions liabilities	110,951	683,230
	144,823	688,741

Reconciliation of changes in contract liabilities

Opening balance	5,511	0
Additions	33,872	5,511
Revenue from contracts with customers included as a contract liability at the start of the period	(5,511)	0
	33,872	5,511

The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$33,872 (2024: \$5,511)

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

Reconciliation of changes in capital grant/contribution liabilities

Opening balance	683,230	477,426
Additions	2,122,372	1,945,934
Amount draw down to grant income	(2,694,651)	(1,740,130)
	110,951	683,230

Expected satisfaction of capital grant/contribution liabilities

Less than 1 year	110,951	683,230
	110,951	683,230

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

MATERIAL ACCOUNTING POLICIES

Contract liabilities

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

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

Capital grant/contribution liabilities

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

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

14. BORROWINGS

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		222,321	708,897	931,218	161,834	355,313	517,147
Total secured borrowings	27(a)	222,321	708,897	931,218	161,834	355,313	517,147

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Shire of Brookton.
Other loans relate to transferred receivables. Refer to Note 5.

The Shire of Brookton has complied with the financial covenants of its borrowing facilities during the 2025 and 2024 years.

MATERIAL ACCOUNTING POLICIES

Borrowing costs

The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.
Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 27(a).

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

15. EMPLOYEE RELATED PROVISIONS

Employee related provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Employment on-costs annual leave

Employee related other provisions

Employment on-costs long service leave

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Employee related other provisions

Employment on-costs long service leave

Total non-current employee related provisions

Total employee related provisions

	2025	2024
	\$	\$
Annual leave	181,697	152,915
Long service leave	150,841	167,392
Employment on-costs annual leave	25,542	20,599
	358,080	340,906
Employment on-costs long service leave	14,744	12,851
	14,744	12,851
Total current employee related provisions	372,824	353,757
Long service leave	56,970	75,652
	56,970	75,652
Employment on-costs long service leave	6,571	4,733
	6,571	4,733
Total non-current employee related provisions	63,541	80,385
Total employee related provisions	436,365	434,142

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

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

MATERIAL ACCOUNTING POLICIES

Employee benefits

The Shire's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

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

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

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

16. REVALUATION SURPLUS

	2025 Opening balance	2025 Closing balance	2024 Opening balance	2024 Closing balance
	\$	\$	\$	\$
Revaluation surplus - Land	807,134	807,134	807,134	807,134
Revaluation surplus - Buildings - specialised	7,881,975	7,881,975	7,881,975	7,881,975
Revaluation surplus - Infrastructure - roads	67,650,545	67,650,545	67,650,545	67,650,545
Revaluation surplus - Infrastructure - footpaths	306,197	306,197	306,197	306,197
Revaluation surplus - Infrastructure - sewerage	364,635	364,635	364,635	364,635
Revaluation surplus - Infrastructure - parks and gardens	842,987	842,987	842,987	842,987
	77,853,473	77,853,473	77,853,473	77,853,473

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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17. RESTRICTIONS OVER FINANCIAL ASSETS

The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

- Cash and cash equivalents	3	311,042	704,221
- Financial assets at amortised cost	4(a)	12,600,298	11,880,665
		12,911,340	12,584,886

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

Restricted reserve accounts	28	12,600,298	11,880,665
Contract liabilities	13	33,872	5,511
Capital grant liabilities	13	110,951	683,230
Bonds and deposits held	12	17,357	15,480
Unspent loans	27(c)/18	148,862	0
Total restricted financial assets		12,911,340	12,584,886

**18. UNDRAWN BORROWING FACILITIES AND CREDIT
STANDBY ARRANGEMENTS**

Credit standby arrangements

Bank overdraft limit	0	0
Bank overdraft at balance date	0	0
Credit card limit	21,500	21,500
Credit card balance at balance date	(715)	(2,196)
Total amount of credit unused	20,785	19,304

Loan facilities

Loan facilities - current	222,321	161,834
Loan facilities - non-current	708,897	355,313
Total facilities in use at balance date	931,218	517,147

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

19. CONTINGENT LIABILITIES

There are no contingent liabilities that require disclosure at the end of the reporting period.

20. CAPITAL COMMITMENTS

	2025	2024
	\$	\$
Contracted for:		
- capital expenditure projects	0	916,172
	0	916,172
Payable:		
- not later than one year	0	916,172

The capital expenditure projects outstanding at the end of the prior year reporting period represent the Brookton Railway Station.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

21. RELATED PARTY TRANSACTIONS

(a) Council member remuneration

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

Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
President's annual allowance	7,500	7,500	1,500
President's meeting attendance fees	7,000	7,000	8,400
President's travel and accommodation expenses	474	589	204
	14,974	15,089	10,104
Deputy President's annual allowance	1,875	1,875	469
Deputy President's meeting attendance fees	3,884	3,884	4,518
Deputy President's travel and accommodation expenses	1,276	589	524
	7,035	6,348	5,511
All other council member's meeting attendance fees	18,089	19,420	15,292
All other council member's travel and accommodation expenses	0	2,945	717
	18,089	22,365	16,009
21(b)	40,098	43,802	31,624

(b) Key management personnel (KMP) compensation

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

Short-term employee benefits	512,415		551,518
Post-employment benefits	72,028		68,733
Employee - other long-term benefits	54,351		63,383
Employee - termination benefits	0		5,626
Council member costs	40,098		31,624
21(a)	678,892		720,884

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

21. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

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

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

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

	2025 Actual \$	2024 Actual \$
Sale of goods and services	251	2,664
Purchase of goods and services	0	6,418
Amounts outstanding from related parties:		
Trade and other receivables	251	2,664
Loans to associated entities	84,518	114,485
Amounts payable to related parties:		
Trade and other payables	0	6,418

(d) Related parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

Outside of normal citizen type transactions with the Shire, there was one other related party transaction involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities(details below).

A loan to an associated entity with council members on the management committee.
The loan \$84,518 in the current year (\$114,485 in the prior year).

iii. Entities subject to significant influence by the Shire

There were no such entities requiring disclosure during the current or previous year.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

22. JOINT ARRANGEMENTS

Share of joint operations

The Shire of Brookton entered into a joint operations arrangement with the State Housing Commission for the construction of two x 2 bedroom units and two x 3 bedroom units. The provision of this housing aims to provide accommodation for singles and families. The Shire of Brookton has 13.40% interest the assets and liabilities of this joint operation under the agreement with the State Housing Commission. All revenue and expenses of the joint operation are recognised in the relevant financial statements of Shire.

The Shire is required to set aside 1% of the current replacement cost of the properties from the rental income each year for the long term maintenance of the properties. All profits derived from the operation are to be recognised as Restricted Assets to provide for future maintenance of the provision of future housing.

The Shire manages the property and tenancy of the joint operation and the effects of its interest in the joint

	2025 Actual	2024 Actual
	\$	\$
Statement of financial position		
Land & Building	91,464	91,464
Less: accumulated depreciation	(5,627)	(3,752)
Total assets	85,837	87,712
Land & Building	91,464	91,464
Total equity	91,464	91,464
Statement of comprehensive income		
Other revenue	36,591	33,296
Depreciation	(1,876)	(1,876)
Other expense	(22,436)	(16,910)
Profit/(loss) for the period	12,279	14,510
Other comprehensive income		
Total comprehensive income for the period	12,279	14,510
Statement of cash flows		
Other revenue	36,591	33,296
Other expense	(22,436)	(16,910)
Net cash provided by (used in) operating activities	14,155	16,386

MATERIAL ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Shire's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standards.

**SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Shire of Brookton did not have any events occurring after the reporting date that have a significant effect on the financial statements.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

24. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

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

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

h) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

In accordance with Australian Accounting Standards the Shire's 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 except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

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 Property, Plant and Equipment*) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

25. RATING INFORMATION

(a) General rates

RATE TYPE				2024/25 Actual rateable value*	2024/25 Actual rate revenue	2024/25 Actual interim rates	2024/25 Actual total revenue	2024/25 Budget rate revenue	2024/25 Budget interim rate	2024/25 Budget total revenue	2023/24 Actual total revenue
Rate description	Basis of valuation	Rate in \$	Number of properties	\$	\$	\$	\$	\$	\$	\$	\$
GRV - Residential	Gross rental valuation	10.5500	250	2,986,366	315,062	14,091	329,153	315,062	0	315,062	294,253
GRV - Industrial	Gross rental valuation	10.5500	5	78,870	8,321	0	8,321	8,321	0	8,321	7,832
GRV - Commercial	Gross rental valuation	10.5500	19	641,536	67,682	950	68,631	67,682	0	67,682	64,717
GRV - GRV	Gross rental valuation	10.5500	2	392,500	41,409	0	41,409	41,409	0	41,409	40,531
UV - Unimproved	Unimproved valuation	0.6044	201	337,966,003	2,042,667	(1,123)	2,041,544	2,042,667	0	2,042,667	1,932,291
Total general rates			477	342,065,275	2,475,141	13,918	2,489,058	2,475,141	0	2,475,141	2,339,624
Minimum payment											
Minimum payment											
GRV - Residential	Gross rental valuation	939	67	184,411	62,913		62,913	61,974	0	61,974	59,295
GRV - Industrial	Gross rental valuation	939	1	9,280	939		939	1,878	0	1,878	1,770
GRV - Commercial	Gross rental valuation	939	11	60,396	10,329		10,329	10,329	0	10,329	9,735
GRV - GRV	Gross rental valuation	939	2	7,825	1,878		1,878	1,878	0	1,878	885
UV - Unimproved	Unimproved valuation	1,569	178	24,594,994	279,282		279,282	279,282	0	279,282	263,440
Total minimum payments			259	24,856,906	355,341	0	355,341	355,341	0	355,341	335,125
Total general rates and minimum payments			736	366,922,181	2,830,482	13,918	2,844,399	2,830,482	0	2,830,482	2,674,749
Ex-gratia rates											
Ex Gratia Rates		9.4577	1	483,450	45,723	0	45,723	45,723	0	45,723	43,001
Total amount raised from rates (excluding general rates)			1	483,450	45,723	0	45,723	45,723	0	45,723	43,001
Discounts							(1,739)			(1,300)	(817)
Total rates							2,888,383			2,874,905	2,716,933
(b) Rates related information											
Rates instalment interest							12,249			10,000	9,465
Rates instalment plan charges							3,590			3,000	0
Rates overdue interest							12,251			7,025	10,253

*Rateable Value at time of raising of rate.

SHIRE OF BROOKTON
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FOR THE YEAR ENDED 30 JUNE 2025

26. DETERMINATION OF SURPLUS OR DEFICIT

		2024/25 Budget (30 June 2025 carried forward)	2024/25 (1 July 2024 carried forward)	2023/24 (30 June 2024 carried forward)
Note		\$	\$	\$
(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 Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
		(12,972)	(12,042)	(92,945)
	Less: Profit on asset disposals			
	Less: Fair value adjustments to financial assets at fair value through profit or loss	2,663	0	(1,261)
	Add: Loss on disposal of assets	133,989	64,405	9,021
10(a)	Add: Depreciation	2,479,120	2,297,086	2,342,069
Non-cash movements in non-current assets and liabilities:				
	Pensioner deferred rates	(5,965)	0	(12,432)
	Employee benefit provisions	(18,682)	0	35,126
	Movement in Receivable - employee related provision non-current	10,357	0	(13,882)
	Movement in non-current long service leave oncost provision	1,838	0	2,325
	Non-cash amounts excluded from operating activities	2,590,348	2,349,449	2,268,021
(b) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity 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				
28	Less: Reserve accounts	(12,600,298)	(8,949,925)	(11,880,665)
4(a)	Less: Financial assets at amortised cost - self-supporting loans	(32,086)	(29,966)	(29,967)
14	Add: Current liabilities not expected to be cleared at end of year	222,321	551,264	161,834
11(b)	- Current portion of borrowings	1,622	0	1,568
	- Current portion of lease liabilities			
	Total adjustments to net current assets	(12,408,441)	(8,428,627)	(11,747,230)
Net current assets used in the Statement of financial activity				
	Total current assets	15,425,008	10,049,102	15,071,806
	Less: Total current liabilities	(1,355,810)	(1,620,475)	(1,432,425)
	Less: Total adjustments to net current assets	(12,408,441)	(8,428,627)	(11,747,230)
	Surplus or deficit after imposition of general rates	1,660,757	0	1,892,151

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

		Actual							Budget			
		Principal at	New loans	Principal	Principal at 30	New loans	Principal	Principal at	Principal at 1	New loans	Principal	Principal at
Purpose	Note	1 July 2023	during 2023-24	repayments during 2023-24	June 2024	during 2024-25	repayments during 2024-25	30 June 2025	July 2024	during 2024-25	repayments during 2024-25	30 June 2025
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Kalkarni Residency		34,443	0	(10,850)	23,593	0	(11,469)	12,124	23,593	0	(11,469)	12,124
Staff Housing		56,833	0	(17,902)	38,931	0	(18,924)	20,007	38,930	0	(18,924)	20,006
Sewerage		24,110	0	(7,595)	16,515	0	(8,029)	8,486	16,515	0	(8,029)	8,486
Effluent Loan		0	0	0	0	600,000	(24,095)	575,905	0	600,000	(48,736)	551,264
Sport & Recreation		354,293	0	(69,599)	284,694	0	(74,520)	210,174	284,695	0	(74,520)	210,175
Grader		56,831	0	(17,902)	38,929	0	(18,924)	20,005	38,930	0	(18,925)	20,005
Total		526,510	0	(123,848)	402,662	600,000	(155,961)	846,701	402,663	600,000	(180,603)	822,060
Self-supporting loans												
Country Club		142,473	0	(27,988)	114,485	0	(29,968)	84,517	114,484	0	(29,967)	84,517
Total self-supporting loans		142,473	0	(27,988)	114,485	0	(29,968)	84,517	114,484	0	(29,967)	84,517
Total borrowings	14	668,983	0	(151,836)	517,147	600,000	(185,929)	931,218	517,147	600,000	(210,570)	906,577

Self-supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost.
All other loan repayments were financed by general purpose revenue.

Borrowing finance cost payments

Purpose	Loan number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024
					\$	\$	\$
Kalkarni Residency	Loan 80	WATC*	5.63%	2/02/2026	(1,004)	(1,169)	(1,791)
Staff Housing	Loan 80	WATC*	5.63%	2/02/2026	(1,656)	(1,929)	(2,955)
Sewerage	Loan 80	WATC*	5.63%	2/02/2026	(703)	(818)	(1,254)
Effluent Loan	Loan 83	WATC*	4.49%	4/09/2034	(23,375)	(26,399)	0
Sport & Recreation	Loan 81	WATC*	6.95%	15/11/2027	(19,392)	(18,514)	(25,782)
Grader	Loan 80	WATC*	5.63%	2/02/2026	(1,656)	(1,930)	(2,955)
Total					(47,786)	(50,759)	(34,737)
Self-supporting loans finance cost payments							
Country Club	Loan 82	WATC*	6.95%	15/11/2027	(7,445)	(7,445)	(9,852)
Total self-supporting loans finance cost payments					(7,445)	(7,445)	(9,852)
Total finance cost payments					(55,231)	(58,204)	(44,589)

* WA Treasury Corporation

SHIRE OF BROOKTON
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27. BORROWING AND LEASE LIABILITIES (Continued)

(b) New borrowings - 2024/25

Particulars/purpose	Institution	Loan type	Term years	Interest rate %	Amount borrowed		Amount (used)		Total interest and charges \$	Actual balance unspent \$
					2025 Actual	2025 Budget	2025 Actual	2025 Budget		
Upgrade Effluent Network	WATC*	P & I	10	4.49%	\$ 600,000	\$ 600,000	\$ (451,138)	\$ (600,000)	\$ 14,869	\$ 148,862
					600,000	600,000	(451,138)	(600,000)	14,869	148,862

* WA Treasury Corporation

(c) Unspent borrowings

Particulars	Institution	Date Borrowed	Unspent balance 1 July 2024	Borrowed during 2024-25	Expended during 2024-25	Unspent balance 30 June 2025
Upgrade Effluent Network	WATC*	2/09/2024	\$ 0	\$ 600,000	\$ (451,138)	\$ 148,862
			0	600,000	(451,138)	148,862

* WA Treasury Corporation

(d) Lease liabilities

Purpose	Note	Actual							Budget			
		Principal at 1 July 2023	New leases during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	New leases during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	Principal at 1 July 2024	New leases during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Re-Use Water Dam		20,552	0	(1,515)	19,037	0	(1,568)	17,469	19,037	0	(1,568)	17,469
Total lease liabilities	11(b)	20,552	0	(1,515)	19,037	0	(1,568)	17,469	19,037	0	(1,568)	17,469

Lease finance cost payments

Purpose	Lease number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024	Lease term
					\$	\$	\$	
Re-Use Water Dam	LE-03	Seabrook Aboriginal Corporation	3.40%	1/11/2035	(614)	(614)	(667)	25 years
Total finance cost payments					(614)	(614)	(667)	

SHIRE OF BROOKTON
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FOR THE YEAR ENDED 30 JUNE 2025

28. RESERVE ACCOUNTS

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave Reserve	152,716	6,647	0	159,363	152,717	4,088	0	156,805	146,462	6,253	0	152,716
(b) Plant and Vehicle Reserve	616,661	548,870	(510,021)	655,510	616,660	641,506	(700,000)	558,166	774,795	487,643	(645,776)	616,661
(c) Land and Housing Development Reserve	0	0	0	0	0	0	0	0	1,785,748	0	(1,785,748)	0
(d) Furniture and Equipment Reserve	115,326	121,689	(83,678)	153,337	115,326	100,087	(104,356)	111,057	30,256	100,376	(15,306)	115,326
(e) Municipal Building and Facility Reserve	0	0	0	0	0	0	0	0	508,351	0	(508,351)	0
(f) Townscape and Footpath Reserve	0	0	0	0	0	0	0	0	131,025	0	(131,025)	0
(g) Sewerage Scheme Reserve	518,155	43,030	(40,598)	520,587	518,155	33,494	(157,645)	394,004	449,016	69,139	0	518,155
(h) Road and Bridges Infrastructure Reserve	0	0	0	0	0	0	0	0	452,381	0	(452,381)	0
(i) Sport and Recreation Reserve	0	0	0	0	0	0	0	0	32,719	0	(32,719)	0
(k) Rehabilitation and Refuse Reserve	0	0	0	0	0	0	0	0	279,411	0	(279,411)	0
(l) Caravan Park Reserve	0	0	0	0	0	0	0	0	373,341	0	(373,341)	0
(m) Brookton Museum/Heritage Reserve	0	0	0	0	0	0	0	0	48,777	0	(48,777)	0
(n) Kweda Hall Reserve	0	0	0	0	0	0	0	0	19,025	0	(19,025)	0
(o) Railway Station Reserve	0	0	0	0	0	0	0	0	526,287	0	(526,287)	0
(p) Madison Square Units Reserve	33,945	1,787	0	35,732	33,945	1,206	0	35,151	32,351	1,594	0	33,945
(q) Cemetery Reserve	0	0	0	0	0	0	0	0	84,276	0	(84,276)	0
(r) Water Reserve	0	0	0	0	0	0	0	0	65,683	0	(65,683)	0
(s) Developer Contribution Reserve	0	0	0	0	0	0	0	0	2,891	0	(2,891)	0
(t) Brookton Aquatic Reserve	0	0	0	0	0	0	0	0	387,599	0	(387,599)	0
(u) Cash Contingency Reserve	0	0	0	0	0	0	0	0	138,858	0	(138,858)	0
(v) Future Fund Reserve	0	0	0	0	0	0	0	0	4,206,439	0	(4,206,439)	0
(w) Innovations Fund Reserve	0	0	0	0	0	0	0	0	2,056,957	0	(2,056,957)	0
(x) Brookton Community Resource Centre Reserve	231,318	10,067	0	241,385	231,318	6,191	(10,000)	227,509	221,954	9,364	0	231,318
(y) Building and Facility Reserve	5,371,134	654,076	(167,241)	5,857,969	5,371,134	473,710	(1,006,452)	4,838,392	0	6,260,512	(889,378)	5,371,134
(z) Infrastructure Reserve	563,091	24,506	(112,652)	474,945	563,091	15,072	(355,916)	222,247	0	785,372	(222,281)	563,091
(aa) Waste Reserve	733,151	63,835	0	796,986	733,151	50,220	0	783,371	0	733,151	0	733,151
(ab) Aged Housing Reserve	417,079	45,143	0	462,222	417,078	37,030	0	454,108	0	417,079	0	417,079
(ac) Innovations and Development Reserve	3,128,089	136,138	(21,965)	3,242,262	3,128,088	83,727	(2,042,700)	1,169,115	0	3,128,089	0	3,128,089
	11,880,665	1,655,788	(936,155)	12,600,298	11,880,663	1,446,331	(4,377,069)	8,949,925	12,754,602	11,998,572	(12,872,509)	11,880,665

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

28. RESERVE ACCOUNTS (continued)

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

Name of reserve account Restricted by council	Anticipated date of use	Purpose of the reserve account
(a) Leave Reserve		This reserve is for the funding of annual and long service leave requirements.
(b) Plant and Vehicle Reserve		This reserve is for the purchase of major items in the Shire's plant and vehicle replacement program. Inclusive of the Community Bus.
(c) Land and Housing Development Reserve	30/06/2024	This reserve is for the construction, acquisition, renewal or upgrading of housing and land development to meet present and future requirements.
(d) Furniture and Equipment Reserve		This reserve is for the replacement of major items of furniture and equipment.
(e) Municipal Building and Facility Reserve	30/06/2024	This reserve is for the construction, demolition, acquisition, renewal or upgrade of Shire owned Public and Community buildings and facilities.
(f) Townscape and Footpath Reserve	30/06/2024	This reserve is for the cost of major works to construct and upgrade footpaths and general townscape works.
(g) Sewerage Scheme Reserve		This reserve is to fund the expansion, ongoing renewal, maintenance and asset management needs of the Brookton Sewerage Scheme.
(h) Road and Bridges Infrastructure Reserve	30/06/2024	This reserve is for the construction and upgrade of roads and bridges within the Shire.
(i) Sport and Recreation Reserve	30/06/2024	This reserve is to fund new, renewal, upgrades, or major maintenance of sporting and recreation infrastructure.
(k) Rehabilitation and Refuse Reserve	30/06/2024	This reserve is to fund the rehabilitation or major upgrades of the Brookton Refuse Site and or to rehabilitate former Gravel Pits.
(l) Caravan Park Reserve	30/06/2024	This reserve is to be used to fund any upgrades or major maintenance at the Brookton Caravan Park.
(m) Brookton Museum/Heritage Reserve	30/06/2024	This reserve is to be used to fund any upgrades or major maintenance of the Brookton Historical Museum.
(n) Kweda Hall Reserve	30/06/2024	This reserve is to be used to fund any upgrades or major maintenance on the Kweda Hall.
(o) Railway Station Reserve	30/06/2024	This reserve is to be used to fund any upgrades or major maintenance on the Brookton Railway Station and/or Platform.
(p) Madison Square Units Reserve		This reserve is to be used to fund any upgrades or major maintenance on the Madison Square Units.
(q) Cemetery Reserve	30/06/2024	This reserve is to be used to fund any upgrades or major maintenance on the Brookton Cemetery.
(r) Water Reserve	30/06/2024	This reserve is to fund renewal, upgrades or major maintenance of the water scheme infrastructure under the control of the Shire.
(s) Developer Contribution Reserve	30/06/2024	This reserve is to hold contributions applied to a development via a Development Application or Subdivision Approval pending determination by council of its application to the specific works.
(t) Brookton Aquatic Reserve	30/06/2024	This reserve is to fund the renewal, replacement, upgrades or major maintenance of the Brookton Aquatic Centre.
(u) Cash Contingency Reserve	30/06/2024	This reserve is to cover unexpected shortfalls in operational funding should the need arise.
(v) Future Fund Reserve	30/06/2024	This reserve is primarily set aside for investment. It is anticipated this fund will be preserved in perpetuity.
(w) Innovations Fund Reserve	30/06/2024	This reserve is to support and complement the Integrated Planning and Reporting (IPR) framework.
Brookton Community Resource Centre		
(x) Reserve		This reserve is to be used to fund any upgrades and services for the Brookton Community Resource Centre.
(y) Building and Facility Reserve		This reserve is for the construction, demolition, acquisition, renewal or upgrade of Shire owned Public and Community buildings and facilities.
(z) Infrastructure Reserve		This reserve is for the construction and upgrade of roads, bridges, paths and water infrastructure within the Shire.
(aa) Waste Reserve		This reserve is to fund the compliant management and future rehabilitation of the Brookton Refuse Site.
(ab) Aged Housing Reserve		This reserve is to be used to fund any upgrades or major maintenance on the Independent Living Units.
(ac) Innovations and Development Reserve		This reserve is to fund innovative projects, identified in the Integrated Planning and Reporting (IPR) framework, to grow and develop the Shire of Brookton.



Auditor General

INDEPENDENT AUDITOR'S REPORT

2025

Shire of Brookton

To the Council of the Shire of Brookton

Opinion

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

- the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of financial activity for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial report :

- is based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2025 and its financial position at the end of that period
- is in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

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

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2025, but not the financial report and my auditor's report.

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

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

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

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

The Chief Executive Officer (CEO) of the Shire is responsible for:

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

My independence and quality management relating to the report on the financial report

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Brookton for the year ended 30 June 2025 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.



Mahmoud Salahat
Acting Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
20 November 2025