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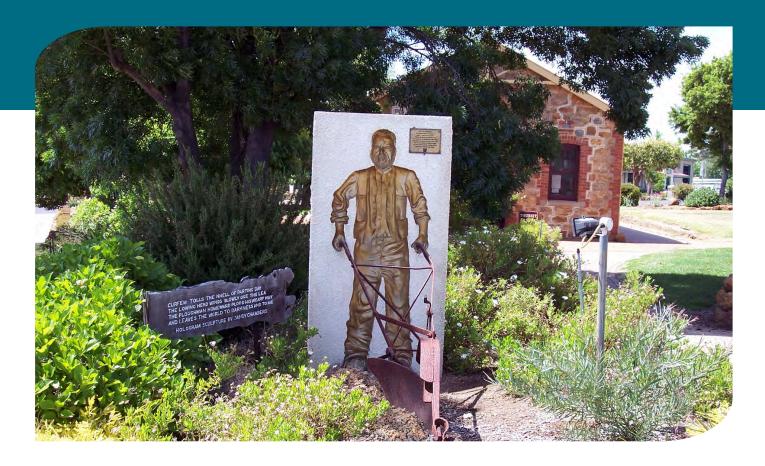








SHIRE OF BOYUP BROOK YEAR 2022/2023



# STATEMENT OF COMPLIANCE

#### For the year ended 30 June 2023

Residents and rate payers of the Shire of Boyup Brook,

In accordance with section 5.53 of the *Local Government Act 1995*, I hereby submit for your information, the Annual Report for the Shire of Boyup Brook for the financial year ended 30 June 2023.

The Annual Report has been prepared in accordance with the provisions of the *Local Government Act* 1995 and the *Local Government (Administration) Regulations* 1996.

Leonard Long
Chief Executive Officer

# INTRODUCTION

The Shire of Boyup Brook is delighted to present the Annual Report for the 2022/2023 fiscal year. This report serves as a comprehensive guide to the Council's strategic directions, goals, and the broad spectrum of initiatives undertaken to foster a more vibrant and conducive living and working environment for our community.

Nestled in the heart of the South West regional development area of the State, the Shire of Boyup Brook lies 270 kilometres from the Perth CBD. It shares borders with the local government areas of Collie, West Arthur, Kojonup, Cranbrook, Manjimup, Bridgetown-Greenbushes and Donnybrook-Balingup. With a population of 1,834 (ABS 2021) and spanning an area of 2,838 square kilometres, our Shire boasts a diverse and rich landscape.

Agriculture remains the cornerstone of our local economy, characterised by a dynamic mix of broadacre farming, and the cultivation of olives, vineyards and timber plantations. Livestock, encompassing sheep and cattle, alongside cropping activities such as canola, barley, wheat, oats, and lupins, stand out as the primary economic activities, underscoring the region's agricultural vitality.



# SHIRE PRESIDENT'S MESSAGE



I am pleased to present this report to the residents of the Shire of Boyup Brook. Serving as Shire President is a role of profound responsibility, often involving diverse and demanding challenges. The position requires a multifaceted approach and considerable energy and passion to represent the Council both locally and regionally.

Over the recent term, the Council has commenced addressing critical issues such as water availability and long-term water security. These concerns, once primarily managed by other government tiers, now demand our attention alongside the traditional responsibilities of rates, roads, and rubbish removal.

Moreover, the scope of Council duties has expanded to include community development, event planning, tourism, and cultural initiatives, all integral to our service delivery and daily lives.

Fiscal responsibility and governance compliance remain pivotal aspects of the Council's authority. Meticulous reporting and compliance are essential parts of our operations, requiring a thorough understanding due to the significant responsibilities associated with managing public funds, where transparency is crucial. Our Administration staff have excelled during this period of evolution and change.

This past year, in collaboration with community groups, we have completed significant projects, including the renovation of several community halls across the Shire. Furthermore, road users will appreciate the recent upgrades to Sinnott Road, Brown Road, and Kulikup Road. Our Works and Services teams have done extremely well, also doing more with less during this period of evolution and change.

Regarding changes to the *Local Government Act 1995*, the reforms mandate a reduction in Councillor representation for a population our size to seven over the next four years. Despite this, our current Councillors each bring balanced perspectives and demonstrate the strong values necessary for effective governance and maintaining a healthy organisational culture. I thank them for their dedication and contributions over the past year.

I would also like to extend my thanks to our outgoing CEO, Mr Dale Putland, and to Acting CEOs Arthur Kyron and Peter Clarke, who have adeptly steered our administration through a challenging period. This report reflects a substantial effort over the past year and showcases the commitment required to ensure robust governance and functional local government.

Richard Walker Shire President SHIRE OF BOYUP BROOK YEAR 2022/2023

# CHIEF EXECUTIVE OFFICER'S MESSAGE



Having commenced my tenure in June 2023, it is both an honor and a privilege to deliver this annual report, which encompasses the achievements and efforts of both my predecessors and our current team.

Our local government operates with a relatively small but exceptionally dedicated team. This team's unwavering commitment has been crucial in navigating through a year marked by significant financial constraints, including rising costs that have put considerable strain on our resources. Despite these hurdles, our team has consistently delivered exceptional results, demonstrating that they are indeed punching well above their weight.

This past year was significant in terms of infrastructure development and maintenance, with several key road projects reaching completion. We successfully repaired Sinnot Road, Brown Road, and Kulikup Road. These projects were made possible through funding from the Roads to Recovery Grant and the Regional Roads Grant. The completion of these projects, under tight deadlines and immense pressure, highlights the efficiency and dedication of our roads team. I extend my heartfelt congratulations and thanks to all members involved for their hard work and commitment.

We were also fortunate to receive a Federal grant via the Local Roads and Community Infrastructure Program. This funding facilitated fruitful partnerships with various community groups, leading to significant upgrades and repairs of our community halls. The collaboration between these volunteer groups and our shire team has been instrumental in the success of these initiatives. I extend my sincere gratitude to every community volunteer and team member whose tireless efforts made these projects a reality.

Apart from physical projects, there is a substantial amount of work that unfolds behind the scenes. Our administrative team plays a crucial role in the seamless operation of our local government. Though their efforts may not always be visible to the public, their work is indispensable to our daily operations and overall functionality. The diligent work of our administration team ensures that we continue to serve our community effectively and efficiently.

As we look ahead, our focus remains on fostering growth and prosperity within the shire. We are committed to continuing our work with transparency, diligence, and a collaborative spirit. The challenges we face will undoubtedly evolve, but with our dedicated team and supportive community, I am confident in our ability to meet them head-on.

I would like to express my gratitude to the community for the warm welcome we received upon moving to Boyup Brook. Additionally, I commend the staff for their consistent efforts to deliver outstanding service to the community. I also extend my thanks to the Shire President, Deputy Shire President, and Councillors for their ongoing trust and support.

Leonard Long
Chief Executive Officer

# **ELECTED MEMBERS**

The Shire of Boyup Brook is made up of nine community elected representatives, elected for a four-year term. The Shire President and the Deputy Shire President are elected by the Elected Members following each ordinary Local Government election held in October every second year.

The Elected Members for the reporting year were as follows:



Shire President Cr Richard Walker Term Expires 2025



Deputy Shire President Cr Helen O'Connell Term Expires 2025



Cr Sarah Alexander Term Expires 2025



Cr Steele Alexander Term Expires 2025



Cr Charles Caldwell Term Expires 2025



Cr Phillipe Kaltenrieder Term Expires 2025



Cr Darren King Term Expires 2023



Cr Kevin Moir Term Expires 2023



Cr Adrian Price Term Expires 2023

## **ELECTED MEMBERS**

Elected Members serve a pivotal role in representing the interests and addressing the needs of the community. They offer community leadership and guidance while fostering effective communication between the community and the Council.

Their responsibilities include a significant policy-making function that involves recognising community needs, defining objectives to satisfy those needs, prioritising among various demands, and allocating resources accordingly.

Upon the inauguration of a new Council term (every two years), the Council Members elect the Shire President and Deputy President, underscoring the democratic process at the heart of local governance.

The duties and responsibilities of the Shire President and the Elected Members are delineated in the *Local Government Act 1995.* 

The Local Government Act 1995, describes the role of the Shire president as being:

- Preside at meetings in accordance with the Act.
- Provide leadership and guidance to the community in the Boyup Brook local government area.
- Speak on behalf of the local government.
- Perform such other functions as are given to the President by the Act of any other written law;
   and
- Liaise with the Chief Executive Officer on the local government's affairs and the performance of its functions.



In addition to the meetings required by the Act, Elected Members represent the Boyup Brook community on a number of communities and groups.

Cr Richard Walker Audit and Finance Committee

(President) Grants Committee

Local Emergency Management Committee

Bush Fire Advisory Committee South West Zone meetings

Warren Blackwood Alliance of Councils

Rylington Park Farm Committee

Cr Helen O'Connell Audit and Finance Committee

(Deputy President) Grants Committee

Awards Committee

Regional Roads Group

Warren Blackwood Alliance of Councils Community Resource Centre Committee

Rylington Park Farm Committee

Cr Sarah Alexander Audit and Finance Committee

Grants Committee Awards Committee

Cr Steele Alexander Audit and Finance Committee

Grants Committee
Awards Committee

Cr Charles Caldwell Audit and Finance Committee

**Grants Committee** 

Rylington Park Farm Committee

Cr Phillipe Kaltenrieder Audit and Finance Committee

**Grants Committee** 

Cr Darren King Audit and Finance Committee

Grants Committee Awards Committee Museum Committee Blackwood Basin Group

Rylington Park Farm Committee

Cr Kevin Moir Audit and Finance Committee

Grants Committee Awards Committee

Rylington Park Farm Committee

Cr Adrian Price Audit and Finance Committee

Grants Committee
Tourism Committee













# **OUR COMMUNITY**

Since 2006, Boyup Brook's overall population has experienced growth, with the most significant increase observed in the over-55 age bracket. Specifically, there has been a 54% surge in the population of those aged 55 to 64 and above since 2001. Meanwhile, the numbers of youth and young adults, as well as those in the 25 to 54 age group, have largely remained stable since 2006.

**Population** 

1,834



Male 50%

Female 50%

Median Age

49 years

#### **Family Composition**



Couple without children 53.7%



Couple with children 36.4%



One parent family 10%



# Industry & Employment



Sheep Farming 16.5%



Grain Farming 8.8%



Beef Cattle 7.8%



Local Government 4.1%



Retail 3.3%

#### **Our Roads**



Sealed Urban Roads 15.21 kms



Sealed Rural Roads 184.09 kms



Gravel Rural Roads 841.45 kms





SHIRE OF BOYUP BROOK YEAR 2022/2023

# INTEGRATED PLANNING & REPORTING FRAMEWORK

All local governments are required to prepare a plan for their future district in accordance with s5.56(1) of the *Local Government Act 1995*. The Shire has developed an Integrated Planning and Reporting Framework that will enable it to sustainably and strategically meet the needs of the Boyup Brook community. The objective of this framework is to have a stronger focus on place shaping and well being, with a greater level of community engagement.

This framework comprises the following three key documents:

#### **Strategic Community Plan**

The Strategic Community Plan is the highest level planning document in the Integrated Planning and Reporting Framework. This Plan is designed to be a 'living' document that guides the development of the Shire over the next ten years.

This document expresses the community's vision, aspirations and goals for a ten year period, with the main themes being:



The Annual Report provides feedback to the community of the Shire's performance against the Community Strategic Plan. It is an essential tool to inform the community and stakeholders about the Shire's achievements and future plans.

#### **Corporate Business Plan**

The Corporate Business Plan is the operational plan that maps the Shire's key priorities, projects, services and actions over the next four years. It provides the detailed actions for the first years of the Strategic Community Plan. This document is currently in a draft form and will be finalised in 2024.

#### **Annual Budget**

The Annual Budget is a detailed financial plan for each year, covering all aspects of the Shire's operations that reflects the resources generated (revenue) and those consumed (expenditure).

SHIRE OF BOYUP BROOK YEAR 2022/2023

# STRATEGIC COMMUNITY PLAN



#### **Built Environment**

Aspiration: Improvement of the built environment addressing the desire for new facilities as well as maintaining and upgrading current facilities and infrastructure.

#### **Ritson Road Repair**

A one kilometre section of Ritson Road was rebuilt due to heavy rain and poor drainage. The road was rebuilt using a mixture of recycled gravel and recycled asphalt. Two new drainage points with pipes and culverts were installed, and a deeper water catchment hole was dug at each drain. This helps the water to pass under the road and not over it, as had been happening before.

Repairs began on 1 March 2023, and were completed on 4 April 2023 and on budget.

#### **Sinnott Road Repair**

Sinnott Road had been eroding for a considerable time due to an underwater stream. 60 metres of the road had to be completely removed and dug down to redirect the water from the stream to prevent further issues in the future. The road was then rebuilt using a geotextile fabric underlay to prevent any water from seeping into the road in the future.

The project began on 19 April 2023, and were completed on 16 May 2023, on time and on budget.

**Brown Road Repair** Brown Road is a minor trucking route for farm produce and livestock. It is a small gravel road that became badly damaged due to heavy traffic, broken drainage pipes and culverts, and heavy rain.

A 40-metre section of the road was repaired. The culvert was dug up and replaced, and the roadbed was prepared. Shale was mixed in with the road material, and the heavy water was redirected into a deeper and wider catchment hole. This allows the water to pass through the new drain freely and without resistance or spillage onto the road.

Repairs began on 7 November 2022, and were completed on 15 November 2022.

#### Kulikup South (Roads to Recovery)

5km of gravel and 9 drainage culverts replaced. Project started 3 October 2022, and finished 7 December 2022.

#### **Bridge Level 1 Maintenance**

All bridge level 1 maintenance was completed to the satisfaction of Main Roads WA between February 2023 and May 2023.

#### **Community Hall Works**

Dinninup Hall has received power upgrades to both halls and broken windows replaced. Drainage works to the Kulikup Hall have been completed along with new guttering. McAlinden Hall has had a new water tank installed along with new guttering. Mayanup Hall has had air-conditioning installed and two new water tanks. Wilga Hall has had new decking installed.

Tonebridge Country Club has had asbestos removed and the interior walls replaced.





Aspiration: Maintain and improve services for the aged, support for youth, community safety, create a vibrant engaged community, and find new and more effective ways to deliver services and amenities.



#### **Swimming Pool**

The swimming pool plays a vital role in our community, continuing to attract visitors from far and wide. With almost 13,000 visitors for the pool season, it was a hub of activity for children's birthday parties, St Mary's Catholic School Big Splash, swimming carnivals, early morning swimming, water aerobics, BBDHS daily sports classes, Swim Club and swimming lessons. The addition of pool inflatables this season were a source of fun and enjoyed by many.

The diving boards remain one of the big draw cards of the swimming pool, with children showing a strong regard for safety.

Grant funding assisted with the training of local lifeguards, enhancing the safety of patrons.

\$30,000 has been allocated to improve disability access with the installation of Automatic doors to improve inclusive access to the facility and allow greater participation in recreation activities for all residents.

#### Tourism/Events/Arts/Culture

Boyup Brook is host to many events throughout the year showcasing our beautiful Shire to tourists and locals. Some of our larger events include the annual Blackwood Marathon, Boyup Brook Rodeo held at the iconic Harvey Dickson's Country Music Blackwood Agricultural Centre. Upper Society - Dinninup Show, Walk on the Wildside and the Country Music Festival.



The Country Music Club of Boyup Brook held its 36th Annual Country Music Festival with headline act Brooke McClymont and Adam Eckersley. The festival showcases local talent and spans across Australia. The weekend festival also includes the Ute & Truck Muster and Parade, a must-see event in itself.



Boyup Brook has a strong RSL presence with services held every year on ANZAC Day, Remembrance Day and a Sandakan Memorial Service.

The Sandakan Memorial Service is hosted by both the Shire of Boyup Brook and the Boyup Brook RSL Sub Branch. The Service has a special meaning to the community of Boyup Brook who has a longstanding relationship with the Sandakan Municipality in Malaysia and sees representatives from Sabah attend the Service most years.

#### **Community Related Events / Projects**

The Shire held several events during the year including an Easter Egg Hunt along Abel Street, Mother's Day Competition, Community Christmas Celebrations, Australia Day Breakfast and Annual Award Ceremony, Rylington Park – Storm in a Teacup and a Road Safety Week event.



The Road Safety Week event held on 18 May 2023 was a collaboration between the Shire of Boyup Brook and Boyup Brook District High School.



The educational day included community involvement from local emergency services St John Ambulance, WA Police and Boyup Brook Volunteer Fire and Rescue and businesses who gave talks and demonstrations on road safety in general with a focus on bicycles and scooters. Prizes were awarded from sponsors with all children receiving a goodie bag at the conclusion of the day. The day was made possible with funding from the Road Safety Commission and RAC along with various local businesses providing prizes.

#### **Boyup Brook Medical Services**



Boyup Brook Medical Services offers the community high quality health care by a highly skilled, dedicated and friendly team. The medical service is provided by a full time Senior Medical Doctor, a part time General Practitioner, Practice Manager, Practice Nurse and three Medical Receptionists.

The Doctors also provide medical support to Boyup Brook Memorial Hospital and the Citizen's Lodge with 'On Call' availability most days and nights. An increasing number of allied health professionals now attend the Medical Services on a weekly basis, providing visiting allied health services to our community. These include Osteopath, Psychologist, Physiotherapist, Podiatrists, Dietitians, and Occupational Therapist.

A new Practice Nurse joined the team in April, with a wealth of experience in critical care, Emergency (ED), wound care, rehabilitation and a special interest in community mental health.

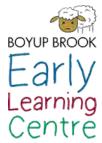
Boyup Brook Medical Services now provides the following services:

- Practice consultations
- Citizens Lodge consultations
- Hospital admissions and emergency presentations
- Minor general surgery (lumps & bumps)
- · Basic ultrasound
- · Holter monitoring
- Ear Syringing
- Pregnancy testing / pre & post natal care
- · Women's health care
- Men's health care
- · Child and adolescent health care
- Immunisations / vaccinations
- The practice has continued to have steady appointments throughout the year with Monday and Tuesday being the busiest days and quietening down towards the end of the week, with a very reasonable wait time for appointments. In the 12 months to 30th June 2023 the practice filled 13,542 appointments. This includes hospital, lodge and Emergency Department visits.

- Driving medicals
- Insurance / pre-employment medicals
- · Cortisone injections
- Hepatitis C treatment
- · Dermatology & skin checks
- Mental health
  - GP Mental Health Treatment Plans, Review and Consultation items
  - Visiting psychologist (B.A; B. Psych; Assoc MAPS)
- GP Focused Psychological Strategies
- Chronic Disease Management and Health Assessments
- · Video consultations with specialists



#### **Boyup Brook Early Learning Centre**

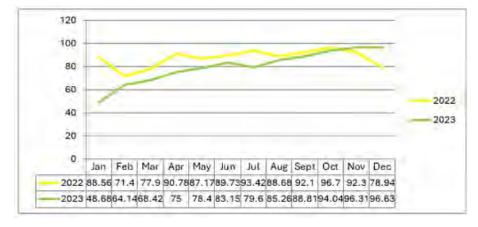


The Shire managed Boyup Brook Early Learning Centre has a philosophy of supporting the next generation to develop, explore and learn through play naturally.

The Early Learning Centre is a small, multi-age, single spaced service, offering education and care to 19 children ranging from 6 weeks to 7 years of age. This uniqueness in set up allows for the benefit of family groupings and shared learning experiences across all ages.

Our service prides itself on having a small, dedicated team of educators, to provide consistency in caregivers and the level of care provided.

Critical reflection and staff training is incorporated on a regular basis, to inform policy, procedure, and practice. Service specific requirements and 'best practice' are utilised to remain at the forefront of education and care trends. Risk play, supervision, circle of security, sun safety and heat stroke, featured as a small part of our ongoing learning, were some of the training modules provided, being above and beyond the required child protection, first aid and food handling requirements, which all staff hold as best practice.



#### Utilisation

The service has demonstrated consistency in utilisation, in line with fluctuations concurrent with many ELC settings (return to school drop in February, and end of year in December). The 2022/23 financial year saw some of the highest utilisation numbers since opening in June 2018.

There was also an extended Christmas closure for 2022/23 due to low utilisation numbers and majority of families not returning to care until the commencement of Term 1.

#### Staffing

The team of educators consisted of the Director, who has been at the service since its commencement under Shire approval in June 2018, and 4 educators who have all been employed for over 12 months as at the beginning of the 2022/23 financial year.





#### **Economic Development**

Aspiration: Support business development, tourism, and initiatives to create more local jobs to stimulate our economy, increase population and number of visitors.

#### Flax Mill Caravan Park

The Shire has entered into a Management Agreement with CMCA (Campervan & Motorhome Club of Australia Ltd) to manage the Boyup Brook Caravan Park. The CMCA is the largest Recreational Vehicle (RV) club in Australia, with more than 70,000 members.

#### **Community Grants**

The Shire of Boyup Brook offers the provision of financial assistance to all local community groups in the form of a Community Grant or Donation. The objective of this assistance is to promote and support community-based initiatives that are beneficial to the community and support the Shire of Boyup Brook's Strategic Community Plan.

This year grants totalling \$50,090 comprising of \$41,340 cash and \$8,750 in-kind were granted to 12 community groups and organisations. These grants assisted in the delivery of wellbeing programs, upgrades to infrastructure, events, and equipment.

The Shire has a long history of supporting education within the community and continues to sponsor Boyup Brook District High School with the annual Shire President's Scholarship which is awarded at the end of the school year. The Shire also proudly sponsors the Agricultural School Scholarships through Rylington Park.



SHIRE OF BOYUP BROOK YEAR 2022/2023

# STRATEGIC COMMUNITY PLAN



#### **Natural Environment**

Aspiration: Deliver quality green spaces and sustainable lifestyles, support and encourage recycling, responsibly promote our natural assets including the river, wildflowers and fauna as well as encourage sustainable agriculture and climate resilience.

#### **Public and Environmental Health**

Public and Environmental Health services within the Shire are provided across a varied range of areas such as food safety, water quality, pollution, waste-water management, public building compliance and public event safety.

#### **Water Quality**

The Shire is responsible for testing the public swimming pool every month during open



season to ensure the pool water quality complies with the Department of Health - Code of Practice for the Design, Construction, Operation, Management and Maintenance of Aquatic Facilities 2020 and Health (Aquatic Facilities) Regulations 2007. Water quality test results consistently met standards during this period with a rapid response to any issues, ensuring public safety.

#### **Food Safety Assessments**

Food safety assessments are conducted on a regular basis to ensure compliance with the *Food Act* 2008, Food Regulations 2009 and Food Safety Standard 3.2.2 of the Australian New Zealand Food Standards Code. No reported foodborne illnesses were reported in the Shire during this period. An annual report on compliance with the Food Act was compiled and submitted to the Department of Health in August 2023.

The Shire assesses and issues temporary permits for food stalls and temporary businesses to operate during public events throughout the year.

Advice on the implementation of the new Food Safety Standards 3.2.2A requirements was given to food businesses throughout the year.

The specific tools that a business needs to implement are determined by the category of business.

#### **Waste Management**

Waste-water treatment systems such as septic tanks are assessed and approved in compliance with the Health (Treatment of Sewage and Disposal of Effluent and Liquid Waste) Regulations 1974. Eleven septic systems were assessed for approval during this period. Annual audit compliance reports for the waste transfer station, the Shire's liquid waste facility and various license renewals were conducted.

#### **Health and Environmental Nuisance**

Various health and environmental related nuisances are investigated by the Shire such as unauthorised discharge/pollution into environment, asbestos concerns and noise complaints. Health notices or orders were not required for compliance during this period.

#### The Rylington Park Institute for Agricultural Training and Research

Rylington Park is located 27km from Boyup Brook town site on the Boyup Brook–Cranbrook Road in Mayanup.

The 650 hectare property was gifted to the Shire of Boyup Brook in 1985 by the late Mr Eric Farleigh for Research and Training in Agriculture and the betterment of Boyup Brook.

The property is managed by the Shire of Boyup, who employ staff to operate the farm, host shearing schools and coordinate fertiliser and seed trials on the property.





#### **Governance and Organisation**

Aspiration: Demonstrate strong leadership, with improved planning and consultation, community services and infrastructure development. Make goal oriented

decisions for long term benefits of the Shire and the Community.

#### **Rylington Park Ladies Day**

Rylington Park Ladies Day community event was held on 24 March 2023 which included morning tea, lunch, goodie bag, a variety of market stalls to walk through, auction of painting and entertainment.

Guest speakers included Jane Kelsbie MLA - Member for Warren-Blackwood, Melissa Teede from the South West Development Commission and Kristy Gillian from Edith Cowan University.



The Shire was awarded \$2,622 from the South West Development Commission who hosted the event.

#### **Ranger Services**

The Ranger engaged in several community awareness programs and training and attended many Customer Service Requests including:



- Parking 4
- Fire 10
- General Ranger 10
- Cats 19
- Dogs 24
- Strav Dogs 20
- · Stock Attack 1
- Wandering Goats 1
- Wandering Cows 7
- Wandering Sheep 13

#### **Emergency Services**

#### Resources

The following new resources have been provided to the Brigades this year:

- New Fast-Fill Trailer (ESL Funded) East Boyup Brook
- New Fast-Fill Unit (FPC Funded) McAlinden
- New WAERN Hi-Ban Radios (FPC Funded) McAlinden x 4
- New BFB Auxiliary Trailer (Shire Funded) Dinninup
- New WAERN Hi-ban Radios across Shire (BFB Funded) approximately 20
- New Flir Thermal Imaging Cameras x 4
- Kestrel weather reading meters x 4

#### **Bush Fire Risk Mitigation**

Mitigation Activity Fund Program provided 29 planned treatments in the following categories:

- 12 Prescribed Burns
- 9 Mechanical Works
- 8 Chemical Works



#### Funding/Grants

The Shire was successful in several grants including: DRF Grant for Evacuation Centre Upgrade for \$816,000, AWARE Grant for LEMA Review and Update for \$14,200, MAF for Mitigation Activity Fund for \$181,092 and FPC Grant for Resources for \$15,580.



#### **Training**

The Volunteer Bush Fire Brigade completed a record number of training sessions during the 2022/2023 year with the Shire successful in delivering this training locally.

Training included:

- 15 August Bushfire Fundamentals
- 16 August Plantation Firefighting
- 22 August Bushfire Fundamentals Wilga
- 23 August Plantation Firefighting Wilga
- · 27 September Fire Control Officer Training

### STATUTORY REPORTING



#### Freedom of Information Statement

In accordance with Section 96 (1) of the *Freedom of Information Act 1992*, residents have the right to access records (which are not otherwise exempt) held by State and Local Government Agencies. Applications may be made to the Shire to access such information upon payment of a standard fee. In the financial year ending 2022/2023 the Shire received one application.



#### **Complaints Register**

The Shire maintains a register of complaints which records all complaints that result in an action under the *Local Government Act 1995* s5.121(6)(b) or (c). The register of complaints is to include for each recorded complaint:

- Name of Council Member about whom the complaint is made
- Name of the person who makes the compliant
- A description of the minor breach that the Standards Panel finds has occurred
- · Details of the action taken

In the financial year ending 30 June 2023 no complaints were entered into the Register of Complaints under s5.121 of the *Local Government Act* 1995.



#### **Record Keeping Statement**

The *State Records Act 2000* (the Records Act) provides for the keeping of State records and related items, and Section 19 of the Records Act requires each government agency/authority to have a Record Keeping Plan (RKP) that has been approved by the State Records Commission.

The Shire of Boyup Brook's Record Keeping Plan was reviewed during 2022/2023 and approved and validated by the State Records Commission. In accordance with Section 28 of the State Records Act 2000, the Shire's Plan is to be reviewed within five years of its approved date.



#### **Delegations Review**

In accordance with s5.46 of the *Local Government Act 1995* a review of the Shire's Delegations Register was undertaken on 25 August 2022.

#### **Annual Compliance Audit Return**

The Department of Local Government, Sport and Cultural Industries requires the Shire to complete a Compliance Audit Return (CAR) annually. The CAR for the period 1 January 2023 to 31 December 2023 was presented to Audit and Finance Committee on 26 February 2024 and accepted by Council at its Ordinary Council meeting on 29 February 2024.

#### **National Competition Policy**

The Federal and State Governments have a Completions Principles Agreement in place, which is binding on local governments. The Agreement requires the Shire to carry out a number of procedures and include a report on the matter in each year's Annual Report. The three areas that affect local government are:

#### **Structural Reform**

Local government is required to reform the structure of publicly owned monopoly businesses where it is proposed to introduce competition.

#### **Legislative Review**

Review legislation that restricts competition.

#### **Competitive Neutrality**

Local Governments are required to apply the principle of competitive neutrality to all business activities generating user-pays income. The principle of competitive neutrality is that government businesses should not enjoy a competitive advantage, or disadvantage, simply as a result of their public sector ownership. Annual Reports must show that a public benefit test has been conducted for all significant business activities (over \$200,000) to determine if competitive neutrality is in the public interest.

Within these criteria the Shire had no disclosures for the reporting period with respect to competitive neutrality.

#### **Primary and Annual Returns**

In accordance with s5.75 and 5.76 of the Local Government Act 1995 all relevant persons lodged an Annual Return by the due date of 31 August 2023 and a Primary return within 3 months of their start date. In 2022 – 2023, there was 100% compliance in this area.





















#### **Disability Access and Inclusion Plan**

The Disability Services Act 1993 was amended in December 2004, creating a requirement for local government to:

- Maintain a Disability Access and Inclusion Plan (DAIP).
- Address seven specific outcome areas within the plan.
- Report annually on progress against actions within the plan.

The Shire's Disability Access and Inclusion Plan is a key strategic document, outlining the Shire's approach to working towards a more accessible and inclusive community.

#### **Procurement of Goods and Services**

The procurement of Goods and Services is conducted in compliance with the requirements of the Local Government Act 1995, the Local Government (Functions and General) Regulations 1996 and in accordance with the Shire's Code of Conduct and Purchasing Policy.

#### **Annual Salaries**

The Local Government Act 1995 requires the Shire to provide the number of employees who are entitled to an annual salary of \$100,000 or more and to break those employees into salary bands of \$10,000.

# SHIRE CONTACT INFORMATION



55 Abel Street, Boyup Brook WA 6244



PO Box 2, Boyup Brook WA 6244



Phone 9765 1200



Email shire@boyupbrook.wa.gov.au



www.boyupbrook.wa.gov.au



Opening hours: Monday - Friday

8.30am - 4.30pm

# ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023 FINANCIAL STATEMENTS

The Shire of Boyup Brook's Annual Financial Statements and the (independent) auditor's report of the Office of the Auditor General are included in the attached documents.



#### SHIRE OF BOYUP BROOK

#### **FINANCIAL REPORT**

#### FOR THE YEAR ENDED 30 JUNE 2023

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

A place for people, with a sense of community, one that is active, vibrant, engaged and connected.

A place that is safe and secure.

A place that nurtures its youth and aging population; and retains its health and medical services.

A place that grows and has employment opportunities, through commercial diversity, which is based on our competitive advantage.

Principal place of business:

55 Abel Street

**BOYUP BROOK WA 6244** 

#### SHIRE OF BOYUP BROOK FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

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

#### STATEMENT BY CEO

The accompanying financial report of the Shire of Boyup Brook 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 2023 and the financial position as at 30 June 2023.

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

Signed on the	<u>3rd</u>	day of	May	2024
			Long	
			Chief Executive	Officer
			LEONARD LO	
			Name of Chief Execu	itive Officer



#### SHIRE OF BOYUP BROOK STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 Actual	2023 Budget	2022 Actual
_		\$	\$	\$
Revenue	-/ > - /			
Rates	2(a),24	3,335,568	3,334,797	3,114,206
Grants, subsidies and contributions	2(a)	2,769,335	1,020,146	2,308,733
Fees and charges Interest revenue	2(a)	1,909,399	1,812,135	1,721,455
Other revenue	2(a) 2(a)	173,534 1,024,432	26,150 903,637	35,814 1,133,023
Other revenue	2(a)	9,212,268	7,096,865	8,313,231
		9,212,200	7,090,003	0,313,231
Expenses				
Employee costs	2(b)	(4,110,530)	(3,551,787)	(3,656,437)
Materials and contracts		(1,837,985)	(3,156,906)	(1,785,858)
Utility charges		(201,834)	(216,229)	(186,430)
Depreciation		(3,862,759)	(3,586,939)	(3,658,415)
Finance costs	2(b)	(6,096)	(6,550)	(6,395)
Insurance	0(1)	(293,827)	(284,780)	(243,284)
Other expenditure	2(b)	(467,136)	(319,394)	(467,264)
		(10,780,167)	(11,122,585)	(10,004,083)
		(1,567,899)	(4,025,720)	(1,690,852)
Capital grants, subsidies and contributions	2(a)	1,912,314	2,895,601	1,216,168
Loss on asset disposals	,	(26,985)	-	(33,589)
Fair value adjustments to financial assets at fair value through profit or loss	4	3,686	-	3,997
		1,889,015	2,895,601	1,186,576
Net result for the period		321,116	(1,130,119)	(504,276)
Other comprehensive income for the period				
Items that will not be reclassified subsequently to profit or	loss			
Changes in asset revaluation surplus	17	24,899,540	-	10,230,481
Total other comprehensive income for the period	17	24,899,540	-	10,230,481
Total comprehensive income for the period		25,220,656	(1,130,119)	9,726,205
•		, ,	. , , ,	



#### SHIRE OF BOYUP BROOK STATEMENT OF FINANCIAL POSITION **AS AT 30 JUNE 2023**

AO AT 30 00NE 2023	NOTE	2023	2022
CURRENT ASSETS		\$	\$
Cash and cash equivalents	3	7,322,951	6,272,070
Trade and other receivables	5	768,821	584,704
Inventories	6	49,369	37,439
Biological assets	7(a)	259,271	412,050
Other assets	8	59,885	34,402
TOTAL CURRENT ASSETS		8,460,297	7,340,665
NON-CURRENT ASSETS			
Trade and other receivables	5	43,363	27,589
Other financial assets	4	81,490	77,804
Property, plant and equipment	9(a)	25,256,954	25,651,470
Infrastructure	10(a)	133,103,211	108,954,567
Right-of-use assets	12(a)	51,620	57,518
TOTAL NON-CURRENT ASSETS		158,536,638	134,768,948
TOTAL ASSETS		166,996,935	142,109,613
CURRENT LIABILITIES			
Trade and other payables	13	1,023,123	971,768
Other liabilities	14	320,008	683,001
Lease liabilities	12(b)	19,800	19,224
Borrowings	15	22,660	21,383
Employee related provisions	16	401,529	385,815
TOTAL CURRENT LIABILITIES		1,787,120	2,081,191
NON-CURRENT LIABILITIES			
Lease liabilities	12(b)	15,242	35,042
Borrowings	15	49,459	72,119
Employee related provisions	16	63,440	60,243
TOTAL NON-CURRENT LIABILITIES		128,141	167,404
TOTAL LIABILITIES		1,915,261	2,248,595
NET ASSETS		165,081,674	139,861,018
EQUITY			
Retained surplus		58,926,509	58,724,889
Reserve accounts	27	2,749,490	2,629,994
Revaluation surplus	17	103,405,675	78,506,135
TOTAL EQUITY		165,081,674	139,861,018



#### SHIRE OF BOYUP BROOK STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	RETAINED SURPLUS	RESERVE ACCOUNTS	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
Balance as at 1 July 2021		59,469,830	2,389,329	68,275,654	130,134,813
Comprehensive income for the period Net result for the period		(504,276)	-	-	(504,276)
Other comprehensive income for the period	17	-	-	10,230,481	10,230,481
Total comprehensive income for the period	_	(504,276)	-	10,230,481	9,726,205
Transfers to reserve accounts	27	(240,665)	240,665	-	-
Balance as at 30 June 2022	_	58,724,889	2,629,994	78,506,135	139,861,018
Comprehensive income for the period Net result for the period		321,116	-	-	321,116
Other comprehensive income for the period	17	_	_	24,899,540	24,899,540
Total comprehensive income for the period	_	321,116	-	24,899,540	25,220,656
Transfers to reserve accounts	27	(119,496)	119,496	-	-
Balance as at 30 June 2023	_	58,926,509	2,749,490	103,405,675	165,081,674

#### SHIRE OF BOYUP BROOK STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 Actual	2022 Actual
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		3,244,858	3,153,998 2,265,222
Grants, subsidies and contributions Fees and charges		2,549,382 1,919,485	1,721,455
Interest revenue		173,534	35,814
Goods and services tax received		255,152	458,938
Other revenue		1,024,432	1,133,023
		9,166,843	8,768,450
Payments			
Employee costs		(3,744,008)	(3,577,642)
Materials and contracts		(2,037,305)	(1,025,676) (186,430)
Utility charges Finance costs		(201,834) (6,096)	(6,395)
Insurance paid		(293,827)	(243,284)
Goods and services tax paid		(136,036)	(435,951)
Other expenditure		(467,136)	(467,264)
		(6,886,242)	(5,942,642)
Net cash provided by (used in) operating activities		2,280,601	2,825,808
not call promise by (aloca in, operating activities		_,,	_,=_0,000
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	9(a)	(536,943)	(993,241)
Payments for construction of infrastructure	10(a)	(2,296,946)	(2,146,352)
Capital grants, subsidies and contributions Proceeds from sale of property, plant & equipment		1,549,321 95,455	1,210,850 30,272
Net cash provided by (used in) investing activities		(1,189,113)	(1,898,471)
, , , ,		, , ,	, , ,
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings Payments for principal portion of lease liabilities	26(a) 26(c)	(21,383) (19,224)	(20,178) (4,723)
Net cash provided by (used In) financing activities		(40,607)	(24,901)
Net increase (decrease) in cash held		1,050,881	902,436
Cash at beginning of year		6,272,070	5,369,634
Cash and cash equivalents at the end of the year	3	7,322,951	6,272,070

#### SHIRE OF BOYUP BROOK STATEMENT OF FINANCIAL ACTIVITY FOR THE YEAR ENDED 30 JUNE 2023

TOR THE TEAR ENDED 30 JUNE 2023	NOTE	2023 Actual	2023 Budget	2022 Actual
ODEDATING ACTIVITIES		\$	\$	\$
OPERATING ACTIVITIES  Povenue from operating activities				
Revenue from operating activities Rates	24	3,335,568	3,334,797	3,114,206
Grants, subsidies and contributions	24	2,769,335	1,020,146	2,308,733
Fees and charges		1,909,399	1,812,135	1,721,455
Interest revenue		173,534	26,150	35,814
Other revenue		1,024,432	903,637	1,133,023
Fair value adjustments to financial assets at fair value through profit or loss	4	3,686	-	3,997
		9,215,954	7,096,865	8,317,228
Expenditure from operating activities		,, ,,, ====	,	, <u> </u>
Employee costs		(4,110,530)	(3,551,787)	(3,656,437)
Materials and contracts		(1,837,985)	(3,156,906)	(1,785,858)
Utility charges		(201,834)	(216,229)	(186,430)
Depreciation Finance costs		(3,862,759)	(3,586,939)	(3,658,415)
Insurance		(6,096) (293,827)	(6,550) (284,780)	(6,395) (243,284)
Other expenditure		(467,136)	(319,394)	(467,264)
Loss on asset disposals		(26,985)	(319,394)	(33,589)
2500 5/1 45551 415650410		(10,807,152)	(11,122,585)	(10,037,672)
Non-cash amounts excluded from operating activities	25(a)	4,017,128	3,631,574	4,006,097
Amount attributable to operating activities		2,425,930	(394,146)	2,285,653
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions	2(a)	1,912,314	2,895,601	1,216,168
Proceeds from disposal of assets		95,455	175,000	30,272
		2,007,769	3,070,601	1,246,440
Outflows from investing activities	<b>0</b> ( )	(500.040)	(4.500.440)	(000 044)
Purchase of property, plant and equipment Purchase and construction of infrastructure	9(a)	(536,943)	(1,568,440)	(993,241)
Purchase and construction of infrastructure	10(a)	(2,296,946) (2,833,889)	(3,784,314) (5,352,754)	(2,146,352) (3,139,593)
Amount attributable to investing activities		(826,120)	(2,282,153)	(1,893,153)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	26(a)	-	250,000	-
Transfers from reserve accounts	27	-	154,100	
		-	404,100	-
Outflows from financing activities	00(-)	(04.000)	(04.004)	(00.470)
Repayment of borrowings	26(a)	(21,383)	(21,384)	(20,178)
Payments for principal portion of lease liabilities Transfers to reserve accounts	26(c) 27	(19,224)	(19,224) (101,000)	(4,723) (240,665)
Transfers to reserve accounts	21	(119,496) (160,103)	(141,608)	(265,566)
Amount attributable to financing activities		(160,103)	262,492	(265,566)
-		, , ,	•	, , ,
MOVEMENT IN SURPLUS OR DEFICIT  Surplus or deficit at the start of the financial year	25(b)	2,375,393	2,413,807	2,248,459
Amount attributable to operating activities	20(0)	2,425,930	(394,146)	2,245,459
Amount attributable to operating activities  Amount attributable to investing activities		(826,120)	(2,282,153)	(1,893,153)
Amount attributable to financing activities		(160,103)	262,492	(265,566)
Surplus or deficit after imposition of general rates	25(b)	3,815,100	- ,	2,375,393
•	` '	, ,		,,

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#### SHIRE OF BOYUP BROOK NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

#### 1. BASIS OF PREPARATION

The financial report of the Shire of Boyup Brook, 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 Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-forprofit 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 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 which would have required the Shire to measure any vested improvements at zero cost.

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

#### 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 28 of the financial report.

#### Judgements and estimates

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

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

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- · estimated fair value of certain financial assets
- · impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.
- estimation uncertainties made in relation to lease accounting

#### Initial application of accounting standards

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

- AASB 2020-3 Amendments to Australian Accounting Standards -Annual Improvements 2018-2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards Classification of Liabilities as Current or Non-current – Deferral of Effective Date
- AASB 2021-7a Amendments to Australian Accounting Standards
   Effective Date of Amendments to AASB 10 and AASB 138 and
- Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]
- AASB 2022-3 Amendments to Australian Accounting Standards
- Illustrative Examples for Not-for-Profit Entities accompanying AASB 15 Revenue from Contracts with Customers

These amendments have no material impact on the current annual financial report.

#### New accounting standards for application in future years

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

- AASB 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 2021-2 Amendments to Australian Accounting Standards -Disclosure of Accounting Policies or Definition of Accounting Estimates

This standard will result in a terminology change for significant accounting policies.

- 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
   Name of the little a with County and the county of the county
  - Non-current Liabilities with Covenants
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards
- AASB 2022-10 Amendments to Australian Accounting Standards
   Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

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

Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

### 2. REVENUE AND EXPENSES

### (a) Revenue

#### **Contracts with customers**

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

or revenue and recognised as	Nature of goods and	When obligations		Returns/Refunds/	Timing of revenue
Revenue Category	services	typically satisfied	Payment terms	Warranties	recognition
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	3	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development, libraries, caravan and camping, medical services, property rental, and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
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 - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Other revenue	Sheep and wool sales, shearing school income at Rylington Park	Over time	Payment in arrears	None	When assets are controlled
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	3,335,568	-	3,335,568
Grants, subsidies and contributions	413,705	-	-	2,355,630	2,769,335
Fees and charges	1,651,036	-	258,363	-	1,909,399
Interest revenue	-	-	24,117	149,417	173,534
Other revenue	879,148	-	-	145,284	1,024,432
Capital grants, subsidies and contributions	-	1,912,314	-	-	1,912,314
Total	2,943,889	1,912,314	3,618,048	2,650,331	11,124,582

#### For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	3,114,206	-	3,114,206
Grants, subsidies and contributions	377,603	-	-	1,931,130	2,308,733
Fees and charges	1,666,354	-	55,101	-	1,721,455
Interest revenue	-	-	24,399	11,415	35,814
Other revenue	1,026,581	-	-	106,442	1,133,023
Capital grants, subsidies and contributions	-	1,216,168	-	-	1,216,168
Total	3,070,538	1,216,168	3,193,706	2,048,987	9,529,399

### 2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)		2023	2022
	Note	Actual	Actual
		\$	\$
Interest revenue Interest on reserve account funds Rates, insalment and penalty interest Other interest revenue		69,666 24,117 79,751 173,534	3,926 24,399 7,489 35,814
The 2023 original budget estimate in relation to: Charges on instalment plan was \$0.			
(b) Expenses			
Auditors remuneration - Audit of the Annual Financial Report - Other services – grant acquittals		39,700 4,100 43,800	41,000 2,000 43,000
Employee Costs Employee benefit costs Other employee costs  Finance costs		3,912,415 198,115 4,110,530	3,490,428 166,009 3,656,437
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	26(c)	1,352	420
Borrowings	26(a)	4,744 6,096	5,975 6,395
Other expenditure Loss on fair value of biological assets Member expenses Sundry expenses	7(a) 21(a)	148,272 115,237 203,627	189,334 100,483 177,447
		467,136	467,264

#### 3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand

Total cash and cash equivalents

#### Held as

- Unrestricted cash and cash equivalents
- Restricted cash and cash equivalents

Note	2023	2022
	\$	\$
	7,322,951	6,272,070
	7,322,951	6,272,070
	4,201,744	2,916,041
18	3,121,207	3,356,029
	7,322,951	6,272,070

#### SIGNIFICANT ACCOUNTING POLICIES

#### Cash and cash equivalents

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

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.

#### 4. OTHER FINANCIAL ASSETS

#### Non-current assets

Financial assets at fair value through profit or loss

### Financial assets at fair value through profit or loss

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

2023	2022
\$	\$
81,490	77,804
81,490	77,804
77,804	73,807
3,686	3,997
81,490	77,804

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.

#### SIGNIFICANT 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 hierachy (see Note 23 (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.

### 5. TRADE AND OTHER RECEIVABLES

I KADE AND OTHER RECEIVABLES	Note	2023	2022
		\$	\$
Current			
Rates and statutory receivables		299,200	205,834
Trade receivables		440,244	225,818
GST receivable		-	119,116
Allowance for credit losses of trade receivables		(20,334)	(10,248)
Pensioner rates rebates and ESL deferred		49,711	44,184
		768,821	584,704
Non-current			
Pensioner rates and ESL deferred		43,363	27,589
		43,363	27,589

#### 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 2023 Actual \$	30 June 2022 Actual \$	1 July 2021 Actual
Trade and other receivables from contracts with customers		430,015	186,696	182,471
Allowance for credit losses of trade receivables		(20,334)	(10,248)	(10,248)
Total trade and other receivables from contracts with customers		409,681	176,448	172,223

#### SIGNIFICANT 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 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 amount 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.

### 6. INVENTORIES

	Note	2023	2022
Current		\$	\$
Fuel and materials		7,538	8,464
Rylington seed stock		16,181	25,631
Rylington fuel		1,746	936
Rylington wool stock		23,544	-
Rylington hay stock		360	2,408
		49,369	37,439
The following movements in inventories occurred during the year:			
Balance at beginning of year		37,439	94,263
Inventories expensed during the year		(199,766)	(252,581)
Additions to inventory		211,696	195,757
Balance at end of year		49,369	37,439

### SIGNIFICANT ACCOUNTING POLICIES

General

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

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

### 7. BIOLOGICAL ASSETS

	\$	\$
(a) Reconciliation of carrying amounts		
Consumable biological assets - sheep at beginning of year	412,050	608,422
Increase resulting from purchases	17,300	22,800
Increase resulting from classification change due to age	255,978	393,902
Decrease resulting from sales	(266,893)	(418,661)
Decrease resulting from deaths	(10,892)	(5,079)
Gain/(Loss) arising from change in fair value less costs to sell	(148,272)	(189,334)
Balance at end of year	259,271	412,050
(b) Measurement		
The physical estimate of biological assets held at the end of the reporting period include:		
Consumable biological assets - sheep - at beginning of year	3,330	3,376
Purchases	12	15
Additions resulting from classification change due to age	2,692	2,623
Sales	(2,450)	(2,567)
Deaths and Slaughtered	(146)	(117)
Balance at end of year	3,438	3,330

2023

2022

### SIGNIFICANT ACCOUNTING POLICIES

Biological assets consist of livestock (sheep) at Rylington Park Agricultural operations. Biological assets are measured on initial recognition and at the end of each reporting period at fair value less cost to sell. Fair value is determined using the most recent market sales information from Meat and Livestock Australia. Selling costs are determined from sales invoices received immediately prior to end of the reporting period. Gain or loss arising due to a change in fair value less cost to sell is recognised in profit or loss.

Lambs have been excluded from the carrying amounts as they are not practicably tradeable in the market when they are 0-60 days old, so their fair value cannot be reliably determined and would in effect be immaterial.

### 8. OTHER ASSETS

## Other assets - current

Prepayments
Accrued income
Private Tenancy Bonds

2023	2022
\$	\$
49,297	25,574
7,868	6,108
2,720	2,720
59,885	34,402

### SIGNIFICANT ACCOUNTING POLICIES

#### Other current assets

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

### 9. PROPERTY, PLANT AND EQUIPMENT

### (a) Movements in Balances

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

			Total land and	Furniture and	Plant and	Total property, plant and
	Land	Buildings	buildings	equipment	equipment	equipment
	\$	\$		\$	\$	\$
Balance at 1 July 2021	2,302,466	10,077,463	12,379,929	54,434	2,730,905	15,165,268
Additions	219,627	339,893	559,520	-	433,721	993,241
Disposals	-	-	-	-	(63,861)	(63,861)
Revaluation increments / (decrements) transferred						
to revaluation surplus	2,174,907	8,055,574	10,230,481	-	-	10,230,481
Depreciation	_	(269,130)	(269,130)	(30,008)	(374,521)	(673,659)
Balance at 30 June 2022	4,697,000	18,203,800	22,900,800	24,426	2,726,244	25,651,470
Comprises:						
Gross balance amount at 30 June 2022	4,697,000	18,203,800	22,900,800	90,458	3,698,885	26,690,143
Accumulated depreciation at 30 June 2022		-	-	(66,032)	(972,641)	(1,038,673)
Balance at 30 June 2022	4,697,000	18,203,800	22,900,800	24,426	2,726,244	25,651,470
Additions	-	254,783	254,783	21,322	260,838	536,943
Disposals	(67,000)	-	(67,000)	-	(55,440)	(122,440)
Depreciation	-	(381,050)	(381,050)	(24,178)	(403,791)	(809,019)
Balance at 30 June 2023	4,630,000	18,077,533	22,707,533	21,570	2,527,851	25,256,954
Comprises:						
Gross balance amount at 30 June 2023	4,630,000	18,458,583	23,088,583	111,780	3,877,823	27,078,186
Accumulated depreciation at 30 June 2023	_	(381,050)	(381,050)	(90,210)	(1,349,972)	(1,821,232)
Balance at 30 June 2023	4,630,000	18,077,533	22,707,533	21,570	2,527,851	25,256,954

### 9. PROPERTY, PLANT AND EQUIPMENT (Continued)

### (b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2/3	Market approach using observable or estimated open market values of similar assets adjusted for condition and comparability at their highest and best use / Cost approach using current replacement costs	Independent registered valuer	June 2022	Price per square metre/hectare / Purchase costs and current condition, residual values and remaining useful life assessment inputs.
Buildings - non specialised	2	Market approach using observable or estimated open market values of similar assets adjusted for condition and comparability at their highest and best use.	Independent registered valuer	June 2022	Price per square metre/market borrowing rate.
Buildings - specialised	3	Cost approach using current replacement costs	Independent registered valuer	June 2022	Construction costs and current condition, residual values and remaining useful life assessment inputs.

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

(ii) C	ost
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Furniture and equipment	Cost approach	Cost	Purchase cost
Plant and equipment	Cost approach	Cost	Purchase cost

### 10. INFRASTRUCTURE

### (a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - parks & ovals	Infrastructure - bridges	Infrastructure - other	Infrastructure - recreation	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	75,298,522	1,147,516	10,349,027	417,565	17,641,156	3,322,929	1,614,785	109,791,500
Additions	1,713,555	-	11,410	6,374	-	147,928	267,085	2,146,352
Depreciation	(1,670,816)	(18,038)	(279,069)	(50,127)	(658,388)	(117,472)	(189,375)	(2,983,285)
Balance at 30 June 2022	75,341,261	1,129,478	10,081,368	373,812	16,982,768	3,353,385	1,692,495	108,954,567
Comprises:								
Gross balance at 30 June 2022	96,576,456	1,431,547	18,521,436	1,346,409	50,407,156	7,296,818	4,553,577	180,133,399
Accumulated depreciation at 30 June 2022	(21,235,195)	(302,069)	(8,440,068)	(972,597)	(33,424,388)	(3,943,433)	(2,861,082)	(71,178,832)
Balance at 30 June 2022	75,341,261	1,129,478	10,081,368	373,812	16,982,768	3,353,385	1,692,495	108,954,567
Additions	1,877,878	-	153,133	-	170,000	78,467	17,468	2,296,946
Revaluation increments / (decrements) transferred to								
revaluation surplus	17,571,556	(476,572)	(973,523)	(8,364)	5,858,119	2,055,211	873,113	24,899,540
Depreciation	(1,731,995)	(18,037)	(279,071)	(50,190)	(658,387)	(119,606)	(190,556)	(3,047,842)
Transfers	-	-	-	(315,258)	-	315,258	-	-
Balance at 30 June 2023	93,058,700	634,869	8,981,907	-	22,352,500	5,682,715	2,392,520	133,103,211
Comprises:								
Gross balance at 30 June 2023	116,157,339	1,100,572	11,382,710	-	71,216,000	5,682,715	2,392,520	207,931,856
Accumulated depreciation at 30 June 2023	(23,098,639)	(465,703)	(2,400,803)	-	(48,863,500)	· -	· · · · · · · · -	(74,828,645)
Balance at 30 June 2023	93,058,700	634,869	8,981,907	-	22,352,500	5,682,715	2,392,520	133,103,211

### 10. INFRASTRUCTURE (Continued)

#### (b) Carrying Value Measurements

	Fair Value			Date of Last	
Asset Class	Hierarchy	Valuation Technique	Basis of Valuation	Valuation	Inputs Used
(i) Fair Value Infrastructure - roads	Level 3	Cost approach using depreciated replacement cost	Independent valuer	June 2023	Current replacement costs, condition assessments, depreciated values, residual values and remaining estimated useful life
Infrastructure - footpaths	Level 3	Cost approach using depreciated replacement cost	Independent valuer	June 2023	Current replacement costs, condition assessments, depreciated values, residual values and remaining estimated useful life
Infrastructure - drainage	Level 3	Cost approach using depreciated replacement cost	Independent valuer	June 2023	Current replacement costs, condition assessments, depreciated values, residual values and remaining estimated useful life
Infrastructure - parks & ovals	Level 3	Cost approach using depreciated replacement cost	Independent valuer	June 2023	Current replacement costs, condition assessments, depreciated values, residual values and remaining estimated useful life
Infrastructure - bridges	Level 3	Cost approach using depreciated replacement cost	Independent valuer	June 2023	Current replacement costs, condition assessments, depreciated values, residual values and remaining estimated useful life
Infrastructure - other	Level 3	Cost approach using depreciated replacement cost	Independent valuer	June 2023	Current replacement costs, condition assessments, depreciated values, residual values and remaining estimated useful life
Infrastructure - recreation	Level 3	Cost approach using depreciated replacement cost	Independent valuer	June 2023	Current replacement costs, condition assessments, depreciated values, residual values and remaining estimated useful life

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.

### 11. FIXED ASSETS

### 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 Buildings	<b>Useful life</b> 8 to 89 years
Furniture and equipment	2 to 20 years
Plant and equipment	5 to 25 years
Sealed roads and streets	
formation	not depreciated
pavement	77 years
seal	
- bituminous seals	20 years
- asphalt surfaces	20 years
Gravel roads	
- formation	not depreciated
- pavement	77 years
Infrastructure - footpaths	75 to 85 years
Infrastructure - drainage	40 to 80 years
Infrastructure - parks & ovals	10 to 85 years
Infrastructure - bridges	60 to 90 years
Infrastructure - other	10 to 85 years
Infrastructure - recreation	10 to 85 years
Right-of-use assets - plant and equipment	3 to 10 years

### Revision of useful lives of buildings

The useful lives of buildings were reviewed during the reporting period, which has resulted in additional depreciation of \$111,920 being booked during 2022/2023.

### 11. FIXED ASSETS (Continued)

## SIGNIFICANT ACCOUNTING POLICIES Fixed assets

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

#### Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost, the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

## Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

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

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

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

Individual assets that are land, buildings, 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 fair value as management believes cost approximates fair value.

They are subject to subsequent revaluation at the next revaluation date consistent with *Financial Management* Regulation 17A(4).

#### Revaluation

The fair value of land, buildings and infrastructure is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Shire.

At the end of each period, the carrying amount for each asset class is reviewed and, where appropriate, the fair value is updated to reflect current market conditions consistent with Financial Management Regulation 17A(2) which requires land, buildings infrastructure and vested improvements to be shown at fair value.

#### Revaluation (continued)

For property, plant and equipment 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

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

### Gains 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.

#### 12. 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.  Balance at 1 July 2021  Additions	Note	equipment \$ -	Right-of-use assets Total \$
Additions		58,989	58,989
Depreciation		(1,471)	(1,471)
Balance at 30 June 2022		57,518	57,518
Gross balance amount at 30 June 2022		58,989	58,989
Accumulated depreciation at 30 June 2022		(1,471)	(1,471)
Balance at 30 June 2022		57,518	57,518
Depreciation		(5,898)	(5,898)
Balance at 30 June 2023		51,620	51,620
Gross balance amount at 30 June 2023		58,989	58,989
Accumulated depreciation at 30 June 2023		(7,369)	(7,369)
Balance at 30 June 2023		51,620	51,620
The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:		2023 Actual \$	2022 Actual \$
Depreciation on right-of-use assets		(5,898)	(1,471)
Finance charge on lease liabilities	26(c)	(1,352)	(420)
Total amount recognised in the statement of comprehensive income	` '	(7,250)	(1,891)
Total cash outflow from leases		(20,576)	(5,143)
(b) Lease Liabilities			
Current		19,800	19,224
Non-current		15,242	35,042
	26(c)	35,042	54,266

#### 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.

## SIGNIFICANT 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 asset for a period of time in exchange for consideration.

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

All contracts that are classified as short-term leases (i.e. a lease with a 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 26(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 11 under revaluation for details on the significant accounting policies applying to vested improvements.

#### Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the 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.

### 13. TRADE AND OTHER PAYABLES

#### Current

Sundry creditors
Prepaid rates
Accrued payroll liabilities
ATO liabilities
Bonds and deposits held
Accrued expenses
Accrued interest on loans

2023	2022
\$	\$
352,117	652,409
49,980	31,550
116,376	92,930
411,724	87,559
51,709	43,034
39,700	62,319
1,517	1,967
1,023,123	971,768

### SIGNIFICANT 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.

14. OTHER LIABILITIES	2023	2022
	\$	\$
Current		
Contract liabilities	143,340	143,340
Capital grant/contributions liabilities	176,668	539,661
	320,008	683,001
December 1914 to the state of the state of the 1914 to		
Reconciliation of changes in contract liabilities	440.040	
Opening balance Additions	143,340	142 240
Additions	143,340	143,340 143,340
	143,340	143,340
The aggregate amount of the performance obligations		
unsatisfied (or partially unsatisfied) in relation to these contract		
liabilities was \$143,340 (2022: \$143,340)		
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.		
Deconciliation of absumes in conital avant/contribution		
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	539,661	539,661
Additions	320,008	685,660
Revenue from capital grant/contributions held as a liability at	020,000	000,000
the start of the period	(683,001)	(685,660)
1.10 0111.1 01 11.10 politica	176,668	539,661
	,,,,,,	,
Expected satisfaction of capital grant/contribution		
liabilities		
Less than 1 year	176,668	539,661
	176,668	539,661

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.

# SIGNIFICANT ACCOUNTING POLICIES 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 23(i)) due to the unobservable inputs, including own credit risk.

### **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 satsified.

### 15. BORROWINGS

			2023	
	Note	Current	Non-current	Total
Secured		\$	\$	\$
Loans		22,660	49,459	72,119
Total secured borrowings	26(a)	22,660	49,459	72,119

2022							
Current	Non-current	Total					
\$	\$	\$					
21,383	72,119	93,502					
21,383	72,119	93,502					

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### Secured liabilities and assets pledged as security

Loans are secured by a floating charge over the assets of the Shire of Boyup Brook.

# SIGNIFICANT ACCOUNTING POLICIES Borrowing costs

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

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 hierachy (see Note 23(i)) due to the unobservable inputs, including own credit risk.

### Risk

Details of individual borrowings required by regulations are provided at Note 26(a).

#### 16. EMPLOYEE RELATED PROVISIONS

#### **Employee Related Provisions**

	2023	2022
Current provisions	\$	\$
Employee benefit provisions		
Annual leave	257,947	265,776
Long service leave	137,743	110,554
	395,690	376,330
Employee related other provisions		
Employment on-costs	5,839	9,485
	5,839	9,485
Total current employee related provisions	401,529	385,815
Non-current provisions		
Employee benefit provisions		
Long service leave	59,879	51,894
Long 3cl vioc icuve	59,879	51,894
Employee related other provisions	00,070	01,004
Employment on-costs	3,561	8,349
Zimployinioni on oddio	3,561	8,349
	3,001	3,010
Total non-current employee related provisions	63,440	60,243
	55,115	,
Total employee related provisions	464,969	446,058
• • •	. ,	- /

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.

# SIGNIFICANT 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

2022

2022

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.

### 17. REVALUATION SURPLUS

	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	Total Movement on Revaluation	2022 Closing Balance
	\$	\$	\$	\$	\$	\$
Land - freehold land	3,208,375	-	3,208,375	1,033,468	2,174,907	3,208,375
Buildings	16,080,133	-	16,080,133	8,024,559	8,055,574	16,080,133
Furniture and equipment	28,470	-	28,470	28,470	-	28,470
Plant and equipment	781,483	-	781,483	781,483	-	781,483
Infrastructure - roads	32,616,706	17,571,556	50,188,262	32,616,706	-	32,616,706
Infrastructure - footpaths	978,382	(476,572)	501,810	978,382	-	978,382
Infrastructure - drainage	11,178,719	(973,523)	10,205,196	11,178,719	-	11,178,719
Infrastructure - parks & ovals	532,216	(8,364)	523,852	532,216	-	532,216
Infrastructure - bridges	8,373,274	5,858,119	14,231,393	8,373,274	-	8,373,274
Infrastructure - other	3,293,989	2,055,211	5,349,200	3,293,989	-	3,293,989
Infrastructure - recreation	1,434,388	873,113	2,307,501	1,434,388	-	1,434,388
	78,506,135	24,899,540	103,405,675	68,275,654	10,230,481	78,506,135

### 18 NOTES TO THE STATEMENT OF CASH FLOWS

	Note	2023 Actual	2022 Actual
(a) Restrictions  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	3,121,207 3,121,207	3,356,029 3,356,029
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	27	2,749,490	2,629,994
Contract liabilities	14	143,340	143,340
Capital grant liabilities	14	176,668	539,661
Bonds and Deposits  Total restricted financial assets	13	51,709 3,121,207	43,034
Total restricted illiancial assets		3,121,207	3,356,029
(b) Undrawn Borrowing Facilities			
Credit Standby Arrangements			
Bank overdraft limit		50,000	50,000
Bank overdraft at balance date		_	-
Credit card limit		10,000	10,000
Credit card balance at balance date		(1,308)	(1,225)
Total amount of credit unused		58,692	58,775
Loan facilities			
Loan facilities - current	15	22,660	21,383
Loan facilities - non-current	15	49,459	72,119
Total facilities in use at balance date	-	72,119	93,502
Unused loan facilities at balance date		NIL	NIL

### 19. CONTINGENT LIABILITIES

The Shire of Boyup Brook has identified the following sites, in relation to land owned, vested or leased, that is known to be, or suspected of being contaminated.

- Lot 5616 Boyup Brook North Road Landfill site
- · Lot 46 Walshaws Road, Kulikup Previous landfill site, possibly contaminated, investigation required
- Lot 147 Jayes Road Transfer station site, possibly contaminated, investigation required
- Lot 12972 Boyup-Kojonup Road Previous landfill site, possibly contaminated, investigation required
- 57 Charteriss Road, Wilga Previous landfill site, possibly contaminated, investigation required
- Lot 13180 Condinup Road, Dinninup Previous landfill site, possibly contaminated, investigation required
- Lot 201 Stanton Road Liquid waste disposal site, contaminated
- Lot 40 Boyup-Cranbrook Road Previous landfill site, possibly contaminated, investigation required
- 169 Railway Parade, Boyup Brook Liquid waste site, possibly contaminated, investigation required
- · Lot 377 Connolly Street, Boyup Brook Shire depot, possibly contaminated, investigation required

The Shire has completed a post closure management plan for the landfill site situated on Lot 5616 Boyup Brook North Road. The Shire employs a progressive capping approach, where each trench is capped once filled, with revegetation of the filled area taking place once the trench area is exhausted. Revegetation is funded from operating budgets. It is anticipated no major rehabilitation works will be required at this site.

Until the Shire conducts investigations to determine the presence and scope of the contamination, assess the risk, and agree with Department of Water and Environmental Regulation (DWER) on the need and criteria for remediation, the Shire is unable to estimate the potential costs and timing of outflows associated with remediation of the remaining sites. This approach is consistent with the DWER Guidelines.

### 20. CAPITAL COMMITMENTS

		_
	\$	\$
Contracted for:		
- plant & equipment purchases	-	45,504
	-	45,504
Payable:		
- not later than one year	-	45,504

2023

2022

In 2022 the Shire had \$45,504 contracted for the supply of a Mitsubishi utility.

### 21. RELATED PARTY TRANSACTIONS

#### (a) Elected Member Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.	2023 Actual	2023 Budget	2022 Actual
	\$	\$	\$
President's annual allowance	10,280	10,280	10,280
President's meeting attendance fees	14,640	14,640	14,640
President's annual allowance for ICT expenses	1,440	1,440	1,280
	26,360	26,360	26,200
Deputy President's annual allowance	2,570	2,570	2,570
Deputy President's meeting attendance fees	8,395	8,395	7,615
Deputy President's annual allowance for ICT expenses	1,440	1,440	1,280
Deputy President's travel and accommodation expenses	2,130	1,570	1,561
	14,535	13,975	13,026
All other council member's meeting attendance fees	58,765	58,765	50,994
All other council member's annual allowance for ICT expenses	10,080	10,080	8,571
All other council member's travel and accommodation expenses	5,497	1,830	1,692
	74,342	70,675	61,257
	115,237	111,010	100,483

### (b) Key Management Personnel (KMP) Compensation

	2023	2022
The total of compensation paid to KMP of the	Actual	Actual
Shire during the year are as follows:	\$	\$
Short-term employee benefits	413,978	426,568
Post-employment benefits	56,650	52,674
Employee - other long-term benefits	5,649	11,926
Employee - termination benefits	28,565	10,609
Council member costs	115,237	100,483
	620,079	602,260

### 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.

### 21. RELATED PARTY TRANSACTIONS

### (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:	2023 Actual \$	2022 <u>Actual</u> \$
Sale of goods and services Purchase of goods and services	- 7,544	26 80,697

#### **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 entity, 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 were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

### iii. Entities subject to significant influence by the Shire

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

### 22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

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

#### 23. OTHER SIGNIFICANT ACCOUNTING POLICIES

#### a) Goods and services tax (GST)

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

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

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

#### b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the 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 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

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

### 24. RATING INFORMATION

**General Rates** 

RATE TYPE		Rate in	Number of	2022/23 Actual Rateable	2022/23 Actual Rate	2022/23 Actual Interim	2022/23 Actual Total	2022/23 Budget Rate	2022/23 Budget Interim	2022/23 Budget Total	2021/22 Actual Total
Rate Description	Basis of valuation	\$	Properties	Value*	Revenue	Rates	Revenue	Revenue	Rate	Revenue	Revenue
				\$	\$	\$	\$	\$	\$	\$	\$
General Rate - GRV	Gross rental valuation	0.1481		3,444,351	510,108	1,445	511,553	510,108	1,000	511,108	459,036
General Rate - UV	Unimproved valuation	0.006662	567	355,361,006	2,367,415	1,085	2,368,500	2,368,846	=	2,368,846	2,222,218
Total general rates			865	358,805,357	2,877,523	2,530	2,880,053	2,878,954	1,000	2,879,954	2,681,254
		Minimum									
		Payment									
Minimum payment		\$	_								
General Rate - GRV	Gross rental valuation	1,102	53	241,151	58,406	-	58,406	58,406	-	58,406	53,091
General Rate - UV	Unimproved valuation	997	398	37,445,540	396,806	-	396,806	396,806	=	396,806	382,987
Total minimum payments			451	37,686,691	455,212	-	455,212	455,212	-	455,212	436,078
Total general rates and minin	num payments		1,316	396,492,048	3,332,735	2,530	3,335,265	3,334,166	1,000	3,335,166	3,117,332
		Rate in									
Ex-gratia rates											
CBH ex-gratia			1	-	1,390	-	1,390	1,312	=	1,312	1,312
Total Ex-gratia rates			1	-	1,390	-	1,390	1,312	-	1,312	1,312
Concessions							(1,087)		_	(1,681)	(4,438)
Total Rates							3,335,568			3,334,797	3,114,206
							, ,				
Rate instalment interest							3,875			3,900	3,376
Rate overdue interest							19,357			19,000	21,023
Nate Overdue Interest							19,337			19,000	21,023

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.

<sup>\*</sup>Rateable Value at time of raising of rate.

### 25. DETERMINATION OF SURPLUS OR DEFICIT

23. DETERMINATION OF CONTIECT ON DEFICIT				
			2022/23	
		2022/23	Budget	2021/22
		(30 June 2023	(30 June 2023	(30 June 2022
		Carried	` Carried	` Carried
	Note	Forward)	Forward)	Forward
	Note		· · · · · · · · · · · · · · · · · · ·	
(a) Non cook amounts evaluded from anaroting activities		\$	\$	\$
(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</i>	32			
Thansar rotting in accordance with rinarisal management regulation	J			
Adjustments to operating activities				
Less: Fair value adjustments to financial assets at fair value through pro	fit or			
loss	4	(3,686)	_	(3,997)
Add: Loss on disposal of assets		26,985	-	33,589
Add: Depreciation		3,862,759	3,586,939	3,658,415
Non-cash movements in non-current assets and liabilities:		.,,	.,,.	-,,
Pensioner deferred rates		(15,774)	-	(4,015)
Employee benefit provisions		3,197	44,635	43,393
Accrued wages		23,446	, -	28,361
Accrued interest on borrowings		(450)	-	(425)
Accrued expenses		(22,618)	-	-
Accrued interest income		2,420	-	(2,419)
Biological assets		152,779	-	196,371
Inventory		(11,930)	-	56,824
Non-cash amounts excluded from operating activities		4,017,128	3,631,574	4,006,097
(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 Financial Management Regulation 32.				
Ç Ç				
Adjustments to net current assets				
Less: Reserve accounts	27	(2,749,490)	(2,576,893)	(2,629,994)
- Inventories	6	(49,369)	(702,685)	(37,439)
- Biological assets	7(a)	(259,271)	-	(412,050)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	15	22,660	-	21,383
- Accrued salaries and wages	13	116,376	64,569	154,795
- Accrued interest on loans	13	1,517	2,392	-
- Accrued expense	13	39,700	62,318	-
- Current portion of lease liabilities	12(b)	19,800	5,300	19,224
Total adjustments to net current assets		(2,858,077)	(3,144,999)	(2,884,081)
Not current access used in the Statement of Einensial Astivity				
Net current assets used in the Statement of Financial Activity  Total current assets		9 460 207	4 420 072	7 240 665
Less: Total current liabilities		8,460,297 (1,787,120)	4,439,073	7,340,665
		, , , , , , , , , , , , , , , , , , , ,	(1,294,074)	(2,081,191)
Less: Total adjustments to net current assets Surplus or deficit after imposition of general rates		(2,858,077) 3,815,100	(3,144,999)	(2,884,081) 2,375,393
ourplus of deficit after imposition of general rates		3,013,100	-	2,373,393

### 26. BORROWING AND LEASE LIABILITIES

### (a) Borrowings

					Actual				Bud	get		
			New Loans	Principal		Principal				Principal		
		Principal at	During 2021-	Repayments	Principal at 30	New Loans	Repayments	Principal at	Principal at 1	New Loans	Repayments	Principal at
Purpose	Note	1 July 2021	22	During 2021-22	June 2022	<b>During 2022-23</b>	During 2022-23	30 June 2023	July 2022	During 2022-23	During 2022-23	30 June 2023
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Staff Housing		40,324	-	(7,158)	33,166	-	(7,585)	25,581	33,16	5 -	(7,586)	25,579
Swimming pool		73,356	-	(13,020)	60,336	-	(13,798)	46,538	60,33	В -	(13,798)	46,540
Caravan Park Abultions		-	-	-	-	-	-	-		- 250,000	-	250,000
Total		113,680	-	(20,178)	93,502	-	(21,383)	72,119	93,503	250,000	(21,384)	322,119

All loan repayments were financed by general purpose revenue. Borrowing Finance Cost Payments

					Date final	Actual for year	Budget for	Actual for year
		Loan			payment is	ending	year ending	ending
Purpose	Note	Number	Institution	Interest Rate	due	30 June 2023	30 June 2023	30 June 2022
						\$	\$	\$
Staff Housing		115	WATC*	5.88%	13/03/2026	(1,707)	(1,841)	(2,142)
Swimming pool		114	WATC*	5.89%	10/02/2026	(3,037)	(3,354)	(3,833)
Total Finance Cost Paymen	ts					(4,744)	(5,195)	(5,975)

<sup>\*</sup> WA Treasury Corporation

### 26. BORROWING AND LEASE LIABILITIES (Continued)

### (b) New Borrowings - 2022/23

. ,					Amount Borrowed		Amount	(Used)	Total	Actual
		Loan	Term	Interest	2023	2023	2023	2023	Interest &	Balance
	Institution	Type	Years	Rate	Actual	Budget	Actual	Budget	Charges	Unspent
Particulars/Purpose				%	\$	\$	\$	\$	\$	\$
Caravan Park Abultions	WATC*	Debenture	10	3.10%	-	250,000	-	250,000	-	-
					-	250,000	-	250,000	-	-
* WA Treasury Corporation										

(c) Lease Liabilities

					Actual		Budget					
		New Leases Principal		Principal			Principal			_		
		Principal at	During 2021-	Repayments	Principal at 30	New Leases	Repayments	Principal at	Principal at 1	New Leases	Repayments	Principal at
Purpose	Note	1 July 2021	22	During 2021-22	June 2022	<b>During 2022-23</b>	During 2022-23	30 June 2023	July 2022	During 2022-23	During 2022-23	30 June 2023
Gymnasium equipment		-	58,989	(4,723)	54,266	-	(19,224)	35,042	58,989	-	(19,224)	39,765
Total Lease Liabilities	12(b)	0	58,989	(4,723)	54,266	-	(19,224)	35,042	58,989	-	(19,224)	39,765

**Lease Finance Cost Payments** 

·					Date final	Actual for year	Budget for		
		Lease			payment is	ending	year ending	ending 30 June	
Purpose	Note	Number	Institution	Interest Rate	due	30 June 2023	30 June 2023	2022	Lease Term
						\$	\$	\$	
Gymnasium equipment		L001	MAIA Financial	3.01%	31/03/2025	(1,352)	(1,355)	(420)	36 Months
Total Finance Cost Payments						(1.352)	(1.355)	(420)	

	2023 Actual	2023 Actual	2023 Actual	2023 Actual	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2022 Actual	2022 Actual	2022 Actual	2022 Actual
27. RESERVE ACCOUNTS	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	33,486	889	-	34,375	33,486	13	-	33,499	123	33,363	-	33,486
(b) Plant reserve	225,370	5,982	-	231,352	225,369	100,086	-	325,455	149,961	75,409	-	225,370
(c) Building reserve	740,326	19,650	-	759,976	740,326	281	-	740,607	714,025	26,301	-	740,326
(d) Community hosuing reserve	214,857	5,703	-	220,560	214,857	82	-	214,939	214,517	340	-	214,857
(e) Emergency reserve	12,499	331	-	12,830	12,498	5	-	12,503	12,479	20	-	12,499
(f) Insurance claim reserve	15,231	405	-	15,636	15,231	6	-	15,237	15,207	24	-	15,231
(g) Other recreation reserve	50,637	1,345	-	51,982	50,637	19	-	50,656	50,557	80	-	50,637
(h) Commercial reserve	452,307	12,005	-	464,312	452,307	172	-	452,479	451,591	716	-	452,307
(i) Bridges reserve	156	4	-	160	156	-	-	156	156	-	-	156
(j) Aged accommodation reserve	31,658	840	-	32,498	31,658	12	-	31,670	31,608	50	-	31,658
(k) Road contributions reserve	28,654	760	-	29,414	28,655	11	-	28,666	28,609	45	-	28,654
(I) IT/Office equipment reserve	39,980	1,061	-	41,041	39,980	15	-	39,995	39,917	63	-	39,980
(m) Civic receptions reserve	16,803	446	-	17,249	16,803	6	-	16,809	16,776	27	-	16,803
(n) Unspent grants reserve	79	3	-	82	79	-	-	79	79	-	-	79
(o) Unspent community grants reserve	122	4	-	126	122	-	-	122	122	-	-	122
(p) Rylington park working capital reserve	354,347	9,405	-	363,752	354,347	135	(154,100)	200,382	250,774	103,573	-	354,347
(q) Rylington park community projects reserve	413,482	60,663	-	474,145	413,482	157	-	413,639	412,828	654	-	413,482
	2,629,994	119,496	-	2,749,490	2,629,993	101,000	(154,100)	2,576,893	2,389,329	240,665	-	2,629,994

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserve accounts.

### 27. 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:

		Anticipated date of use	Purpose of the reserve account
(a)	Leave reserve	Ongoing	- to be used to fund annual, long service leave and redundancy requirements.
` '	Plant reserve	Ongoing	- to be used for the purchase of plant items, including graders, trucks, utes, sedans, rollers etc.
` '	Building reserve	Ongoing	- to be used to fund future maintenance of shire owned buildings, including heritage buildings.
` '	Community hosuing reserve	Ongoing	- to be used to fund maintenance of the Homeswest Housing Units in Forrest & Proctor Streets.
` '	Emergency reserve	Ongoing	- to be used to fund emergency situations outside working hours for example trees on roads, minor flooding, car accidents and supply of services and
( )	3 ,		materials deemed necessary in an emergency.
(f)	Insurance claim reserve	Ongoing	- to be used to fund the excess on certain insurance claims.
(g)	Other recreation reserve	Ongoing	- to be used to fund improvements to the recreation facilities and grounds.
(h)	Commercial reserve	Ongoing	- to be used to fund future economic development, enhancement & promotion of the district.
(i)	Bridges reserve	Ongoing	- to be used to fund future requirements of bridge works.
(j)	Aged accommodation reserve	Ongoing	- to be used to fund future requirements of aged accommodation.
(k)	Road contributions reserve	Ongoing	- to set aside contributions from developers.
(I)	IT/Office equipment reserve	Ongoing	- to be used to fund future IT requirements.
(m)	Civic receptions reserve	Ongoing	- to quarantine unspent 'Refreshments and Receptions' budgets to fund future receptions needs.
(n)	Unspent grants reserve	Ongoing	- to quarantine forward grant payments e.g. Federal Assistance Grants, to fund expenses incurred in the intended year.
(o)	Unspent community grants reserve	Ongoing	- for the purpose of holding unallocated/spent community donation/MOU budgets (2% of annual rates), to fund extraordinary community donations or MOU's.
(p)	Rylington park working capital reserve	Ongoing	- to be used to as working capital for the running and maintenance of the Rylington Park farm.
(q)	Rylington park community projects reserve	Ongoing	- to be used for the community contribution only towards major community projects.

### 28. TRUST FUNDS

There were no funds held at 30 June 2023 or 30 June 2022, which were required to be held in trust.



### INDEPENDENT AUDITOR'S REPORT 2023 Shire of Boyup Brook

### To the Council of the Shire of Boyup Brook

### **Opinion**

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

- the Statement of Financial Position as at 30 June 2023, and 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 significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2023 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, the 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 2023, 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 and, to the extent that they are not inconsistent with the Act, the 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 <a href="https://www.auasb.gov.au/auditors">https://www.auasb.gov.au/auditors</a> 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 Boyup Brook for the year ended 30 June 2023 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.

Grant Robinson Assistant Auditor General Financial Audit Delegate of the Auditor General for Western Australia Perth, Western Australia 3 May 2024