



AUDIT AND RISK COMMITTEE MEETING

19 DECEMBER 2024

ATTACHMENT PROVIDED UNDER SEPARATE COVER

ATTACHMENT 9.12.24.01A – Annual Financial Report 2023/2024



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Annual Report

2023/24



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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.



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

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 am delighted to share the Shire of Brookton's Annual Report for 2023/2024 on behalf of my fellow Councillors. Serving as the Shire President has been both an honour and a privilege, allowing me to build upon the remarkable achievements of the past financial year.

Reflecting on the past year, we can highlight several accomplishments that have influenced our community. Our efforts in capital investment and operational improvements have made a positive impact on the liveability and overall quality of life for our residents and visitors.

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
- Sewerage pipe upgrades
- Construction of West Brookton fire shed
- Stage 1 Brookton Memorial Hall refurbishment
- Installation of waterless toilets at Brookton cemetery
- Refurbishment of Robinson Road public toilets
- Community water supply program – Happy Valley water extension
- Repairs and refurbishment of the Aquatic Centre, including pool painting
- Construction of a gazebo at Memorial Park
- Road construction projects
- Scheduled works as part of the Shire of Brookton Bridge Maintenance Plan
- Completion of building infrastructure at the Works Depot
- Electric Vehicle (EV) charging station installation
- Art installation - Robinson Road
- Traffic calming measures and footpath extension King Street

Operational Advancements

- Hosting a variety of events organised by the Brookton Community Resource Centre, fostering community engagement and participation
- Support for the Brookton Girl Guides through the Containers for Change program
- Partnership with Spay It Forward for a pet sterilisation initiative
- Upgrading the Brookton 24 Hour Gym with a new electronic entry system, featuring a user-friendly mobile app for simplified access using individualised keys
- Launching of a Lap Swimming Program to promote fitness and well-being among community members
- Introducing beach volleyball activities to encourage outdoor recreation and social interaction
- WA Auditor General's Top 20 Local Government Best Practice Entity for 2022/2023 Financial year

These achievements highlight our commitment to building a vibrant community where all residents can experience an enhanced quality of life.

Council continued to support several programs and community organisations during the financial year through the Brookton Community Chest Fund to J Bassett (\$500), Brookton CWA (\$1,000), Brookton Women's Hockey Club (\$294.50), Brookton Sub-Branch RSL (\$3,300) and Brookton Historical Society (\$5,591.01) this reinforces Council's ongoing commitment and valued partnerships with the community.

I wish to also extend Council's congratulations to the Australia Day Award recipients for the 2024 year.

- Citizen of the Year – Lyn Young
- Young Citizen of the Year – Tyson McGuire

I extend my heartfelt gratitude to the Shire Councillors, community committee members, Shire Officers, and all the dedicated volunteers for their unwavering commitment and hard work during the 2023/2024 period and to our CEO for his exceptional leadership and invaluable support during this period.



Katrina Crute
Shire President

Chief Executive Officer Message



2023/2024 was a productive year for the Shire of Brookton. The Shire successfully completed the planning and implementation phases for several key projects, preparing for their successful completion in future years.

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

Nexia Australia, under contract with The Office of the Auditor General (OAG), has taken on the primary responsibility for conducting the audit of the Shire's financial management and governance functions. The final annual Audit Report issued by the OAG revealed no findings. The Shire remains committed to implementing effective and robust procedures to enhance efficiencies within the organisation.

In June 2024 the Shire of Brookton was recognised as one of the 20 best financial practice local government entities for 2022/2023 by the OAG. This acknowledgement is awarded for excellence in timeliness and quality of financial reporting and controls. The recognition highlights our performance across several criteria, including a clear audit opinion, prompt audit preparation, high-quality financial reports and working papers, and effective financial management controls in the 2022/2023 Financial Statement.

The Shire of Brookton continues to maintain a positive financial position, with a surplus of \$1,892,151 achieved at the 30 June 2024, with the prepayment of the Federal Financial Assistance Grants significantly contributing to this surplus. Council has maintained a very healthy Reserve fund balance of \$11,880,665 at the 30 June 2024. This will be advantageous in the future, enabling the Shire to use these funds to attract external funding for several significant projects in future years.

The Annual Financial Report together with the Auditor's comments and findings for the 2023/2024 financial year is included in this report.

Key Assets

Road Works

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 roadworks undertaken in the 2023/2024 financial year:

- York Williams Road - Reconstruct a 7 metre wide 2 coat seal (\$806,388)
- Buckingham Road - Tree pruning and gravel sheeting (\$89,698)
- Copping Road - Gravel overlay (\$89,375)
- King Street - Traffic calming and footpath extension (\$37,593)
- Robinson Road – Linemarking and parking bay painting (\$24,527)
- Walwalling Road - Gravel overlay (\$73,427)

- Dangin-Mears Road Stage 1 – Continue with the pavement reconstruction and overlay (\$276,051)
- Dangin-Mears Road Stage 2 – Commenced pavement reconstruction and overlay (\$97,004)
- Williams Street - Drainage pipe replacement (\$15,868)
- Bridge Maintenance - 3165A Walwalling Road (\$18,720) and 4834 Brookton Kweda Road (\$16,000)
- Continued road maintenance works across the Shire's town (\$228,096) and rural road network (\$640,806)

Plant and Equipment

Council has continued its annual plant replacement program to ensure its plant and equipment is current, operational, and efficient, while attempting to minimise plant maintenance costs and down time which can impact on the ability to complete the road works programs each year. This has seen the acquisition totalling

\$662,576 of the following replacement (new for old) of major plant items:

- Hino 700S single cab water truck
- Hino 700S single cab chassis 6 wheel tip truck
- Skid Steer SV185Bs

Other Works

The other works performed during the year includes:

- Stage 1 Memorial Hall – Reroofing and repair of ceilings
- EV charging station installation
- Construction of Memorial Park gazebo
- Construction of the West Brookton Bush Fire Brigade Station
- Waterless toilet installation at Brookton Cemetery
- Community Water Supply Program – Happy Valley Water Extension
- Refurbishment of the Robinson Road Public Toilets and art installation
- Pool resurfacing – Brookton Aquatic Centre
- Commencement effluent pipe relining project
- Electronic Equipment Replacement

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

I look forward to collaborating with key stakeholders in 2024/2025 to achieve the community's vision outlined in the Strategic Community Plan. Although there is a significant amount of work to be done, we are dedicated to progressing our vision of:

- well-recognised business and agricultural hub,
- a flourishing stop-over destination, and

- a celebrated place to live.

I am grateful to the Shire of Brookton Council for their support and dedication, as well as to the dedicated staff who work tirelessly to deliver positive results for our community.

A handwritten signature in dark ink, appearing to read 'GSR' or 'Gary Sherry', written in a cursive, stylized font.

Gary Sherry
Chief Executive Officer

Elected Members



Cr Katrina Crute

Shire President
Term expires: 2025

Mobile: 0439 373 282
Shire.President@brookton.wa.gov.au



Cr Tamara de Lange

Deputy Shire President
Term expires: 2027

Mobile: 0419 111 300
CrdeLange@brookton.wa.gov.au



Cr Harold Bell

Councillor
Term expires: 2025

Mobile: 0415 498 371
CrBell@brookton.wa.gov.au



Cr Charlene Hayden

Councillor
Term expires: 2025

Mobile: 0428 808 528
CrHayden@brookton.wa.gov.au

Cr Beryl Copping

Councillor

Term expires: 2027

Mobile: 0429 400 777

CrCopping@brookton.wa.gov.au

Cr Rod Wallis

Councillor

Term expires: 2027

Mobile: 0419 904 336

CrWallis@brookton.wa.gov.au

Cr Lachlan McCabe

Councillor

Term expires: 2027

Mobile: 0420 422 606

CrMcCabe@brookton.wa.gov.au

Cr Chris Hartl

Term expired: October 2023

Cr Neil Walker

Term expired: October 2023

We wish to acknowledge the dedication and service of all Councillors to our community. Their leadership plays a crucial role in helping us reach our objectives and supporting a vibrant community for all residents.

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 2023/2024 is outlined below.

Councillor	Council Meetings		Elector Meetings		Committee Meetings			
	Ordinary	Special	Annual	Special	Audit & Risk	BFAC	LEMC	Employment
Cr Katrina Crute Shire President	11	3	1	0	2	1	2	1
Cr de Lange Deputy Shire President	10	3	1	0	1	2	n/a	1
Cr Harold Bell	11	3	1	0	2	n/a	n/a	1
Cr Charlene Hayden	9	2	1	0	n/a	n/a	n/a	0
Cr Lachlan McCabe	6	2	1	0	n/a	1	2	0
Cr Bery Copping	4	1	1	0	n/a	n/a	n/a	1
Cr Rob Wallis	4	1	1	0	n/a	n/a	n/a	1
Cr Neil Walker Term expired October 2024	3	1	0	0	n/a	n/a	n/a	n/a
Cr Chris Hartl Term expired October 2024	1	1	0	0	n/a	n/a	n/a	n/a

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 2023/2024 year
Ordinary Meeting of Council	11
Special Meeting of Council	3
Annual Electors Meeting	1
Special Electors Meeting	0
Audit and Risk Committee	2
Bushfire Advisory Committee (BFAC)	2
Local Emergency Management Committee (LEMC)	2
Employment Committee	1

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 and Risk 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.

Senior Staff

Council had four designated senior employee position 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 |
| • Manager Infrastructure and Works | Vacant |
| • Manager Projects | Mr Kevin D’Alton |

In total the Shire of Brookton employed 29.7 full time equivalent (FTE) employees during the 2023/2024 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	2023	2024
\$130,000 - \$139,999	0	0
\$140,000 - \$149,999	1	1
\$150,000 - \$159,000	0	0

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 2023/2024 financial year, including all benefits such as housing, superannuation and vehicle provision was \$208,943.

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



Disability Access And Inclusion Plan

The Disability Access Inclusion Plan 2018/2023 (DAIP) is a strategic document prepared by the Shire of Brookton and registered with the State Government's Department of Communities. This DAIP is reported on annually to improve accessibility and inclusiveness for people with disabilities through the strategies outlined in the plan.

This year the Shire implemented several initiatives to ensure that everyone, regardless of their abilities, has equal access to services, facilities, and opportunities within our community, with the following progress:

- Implementation of traffic calming measures on King Street and footpath extension.
- Marking of lines and painting of parking bays, including those designated for accessibility.
- Installation of an accessible toilet facility at Brookton Cemetery.
- Renovation of the public toilet facility at Robinson Road to enhance accessibility.
- 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.
- Construction of an additional gazebo at Memorial Park to create a communal space with suitable pathways for accessibility.
- Various events including drum therapy and chair yoga have been successfully held, promoting well-being and providing support for individuals with mobility challenges.
- Provide all-inclusive weekly games session at the Brookton Community Resource Centre.

In the 2023/2024 financial year, we initiated a review of our plan. A community survey conducted in April 2024 highlighted areas for improvement. We will engage in an ongoing consultation process in 2024/2025, with an additional workshop scheduled for July 2024. This collaborative effort will provide valuable insights and actionable steps to ensure our initiatives are effective and inclusive. We look forward to the implementation of our Access Inclusion Plan in 2024/2025.

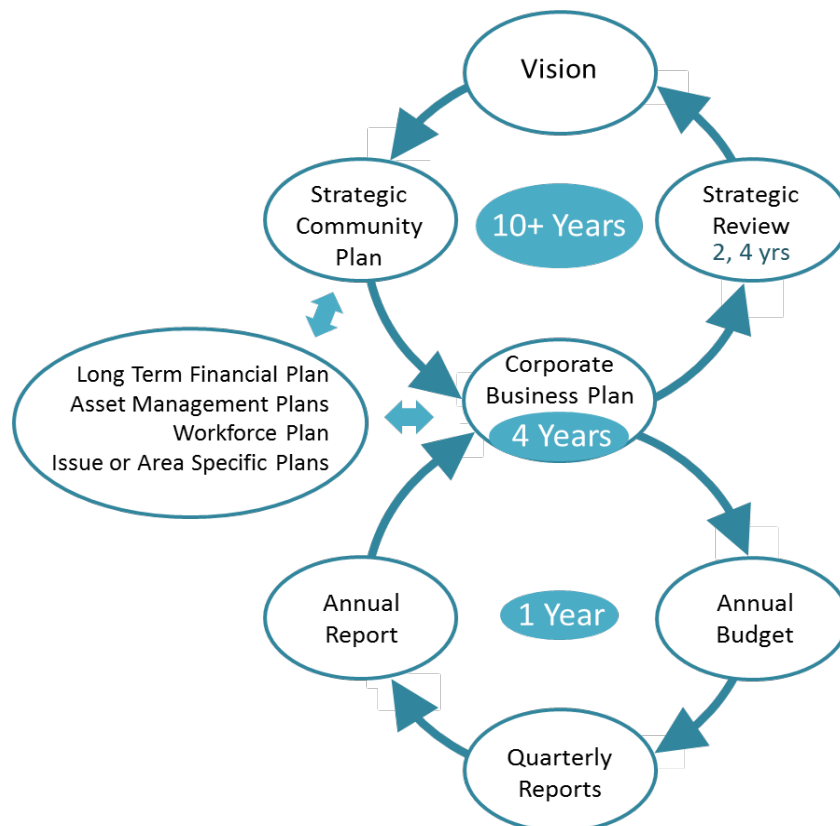


Integrated Planning And Reporting (IPR)

During 2024, Council reviewed its IPR framework aligned to legislative requirements under Section 5.56(1) and (2) of the *Local Government Act, 1995*. This legislation requires each local government to prepare a 'plan for the future' of its district by developing an arrange of plans in accordance with the *Local Government (Administration) Amendment Regulation (No. 2) 2011*; Division 3 – Planning for the Future. Following is a diagram providing understanding of the IPR framework.

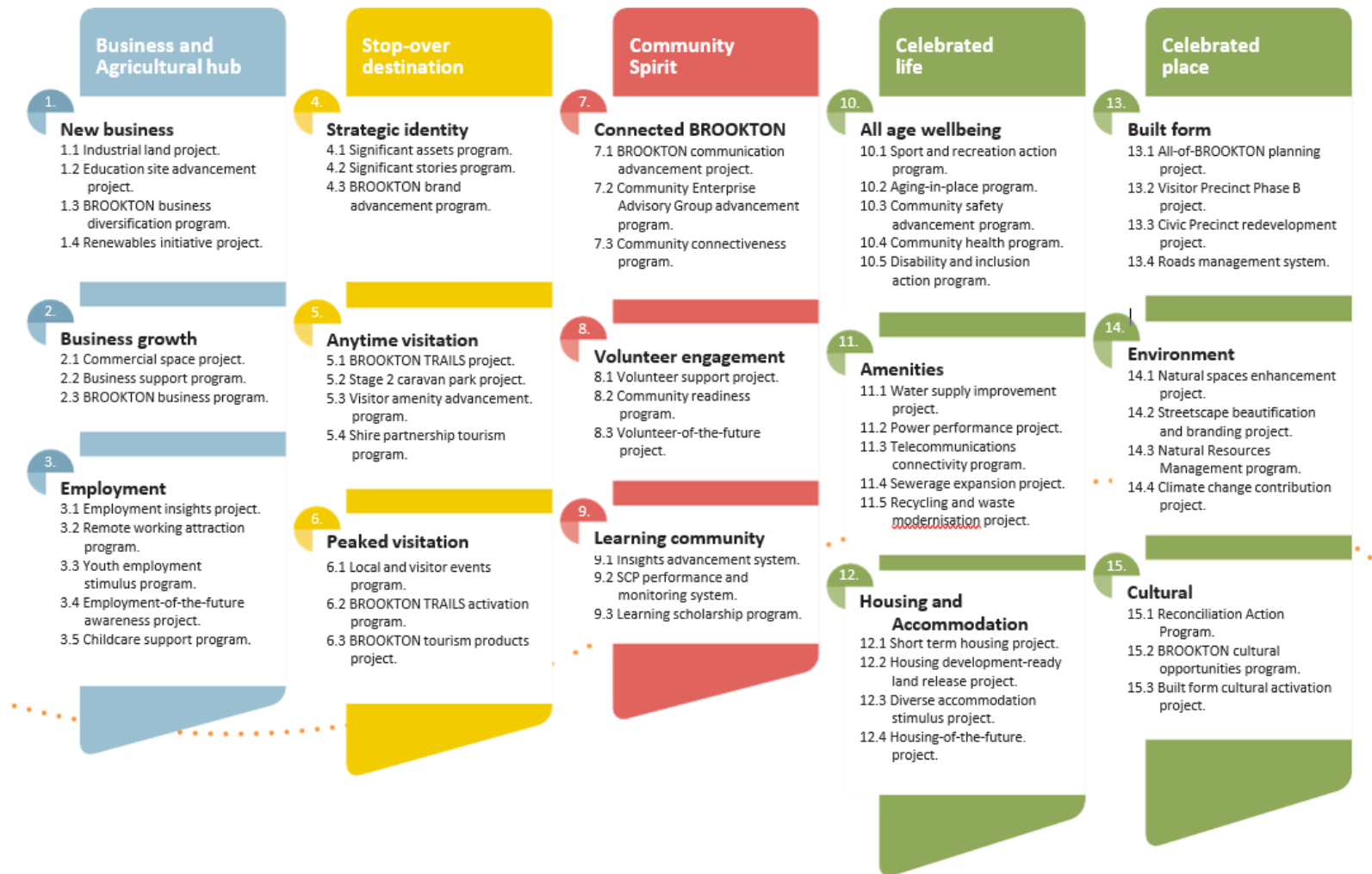
The Strategic Community Plan and the Corporate Business Plan set the direction for the Shire's future and the Council's service levels and projects. Consultation was undertaken in 2022 through community workshops, which provided stakeholders the opportunity to be involved. The Strategic Community Plan and the Corporate Business Plan was approved at the Ordinary Council meeting held on 17 November 2022.

IPR Framework sourced from the Western Australian Department of Local Government IPR Guidelines 2016



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 two years remaining.



The following section outlines the achievements of the Shire of Brookton's Strategic Community Plan during the 2023/2024 financial year.

Growth Pillar – A well-recognised business and agricultural hub

Installation of a concrete floor bus bay and Depot walkway at the Brookton Works Depot. These improvements will facilitate easier access for the community utilising the bus for hire and create accessible walkways for staff in the area.

Enhancing this space improves the functionality but also ensures that our facilities are welcoming and accommodating for everyone.



Growth Pillar – A flourishing stop-over destination

The 2023/2024 year saw the Shire of Brookton and the Brookton Community Resource Centre host several events and activities. Some of these included:

July	NAIDOC and Farm Safety Week Morning Teas
September	Polymer Clay Workshop
	Breast Cancer Awareness Morning Tea, NBN My Gov
October	Workshop
	National Volunteer Week - Sundowner Brookton Community
November	Garden
	Community Christmas Party, Christmas Craft and Movie
December	Morning
January	Australia Day Breakfast Memorial Park and Aquatic Centre
	Pool Party
February	Resume Writing Workshop, Scams Awareness Workshop
	My AgedCare Workshop, Chair Yoga, Kite Making Workshop,
	Drum Therapy, Curtin Medical Student Rural Immersion,
	Foundation for Rural & Regional Renewal (FRRR) Information
March	Session
	ANZAC Day Service, Lions Cancer Institute - Skin Screening
April	Clinic, Dawn Collins Medium
June	Lightscape - Kings Park and Botanic Garden



Council offered the following services out of the Brookton Community Resource Centre during the 2023/2024 financial year:

- Services Australia
- Accessibility Services
- Bailiwick Legal
- Community Mental Health
- Rural Health
- Community Games
- Holyoake - One on one counselling, family support, and group programs
- Department of Justice
- Wachs Speech Pathology Clinic and
- Forrest Personal

Providing these services greatly benefits our community by enhancing accessibility, promoting wellbeing and building community connections.



The Brookton Caravan Park has seen a significant increase in the usage of both the chalets and bays at the park. In response to this, Council has implemented a customer feedback form for the Caravan Park. This initiative aims to gather suggestions for improvements and assess the current service delivery.

Of the feedback responses received in 2023/2024, all were positive, particularly highlighting the facilities on offer, such as the camp kitchen, the cleanliness of the park, and the overall welcoming atmosphere.



This year, we have made significant progress with several key projects, including the refurbishment of the Robinson Road Public Toilets and the installation of a waterless toilet at the Brookton Cemetery. Additionally, we have completed line marking and repainting of parking bays at Robinson Road.

These improvements enhance accessibility for our community and visitors, contributing to a more liveable environment where everyone feels welcomed and included.



The “Welcome to Brookton” A3 tear-off map has been revised, this map provides information on the history of Brookton, notable sites to see and local businesses available. It aims to enhance the visitor experience by encouraging tourists to stay longer and enjoy their time in our town and community.



Growth Pillar – Community Spirit

The Shire of Brookton partnered with the Brookton Girl Guides to commence a Containers for Change initiative.

The Recycle Bins located at the Brookton Caravan Park allow community members to recycle drink containers with the proceeds going to the Brookton Girl Guides.

This initiative encourages recycling and reduces litter by providing a convenient collection point. Visitors and residents can drop off their empty beverage containers at the designated point so their containers can live another life.



Council has extended the community partnership with the Spay it Forward program. The program puts vulnerable families in need of financial assistance to access veterinary care including subsidised desexing, microchipping, and vaccinations.

The Shire of Brookton is the first local government to partner with Spay It Forward. Pets that are eligible for the Spay It Forward's program received a free lifetime registration with council.

This partnership not only enhances access to veterinary care but also strengthens our community by ensuring responsible pet ownership.



Growth Pillar – A connected and spirited community

Stallion Homes is continuing construction of the West Brookton Fire Station on York Williams Road. This project is funded by Emergency Services Levy and built to DFES specifications. The new facility features a two-bay fire station designed to house the fire trucks and equipment of the West Brookton Bush Fire Brigade.



The Shire successfully obtained funding from the Department of Fire and Emergency Services in 2023/2024 for the construction of a purpose built Fire Station for the East Brookton Bush Fire Brigade. Council went out to tender for the construction of the fire station, receiving three

submissions. After an evaluation process, the tender was awarded to Stallion Homes in May 2024, with earthworks commencing shortly thereafter. The facility will feature a one-appliance bay shed with modern training and amenities for Brigade members. Located on Railway Terrace adjoining the CBH site the fire station will enhance local firefighting capabilities.

Additionally, Council has facilitated the construction of a new 250,000-litre water tank, designed to collect water from the Aldersyde CBH site. Installed by CBH and the Department of Water and Environment in December 2023, this tank will provide essential water resources for firefighting efforts.



The Shire of Brookton has successfully completed fire mitigation works, funded by the Department of Fire and Emergency Services Mitigation Activity Fund (MAF). This program is instrumental in enhancing our community's fire management capacity and overall resilience. The recent works have significantly reduced bushfire hazards on state owned land managed by the Shire of Brookton, addressing high risk areas and contributing to a safer environment for all residents.



Growth Pillar – A celebrated place to live. Celebrated life.



The Shire of Brookton partnered with Synergy to construct the Brookton Electric Vehicle (EV) charging station on Robinson Road. The project is part of the State Government's WA EV Network. This charging station will contribute to one of Australia's longest electric vehicle charging networks. Once completed, West Australian EV drivers will have access to 98 charging stations across 49 locations, stretching from Eucla at the South Australian border to Kununurra in the far north. Synergy will operate and maintain the charging station, which provides Brookton with essential infrastructure to support the

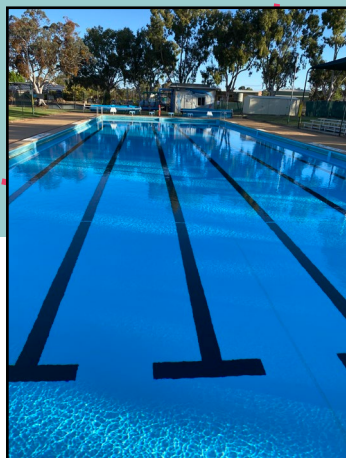
growing demand for electric vehicles and promote sustainable transportation options in the region.

Along with the usual infrastructure maintenance carried out in 2023/2024, the Shire has successfully completed a number of capital projects, including:

- Progressing of the Sewerage Pipe Relining project. The project involves the relining of severely corroded sewer pipes under the Brookton townsite. Relining the effluent pipes will significantly extend its lifespan by over 50 years. This essential work not only enhances the reliability of our sewer system but also sets the stage for further relining of other sections of the pipe network in the coming years.
- Extension of the reticulation infrastructure, enabling water from the Happy Valley bore field to be distributed to Memorial Park, Madison Square Park, Brookton Caravan Park and improve the service to the Town Oval. The project was funded two thirds by the Community Water Supply Program and one third by Council. Accessing water from Happy Valley bore field will reduce the reliance of the Shire on costly scheme water currently used on the smaller parks.



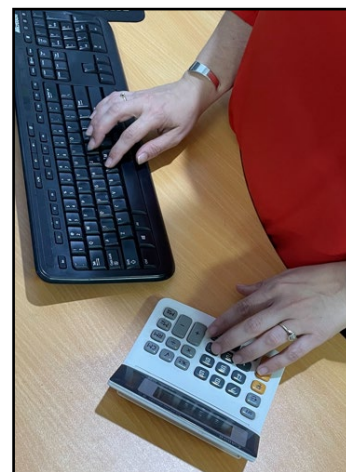
- Stage 1 of the Memorial Hall project involved the reroofing and repair of ceilings, aimed at preserving the community asset. The work has enhanced the structural integrity of the building.
- Renovations and upgrades to the Brookton Aquatic Centre including the repainting of the pool bowl.
- Two traffic calming measures (speed humps) have been installed on King Street on either side of the children's playground. Additionally, an extension of the footpath leading to the playground has been completed. These improvements were implemented in response to concerns about speeding in the area.
- Replacement of drainage pipes on Williams Street.
- Bridge Maintenance Projects - Bridge 3165A Walwalling Road and Bridge 4834 Brookton Kweda Road.
- Road Projects
 York Williams Road - Reconstruct a 7 metre wide 2 coat seal
 Buckingham Road - Tree pruning and gravel sheeting
 Copping and Walwalling Road – Gravel sheeting
 Dangin-Mears Road Stage 1 – Continue with the pavement reconstruction and overlay
 Dangin-Mears Road Stage 2 – Commenced pavement reconstruction and overlay



Growth Pillar - High Performing Council

In June 2024, the Shire of Brookton was listed as one of the top 20 local government entities for financial practices in 2022/2023 by the Office of the Auditor General (OAG). This recognition is awarded for outstanding performance in the timeliness and quality of financial reporting and controls. It underscores our achievements across various criteria, including a clear audit opinion, efficient audit preparation, high-quality financial reports and working papers, and robust financial management controls reflected in the 2022/2023 Financial Statement.

Council produced the 2024/2025 Rates Information Brochure, which highlights key aspects of the 2023/2024 financial year, including income and expenditure, as well as where funds are allocated and received from. The brochure provides the details of the Community Chest recipients and outlines both capital and operating expenditures for the year. The publication provides valuable insights into the upcoming budget, helping residents understand how funds are used to enhance community services and infrastructure, ensuring transparency and accountability and keeps residents informed about ongoing projects and initiatives in our community.



Strategic Resource Plan

The Shire of Brookton Strategic Resource Plan 2024 – 2039 was adopted by Council in March 2024. The plan incorporates both the long term financial plan and asset management plan for all classes.

The Strategic Resource Plan is an important planning tool along with the Corporate Business Plan to achieve our goals and drive the Shire in achieving its vision of “Brookton” is

- a well-recognised business and agricultural hub;
- a flourishing stop-over destination; and
- a celebrated place to live".

This Plan is part of the Shire’s ongoing commitment to an integrated approach to planning for the district’s future.

The following diagram illustrates the integrated framework applicable to the Asset Management processes.

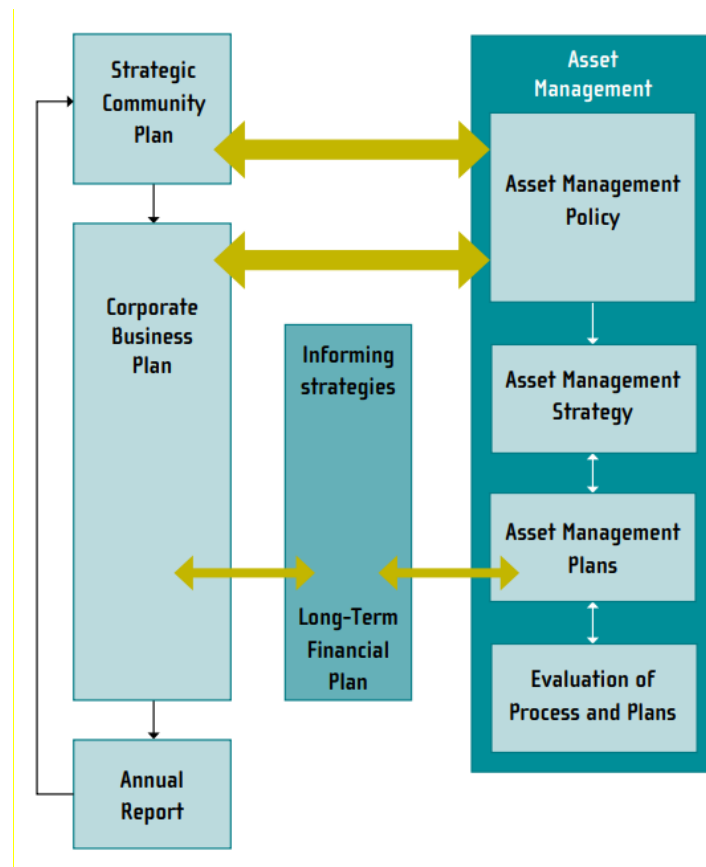


Figure 2-1 sourced from the Western Australian Department of Local Government’s Asset Management Framework and Guidelines

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.

It should be noted, in the 2023/2024 financial year the Shire did not receive a request under the *Freedom of Information Act 1992*.



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 responsible for records management have been trained in the basic retention and disposal methods for Local Government and will include RKP training at the Office of State Records.

In house training sessions for staff are conducted on an as needs basis, for example, when an aspect of the recordkeeping systems changes, or if responsibilities change.

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 2023/2024 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 2023/2024 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 2023/2024 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 2023/2024

SHIRE OF BROOKTON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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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 2024**

*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 2024 and the financial position as at 30 June 2024.

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

Signed on the 29 day of November 2024



CEO

Gary Sherry
Name of CEO

SHIRE OF BROOKTON
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),25	2,716,933	2,711,103	2,571,698
Grants, subsidies and contributions	2(a)	1,788,844	2,199,065	2,305,083
Fees and charges	2(a)	954,503	846,688	916,742
Interest revenue		625,025	161,449	300,686
Other revenue	2(a)	372,254	237,641	318,179
		6,457,559	6,155,946	6,412,388
Expenses				
Employee costs	2(b)	(2,502,648)	(2,425,436)	(2,215,496)
Materials and contracts		(1,400,438)	(3,876,751)	(1,491,197)
Utility charges		(205,801)	(225,310)	(217,021)
Depreciation		(2,342,069)	(2,176,012)	(2,221,914)
Finance costs		(45,257)	(72,257)	(58,832)
Insurance		(229,697)	(233,965)	(222,323)
Other expenditure	2(b)	(64,650)	(76,305)	(99,821)
		(6,790,560)	(9,086,036)	(6,526,604)
		(333,001)	(2,930,090)	(114,216)
Capital grants, subsidies and contributions		2,107,842	4,343,445	1,886,624
Profit on asset disposals LHFR		0	0	1,046
Profit on asset disposals		92,945	845	8,734
Loss on asset disposals		(9,021)	(82,068)	0
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,261	0	2,764
		2,193,027	4,262,222	1,899,168
Net result for the period		1,860,026	1,332,132	1,784,952
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	0	0	25,260
Total other comprehensive income for the period	16	0	0	25,260
Total comprehensive income for the period		1,860,026	1,332,132	1,810,212

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



SHIRE OF BROOKTON
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	NOTE	2024	2023
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	2,848,027	2,473,451
Trade and other receivables	5	265,799	278,231
Other financial assets	4(a)	11,910,632	12,782,589
Inventories	6	25,544	32,367
Other assets	7	21,804	0
TOTAL CURRENT ASSETS		15,071,806	15,566,638
NON-CURRENT ASSETS			
Trade and other receivables	5	87,267	60,953
Other financial assets	4(b)	156,897	185,603
Property, plant and equipment	8	17,665,923	15,540,965
Infrastructure	9	75,332,850	75,126,385
Right-of-use assets	11(a)	19,037	19,930
TOTAL NON-CURRENT ASSETS		93,261,974	90,933,836
TOTAL ASSETS		108,333,780	106,500,474
CURRENT LIABILITIES			
Trade and other payables	12	226,525	358,511
Other liabilities	13	688,741	477,426
Lease liabilities	11(b)	1,568	1,515
Borrowings	14	161,834	151,836
Employee related provisions	15	353,757	343,906
TOTAL CURRENT LIABILITIES		1,432,425	1,333,194
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	17,469	19,037
Borrowings	14	355,313	517,147
Employee related provisions	15	80,385	42,934
TOTAL NON-CURRENT LIABILITIES		453,167	579,118
TOTAL LIABILITIES		1,885,592	1,912,312
NET ASSETS		106,448,188	104,588,162
EQUITY			
Retained surplus		16,714,050	13,980,087
Reserve accounts	28	11,880,665	12,754,602
Revaluation surplus	16	77,853,473	77,853,473
TOTAL EQUITY		106,448,188	104,588,162

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 2024

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2022		12,431,121	12,518,616	77,828,213	102,777,950
Comprehensive income for the period					
Net result for the period		1,784,952	0	0	1,784,952
Other comprehensive income for the period	16	0	0	25,260	25,260
Total comprehensive income for the period		1,784,952	0	25,260	1,810,212
Transfers from reserve accounts	28	1,283,302	(1,283,302)	0	0
Transfers to reserve accounts	28	(1,519,288)	1,519,288	0	0
Balance as at 30 June 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

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 2024

	NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		2,713,025	2,539,841
Grants, subsidies and contributions		2,001,814	2,469,635
Fees and charges		954,503	916,742
Interest revenue		625,025	300,686
Goods and services tax received		358,741	308,033
Other revenue		372,254	318,179
		7,025,362	6,853,116
Payments			
Employee costs		(2,443,167)	(2,171,474)
Materials and contracts		(1,574,100)	(1,402,474)
Utility charges		(205,801)	(217,021)
Finance costs		(38,959)	(58,832)
Insurance paid		(229,697)	(222,323)
Goods and services tax paid		(362,152)	(310,368)
Other expenditure		(64,650)	(99,821)
		(4,918,526)	(4,482,313)
Net cash provided by operating activities		2,106,836	2,370,803
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(2,944,555)	(694,490)
Payments for construction of infrastructure	9(a)	(1,906,665)	(2,309,081)
Capital grants, subsidies and contributions		2,107,842	1,886,624
Proceeds for financial assets at amortised cost		0	(5,000)
Proceeds for financial assets at amortised cost - term deposits		873,936	0
Proceeds from financial assets at amortised cost - self supporting loans		27,988	26,140
Proceeds from sale of property, plant & equipment		262,545	55,454
Proceeds from sale of land held for resale		0	60,500
Net cash used in investing activities		(1,578,909)	(979,853)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	27(a)	(151,836)	(142,462)
Payments for principal portion of lease liabilities	27(c)	(1,515)	(1,467)
Net cash used in financing activities		(153,351)	(143,929)
Net increase in cash held		374,576	1,247,021
Cash at beginning of year		2,473,451	1,226,430
Cash and cash equivalents at the end of the year		2,848,027	2,473,451

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 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	25	2,673,932	2,668,102	2,531,131
Rates excluding general rates	25	43,001	43,001	40,567
Grants, subsidies and contributions		1,788,844	2,199,065	2,305,083
Fees and charges		954,503	846,688	916,742
Interest revenue		625,025	161,449	300,686
Other revenue		372,254	237,641	318,179
Profit on asset disposals		92,945	845	8,734
Profit on asset disposals LHFR		0	0	1,046
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,261	0	2,764
		6,551,765	6,156,791	6,424,932
Expenditure from operating activities				
Employee costs		(2,502,648)	(2,425,436)	(2,215,496)
Materials and contracts		(1,400,438)	(3,876,751)	(1,491,197)
Utility charges		(205,801)	(225,310)	(217,021)
Depreciation		(2,342,069)	(2,176,012)	(2,221,914)
Finance costs		(45,257)	(72,257)	(58,832)
Insurance		(229,697)	(233,965)	(222,323)
Other expenditure		(64,650)	(76,305)	(99,821)
Loss on asset disposals		(9,021)	(82,068)	0
		(6,799,581)	(9,168,104)	(6,526,604)
Non cash amounts excluded from operating activities	26(a)	2,268,021	2,257,235	2,187,218
Amount attributable to operating activities		2,020,205	(754,078)	2,085,546
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		2,107,842	4,343,445	1,886,624
Proceeds from disposal of assets LHFR		0	0	60,500
Proceeds from disposal of assets		262,545	180,000	55,454
Proceeds from financial assets at amortised cost - self supporting loans	27(a)	27,988	27,988	26,140
		2,398,375	4,551,433	2,028,718
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(2,944,555)	(7,045,621)	(694,490)
Purchase and construction of infrastructure	9(a)	(1,906,665)	(3,445,635)	(2,309,081)
		(4,851,220)	(10,491,256)	(3,003,571)
Amount attributable to investing activities		(2,452,845)	(5,939,823)	(974,853)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	27(a)	0	600,000	0
Transfers from reserve accounts	28	12,872,509	16,616,616	1,283,302
		12,872,509	17,216,616	1,283,302
Outflows from financing activities				
Repayment of borrowings	27(a)	(151,836)	(202,168)	(142,462)
Payments for principal portion of lease liabilities	27(c)	(1,515)	(1,515)	(1,467)
Transfers to reserve accounts	28	(11,998,572)	(11,821,760)	(1,519,288)
		(12,151,923)	(12,025,443)	(1,663,217)
Amount attributable to financing activities		720,586	5,191,173	(379,915)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	26(b)	1,604,205	1,502,728	873,427
Amount attributable to operating activities		2,020,205	(754,078)	2,085,546
Amount attributable to investing activities		(2,452,845)	(5,939,823)	(974,853)
Amount attributable to financing activities		720,586	5,191,173	(379,915)
Surplus or deficit after imposition of general rates	26(b)	1,892,151	0	1,604,205

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



SHIRE OF BROOKTON
FOR THE YEAR ENDED 30 JUNE 2024
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SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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
- Impairment losses of non-financial assets
- 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.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 29 of the 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 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

This standard resulted in terminology changes relating to material accounting policies (formerly referred to as significant accounting policies).

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 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current*
- AASB 2021-7c *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- 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*

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*

These amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

- AASB 2023-1 *Amendments to Australian Accounting Standards - Supplier Finance Arrangements*

These amendments may result in additional disclosures in the case of applicable finance arrangements.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES

(a) Revenue

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 2024

2 REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

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

Revenue Recognition

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

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

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	2,571,698	0	2,571,698
Grants, subsidies and contributions	2,305,083	0	0	0	2,305,083
Fees and charges	894,343	0	22,399	0	916,742
Interest revenue	0	0	15,811	284,875	300,686
Other revenue	318,179	0	0	0	318,179
Capital grants, subsidies and contributions	0	1,886,624	0	0	1,886,624
Total	3,517,605	1,886,624	2,609,908	284,875	8,299,012

Note	2024 Actual \$	2023 Actual \$
Interest revenue		
Financial assets at amortised cost - self supporting loans	9,424	11,272
Interest on reserve account	544,565	251,765
Trade and other receivables overdue interest	19,719	15,811
Other interest revenue	51,317	21,838
	625,025	300,686
The 2024 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	3,440	3,000
The 2024 original budget estimate in relation to: Charges on instalment plan was \$3,000.		
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	40,090	45,000
- Other services – grant acquittals	3,220	2,400
	43,310	47,400
Employee Costs		
Employee benefit costs	2,464,465	2,173,595
Other employee costs	38,183	41,901
	2,502,648	2,215,496
Other expenditure		
Councillor fees	31,624	28,928
Community Resource Centre operating expenditure	2,183	31,955
Sundry expenses	30,843	38,938
	64,650	99,821

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

3. CASH AND CASH EQUIVALENTS

Note	2024	2023
	\$	\$
Cash at bank and on hand	2,848,027	2,473,451
Total cash and cash equivalents	2,848,027	2,473,451
Held as		
- Unrestricted cash and cash equivalents	2,143,806	1,983,454
- Restricted cash and cash equivalents	704,221	489,997
17	2,848,027	2,473,451

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

Note	2024	2023
	\$	\$
Financial assets at amortised cost	11,910,632	12,782,589
	11,910,632	12,782,589
Other financial assets at amortised cost		
Self supporting loans receivable	29,967	27,988
Term deposits	11,880,665	12,754,601
26(b)	11,910,632	12,782,589

Held as

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

16(a)	29,967	27,988
	11,880,665	12,754,601
	11,910,632	12,782,589

(b) Non-current assets

Financial assets at amortised cost	94,519	124,486
Financial assets at fair value through profit or loss	62,378	61,117
	156,897	185,603
Financial assets at amortised cost		
Self supporting loans receivable	84,518	114,485
Bendigo Bank Shares	10,001	10,001
	94,519	124,486
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	61,117	58,353
Movement attributable to fair value increment	1,261	2,764
Units in Local Government House Trust - closing balance	62,378	61,117

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 has elected to classify 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 2024

5. TRADE AND OTHER RECEIVABLES

	Note	2024 \$	2023 \$
Current			
Rates and statutory receivables		105,538	105,844
Trade receivables		100,743	90,622
GST receivable		5,746	2,335
Receivables for employee related provisions	15	53,772	79,430
		265,799	278,231
Non-current			
Rates and statutory receivables		62,366	49,934
Receivables for employee related provisions		24,901	11,019
		87,267	60,953

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:

Note	30 June 2024 Actual \$	30 June 2023 Actual \$	1 July 2022 Actual \$
Trade and other receivables from contracts with customers	688,741	477,426	295,020
Total trade and other receivables from contracts with customers	688,741	477,426	295,020

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.

Other receivables

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers and amounts received as grants for the construction of recognisable non financial assets.

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 2024

6. INVENTORIES

	Note	2024 \$	2023 \$
Current			
Fuel and materials		25,544	32,367
		25,544	32,367
The following movements in inventories occurred during the year:			
Balance at beginning of year		32,367	71,379
Written down value of land held for resale sold		0	(59,454)
Additions to inventory		(6,823)	20,442
Balance at end of year		25,544	32,367

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.

Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Land held for resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the Shire's intentions to release for sale.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

7. OTHER ASSETS

Other assets - current

Prepayments

2024	2023
\$	\$
21,804	0
21,804	0

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.

Non-current assets held for sale

Assets are classified as held for sale where the carrying amount will be recovered through a sale rather than continuing use and the asset is available for immediate sale with a sale being highly probable.

Non-current assets held for sale (Continued)

Non-current assets classified as held for sale are valued at the lower of the carrying amount and fair value less costs to sell.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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
	Land	Buildings - specialised	Land	Buildings - specialised	PPE - work in progress	Total Property	Furniture and equipment	Plant and equipment	Other property, plant and equipment - Bushfire	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	813,107	11,324,989	813,107	11,324,989	45,800	12,183,896	89,034	2,146,658	1,004,700	15,424,288
Additions	0	55,264	0	55,264	277,311	332,575	13,225	348,690	0	694,490
Disposals	0	0	0	0	0	0	0	(46,720)	0	(46,720)
Revaluation increments / (decrements) transferred to revaluation surplus	0	25,260	0	25,260	0	25,260	0	0	0	25,260
Depreciation	0	(250,359)	0	(250,359)	0	(250,359)	(16,389)	(177,693)	(111,912)	(556,353)
Balance at 30 June 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
Comprises:										
Gross balance amount at 30 June 2023	813,107	11,405,513	813,107	11,405,513	323,111	12,541,731	130,818	2,856,389	1,072,090	16,601,028
Accumulated depreciation at 30 June 2023	0	(250,359)	0	(250,359)	0	(250,359)	(44,948)	(585,454)	(179,302)	(1,060,063)
Balance at 30 June 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	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

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

8. PROPERTY, PLANT AND EQUIPMENT (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					
Land and buildings					
Land	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
Buildings - non-specialised	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.
Buildings - specialised	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.
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

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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 - roads	Infrastructure - footpaths	Infrastructure - sewerage	Infrastructure - parks and gardens	Infrastructure - water	Infrastructure - work in progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	69,269,189	590,173	1,604,403	2,996,443	0	20,565	74,480,773
Additions	2,256,517	0	0	22,850	20,336	9,378	2,309,081
Depreciation	(1,434,152)	(32,802)	(29,073)	(167,442)	0	0	(1,663,469)
Balance at 30 June 2023	70,091,554	557,371	1,575,330	2,851,851	20,336	29,943	75,126,385
Comprises:							
Gross balance at 30 June 2023	91,306,837	889,614	2,239,388	5,037,630	20,336	29,943	99,523,748
Accumulated depreciation at 30 June 2023	(21,215,283)	(332,243)	(664,058)	(2,185,779)	0	0	(24,397,363)
Balance at 30 June 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

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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	June 2024	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 2024

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
Other infrastructure - water	10 to 75 years
Right of use land	based on the remaining lease

Revision of useful lives of plant and equipment

During the year the estimated total useful lives of plant and equipment were revised, with no changes required.

**SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

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.
- (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 2024

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	Right-of-use assets Total
	\$	\$
Balance at 1 July 2022	22,022	22,022
Depreciation	(2,092)	(2,092)
Balance at 30 June 2023	19,930	19,930
Gross balance amount at 30 June 2023	22,022	22,022
Accumulated depreciation at 30 June 2023	(2,092)	(2,092)
Balance at 30 June 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

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

	2024 Actual	2023 Actual
	\$	\$
Depreciation on right-of-use assets	(893)	(2,092)
Finance charge on lease liabilities	(667)	(715)
Total amount recognised in the statement of comprehensive income	(1,560)	(2,807)
Total cash outflow from leases	(2,182)	(2,182)
(b) Lease Liabilities		
Current	1,568	1,515
Non-current	17,469	19,037
	19,037	20,552

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(c).

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 2024**

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
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

12. TRADE AND OTHER PAYABLES

Current

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

2024	2023
\$	\$
130,693	282,983
38,098	29,880
35,956	23,777
15,480	12,570
6,298	0
0	9,301
226,525	358,511

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 2024

13. OTHER LIABILITIES

Current

Contract liabilities
Capital grant/contributions liabilities

Reconciliation of changes in contract liabilities

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

The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$5511 (2023: \$0)

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
Additions

	2024	2023
	\$	\$
Contract liabilities	5,511	0
Capital grant/contributions liabilities	683,230	477,426
	688,741	477,426
Opening balance	0	8,114
Additions	5,511	0
Revenue from contracts with customers included as a contract liability at the start of the period	0	(8,114)
	5,511	0
Opening balance	477,426	286,906
Additions	205,804	190,520
	683,230	477,426

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.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

14. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		161,834	355,313	517,147	151,836	517,147	668,983
Total secured borrowings	27(a)	161,834	355,313	517,147	151,836	517,147	668,983

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 2024 and 2023 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 2024

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

	2024	2023
	\$	\$
Annual leave	152,915	143,729
Long service leave	167,392	160,683
Employment on-costs annual leave	20,599	21,209
	340,906	325,621
Employment on-costs long service leave	12,851	18,285
	12,851	18,285
Total current employee related provisions	353,757	343,906
Long service leave	75,652	40,526
	75,652	40,526
Employment on-costs long service leave	4,733	2,408
	4,733	2,408
Total non-current employee related provisions	80,385	42,934
Total employee related provisions	434,142	386,840

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 2024

16. REVALUATION SURPLUS

	2024 Opening Balance	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	807,134	807,134	807,134	0	807,134
Revaluation surplus - Buildings - specialised	7,881,975	7,881,975	7,856,715	25,260	7,881,975
Revaluation surplus - Infrastructure - roads	67,650,545	67,650,545	67,650,545	0	67,650,545
Revaluation surplus - Infrastructure - footpaths	306,197	306,197	306,197	0	306,197
Revaluation surplus - Infrastructure - sewerage	364,635	364,635	364,635	0	364,635
Revaluation surplus - Infrastructure - parks and gardens	842,987	842,987	842,987	0	842,987
	77,853,473	77,853,473	77,828,213	25,260	77,853,473

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

17. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2024 Actual \$	2023 Actual \$
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	704,221	489,997
- Other Financial assets	4	11,880,665	12,754,601
		12,584,886	13,244,598
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	28	11,880,665	12,754,602
Contract liabilities	13	5,511	0
Capital grant liabilities	13	683,230	477,426
Bonds and deposits held	12	15,480	12,570
Total restricted financial assets		12,584,886	13,244,598
18. UNDRAWN BORROWING FACILITIES AND CREDIT			
STANDBY ARRANGEMENTS			
Bank overdraft limit		0	0
Bank overdraft at balance date		0	0
Credit card limit		21,500	10,000
Credit card balance at balance date		(2,196)	(1,375)
Total amount of credit unused		19,304	8,625
Loan facilities			
Loan facilities - current		161,834	151,836
Loan facilities - non-current		355,313	517,147
Total facilities in use at balance date		517,147	668,983
Unused loan facilities at balance date		0	0

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

19. CONTINGENT LIABILITIES

In compliance with the *Contaminated Sites Act 2003*, the Shire has listed a site to be a possible sources of contamination. Details of those sites are:

- Sewerage Treatment Plant

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Water and Environmental Regulation on the need and criteria for remediation of a risk based approach, the Shire is unable to estimate the potential costs associated with remediation of this site. This approach is consistent with the Department of Water and Environmental Regulation Guidelines.

20. CAPITAL COMMITMENTS

	2024	2023
	\$	\$
Contracted for:		
- capital expenditure projects	916,172	341,173
- plant & equipment purchases	0	11,880
	916,172	353,053
Payable:		
- not later than one year	916,172	353,053

The capital expenditure projects outstanding at the end of the current reporting period represent West Brookton Fire Shed, East Brookton Fire Shed, Brookton Railway Station and effluent line renewal.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

21. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

	Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
President's annual allowance		1,500	1,500	1,500
President's meeting attendance fees		8,400	5,329	8,100
President's travel and accommodation expenses		204	589	178
		<u>10,104</u>	<u>7,418</u>	<u>9,778</u>
Deputy President's annual allowance		469	375	375
Deputy President's meeting attendance fees		4,518	5,229	3,200
Deputy President's travel and accommodation expenses		524	589	749
		<u>5,511</u>	<u>6,193</u>	<u>4,324</u>
All other council member's meeting attendance fees		15,292	26,142	13,587
All other council member's travel and accommodation expenses		717	2,942	1,239
		<u>16,009</u>	<u>29,084</u>	<u>14,826</u>
	21(b)	<u>31,624</u>	<u>42,695</u>	<u>28,928</u>

(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		551,518		499,957
Post-employment benefits		68,733		69,361
Employee - other long-term benefits		63,383		60,910
Employee - termination benefits		5,626		0
Council member costs	21(a)	<u>31,624</u>		<u>28,928</u>
		<u>720,884</u>		<u>659,156</u>

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 2024

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:

	2024 Actual	2023 Actual
	\$	\$
Sale of goods and services	2,664	616
Purchase of goods and services	6,418	0
Amounts outstanding from related parties:		
Trade and other receivables	2,664	616
Amounts payable to related parties:		
Trade and other payables	6,418	0
Loans from associated entities	114,485	142,474

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 and are detailed in Notes 21(a) and 21(b).

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 \$114,485 in the current year (\$142,474 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 2024

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 operations are as follows:

Statement of Financial Position

Land & Building
Less: accumulated depreciation
Total assets

Land & Building
Total equity

Statement of Comprehensive Income

Other revenue

Depreciation
Other expense
Profit for the period
Total comprehensive income for the period

Statement of Cash Flows

Other revenue
Other expense
Net cash provided by operating activities

	2024	2023
	Actual	Actual
	\$	\$
	91,464	91,464
	(3,752)	(1,876)
	87,712	89,588
	91,464	91,464
	91,464	91,464
	33,296	41,072
	(1,876)	(1,876)
	(16,910)	(12,253)
	14,510	26,943
	14,510	26,943
	33,296	41,072
	(16,910)	(12,429)
	16,386	28,643

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 Standard.

**SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

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 2024

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 2024

25. RATING INFORMATION

(a) General Rates

RATE TYPE				2023/24 Actual Rateable Value*	2023/24 Actual Rate Revenue	2023/24 Actual Interim Rates	2023/24 Actual Total Revenue	2023/24 Budget Rate Revenue	2023/24 Budget Interim Rate	2023/24 Budget Total Revenue	2022/23 Actual Total Revenue
Rate Description	Basis of valuation	Rate in \$	Number of Properties		\$	\$	\$	\$	\$	\$	\$
GRV - Residential	Gross rental valuation	9.9300	249	2,965,255	294,450	(197)	294,253	294,450	0	294,450	285,515
GRV - Industrial	Gross rental valuation	9.9300	5	78,870	7,832	0	7,832	7,832	0	7,832	7,587
GRV - Commercial	Gross rental valuation	9.9300	20	651,728	64,717	0	64,717	64,717	0	64,717	63,537
GRV - GRV	Gross rental valuation	9.9300	2	303,500	30,137	10,394	40,531	30,138	0	30,138	29,197
UV - Unimproved	Unimproved valuation	0.7210	204	268,792,000	1,937,990	(5,699)	1,932,291	1,937,990	0	1,937,990	1,842,872
Total general rates			480	272,791,353	2,335,126	4,498	2,339,624	2,335,127	0	2,335,127	2,228,708
Minimum payment		\$									
GRV - Residential	Gross rental valuation	885	67	178,520	59,295	0	59,295	59,295	0	59,295	55,110
GRV - Industrial	Gross rental valuation	885	2	9,280	1,770	0	1,770	1,770	0	1,770	1,670
GRV - Commercial	Gross rental valuation	885	11	60,396	9,735	0	9,735	9,735	0	9,735	8,350
GRV - GRV	Gross rental valuation	885	1	7,000	885	0	885	885	0	885	835
UV - Unimproved	Unimproved valuation	1,480	178	19,776,354	263,440	0	263,440	263,440	0	263,440	238,560
Total minimum payments			259	20,031,550	335,125	0	335,125	335,125	0	335,125	304,525
Total general rates and minimum payments			739	292,822,903	2,670,251	4,498	2,674,749	2,670,252	0	2,670,252	2,533,233
Ex-gratia Rates		Rate in									
Ex Gratia Rates		8.9224	2	481,945	43,001	0	43,001	43,001	0	43,001	40,567
Total amount raised from rates (excluding general rates)			2	481,945	43,001	0	43,001	43,001	0	43,001	40,567
Discounts							(817)			(2,150)	(2,102)
Total Rates							2,716,933			2,711,103	2,571,698
Rate instalment interest							9,465			10,000	9,006
Rate overdue interest							10,253			7,025	6,805

The rate revenue was recognised from the rate record as soon as practicable after the Shire resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

*Rateable Value at time of raising of rate.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

26. DETERMINATION OF SURPLUS OR DEFICIT

		2023/24 Budget (30 June 2024 Carried Forward)	2022/23 (30 June 2023 Carried Forward)
Note	2023/24 (30 June 2024 Carried Forward)	2023/24 Budget (30 June 2024 Carried Forward)	2022/23 (30 June 2023 Carried Forward)
	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit (Loss) on asset disposals LHFR	0	0	(1,046)
Less: Profit on asset disposals	(92,945)	(845)	(8,734)
Less: Fair value adjustments to financial assets at fair value through profit or loss	(1,261)	0	(2,764)
Add: Loss on disposal of assets	9,021	82,068	0
Add: Depreciation	2,342,069	2,176,012	2,221,914
10(a)			
Non-cash movements in non-current assets and liabilities:			
Financial assets at amortised cost	0	0	(5,000)
Pensioner deferred rates	(12,432)	0	471
Employee benefit provisions	35,126	0	(55,279)
Movement in Receivable - employee related provision non-current	(13,882)	0	46,576
Movement in non-current long service leave oncost provision	2,325	0	(8,920)
Non-cash amounts excluded from operating activities	2,268,021	2,257,235	2,187,218
(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			
Less: Reserve accounts	28 (11,880,665)	(7,959,746)	(12,754,602)
Less: Financial assets at amortised cost - self supporting loans	4(a) (29,967)	(27,988)	(27,988)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14 161,834	549,668	151,836
- Current portion of lease liabilities	11(b) 1,568	0	1,515
Total adjustments to net current assets	(11,747,230)	(7,438,066)	(12,629,239)
Net current assets used in the Statement of Financial Activity			
Total current assets	15,071,806	9,052,597	15,566,638
Less: Total current liabilities	(1,432,425)	(1,614,531)	(1,333,194)
Less: Total adjustments to net current assets	(11,747,230)	(7,438,066)	(12,629,239)
Surplus or deficit after imposition of general rates	1,892,151	0	1,604,205

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget			
		Principal at	New Loans	Principal	Principal at 30	New Loans	Principal	Principal at	Principal at 1	New Loans	Principal	Principal at
		1 July 2022	During 2022-23	Repayments	June 2023	During 2023-24	Repayments	30 June 2024	July 2023	During 2023-24	Repayments	30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Kalkami Residency		44,707	0	(10,264)	34,443	0	(10,850)	23,593	34,443	0	(10,850)	23,593
Staff Housing		73,768	0	(16,935)	56,833	0	(17,902)	38,931	56,832	0	(17,902)	38,930
Sewerage		31,295	0	(7,185)	24,110	0	(7,595)	16,515	24,110	0	(7,595)	16,515
Effluent Loan		0	0	0	0	0	0	0	0	600,000	(50,332)	549,668
Sport & Recreation		419,296	0	(65,003)	354,293	0	(69,599)	284,694	354,294	0	(69,599)	284,695
Grader		73,766	0	(16,935)	56,831	0	(17,902)	38,929	56,831	0	(17,902)	38,929
Total		642,832	0	(116,322)	526,510	0	(123,848)	402,662	526,510	600,000	(174,180)	952,330
Self Supporting Loans												
Country Club		168,613	0	(26,140)	142,473	0	(27,988)	114,485	142,473	0	(27,988)	114,485
Total Self Supporting Loans		168,613	0	(26,140)	142,473	0	(27,988)	114,485	142,473	0	(27,988)	114,485
Total Borrowings	14	811,445	0	(142,462)	668,983	0	(151,836)	517,147	668,983	600,000	(202,168)	1,066,815

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 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
					\$	\$	\$
Kalkami Residency	Loan 80	WATC*	5.63%	2/02/2026	(1,791)	(2,044)	(2,618)
Staff Housing	Loan 80	WATC*	5.63%	2/02/2026	(2,955)	(3,372)	(4,346)
Sewerage	Loan 80	WATC*	5.63%	2/02/2026	(1,254)	(1,431)	(1,844)
Effluent Loan					0	(24,874)	0
Sport & Recreation	Loan 81	WATC*	6.95%	15/11/2027	(25,782)	(26,031)	(32,411)
Grader	Loan 80	WATC*	5.63%	2/02/2026	(2,955)	(3,372)	(4,346)
Total					(34,737)	(61,124)	(45,565)
Self Supporting Loans Finance Cost Payments							
Country Club	Loan 82	WATC*	6.95%	15/11/2027	(9,852)	(10,469)	(12,552)
Total Self Supporting Loans Finance Cost Payments					(9,852)	(10,469)	(12,552)
Total Finance Cost Payments					(44,589)	(71,593)	(58,117)

* WA Treasury Corporation

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

27. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2023/24

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Budgeted Interest & Charges	Actual Balance Unspent
					2024 Actual	2024 Budget	2024 Actual	2024 Budget		
Upgrade Effluent Network	WATC*	P & I	10	3.81%	\$ 0	\$ 600,000	\$ 0	\$ 600,000	\$ 152,064	\$ 0
					0	600,000	0	600,000	152,064	0

* WA Treasury Corporation

(c) Lease Liabilities

Purpose	Note	Actual							Budget			
		Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Re-Use Water Dam		22,019	0	(1,467)	20,552	0	(1,515)	19,037	20,552	0	(1,515)	19,037
Total Lease Liabilities	11(b)	22,019	0	(1,467)	20,552	0	(1,515)	19,037	20,552	0	(1,515)	19,037

Lease Finance Cost Payments

Purpose	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023	Lease Term
					\$	\$	\$	
Re-Use Water Dam	LE-03	Seabrook Aboriginal Corporation	3.40%	1/11/2035	(667)	(664)	(715)	25 years
Total Finance Cost Payments					(667)	(664)	(715)	

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

28. RESERVE ACCOUNTS

	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave Reserve	146,463	6,253	0	152,716	146,463	1,493	0	147,956	138,959	7,504	0	146,463
(b) Plant and Vehicle Reserve	774,794	487,643	(645,776)	616,661	774,794	596,669	(975,776)	395,687	458,416	422,875	(106,497)	774,794
(c) Land and Housing Development Reserve	1,785,748	0	(1,785,748)	0	1,785,748	0	(1,785,748)	0	1,640,520	145,227	0	1,785,748
(d) Furniture and Equipment Reserve	30,256	100,376	(15,306)	115,326	30,256	97,308	(33,300)	94,264	13,584	30,944	(14,272)	30,256
(e) Municipal Building and Facility Reserve	508,351	0	(508,351)	0	508,351	0	(508,351)	0	607,293	29,297	(128,238)	508,351
(f) Townscape and Footpath Reserve	131,025	0	(131,025)	0	131,025	0	(131,025)	0	125,231	5,794	0	131,025
(g) Sewerage Scheme Reserve	449,016	69,139	0	518,155	449,016	54,545	0	503,561	510,978	42,410	(104,371)	449,016
(h) Road and Bridges Infrastructure Reserve	452,381	0	(452,381)	0	452,381	0	(452,381)	0	296,802	351,172	(195,593)	452,381
(i) Health and Wellbeing Reserve	0	0	0	0	0	0	0	0	554,586	0	(554,586)	0
(j) Sport and Recreation Reserve	32,719	0	(32,719)	0	32,719	0	(32,719)	0	31,667	1,052	0	32,719
(k) Rehabilitation and Refuse Reserve	279,411	0	(279,411)	0	279,411	0	(279,411)	0	266,081	13,330	0	279,411
(l) Caravan Park Reserve	373,341	0	(373,341)	0	373,341	0	(373,341)	0	354,212	19,129	0	373,341
(m) Brookton Museum/Heritage Reserve	48,777	0	(48,777)	0	48,777	0	(48,777)	0	47,209	1,568	0	48,777
(n) Kweda Hall Reserve	19,025	0	(19,025)	0	19,025	0	(19,025)	0	18,050	975	0	19,025
(o) Railway Station Reserve	526,287	0	(526,287)	0	526,287	0	(526,287)	0	530,223	17,614	(21,550)	526,287
(p) Madison Square Units Reserve	32,351	1,594	0	33,945	32,351	538	0	32,889	30,693	1,658	0	32,351
(q) Cemetery Reserve	84,276	0	(84,276)	0	84,276	0	(84,276)	0	80,748	3,528	0	84,276
(r) Water Reserve	65,683	0	(65,683)	0	65,683	0	(65,683)	0	75,795	3,888	(14,000)	65,683
(s) Developer Contribution Reserve	2,891	0	(2,891)	0	2,891	0	(2,891)	0	27,937	148	(25,195)	2,891
(t) Brookton Aquatic Reserve	387,599	0	(387,599)	0	387,599	0	(387,599)	0	456,363	50,236	(119,000)	387,599
(u) Cash Contingency Reserve	138,858	0	(138,858)	0	138,858	0	(138,858)	0	138,938	(81)	0	138,858
(v) Future Fund Reserve	4,206,439	0	(4,206,439)	0	4,206,439	0	(4,206,439)	0	4,100,930	105,510	0	4,206,439
(w) Innovations Fund Reserve	2,056,957	0	(2,056,957)	0	2,056,957	0	(2,056,957)	0	2,013,401	43,556	0	2,056,957
Brookton Community Resource Centre												
(x) Reserve	221,954	9,364	0	231,318	221,954	2,262	0	224,216	0	221,954	0	221,954
(y) Building and Facility Reserve	0	6,260,512	(889,378)	5,371,134	0	6,030,368	(1,575,864)	4,454,504	0	0	0	0
(z) Infrastructure Reserve	0	785,372	(222,281)	563,091	0	892,389	(474,707)	417,682	0	0	0	0
(aa) Waste Reserve	0	733,151	0	733,151	0	710,872	0	710,872	0	0	0	0
(ab) Aged Housing Reserve	0	417,079	0	417,079	0	404,155	0	404,155	0	0	0	0
(ac) Innovations and Development Reserve	0	3,128,089	0	3,128,089	0	3,031,161	(2,457,201)	573,960	0	0	0	0
	12,754,602	11,998,572	(12,872,509)	11,880,665	12,754,602	11,821,760	(16,616,616)	7,959,746	12,518,616	1,519,288	(1,283,302)	12,754,602

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 2024

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	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	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	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	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	This reserve is for the construction and upgrade of roads and bridges within the Shire.
(i) Health and Wellbeing Reserve	This reserve is for funding of initiatives in relation to Community Health & Wellbeing.
(j) Sport and Recreation Reserve	This reserve is to fund new, renewal, upgrades, or major maintenance of sporting and recreation infrastructure.
(k) Rehabilitation and Refuse Reserve	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	This reserve is to be used to fund any upgrades or major maintenance at the Brookton Caravan Park.
(m) Brookton Museum/Heritage Reserve	This reserve is to be used to fund any upgrades or major maintenance of the Brookton Historical Museum.
(n) Kweda Hall Reserve	This reserve is to be used to fund any upgrades or major maintenance on the Kweda Hall.
(o) Railway Station Reserve	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	This reserve is to be used to fund any upgrades or major maintenance on the Brookton Cemetery.
(r) Water Reserve	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	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	This reserve is to fund the renewal, replacement, upgrades or major maintenance of the Brookton Aquatic Centre.
(u) Cash Contingency Reserve	This reserve is to cover unexpected shortfalls in operational funding should the need arise.
(v) Future Fund Reserve	This reserve is primarily set aside for investment. It is anticipated this fund will be preserved in perpetuity.
(w) Innovations Fund Reserve	This reserve is to support and complement the Integrated Planning and Reporting (IPR) framework.
Brookton Community Resource Centre 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.

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

29. TRUST FUNDS

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

	1 July 2023	Amounts Received	Amounts Paid	30 June 2024
	\$	\$	\$	\$
Public Open Space Contributions	13,820	0	(13,820)	0
	13,820	0	(13,820)	0



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

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 2024, 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 2024 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 2024, 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 2024 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.



Jordan Langford-Smith
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
9 December 2024