

## **UNCONFIRMED MINUTES**

**PLEASE NOTE:** These Minutes have yet to be confirmed by Council as a true record of proceedings.



## **MINUTES**

**FOR THE ANNUAL GENERAL MEETING OF  
ELECTORS**

**23 JANUARY 2025**

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# **MINUTES**

## **TABLE OF CONTENTS**

<b>ITEM NO</b>	<b>DESCRIPTION</b>	<b>PAGE NO</b>
<b>1.</b>	<b>DECLARATION OF OPENING</b>	<b>1</b>
<b>2.</b>	<b>RECORD OF ATTENDANCE</b>	<b>1</b>
<b>3.</b>	<b>CONFIRMATION OF MINUTES OF PREVIOUS MEETING</b>	<b>1</b>
3.1	Confirmation of the Minutes of the Annual General Electors' Meeting of 20 March 2024	2
<b>4.</b>	<b>RECEIVING OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2024, COMPRISING:</b>	<b>3</b>
4.1	Shire of Laverton Annual Report incorporating <ul style="list-style-type: none"><li>• Shire President's Report</li><li>• Chief Executive Officer's Report</li><li>• Audited Financial Statements</li><li>• Auditor General's Office Report</li></ul>	3
<b>5.</b>	<b>OTHER GENERAL BUSINESS AS ACCEPTED AT THE DISCRETION OF THE CHAIRMAN</b>	<b>5</b>
<b>6.</b>	<b>CLOSURE OF MEETING</b>	<b>5</b>
<b>7.</b>	<b>CERTIFICATION OF MINUTES</b>	<b>5</b>

<p style="text-align: center;"><b>MINUTES FOR ANNUAL ELECTORS' MEETING HELD AT 5:01PM ON THURSDAY 23 JANUARY 2025, IN THE SHIRE OF LAVERTON COUNCIL CHAMBERS 9 MACPHERSON PLACE, LAVERTON</b></p>
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**1. DECLARATION OF OPENING**

The Presiding Officer, Cr Patrick Hill, declared the meeting open at 5:01pm.

**2. RECORD OF ATTENDANCE**

**2.1 PRESENT**

Cr P Hill	President, Presiding Officer
Cr B Conway-Cox	Councillor
Cr M Pedder	Councillor
Mr P Marshall	Chief Executive Officer
Mr P Kerp	Manager Works and Services

**2.2 APOLOGIES**

Cr R Weldon	Councillor
Cr R Wedge	Councillor
Cr P Ovans	Councillor
Cr S Weldon	Councillor

**2.3 LEAVE OF ABSENCE PREVIOUSLY APPROVED**

Nil

**3. CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

<b>3.1 MINUTES OF ANNUAL GENERAL MEETING OF ELECTORS HELD 20 MARCH 2024</b>
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**ATTACHMENTS**

AGM230125.3.1.A Minutes of Annual General Meeting of Electors 20 March 2024

**RESOLUTION**

MOVED: Cr M Pedder      SECONDED: Cr B Conway-Cox

**That the Minutes of the Annual General Meeting of Electors held on 20 March 2024 (Attachment AGM230125.3.1.A) be confirmed as a true and correct record.**

**CARRIED**

## **UNCONFIRMED MINUTES**

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# **ANNUAL GENERAL MEETING OF ELECTORS MINUTES**

**FOR THE MEETING HELD ON  
WEDNESDAY 20 MARCH 2024  
COMMENCING AT 4:08PM**

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# MINUTES

## TABLE OF CONTENTS

ITEM NO	DESCRIPTION	PAGE NO
1.	<b>DECLARATION OF OPENING</b>	1
2.	<b>RECORD OF ATTENDANCE</b>	1
3.	<b>CONFIRMATION OF MINUTES OF PREVIOUS MEETING</b>	1
3.1	Confirmation of the Minutes of the Annual General Electors' Meeting of 20 April 2023	2
4.	<b>RECEIVING OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2023, COMPRISING:</b>	3
4.1	Shire of Laverton Annual Report incorporating <ul style="list-style-type: none"> <li>• Shire President's Report</li> <li>• Chief Executive Officer's Report</li> <li>• Auditor General's Office Report</li> <li>• Audited Financial Statements</li> <li>• Other Reports as required by Legislation</li> </ul>	3
5.	<b>OTHER GENERAL BUSINESS AS ACCEPTED AT THE DISCRETION OF THE CHAIRMAN</b>	5
6.	<b>CLOSURE OF MEETING</b>	5
7.	<b>CERTIFICATION OF MINUTES</b>	5

**MINUTES FOR ANNUAL ELECTORS' MEETING  
HELD AT 4:08PM ON WEDNESDAY 20 MARCH 2024,  
IN THE SHIRE OF LAVERTON COUNCIL CHAMBERS  
9 MACPHERSON PLACE, LAVERTON**

**1. DECLARATION OF OPENING**

The Presiding Officer, Patrick Hill, declared the meeting open at 4:08 pm.

**2. RECORD OF ATTENDANCE**

**2.1 PRESENT**

Cr P Hill	President, Presiding Officer
Cr R Wedge	Councillor
Cr P Ovans	Councillor
Cr R Weldon	Councillor
Cr S Weldon	Councillor (via Zoom)
Mr P Marshall	Chief Executive Officer
Mr P Kerp	Manager Works and Services

**2.2 APOLOGIES**

Cr M Pedder	Councillor
Cr G Buckmaster	Councillor

**2.3 LEAVE OF ABSENCE PREVIOUSLY APPROVED**

Nil

**3. CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

<b>3.1 MINUTES OF ANNUAL GENERAL MEETING OF ELECTORS HELD 20 APRIL 2023</b>
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**ATTACHMENTS**

AGM200324.3.1.A Minutes of Annual General Meeting of Electors 20 April 2023

**RESOLUTION**

**PROCEDURAL MOTION/COUNCIL DECISION**

MOVED: Cr R Wedge      SECONDED: Cr P Ovans

**That the Minutes of the Annual General Meeting of Electors held on 20 April 2023 (Attachment AGM200324.3.1A) be confirmed as a true and correct record.**

**CARRIED 5/0**



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# **ANNUAL GENERAL MEETING OF ELECTORS MINUTES**

**FOR THE MEETING HELD ON  
THURSDAY 20 APRIL 2023  
COMMENCING AT 4:00PM**

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## **MINUTES TABLE OF CONTENTS**

<b>ITEM NO</b>	<b>DESCRIPTION</b>	<b>PAGE NO</b>
<b>1.</b>	<b>DECLARATION OF OPENING</b>	<b>1</b>
<b>2.</b>	<b>RECORD OF ATTENDANCE</b>	<b>1</b>
<b>3.</b>	<b>CONFIRMATION OF MINUTES OF PREVIOUS MEETING</b>	<b>1</b>
3.1	Confirmation of the Minutes of the Annual General Electors' Meeting of 21 April 2022	2
<b>4.</b>	<b>RECEIVING OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2022, COMPRISING:</b>	<b>3</b>
4.1	Shire of Laverton Annual Report incorporating <ul style="list-style-type: none"><li>• Shire President's Report</li><li>• Chief Executive Officer's Report</li><li>• Auditor General's Office Report</li><li>• Audited Financial Statements</li><li>• Other Reports as required by Legislation</li></ul>	3
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<b>6.</b>	<b>CLOSURE OF MEETING</b>	<b>5</b>
<b>7.</b>	<b>CERTIFICATION OF MINUTES</b>	<b>5</b>

**MINUTES FOR ANNUAL ELECTORS' MEETING  
HELD AT 4:00PM ON THURSDAY 20 APRIL 2023,  
IN THE SHIRE OF LAVERTON COUNCIL CHAMBERS  
9 MACPHERSON PLACE, LAVERTON**

**1. DECLARATION OF OPENING**

The Presiding Person, Councillor Patrick Hill, declared the meeting open at 4:00pm.

**2. RECORD OF ATTENDANCE**

**2.1 PRESENT**

Cr P Hill	President, Presiding Officer
Cr R Wedge	Councillor (via zoom)
Cr R Prentice	Councillor
Cr J Carmody	Councillor
Cr G Buckmaster	Councillor
Cr S Weldon	Councillor
Mr P Marshall	Acting Chief Executive Officer
Mr L Pervan	Deputy Chief Executive Officer
Mr P Kerp	Manager Works and Services

**2.2 APOLOGIES**

Cr R Weldon	Councillor
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**2.3 LEAVE OF ABSENCE PREVIOUSLY APPROVED**

Nil

**2.4 VISITORS**

**Jasmine Walder**

**3. CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

<b>3.1 MINUTES OF ANNUAL GENERAL MEETING OF ELECTORS HELD 21 APRIL 2022</b>
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**ATTACHMENTS**

AGM200423.3.1.A Minutes of Annual General Meeting of Electors 21 April 2022

**RESOLUTION**

**COUNCIL DECISION/PROCEDURAL MOTION**

MOVED: Cr J Carmody      SECONDED: Cr R Prentice

**That the Minutes of the Annual General Meeting of Electors held on 21 April 2022 (Attachment AGM200423.3.1A) be confirmed as a true and correct record.**

**CARRIED 7/0**

**4. RECEIVING OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2022**

<b>4.1 SHIRE OF LAVERTON ANNUAL REPORT FOR YEAR ENDING 30 JUNE 2022</b>
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**ATTACHMENTS**

AGM200423.4.1.A Shire of Laverton Annual Report for Year Ending 30 June 2022

**RESOLUTION**

**COUNCIL DECISION/PROCEDURAL MOTION**

MOVED: Cr J Carmody      SECONDED: Cr R Prentice

**That the Annual Report for the year ending 30 June 2022 and comprising the following be received:**

- **Shire President's Report**
- **Chief Executive Officer's Report**
- **Auditor's Report**
- **Audited Financial Statements**
- **All other information as required through Legislation**

**CARRIED 7/0**

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## ANNUAL REPORT FOR YEAR ENDED 30 JUNE 2022





## ABOUT US

### Welcome to the Shire of Laverton – Discover the Outback Spirit!

Covering some 183,198km<sup>2</sup> of desert and pastoral country, Laverton has something for everyone, from spinifex plains, mulga woodlands and unique granite rock outcrops to rich Aboriginal and European History and Culture.

These early explorers are recognized in the Great Beyond Visitor Centre – Home of the Explorers Hall of Fame.

During the 1880's, sandalwood cutters travelled through the area looking for valuable aromatic timber and their tracks opened up much of the region. In the decades since, many tonnes of sandalwood have been exported from the Laverton district.

In 1886 gold was discovered in the area – suddenly eager prospectors arrived in droves from Coolgardie, eager to strike it rich. The rapidly growing settlement was soon called British Flag after the first successful mine.

One such keen prospector was Dr Charles Laver, a British doctor who rode his bicycle from Coolgardie to the Laverton area the same year. He soon became an enthusiastic promoter of the region and travelled back to Britain a number of times to raise funds for local mining ventures, however his priority remained to deal with the sick and injured. He had an excellent rapport with his coworkers and patients and got on very well with the local Aboriginal people.

Without his energy (and his capital) Laverton may well have faded away at this point.

By 1897 an informal town had sprung up to the west side of the Craiggimore mine. This proved an unsuitable location for the permanent settlement, so an alternate site was chosen about three kilometers away. In July 1900 the new town was gazetted as Laverton, in honour of Dr. Laver who had done so much to ensure the prosperity of the area.

Today the town is an important service Centre for a range of mines that operate in the area, for the continuing pastoral industry and for the people of the Western Desert regions. Laverton is also an important tourism hub, acting as a True gateway to Australia's outback.

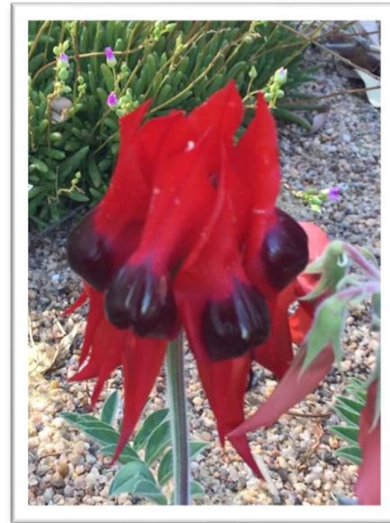
## **OUR VISION**

***The Shire of Laverton will strive to work with the community to fulfil their needs and support their aspirations while acting with fairness and demonstrating leadership.***

### **Aspirations and Values**

Our community identified the following aspirations and values:

- An oasis for locals and visitors.
- Oasis in the desert.
- A harmonious and sustainable community.
- A healthy and vibrant place to live, work and visit.
- A place we are proud of.
- A memorable destination; and
- A thriving green and attractive hub



### **Community Strategic Plan - Summary of Objectives and Outcomes**

The Shire of Laverton delivers services to its community in line with four key objectives set out within this Plan, being: social, economic, environment and civic leadership.

Each of the four objectives has several desired outcomes Council is aiming to achieve over the 10+ years of this Plan.

The following table summarizes the strategic objectives of achieving the vision and the desired outcomes of working towards these objectives.

This plan is set to guide council through a ten year period culminating in 2030 with a desktop review to be undertaken every 2 years. .

	Objectives	Outcomes
<b>SOCIAL</b>	<i>Proud, spirited, harmonious and connected community</i>	<ul style="list-style-type: none"> <li>A strong sense of community pride and ownership</li> </ul>
<b>ECONOMIC</b>	<i>Prosperous local economy attracting businesses, opportunities, and people</i>	<ul style="list-style-type: none"> <li>Sustainable tourism</li> <li>Improved economic development opportunities</li> </ul>
<b>ENVIRONMENT</b>	<i>Welcoming and safe natural and built environment</i>	<ul style="list-style-type: none"> <li>Safe and efficient transport network</li> <li>Modern, well maintained infrastructure</li> <li>Clean, safe, and tidy environment</li> </ul>
<b>CIVIC LEADERSHIP</b>	<i>Responsible financial management and governance, leading an empowered community</i>	<ul style="list-style-type: none"> <li>A strategically focused Council, demonstrating strong leadership</li> <li>An efficient and effective organization</li> </ul>

## **SHIRE PRESIDENTS REPORT**



In opening, I would like to thank my fellow Councillors for their support and ensuring that the Shire of Laverton is seen in a positive light throughout the community. It is a pleasure to represent the Council.

The following is a brief summary of what has occurred in the last 12 months and the major issues which have impacted on the Council along with the myriad of meetings and representations made on behalf of Council.

Covid-19 has impacted upon Laverton with the restrictions of tourists travelling both intrastate and interstate and also the overseas travelers who are wanting the adventure at the start of the outback.

The Council continues with the established agreement with the Pier Street Medical practice to provide medical services to the town and district. This is essential to ensure that there is medical services at the hospital and for the community. Furthermore, the essential aspect of the new hospital only defines the importance of providing the medical service to the new hospital and the council is continuing to ensure that the hospital is built and the appropriate funding is provided for the completion of this facility.

The Outback Highway Committee is made up of local governments and through the General Manger, there is the constant trying to secure additional funding to ensure that the entire road will receive funding to complete the seal from Laverton to Winton in Queensland.

Additional investment of \$678 million has been confirmed in October 2022, with Western Australia allocated \$400 million to the Outback Way. This is a major coup for Laverton and will result in increased local job opportunities as well as increased tourism dollars coming to town.



The 2021 Sheila Laver Award was presented to Des and Shona Cannons in recognition of their service to the community of Laverton.

The Department of Social Services is responsible for the rollout of the Cashless Debit Card Program and the Council continues to provide a space at the Community Development Office and three staff members are employed on a part time basis (funded by DSS) to assist in continuation of the roll out. It has been a resounding success to date.

The Council has made contributions to various activities but not limited to:

- Murdoch Vet Microchipping and consult services
- Maintenance of the Town Oval used by the school through an agreement developed in this budget year, provides security for the school and council over the next twenty plus years.
- Support to the Race club through the maintenance of the course and getting ready for the race day.
- Youth support services for the youth of the council area and supported by the Department of Communities
- Upgrade of various facilities including council housing
- Provision of government services through the Community resource center

The Council approved the expansion of the Great Beyond with an extension of this wonderful facility with a building cost of \$2.6 million, including council contribution of \$1.3 million. The construction has been completed and will be opening to the public early in 2022/23. The goal is to capture the market as the Outback Highway continues to be sealed and the visitor numbers increase. Some pictures of the project can be seen below.



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022



**Local Roads and Community Infrastructure**

The Council received funding from the Commonwealth government across the various phases of LRCI funding. \$533,569.00 was funded in Phase 1 of the program, which was allocated to a variety of projects. \$387,178 was funded in Phase 2 of the program, which was allocated against road projects, notable Bandy Road. \$1,067,138 was funded in Phase 3 of the program which is allocated against the Laverton Airport upgrades which are scheduled to commence in 2022/23.

Included below are some of the outcomes achieved through Phase 1 of the program.

**Approved Project - Renovation of Old Coach house at Laver Place Laverton**

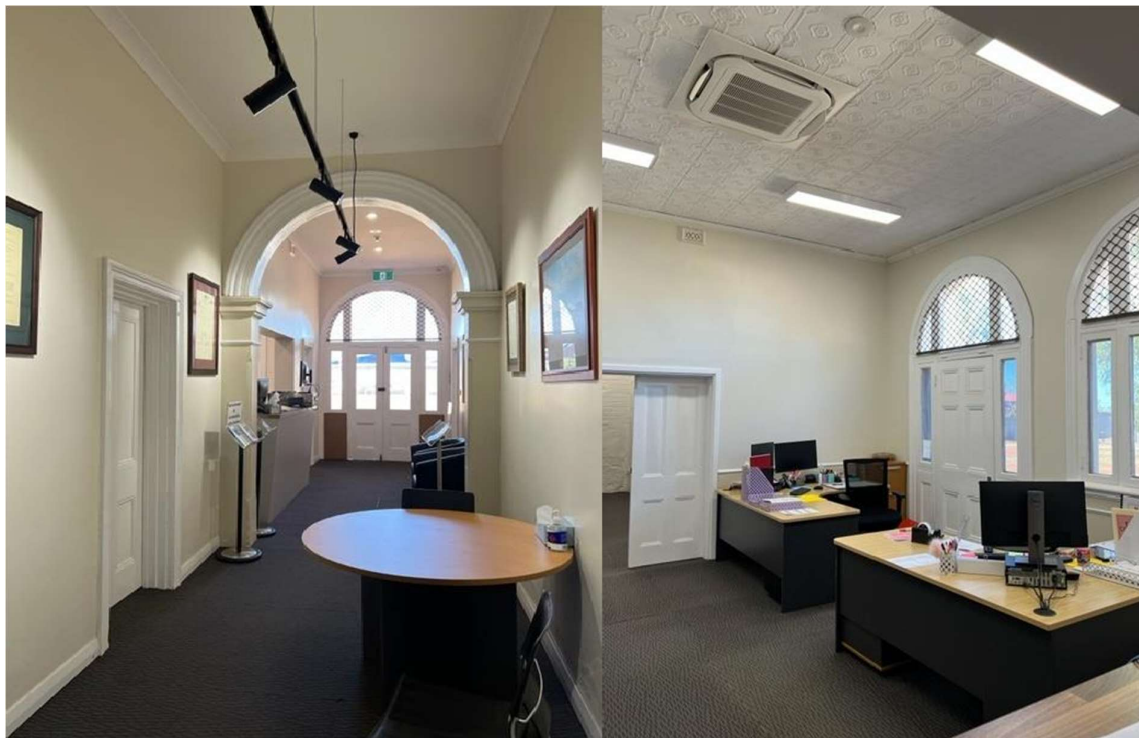
Rear view of Old Coach house







Front view of Coach House



Interior of Coach house incorporating the library and offices



**Approved Project - Installation of Solar system at the Old Coach house – Laver Place Laverton**



Solar panels located on Old Coach house



**Approved Project – CCTV within Laverton townsite**



Location Airport



Council Depot





Location – to cover Old Coach house, Swimming Pool, and Town hall



Location - Augusta Street Laverton

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

**Approved Project – Upgrade of Tourist Information Bay at Beria Road**



Source: Source: WA Mineral and Petroleum Statistics Digest 2021/2022

<b>GOLDFIELDS - ESPERANCE</b>	<b>2021-22</b>
<b>Laverton</b>	<b>5,580,494,683</b>
Leonora	3,641,104,068
Coolgardie	3,186,837,123
Kalgoorlie-Boulder	2,360,764,033
Menezes	1,399,009,704
Ravensthorpe	1,209,803,182
Dundas	1,184,084,583
Wiluna	1,014,558,076
Esperance	2,338,173
<b>Goldfields-Esperance Total</b>	<b>19,578,993,624</b>

The above table shows the total value of minerals and petroleum for all local government within the Goldfields-Esperance region. As illustrated, Laverton is the largest producer in the region, and the second largest producer in the state outside of the Pilbara.

The mining industry is the powerhouse of the community with the council deriving 94% of its rates income from the mining industry. The growth can be identified with Laverton being a major player within The Goldfields-Esperance Region for value of mining in each local government region.

In closing for this financial year, there is so much optimism for the future and the Council is ready and willing to lead the community into another fruitful year where the many projects being considered will come to fruition.

I again personally thank all the councilors for their support and the Acting Chief Executive Officer Phil Marshall who leads the administration to achieve for the community.

**Patrick Hill**

**Shire President**

**COUNCILLOR RENUMERATION**

In accordance with the Local government Act 1995 and under the guidelines of the State Salaries & Allowances Tribunal, the following allowances were paid to Councillors in 2020/2021 financial year.

President (including Presidents Allowance)	<b>\$48,000.00</b>
Deputy President (including Deputy Presidents Allowance)	<b>\$23,867.00</b>
Councillors	<b>\$16,367.00</b>

**CHIEF EXECUTIVE OFFICERS REPORT**

The 2021/22 reporting year has again been busy as we continue operating under the COVID pandemic. Whilst we have been very fortunate in that the pandemic has not had as much a physical effect as other areas around the country, it has still resulted in challenging conditions for the community. I am proud of our dedicated and hard-working team which has enabled us to meet our goals and contribute to the wonderful community that we share.

I would like to take this opportunity to thank the Shire President and councillors for their tireless efforts and support.

The following is a summary of items of interest with the Laverton Community over the last 12 months and reflects the diversified nature of work undertaken by the council for the community.

**Phil Marshall**

**Acting Chief Executive Officer**



### Works and Services

The following Roadworks projects including sealing, gravel re-sheeting etc. were completed in the 2021/2022 financial year.

- Sturt Pea Drive
- Bandy Road
- Town Streets Reseal
- Lancefield Diversion Road
- Great Central Road
- Mt Weld Road



## Great Beyond

### Stage 2 Expansion of the Great Beyond Visitor Centre

The long-awaited expansion of the Great Beyond Visitor Centre was completed early 2022 with the Centre staff setting up the new premises over the month of June. The expansions have created a modest space for a gift shop and a welcoming location for residents and visitors to enjoy a coffee and a bite to eat. The Centre will no doubt be a location for many local events as time goes on.

Separate to the physical expansion of the building, the Great Beyond Explorer's Hall of Fame also had an upgrade. After navigating through COVID border travel restrictions, a specialised team of Audio Visual Technicians travelled to Laverton to finish the installation of new equipment to the Hall of Fame displays. Included in the upgrade was a new touch screen that will enable the Visitors to view local stories and content as they are uploaded. This display is not static and can be changed or modified at any time. This will provide the opportunity for the local community to be showcased in many different forms.





## Promotional Opportunities & Tourism Initiatives

Many opportunities to positively promote our region arose throughout 2021/2022.

Staff continued to participate in the GEMS (Goldfields Esperance Must See) project. Both Shire Staff and local community members were invited to participate in the 'ARted Training' through the EyeJack program. This training taught participants to animate still images into Augmented Reality. Our GEMS also hosted a Destination Management session in Laverton. The 'Building Skilled Tourism Communities' was open to all Businesses in Laverton and was aimed at helping the local community identify local and unique Tourism opportunities that may not necessarily have been identified before. The session was well attended with 32 people taking part.

Great Beyond Staff also participated in the Tourism E-School's Visitor Servicing Bootcamp. This online training was an intense 8-week program that covered a wide range of Visitor Servicing business techniques, from Staff Recruitment to Website & Social Media training.

Visage Productions carried out another successful filming project with the 'One Road' TV series broadcasting a Northern Goldfields episode nationally on 19<sup>th</sup> December 2021. The feature on Laverton focused on Laverton being a gateway to an outback experience and featured the Laverton Art Gallery, including the making of local bush, and the unique DACA Tours experiences. The episode was well received both on TV and online.

A major update of the Northern Goldfields Travel Planner and Map was carried out by Great Beyond Staff. Working with the neighboring Northern Goldfields Shires, the planner was updated to be more relevant and provide a fresh look to the region. This planner is distributed to all Visitor Centers across WA, and at industry trade shows.

Additional to print and online marketing of the Laverton and the Great Beyond, Manager Laurinda Hill participated in a number of radio programs including Curtin Radio, ABC Goldfields Esperance and the Outback Way podcast series. Laverton also took advantage of a visit from renowned photographer Jarred Seng. Jarred was employed by Australia's Golden Outback to travel and photograph the region.

Although the Great Beyond was operating from the pop up shop throughout the year, they still hosted the regular Casey Tours coaches. Tours were provided of the Old Police Complex and tour buses still used the services of the pop up shop.

The Western Australian Museum has been aiming to launch a new tourism website to promote museums and collections across regional WA. The Great Beyond hosted a team from the WA Museum and provided a tour of the Great Beyond (during the expansion project), the Laverton Art Gallery and the Old Police Complex. Each organization will feature on the website.

The Shire continues to work with the Outback Grave Markers in their effort to locate, identify and mark graves in our Shire. With the help of Visitor Centre staff, information has been found on a number of graves with all of the small cemeteries and lonely graves now having plaques installed.

## Events

Again Shire staff hosted a number of events throughout the year, the Great Beyond was proud to facilitate or host a number of these events including the town's Clean up Australia Day, NAIDOC Celebrations, Australia's Biggest Morning Tea, Seniors Christmas party, the CRC's annual community Christmas party and the Laverton Schools 'Big Picture' portfolio launch by the local high school students.

The Great Beyond took advantage of boosting business by attending a number of market days including local Easter and Christmas markets and well as the Leonora Golden Gift.

The biggest event of the year was Laverfest, which saw a huge number of people attend from surrounding areas. The Laverfest program included Cultural Food Markets, Family Fun Day & Billy Kart Race, free community concerts, fireworks, mine site tours, a gala ball and the arrival of the Perth to Laverton Cyclclassic participants.

### Clean Up Australia Day, March 2022



### Community Resource Centre

COVID-19 restrictions had seen the Laverton CRC closed for a period of time throughout the early months of the year due to staff isolation, short staffing and sickness throughout the community as COVID-19 went through Laverton. Despite this closure over the past twelve months, the Laverton CRC managed to hold 11 training and workshop sessions, 12 information session and 12 local initiatives, including our biannual event – Laverfest which was held in September 2021.

In June 2022, Jezaire Kelly became the Laverton Community Resource Centre Co-Ordinator. From April 2022 until the end of the financial year, the Laverton Community Resource Centre has only had one staff member. This has been extremely challenging at times and despite not being able to run our weekly better beginnings program and monthly seniors program, the Laverton CRC has managed to continue annual events and initiatives and assist with community events with the help and support of other local businesses. This has tremendously strengthened and built community connections through and in Laverton.

Despite many challenges, the 2021-22 financial year was successful with all DPIRD conditions being met. The Laverton CRC is very important to the Laverton community and will continue to ensure it is doing the best it can to assist the community in moving forward.



#### Access to government services

- Free Government Access Computer
- Government Information Booth
- Department of Transport Agent
- Office space available for hire
- Active referral relationships with local and visiting Government agencies



#### Economic and business development support

- Active referral relationships with local and visiting services, agencies and organizations.
- Facilitate Business Development services, events and workshops.
- Facilitate work experience with local school



### Social development support

- Active referral relationships with local and visiting services, agencies and organizations
- Coordinate and facilitate Community programs, events and workshops
- Coordinate and deliver early Literacy program
- Coordinate and deliver Seniors program



### Services and products

- Secretarial services
- Education
- IT support and telecommunications
- Public Library
- Production of Local Magazine
- Department of Transport Agent



### Building community connections

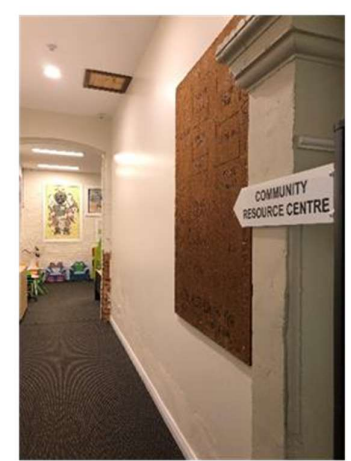
- Shire of Laverton
- State Library of Western Australia
- Great Beyond Visitor Centre
- Local Drug Action Group
- Laverton Cross Cultural Association
- Pakaanu Aboriginal Corporation

## Year in Summary





Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2021





Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022





## Swimming Pool

The Pool opened on the 3<sup>rd</sup> October 2021 with a downturn in temperature and this seemed to set the weather for the duration of the season. Hot, warm, hot, cool, hot, warm and so the season has gone. In some ways it has made it difficult to prepare for numbers as the weather would change so quickly.

The school had a Physical Education teacher in Term 4, 2021 which was brilliant as the school had 3 weeks of water activities, then they had their first Swimming Carnival in the 5 seasons I have been here. Was a great day, which I think all enjoyed. The school term finished with a Police Blue Light Disco which the children enjoyed immensely.

The Festive Break was an interesting time. There was no Swim Stars program this year and the Youth Centre was closed for 28 days out of 49 days (7 weeks), there were limited visiting services to town to keep children active. The pool was busy with the Over 10's and there were a few families that were regular visitors. I feel one of the big saves for the children was the gifting 50 times 10 Pool Entries from Granny Smith Mine for those who had participated in the Nightfields Program.

We were lucky enough to secure sponsorship from RLSSWA for Krystal to do the Pool Operators Course. Krystal went to Perth mid-February to attend the course and was able to complete assignments before attending. This meant she was signed off within a few days of attending. Not long after returning to Laverton, Krystal left to attend Murdoch University of which I am sure she will do well.

Once again the pool with the help of Youth Services ran Swim for Fruit during Term 4, 2021 and Term 1 2022. Some weeks we had really high numbers and other weeks were lucky to get 5 children turn up. The Under 10's as per usual, love to attend and become highly competitive with their friends and by Term 1, the over 10's are too cool to swim for fruit. Some still turn up as it is free entry, 4 laps and fruit. One must admit there is a fair level of cheating in both age groups either walking or pulling themselves along the side or finding some other method to cover the distance with the least amount of effort.

The Under 10's attack the whole program with heaps more gusto than the older children. Overall both groups did well for the season.

Over 10's – maximum 22 swimmers finishing 1683 laps, averaging 76.5 laps per child  
Under 10's – Maximum 36 swimmers finishing 5492 laps, averaging 152.5556 laps per child  
A fantastic effort by all. I would like to thank Youth Services as the program could not run without their help.

Numbers were down from the 2020/2021 season by 916, a lot is probably due to Covid as once it hit town there were people in isolation for a couple of weeks at a time. The pool was also closed for 10 days due to me been Covid positive and in isolation. Here is hoping for a busier season for 2022/2023 with no Covid.

Janine Rowe  
Pool Manager



### **Laverton Youth Services – 2021-2022**

Laverton Youth Services continue to run programs for young people aged 6 -25 years, with various programs available for all youth in town, especially youth at Risk. Laverton Youth Services focus is on a collaborative approach linking in with internal & external agencies, and especially linking in with youths families to get the best outcomes for the youth.

During the 2021 – 2022 period, Youth Services had high participation throughout all programs available. Through engaging a high number of youths through programs & the collaborative approach, we had a successful period with a low juvenile crime rate.

There have been various of activities over this period that have been key highlights to the successes of the young people in Laverton.

Listed below are some of the programs that have been a success:

- Stephen Michael Foundation – after school activities & Rising leaders’ program
- YMCA – after school activities
- Pakaanu Aboriginal Corp – Cultural / NAIDOC week celebrations
- Nightfields – sports nights with Police
- Cycling Development Foundation - Bike Program
- Intertown youth programs with Leonora
- Laverton Athletics Program



## COMPLIANCE

### Freedom of Information

Sections 96 and 97 of the *Freedom of Information Act 1992* require Local Governments to publish an information statement annually.

In summary, the Shire of Laverton's Statement indicates that the Shire of Laverton is responsible for the good governance of the Shire and conducts functions as required including statutory compliance and provision of services and facilities.

All Council meetings are open to the public and meeting dates and venues are advertised on a regular basis. Members of the public are invited to ask questions during Public Question Time shortly after the commencement of each meeting.

The Shire of Laverton maintains records relating to the function and administration of the Shire and includes such documents as the Minutes of Meetings, Rate Book, Town Planning Scheme, Local Laws, Codes of Conduct, Register of Financial Interests, Register of Delegated Authority, Financial Statements and Electoral Rolls.

These documents can be inspected free of charge at the Shire Office, 9 MacPherson place, Laverton during office hours.

Wherever possible and practical, and in line with privacy laws, the Shire of Laverton makes personal information readily available free of charge.

No Freedom of Information requests were made during the reporting period.

### **Record Keeping**

The *State Records Act 2000* is an Act to provide for the keeping of State records and for related purposes. Section 19 of the Act requires each government organization to have a Record Keeping Plan that has been approved by the State Records Commission. The registration number of the recordkeeping plan is 2011029.

In May 2022, the State Records Commission approved the continuation of the Shire of completed and submitted to the State Records Office.

The objectives of the Shire of Laverton's Record Keeping Plan are to ensure:

- Compliance with Section 28 of the *State Records Act 2000*,
- Record keeping within the Local Government is moving toward compliance with State Records Commission Standards and Record Management Standard AS ISO15489,
- Processes are in place to facilitate the complete and accurate record of business transactions and decisions,
- Recorded information can be retrieved quickly, accurately, and cheaply when required; and the
- Protection and preservation of the local government's records

### **Register of Minor Complaints**

Section 5.121 of the *Local Government Act 1995* (Register of certain complaints of minor breaches) requires the complaints officer for each local government to maintain a Register of Complaints which records all complaints that result in action under section 5.110(6) (b) or (c) of the Act (Conduct of Certain Officials).

Section 5.53 (2) (b) of the *Local Government Act 1995* requires that details of entries made under section 5.121 during the year in the Register of Complaints, including:

- The number of complaints recorded on the Register of Complaints.
- How the recorded complaints were dealt with, and.
- Any other details that the regulations may require to be disclosed in the Annual Report.

In accordance with these requirements, a complaints register has been maintained.

As of the 30 June 2022, no complaints were recorded.

### **Public Interest Disclosure**

The Public Interest Disclosure Code was established by the Commissioner for Public Standards under section 20 of the *Public Interest Disclosure Act 2003*.

One of the principles of the Code is not just to provide protection of those who make disclosures (and those who are the subject of disclosures), but also to encourage a system of transparency and accountability in the way government officials act and utilize public monies.

Matters that fall into the category of public interest include:

- Improper conduct (irregular or unauthorized use of public resources).
- An offence under State Law including corruption (substantial unauthorized or irregular use of, or substantial mismanagement of, public monies)
- Administration matters generally (conduct involving substantial risk of injury to public health, prejudice to public safety or harm to the environment)

Matters that relate to the Shire of Laverton should be referred to the Shire of Laverton's Public Interest Disclosure Officer. Disclosures to the Public Interest Disclosure Officer can be made not just about officers of the Shire of Laverton but also, its elected officials.

There is an obligation of the Public Interest Disclosure Officer in the *Public Interest Disclosure Act 2003* to ensure that the disclosure is confidential and that the person making a disclosure

is provided adequate protection from reprisals, civil and criminal liability, or breach of confidentiality.

More information can be found at [www.publicsector.wa.gov.au](http://www.publicsector.wa.gov.au).

The Shire of Laverton had no Public Interest Disclosures during the reporting Period.

### **Disability Access and Inclusion Plan (DAIP)**

The Shire of Laverton revised the Disability Access and Inclusion Plan during 2021/2022 and the Shire of Laverton DAIP was approved by the Department of Communities for the period 2019/2024.

The following are general comments regarding the DAIP activities where the council had an involvement:

- Every council department now includes a disability access ramp.
- International Day of People with a disability with a pool party to highlight the facilities available at the Aquatic Centre.

### **Payments to Employees**

Section 5.53 (2) (g) of the *Local Government Act 1995* and Regulation 19B of The *Local Government (Administration) Regulations 1996* require all local Governments to report in their Annual Report, any employees receiving a salary more than \$130,000 per annum.

Set out below (in bands of \$10,000) is the number of Shire employees entitled to an annual salary of \$130,000 or more:

Employees with employment under the Councils Enterprise Bargaining Agreement and a fixed term contract where the salary is more than \$130,000 are:

Salary Range \$	No of Employees
\$130,000 to \$200,000	2
\$200,000 to \$250,000	1

### **Integrated Planning and Reporting**

In October 2020, Council developed a Plan for the Future: Strategic Community Plan and Corporate Business Plan 2020-2030. Comments regarding the progress of the key outcomes are listed below.

Outcome	Strategies	Achievements
1.1 A strong sense of community pride and ownership	1.1.1 Encourage community participation	Council continues to engage with the community and actively encourages participation and input into council matters. Council has developed specific focus groups made from different community members to provide a voice into various matters. Council also looks to instill a sense of pride in the community, a prime example of this is Clean up Australia Day in which shire employees join with members of the community to tidy up the town.
	1.1.2 Enhance community safety	Continued operation of the CCTV system. Council has recently installed solar lighting from the Village to the town roundabout.
	1.1.3 Maintain and develop community spaces and resources	The council continues to expand upon parks and gardens areas with recent developments including the Information Bay at Beria Road, fencing of the Town Oval and the formation of the new Dog Park.
	1.1.4 Develop youth, family, and community services	Council continues to operate a successful Youth Services Program
2.1 Sustainable Tourism	2.1.1 Develop Tourism Strategy	Ongoing and the Council is involved through the various tourist boards.
	2.1.2 Continue to provide and enhance tourism services and infrastructure	Grant funding achieved to upgrade the Great Beyond and with council contributing 50% of the \$2.6 million dollars
2.2 Improved Economic development opportunities	2.2.1 Continue to work with industry and stakeholders for the economic development of the district	Main thrust has the mining industry through the mining related councils' meetings and opportunities as they arise such as the Laverton training Centre.

	2.2.2 Develop economic development plan	The council produced an economic document in conjunction with The Northern Goldfields Councils
3.1 Safe and efficient transport network	3.1.1 Upgrade Great Central Road to all weather status	Commitment for funding by the Commonwealth and State Governments – 100 kilometers of seal completed and proceeding at approx. 50 kilometers per year.
	3.1.2 Maintain and improve road network	The Council contributes over \$1 million to the maintenance of council- controlled roads. In addition, funds are sourced through the Roads to Recovery program, Regional Road Groups, and various agreements to provide funding on the road network.
	3.1.3 Maintain and Upgrade airport	The airport continues to undergo further development. Future plans include the sealing of the runway and the replacement of the terminal which will be commenced in 2022/23.
3.2 Modern, well maintained other built infrastructure	3.2.1 Preserve significant community assets for future generations	The recent renovations to the Great Beyond Visitor Centre and the Old Coach house.
	3.2.2 Well maintained parks, gardens. Sport and recreation facilities	The Council recently supported the Laverton sports club with \$100,000 to assist in the upgrade of basketball courts. Council continues to support the Race Club with maintenance of the racecourse.
3.3 Clean, safe, and tidy environment	3.3.1 Encourage community to keep Laverton clean and tidy	Clean up Australia Day is a regular occurrence and council employees as part of their daily duties battle to stem the flow of rubbish being picked up. The containers for change have provided some respite.

	3.3.2 Effective biosecurity management within the shire	This is ongoing and requires further development.
	3.3.4 Effective law, order and public safety	Council continues to operate the CCTV system in conjunction with Laverton Police.
4.1 A strategically focused Council, demonstrating strong leadership	4.1.1 Provide informed leadership on behalf of the community	Council continues to demonstrate corporate leadership through strong governance, compliance and transparency.
	4.1.2 Effectively represent, promote and advocate for the community and district	Council continues to engage with the community and develop focus groups to ensure that community feedback is received.
	4.1.3 Provide strategic leadership and governance	Council continues to demonstrate corporate leadership through strong governance, compliance and transparency.
4.2 An efficient and effective organization	4.2.1 Maintain a high level of corporate governance, responsibility and accountability	This aspect has been made mandatory through the amendments to the Local government Act and all new councillors must complete mandatory training.
	4.2.2 Comply with statutory and legislative requirements	Council continues to adhere to all statutory and legislative requirements.
	4.2.3 Provide a positive and safe workplace	Council continues to support its employees and ensures they are recognized for their hard work.
	4.3.2 Seek high level of statutory compliance	Council has experiences three consecutive positive audits with minimal issues raised. Council continues to meet all of its statutory requirements. Part of this is through the joint relationship with the Northern Goldfields Compliance Group.



**SHIRE OF LAVERTON**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

Certification of Financial Report	2
Statement of Comprehensive Income by Nature or Type	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Rate Setting Statement	7
Index of Notes to the Financial Report	8
Independent Auditor's Report	47

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

*The Shire will endeavour to provide community services and facilities to meet the needs of the members of the community and enable them to enjoy a pleasant and healthy way of life.*

Principal place of business:  
 9 MacPherson Place  
 PO Box 42  
 Laverton WA 6440

**SHIRE OF LAVERTON  
 FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2022**

The attached financial report of the Shire of Laverton for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the Shire of Laverton at 30 June 2022 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the

28<sup>th</sup> day of March 2022

  
 Chief Executive Officer  
 Phillip Marshall  
 Name of Chief Executive Officer



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
STATEMENT OF COMPREHENSIVE INCOME  
BY NATURE OR TYPE  
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
Revenue				
Rates	24(a),2(a)	5,868,870	6,333,845	5,492,480
Operating grants, subsidies and contributions	2(a)	5,546,692	4,173,172	4,652,098
Fees and charges	23(c),2(a)	917,046	507,450	722,266
Interest earnings	2(a)	76,087	50,100	95,060
Other revenue	2(a)	283,272	161,200	236,065
		12,691,967	11,225,767	11,197,969
Expenses				
Employee costs		(3,126,426)	(3,611,133)	(3,583,799)
Materials and contracts		(2,591,355)	(5,166,000)	(2,072,951)
Utility charges		(406,852)	(355,100)	(354,095)
Depreciation	10(a)	(2,717,877)	(2,522,010)	(2,647,697)
Finance costs	2(b)	(57,690)	(54,115)	(55,306)
Insurance		(185,366)	(180,830)	(163,951)
Other expenditure	2(b)	(728,937)	129,769	(474,975)
		(9,814,503)	(11,759,419)	(9,352,774)
		2,877,464	(533,652)	1,845,195
Capital grants, subsidies and contributions	2(a)	2,168,651	3,524,078	2,766,233
Profit on asset disposals	10(d)	28,363	30,000	24,059
Loss on asset disposals	10(d)	(5,182)	(152,000)	(36,086)
Fair value adjustments to financial assets at fair value through profit or loss		3,997	0	73,807
		2,195,829	3,402,078	2,828,013
Net result for the period	23(b)	5,073,293	2,868,426	4,673,208
Other comprehensive income for the period				
Items that will not be reclassified subsequently to profit or loss				
Total other comprehensive income for the period	16	0	0	0
Total comprehensive income for the period		5,073,293	2,868,426	4,673,208

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



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2022

	NOTE	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	12,766,303	8,300,453
Trade and other receivables	5	347,987	906,834
Inventories	6	174,482	121,574
Other assets	7	257,465	275,854
<b>TOTAL CURRENT ASSETS</b>		<b>13,546,237</b>	<b>9,604,715</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	3,719	1,968
Other financial assets	4(a)	77,804	73,807
Property, plant and equipment	8	15,525,724	14,790,587
Infrastructure	9	138,951,818	139,340,121
<b>TOTAL NON-CURRENT ASSETS</b>		<b>154,559,065</b>	<b>154,206,483</b>
<b>TOTAL ASSETS</b>		<b>168,105,302</b>	<b>163,811,198</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	173,182	581,850
Other liabilities	13	494,378	522,464
Borrowings	14	335,235	326,108
Employee related provisions	15	433,389	447,586
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,436,184</b>	<b>1,878,008</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	14	1,507,041	1,842,276
Employee related provisions	15	93,813	95,943
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,600,854</b>	<b>1,938,219</b>
<b>TOTAL LIABILITIES</b>		<b>3,037,038</b>	<b>3,816,227</b>
<b>NET ASSETS</b>		<b>165,068,264</b>	<b>159,994,971</b>
<b>EQUITY</b>			
Retained surplus		84,827,136	82,322,976
Reserve accounts	27	6,389,061	3,819,928
Revaluation surplus	16	73,852,067	73,852,067
<b>TOTAL EQUITY</b>		<b>165,068,264</b>	<b>159,994,971</b>

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



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2020		<b>74,718,495</b>	<b>2,099,103</b>	<b>73,852,067</b>	<b>150,669,665</b>
Comprehensive income for the period					
Net result for the period		9,325,306	0	0	9,325,306
Total comprehensive income for the period		9,325,306	0	0	9,325,306
Transfers from reserves	27	2,083,959	(2,083,959)	0	0
Transfers to reserves	27	(3,804,784)	3,804,784	0	0
Balance as at 30 June 2021		<b>82,322,976</b>	<b>3,819,928</b>	<b>73,852,067</b>	<b>159,994,971</b>
Comprehensive income for the period					
Net result for the period		5,073,293	0	0	5,073,293
Total comprehensive income for the period		5,073,293	0	0	5,073,293
Transfers from reserves	27	40,000	(40,000)	0	0
Transfers to reserves	27	(2,609,133)	2,609,133	0	0
Balance as at 30 June 2022		<b>84,827,136</b>	<b>6,389,061</b>	<b>73,852,067</b>	<b>165,068,264</b>

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



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2022

NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts			
Rates	5,783,273	6,333,845	5,505,436
Operating grants, subsidies and contributions	5,813,680	4,173,172	4,325,282
Fees and charges	1,225,683	507,450	753,518
Interest received	76,087	50,100	95,060
Goods and services tax received	315,094	534,683	696,086
Other revenue	283,272	161,200	236,065
	13,497,089	11,760,450	11,611,447
Payments			
Employee costs	(3,221,250)	(3,611,133)	(3,612,569)
Materials and contracts	(2,988,089)	(5,166,000)	(1,650,105)
Utility charges	(406,852)	(355,100)	(354,095)
Finance costs	(57,690)	(54,115)	(55,306)
Insurance paid	(185,366)	(180,830)	(163,951)
Goods and services tax paid	(259,797)	(534,683)	(622,634)
Other expenditure	(728,937)	129,769	(474,975)
	(7,847,981)	(9,772,092)	(6,933,635)
<b>Net cash provided by (used in) operating activities</b>	17(b) 5,649,108	1,988,358	4,677,812
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchase of property, plant & equipment	8(a) (1,398,168)	(3,573,594)	(1,754,183)
Payments for construction of infrastructure	9(a) (1,665,814)	(3,108,043)	(1,473,469)
Non-operating grants, subsidies and contributions	2,168,651	3,524,078	2,766,233
Proceeds from sale of property, plant & equipment	10(d) 38,181	370,000	190,637
<b>Net cash provided by (used in) investing activities</b>	(857,150)	(2,787,559)	(270,782)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings	26(a) (326,108)	(326,110)	(287,918)
Proceeds from new borrowings	26(a) 0	0	1,300,000
<b>Net cash provided by (used in) financing activities</b>	(326,108)	(326,110)	1,012,082
Net increase (decrease) in cash held	4,465,850	(1,125,311)	5,419,112
Cash at beginning of year	8,300,453	8,298,892	2,881,341
Cash and cash equivalents at the end of the year	17(a) 12,766,303	7,173,581	8,300,453

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





Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
NET CURRENT ASSETS - At start of financial year - surplus/(deficit)	25(b)	4,572,726	1,993,483	1,158,427
<b>OPERATING ACTIVITIES</b>				
Revenue from operating activities (excluding general rate)				
Operating grants, subsidies and contributions		5,546,692	4,173,172	4,652,098
Fees and charges		917,046	507,450	722,266
Interest earnings		76,087	50,100	95,060
Other revenue		283,272	161,200	236,065
Profit on asset disposals	10(d)	28,363	30,000	24,059
Fair value adjustments to financial assets at fair value through profit or loss		3,997	0	73,807
		6,855,457	4,921,922	5,803,355
Expenditure from operating activities				
Employee costs		(3,126,426)	(3,611,133)	(3,583,799)
Materials and contracts		(2,591,355)	(5,166,000)	(2,072,951)
Utility charges		(406,852)	(355,100)	(354,095)
Depreciation		(2,717,877)	(2,522,010)	(2,647,697)
Finance costs		(57,690)	(54,115)	(55,306)
Insurance		(185,366)	(180,830)	(163,951)
Other expenditure		(728,937)	129,769	(474,975)
Loss on asset disposals	10(d)	(5,182)	(152,000)	(36,086)
		(9,819,685)	(11,911,419)	(9,388,860)
Non-cash amounts excluded from operating activities	25(a)	2,772,550	2,644,010	2,560,656
<b>Amount attributable to operating activities</b>		(191,678)	(4,345,487)	(1,024,849)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions		2,168,651	3,524,078	2,766,233
Proceeds from disposal of assets	10(d)	38,181	370,000	190,637
Recognition of financial assets through profit or loss				(73,807)
Purchase of property, plant and equipment	8(a)	(1,396,168)	(3,573,594)	(1,754,183)
Purchase and construction of infrastructure	9(a)	(1,665,814)	(3,108,043)	(1,473,469)
		(857,150)	(2,787,559)	(344,589)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	26(a)	(326,108)	(326,110)	(287,918)
Proceeds from borrowings	26(a)	0	0	1,300,000
Transfers to reserves (restricted assets)	27	(2,609,133)	(948,172)	(3,804,784)
Transfers from reserves (restricted assets)	27	40,000	80,000	2,083,959
<b>Amount attributable to financing activities</b>		(2,895,241)	(1,194,282)	(708,743)
<b>Surplus/(deficit) before imposition of general rates</b>		628,657	(6,333,845)	(919,754)
<b>Total amount raised from general rates</b>	24(a)	5,868,870	6,333,845	5,492,480
<b>Surplus/(deficit) after imposition of general rates</b>	25(b)	<b>6,497,527</b>	<b>0</b>	<b>4,572,726</b>

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



CITY OF SOMEWHERE  
FOR THE YEAR ENDED 30 JUNE 2022  
INDEX OF NOTES TO THE FINANCIAL REPORT

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	12
Note 4	Other Financial Assets	12
Note 5	Trade and Other Receivables	13
Note 6	Inventories	13
Note 7	Other Assets	14
Note 8	Property Plant and Equipment	15
Note 9	Infrastructure	17
Note 10	Fixed Assets	19
Note 11	Leases	22
Note 12	Trade and Other Payables	23
Note 13	Other Liabilities	24
Note 14	Borrowings	25
Note 15	Employee Related Provisions	26
Note 16	Revaluation Surplus	27
Note 17	Notes to the Statement of Cash Flows	28
Note 18	Contingent Liabilities	29
Note 19	Capital Commitments	29
Note 20	Relate Party Transactions	30
Note 21	Financial Risk Management	33
Note 22	Other Significant Accounting Policies	36
Note 23	Function and Activity	37
Note 24	Rate Setting Statement Information	40
Note 25	Rate Setting Statement Information	43
Note 26	Borrowing and Lease Liabilities	44
Note 27	Reserve accounts	45
Note 28	Trust Funds	46



**SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**1. BASIS OF PREPARATION**

The financial report 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-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

**The local government reporting entity**

All funds held in the trust fund are excluded from the financial statements. A separate statement of these 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
- estimation uncertainties made in relation to lease accounting
- estimation of useful lives of non-current assets.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	When assets are controlled
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - 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 fees	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance	Refund for faulty good	Output method based on goods sold
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	Output method based on works done

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 or types of goods or services is provided in the table below:

For the year ended 30 June 2022

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	0	5,868,870	5,868,870
Operating grants, subsidies and contributions	5,546,692	0	0	0	5,546,692
Fees and charges	917,046	0	0	0	917,046
Interest earnings	0	0	37,038	39,049	76,087
Other revenue	0	0	0	283,272	283,272
Non-operating grants, subsidies and contributions	0	2,168,651	0	0	2,168,651
Total	6,463,738	2,168,651	37,038	6,191,191	14,860,618

For the year ended 30 June 2021

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	0	5,492,480	5,492,480
Operating grants, subsidies and contributions	4,652,098	0	0	0	4,652,098
Fees and charges	722,266	0	0	0	722,266
Interest earnings	0	0	60,647	34,413	95,060
Other revenue	0	0	0	236,065	236,065
Non-operating grants, subsidies and contributions	0	2,766,233	0	0	2,766,233
Total	5,374,364	2,766,233	60,647	5,762,958	13,964,202

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUE AND EXPENSES (Continued)

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
(a) Revenue (Continued)				
Interest earnings				
Interest on reserve funds		18,330	20,000	12,733
Rates instalment and penalty interest (refer Note 24(d))		37,038	25,100	60,647
Other interest earnings		20,719	5,000	21,680
		76,087	50,100	95,060
(b) Expenses				
Auditors remuneration				
- Audit of the Annual Financial Report		50,000	50,000	47,000
- Other services - Office of the Auditor General		3,700	10,000	4,200
- Other services - Moore DPIRD		3,000	0	1,100
- Other services - RSM - other acquittals		0	0	850
		56,700	60,000	53,150
Finance costs				
Borrowings	26(a)	57,690	53,115	55,306
Other finance costs		0	1,000	0
		57,690	54,115	55,306
Other expenditure				
Sundry expenses		728,937	129,769	474,975
		728,937	129,769	474,975

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand  
Term deposits  
**Total cash and cash equivalents**

Held as  
- Unrestricted cash and cash equivalents  
- Restricted cash and cash equivalents

Note	2022	2021
	\$	\$
	6,377,242	5,588,938
	6,389,061	2,711,515
17(a)	12,766,303	8,300,453
	6,377,242	4,480,525
17(a)	6,389,061	3,819,928
	12,766,303	8,300,453

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.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

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 reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

Details of restrictions on financial assets can be found at Note 17.

4. OTHER FINANCIAL ASSETS

(a) Non-current assets

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss  
Units in Local Government House Trust

2022	2021
\$	\$
77,804	73,807
77,804	73,807
77,804	73,807

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 hierarchy (see Note 22 (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 and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 21.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

5. TRADE AND OTHER RECEIVABLES

Note	2022	2021
	\$	\$
Current		
Rates receivable	597,230	513,384
Prepaid rates	72,759	43,796
Trade and other receivables	89,064	395,037
GST receivable	51,932	119,000
Allowance for credit losses of rates receivables	21(b) (473,020)	(164,383)
Prepayments	10,022	0
	347,987	906,834
Non-current		
Pensioner's rates and ESL deferred	3,719	1,968
	3,719	1,968

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

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 revenue for the prepaid rates that have not been refunded.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 21

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	2022	2021
	\$	\$
Current		
Fuel and materials	94,635	58,839
Visitor centre stock	79,847	62,735
	174,482	121,574

The following movements in inventories occurred during the year:

Balance at beginning of year	121,574	189,717
Inventories expensed during the year	(211,392)	(176,774)
Additions to inventory	264,300	108,631
Balance at end of year	174,482	121,574

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.



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2022

7. OTHER ASSETS

	2022	2021
	\$	\$
Contract assets - current		
Accrued income	257,465	275,854
	257,465	275,854

SIGNIFICANT ACCOUNTING POLICIES

Contract assets current

Other non-financial assets represent contract assets represent that part of expenditure made in one accounting period covering a term extending beyond that period.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Note	Land	Buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Work in Progress	Total property, plant and equipment
		\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020		429,100	9,222,798	9,651,898	40,214	4,167,499	0	13,859,611
Additions		0	1,480,880	1,480,880	0	273,303	0	1,754,183
Disposals		(8,000)	(56,050)	(64,050)	0	(138,614)	0	(202,664)
Depreciation	10(a)	0	(224,656)	(224,656)	(16,512)	(371,466)	0	(612,734)
Transfers		0	0	0	135,591	(143,400)	0	(7,809)
Balance at 30 June 2021		421,100	10,422,972	10,844,072	159,193	3,787,322	0	14,790,587
Comprises:								
Gross balance amount at 30 June 2021		421,100	10,646,755	11,067,855	178,223	4,168,288	0	15,414,371
Accumulated depreciation at 30 June 2021		0	(223,783)	(223,783)	(19,035)	(380,966)	0	(623,784)
Balance at 30 June 2021		421,100	10,422,972	10,844,072	159,193	3,787,322	0	14,790,587
Additions		0	1,291,082	1,291,082	49,441	54,834	2,811	1,398,168
Disposals		(15,000)	0	(15,000)	0	0	0	(15,000)
Depreciation	10(a)	0	(257,990)	(257,990)	(15,812)	(374,229)	0	(648,031)
Balance at 30 June 2022		406,100	11,456,034	11,862,134	192,822	3,467,927	2,811	15,525,724
Comprises:								
Gross balance amount at 30 June 2022		406,100	11,937,837	12,343,937	227,670	4,223,122	2,811	16,797,540
Accumulated depreciation at 30 June 2022		0	(481,773)	(481,773)	(34,848)	(755,195)	0	(1,271,816)
Balance at 30 June 2022		406,100	11,456,034	11,862,134	192,822	3,467,927	2,811	15,525,724

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

8. 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	Market approach using recent observable market data using similar properties/income approach using discounted cashflow methodology	Independent registered valuers	June 2022	Price per hectare/market borrowing rate
Buildings	2	Market approach using recent observable market data using similar properties/income approach using discounted cashflow methodology	Independent registered valuers	June 2022	Price per square metre/market borrowing rate
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) Cost					
Furniture and equipment	3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition residual values and remaining useful life assessment inputs
Plant and equipment	3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition residual values and remaining useful life assessment inputs

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Note	Infrastructure - roads	Other infrastructure - footpaths & cycleways	Other infrastructure	Total Infrastructure
		\$	\$	\$	\$
Balance at 1 July 2020		128,587,350	170,517	11,129,348	139,867,515
Additions		1,145,716	0	327,753	1,473,469
Depreciation	10(e)	(1,690,689)	(3,415)	(340,859)	(2,034,963)
Transfers		0	0	14,100	14,100
Balance at 30 June 2021		128,042,377	167,102	11,130,342	139,340,121
Comprises:					
Gross balance at 30 June 2021		154,552,957	171,738	11,490,326	166,215,021
Accumulated depreciation at 30 June 2021		(26,510,280)	(4,633)	(359,984)	(26,874,900)
Balance at 30 June 2021		128,042,377	167,102	11,130,342	139,340,121
Additions		1,569,303	0	96,011	1,665,814
Write off negative depreciation		0	0	15,729	15,729
Depreciation	10(e)	(1,719,812)	(3,415)	(346,619)	(2,069,845)
Balance at 30 June 2022		127,892,668	163,687	10,895,463	138,951,818
Comprises:					
Gross balance at 30 June 2022		156,122,760	171,738	11,586,337	167,880,835
Accumulated depreciation at 30 June 2022		(28,230,092)	(8,051)	(690,874)	(28,929,017)
Balance at 30 June 2022		127,892,668	163,687	10,895,463	138,951,818

| 17

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - roads		3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition residual values and remaining useful life assessment inputs
Other infrastructure - footpaths & cycleways		3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition residual values and remaining useful life assessment inputs
Other infrastructure		3	Cost approach using depreciated replacement cost	Management valuation	June 2018	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 to determine the fair value of infrastructure using level 3 inputs.

| 18

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

10. FIXED ASSETS

(a) Depreciation

	Note	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
Buildings	8(a)	257,990	259,000	224,656
Furniture and equipment	8(a)	15,812	16,050	16,612
Plant and equipment	8(a)	374,229	378,500	371,466
Infrastructure - roads	9(a)	1,719,812	1,505,210	1,690,689
Other infrastructure - footpaths & cycleways	9(a)	3,415	151,110	3,415
Other infrastructure	9(a)	346,619	212,140	340,859
		2,717,877	2,522,010	2,647,697

Revision of useful lives of plant and equipment  
Plant and equipment were reviewed for useful lives.

Depreciation rates

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

Asset Class	Useful life
Buildings	30 to 80 years
Furniture & equipment	4 to 10 years
Plant & equipment	5 to 15 years
Infrastructure - roads	40 to 80 years
Infrastructure - footpaths & cycleways	20 to 50 years
Infrastructure - other	10 to 75 years

(b) Temporarily Idle or retired from use assets

There are no idle or retired from use assets listed in the asset register

(c) Fully Depreciated Assets in Use

There are no assets held by the Shire which are currently in use yet fully depreciated.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

10. FIXED ASSETS (Continued)

(d) Disposals of assets

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss	2022 Budget Net Book Value	2022 Budget Sale Proceeds	2022 Budget Profit	2022 Budget Loss	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	15,000	38,181	28,363	(5,182)	0	0	0	0	8,000	8,000	0	0
Buildings	0	0	0	0	0	0	0	0	56,050	32,909	0	(23,141)
Plant and equipment	0	0	0	0	492,000	370,000	30,000	(152,000)	138,614	149,728	24,059	(12,945)
	15,000	38,181	28,363	(5,182)	492,000	370,000	30,000	(152,000)	202,664	190,637	24,059	(36,086)

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
Land				
Economic services				
15 Cable Street - Land	8,000	38,363	28,363	0
8 Cable Street - Land	7,000	1,818	0	(5,182)
	15,000	38,181	28,363	(5,182)



## Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

### SHIRE OF LAVERTON NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

#### 10. 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, where applicable, 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.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the 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, infrastructure and investment properties acquired between scheduled revaluation dates of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next revaluation date in accordance with the mandatory measurement framework.

###### Revaluation

The fair value of land, buildings, infrastructure and investment properties 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. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

###### Revaluation (continued)

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

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

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

###### Depreciation 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. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

###### Amortisation

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

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

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 10(a).

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

11. LEASES

Lessor - Property, Plant and Equipment Subject to Lease

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

Less than 1 year

1 to 2 years

2 to 3 years

3 to 4 years

4 to 5 years

> 5 years

2022 Actual	2021 Actual
\$	\$
87,478	86,547
88,428	87,478
89,396	88,427
90,383	89,396
91,391	90,383
0	0
447,076	442,231

Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease

Lease of Council buildings to Centrelink, stables at racecourse to Conway-Cox and contribution to 50% of oval costs to the Education Department

SIGNIFICANT ACCOUNTING POLICIES

The Shire as Lessor

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

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

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

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

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

12. TRADE AND OTHER PAYABLES

Current  
Sundry creditors  
Accrued payroll liabilities  
ATO liabilities  
Bonds and deposits held  
Accrued salaries and wages  
Accrued interest on loans  
Other payables

2022	2021
\$	\$
81,447	417,893
3,328	985
48,640	129,480
300	13,684
15,556	11,598
6,373	8,210
17,538	0
173,182	581,850

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 the fair value of the 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 revenue for the prepaid rates that have not been refunded.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2022

13. OTHER LIABILITIES

	2022	2021
	\$	\$
Current		
Capital grant/contributions liabilities	494,378	522,464
	494,378	522,464
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	522,464	0
Additions	494,378	522,464
Revenue from capital grant/contributions held as a liability at the start of the period	(522,464)	0
	494,378	522,464
Expected satisfaction of capital grant/contribution liabilities		
Less than 1 year	494,378	522,464
	494,378	522,464

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

Contract liabilities

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

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

Capital grant/contribution liabilities

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

Non-current capital grant/contribution liabilities fair values 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 22(i)) due to the unobservable inputs, including own credit risk.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

14. BORROWINGS

	Note	2022			2021		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
WATC borrowings		335,235	1,507,041	1,842,276	326,108	1,842,276	2,168,384
<b>Total secured borrowings</b>	<b>26(a)</b>	<b>335,235</b>	<b>1,507,041</b>	<b>1,842,276</b>	<b>326,108</b>	<b>1,842,276</b>	<b>2,168,384</b>

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 hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

Risk

Information regarding exposure to risk can be found at Note 21. Details of individual borrowings required by regulations are provided at Note 26(a).



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2022	2021
	\$	\$
Current provisions		
Employee benefit provisions		
Annual Leave	255,469	222,678
Long Service Leave	177,920	224,908
	433,389	447,586
Non-current provisions		
Long Service Leave	93,813	95,943
	93,813	95,943
	527,202	543,529

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. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Note	2022	2021
	\$	\$
Amounts are expected to be settled on the following basis:		
Less than 12 months after the reporting date	113,206	160,000
More than 12 months from reporting date	413,996	383,529
	527,202	543,529

Expected reimbursements of employee related provisions from other WA local governments included within other receivables

5 0 0

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

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.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

16. REVALUATION SURPLUS

	2022 Opening Balance	2022 Change in Accounting Policy	2022 Revaluation Increment	2022 Revaluation (Decrement)	2022 Total Movement on Revaluation	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	2021 Revaluation (Decrement)	2021 Total Movement on Revaluation	2021 Closing Balance
Revaluation surplus - Buildings	6,201,246	0	0	0	0	6,201,246	6,201,246	0	0	0	6,201,246
Revaluation surplus - Infrastructure - roads	67,650,821	0	0	0	0	67,650,821	67,650,821	0	0	0	67,650,821
	73,852,067	0	0	0	0	73,852,067	73,852,067	0	0	0	73,852,067

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

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

17. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash and cash equivalents	3	12,766,303	7,173,581	8,300,453
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	6,389,061	5,686,537	3,819,928
		6,389,061	5,686,537	3,819,928
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Restricted reserve accounts	27	6,389,061	4,686,537	3,819,928
Contract liabilities	26(a)	0	1,000,000	0
<b>Total restricted financial assets</b>		<b>6,389,061</b>	<b>5,686,537</b>	<b>3,819,928</b>

(b) Reconciliation of Net Result to Net Cash Provided  
By Operating Activities

Net result		5,073,293	2,868,426	4,673,208
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(3,997)	0	(73,807)
Adjustments to fair value of investment property		(15,729)	0	0
Depreciation/amortisation		2,717,877	2,522,010	2,647,697
(Profit)/loss on sale of asset		(23,181)	122,000	12,027
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		557,096	0	(258,411)
(Increase)/decrease in other assets		18,389	0	0
(Increase)/decrease in inventories		(52,908)	0	68,143
Increase/(decrease) in trade and other payables		(408,668)	0	318,973
Increase/(decrease) in employee related provisions		(16,327)	0	6,960
Increase/(decrease) in other liabilities		(28,086)	0	49,255
Non-operating grants, subsidies and contributions		(2,168,651)	(3,524,078)	(2,766,233)
<b>Net cash provided by/(used in) operating activities</b>		<b>5,649,108</b>	<b>1,988,358</b>	<b>4,677,812</b>

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements				
Bank overdraft limit		500,000		500,000
Credit card limit		25,000		25,000
Credit card balance at balance date		(8,602)		(2,994)
<b>Total amount of credit unused</b>		<b>516,398</b>		<b>522,006</b>
Loan facilities				
Loan facilities - current		335,235		326,108
Loan facilities - non-current		1,507,041		1,842,276
<b>Total facilities in use at balance date</b>		<b>1,842,276</b>		<b>2,168,384</b>
Unused loan facilities at balance date		0		70,972

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

18. CONTINGENT LIABILITIES

The Shire of Laverton has in compliance with the Contaminated Sites Act 2003 section 11 listed sites to be possible sources of contamination:- Laverton Rubbish Tip located at Laverton Rubbish Tip, Rubbish Tip Rd, Laverton WA 6440. Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk and degree with the Department of Water and Environment Regulation the need and criteria for remediation, the Shire is unable to accurately quantify its clean up liabilities for potentially contaminated sites. The Shire is continuing to monitor the sites and will progressively undertake site investigations and remediation on a risk based approach. This approach is consistent with the Department of Water and Environment regulation guidelines.

19. CAPITAL COMMITMENTS

	2022	2021
	\$	\$
Contracted for:		
- capital expenditure projects	0	1,370,972
	0	1,370,972
Payable:		
- not later than one year	0	1,370,972

The capital expenditure commitment at 30 June 2021 related to the outstanding expenditure for the Great Beyond Expansion project. This was to be partly funded by unspent loan funds of \$70,972.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

20. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Note	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
<b>Shire President - Mr Patrick Hill</b>			
President's annual allowance	28,500	30,000	24,000
Meeting attendance fees	19,500	28,642	24,000
Travel and accommodation expenses	0	4,000	3,223
	48,000	62,642	51,223
<b>Deputy President - Ms Shaneane Weldon</b>			
Deputy President's annual allowance	7,500	7,500	6,000
Meeting attendance fees	16,367	14,321	12,000
Travel and accommodation expenses	0	1,000	0
	23,867	22,821	18,000
<b>Councillor - Mr Rex Ryles</b>			
Meeting attendance fees	4,092	14,321	12,000
Travel and accommodation expenses	0	1,000	0
	4,092	15,321	12,000
<b>Councillor - Mr Rex Weldon</b>			
Meeting attendance fees	16,367	14,321	12,000
Travel and accommodation expenses	0	1,000	0
	16,367	15,321	12,000
<b>Councillor - Mrs Robin Prentice</b>			
Meeting attendance fees	16,367	14,321	12,000
Travel and accommodation expenses	0	1,000	0
	16,367	15,321	12,000
<b>Councillor - Mr Jack Carmody</b>			
Meeting attendance fees	16,367	14,321	12,000
Travel and accommodation expenses	0	1,000	0
	16,367	15,321	12,000
<b>Councillor - Mr Gary Buckmaster</b>			
Meeting attendance fees	16,367	14,321	12,000
Travel and accommodation expenses	0	1,000	523
	16,367	15,321	12,523
<b>Councillor - Rob Wedge</b>			
Meeting attendance fees	12,275	0	0
	12,275	0	0
	153,702	162,068	129,746
<b>Fees, expenses and allowances to be paid or reimbursed to elected council members.</b>			
	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
President's annual allowance	28,500	30,000	24,000
Deputy President's annual allowance	7,500	7,500	6,000
Meeting attendance fees	117,702	114,568	96,000
Travel and accommodation expenses	0	10,000	3,746
20(b)	153,702	162,068	129,746



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

(b) Key Management Personnel (KMP) Compensation

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

	2022 Actual \$	2021 Actual \$
Short-term employee benefits	586,038	643,213
Post-employment benefits	89,709	89,553
Employee - other long-term benefits	14,651	11,938
Employee - termination benefits	0	1,736
Council member costs	153,702	129,746
20(a)	844,100	876,186

*Short-term employee benefits*

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

*Post-employment benefits*

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

*Other long-term benefits*

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

*Termination benefits*

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

*Council member costs*

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

SHIRE OF LAVERTON  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2022

20. 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:

	2022 Actual	2021 Actual
	\$	\$
Purchase of goods and services	230,982	78,662
Payment of Council member costs	153,702	129,746
Amounts payable to related parties:		
Trade and other payables	0	7,482

(d) Related Parties

The Shire's main related parties are as follows:

*i. Key management personnel*

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

*ii. Other Related Parties*

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

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Shire.

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

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

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

21. FINANCIAL RISK MANAGEMENT

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

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

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
2022					
Cash and cash equivalents	0.018%	12,766,303	6,389,061	6,376,442	800
2021					
Cash and cash equivalents	1.50%	8,300,453	3,819,928	4,480,525	1

Sensitivity

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

	2022 \$	2021 \$
Impact of a 1% movement in interest rates on profit and loss and equity*	63,764	83,005

\* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs.

The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 26(a).

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

21. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

**Trade and Other Receivables**

The Shire's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

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

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

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2021 or 1 July 2022 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2022 and 30 June 2021 for rates receivable was determined as follows:

	Less than 1 year past due	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total	Note
<b>30 June 2022</b>						
Rates receivable						
Expected credit loss	0.00%	50.00%	100.00%	100.00%		
Gross carrying amount	5,418	390,541	84,673	193,076	673,708	
Loss allowance	0	195,271	84,673	193,076	473,020	5
<b>30 June 2021</b>						
Rates receivable						
Expected credit loss	0.00%	62.59%	0.00%	76.02%		
Gross carrying amount	294,012	49,342	38,699	175,127	557,180	
Loss allowance	0	30,882	0	133,131	164,013	5

The loss allowance as at 30 June 2022 and 30 June 2021 was determined as follows for trade receivables.

	Less than 1 year past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total	
<b>30 June 2022</b>						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	88,115	0	0	949	89,064	
Loss allowance	0	0	0	0	0	5
<b>30 June 2021</b>						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	4.39%		
Gross carrying amount	366,356	10,073	10,187	8,421	395,037	
Loss allowance	0	0	0	370	370	5

SHIRE OF LAVERTON  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2022

21. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

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

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b>2022</b>					
Trade and other payables	173,182	0	0	173,182	173,182
Borrowings	85,574	95,578	1,661,124	1,842,276	1,842,276
	258,756	95,578	1,661,124	2,015,458	2,015,458
<b>2021</b>					
Trade and other payables	581,850	0	0	581,850	581,850
Borrowings	369,929	1,114,021	231,150	1,715,100	2,168,384
	951,779	1,114,021	231,150	2,296,950	2,750,234

## Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

### SHIRE OF LAVERTON NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

#### 22. 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 statements 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 earnings

Interest income 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 cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

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

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

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

##### k) Initial application of accounting standards

During the current year, no new or revised Australian Accounting Standards and Interpretations were compiled, became mandatory and were applicable to its operations.

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

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

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-7 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

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



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

23. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

Shire operations as disclosed in this financial report encompass the following service orientated functions and activities.

Objective	Description
<b>Governance</b>	Administration and operation facilities and services to matters of Council. Other costs that relate to the tasks of assisting members and ratepayers on matters which do not concern specific council services.
<b>General purpose funding</b>	Rates, general purpose government grants and interest revenue.
<b>Law, order, public safety</b>	Supervision of various laws, fire prevention, emergency services and animal control.
<b>Health</b>	Food control, maintenance of child health clinics and health administration and the retention of a full time doctor in Laverton.
<b>Education and welfare</b>	Maintenance of pre-school facilities, day care centre, donations to school and assistance to welfare groups and the Youth Development Program.
<b>Housing</b>	Provision of staff housing as well as private housing for the retention of professional staff in Laverton.
<b>Community amenities</b>	Rubbish collection services, operation of rubbish tip site, noise control, administration of town planning, operation of cemeteries and maintenance of public conveniences.
<b>Recreation and culture</b>	Provision of public halls, swimming pool, recreational facilities, various reserves, operation of library together with television and radio re-broadcasting facilities.
<b>Transport</b>	Construction and maintenance of roads, drainage, footpaths, parking facilities, traffic signs, street cleaning and operation of Laverton Airport.
<b>Economic services</b>	Community development, tourism and area promotion, heritage development and maintenance, Great Beyond Visitor Centre & Explorers Hall of Fame. Community Resource Centre and building control.
<b>Other property and services</b>	Private works, community bus, technical services, administration, plant operations control and miscellaneous services not able to be classified elsewhere.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

23. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Income excluding grants, subsidies and contributions			
Governance	58,937	100	7,050
General purpose funding	5,947,816	7,740,767	8,255,234
Law, order, public safety	4,062	10,000	13,670
Health	3,237	3,100	3,867
Education and welfare	518	240,000	237,055
Housing	53,538	25,000	51,126
Community amenities	125,188	132,600	125,677
Recreation and culture	18,832	134,000	76,666
Transport	679,294	2,586,000	1,705,008
Economic services	251,374	251,700	384,499
Other property and services	34,839	132,500	435,983
	7,177,635	11,255,767	11,295,835
Grants, subsidies and contributions			
General purpose funding	3,443,166	1,354,072	2,665,259
Law, order, public safety	15,250	9,000	217,925
Education and welfare	647,444	240,000	237,020
Housing	15,534	1,072,138	25,734
Recreation and culture	80,000	427,178	88,957
Transport	2,521,983	3,584,770	2,777,397
Economic services	812,522	884,992	1,106,443
Other property and services	179,444	125,100	299,596
	7,715,343	7,697,250	7,418,331
Total Income	14,892,978	18,953,017	18,714,166
Expenses			
Governance	(484,207)	(650,855)	(523,197)
General purpose funding	(814,142)	(718,373)	(484,040)
Law, order, public safety	(252,484)	(271,354)	(217,985)
Health	(437,684)	(348,876)	(340,075)
Education and welfare	(624,620)	(572,282)	(387,172)
Housing	(48,488)	(53,337)	(47,612)
Community amenities	(577,084)	(661,138)	(612,453)
Recreation and culture	(1,209,962)	(1,110,378)	(1,224,359)
Transport	(4,098,898)	(6,166,529)	(4,094,733)
Economic services	(1,133,384)	(1,325,014)	(1,053,186)
Other property and services	(138,732)	(33,283)	(404,048)
Total expenses	(9,819,685)	(11,911,419)	(9,388,860)
Net result for the period	5,073,293	7,041,598	9,325,306

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2022

23. FUNCTION AND ACTIVITY (Continued)

	2022 Actual	2022 Budget	2021 Actual
(c) Fees and Charges	\$	\$	\$
General purpose funding	2,291	2,750	2,398
Law, order, public safety	1,870	1,000	675
Health	1,180	100	314
Housing	25,174	20,000	23,330
Community amenities	125,188	132,600	125,340
Recreation and culture	12,477	14,000	14,371
Transport	654,662	270,000	450,334
Economic services	73,657	59,600	75,603
Other property and services	20,547	7,400	29,901
	917,046	507,450	722,266
(d) Total Assets	\$	\$	
Governance	369,882	557,180	
General purpose funding	80,211	0	
Law, order, public safety	439,548	1,203	
Health	270,750	241,938	
Education and welfare	277,620	137,037	
Housing	2,408,302	2,508,000	
Community amenities	830,164	968,114	
Recreation and culture	8,130,614	8,869,659	
Transport	136,064,825	139,873,797	
Economic services	5,248,593	2,472,114	
Other property and services	1,336,240	2,085,030	
Unallocated	12,648,553	6,097,126	
	168,105,302	163,811,198	

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

24. RATING INFORMATION

(a) General Rates

RATE TYPE	Rate Description	Basis of valuation	Rate in \$	Number of Properties	2021/22 Actual Rateable Value *	2021/22 Actual Revenue	2021/22 Actual Interim Rates	2021/22 Actual Back Rates	2021/22 Budget Rate	2021/22 Budget Interim Rate	2021/22 Budget Back Rate	2021/22 Budget Total Revenue	2020/21 Actual Total Revenue
GRV - Townsite	Gross rental valuation		11.61	177	2,389,980	277,477	4,215	0	277,477	0	0	277,477	277,454
GRV - Mining	Gross rental valuation		9.3064	14	14,530,500	1,352,266	0	0	1,352,266	0	0	1,352,266	1,303,366
UV - Pastoral	Unimproved valuation		9.79	15	649,186	63,555	(16,155)	0	63,555	0	0	63,555	63,555
UV - Mining	Unimproved valuation		17.181	718	22,931,326	3,939,831	134,798	3,115	3,939,831	367,715	0	4,307,546	3,721,648
UV - Shared Tenements	Unimproved valuation		17.181	46	1,285,444	220,852	1,058	0	220,852	0	0	220,852	212,917
<b>Sub-Total</b>				<b>970</b>	<b>41,786,436</b>	<b>5,853,981</b>	<b>123,916</b>	<b>3,115</b>	<b>5,853,981</b>	<b>367,715</b>	<b>0</b>	<b>6,221,696</b>	<b>5,578,960</b>
<b>Minimum</b>													
GRV - Townsite	Gross rental valuation		315	48	15,857	15,120	0	0	15,120	0	0	15,120	14,805
GRV - Mining	Gross rental valuation		315	1	20	315	0	0	315	0	0	315	315
UV - Pastoral	Unimproved valuation		315	3	3,000	945	0	0	945	0	0	945	945
UV - Mining	Unimproved valuation		315	298	294,953	93,240	0	0	93,240	0	0	93,240	97,335
UV - Shared Tenements	Unimproved valuation		158	16	4,287	2,529	0	0	2,529	0	0	2,529	2,212
<b>Sub-Total</b>				<b>364</b>	<b>318,117</b>	<b>112,148</b>	<b>0</b>	<b>0</b>	<b>112,148</b>	<b>0</b>	<b>0</b>	<b>112,148</b>	<b>115,612</b>
<b>Discounts on general rates (Refer note 24(c))</b>													
				<b>1,334</b>	<b>42,104,553</b>	<b>5,966,129</b>	<b>123,916</b>	<b>3,115</b>	<b>5,966,130</b>	<b>367,715</b>	<b>0</b>	<b>6,333,845</b>	<b>5,694,572</b>
												<b>(225,371)</b>	<b>(202,092)</b>
												<b>6,108,474</b>	<b>5,492,480</b>

\* Rateable value is based on the value of properties at the time the rate is raised.

(c) Total Rates

The entire balance of rates revenue has been recognised at a point in time in accordance with AASB 1058 Income for not-for-profit entities.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

24. RATING INFORMATION (Continued)

(a) Specified Area Rate

The Shire did not raise specified area rates for the year ended 30 June 2022.

(b) Service Charges

The Shire did not raise service charges for the year ended 30 June 2022.

(c) Discounts, Incentives, Concessions, & Write-offs

Rates Discounts

Rate or Fee	Discount Granted	Type	Discount %	Discount \$	2022 Actual	2022 Budget	2021 Actual	Circumstances in which Discount is Granted
Council rates		Rate	5.00%	\$	\$ 224,290	\$ 225,371	\$ 202,092	Discount is granted if current rates and arrears are paid in full by the first instalment date.
Total discounts/concessions (Note 22)					224,290	225,371	202,092	

Waivers or Concessions

The Shire did not grant any waivers or concessions for the year ended 30 June 2022.

SHIRE OF LAVERTON  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2022

24. RATING INFORMATION (Continued)

(d) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
<b>Option One</b>				
Single full payment	08-Sep-21			6%
<b>Option Two</b>				
First instalment	08-Sep-21			
Second instalment	08-Nov-21	5	2.5%	6%
Third instalment	10-Jan-22	5	2.5%	6%
Fourth instalment	10-Mar-22	5	2.5%	6%

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Interest on unpaid rates	31,867	20,000	55,852
Interest on instalment plan	5,171	5,000	4,795
Charges on instalment plan	1,900	2,500	2,320
Emergency services levy-penalty interest	583	100	0
	39,521	27,600	62,967



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

25. RATE SETTING STATEMENT INFORMATION

Note	2021/22 (30 June 2022 Carried Forward)	2021/22 Budget (30 June 2022 Carried Forward)	2021/22 (1 July 2021 Brought Forward)	2020/21 (30 June 2021 Carried Forward)
	\$	\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals	10(d)	(28,363)	(30,000)	(24,059)
Less: Fair value adjustments to financial assets at fair value through profit and loss		(3,997)	0	0
Add: Loss on disposal of assets	10(d)	5,182	152,000	36,086
Add: Depreciation	10(a)	2,717,877	2,522,010	2,647,697
Non-cash movements in non-current assets and liabilities:				
Adjustment to depreciation		(15,729)	0	0
Pensioner deferred rates		(1,751)	0	1,719
Assets held for sale	7	0	0	30,324
Employee benefit provisions		(2,130)	0	(131,111)
Other provisions		101,461	0	0
Non-cash amounts excluded from operating activities		2,772,550	2,644,010	2,560,656
(b) Surplus/(deficit) after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	27.	(6,389,061)	(4,686,537)	(3,819,928)
- Current portion of borrowings	14	335,235	335,235	326,108
- Employee benefit provisions		441,300	339,839	339,839
Total adjustments to net current assets		(5,612,526)	(4,011,463)	(3,153,981)
Net current assets used in the Rate Setting Statement				
Total current assets		13,546,237	8,292,634	9,604,715
Less: Total current liabilities		(1,436,184)	(4,281,171)	(1,878,008)
Less: Total adjustments to net current assets		(5,612,526)	(4,011,463)	(3,153,981)
Net current assets used in the Rate Setting Statement		6,497,527	0	4,572,726

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

26. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual					Budget				
		Principal at 1 July 2020	New Loans During 2020-21	Principal at 30 June 2021	Principal Repayments During 2020-21	Principal at 30 June 2021	Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Housing</b>											
Executive housing	79	47,137		15,239	(31,898)	0	0	0	0	0	
Burt St units	81	182,642		140,125	(42,517)	95,579	140,125		(44,547)	95,578	
DCEO house	82	201,895		179,144	(22,751)	170,935	194,384		(23,448)	170,936	
<b>Recreation and culture</b>											
Community hub	83	477,697		427,645	(50,052)	376,059	427,645		(51,586)	376,059	
<b>Economic services</b>											
Underground power	80	246,931		167,842	(79,089)	85,574	167,842		(82,268)	85,574	
Great Beyond visitor centre expansion	84	0	1,300,000	1,238,389	(61,611)	1,114,129	1,238,388		(124,261)	1,114,127	
Total Borrowings	14	1,156,302	1,300,000	2,168,384	(287,918)	0	2,168,384	0	(326,110)	1,842,274	
* WA Treasury Corporation											
All loan repayments were financed by general purpose revenue.											
Borrowing Interest Repayments											
Purpose	Note	Function and activity	Loan Number	Institution	Interest Rate	Actual for year ending 30 June 2022	Budget for year ending 30 June 2022				
<b>Housing</b>											
Executive housing		Housing	79	WATC*	6.14%	0	0				
Burt St units		Housing	81	WATC*	4.72%	(7,944)	(7,200)				
DCEO house		Housing	82	WATC*	3.04%	(5,399)	(7,130)				
<b>Recreation and culture</b>											
Community hub		Recreation and culture	83	WATC*	3.04%	(15,362)	(15,810)				
<b>Economic services</b>											
Underground power		Economic services	80	WATC*	3.98%	(8,858)	(7,485)				
Great Beyond visitor centre expansion		Economic services	84	WATC*	1.12%	(22,127)	(15,510)				
Total Interest Repayments	2(b)					(57,690)	(53,115)				

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2022

SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

27. RESERVE ACCOUNTS

Restricted by council

	2022 Actual Opening Balance	2022 Actual Transfer to (from)	2022 Actual Closing Balance	2022 Budget Opening Balance	2022 Budget Transfer to (from)	2022 Budget Closing Balance	2021 Actual Opening Balance	2021 Actual Transfer to (from)	2021 Actual Closing Balance
(a) Leave reserve	339,839	101,461	0	441,300	0	341,486	188,645	151,194	339,839
(b) Laverton airport reserve	93,517	365	0	93,882	0	221,309	34,554	58,963	93,517
(c) Plant replacement reserve	155,604	501,276	0	656,880	0	93,983	96,740	58,864	155,604
(d) Road reserve	952,019	449,049	0	1,401,068	0	956,433	376,528	575,491	952,019
(e) Asset development reserve	1,037,333	1,005,388	0	2,042,721	(80,000)	962,036	356,010	1,718,656	1,037,333
(f) Lake Wells Road reserve	1,041,616	350,544	(40,000)	1,352,160	0	1,710,243	0	1,041,616	1,041,616
(g) Community projects reserve	200,000	201,050	0	401,050	0	401,047	200,000	0	200,000
(h) Aquatic facilities reserve	0	0	0	0	0	0	110,013	0	0
(i) Community bus reserve	0	0	0	0	0	0	57,886	0	0
(j) Great Beyond reserve	0	0	0	0	0	0	32,233	0	0
(k) Town revitalisation reserve	0	0	0	0	0	0	131,486	0	0
(l) Community loan & grant reserve	0	0	0	0	0	0	21,466	0	0
(m) Economic development reserve	0	0	0	0	0	0	302,665	0	0
(n) Coach house renovation reserve	0	0	0	0	0	0	165,472	0	0
(o) GORISkullcreek road reserve	0	0	0	0	0	0	225,405	0	0
	3,819,928	2,609,133	(40,000)	6,389,061	0	4,686,537	2,089,103	3,804,784	3,819,928
	3,819,928	2,609,133	(40,000)	6,389,061	(80,000)	4,686,537	2,089,103	(2,083,959)	3,819,928

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Leave reserve	ongoing	To be used to fund annual leave, RDO and long service leave requirements
(b) Laverton airport reserve	ongoing	To be used for the upkeep and major upgrade works to the Laverton Airport
(c) Plant replacement reserve	ongoing	To be used for the purchase of major plant
(d) Road reserve	ongoing	To be used for the upkeep and major improvements/re-sealing programs for roads within the Shire of Laverton
(e) Asset development reserve	ongoing	To be used to fund construction and maintenance of major asset projects
(f) Lake Wells Road reserve	ongoing	To be used to fund future roadworks and maintenance, renewal and construction among and adjacent to Lake Wells Road.
(g) Community projects reserve	ongoing	To be used to fund community projects

SHIRE OF LAVERTON  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2022

28. TRUST FUNDS

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

	1 July 2021	Amounts Received	Amounts Paid	30 June 2022
	\$	\$	\$	\$
Unclaimed monies	1,778	0	(1,778)	0
Dept. of Transport	11,522	65,439	(76,961)	0
Keys, Hall and Equipmment Bonds	200	80	(280)	0
	13,500	65,519	(79,019)	0



## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2022 Shire of Laverton

To the Councillors of the Shire of Laverton

#### Opinion

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

- the Statement of Financial Position at 30 June 2022, the Statement of Comprehensive Income by Nature or Type, Statement of Changes in Equity, and Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

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 2022 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

#### Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities 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 2022, 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 of the Shire is responsible for:

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

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

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

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

### **Auditor's responsibilities for the audit of the financial report**

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

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

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

### **My independence and quality control 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 ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control 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 Laverton for the year ended 30 June 2022 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.

Renuka

Renuka Venkatraman  
 Acting Senior Director Financial Audit  
 Delegate of the Auditor General for Western Australia  
 Perth, Western Australia  
 31 March 2023



## 5. GENERAL BUSINESS

RESOLUTION	COUNCIL DECISION/PROCEDURAL MOTION
MOVED: <u>Cr S Weldon</u>	SECONDED: <u>Cr G Buckmaster</u>
That the Council endorse that the next AGM commence at 5:00pm to allow further participation by Community Members.	
CARRIED 7/0	

## 6. CLOSURE OF MEETING

There being no further business, the Presiding Person declared the meeting closed at 4:17 pm.

## 7. CERTIFICATION OF MINUTES

I, Patrick Hill, hereby certify that the Minutes of the General Meeting of Electors held on 20 April 2023 are confirmed as a true and correct record, as per the resolution of the General Meeting of Electors held on \_\_\_\_\_.

SIGNED: \_\_\_\_\_

DATED: \_\_\_\_\_

**4. RECEIVING OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2023**

<b>4.1 SHIRE OF LAVERTON ANNUAL REPORT FOR YEAR ENDING 30 JUNE 2023</b>
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**ATTACHMENTS**

AGM200324.4.1.A Shire of Laverton Annual Report for Year Ending 30 June 2023

**RESOLUTION**

**PROCEDURAL MOTION/COUNCIL DECISION**

MOVED: Cr P Ovans      SECONDED: Cr R Weldon

**That the Annual Report for the year ending 30 June 2023 and comprising the following be received:**

- **Shire President's Report**
- **Chief Executive Officer's Report**
- **Auditor's Report**
- **Audited Financial Statements**
- **All other information as required through Legislation**

**CARRIED 5/0**

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## ANNUAL REPORT FOR YEAR ENDED 30 JUNE 2023





## ABOUT US

### Welcome to the Shire of Laverton – Discover the Outback Spirit!

Covering some 183,198km<sup>2</sup> of desert and pastoral country, Laverton has something for everyone, from spinifex plains, mulga woodlands and unique granite rock outcrops to rich Aboriginal and European History and Culture.

These early explorers are recognized in the Great Beyond Visitor Centre – Home of the Explorers Hall of Fame.

During the 1880's, sandalwood cutters travelled through the area looking for valuable aromatic timber and their tracks opened up much of the region. In the decades since, many tonnes of sandalwood have been exported from the Laverton district.

In 1886 gold was discovered in the area – suddenly eager prospectors arrived in droves from Coolgardie, eager to strike it rich. The rapidly growing settlement was soon called British Flag after the first successful mine.

One such keen prospector was Dr Charles Laver, a British doctor who rode his bicycle from Coolgardie to the Laverton area the same year. He soon became an enthusiastic promoter of the region and travelled back to Britain a number of times to raise funds for local mining ventures, however his priority remained to deal with the sick and injured. He had an excellent rapport with his coworkers and patients and got on very well with the local Aboriginal people.

Without his energy (and his capital) Laverton may well have faded away at this point.

By 1897 an informal town had sprung up to the west side of the Craiggie more mine. This proved an unsuitable location for the permanent settlement, so an alternate site was chosen about three kilometers away. In July 1900 the new town was gazetted as Laverton, in honour of Dr. Laver who had done so much to ensure the prosperity of the area.

Today the town is an important service Centre for a range of mines that operate in the area, for the continuing pastoral industry and for the people of the Western Desert regions. Laverton is also an important tourism hub, acting as a True gateway to Australia's outback.

## **OUR VISION**

***The Shire of Laverton will strive to work with the community to fulfil their needs and support their aspirations while acting with fairness and demonstrating leadership.***

### **Aspirations and Values**

Our community identified the following aspirations and values:

- An oasis for locals and visitors.
- Oasis in the desert.
- A harmonious and sustainable community.
- A healthy and vibrant place to live, work and visit.
- A place we are proud of.
- A memorable destination; and
- A thriving green and attractive hub



**Community Strategic Plan - Summary of Objectives and Outcomes**

The Shire of Laverton delivers services to its community in line with four key objectives set out within this Plan, being: social, economic, environment and civic leadership.

Each of the four objectives has several desired outcomes Council is aiming to achieve over the 10+ years of this Plan.

The following table summarizes the strategic objectives of achieving the vision and the desired outcomes of working towards these objectives.

This plan is set to guide council through a ten year period culminating in 2030 with a desktop review to be undertaken every 2 years. .

	Objectives	Outcomes
<b>SOCIAL</b>	<i>Proud, spirited, harmonious and connected community</i>	<ul style="list-style-type: none"> <li>• A strong sense of community pride and ownership</li> </ul>
<b>ECONOMIC</b>	<i>Prosperous local economy attracting businesses, opportunities, and people</i>	<ul style="list-style-type: none"> <li>• Sustainable tourism</li> <li>• Improved economic development opportunities</li> </ul>
<b>ENVIRONMENT</b>	<i>Welcoming and safe natural and built environment</i>	<ul style="list-style-type: none"> <li>• Safe and efficient transport network</li> <li>• Modern, well maintained infrastructure</li> <li>• Clean, safe, and tidy environment</li> </ul>
<b>CIVIC LEADERSHIP</b>	<i>Responsible financial management and governance, leading an empowered community</i>	<ul style="list-style-type: none"> <li>• A strategically focused Council, demonstrating strong leadership</li> <li>• An efficient and effective organization</li> </ul>

## **SHIRE PRESIDENTS REPORT**



In opening, I would like to thank my fellow Councillors for their support and ensuring that the Shire of Laverton is seen in a positive light throughout the community. It is a pleasure to represent the Council.

Without the support of my fellow Councillors, it would be hard to keep on going forward as we are united in almost every matter, and I would like to acknowledge them and wish the Councillors coming up for reelection in October 2023 all the best and thank you.

- |   |                       |
|---|-----------------------|
| • Cr Shaneane Weldon Deputy Shire President | Term expires in 2025. |
| • Cr Gary Buckmaster                        | Term expires in 2023. |
| • Cr Jack Carmody                           | Term expires in 2023. |
| • Cr Robin Prentice                         | Term expires in 2023. |
| • Cr Robert Wedge                           | Term expires in 2025. |
| • Cr Rex Weldon                             | Term expires in 2023. |

The following is a summary of what has occurred in the last 12 months and the major issues which have impacted on the Council along with the myriad of meetings and representations made on behalf of Council.

### **Cashless Debit Card**

The cashless debit card was withdrawn, and the Council made representations to the Prime Minister and other ministers of the government along the following key areas.

**Improved community safety and cohesion** – through more youth engagement and diversion programs. The council operates through two youth officers and wants to engage further to enhance the essentials of life for the youth which range up to 25 years of age. Laverton is ably supported through sporting activities, by the Stephen Michael foundation and Shooting stars for girls, however, the education of youth is critical.

**Job creation** – particularly in the Laverton and the influx from the Lands with opportunities as

follows:

Mining Industry – as can be seen the statistics are heavily weighted to the mining industry and there are so many opportunities, and the mining companies are only too willing to provide opportunities for all Australians. Of course, the production schedules for mines must be met and the commitment from all to be involved.

Great Central Rd – There are opportunities for the involvement of both construction and maintenance activities over the length of road contained within western Australia. This is a local road owned by the Laverton shire to the Ngaanyatjarra Lands border.

**Better services** – by improving health services such as the building of the Laverton Hospital.

**Alcohol** - Preventing and addressing the issues caused by Alcohol– including better responding through the health and justice systems.

**Investing in families** – including by better supporting elders and parents, boosting domestic violence services. This is critical and to provide accommodation for those who deserve a home as their record depicts that they are responsible.

**On country learning/education**– improving school attendance and completion through caring for culture and country. This is the critical element.

To date there has not been any provision made for the advocacy and solutions put forward. The Council will continue to take the fight to Canberra and Perth to support Laverton.

#### **Sheila Laver Award**

The 2022 Sheila Laver Award was presented to Julie Ovans in recognition of her service to the community of Laverton.

#### **Great Central Road (GCR)**

It will be over two years that any construction works have been conducted on the GCR and such an essential road route from Queensland to Western Australia is standing still awaiting Main roads to complete native title negotiations. The council understands that preparatory work is still being carried out to set the scene when works are allowed.

#### **Airport**

The Council has dealt with some interesting issues from the past and after two years, the Council will be bringing the airport operations back under the control of council staff and further reduce the cost allocations to a contractor where the responsibility stays with the council.

#### **Australian Potash**

The council had also considered the agreement with Australian Potash and mutually terminated the agreement as the council did not have the power to quarantine rates for one ratepayer.

## **Laverton Hospital**

The hospital is an ongoing concern and after several letters, meetings with ministers etc, the hospital is no further advanced, and the frustration continues. The fight and determination to get the hospital built will continue and unfortunately it will be a continuing effort by many parties and the collected effort of councillors. There have been a few hurdles placed in the path by the intent of some without looking at what Laverton deserves with its new hospital. The council continues to support the medical services with contributions to the local doctors and a nurse's incentive payment.

## **Planned Works**

The Council has determined and approved the airport upgrade with a new toilet and toilet facilities, along with the installation of turning nodes along with the reseal of the runway, apron, and taxiways. These works will be carried over to the 23/24 financial year.

In closing, there is so much optimism for the future and the Council is ready and willing to lead the community into another fruitful year where the many projects being considered will come to fruition.

I again personally thank all the councilors for their support and Council staff who achieve so much for the Laverton community.

## **Patrick Hill**

## **Shire President**

**COUNCILLOR RENUMERATION**

In accordance with the Local government Act 1995 and under the guidelines of the State Salaries & Allowances Tribunal, the following allowances were paid to Councillors in 2022/2023 financial year.

President (including Presidents Allowance)	<b>\$52,675.00</b>
Deputy President (including Deputy Presidents Allowance)	<b>\$25,587.00</b>
Councillors	<b>\$16,558.00</b>

**COUNCILLOR MEETING ATTENDANCE**

Councillor	Ordinary Meeting of Council (11)	Audit and Risk Committee Meeting (2)	Annual General Electors Meeting (1)
Cr Patrick Hill	11	2	1
Cr Shaneane Weldon	10	2	1
Cr Rex Weldon	7	2	0
Cr Robin Prentice	11	2	1
Cr Jack Carmody	9	1	1
Cr Rob Wedge	10	2	1
Cr Gary Buckmaster	10	2	1



## **CHIEF EXECUTIVE OFFICERS REPORT**



The 2022/23 reporting year has again been busy, and I am proud of our dedicated and hard-working team which has enabled us to meet our goals and contribute to the wonderful community that we share.

I would like to take this opportunity to thank the Shire President and Councillors for their tireless efforts and support.

The following is a summary of items of interest within the Laverton Community over the last 12 months and reflects the diversified nature of work undertaken by the council for the community.

**Phil Marshall**  
**Chief Executive Officer**

## Works and Services

The following Roadworks projects including sealing, gravel re-sheeting etc. were completed in the 2022/2023 financial year.

- Bandy Road
- Old Laverton Road
- Sullivan Road (Airport) widened and reseal.
- Various Town Streets Reseal including a few:
  - Burt street
  - Lancefield Street
  - Mikado Way
  - Spence Street
  - Leahy Close
  - Morgan street
  - Shirley Ave
  - Hawks Place
  - Boomerang Street
  - Weld Drive
  - Cable Street
  - Morgan street
  - Barrett Street
  - Craiggie Street etc.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023

The Council has taken a clear stance on completing the gravel resheeting and widening of all Streets in close confines of the Laverton townsite. The rationale is that the Council can allocate more time to the rural road network.

The Council receives funding through several sources.

- Regional Road Group Funding, is allocated to Bandy Rd
- Remote Access Aboriginal Roads is allocated to Old Laverton Rd including any supplementary funding received.
- Roads to Recovery funding will again be received by the council in the 2024/2025 financial year as the previous allocation was placed against the Mt Weld project (4 years ago).

The Council is continuing to work with various mining companies and entering into maintenance agreements for the ongoing upgrade and maintenance of council roads.

The Council in 2022/2023 will be outsourcing the majority of capital roadworks through a tender process as the attraction of appropriate staff has been difficult to fulfill and a conscious decision was made to undertake this way forward which will also see a retirement of plant and equipment.

## Great Beyond



The newly expanded Great Beyond Visitor officially opened its doors in July 2022, and had busy first year in its improved premises. Having just over 5500 *visitors* through the doors, Centre staff assisted 615 of them with permits to travel the Great Central Road.

The Great Beyond has proven a popular place for locals and visiting services with the Centre hosting forty-four events or functions through out the year, including Birthday Parties, Markets, Politician Breakfasts, Christmas Parties and School Visits, just to name a few.

Hosting events and functions at the Great Beyond has proven to be a fantastic opportunity to work with the Laverton School and Shooting Stars students. Staff have been able to mentor three workplace learning students as they enter the workforce for the first time. Students have learnt the importance of tourism and great customer service, as well as basic café, shop, and event preparation work. We have been fortunate to see Shooting Stars students grow confidence and skill as they assist us with community events such as the Elders NAIDOC Dinner and the Biggest Morning Tea. These students help with the set-up of events, waitressing, and welcoming guests. It has been rewarding and beneficial to teach the students the workings of the Great Beyond and we look forward to being able to continue these programs in the future.

The Shire of Laverton officially opened the new premises on 29<sup>th</sup> November 2022 with a community function.

## **Tourism & Marketing**

Many opportunities to positively promote our region arose throughout 2022/2023, with some of the highlights explained below.

Staff worked closely with the Goldfields Esperance Tourism Development Manager to identify tourism opportunities, particularly around events, and collaborate with the Goldfields Esperance Visitor Centres to share knowledge, skill and information.

During this time, the Centre took part in a tailored mentoring program to assist with our business development and growth. A key focus of this mentoring program was helping staff to understand and use relevant trade distribution channels to sell local experiences, which are suitable for our business. The Centre will now look to implement some of the opportunities identified in this mentoring.

Destinations WA spent a day filming at the Great Beyond as part of a Golden Quest Discovery Trail promotional episode. As a main place of interest on the Trail, the crew interviewed staff and promoted the Centre in an impressive format. The episode had a huge viewing on both live and catch-up TV and was well received.

The Great Beyond Visitor Centre continues to be the main point of contact for visitors interested in Laverton, the Outback Way (WA section), the Northern Goldfields tourism & the Golden Quest Discovery Trail.

## **Events**

Again, Shire staff hosted a number of events throughout the year, the Great Beyond was proud to facilitate and host a number of events including the towns Clean Up Australia Day, NAIDOC Celebrations, Australia's Biggest Morning Tea, many Christmas Parties, arrival of the Perth to Laverton Cyclclassic and the ABC Breakfast & Drive Time radio broadcasts.

The Great Beyond took advantage of boosting business and raising the profile of Laverton by attending a number of Market Days including local and regional markets.

Possibly the biggest event in Laverton was the town's NAIDOC Celebrations. The Great Beyond assisted organisers to deliver a week full of community and visitor focused events, including our very own exhibition acknowledging the people who have made a difference in our community.

Photos Below:

1. Australia's Biggest Morning Tea at the Great Beyond
2. Australia's Biggest Morning Tea at the Great Beyond
3. Official opening of the Great Beyond Visitor Centre
4. Official opening of the Great Beyond Visitor Centre
5. NAIDOC Elders Dinner at the Great Beyond Visitor Centre
6. Perth-Laverton Cyclclassic, participants on entry to Laverton
7. Welcoming Perth-Laverton Cyclclassic
8. Perth-Laverton Cyclclassic community welcome function



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023

- 9. Clean Up Australia Day
- 10. Clean Up Australia Day
- 11. Clean Up Australia Day



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023





Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023





Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023





Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023







Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023





## Community Resource Centre

# What we do



### Access to government services

- Free Government Access Computer + Printer
- 2 x Government Information Booths
- Department of Transport Agent
- Office Space available for hire + Video Conferencing equipment
- Active referral relationships with local and visiting agents



### Economic and business development support

- Active referral relationships with local and visiting services, agencies and organizations.
- Facilitate Business Development services, events, and workshops



### Social development support

- Active referral relationships with local and visiting services, agencies, and organizations.
- Coordinate and facilitate Community programs.
- Coordinate and deliver Seniors Program



### Services and products

- Secretarial services
- It Support and telecommunications.
- Public Library
- Production of Local Magazine
- Department of Transport Agent



### Building community connections

- Shire of Laverton
- Shire of Leonora
- State Library of Western Australia
- Great Beyond Visitor Centre
- Cycling Development Foundation



- Laverton Shooting Stars program
- Local Drug Action Group
- Laverton Sports Club
- Pakaanu Aboriginal Corporation
- Laverton Cross Cultural Association
- Laverton School

## Year in Summary



**280**

People provided government and community information



**2**

Workshops delivered.



**12**

Overall services we provide our community.



**2**

Successful grants received



**4**

Local people employed.



**29**

Hot office bookings



**26**

Community Events held.



**17**

Collaborations with other community groups



**300**

One-one-one IT training sessions provided.

# Economic and Business Development Support

## 10 Economic & Business Development support programs held throughout 2022-2023

The Laverton CRC organized and collaborated 10 events, information sessions, programs and workshops which all focused on improving skills and capacity to foster economic growth in the local community.

These included:

- Aboriginal Justice License and fines open day.
- KBCCI Marketing Information session
- Madalah University Information Session
- International Day of People with disability info and community lunch
- Horizon Power information session
- St Johns First aid Course
- Department of Transport PDA's
- NAIDOC & Community Market Days
- Financial capabilities sausage sizzle
- Many rivers information session
- Job Support hub open days





# Building Community Connections

The Laverton Community Resource Centre has built many community connections over the past year, and we have appreciated the assistance of many local and visiting businesses and services.

## 1. Community Events –

The Laverton CRC has built many connections and engagements through community events, we could not have done half of the events we have done this year without our volunteers! We have had various community members assist us with set up, pack down and even cooking BBQs for us! Another one of the strong connections we've made throughout the year was Leonora CRC – which is 1.5 hours away from Laverton. We hosted a Northern Goldfields Bake-off where all towns in the northern goldfields were invited to come to Leonora to enter a bake-off, through funding support from mine sites and surrounding local businesses we had a big prize pool to get everyone involved, as well as a free bus service from Laverton to Leonora on the day to help with transportation to and from towns! This day brought two towns together, encouraging integration, friendships, and helped to strengthen business and community connections. This has allowed capacity for further and future events to take place and has also helped to expand our connections to surrounding towns in the Northern Goldfields, which we otherwise would not have done without this event, it is important for us to be able to hold events for the community, so people can socialize and build those connections with each other. Living remotely is sometimes very lonely, the CRC strives to build that connection with not only customer to CRC but customer to customer.



*We are so grateful for the support we receive from local and surrounding businesses during and for our events, many hands make light work!*

## 2. Visiting Services & Businesses –

The CRC has 40 businesses on our referral list, this list changes and grows every year with new and old contacts! One of the connections we have been lucky enough to work in with each month this year is the financial capabilities program from Ngaanyatjarra council. Daniel Amson is a financial capabilities worker, who visits the CRC each month. As he works in the Ngaanyatjarra lands, he assists a lot of transient customers who pass through the Laverton from the lands. Being familiar to customers from the lands, they tend to feel comfortable talking to him about their financials. Daniel has held many BBQs to raise awareness of how he can assist the Community of Laverton and work in with visiting services such as housing WA, Wanslea, Services Australia and the bank. The consistency of having a financial capabilities worker every month helps customers to work in with other visiting services in Laverton to get their IDs through the CRC. This has seen many customers get their License and Photo cards through our Department of Transport Agent. Daniel is just one of many visiting services that the CRC is very grateful for and has shown a big difference in a small community. We are very thankful to have this support from visiting services to help us do what we do every day, it helps us to bridge the gap and work together to achieve the most for our customers.



*Financial capabilities worker – Daniel Amson holding a free BBQ to community and businesses in Laverton to help raise awareness of his role in Laverton.*

### 3- Customers –

The CRC aims to achieve maximum high standard support and service to our customers every day. We are always looking at ways to retain customers to make sure they have the best & up to date service possible; Since gaining a new staff member in February 2023, we are open to the public from 9:00am-4:00pm and we are not closed over lunch breaks which means people can now visit us for services on their own lunch breaks, whereas before we would be closed so we were missing out on customers over a vital period of time during the day, Kerri is also trained in Department Of Transport which means DOT is open consistently with our opening hours – this means when one of us is on leave customers are not missing out on vital services. The CRC strives to not only build the capacity and connections of Customer to worker but Customer to Customer as well.



## Laverton Aquatic Centre

Overall, a very interesting season, challenging, exhausting season.

I found the season exhausting not having a lifeguard as there is no chance to relax when people are in the pool. Over the peak of the season, you would go home physically, mentally and emotionally spent. I may not have been able to leave the premises when I had Krystal last year, but I could retreat to the office and recharge for a few minutes if needed.

We did have a young girl interested in lifeguarding for a short time, but alas was not to be. Maybe next season.

On race day, found that the sensor on the balance tank had stopped working. Took 5 hours to get pool operational again. PWT could not figure out why it went into fault, disconnected the sensor and reconnected and seemed to work. However, because the sensor read "NORMAL" on the control board and didn't open the solenoid to fill tanks all the filters filled with red dirt and the lint pots had red mud in them. Luckily when morning checks were done noticed pressures were wrong and turned pumps off before they actually ran dry. The sensor is now monitored closely which has enabled us to pick up when it goes faulty. This has happened twice more since then, but we have decided to nurse them through the off season and manually fill the tanks if needed and replace at the beginning of the 2023/2024 season.

Christmas time was interesting. There was no Supermarket, Crisis Centre or hotel open for varying lengths of time, so the pool became the place. The change rooms and outdoor showers became laundries, many came in as spectators to use showers and fill water bottles. A few families came in with only a few swimming while the rest sat on the lawns and yarned. Other family members would be hunting and then bring food into those in the grounds. I ended up having to chat to people about not letting others in as that is my job and as such I need to know who is in the grounds and how many. I must say when the group/s would leave in the afternoon the grounds were always clean.

The trip switch in the main box became very sensitive beginning of December, took a while to find what the actual fault was. As soon as temperature went above 40°C the breaker would trip and would need to be reset or if close to 40°C and both water features and spa were turned on it would trip again. To reset it meant going outside the grounds down to the meter box outside the end of the plant room. The switch was replaced 3<sup>rd</sup> January with no problems since.

1<sup>st</sup> February saw the start of the school year. Department of Education interm swimming lessons began on 13<sup>th</sup> February to 24<sup>th</sup> February. Normally they run over 3 weeks, however this year the Department decided to run Laverton School over 1 week with 80 minute lessons, which in my opinion was a complete failure as numbers were too large for one teacher. Class sizes needed to be reduced and run over 2 weeks with 40 minute lessons, works better for the children and the instructors and the Shire. If run over the 2 weeks there would have been around 150 more pool entries.

The school had a Swimming Carnival booked for the 30<sup>th</sup> March which was postponed until the 4<sup>th</sup> April, which has now been postponed to fourth term. Will see what happens!

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023

Cleanup Laverton Day was on the 18<sup>th</sup> March with 21 participants. Once again majority of participants had lunch provided and a swim at the pool if they wished. It was great to see so many people take part and fantastic to see 9 of those were children. Hope next year there are more children helping.

1<sup>st</sup> April saw the Swim for Fruit challenge against Coolgardie/Kambalda and the windup for the season. Great day had by all. Now Lauren and Bernard have left I am hoping I can get someone with a Bronze Medallion interested in helping me run the program again next season if we don't have a Youth Service when I return.

This season has been the worst in the abuse from mainly adults (nearly all visitors) trying to gain entry when they were they were under the influence of something. I heard a range of excuses from "aboriginal culture" to "disabilities" been the reason they were behaving in such a manner but not alcohol or anything else. Interesting to say the least.

Majority of people were polite and well behaved. I am still glad the season has ended; it has been a long season, and I am looking forward to the break.

Numbers for are:

Adult	925
Child	1525
Under 5's	280
Spectator	435
Adult Pass	149
Child Pass	355
Family Pass	339
Shire Pass	264
Lynas	112
Swim4Fruit	456
Youth Services	360
School Lessons	290
Special Events	545
<b><u>TOTAL</u></b>	<b><u>6035</u></b>

Janine Rowe  
Pool Manager



## COMPLIANCE

### Freedom of Information

Sections 96 and 97 of the *Freedom of Information Act 1992* require Local Governments to publish an information statement annually.

In summary, the Shire of Laverton's Statement indicates that the Shire of Laverton is responsible for the good governance of the Shire and conducts functions as required including statutory compliance and provision of services and facilities.

All Council meetings are open to the public and meeting dates and venues are advertised on a regular basis. Members of the public are invited to ask questions during Public Question Time shortly after the commencement of each meeting.

The Shire of Laverton maintains records relating to the function and administration of the Shire and includes such documents as the Minutes of Meetings, Rate Book, Town Planning Scheme, Local Laws, Codes of Conduct, Register of Financial Interests, Register of Delegated Authority, Financial Statements and Electoral Rolls.

These documents can be inspected free of charge at the Shire Office, 9 MacPherson place, Laverton during office hours.

Wherever possible and practical, and in line with privacy laws, the Shire of Laverton makes freedom of information readily available.

No Freedom of Information requests were made during the reporting period.

## **Record Keeping**

The *State Records Act 2000* is an Act to provide for the keeping of State records and for related purposes. Section 19 of the Act requires each government organization to have a Record Keeping Plan that has been approved by the State Records Commission. The registration number of the recordkeeping plan is 2011029.

The Council adopted a new record keeping plan in 2022/2023 financial year.

The objectives of the Shire of Laverton's Record Keeping Plan are to ensure:

- Compliance with Section 28 of the *State Records Act 2000*,
- Record keeping within the Local Government is moving toward compliance with State Records Commission Standards and Record Management Standard AS ISO15489,
- Processes are in place to facilitate the complete and accurate record of business transactions and decisions,
- Recorded information can be retrieved quickly, accurately, and cheaply when required; and the
- Protection and preservation of the local government's records

### **Register of Minor Complaints**

Section 5.121 of the *Local Government Act 1995* (Register of certain complaints of minor breaches) requires the complaints officer for each local government to maintain a Register of Complaints which records all complaints that result in action under section 5.110(6) (b) or (c) of the Act (Conduct of Certain Officials).

Section 5.53 (2) (b) of the *Local Government Act 1995* requires that details of entries made under section 5.121 during the year in the Register of Complaints, including:

- The number of complaints recorded on the Register of Complaints.
- How the recorded complaints were dealt with, and.
- Any other details that the regulations may require to be disclosed in the Annual Report.

In accordance with these requirements, a complaints register has been maintained. As of the 30 June 2023, no complaints were recorded.

### **Public Interest Disclosure**

The Public Interest Disclosure Code was established by the Commissioner for Public Standards under section 20 of the *Public Interest Disclosure Act 2003*.

One of the principles of the Code is not just to provide protection of those who make disclosures (and those who are the subject of disclosures), but also to encourage a system of transparency and accountability in the way government officials act and utilize public monies.

Matters that fall into the category of public interest include:

- Improper conduct (irregular or unauthorized use of public resources).
- An offence under State Law including corruption (substantial unauthorized or irregular use of, or substantial mismanagement of, public monies)
- Administration matters generally (conduct involving substantial risk of injury to public health, prejudice to public safety or harm to the environment)

Matters that relate to the Shire of Laverton should be referred to the Shire of Laverton's Public Interest Disclosure Officer. Disclosures to the Public Interest Disclosure Officer can be made not just about officers of the Shire of Laverton but also, its elected officials.

There is an obligation of the Public Interest Disclosure Officer in the *Public Interest Disclosure Act 2003* to ensure that the disclosure is confidential and that the person making a disclosure

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023

is provided adequate protection from reprisals, civil and criminal liability, or breach of confidentiality.

More information can be found at [www.publicsector.wa.gov.au](http://www.publicsector.wa.gov.au).

The Shire of Laverton had no Public Interest Disclosures during the reporting Period.

### **Disability Access and Inclusion Plan (DAIP)**

The Shire of Laverton revised the Disability Access and Inclusion Plan during 2021/2022 and the Shire of Laverton DAIP was approved by the Department of Communities for the period 2019/2024.

The following are general comments regarding the DAIP activities where the council had an involvement:

- Every council department now includes a disability access ramp.
- International Day of People with a disability with a pool party to highlight the facilities available at the Aquatic Centre.

The Disability Access and Inclusion Plan will be received in 2024/205 financial year.

### **Payments to Employees**

Section 5.53 (2) (g) of the *Local Government Act 1995* and Regulation 19B of The *Local Government (Administration) Regulations 1996* require all local Governments to report in their Annual Report, any employees receiving a salary more than \$130,000 per annum.

Set out below (in bands of \$10,000) is the number of Shire employees entitled to an annual salary of \$130,000 or more:

Employees with employment under the Councils Enterprise Bargaining Agreement and a fixed term contract where the salary is more than \$130,000 are:

Salary Range \$	No of Employees
\$130,000 to \$220,000	3
\$220,000 to \$280,000	1

### **Remuneration**

19B(2)(d)

Any amount ordered under Section 5.110(6)(b)(iv) to be paid by a person against whom a complaint is made under Section 5.107(1), 5.109(1) to the Local Government Act 1995.

Nil in the financial year.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023

## 19B(2)(e)

The remuneration paid or provided to the CEO during the financial year. \$302,946 total Remuneration in April 2023 on appointment.

**Integrated Planning and Reporting**

In October 2020, Council developed a Plan for the Future: Strategic Community Plan and Corporate Business Plan 2020-2030. Comments regarding the progress of the key outcomes in 2022/2023 which are listed below.

Outcome	Strategies	Achievements
1.1 A strong sense of community pride and ownership	1.1.1 Encourage community participation	Council continues to engage with the community and actively encourages participation and input into council matters. Council has developed specific focus groups made from different community members to provide a voice into various matters. Council also looks to instill a sense of pride in the community, a prime example of this is Clean up Australia Day in which shire employees join with members of the community to tidy up the town.
	1.1.2 Enhance community safety	Continued operation of the CCTV system. Council has recently installed solar lighting from the Village to the town roundabout.
	1.1.3 Maintain and develop community spaces and resources	The council continues to expand upon parks and gardens areas including tree plantings.
	1.1.4 Develop youth, family, and community services	The youth services program cannot be staffed. The Council has engaged with the Stephen Michael Foundation and the Cycling Developments Foundation to support the school and youth.
2.1 Sustainable Tourism	2.1.1 Develop Tourism Strategy	Ongoing and the Council is involved through the various tourist boards.
	2.1.2 Continue to provide and enhance tourism services and infrastructure	Grant funding achieved to upgrade the Great Beyond and the gardens to be finalised.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023

2.2 Improved Economic development opportunities	2.2.1 Continue to work with industry and stakeholders for the economic development of the district	Main thrust has the mining industry through the mining related councils' meetings. Maintenance agreements are being developed.
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Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023

	2.2.2 Develop economic development plan	The council produced an economic document in conjunction with The Northern Goldfields Councils
3.1 Safe and efficient transport network	3.1.1 Upgrade Great Central Road to all weather status	There has been no work undertaken on the Great Central Road since 2021.
	3.1.2 Maintain and improve road network	The Council contributes over \$1 million to the maintenance of council- controlled roads. In addition, funds are sourced Regional Road Groups, and various agreements to provide funding on the road network.
	3.1.3 Maintain and Upgrade airport	The airport continues to undergo further development. Future plans include the sealing of the runway and the replacement of the terminal which will be commenced in 2022/23.
3.2 Modern, well maintained other built infrastructure	3.2.1 Preserve significant community assets for future generations	The recent renovations to the Great Beyond Visitor Centre and the Old Coach house are all completed projects.
	3.2.2 Well maintained parks, gardens. Sport and recreation facilities	Ongoing Maintenance.
3.3 Clean, safe, and tidy environment	3.3.1 Encourage community to keep Laverton clean and tidy	Clean up Australia Day is a regular occurrence and council employees as part of their daily duties battle to stem the flow of rubbish being picked up. The containers for change have provided some respite.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2023

	3.3.2 Effective biosecurity management within the shire	This is ongoing and requires further development.
	3.3.4 Effective law, order and public safety	Council continues to operate the CCTV system in conjunction with Laverton Police.
4.1 A strategically focused Council, demonstrating strong leadership	4.1.1 Provide informed leadership on behalf of the community	Council continues to demonstrate corporate leadership through strong governance, compliance and transparency.
	4.1.2 Effectively represent, promote and advocate for the community and district	Council continues to engage with the community and develop focus groups to ensure that community feedback is received.
	4.1.3 Provide strategic leadership and governance	Council continues to demonstrate corporate leadership through strong governance, compliance and transparency.
4.2 An efficient and effective organization	4.2.1 Maintain a high level of corporate governance, responsibility and accountability	This aspect has been made mandatory through the amendments to the Local government Act and all new councillors must complete mandatory training.
	4.2.2 Comply with statutory and legislative requirements	Council continues to adhere to all statutory and legislative requirements.
	4.2.3 Provide a positive and safe workplace	Council continues to support its employees and ensures they are recognized for their hard work.
	4.3.2 Seek high level of statutory compliance	Council has experiences four consecutive positive audits with minimal issues raised. Council continues to meet all of its statutory requirements.

**SHIRE OF LAVERTON**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**TABLE OF CONTENTS**

Statement by Chief Executive Officer	2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Statement of Financial Activity	7
Index of Notes to the Financial Report	8
Independent Auditor's Report	40

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

*The Shire will endeavour to provide community services and facilities to meet the needs of the members of the community and enable them to enjoy a pleasant and healthy way of life.*

Principal place of business:  
9 MacPherson Place  
PO Box 42  
Laverton WA 6440

**SHIRE OF LAVERTON  
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 Laverton 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

14<sup>th</sup>

day of

DECEMBER 2023

Chief Executive Officer

Phillip Marshall

Name of Chief Executive Officer



**SHIRE OF LAVERTON**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
<b>Revenue</b>				
Rates	2(a),24	6,477,731	6,527,625	5,868,870
Grants, subsidies and contributions	2(a)	4,903,731	4,047,345	5,546,692
Fees and charges	2(a)	1,041,516	954,680	917,046
Interest revenue	2(a)	609,481	31,200	76,087
Other revenue	2(a)	464,611	300,937	283,272
		<u>13,497,070</u>	<u>11,861,787</u>	<u>12,691,967</u>
<b>Expenses</b>				
Employee costs	2(b)	(3,491,126)	(3,657,263)	(3,126,426)
Materials and contracts		(1,865,379)	(5,659,861)	(2,591,355)
Utility charges		(391,576)	(293,600)	(406,852)
Depreciation		(2,870,536)	(2,402,226)	(2,717,877)
Finance costs	2(b)	(45,323)	(44,694)	(57,690)
Insurance		(176,942)	(172,160)	(185,366)
Other expenditure	2(b)	(595,893)	0	(728,937)
		<u>(9,436,775)</u>	<u>(12,229,804)</u>	<u>(9,814,503)</u>
		4,060,295	(368,017)	2,877,464
Capital grants, subsidies and contributions	2(a)	757,132	4,943,922	2,168,651
Profit on asset disposals		28,947	23,584	28,363
Loss on asset disposals		(71,242)	(153,957)	(5,182)
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	3,686	0	3,997
		<u>718,523</u>	<u>4,813,549</u>	<u>2,195,829</u>
<b>Net result for the period</b>	23(b)	<u><b>4,778,818</b></u>	<u><b>4,445,532</b></u>	<u><b>5,073,293</b></u>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	24,281,928	0	0
<b>Total other comprehensive income for the period</b>	16	<u><b>24,281,928</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Total comprehensive income for the period</b>		<u><b>29,060,746</b></u>	<u><b>4,445,532</b></u>	<u><b>5,073,293</b></u>

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



**SHIRE OF LAVERTON  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2023**

	NOTE	2023 \$	2022 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	18,283,973	12,766,303
Trade and other receivables	5	960,848	347,987
Inventories	6	109,489	174,482
Other assets	7	51,810	257,465
<b>TOTAL CURRENT ASSETS</b>		<b>19,406,120</b>	<b>13,546,237</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	4,680	3,719
Other financial assets	4(a)	81,490	77,804
Property, plant and equipment	8	14,883,277	15,525,724
Infrastructure	9	163,395,868	138,951,818
<b>TOTAL NON-CURRENT ASSETS</b>		<b>178,365,315</b>	<b>154,559,065</b>
<b>TOTAL ASSETS</b>		<b>197,771,435</b>	<b>168,105,302</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	538,453	173,182
Other liabilities	13	1,074,677	494,378
Borrowings	14	255,669	335,235
Employee related provisions	15	418,857	433,389
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,287,656</b>	<b>1,436,184</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	14	1,251,372	1,507,041
Employee related provisions	15	103,397	93,813
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,354,769</b>	<b>1,600,854</b>
<b>TOTAL LIABILITIES</b>		<b>3,642,425</b>	<b>3,037,038</b>
<b>NET ASSETS</b>		<b>194,129,010</b>	<b>165,068,264</b>
<b>EQUITY</b>			
Retained surplus		89,258,779	84,827,136
Reserve accounts	27	6,736,236	6,389,061
Revaluation surplus	16	98,133,995	73,852,067
<b>TOTAL EQUITY</b>		<b>194,129,010</b>	<b>165,068,264</b>

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





**SHIRE OF LAVERTON  
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		82,322,976	3,819,928	73,852,067	159,994,971
Comprehensive income for the period					
Net result for the period		5,073,293	0	0	5,073,293
Transfers from reserve accounts	27	40,000	(40,000)	0	0
Transfers to reserve accounts	27	(2,609,133)	2,609,133	0	0
<b>Balance as at 30 June 2022</b>		<b>84,827,136</b>	<b>6,389,061</b>	<b>73,852,067</b>	<b>165,068,264</b>
Comprehensive income for the period					
Net result for the period		4,778,818	0	0	4,778,818
Other comprehensive income for the period	16	0	0	24,281,928	24,281,928
Total comprehensive income for the period		4,778,818	0	24,281,928	29,060,746
Transfers from reserve accounts	27	599,561	(599,561)	0	0
Transfers to reserve accounts	27	(946,736)	946,736	0	0
<b>Balance as at 30 June 2023</b>		<b>89,258,779</b>	<b>6,736,236</b>	<b>98,133,995</b>	<b>194,129,010</b>

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

**SHIRE OF LAVERTON  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual \$	2022 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Rates		6,478,579	5,783,273
Grants, subsidies and contributions		4,670,999	5,813,680
Fees and charges		785,303	1,225,683
Interest revenue		609,481	76,087
Goods and services tax received		336,931	315,094
Other revenue		464,611	283,272
		<u>13,345,904</u>	<u>13,497,089</u>
<b>Payments</b>			
Employee costs		(3,458,541)	(3,221,250)
Materials and contracts		(1,350,234)	(2,988,089)
Utility charges		(391,576)	(406,852)
Finance costs		(45,323)	(57,690)
Insurance paid		(176,942)	(185,366)
Goods and services tax paid		(379,415)	(259,797)
Other expenditure		(595,893)	(728,937)
		<u>(6,397,924)</u>	<u>(7,847,981)</u>
<b>Net cash provided by (used in) operating activities</b>	16(b)	<u>6,947,980</u>	<u>5,649,108</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchase of property, plant & equipment	8(a)	(281,907)	(1,398,168)
Payments for construction of infrastructure	9(a)	(2,306,528)	(1,665,814)
Capital grants, subsidies and contributions		1,337,431	2,168,651
Proceeds from sale of property, plant & equipment		155,929	38,181
<b>Net cash provided by (used in) investing activities</b>		<u>(1,095,075)</u>	<u>(857,150)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings	26(a)	(335,235)	(326,108)
<b>Net cash provided by (used in) financing activities</b>		<u>(335,235)</u>	<u>(326,108)</u>
<b>Net increase (decrease) in cash held</b>		5,517,670	4,465,850
Cash at beginning of year		12,766,303	8,300,453
<b>Cash and cash equivalents at the end of the year</b>	16(a)	<u>18,283,973</u>	<u>12,766,303</u>

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

**SHIRE OF LAVERTON  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
<b>OPERATING ACTIVITIES</b>				
Revenue from operating activities				
Rates	24	6,477,731	6,527,625	5,868,870
Grants, subsidies and contributions		4,903,731	4,047,345	5,546,692
Fees and charges		1,041,516	954,680	917,046
Interest revenue		609,481	31,200	76,087
Other revenue		464,611	300,937	283,272
Profit on asset disposals		28,947	23,584	28,363
through profit or loss	4(a)	3,686	0	3,997
		13,529,703	11,885,371	12,724,327
Expenditure from operating activities				
Employee costs		(3,491,126)	(3,657,263)	(3,126,426)
Materials and contracts		(1,865,379)	(5,659,861)	(2,591,355)
Utility charges		(391,576)	(293,600)	(406,852)
Depreciation		(2,870,536)	(2,402,226)	(2,717,877)
Finance costs		(45,323)	(44,694)	(57,690)
Insurance		(176,942)	(172,160)	(185,366)
Other expenditure		(595,893)	0	(728,937)
Loss on asset disposals		(71,242)	(153,957)	(5,182)
		(9,508,017)	(12,383,761)	(9,819,685)
Non-cash amounts excluded from operating activities	25(a)	2,903,236	2,532,599	2,764,639
<b>Amount attributable to operating activities</b>		<b>6,924,922</b>	<b>2,034,209</b>	<b>5,669,281</b>
<b>INVESTING ACTIVITIES</b>				
Inflows from investing activities				
Capital grants, subsidies and contributions		757,132	4,943,922	2,168,651
Proceeds from disposal of assets		155,929	440,000	38,181
		913,061	5,383,922	2,206,832
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(281,907)	(4,418,000)	(1,398,168)
Purchase and construction of infrastructure	9(a)	(2,306,528)	(7,551,855)	(1,665,814)
		(2,588,435)	(11,969,855)	(3,063,982)
<b>Amount attributable to investing activities</b>		<b>(1,675,374)</b>	<b>(6,585,933)</b>	<b>(857,150)</b>
<b>FINANCING ACTIVITIES</b>				
Inflows from financing activities				
Transfers from reserve accounts	27	599,561	1,600,354	40,000
		599,561	1,600,354	40,000
Outflows from financing activities				
Repayment of borrowings	26(a)	(335,235)	(335,236)	(326,108)
Transfers to reserve accounts	27	(946,736)	(780,000)	(2,609,133)
		(1,281,971)	(1,115,236)	(2,935,241)
<b>Amount attributable to financing activities</b>		<b>(682,410)</b>	<b>485,118</b>	<b>(2,895,241)</b>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
Surplus or deficit at the start of the financial year	25(b)	6,489,616	4,066,606	4,572,726
Amount attributable to operating activities		6,924,922	2,034,209	5,669,281
Amount attributable to investing activities		(1,675,374)	(6,585,933)	(857,150)
Amount attributable to financing activities		(682,410)	485,118	(2,895,241)
<b>Surplus or deficit after imposition of general rates</b>	<b>25(b)</b>	<b>11,056,754</b>	<b>0</b>	<b>6,489,616</b>

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

**SHIRE OF LAVERTON  
FOR THE YEAR ENDED 30 JUNE 2023  
INDEX OF NOTES TO THE FINANCIAL REPORT**

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	11
Note 4	Other Financial Assets	12
Note 5	Trade and Other Receivables	13
Note 6	Inventories	14
Note 7	Other Assets	15
Note 8	Property, Plant and Equipment	16
Note 9	Infrastructure	18
Note 10	Fixed Assets	20
Note 11	Leases	22
Note 12	Trade and Other Payables	23
Note 13	Other Liabilities	24
Note 14	Borrowings	25
Note 15	Employee Related Provisions	26
Note 16	Revaluation Surplus	27
Note 17	Restrictions Over Financial Assets	28
Note 18	Undrawn Borrowing Facilities and Credit Standby Arrangements	28
Note 19	Contingent Liabilities	29
Note 20	Capital Commitments	29
Note 21	Related Party Transactions	30
Note 22	Events Occurring After the End of the Reporting Period	32
Note 23	Other Significant Accounting Policies	33
<b>Information required by legislation</b>		
Note 24	Rating Information	34
Note 25	Determination of Surplus or Deficit	35
Note 26	Borrowing and Lease Liabilities	36
Note 27	Reserve accounts	37
Note 28	Trust Funds	38
Note 29	Notes to the Statement of Cash Flows	39



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

### 1. BASIS OF PREPARATION

The financial report 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-for-profit entities) and Interpretations of the Australian Accounting Standards Board except for disclosure requirements of:

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

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

#### 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 128 and Editorial Corrections [general editorials]
- AASB 2022-3 Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15

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 - 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.

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**2. REVENUE AND EXPENSES**

**(a) Revenue**

**Contracts with customers**

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - 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
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
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	0	0	0	6,477,731	6,477,731
Grants, subsidies and contributions	4,903,731	0	0	0	4,903,731
Fees and charges	1,041,516	0	0	0	1,041,516
Interest revenue	0	0	0	609,481	609,481
Other revenue	0	0	0	464,611	464,611
Capital grants, subsidies and contributions	0	757,132	0	0	757,132
<b>Total</b>	<b>5,945,247</b>	<b>757,132</b>	<b>0</b>	<b>7,551,823</b>	<b>14,254,202</b>

**For the year ended 30 June 2022**

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	0	5,868,870	5,868,870
Grants, subsidies and contributions	5,546,692	0	0	0	5,546,692
Fees and charges	917,046	0	0	0	917,046
Interest revenue	0	0	37,038	39,049	76,087
Other revenue	218,403	0	0	64,869	283,272
Capital grants, subsidies and contributions	0	2,168,651	0	0	2,168,651
<b>Total</b>	<b>6,682,141</b>	<b>2,168,651</b>	<b>37,038</b>	<b>5,972,788</b>	<b>14,860,618</b>



**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**2. REVENUE AND EXPENSES (Continued)**

**(a) Revenue (Continued)**

Note	2023 Actual \$	2022 Actual \$
<b>Interest revenue</b>		
Interest on reserve account funds	223,973	18,330
Trade and other receivables overdue interest	53,450	37,038
Other interest revenue	332,058	20,719
	<u>609,481</u>	<u>76,087</u>

The 2023 original budget estimate in relation to:  
Trade and other receivables overdue interest was \$38,200.

**Fees and charges relating to rates receivable**

Charges on instalment plan	2,090	1,900
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The 2023 original budget estimate in relation to:  
Charges on instalment plan was \$2,000.

**(b) Expenses**

**Auditors remuneration**

- Audit of the Annual Financial Report	58,200	50,000
- Other services – grant acquittals	3,000	6,700
	<u>61,200</u>	<u>56,700</u>

**Employee Costs**

Employee benefit costs	3,444,920	2,896,022
Other employee costs	46,206	230,404
	<u>3,491,126</u>	<u>3,126,426</u>

**Finance costs**

Interest and financial charges paid/payable for financial liabilities not at fair value through profit or loss	45,323	57,690
	<u>45,323</u>	<u>57,690</u>

**Other expenditure**

Sundry expenses	595,893	728,937
	<u>595,893</u>	<u>728,937</u>

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**3. CASH AND CASH EQUIVALENTS**

Note	2023	2022
	\$	\$
Cash at bank and on hand	11,547,737	6,377,242
Term deposits	6,736,236	6,389,061
<b>Total cash and cash equivalents</b>	<b>18,283,973</b>	<b>12,766,303</b>
Held as		
- Unrestricted cash and cash equivalents	10,473,060	5,882,864
- Restricted cash and cash equivalents	7,810,913	6,883,439
	<b>18,283,973</b>	<b>12,766,303</b>

**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.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

**Restricted financial assets**

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

**4. OTHER FINANCIAL ASSETS**

**(a) Non-current assets**

Financial assets at fair value through profit or loss

2023	2022
\$	\$
81,490	77,804
<b>81,490</b>	<b>77,804</b>
Financial assets at fair value through profit or loss	
Units in Local Government House Trust - opening balance	77,804
Movement attributable to fair value increment	3,686
Units in Local Government House Trust - closing balance	<b>81,490</b>

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

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 hierarchy (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.

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**5. TRADE AND OTHER RECEIVABLES**

Note	2023	2022
	\$	\$
<b>Current</b>		
Rates and statutory receivables	678,662	597,230
Trade receivables	404,577	89,064
GST receivable	94,416	51,932
Allowance for credit losses of rates and statutory receivables	(215,858)	(473,020)
Allowance for credit losses of trade receivables	(949)	0
Prepaid rates	0	72,759
Prepayments	0	10,022
	<u>960,848</u>	<u>347,987</u>
<b>Non-current</b>		
Rates and statutory receivables	4,680	3,719
	<u>4,680</u>	<u>3,719</u>

**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	328,891	24,128	395,037
Contract assets	7 0	0	0
Allowance for credit losses of trade receivables	5 (949)	0	(164,313)
Allowance for impairment of contract assets	7 0	0	0
Total trade and other receivables from contracts with customers	<u>327,942</u>	<u>24,128</u>	<u>230,724</u>

**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 including grants for the construction of recognisable non financial assets.

**Measurement**

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

**Classification and subsequent measurement**

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

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

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

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**6. INVENTORIES**

	Note	2023	2022
Current		\$	\$
Fuel and materials		20,543	94,635
Visitor centre stock		88,946	79,847
		<u>109,489</u>	<u>174,482</u>

The following movements in inventories occurred during the year:

Balance at beginning of year	174,482	121,574
Inventories expensed during the year	(246,685)	(211,392)
Additions to inventory	<u>181,692</u>	<u>264,300</u>
Balance at end of year	109,489	174,482

**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.

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**7. OTHER ASSETS**

	2023	2022
	\$	\$
<b>Other assets - current</b>		
Accrued income	51,810	257,465
	51,810	257,465

**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.

The fair value of land and buildings was determined using the sales comparison approach using comparable properties in the area. This is a level 2 measurement as per the fair value hierarchy set out in Note 23(i).

Impairment of assets associated with contracts with customers are detailed at Note 2(b).



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

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings	Total land and buildings not subject to operating lease	Total land and buildings	Furniture and equipment	Plant and equipment	Buildings - work in progress	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	421,100	10,422,972	10,844,072	10,844,072	159,193	3,787,322	0	14,790,587
Additions	0	1,291,082	1,291,082	1,291,082	49,441	54,834	2,811	1,398,168
Disposals	(15,000)	0	(15,000)	(15,000)	0	0	0	(15,000)
Depreciation	0	(257,990)	(257,990)	(257,990)	(15,812)	(374,229)	0	(648,031)
Balance at 30 June 2022	406,100	11,456,064	11,862,164	11,862,164	192,822	3,467,927	2,811	15,525,724
Comprises:								
Gross balance amount at 30 June 2022	406,100	11,937,837	12,343,937	12,343,937	227,670	4,223,122	2,811	16,797,540
Accumulated depreciation at 30 June 2022	0	(481,773)	(481,773)	(481,773)	(34,848)	(755,195)	0	(1,271,816)
Accumulated impairment loss at 30 June 2022	0	0	0	0	0	0	0	0
Balance at 30 June 2022	406,100	11,456,064	11,862,164	11,862,164	192,822	3,467,927	2,811	15,525,724
Additions	0	126,179	126,179	126,179	0	155,408	320	281,907
Disposals	0	0	0	0	0	(198,224)	0	(198,224)
Depreciation	0	(297,444)	(297,444)	(297,444)	(22,618)	(406,068)	0	(726,130)
Transfers	11,791	(11,791)	0	0	0	0	0	0
Balance at 30 June 2023	417,891	11,273,008	11,690,899	11,690,899	170,204	3,019,043	3,131	14,883,277
Comprises:								
Gross balance amount at 30 June 2023	417,891	12,052,225	12,470,116	12,470,116	227,670	4,122,530	3,131	16,823,447
Accumulated depreciation at 30 June 2023	0	(779,217)	(779,217)	(779,217)	(57,466)	(1,103,487)	0	(1,940,170)
Balance at 30 June 2023	417,891	11,273,008	11,690,899	11,690,899	170,204	3,019,043	3,131	14,883,277



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

8. 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	Market approach using recent observable market data using similar properties/income approach using discounted cashflow methodology	Independent registered valuers	June 2020	Price per hectare/market borrowing rate
Buildings		2	Market approach using recent observable market data using similar properties/income approach using discounted cashflow methodology	Independent registered valuers	June 2020	Price per square metre/market borrowing rates
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) Cost						
Buildings - work in progress		3	Cost approach not including depreciation until asset is completed and capitalised	Management valuation	June 2020	Construction costs

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

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure Footpaths & cycleways	Other infrastructure	Total Infrastructure
	\$	\$	\$	\$
Balance at 1 July 2021	128,042,677	167,102	11,130,342	139,340,121
Additions	1,569,803	0	96,011	1,665,814
Write off negative depreciation	0	0	15,729	15,729
Depreciation	(1,719,812)	(3,415)	(346,619)	(2,069,846)
Balance at 30 June 2022	127,892,668	163,687	10,895,463	138,951,818
<b>Comprises:</b>				
Gross balance at 30 June 2022	156,122,760	171,738	11,586,337	167,880,835
Accumulated depreciation at 30 June 2022	(28,230,092)	(8,051)	(690,874)	(28,929,017)
Balance at 30 June 2022	127,892,668	163,687	10,895,463	138,951,818
Additions	2,258,933	0	47,595	2,306,528
Revaluation increments / (decrements) transferred to revaluation surplus	7,595,402	498,567	16,187,959	24,281,928
Depreciation	(1,759,310)	(3,433)	(381,663)	(2,144,406)
Balance at 30 June 2023	135,987,693	658,821	26,749,354	163,395,868
<b>Comprises:</b>				
Gross balance at 30 June 2023	135,987,693	658,821	27,821,891	164,468,405
Accumulated depreciation at 30 June 2023	0	0	(1,072,537)	(1,072,537)
Balance at 30 June 2023	135,987,693	658,821	26,749,354	163,395,868

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

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - roads		3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	Construction costs and current condition residual values and remaining useful life assessment inputs
Other infrastructure Footpaths & cycleways		3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	Construction costs and current condition residual values and remaining useful life assessment inputs
Other infrastructure		3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2020	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 to determine the fair value of infrastructure using level 3 inputs.

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**10. FIXED ASSETS**

**(a) Depreciation**

**Depreciation rates**

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

<b>Asset Class</b>	<b>Useful life</b>
Land - freehold land	no limit
Buildings	30 to 80 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Buildings - work in progress	no depreciation
Infrastructure - roads	40 to 80 years
Other infrastructure Footpaths & cycleways	20 to 50 years
Other infrastructure	10 to 75 years

**Revision of useful lives of plant and equipment**

The useful lives of property plant and equipment is reviewed annually by management.

**Temporarily Idle or retired from use assets**

There are no assets held by the Shire which are temporarily idle or retired from active use or classified as held for sale.

**Fully Depreciated Assets in Use**

There are no assets held by the Shire which are currently in use yet fully depreciated.



**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**10. 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, infrastructure and investment properties 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. 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, infrastructure and investment properties 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, investment properties 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.

**Amortisation**

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

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

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 10(a).

**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.

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**11. LEASES**

**Lessor - Property, Plant and Equipment Subject to Lease**

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

	<b>2023 Actual</b>	<b>2022 Actual</b>
	\$	\$
Less than 1 year	49,358	87,478
1 to 2 years	51,332	88,428
2 to 3 years	53,385	89,396
3 to 4 years	55,521	90,383
4 to 5 years	57,742	91,391
	<b>267,338</b>	<b>447,076</b>

**Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease**

Rental income	44,739	45,333
---------------	--------	--------

Lease of Council buildings to Centrelink and stables at racecourse to Conway- Cox.

**SIGNIFICANT ACCOUNTING POLICIES**

**The Shire as Lessor**

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

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

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

When a contract is determined to include lease and non-lease components, the Shire applies AASB 16 to allocate the consideration under the contract to each component.



**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**12. TRADE AND OTHER PAYABLES**

**Current**

	2023	2022
	\$	\$
Sundry creditors	337,547	81,447
Prepaid rates	83,241	0
Accrued payroll liabilities	0	3,328
ATO liabilities	89,501	48,640
Bonds and deposits held	705	300
Accrued salaries and wages	16,790	15,556
Accrued interest on loans	3,487	6,373
Other payables	7,182	17,538
	<b>538,453</b>	<b>173,182</b>

**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.

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**13. OTHER LIABILITIES**

	2023	2022
	\$	\$
<b>Current</b>		
Capital grant/contributions liabilities	1,074,677	494,378
	1,074,677	494,378

The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$1,074,677 (2022: \$494,378)

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

**Reconciliation of changes in capital grant/contribution liabilities**

Opening balance	494,378	522,464
Additions	580,299	494,378
Revenue from capital grant/contributions held as a liability at the start of the period	0	(522,464)
	1,074,677	494,378

**Expected satisfaction of capital grant/contribution liabilities**

Less than 1 year	1,074,677	494,378
1 to 2 years	(1,074,677)	0
	0	494,378

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**

**Contract liabilities**

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

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

**Capital grant/contribution liabilities**

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

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 23(i)) due to the unobservable inputs, including own credit risk.

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**14. BORROWINGS**

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		255,669	1,251,372	1,507,041	335,235	1,507,041	1,842,276
<b>Total secured borrowings</b>	<b>26(a)</b>	<b>255,669</b>	<b>1,251,372</b>	<b>1,507,041</b>	<b>335,235</b>	<b>1,507,041</b>	<b>1,842,276</b>

**Secured liabilities and assets pledged as security**

Debentures are secured by a floating charge over the assets of the Shire of Laverton.

The Shire of Laverton has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 years.

**SIGNIFICANT ACCOUNTING POLICIES**

**Borrowing costs**

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 23(i)) due to the unobservable inputs, including own credit risk.

**Borrowing costs (continued).**

Details of individual borrowings required by regulations are provided at Note 026..

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**15. EMPLOYEE RELATED PROVISIONS**

**Employee Related Provisions**

**Current provisions**

**Employee benefit provisions**

Annual leave

Long service leave

Other employee leave provisions

	2023	2022
	\$	\$
	218,703	255,469
	116,641	177,920
	83,513	0
	418,857	433,389

**Total current employee related provisions**

418,857 433,389

**Non-current provisions**

**Employee benefit provisions**

Long service leave

	103,397	93,813
	103,397	93,813

**Total non-current employee related provisions**

103,397 93,813

**Total employee related provisions**

522,254 527,202

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.  
actual settlement of the liabilities is expected to occur as follows:

	Note	2023	2022
		\$	\$
Amounts are expected to be settled on the following basis:			
Less than 12 months after the reporting date		218,703	113,206
More than 12 months from reporting date		303,551	413,996
		522,254	527,202

**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**

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

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



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

16. REVALUATION SURPLUS

	2023 Opening Balance	2023 Change in Accounting Policy	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	Total Movement on Revaluation	2022 Closing Balance
	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Buildings	6,201,246	0	0	6,201,246	6,201,246	0	6,201,246
Revaluation surplus - Infrastructure - roads	67,650,821	0	24,281,928	91,932,749	67,650,821	0	67,650,821
	73,852,067	0	24,281,928	98,133,995	73,852,067	0	73,852,067

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**17. RESTRICTIONS OVER FINANCIAL ASSETS**

	<b>Note</b>	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
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	7,810,913	6,883,439
		<u>7,810,913</u>	<u>6,883,439</u>
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	27	6,736,236	6,389,061
Capital grant liabilities	13	1,074,677	494,378
<b>Total restricted financial assets</b>		<u>7,810,913</u>	<u>6,883,439</u>

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

Bank overdraft limit	500,000	500,000
Bank overdraft at balance date	0	0
Credit card limit	25,000	25,000
Credit card balance at balance date	<u>(19,094)</u>	<u>(8,602)</u>
<b>Total amount of credit unused</b>	<b>505,906</b>	<b>516,398</b>
<b>Loan facilities</b>		
Loan facilities - current	255,669	335,235
Loan facilities - non-current	<u>1,251,372</u>	<u>1,507,041</u>
<b>Total facilities in use at balance date</b>	<b>1,507,041</b>	<b>1,842,276</b>
<b>Unused loan facilities at balance date</b>	<b>0</b>	<b>0</b>



**SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**19. CONTINGENT LIABILITIES**

The Shire of Laverton has in compliance with the Contaminated Sites Act 2003 section 11 listed sites to be possible sources of contamination:- Laverton Rubbish Tip located at Laverton Rubbish Tip, Rubbish Tip Road, Laverton WA 6440.

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk and degree with the Department of Water and Environment Regulation the need and criteria for remediation, the Shire is unable to accurately quantify its clean up liabilities for potentially contaminated sites.

The Shire is continuing to monitor the sites and will progressively undertake site investigations and remediation on a risk based approach. This approach is consistent with the Department of Water and Environment regulation guidelines.

**20. CAPITAL COMMITMENTS**

No capital commitments apply at 30 June 2023

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**21. RELATED PARTY TRANSACTIONS**

**(a) Elected Member Remuneration**

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

Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
President's annual allowance	36,117	36,957	28,500
President's meeting attendance fees	16,395	15,500	19,500
President's annual allowance for travel and accommodation expenses	0	4,000	0
	<u>52,512</u>	<u>56,457</u>	<u>48,000</u>
Deputy President's annual allowance	9,029	9,239	7,500
Deputy President's meeting attendance fees	16,776	14,679	16,367
Deputy President's annual allowance for travel and accommodation expenses	0	1,500	0
	<u>25,805</u>	<u>25,418</u>	<u>23,867</u>
All other council member's meeting attendance fees	82,736	87,253	81,835
All other council member's annual allowance for travel and accommodation expenses	0	4,500	0
	<u>82,736</u>	<u>91,753</u>	<u>81,835</u>
21(b)	<u>161,053</u>	<u>173,628</u>	<u>153,702</u>

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

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

Note	2023 Actual \$	2022 Actual \$
Short-term employee benefits	691,068	586,038
Post-employment benefits	105,239	89,709
Employee - other long-term benefits	37,082	14,651
Council member costs	<u>161,053</u>	<u>153,702</u>
21(a)	<u>994,442</u>	<u>844,100</u>

*Short-term employee benefits*

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

*Post-employment benefits*

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

*Other long-term benefits*

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

*Council member costs*

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

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**21. RELATED PARTY TRANSACTIONS**

**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:

	<b>2023</b> <b>Actual</b>	<b>2022</b> <b>Actual</b>
	<b>\$</b>	<b>\$</b>
Purchase of goods and services	191,393	230,982
Payment of council member costs (Refer to Note 23(a))	161,053	153,702
<b>Amounts payable to related parties:</b>		
Trade and other payables	39,035	0

**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*

During the previous year, three local companies controlled by 3 council members, were awarded a contract for works and services under the selective procurement process on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement process policy.

The contracts involved electrical, catering and property maintenance in the Shire respectively, and amounted to \$191,393 in the current year (\$230,982 in the prior year).

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.

**SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

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

There were no events occurring after the end of the reporting period which would be of material impact to the financial statements for the year ended 30 June 2023.



**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**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.



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

24. RATING INFORMATION

(a) General Rates

RATE TYPE	Rate Description	Basis of valuation	Rate in \$	Number of Properties	2022/23 Actual Rateable Value*	2022/23 Actual Rate	2022/23 Actual Reassessed Rates	2022/23 Actual Total Revenue	2022/23 Budget Rate	2022/23 Budget Reassessed Rate	2022/23 Budget Total Revenue	2021/22 Actual Total Revenue
GRV - Townsite	GRV - Townsite	Gross rental valuation	0.119583	169	2,888,170	\$ 345,376	\$ (598)	344,778	267,293	0	267,293	281,692
	GRV - Mining	Gross rental valuation	0.095856	14	13,122,500	1,257,870		1,257,870	1,257,870	0	1,257,870	1,352,266
	GRV - Miscellaneous	Gross rental valuation	0.119583	1	14,919	1,784		1,784	1,784	0	1,784	0
	UV - Pastoral	Unimproved valuation	0.100837	15	484,483	48,854		48,854	48,854	0	48,854	47,400
	UV - Mining	Unimproved valuation	0.187153	798	26,297,253	4,921,610	(228,247)	4,693,363	4,921,610	0	4,921,610	4,077,744
	UV - Shared Tenements	Unimproved valuation	0.187153	52	1,409,991	263,884		263,884	263,884	0	263,884	221,910
Total general rates				1,049	44,217,316	6,839,378	(228,845)	6,610,533	6,761,295	0	6,761,295	5,981,012
Minimum payment												
GRV - Townsite	GRV - Townsite	Gross rental valuation	335	57	14892	19,095		19,095	20,100		20,100	15,120
	GRV - Mining	Gross rental valuation	335	1	20	335		335	335		335	315
	GRV - Miscellaneous	Gross rental valuation	335	0	0	0		0	0		0	0
	UV - Pastoral	Unimproved valuation	335	3	3000	1,005		1,005	1,005		1,005	945
	UV - Mining	Unimproved valuation	335	255	244259	85,425		85,425	85,425		85,425	93,240
	UV - Shared Tenements	Unimproved valuation	168	18	5399	3,024		3,024	3,024		3,024	2,528
Total minimum payments				334	267,570	108,884	0	108,884	109,889	0	109,889	112,148
Total general rates and minimum payments				1,383	44,484,886	6,948,262	(228,845)	6,719,417	6,871,184	0	6,871,184	6,093,160
Discounts												
Total Rates								(241,686)			(343,559)	(224,290)
								6,477,731			6,527,625	5,868,870
Rate instalment interest								6,212			3,000	5,171
Rate overdue interest								46,678			10,000	31,867

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

\*Rateable Value at time of raising of rate.

**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**25. DETERMINATION OF SURPLUS OR DEFICIT**

Note	2022/23	2022/23	2022/23	2021/22
	(30 June 2023	Budget	(1 July 2022)	(30 June 2022)
	Carried	Carried	Brought	Carried
	Forward)	Forward)	Forward)	Forward
	\$	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals	(28,947)	(23,584)	(28,363)	(28,363)
Less: Fair value adjustments to financial assets at fair value through profit or loss	(3,686)	0	(3,997)	(3,997)
Add: Loss on disposal of assets	71,242	153,957	5,182	5,182
Add: Depreciation 10(a)	2,870,536	2,402,226	2,717,877	2,717,877
Pensioner deferred rates	(961)	0	(1,751)	(1,751)
Employee benefit provisions	(4,948)	0	(10,041)	(10,041)
Other provisions	0	0	101,461	101,461
Adjustment to Depreciation	0	0	(15,729)	(15,729)
<b>Non-cash amounts excluded from operating activities</b>	<b>2,903,236</b>	<b>2,532,599</b>	<b>2,764,639</b>	<b>2,764,639</b>

**(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* to agree to the surplus/(deficit) after imposition of general rates.

<b>Adjustments to net current assets</b>				
Less: Reserve accounts 27	(6,736,236)	(5,568,707)	(6,389,061)	(6,389,061)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings 14	255,669	0	335,235	335,235
- Employee benefit provisions	418,857	0	433,389	441,300
<b>Total adjustments to net current assets</b>	<b>(6,061,710)</b>	<b>(5,568,707)</b>	<b>(5,620,437)</b>	<b>(5,612,526)</b>
<b>Net current assets used in the Statement of Financial Activity</b>				
Total current assets	19,406,120	7,135,827	13,546,237	13,546,237
Less: Total current liabilities	(2,287,656)	(1,567,120)	(1,436,184)	(1,436,184)
Less: Total adjustments to net current assets	(6,061,710)	(5,568,707)	(5,620,437)	(5,612,526)
<b>Surplus or deficit after imposition of general rates</b>	<b>11,056,754</b>	<b>0</b>	<b>6,489,616</b>	<b>6,497,527</b>

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

26. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual				Budget			
		Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023
		\$	\$	\$	\$	\$	\$	\$	\$
Housing									
Burt Street Units	81	140,125		(44,546)	95,579	95,578		(46,674)	48,904
DCEO House	82	194,383		(23,448)	170,935	170,936		(24,166)	146,770
Recreation and culture									
Community hub	83	427,645		(51,586)	376,059	376,059		(53,166)	322,893
Economic services									
Underground power	80	167,842		(82,268)	85,574	85,575		(85,575)	0
Great Beyond visitor centre expansion	84	1,238,389		(124,280)	1,114,129	1,114,128		(125,655)	988,473
Total		2,168,384	0	(326,108)	1,842,276	1,842,276	0	(335,236)	1,507,041
Total Borrowings	14	2,168,384	0	(326,108)	1,842,276	1,842,276	0	(335,236)	1,507,040

All loan repayments were financed by general purpose revenue.

Borrowing Finance Cost Payments

Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022
						\$	\$	\$
Housing								
0		79	WATC	6.14%	1/05/2021	0	0	0
Burt Street Units		81	WATC	4.72%	10/02/2024	(4,686)	(3,967)	(7,944)
DCEO House		82	WATC	3.04%	2/11/2018	(4,379)	(5,014)	(5,399)
Recreation and culture								
Community hub		83	WATC	3.04%	2/11/2028	(13,358)	(11,031)	(15,362)
Economic services								
Underground power		80	WATC	3.98%	10/05/2023	(3,049)	(2,563)	(6,858)
Great Beyond visitor centre expansion		84	WATC	1.12%	20/11/2030	(19,851)	(12,119)	(22,127)
Total						(45,323)	(34,694)	(57,690)
Total Finance Cost Payments						(45,323)	(34,694)	(57,690)

\* WA Treasury Corporation

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

27. RESERVE ACCOUNTS

	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance	2023 Budget Opening Balance	2023 Budget Transfer to	2023 Budget Transfer (from)	2023 Budget Closing Balance	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance
Restricted by council	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Leave reserve	441,300	15,470		456,770	441,299			441,299	339,839	101,461		441,300
(b) Laverton airport reserve	93,882	3,292		97,174	93,883			93,883	93,517	365		93,882
(c) Plant replacement reserve	656,880	345,790		1,002,670	656,880			656,880	155,604	501,276		656,880
(d) Road reserve	1,401,068	49,115		1,450,183	1,401,068			1,401,068	952,019	449,049		1,401,068
(e) Asset development reserve	2,042,721	71,609		2,114,330	2,042,721		(250,000)	1,792,721	1,037,333	1,005,388		2,042,721
(f) Lake Wells Road reserve	1,352,160	47,401	(599,561)	800,000	1,352,160	380,000	(1,350,354)	381,806	1,041,616	350,544	(40,000)	1,352,160
(g) Community projects reserve	401,050	414,059		815,109	401,050	400,000		801,050	200,000	201,050		401,050
	6,389,061	946,736	(599,561)	6,736,236	6,389,061	780,000	(1,600,354)	5,568,707	3,819,928	2,609,133	(40,000)	6,389,061
	6,389,061	946,736	(599,561)	6,736,236	6,389,061	780,000	(1,600,354)	5,568,707	3,819,928	2,609,133	(40,000)	6,389,061

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

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

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Leave reserve	To be used to fund annual leave, rostered days off and long service leave requirements
(b) Laverton airport reserve	To be used for the upkeep and major upgrade works to the Laverton Airport
(c) Plant replacement reserve	To be used for the purchase of major plant
(d) Road reserve	To be used for the upkeep and major improvements - sealing programs for roads within the Shire of Laverton
(e) Asset development reserve	To be used to fund construction and maintenance of major asset projects
(f) Lake Wells Road reserve	To be used to fund future roadworks and maintenance, renewal and construction amounting and adjacent to Lake Wells Road
(g) Community projects reserve	To be used to fund community projects



**SHIRE OF LAVERTON  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**28. TRUST FUNDS**

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

	<b>1 July 2022</b>	<b>Amounts Received</b>	<b>Amounts Paid</b>	<b>30 June 2023</b>
	\$	\$	\$	\$
Department of Transport	100	75,053	(74,655)	498
	100	75,053	(74,655)	498



**SHIRE OF LAVERTON**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**29 NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

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

	<b>Note</b>	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
Cash and cash equivalents	3	18,283,973	12,766,303

**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	7,810,913	6,883,439
		<u>7,810,913</u>	<u>6,883,439</u>

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

Restricted reserve accounts	27	6,736,236	6,389,061
Capital grant liabilities	13	1,074,677	494,378
<b>Total restricted financial assets</b>		<u>7,810,913</u>	<u>6,883,439</u>

**(b) Reconciliation of Net Result to Net Cash Provided  
By Operating Activities**

Net result		4,778,818	5,073,293
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss		(3,686)	(3,997)
Adjustments to fair value of investment property		0	(15,729)
Depreciation/amortisation		2,870,536	2,717,877
(Profit)/loss on sale of asset		42,295	(23,181)
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		(613,822)	557,096
(Increase)/decrease in other assets		205,655	18,389
(Increase)/decrease in inventories		64,993	(52,908)
Increase/(decrease) in trade and other payables		365,271	(408,668)
Increase/(decrease) in employee related provisions		(4,948)	(16,327)
Increase/(decrease) in other liabilities		580,299	(28,086)
Capital grants, subsidies and contributions		<u>(1,337,431)</u>	<u>(2,168,651)</u>
Net cash provided by/(used in) operating activities		6,947,980	5,649,108



## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2023 Shire of Laverton

To the Council of the Shire of Laverton

#### Opinion

I have audited the financial report of the Shire of Laverton (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 [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

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

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



### **Matters relating to the electronic publication of the audited financial report**

This auditor's report relates to the financial report of the Shire of Laverton 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.



Tim Sanya  
Senior Director Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
15 December 2023

**5. GENERAL BUSINESS**

Nil

**6. CLOSURE OF MEETING**

There being no further business, the Presiding Person declared the meeting closed at 4:18 pm.

**7. CERTIFICATION OF MINUTES**

I, Patrick Hill, hereby certify that the Minutes of the General Meeting of Electors held on 20 March 2024 are confirmed as a true and correct record, as per the resolution of the General Meeting of Electors held on \_\_\_\_\_.

**SIGNED:** \_\_\_\_\_

**DATED:** \_\_\_\_\_



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**4. RECEIVING OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2024**

<b>4.1 SHIRE OF LAVERTON ANNUAL REPORT FOR YEAR ENDING 30 JUNE 2024</b>
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**ATTACHMENTS**

AGM230125.4.1.A Shire of Laverton Annual Report for Year Ending 30 June 2024

**RESOLUTION**

**MOVED:** Cr B Conway-Cox **SECONDED:** Cr M Pedder

**That the Annual Report for the year ending 30 June 2024 and comprising the following be received:**

- **Shire President's Report**
- **Chief Executive Officer's Report**
- **Audited Financial Statements**
- **Auditor General's Office Report**

**CARRIED**

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## ANNUAL REPORT FOR YEAR ENDED 30 JUNE 2024



## OUR VISION, MISSION, AND VALUES



## **SHIRE PRESIDENTS REPORT**



In opening, I would like to thank my fellow Councillors for their support and ensuring that the Shire of Laverton is seen in a positive light throughout the community. It is a pleasure to represent the Council.

Without the support of my fellow Councillors, it would be hard to keep on going forward as we are united in almost every matter, and I would like to acknowledge them and wish the Councillors coming up for reelection in October 2025 all the best and thank you.

At the October 2023 elections, the following councillors were elected and I welcome Cr Paul Ovans and Cr Mark Pedder. The team following the October 23 elections.

- |   |                      |
|---|----------------------|
| • Cr Shaneane Weldon Deputy Shire President | Term expires in 2025 |
| • Cr Robert Wedge                           | Term expires in 2025 |
| • Cr Rex Weldon                             | Term expires in 2027 |
| • Cr Paul Ovans                             | Term expires in 2027 |
| • Cr Mark Pedder                            | Term expires in 2027 |
| • Cr Gary Buckmaster                        | Term expires in 2027 |

I would like to thank Jack Carmody and Robin Prentice for their efforts on Council over the last four years and wish them every success in their future endeavors.

The following is a summary of what has occurred in the last 12 months and the major issues which have impacted on the Council along with the myriads of meetings and representations made on behalf of Council.



**Investing in families** – including by better supporting elders and parents, boosting domestic violence services. This is critical and provides accommodation for those who deserve a home as their record depicts that they are responsible. The Council has made representations to Canberra and unfortunately the requests have fallen on deaf ears and the Council will continue the discussion to have the families and education at the centre of trying to make good the social issues within Laverton and beyond.

### **Sheila Laver Award**

The Sheila Laver Award was not presented in 2023.

### **Great Central Road (GCR)**

It will be over three years that any construction works have been undertaken on the GCR and such an essential road route from Queensland to Western Australia is standing still awaiting Main roads to complete native title negotiations.

The Council understands that preparatory work is still being carried out to set the stage when works are allowed. In essence, the Council should take the road back which is still under the control of the Shire using preparatory work by Main Roads and have the works tendered out. The Council is undertaking works on the GCR as a priority and awaiting approval from main roads and funds to ensure cash flows in the project management.

### **Airport**

The Council has approved the following works including:

- The building of a new airport terminal and toilet facilities
- Reseal of the runway, apron and taxi ways
- Turning Nodes

The plan is to plan for an extension and widening of the runway as demand arises over the years and the capacity of airplanes increase.

### **Laverton Hospital**

As the Annual Report is being written, the good news is that the hospital building has commenced and the State Government has committed to the building. Great news after all these years.

The Council continues to support the medical services with contributions to the local doctors with a contract for the next five years and the nurse's incentive payment is still in play.

### **Planned Works**

In closing, there is so much optimism for the future and the Council is ready and willing to lead the community into another fruitful year where the many projects being considered will come to fruition.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024

**Beautification of Laverton**

Please see various pictures where various Kurrajong species of trees (mature) have been planted, and these will all be under irrigation to prevent maintenance costs. The aim is to keep on planting all the streets within the town.





Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024



The installation of bollards to keep traffic off areas and prevent any illegal camping.



The Council has secured three bores from the Water Corporation plus approx. \$230,000 to ensure that Laverton is drought proofed and that the beautification can be expanded on a yearly basis. New



infrastructure has been installed to accommodate the increase in watering.



### **Maintenance agreements**

The Council is working with several of the mining companies to enter into maintenance agreements for the grading and upkeep of the road network.

### **Asset Management**

Whilst the Council may have a differing opinion, the majority of Councillors have voted for the removal of old infrastructure which is beyond its useful life time. This includes the removal of the Old Youth Centre on Augusta Street and the old wall around the CRC which was a risk issue awaiting collapse. The result is that the building is visible in all its glory and allows for the connection of green belts throughout the town. The old faux grass has been removed and replaced with real vegetation including the roundabout on Augusta Street.



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024





Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024



The Administration and the CDC building have received a facelift and new signage which lifts the image of the Council and Community.







## **NIAA**

The Council has received \$1,500,000 for the building of facilities for indigenous peoples visiting Laverton to have access to showers, toilets, cloth washing facilities, ability to cook meals and receive assistance with getting to the lands or Kalgoorlie. This is planned for the round house position on Weld drive.

## **Accommodation**

There is a demand for accommodation within Laverton and the Council is looking at the demand for mining accommodation and the future of the caravan park. The demand for a better-quality short stay is requested on a regular basis with many customers staying out of town and travelling into Laverton on a daily basis. The Council will address this matter in the coming financial year.

I again personally thank all the Councilors for their support and Council staff who achieve so much for the Laverton Community.

**Patrick Hill**  
**Shire President**

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024

### **COUNCILLOR MEETING ATTENDANCE**

<b>Councillor</b>	<b>Ordinary Meeting of Council (11)</b>	<b>Audit and Risk Committee Meeting (1)</b>	<b>Annual General Electors Meeting (1)</b>
<b>Election held October 2023</b>			
<b>Cr Patrick Hill</b>	<b>11</b>	<b>1</b>	<b>1</b>
<b>Cr Shaneane Weldon</b>	<b>9</b>	<b>1</b>	<b>1</b>
<b>Cr Rex Weldon</b>	<b>11</b>	<b>1</b>	<b>1</b>
<b>Cr Robin Prentice</b>	<b>4</b>	<b>0</b>	<b>0</b>
<b>Cr Jack Carmody</b>	<b>3</b>	<b>0</b>	<b>0</b>
<b>Cr Rob Wedge</b>	<b>9</b>	<b>1</b>	<b>1</b>
<b>Cr Gary Buckmaster</b>	<b>6</b>	<b>1</b>	<b>0</b>
<b>Cr Paul Ovens</b>	<b>7</b>	<b>1</b>	<b>1</b>
<b>Cr Mark Pedder</b>	<b>7</b>	<b>1</b>	<b>0</b>

## **CHIEF EXECUTIVE OFFICERS REPORT**



The 2023/24 reporting year has again been busy, and I am proud of our dedicated and hard-working team which has enabled us to meet our goals and contribute to the wonderful community that we share.

I would like to take this opportunity to thank the Shire President and Councillors for their tireless efforts and support throughout the year.

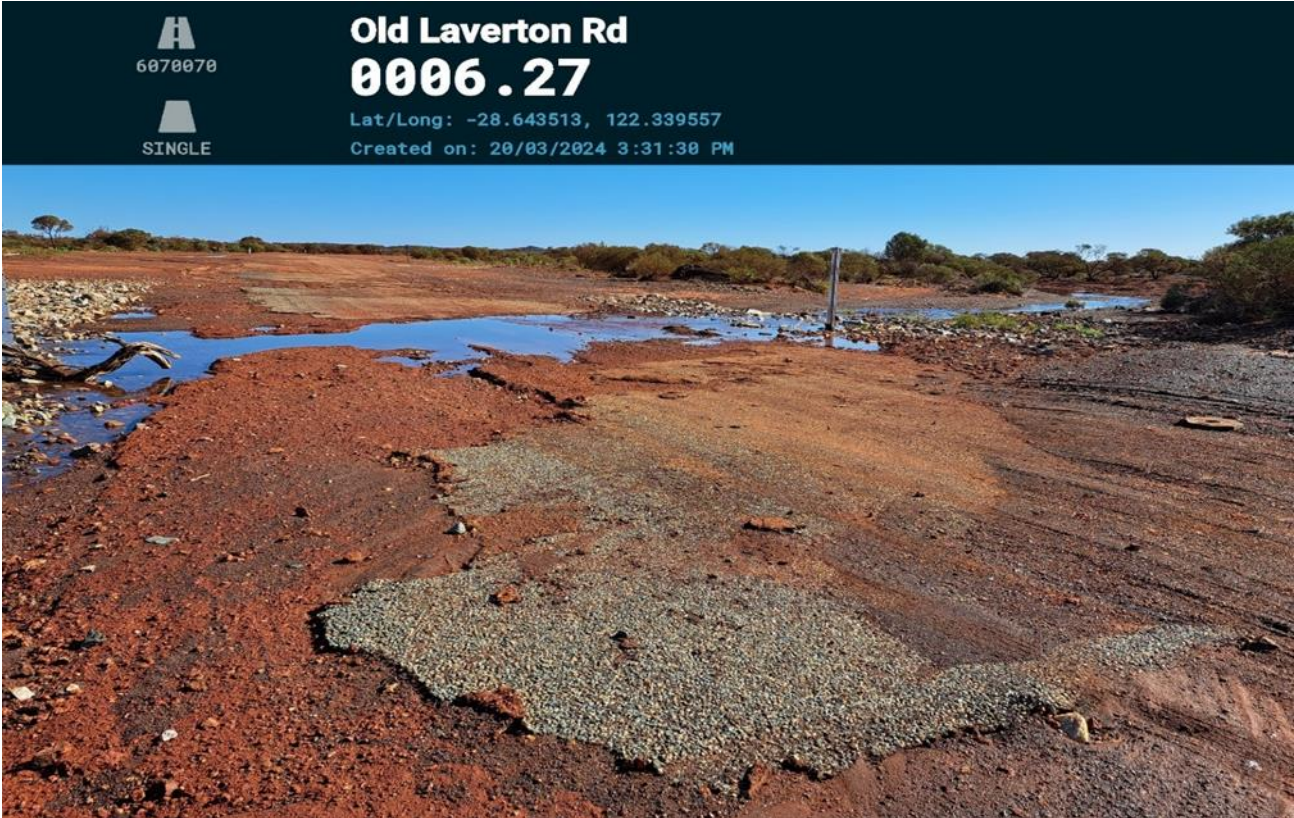
The following is a summary of items of interest within Laverton Community over the last 12 months and reflects the diversified nature of work undertaken by the Council for the Community.

The following works have been undertaken over an over what has been outlined in the Shire Presidents Report:

- Completion of the 2021 flood damage on the Great Central Rd between slk 385 to 420
- Flood damage from the storm event in March 2024 which was Shire wide and a complete review of the Council's road network has been assessed. Please see the following photos. It is envisaged that upwards of \$50 million damage has been incurred on the network.









Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024



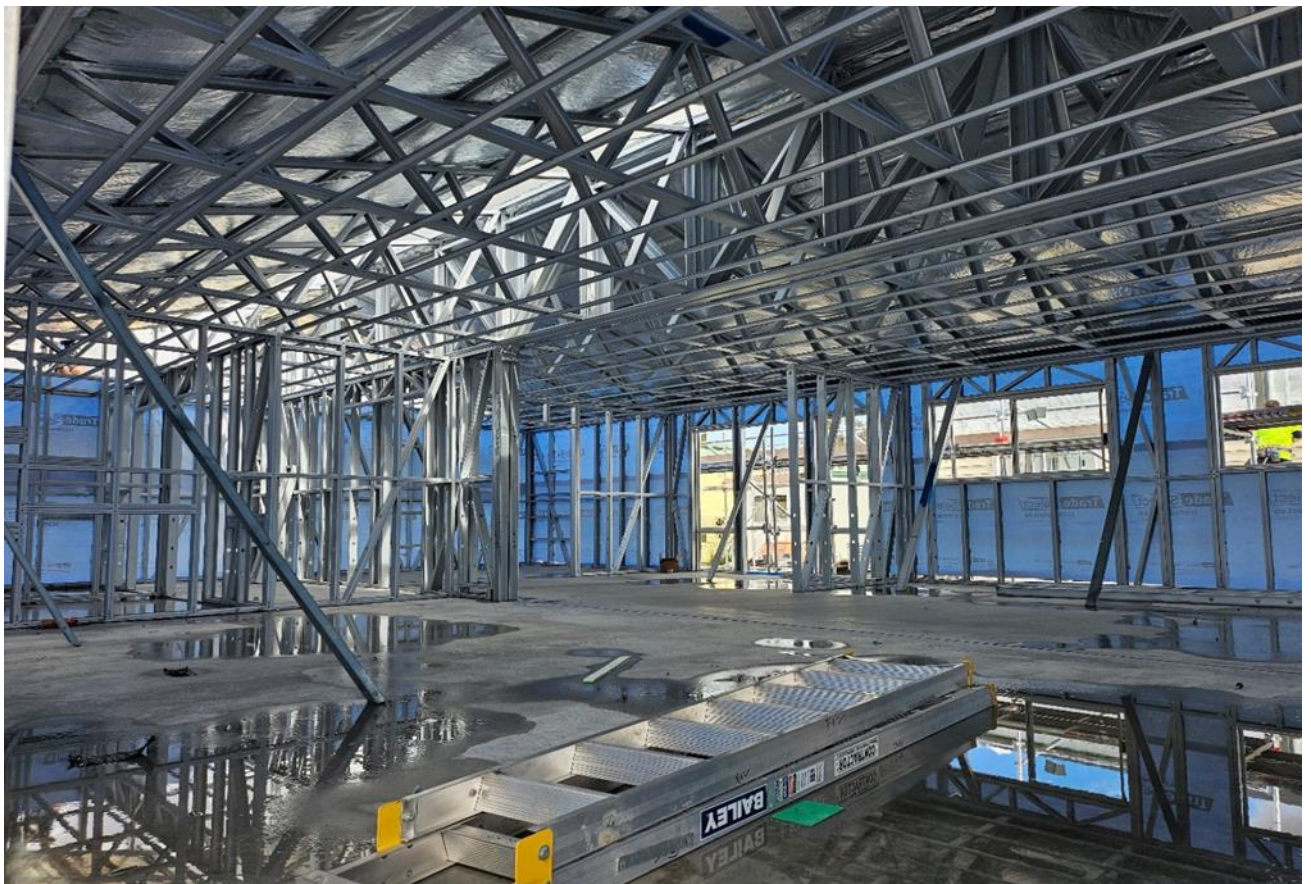
Windich Creek



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024



Reopening of Duketon Street to the office





Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024



The above three photos depict the start of the build for the Airport Terminal and Airport Facilities, the Works Depot and three homes for the GROH market and to assist government services, such as the Education Department.

## Roadworks

In the year 2023/2024, the Council has undertaken the following works at:

- Bandya Road
- Old Laverton Road
- Sturt Pea widening, seal and reseal
- Cox Street widening, seal and reseal
- Crawford Street widening, seal and reseal
- Tip Rd, gravel re-sheeting and sealing
- Racecourse road, gravel re-sheeting and sealing
- Merolia Road Gravel re-sheeting and sealing to Mt Weld Road
- Sullivan Road, gravel re-sheeting, seal and reseal
- Rubbish Tip – commencement of the renovation of the tip site including the building of a new asbestos cell and allocating areas with the balance of refuse going into the cell for the long term. The biggest hurdle is the closing of the tip to prevent illegal dumping and dumping in the incorrect areas.

The Council has taken a clear stance on completing the gravel re-sheeting and widening of all Streets in close confines of the Laverton townsite. The rationale is that the Council can allocate more time to the rural road network.

The Council receives funding through several sources.

- Regional Road Group Funding, is allocated to Bandya Rd
- Remote Access Aboriginal Roads is allocated to Old Laverton Rd including any supplementary funding received.
- Roads to Recovery funding will again be received by the Council in the 2024/2025 financial year as the previous allocation was placed against the Mt Weld project (4 years ago).

The Council is continuing to work with various mining companies and entering into maintenance agreements for the ongoing upgrade and maintenance of Council roads.

The Council in 2023/2024 will be outsourcing the majority of capital roadworks through a tender process as the attraction of appropriate staff has been difficult to fulfill and a conscious decision was made to undertake this way forward which will also see a retirement of plant and equipment.

This will coincide with the Long-Term Financial Plan, Workforce Plan, and a new Community Strategic Plan to be undertaken in 2024/2025 financial year. The purpose is to ensure relevancy to the community's needs.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024

The Audit of the Councils' finances for 2023/ 2024 resulted in an unqualified Audit and that the Council is in a sound financial position with healthy reserves to cover any contingencies should anything arise.

The threat to the Council is staffing and finding people willing to work at the Laverton Shire Council and this is a current and ongoing matter.

**Phil Marshall**  
**Chief Executive Officer**



## Laverton Aquatic Centre

### Season Report

Overall, it was a great season also the wettest in many years.

When the pre-season maintenance was done the technician discovered 2 major faults in the balance tank:

1. None of the pipes have been braced and secured. One has already broken.
2. The chem-coating in the balance tank is peeling off and needs to be replaced.

The cost to get the job is around \$70,000 for the pipes and the coating or \$90,000 to be done with the pre-season service. Either way, the job will need to be done before more pipes break.

Granny Smith Mine donated \$3,000.00 for pool entries for children 5-17years of age. This started in November 2023 and finished on the last day of the season.

Had a few issues with stealing this year. Always food. People in grounds were generally well behaved, most issues occurred outside the pool grounds.

The emergency lighting was checked this year, have since learnt it must be done every 6months. When lighting was done originally there should have been a logbook left here for all faults and checks. This did not occur and has now been rectified.

From November to early March there was an ongoing issue the sewer pipes at the rear of the pool. Shire would get the blockage fixed it would get blocked again. This happened several times and bounced between Water Corp and the Shire. Nomad Plumbing fixed it last time and there has since been lockable lids cemented in and coded locks fitted. Hopefully this will stop people from breaking lids and filling pipes with rocks.

Australia Day event was cancelled this year due to wet weather (100mm) and staff shortage and power outage.

Season picked up until early March when there was another 100mm of rain and the weather started to cool over the nights.

Youth Centre re-opened early March which saw a lot of the youth attend the Youth Centre due to new activities and cooler weather. Is good to see there is more choice for the young ones, but did miss them at the pool.

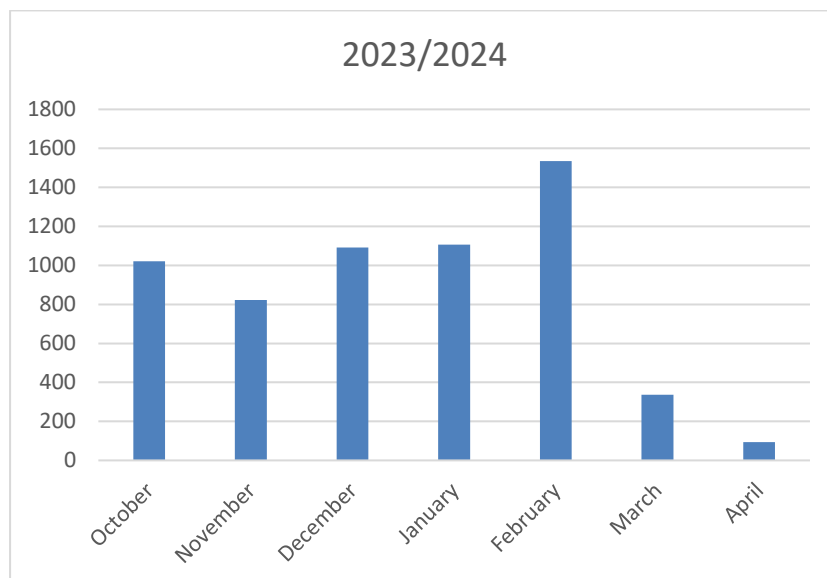
The number of lap swimmers grew this year with regulars nearly everyday. Teachers in the early morning and mine workers, ambulance most evenings, fly out day saw midmorning groups. Pilots and cabin crew in their waiting time, nurses on days off. The list has grown and been great to see.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024

Numbers for the season are as follows:

Numbers for are:

Adult	1175
Child	546
Under 5's	361
Spectator	637
Adult Pass	39
Child Pass	231
Family Pass	303
Shire Pass	166
Lynas	176
GSM	1500
WMS	3
Private Lessons	19
School Lessons	653
Special Events	196
<b><u>TOTAL</u></b>	<b><u>6005</u></b>



Janine Rowe  
Pool Manager

## Laverton Community Centre

### 18 Economic & Business Development support programs held throughout 2023-2024

The Laverton CRC organized & collaborated 18 events, information sessions programs and workshops which all focused on improving skills and capacity to foster economic growth in the community

These included:

- 2024-2026 Business Directory
- GEDC Grant Opportunities and Free tender workshops
- 2x Horizon Power information Sessions
- WA Assistance Student Payment Program
- Department of Planning Lands and Heritage visit
- St John First Aid Course
- Laverfest Career Expo & Market Day
- 2x Aboriginal Justice License & Fines open day
- Westpac Community Development visit & meeting
- Community Market Days
- Shower Head swap





## 25 Social Development Support programs held throughout 2023-2024

The Laverton CRC Collaborated, organized and held 25 Social development Support Programs which were focused on building community connectedness and capacity.

- NAIDOC Week events – Seniors Dinner
- Christmas Events – BBQ, Community games & Santa visit + Seniors Christmas Dinner
- Teddy Bears Picnic – Thank a First Responder Day
- Easter Egg coloring Competition
- Themed Seniors Morning Teas
- Laverfest Family Fun Day – Bouncy Castle + community games
- Westpac Community Engagement visit
- High Tea – Woman's Mental Health
- Army Reserve Community Engagement Tour
- Curtin University Tax Checks



## The Laverton Community Resource Centre offers a wide range of services including but not limited to:

- A5 – A0 printing – B&W & Color on a range of different cards and papers
- Assistance with scanning, printing & emailing Documents
- Assistance with creating an advert / poster for advertising business or events.
- Hiring of Hot Office
- Help with Resumes / CV's & letter writing
- Assistance with Government applications, documents and paperwork e.g. housing applications, birther certificate applications + free printing of all government related documents.
- Assistance with Phones & IT devices
- Taking & printing passport size photos, as well as photo printing 6x4 and a range of photos sized pictures on our photo machine
- Hiring of video conferencing equipment.
- Department of Transport Agent
- Library – SLWA monthly book exchange, DVD's & Audio books
- Kid's reading & Coloring corner
- Free access to Government computer
- Wi-Fi access point.
- Assistance & Collaboration + Organiser of local community, social and business development events.



*We are your Local:*

- DEPARTMENT OF TRANSPORT AGENT
- FREE GOVERNMENT ACCESS POINT + FREE GOVERNMENT PRINTING!
- LOCAL LAVERTON LIBRARY - MONTHLY STATE LIBRARY OF WA BOOK EXCHANGE
- INTERNET ACCESS
- VIDEO CONFERENCING ROOM + EQUIPMENT AVAILABLE FOR HIRE AND USE
- WIDE RANGE OF SECRETARIAL SERVICES
- + MANY MORE!



COME IN AND SEE US TODAY!  
9:00AM-4:00PM / MONDAY - FRIDAY

CRCASSIST@LAVERTON.WA.GOV.AU  
08 9031 1800  
10 LAVER PLACE, LAVERTON, WESTERN AUSTRALIA, 6440  
WE ARE LOCATED IN THE OLD COACH HOUSE BUILDING!



## COMPLIANCE

### Freedom of Information

Sections 96 and 97 of the *Freedom of Information Act 1992* require Local Governments to publish an information statement annually.

In summary, the Shire of Laverton's Statement indicates that the Shire of Laverton is responsible for the good governance of the Shire and conducts functions as required including statutory compliance and provision of services and facilities.

All Council meetings are open to the public and meeting dates and venues are advertised on a regular basis. Members of the public are invited to ask questions during Public Question Time shortly after the commencement of each meeting.

The Shire of Laverton maintains records relating to the function and administration of the Shire and includes such documents as the Minutes of Meetings, Rate Book, Town Planning Scheme, Local Laws, Codes of Conduct, Register of Financial Interests, Register of Delegated Authority, Financial Statements and Electoral Rolls.

These documents can be inspected free of charge at the Shire Office, 9 MacPherson place, Laverton during office hours.

Wherever possible and practical, and in line with privacy laws, the Shire of Laverton makes freedom of information readily available.

No Freedom of Information requests were made during the reporting period.

### Record Keeping

The *State Records Act 2000* is an Act to provide for the keeping of State records and for related purposes. Section 19 of the Act requires each government organization to have a Record Keeping Plan that has been approved by the State Records Commission. The registration number of the recordkeeping plan is 2011029.

The Council adopted a new record keeping plan in 2022/2023 financial year.

The objectives of the Shire of Laverton's Record Keeping Plan are to ensure:

- Compliance with Section 28 of the *State Records Act 2000*,
- Record keeping within the Local Government is moving toward compliance with State Records Commission Standards and Record Management Standard AS ISO15489,
- Processes are in place to facilitate the complete and accurate record of business transactions and decisions,
- Recorded information can be retrieved quickly, accurately, and cheaply when required; and the
- Protection and preservation of the local government's records

### **Register of Minor Complaints**

Section 5.121 of the *Local Government Act 1995* (Register of certain complaints of minor breaches) requires the complaints officer for each local government to maintain a Register of Complaints which records all complaints that result in action under section 5.110(6) (b) or (c) of the Act (Conduct of Certain Officials).

Section 5.53 (2) (b) of the *Local Government Act 1995* requires that details of entries made under section 5.121 during the year in the Register of Complaints, including:

- The number of complaints recorded on the Register of Complaints.
- How the recorded complaints were dealt with, and.
- Any other details that the regulations may require to be disclosed in the Annual Report.

In accordance with these requirements, a complaints register has been maintained. As of the 30 June 2024, no complaints were recorded.

### **Public Interest Disclosure**

The Public Interest Disclosure Code was established by the Commissioner for Public Standards under section 20 of the *Public Interest Disclosure Act 2003*.

One of the principles of the Code is not just to provide protection of those who make disclosures (and those who are the subject of disclosures), but also to encourage a system of transparency and accountability in the way government officials act and utilize public monies.

Matters that fall into the category of public interest include:

- Improper conduct (irregular or unauthorized use of public resources).
- An offence under State Law including corruption (substantial unauthorized or irregular use of, or substantial mismanagement of, public monies)
- Administration matters generally (conduct involving substantial risk of injury to public health, prejudice to public safety or harm to the environment)

Matters that relate to the Shire of Laverton should be referred to the Shire of Laverton's Public Interest Disclosure Officer. Disclosures to the Public Interest Disclosure Officer can be made not just about officers of the Shire of Laverton but also, its elected officials.

There is an obligation of the Public Interest Disclosure Officer in the *Public Interest Disclosure Act 2003* to ensure that the disclosure is confidential and that the person making a disclosure

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024

is provided adequate protection from reprisals, civil and criminal liability, or breach of confidentiality.

More information can be found at [www.publicsector.wa.gov.au](http://www.publicsector.wa.gov.au).

The Shire of Laverton had no Public Interest Disclosures during the reporting Period.

### **Disability Access and Inclusion Plan (DAIP)**

The Shire of Laverton revised the Disability Access and Inclusion Plan during 2021/2022 and the Shire of Laverton DAIP was approved by the Department of Communities for the period 2019/2024. The DAIP is being reviewed for the 24/25 financial year.

### **Payments to Employees**

Section 5.53 (2) (g) of the *Local Government Act 1995* and Regulation 19B of The *Local Government (Administration) Regulations 1996* require all local Governments to report in their Annual Report, any employees receiving a salary more than \$130,000 per annum.

Set out below (in bands of \$10,000) is the number of Shire employees entitled to an annual salary of \$130,000 or more:

Employees with employment under the Councils Enterprise Bargaining Agreement and a fixed term contract where the salary is more than \$130,000 are:

Salary Range \$	No of Employees
\$130,000 to \$220,000	3
\$220,000 to \$280,000	1

### **Remuneration**

19B(2)(d)

Any amount ordered under Section 5.110(6)(b)(iv) to be paid by a person against whom a complaint is made under Section 5.107(1), 5.109(1) to the Local Government Act 1995.

Nil in the financial year.

19B(2)(e)

The remuneration paid or provided to the CEO during the financial year. \$302,946 total Remuneration in April 2023 on appointment.

**Community Strategic Plan - Summary of Objectives and Outcomes**

The Shire of Laverton delivers services to its community in line with four key objectives set out within this Plan, being: social, economic, environment and civic leadership.

Each of the four objectives has several desired outcomes Council is aiming to achieve over the 10+ years of this Plan.

This plan is set to guide the council through a ten year period culminating in 2030 with a desktop review to be undertaken every 2 years.

Comments regarding the progress of the key outcomes in 2023/2024 are listed below. The council will undertake a new community strategic plan in the 24/25 financial year as the majority of planning actions have been completed or need to be realigned to the community in future planning.

	Objectives	Outcomes
<b>SOCIAL</b>	<i>Proud, spirited, harmonious and connected community</i>	<ul style="list-style-type: none"> <li>A strong sense of community pride and ownership</li> </ul>
<b>ECONOMIC</b>	<i>Prosperous local economy attracting businesses, opportunities, and people</i>	<ul style="list-style-type: none"> <li>Sustainable tourism</li> <li>Improved economic development opportunities</li> </ul>
<b>ENVIRONMENT</b>	<i>Welcoming and safe natural and built environment</i>	<ul style="list-style-type: none"> <li>Safe and efficient transport network</li> <li>Modern, well maintained infrastructure</li> <li>Clean, safe, and tidy environment</li> </ul>
<b>CIVIC LEADERSHIP</b>	<i>Responsible financial management and governance, leading an empowered community</i>	<ul style="list-style-type: none"> <li>A strategically focused Council, demonstrating strong leadership</li> <li>An efficient and effective organization</li> </ul>

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024

Outcome	Strategies	Achievements
1.1 A strong sense of community pride and ownership	1.1.1 Encourage community participation	Council continues to engage with the community and actively encourages participation and input into council matters. Council has developed specific focus groups made from different community members to provide a voice into various matters. Council also looks to instill a sense of pride in the community, a prime example of this is Clean up Australia Day in which shire employees join with members of the community to tidy up the town.
	1.1.2 Enhance community safety	Continued operation of the CCTV system. Extension of the service and working with Horizon power to extend the street lighting project to light up the town. Council buildings have had security lighting attached to prevent vandalism.
	1.1.3 Maintain and develop community spaces and resources	The Council continues to expand upon parks and gardens areas including tree plantings within the main street and along street reserves with the aim of planting along all streets within the town and under irrigation.
	1.1.4 Develop youth, family, and community services	The Council continues support to the Stephen Michael Foundation and the Cycling Developments Foundation to support the school and youth.
2.1 Sustainable Tourism	2.1.1 Develop Tourism Strategy	Ongoing and the Council is involved through the various tourist boards.
	2.1.2 Continue to provide and enhance tourism services and infrastructure	Town beautification to create the atmosphere as visitors arrive in Laverton.
2.2 Improved Economic development opportunities	2.2.1 Continue to work with industry and stakeholders for the economic development of the district	Main thrust has the mining industry through the mining related councils' meetings. Maintenance agreements are being developed as the council can have maximum impact on financial resources and allocating funds where it is best required. Regional road Group funding has increased from the paltry \$400k to \$2.35m in 25/26.



Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024

	2.2.2 Develop economic development plan	The Council produced an economic document in conjunction with The Northern Goldfields Councils
3.1 Safe and efficient transport network	3.1.1 Upgrade Great Central Road to all weather status	There has been no work undertaken on Great Central Road since 2021 and the frustration continues as the result of delays.
	3.1.2 Maintain and improve road network	The Council continues to work with the mining industry to maximize the use of the mining companies with maintenance agreements and with the review of the workforce plan, it is opportune to explore outsourcing as to gain quality employees is getting harder to acquire.
	3.1.3 Maintain and Upgrade airport	Completed with the new terminal and toilet facilities in place and the runway, taxiways, and apron have all been resealed. The Council has increased landing fees and surplus funds will be held in reserve pending the extension and upgrade of the runway in 7/8 years.
3.2 Modern, well maintained other built infrastructure	3.2.1 Preserve significant community assets for future generations	The Council is looking at renovating and also removing assets beyond their useful life.
	3.2.2 Well maintained parks, gardens. Sport and recreation facilities	Ongoing Maintenance and the enabling of extension of projects through the acquisition of bores to enable the Council to drought proof the town and extend the greening of the town.
3.3 Clean, safe, and tidy environment	3.3.1 Encourage community to keep Laverton clean and tidy	Clean up Australia Day is a regular occurrence and council employees as part of their daily duties battle to stem the flow of rubbish being picked up. The containers for change have provided some respite.

Annual Report for the Shire of Laverton, year ending 30<sup>th</sup> June 2024

	3.3.2 Effective biosecurity management within the shire	This is ongoing and requires further development.
	3.3.4 Effective law, order and public safety	Council continues to operate the CCTV system in conjunction with Laverton Police.
4.1 A strategically focused Council, demonstrating strong leadership	4.1.1 Provide informed leadership on behalf of the community	Council continues to demonstrate corporate leadership through strong governance, compliance and transparency.
	4.1.2 Effectively represent, promote and advocate for the community and district	Ongoing and the consistent advocacy saw the Laverton Hospital commence the build and approval from the State Government.
	4.1.3 Provide strategic leadership and governance	Council continues to demonstrate corporate leadership through strong governance, compliance and transparency.
4.2 An efficient and effective organization	4.2.1 Maintain a high level of corporate governance, responsibility and accountability	This aspect has been made mandatory through the amendments to the Local government Act and all new Councillors must complete mandatory training.
	4.2.2 Comply with statutory and legislative requirements	Council continues to adhere to all statutory and legislative requirements and the results are seen in the council being financially strong and the clean unqualified audit reports.
	4.2.3 Provide a positive and safe workplace	Council continues to support its employees and ensures they are kept safe and recognized for those who do their job.

**SHIRE OF LAVERTON**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**TABLE OF CONTENTS**

Statement by Chief Executive Officer	2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Statement of Financial Activity	7
Index of Notes to the Financial Report	8
Independent Auditor's Report	41

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

*The Shire will endeavour to provide the community services and facilities to meet the needs of the members of the community and enable them to enjoy a pleasant and healthy way of life.*

Principal place of business:  
9 MacPherson Place  
PO Box 42  
Laverton WA 6440

**SHIRE OF LAVERTON  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

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

**STATEMENT BY CEO**

The accompanying financial report of the Shire of Laverton has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2024 and the financial position as at 30 June 2024.

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

Signed on the

5<sup>TH</sup>

day of

DECEMBER

2024

CEO

Phillip Marshall

Name of CEO



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

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>Revenue</b>				
Rates	2(a),25	6,610,316	7,163,352	6,477,731
Grants, subsidies and contributions	2(a)	4,394,732	3,813,860	4,903,731
Fees and charges	2(a)	1,133,128	1,281,723	1,041,516
Interest revenue	2(a)	971,935	640,012	609,481
Other revenue	2(a)	466,496	168,417	464,611
		<u>13,576,607</u>	<u>13,067,364</u>	<u>13,497,070</u>
<b>Expenses</b>				
Employee costs	2(b)	(4,032,657)	(4,126,900)	(3,491,126)
Materials and contracts		(4,362,518)	(6,840,901)	(1,865,379)
Utility charges		(431,816)	(385,066)	(391,576)
Depreciation		(2,112,136)	(2,378,991)	(2,870,536)
Finance costs		(46,348)	(82,657)	(45,323)
Insurance		(198,555)	(335,754)	(176,942)
Other expenditure	2(b)	(1,030,202)	0	(595,893)
		<u>(12,214,232)</u>	<u>(14,150,269)</u>	<u>(9,436,775)</u>
		1,362,375	(1,082,905)	4,060,295
Capital grants, subsidies and contributions	2(a)	1,915,464	3,445,152	757,132
Profit on asset disposals		8,173	0	28,947
Loss on asset disposals		(162,111)	(89,000)	(71,242)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,682	0	3,686
		<u>1,763,208</u>	<u>3,356,152</u>	<u>718,523</u>
<b>Net result for the period</b>		<b>3,125,583</b>	<b>2,273,247</b>	<b>4,778,818</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	3,918,479	0	24,281,928
<b>Total other comprehensive income for the period</b>	16	<b>3,918,479</b>	<b>0</b>	<b>24,281,928</b>
<b>Total comprehensive income for the period</b>		<b>7,044,062</b>	<b>2,273,247</b>	<b>29,060,746</b>

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





**SHIRE OF LAVERTON  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

	NOTE	2024 \$	2023 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	7,373,969	18,283,973
Trade and other receivables	5	497,576	960,848
Other financial assets	4(a)	10,779,621	0
Inventories	6	114,629	109,489
Other assets	7	116,455	51,810
<b>TOTAL CURRENT ASSETS</b>		<b>18,882,250</b>	<b>19,406,120</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	5,888	4,680
Other financial assets	4(b)	83,172	81,490
Property, plant and equipment	8	17,528,375	14,883,277
Infrastructure	9	169,939,569	163,395,868
<b>TOTAL NON-CURRENT ASSETS</b>		<b>187,557,004</b>	<b>178,365,315</b>
<b>TOTAL ASSETS</b>		<b>206,439,254</b>	<b>197,771,435</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	1,303,177	538,453
Other liabilities	13	2,004,806	1,074,677
Borrowings	14	210,633	255,669
Employee related provisions	15	639,340	418,857
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,157,956</b>	<b>2,287,656</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	14	1,040,739	1,251,372
Employee related provisions	15	67,487	103,397
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,108,226</b>	<b>1,354,769</b>
<b>TOTAL LIABILITIES</b>		<b>5,266,182</b>	<b>3,642,425</b>
<b>NET ASSETS</b>		<b>201,173,072</b>	<b>194,129,010</b>
<b>EQUITY</b>			
Retained surplus		92,030,969	89,258,779
Reserve accounts	28	7,089,629	6,736,236
Revaluation surplus	16	102,052,474	98,133,995
<b>TOTAL EQUITY</b>		<b>201,173,072</b>	<b>194,129,010</b>

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



**SHIRE OF LAVERTON  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2022</b>		<b>84,827,136</b>	<b>6,389,061</b>	<b>73,852,067</b>	<b>165,068,264</b>
Comprehensive income for the period					
Net result for the period		4,778,818	0	0	4,778,818
Other comprehensive income for the period	16	0	0	24,281,928	24,281,928
Total comprehensive income for the period		4,778,818	0	24,281,928	29,060,746
Transfers from reserve accounts	28	599,561	(599,561)	0	0
Transfers to reserve accounts	28	(946,736)	946,736	0	0
<b>Balance as at 30 June 2023</b>		<b>89,258,779</b>	<b>6,736,236</b>	<b>98,133,995</b>	<b>194,129,010</b>
Comprehensive income for the period					
Net result for the period		3,125,583	0	0	3,125,583
Other comprehensive income for the period	16	0	0	3,918,479	3,918,479
Total comprehensive income for the period		3,125,583	0	3,918,479	7,044,062
Transfers from reserve accounts	28	400,000	(400,000)	0	0
Transfers to reserve accounts	28	(753,393)	753,393	0	0
<b>Balance as at 30 June 2024</b>		<b>92,030,969</b>	<b>7,089,629</b>	<b>102,052,474</b>	<b>201,173,072</b>

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



**SHIRE OF LAVERTON  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2024**

	<b>NOTE</b>	<b>2024 Actual \$</b>	<b>2023 Actual \$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Rates		6,899,628	6,478,579
Grants, subsidies and contributions		4,783,832	4,670,999
Fees and charges		1,141,796	785,303
Interest revenue		971,935	609,481
Goods and services tax received		558,322	336,931
Other revenue		466,496	464,611
		<u>14,822,009</u>	<u>13,345,904</u>
<b>Payments</b>			
Employee costs		(3,853,970)	(3,458,541)
Materials and contracts		(3,689,817)	(1,350,234)
Utility charges		(431,816)	(391,576)
Finance costs		(46,348)	(45,323)
Insurance paid		(198,555)	(176,942)
Goods and services tax paid		(772,873)	(379,415)
Other expenditure		(1,012,543)	(595,893)
		<u>(10,005,922)</u>	<u>(6,397,924)</u>
<b>Net cash provided by operating activities</b>		<u>4,816,087</u>	<u>6,947,980</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchase of property, plant & equipment	8(a)	(2,142,893)	(281,907)
Payments for construction of infrastructure	9(a)	(5,833,047)	(2,306,528)
Transfers (to)/from term deposits	7	(10,779,621)	0
Capital grants, subsidies and contributions		2,845,593	1,337,431
Proceeds from sale of property, plant & equipment		439,546	155,929
<b>Net cash (used in) investing activities</b>		<u>(15,470,422)</u>	<u>(1,095,075)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings	27(a)	(255,669)	(335,235)
<b>Net cash (used in) financing activities</b>		<u>(255,669)</u>	<u>(335,235)</u>
<b>Net increase (decrease) in cash held</b>		<u>(10,910,004)</u>	<u>5,517,670</u>
Cash at beginning of year		<u>18,283,973</u>	<u>12,766,303</u>
<b>Cash and cash equivalents at the end of the year</b>		<u><u>7,373,969</u></u>	<u><u>18,283,973</u></u>

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



**SHIRE OF LAVERTON  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
General rates		6,499,366	7,053,452	6,368,847
Rates excluding general rates		110,950	109,900	108,884
Grants, subsidies and contributions		4,394,732	3,813,860	4,903,731
Fees and charges		1,133,128	1,281,723	1,041,516
Interest revenue		971,935	640,012	609,481
Other revenue		466,496	168,417	464,611
Profit on asset disposals		8,173	0	28,947
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,682	0	3,686
		<u>13,586,462</u>	<u>13,067,364</u>	<u>13,529,703</u>
<b>Expenditure from operating activities</b>				
Employee costs		(4,032,657)	(4,126,900)	(3,491,126)
Materials and contracts		(4,362,518)	(6,840,901)	(1,865,379)
Utility charges		(431,816)	(385,066)	(391,576)
Depreciation		(2,112,136)	(2,378,991)	(2,870,536)
Finance costs		(46,348)	(82,657)	(45,323)
Insurance		(198,555)	(335,754)	(176,942)
Other expenditure		(1,030,202)	0	(595,893)
Loss on asset disposals		(162,111)	(89,000)	(71,242)
		<u>(12,376,343)</u>	<u>(14,239,269)</u>	<u>(9,508,017)</u>
Non cash amounts excluded from operating activities	26(a)	2,289,146	2,467,991	2,903,236
<b>Amount attributable to operating activities</b>		<u>3,499,265</u>	<u>1,296,086</u>	<u>6,924,922</u>
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions		1,915,464	3,445,152	757,132
Proceeds from disposal of assets		439,546	120,000	155,929
		<u>2,355,010</u>	<u>3,565,152</u>	<u>913,061</u>
<b>Outflows from investing activities</b>				
Purchase of property, plant and equipment	8(a)	(2,142,893)	(8,066,500)	(281,907)
Purchase and construction of infrastructure	9(a)	(5,833,047)	(9,107,000)	(2,306,528)
		<u>(7,975,940)</u>	<u>(17,173,500)</u>	<u>(2,588,435)</u>
<b>Amount attributable to investing activities</b>		<u>(5,620,930)</u>	<u>(13,608,348)</u>	<u>(1,675,374)</u>
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Proceeds from borrowings	27(a)	0	2,500,000	0
Transfers from reserve accounts	28	400,000	800,000	599,561
		<u>400,000</u>	<u>3,300,000</u>	<u>599,561</u>
<b>Outflows from financing activities</b>				
Repayment of borrowings	27(a)	(255,669)	(294,765)	(335,235)
Transfers to reserve accounts	28	(753,393)	(1,472,812)	(946,736)
		<u>(1,009,062)</u>	<u>(1,767,577)</u>	<u>(1,281,971)</u>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>	26(b)	11,056,754	10,779,839	6,489,616
Amount attributable to operating activities		3,499,265	1,296,086	6,924,922
Amount attributable to investing activities		(5,620,930)	(13,608,348)	(1,675,374)
Amount attributable to financing activities		(609,062)	1,532,423	(682,410)
<b>Surplus or deficit after imposition of general rates</b>	26(b)	<u>8,326,027</u>	<u>0</u>	<u>11,056,754</u>

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

**SHIRE OF LAVERTON  
FOR THE YEAR ENDED 30 JUNE 2024  
INDEX OF NOTES TO THE FINANCIAL REPORT**

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	12
Note 4	Other Financial Assets	12
Note 5	Trade and Other Receivables	13
Note 6	Inventories	14
Note 7	Other Assets	15
Note 8	Property, Plant and Equipment	16
Note 9	Infrastructure	18
Note 10	Fixed Assets	20
Note 11	Leases	22
Note 12	Trade and Other Payables	23
Note 13	Other Liabilities	24
Note 14	Borrowings	25
Note 15	Employee Related Provisions	26
Note 16	Revaluation Surplus	27
Note 17	Notes to the Statement of Cash Flows	28
Note 18	Restrictions Over Financial Assets	29
Note 19	Undrawn Borrowing Facilities and Credit Standby Arrangements	29
Note 20	Contingent Liabilities	30
Note 21	Capital Commitments	30
Note 22	Related Party Transactions	31
Note 23	Events Occurring After the End of the Reporting Period	33
Note 24	Other Material Accounting Policies	34
 <b>Information required by legislation</b>		
Note 25	Rating Information	35
Note 26	Determination of Surplus or Deficit	36
Note 27	Borrowing and Lease Liabilities	37
Note 28	Reserve accounts	39
Note 29	Trust Funds	40



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

**1. BASIS OF PREPARATION**

The financial report of the Shire of Laverton which is a Class 3 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

**Local Government Act 1995 requirements**  
Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board except for disclosure requirements of:  
• AASB 7 Financial Instruments Disclosures  
• AASB 16 Leases paragraph 58  
• AASB 101 Presentation of Financial Statements paragraph 61  
• AASB 107 Statement of Cash Flows paragraphs 43 and 45  
• AASB 116 Property, Plant and Equipment paragraph 79  
• AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85  
• AASB 140 Investment Property paragraph 75(f)  
• AASB 1052 Disaggregated Disclosures paragraph 11  
• AASB 1054 Australian Additional Disclosures paragraph 16

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

The *Local Government (Financial Management) Regulations 1996* provide that: land and buildings classified as property, plant and equipment; or - infrastructure; or - vested improvements that the local government controls; and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 Property, Plant and Equipment, which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of the non-financial assets.

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

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

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

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

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

- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment - note 8
  - Infrastructure - note 9
- Expected credit losses on financial assets - note 5
- Measurement of employee benefits - note 15
- Measurement of provisions - note 15

Fair value hierarchy information can be found in note 24

**The local government reporting entity**

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 29 of the financial report.

**Initial application of accounting standards**

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

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

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

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

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

- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current
- AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

These amendments may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.  
• AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements  
These amendments may result in additional disclosures in the case of applicable finance arrangements.

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

**2. REVENUE AND EXPENSES**

**(a) Revenue**

**Contracts with customers**

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - 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
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
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 2024**

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	0	6,610,316	6,610,316
Grants, subsidies and contributions	4,330,087	0	0	64,645	4,394,732
Fees and charges	1,133,128	0	0	0	1,133,128
Interest revenue	0	0	0	971,935	971,935
Other revenue	0	0	0	466,496	466,496
Capital grants, subsidies and contributions	0	1,915,464	0	0	1,915,464
<b>Total</b>	<b>5,463,215</b>	<b>1,915,464</b>	<b>0</b>	<b>8,113,392</b>	<b>15,492,071</b>

**For the year ended 30 June 2023**

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	0	6,477,731	6,477,731
Grants, subsidies and contributions	4,903,731	0	0	0	4,903,731
Fees and charges	1,041,516	0	0	0	1,041,516
Interest revenue	0	0	0	609,481	609,481
Other revenue	0	0	0	464,611	464,611
Capital grants, subsidies and contributions	0	757,132	0	0	757,132
<b>Total</b>	<b>5,945,247</b>	<b>757,132</b>	<b>0</b>	<b>7,551,823</b>	<b>14,254,202</b>

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

**2. REVENUE AND EXPENSES (Continued)**

**(a) Revenue (Continued)**

<b>Note</b>	<b>2024 Actual \$</b>	<b>2023 Actual \$</b>
<b>Interest revenue</b>		
Interest on reserve account	483,570	223,973
Trade and other receivables overdue interest	0	53,450
Other interest revenue	<u>488,365</u>	<u>332,058</u>
	971,935	609,481

The 2024 original budget estimate in relation to:  
Trade and other receivables overdue interest was nil.

**Fees and charges relating to rates receivable**  
Charges on instalment plan

4,395	2,090
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The 2024 original budget estimate in relation to:  
Charges on instalment plan was \$2,000.

**(b) Expenses**

**Auditors remuneration**

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

58,280	58,200
<u>2,800</u>	<u>3,000</u>
61,080	61,200

**Employee Costs**

Employee benefit costs  
Other employee costs

3,978,678	3,444,920
<u>53,979</u>	<u>46,206</u>
4,032,657	3,491,126

**Finance costs**

Interest and financial charges paid/payable  
for financial liabilities not at fair value through  
profit or loss

<u>46,348</u>	<u>45,323</u>
46,348	45,323

**Other expenditure**

Write down of inventories to net realisable value  
Sundry expenses

6	17,659	0
	<u>1,012,543</u>	<u>595,893</u>
	1,030,202	595,893

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

**3. CASH AND CASH EQUIVALENTS**

Note	2024	2023
	\$	\$
Cash at bank and on hand	7,373,969	11,547,737
Term deposits	0	6,736,236
<b>Total cash and cash equivalents</b>	<b>7,373,969</b>	<b>18,283,973</b>
Held as		
- Unrestricted cash and cash equivalents	7,373,969	10,473,060
- Restricted cash and cash equivalents	18 0	7,810,913
	<b>7,373,969</b>	<b>18,283,973</b>

**MATERIAL ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

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

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

**Restricted financial assets**

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

**4. OTHER FINANCIAL ASSETS**

Note	2024	2023
	\$	\$
<b>(a) Current assets</b>		
Financial assets at amortised cost	10,779,621	0
	<b>10,779,621</b>	<b>0</b>
Other financial assets at amortised cost		
Term deposits	10,779,621	0
	<b>10,779,621</b>	<b>0</b>
Held as		
- Unrestricted other financial assets at amortised cost	3,689,992	0
- Restricted other financial assets at amortised cost	7,089,629	0
	<b>10,779,621</b>	<b>0</b>
<b>(b) Non-current assets</b>		
Financial assets at fair value through profit or loss	83,172	81,490
	<b>83,172</b>	<b>81,490</b>
<b>Non-current financial assets</b>		
Units in Local Government House Trust - opening balance	81,490	77,804
Movement attributable to fair value increment	1,682	3,686
Non-current financial assets - closing balance	<b>83,172</b>	<b>81,490</b>

**MATERIAL ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

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

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

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

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

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

The Shire has elected to classify the following financial assets at fair value through profit or loss:

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

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

**5. TRADE AND OTHER RECEIVABLES**

Note	2024	2023
	\$	\$
<b>Current</b>		
Rates and statutory receivables	398,607	678,662
Trade receivables	15,477	404,577
GST receivable	308,967	94,416
Allowance for credit losses of rates and statutory receivables	(223,975)	(215,858)
Allowance for credit losses of trade receivables	(1,500)	(949)
	497,576	960,848
<b>Non-current</b>		
Rates and statutory receivables	5,888	4,680
	5,888	4,680

The carrying amounts of the trade and other receivables include receivables which are subject to a factoring arrangement. Under the factoring arrangement, the Shire of Somewhere has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables, late payment and credit risk remains with the Shire of Somewhere, therefore the Shire continues to recognise the transferred assets in their entirety. The amount repayable under the factoring arrangement is presented as a secured borrowing under other loans at Note 14. The Shire considers that the held to collect business model remains appropriate for these receivables and continues measuring them at amortised cost.

**Disclosure of opening and closing balances related to contracts with customers**

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

Note	30 June 2024 Actual	30 June 2023 Actual	1 July 2022 Actual
	\$	\$	\$
Trade and other receivables from contracts with customers	(389,100)	328,891	24,128
Allowance for credit losses of trade receivables	(1,500)	(949)	0
Total trade and other receivables from contracts with customers	(390,600)	327,942	24,128

**MATERIAL ACCOUNTING POLICIES**

**Rates and statutory receivables**

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

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

**Trade receivables**

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

**Other receivables**

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

**Measurement**

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

**Classification and subsequent measurement**

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

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

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



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

**6. INVENTORIES**

	Note	2024	2023
Current		\$	\$
Fuel and materials		43,342	20,543
Visitor centre stock		71,287	88,946
		<u>114,629</u>	<u>109,489</u>

The following movements in inventories occurred during the year:

Balance at beginning of year		109,489	174,482
Inventories expensed during the year		(266,158)	(246,685)
Write down of inventories to net realisable value	2(b)	(17,659)	0
Additions to inventory		<u>288,957</u>	<u>181,692</u>
Balance at end of year		<u>114,629</u>	<u>109,489</u>

**MATERIAL ACCOUNTING POLICIES**

**General**

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

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

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

**7. OTHER ASSETS**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Other assets - current</b>		
Accrued income	116,455	51,810
	<b>116,455</b>	<b>51,810</b>

**MATERIAL ACCOUNTING POLICIES**

**Other current assets**

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



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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Land and buildings					
Land	2	Market approach using recent observable market data using similar properties/income approach using discounted cashflow methodology	Independent registered valuers	June 2024	Price per hectare/market borrowing rate
Buildings	2	Market approach using recent observable market data using similar properties/income approach using discounted cashflow methodology	Independent registered valuers	June 2024	Price per square metre/market borrowing rates
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.					
(ii) Cost					
Buildings - work in progress	3	Cost approach not including depreciation until asset is completed and capitalised	Management valuation	June 2024	Construction costs

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

**9. INFRASTRUCTURE**

**(a) Movements in Balances**

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

	Infrastructure - roads	Infrastructure - footpaths & cycleways	Other Infrastructure	Infrastructure - drains & parks and ovals	Total Infrastructure
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2022</b>	127,892,668	163,687	10,851,734	43,729	138,951,818
Additions	2,258,933	0	47,595	0	2,306,528
Revaluation increments transferred to revaluation surplus	7,595,402	498,567	0	16,187,959	24,281,928
Depreciation	(1,759,310)	(3,433)	(381,663)		(2,144,406)
<b>Balance at 30 June 2023</b>	135,987,693	658,821	10,517,666	16,231,688	163,395,868
<b>Comprises:</b>					
Gross balance at 30 June 2023	135,987,693	658,821	11,588,178	16,233,713	164,468,405
Accumulated depreciation at 30 June 2023	0	0	(1,070,512)	(2,025)	(1,072,537)
<b>Restated balance at 1 July 2023</b>	135,987,693	658,821	10,517,666	16,231,688	163,395,868
Additions	3,781,890	0	2,051,157	0	5,833,047
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	2,042,840	0	2,042,840
Depreciation	(909,577)	(16,470)	(390,035)	(16,104)	(1,332,186)
<b>Balance at 30 June 2024</b>	138,860,006	642,351	14,221,628	16,215,584	169,939,569
<b>Comprises:</b>					
Gross balance at 30 June 2024	139,769,583	658,821	14,221,628	16,233,713	170,865,616
Accumulated depreciation at 30 June 2024	(909,577)	(16,470)	0	(18,129)	(926,047)
<b>Balance at 30 June 2024</b>	138,860,006	642,351	14,221,628	16,215,584	169,939,569



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

9. INFRASTRUCTURE (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	Construction costs and current condition residual values and remaining useful life assessment inputs
Other Infrastructure - footpaths & cycleways	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	Construction costs and current condition residual values and remaining useful life assessment inputs
Other Infrastructure	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2024	Construction costs and current condition residual values and remaining useful life assessment inputs
Other Infrastructure - drainage & parks and ovals	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	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 to determine the fair value of infrastructure using level 3 inputs.

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

**10. FIXED ASSETS**

**(a) Depreciation**

**Depreciation rates**

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

<b>Asset Class</b>	<b>Useful life</b>
Land - freehold land	no limit
Buildings	30 to 80 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Buildings - work in progress	no depreciation
Infrastructure - roads	40 to 80 years
Other infrastructure Footpaths & cycleways	20 to 50 years
Other infrastructure	10 to 75 years

**Revision of useful lives of plant and equipment**

The useful lives of property plant and equipment is reviewed annually by management.

**(b) Temporarily Idle or retired from use assets**

There are no assets held by the Shire which are temporarily idle or retired from active use or classified as held for sale.

**(c) Fully Depreciated Assets in Use**

The gross carrying amount of assets held by the Shire which are currently in use yet fully depreciated are Nil.

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

**10. FIXED ASSETS (Continued)**

**MATERIAL ACCOUNTING POLICIES**

**Initial recognition**

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

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

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

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

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

**Measurement after recognition**

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

**Reportable Value**

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

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

**Revaluation**

Land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the Shire.

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

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

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

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

**Depreciation**

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

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

**Depreciation on revaluation**

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

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

**Impairment**

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

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**Gains or losses on disposal**

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

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

**11. LEASES**

**Lessor - Property, Plant and Equipment Subject to Lease**

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

Less than 1 year

1 to 2 years

2 to 3 years

3 to 4 years

4 to 5 years

<b>2024</b>	<b>2023</b>
<b>Actual</b>	<b>Actual</b>
<b>\$</b>	<b>\$</b>
55,521	49,358
57,742	51,332
0	53,385
0	55,521
0	57,742
<b>113,263</b>	<b>267,338</b>

**Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease**

Rental income

0

44,739

**MATERIAL ACCOUNTING POLICIES**

**The Shire as Lessor**

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

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

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

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

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

**12. TRADE AND OTHER PAYABLES**

**Current**

Sundry creditors  
 Prepaid rates  
 ATO liabilities  
 Bonds and deposits held  
 Accrued salaries and wages  
 Accrued interest on loans  
 Other payables

	2024	2023
	\$	\$
	1,017,093	337,547
	93,706	83,241
	83,615	89,501
	0	705
	34,808	16,790
	3,033	3,487
	70,922	7,182
	<u>1,303,177</u>	<u>538,453</u>

**MATERIAL ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Trade and other payables**

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

**Prepaid rates**

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



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

**13. OTHER LIABILITIES**

	2024	2023
	\$	\$
<b>Current</b>		
Capital grant/contributions liabilities	2,004,806	1,074,677
	<u>2,004,806</u>	<u>1,074,677</u>
<b>Reconciliation of changes in contract liabilities</b>		
Opening balance	1,074,677	494,378
Additions	2,004,806	580,299
Revenue from contracts with customers included as a contract liability at the start of the period	(1,074,677)	0
	<u>2,004,806</u>	<u>1,074,677</u>

The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$2,004,806 (2023: \$1,074,677)

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

**Reconciliation of changes in capital grant/contribution liabilities**

Opening balance	1,074,677	494,378
Additions	2,004,806	580,299
Revenue from capital grant/contributions held as a liability at the start of the period	(1,074,677)	0
	<u>2,004,806</u>	<u>1,074,677</u>

**Expected satisfaction of capital grant/contribution liabilities**

Less than 1 year	2,004,806	1,074,677
	<u>2,004,806</u>	<u>1,074,677</u>

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

**MATERIAL ACCOUNTING POLICIES**

**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.

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

**14. BORROWINGS**

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Unsecured		\$	\$	\$	\$	\$	\$
Loans		210,633	1,040,739	1,251,372	255,669	1,251,372	1,507,041
<b>Total unsecured borrowings</b>	<b>27(a)</b>	<b>210,633</b>	<b>1,040,739</b>	<b>1,251,372</b>	<b>255,669</b>	<b>1,251,372</b>	<b>1,507,041</b>

**MATERIAL ACCOUNTING POLICIES**

**Borrowing costs**

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

**Risk**

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

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

**15. EMPLOYEE RELATED PROVISIONS**

**Employee Related Provisions**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Current provisions</b>		
<b>Employee benefit provisions</b>		
Annual leave	235,871	218,703
Long service leave	219,874	116,641
Other employee leave provisions	183,595	83,513
	<b>639,340</b>	<b>418,857</b>
<b>Total current employee related provisions</b>	<b>639,340</b>	<b>418,857</b>
<b>Non-current provisions</b>		
<b>Employee benefit provisions</b>		
Long service leave	67,487	103,397
	<b>67,487</b>	<b>103,397</b>
<b>Total non-current employee related provisions</b>	<b>67,487</b>	<b>103,397</b>
<b>Total employee related provisions</b>	<b>706,827</b>	<b>522,254</b>

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.  
actual settlement of the liabilities is expected to occur as follows:

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>\$</b>	<b>\$</b>
<b>Amounts are expected to be settled on the following basis:</b>			
Less than 12 months after the reporting date		287,981	218,703
More than 12 months from reporting date		418,846	303,551
		<b>706,827</b>	<b>522,254</b>

**MATERIAL ACCOUNTING POLICIES**

**Employee benefits**

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

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

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

**16. REVALUATION SURPLUS**

	<b>2024 Opening Balance</b>	<b>Total Movement on Revaluation</b>	<b>2024 Closing Balance</b>	<b>2023 Opening Balance</b>	<b>Total Movement on Revaluation</b>	<b>2023 Closing Balance</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Revaluation surplus - Land - freehold land	0	(36,100)	(36,100)	0	0	0
Revaluation surplus - Buildings	6,201,246	1,911,739	8,112,985	6,201,246	0	6,201,246
Revaluation surplus - Infrastructure - roads	91,932,749	0	91,932,749	67,650,821	24,281,928	91,932,749
Revaluation surplus - Infrastructure - other	0	2,042,840	2,042,840	0	0	0
	<b>98,133,995</b>	<b>3,918,479</b>	<b>102,052,474</b>	<b>73,852,067</b>	<b>24,281,928</b>	<b>98,133,995</b>

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

**17. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

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

	Note	2024 Actual \$	2023 Actual \$
Cash and cash equivalents	3	7,373,969	18,283,973

**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	0	7,810,913
- Financial assets at amortised cost		9,094,435	0
		<u>9,094,435</u>	<u>7,810,913</u>

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

Restricted reserve accounts	28	7,089,629	6,736,236
Capital grant liabilities	13	2,004,806	1,074,677
<b>Total restricted financial assets</b>		<u>9,094,435</u>	<u>7,810,913</u>

**(b) Reconciliation of Net Result to Net Cash Provided  
By Operating Activities**

Net result		3,125,583	4,778,818
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss		(1,682)	(3,686)
Depreciation/amortisation		2,112,136	2,870,536
(Profit)/loss on sale of asset		153,938	42,295
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		462,064	(613,822)
(Increase)/decrease in other assets		(64,645)	205,655
(Increase)/decrease in inventories		(5,140)	64,993
Increase/(decrease) in trade and other payables		764,724	365,271
Increase/(decrease) in employee related provisions		184,573	(4,948)
Increase/(decrease) in other liabilities		930,129	580,299
Capital grants, subsidies and contributions		<u>(2,845,593)</u>	<u>(1,337,431)</u>
Net cash provided by/(used in) operating activities		<u>4,816,087</u>	<u>6,947,980</u>



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

**18. RESTRICTIONS OVER FINANCIAL ASSETS**

	<b>Note</b>	<b>2024 Actual \$</b>	<b>2023 Actual \$</b>
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	0	7,810,913
- Financial assets at amortised cost	4	9,094,435	0
		<u>9,094,435</u>	<u>7,810,913</u>
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	28	7,089,629	6,736,236
Capital grant liabilities	13	2,004,806	1,074,677
<b>Total restricted financial assets</b>		<u>9,094,435</u>	<u>7,810,913</u>

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

Bank overdraft limit	0	500,000
Bank overdraft at balance date	0	0
Credit card limit	35,000	25,000
Credit card balance at balance date	0	(19,094)
<b>Total amount of credit unused</b>	<u>35,000</u>	<u>505,906</u>
<b>Loan facilities</b>		
Loan facilities - current	210,633	255,669
Loan facilities - non-current	1,040,739	1,251,372
<b>Total facilities in use at balance date</b>	<u>1,251,372</u>	<u>1,507,041</u>
<b>Unused loan facilities at balance date</b>	0	0

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

**20. CONTINGENT LIABILITIES**

No known contingent liabilities exist at 30 June 2024.

**21. CAPITAL COMMITMENTS**

No capital commitments apply at 30 June 2024

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

**22. RELATED PARTY TRANSACTIONS**

**(a) Elected Member Remuneration**

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

Note	2024 Actual	2024 Budget	2023 Actual
	\$	\$	\$
President's annual allowance	38,450	38,450	36,117
President's meeting attendance fees	17,030	21,290	16,395
President's annual allowance for ICT expenses	1,500	8,000	0
	56,980	67,740	52,512
Deputy President's annual allowance	9,613	26,642	9,029
Deputy President's meeting attendance fees	17,030	10,645	16,776
Deputy President's annual allowance for ICT expenses	1,500	2,000	0
	28,143	39,287	25,805
All other council member's meeting attendance fees	84,750	53,215	82,736
All other council member's annual allowance for ICT expenses	7,750	10,000	0
	92,500	63,215	82,736
22(b)	177,623	170,242	161,053

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

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

Short-term employee benefits	647,033	691,068
Post-employment benefits	78,527	105,239
Employee - other long-term benefits	7,103	37,082
Employee - termination benefits	18,281	0
Council member costs	177,623	161,053
22(a)	928,567	994,442

*Short-term employee benefits*

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

*Post-employment benefits*

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

*Other long-term benefits*

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

*Termination benefits*

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

*Council member costs*

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

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

**22. RELATED PARTY TRANSACTIONS**

**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:

	<b>2024</b>	<b>2023</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
Sale of goods and services	3,465	0
Purchase of goods and services	165,472	191,393
Payment of council member costs (Refer to Note 23(a))	177,623	161,053
<b>Amounts payable to related parties:</b>		
Trade and other payables	3,713	39,035

**Related Parties**

The Shire's main related parties are as follows:

*i. Key management personnel*

*Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Shire, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 22(a) and 22(b).*

*ii. Other Related Parties*

During the previous year, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement process.

Short-term employee benefits related to an associate person of the CEO who was employed by the Shire under normal employment terms and conditions.

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.

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

**23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

There were no events occurring after the end of the reporting period which would be of material impact to the financial statements for the year ended 30 June 2024.



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

**24. OTHER MATERIAL ACCOUNTING POLICIES**

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

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

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

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

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

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

**c) Rounding off figures**

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

**d) Comparative figures**

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

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

**e) Budget comparative figures**

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

**f) Superannuation**

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

**g) Fair value of assets and liabilities**

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

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

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

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

**h) Interest revenue**

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

**i) Fair value hierarchy**

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

**Valuation techniques**

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

**Market approach**

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

**Income approach**

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

**Cost approach**

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

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

**j) Impairment of assets**

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

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

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

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

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



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

**26. DETERMINATION OF SURPLUS OR DEFICIT**

		2023/24 (30 June 2024 Carried Forward)	2023/24 Budget (30 June 2024 Carried Forward)	2023/24 (1 July 2023 Brought Forward)	2022/23 (30 June 2023 Carried Forward)
	Note	\$	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>					
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .					
<b>Adjustments to operating activities</b>					
Less: Profit on asset disposals		(8,173)	0	(28,947)	(28,947)
Less: Movement in employee entitlement liabilities		61,872	0	0	0
Less: Fair value adjustments to financial assets at fair value through profit or loss		(1,682)	0	(3,686)	0
Add: Loss on disposal of assets		162,111	89,000	71,242	71,242
Add: Depreciation	10(a)	2,112,136	2,378,991	2,870,536	2,870,536
Non-cash movements in non-current assets and liabilities:					
Pensioner deferred rates		(1,208)	0	(961)	(961)
Employee benefit provisions		(35,910)	0	(4,948)	(4,948)
<b>Non-cash amounts excluded from operating activities</b>		<b>2,289,146</b>	<b>2,467,991</b>	<b>2,903,236</b>	<b>2,906,922</b>
<b>(b) Surplus or deficit after imposition of general rates</b>					
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.					
<b>Adjustments to net current assets</b>					
Less: Reserve accounts	28	(7,089,629)	(7,409,047)	(6,736,236)	(6,736,236)
Less: Rates receivable		0	(226,700)	0	0
Less: Payables		0	(225,000)	0	0
Add: Current liabilities not expected to be cleared at end of year					
- Current portion of borrowings	14	210,633	2,500,000	255,669	255,669
- Current portion of contract liability held in reserve		0	1,074,677	0	0
- Employee benefit provisions held in reserve		480,729	0	418,857	418,857
<b>Total adjustments to net current assets</b>		<b>(6,398,267)</b>	<b>(4,286,070)</b>	<b>(6,061,710)</b>	<b>(6,061,710)</b>
<b>Net current assets used in the Statement of Financial Activity</b>					
Total current assets		18,882,250	8,160,376	19,406,120	19,406,120
Less: Total current liabilities		(4,157,956)	(3,874,306)	(2,287,656)	(2,287,656)
Less: Total adjustments to net current assets		(6,398,267)	(4,286,070)	(6,061,710)	(6,061,710)
<b>Surplus or deficit after imposition of general rates</b>		<b>8,326,027</b>	<b>0</b>	<b>11,056,754</b>	<b>11,056,754</b>

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

27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual				Budget			
		Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	
Housing									
Burt Street Units		95,579		(46,674)	48,905		(48,905)	0	
DCEO House		170,935		(24,166)	146,769		(24,905)	121,864	
Recreation and culture									
Community hub		376,059		(53,166)	322,893		(54,793)	268,100	
Economic services									
Underground power		85,574		(85,574)	0		0	0	
Great Beyond visitor centre expansion		1,114,129		(125,655)	988,474		(127,066)	861,408	
<b>Total Borrowings</b>	<b>14</b>	<b>1,842,276</b>	<b>0</b>	<b>(335,235)</b>	<b>1,507,041</b>	<b>0</b>	<b>(255,669)</b>	<b>1,251,372</b>	

All loan repayments were financed by general purpose revenue.

Borrowing Finance Cost Payments

Purpose	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024
Housing						
Burt Street Units	81	WATC*	4.72%	10/02/2024	(4,686)	(1,738)
DCEO House	82	WATC*	3.04%	2/11/2028	(4,379)	(4,274)
New housing	85	WATC*	4.52%	n/a	0	(56,534)
Recreation and culture						
Community hub	83	WATC*	3.04%	2/11/2018	(13,358)	(9,403)
Economic services						
Underground power	80	WATC*	3.98%	10/05/2023	(3,049)	0
Great Beyond visitor centre expansion	84	WATC*	1.12%	20/11/2030	(19,851)	(10,708)
<b>Total Finance Cost Payments</b>					<b>(45,323)</b>	<b>(82,657)</b>

\* WA Treasury Corporation

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

27. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2023/24

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate %	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2024 Actual	2024 Budget	2024 Actual	2024 Budget		
Housing	WATC*	Fixed	20	4.52%	\$ 0	\$ 2,500,000	\$ 0	\$ (2,500,000)	\$ 0	\$ 0
					0	2,500,000	0	(2,500,000)	0	0

\* WA Treasury Corporation



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

28. RESERVE ACCOUNTS

	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
<b>Restricted by council</b>												
(a) Leave reserve	456,770	23,959		480,729	456,769	22,838		479,607	441,300	15,470		456,770
(b) Laverton airport reserve	97,174	5,089		102,263	1,002,670	150,134		1,152,804	93,882	3,292		97,174
(c) Plant reserve	1,002,670	52,586		1,055,256	97,174	4,859		102,033	656,880	345,790		1,002,670
(d) Infrastructure (roads, floodways etc) reserve	1,450,183	76,086		1,526,269	1,450,183	72,509		1,522,692	1,401,068	49,115		1,450,183
(e) Asset development reserve	2,114,330	110,930		2,225,260	2,114,330	105,717		2,220,047	2,042,721	71,609		2,114,330
(f) Lake Wells Road reserve	800,000	22,450	(400,000)	422,450	800,000	676,000	(800,000)	676,000	1,352,160	47,401	(599,561)	800,000
(g) Community projects reserve	815,109	462,293		1,277,402	815,109	440,755		1,255,864	401,050	414,059		815,109
	6,736,236	753,393	(400,000)	7,089,629	6,736,235	1,472,812	(800,000)	7,409,047	6,389,061	946,736	(599,561)	6,736,236
	6,736,236	753,393	(400,000)	7,089,629	6,736,235	1,472,812	(800,000)	7,409,047	6,389,061	946,736	(599,561)	6,736,236

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

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

Name of reserve account	Purpose of the reserve account
<b>Restricted by council</b>	
(a) Leave reserve	To be used to fund annual leave, rostered days off and long service leave requirements
(b) Laverton airport reserve	To be used for the upkeep and major upgrade works to the Laverton Airport
(c) Plant reserve	To be used for the purchase of major plant
(d) Infrastructure (roads, floodways etc) reserve	To be used for the upkeep and major improvements - sealing programs for roads within the Shire of Laverton
(e) Asset development reserve	To be used to fund construction and maintenance of major asset projects
(f) Lake Wells Road reserve	To be used to fund future roadworks and maintenance, renewal and construction amounting and adjacent to Lake Wells Road
(g) Community projects reserve	To be used to fund community projects

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

29. TRUST FUNDS

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

	1 July 2023	Amounts Received	Amounts Paid	30 June 2024
	\$	\$	\$	\$
Department of Transport	498	2,384	(2,882)	0
	498	2,384	(2,882)	0



Our Ref: 7942-002

7th Floor, Albert Facey House  
469 Wellington Street, Perth

Mr Phil Marshall  
Chief Executive Officer  
Shire of Laverton  
9 MacPherson Place  
LAVERTON WA 6440

Mail to: Perth BC  
PO Box 8489  
PERTH WA 6849

Tel: 08 6557 7500  
Email: [info@audit.wa.gov.au](mailto:info@audit.wa.gov.au)

Email: [ceo@laverton.wa.gov.au](mailto:ceo@laverton.wa.gov.au)

Dear Mr Marshall

#### **ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024**

The Office has completed the audit of the annual financial report for your Shire. In accordance with section 7.12AD (2) of the *Local Government Act 1995*, we enclose the Auditor General's auditor's report, together with the audited annual financial report.

We have also forwarded the reports to the President and the Minister for Local Government, as required by the Act. You are required to publish the annual report, including the auditor's report and the audited financial report, on your Shire's official website within 14 days after the annual report has been accepted by your Council.

#### **Management control issues**

While the result of the audit was generally satisfactory, I would like to draw your attention to the attached listing of deficiencies in internal control and other matters that were identified during the audit. These matters have been discussed with management and their comments have been included in the attachment. Also attached is a copy of my interim management letter issued on 10 July 2024 following the completion of the interim audit.

Please note that the purpose of our audit was to express an opinion on the financial report. The audit included consideration of internal control relevant to the preparation of the financial report in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

An audit is not designed to identify all internal control deficiencies that may require management attention. The matters being reported are limited to those deficiencies that have been identified during the audit that are of sufficient importance to warrant being reported. It is possible that other irregularities and deficiencies may have occurred and not been identified as a result of our audit.

The date the financial statements submitted by your entity and considered to be of audit ready quality is 23 September 2024. This date will be reported in our local government sector audit results report to be tabled in Parliament. I am providing this date for completeness of our Office's procedural fairness process.

If you have any queries in relation to this date, please contact me on 6557 7640 within 14 days of the date of this letter. If we do not hear from you, we will take this as confirmation of the date.

This letter has been provided for the purposes of the Shire and the Minister for Local Government and may not be suitable for other purposes.

I would like to take this opportunity to thank you, the management and the staff of the Shire for their cooperation with the audit team during our audit.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Carly Meagher', with a stylized, cursive script.

Carly Meagher  
Acting Senior Director  
Financial Audit  
6 December 2024

Attach



Our Ref: 7942-002

7th Floor, Albert Facey House  
469 Wellington Street, Perth

Mr Patrick Hill  
President  
Shire of Laverton  
PO Box 42  
LAVERTON WA 6440

Mail to: Perth BC  
PO Box 8489  
PERTH WA 6849

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Email: [info@audit.wa.gov.au](mailto:info@audit.wa.gov.au)

Email: [crphill@laverton.wa.gov.au](mailto:crphill@laverton.wa.gov.au)

Dear Mr Hill

## **ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024**

The Office has completed the audit of the annual financial report for your local government. In accordance with section 7.12AD (2) of the *Local Government Act 1995*, we enclose the Auditor General's auditor's report, together with the audited annual financial report.

We have also forwarded the reports to the CEO and the Minister for Local Government, as required by the Act.

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I would like to take this opportunity to thank you, the management and the staff of the Shire for their cooperation with the audit team during our audit.

Yours sincerely



Carly Meagher  
Acting Senior Director  
Financial Audit  
6 December 2024

Attach

## ATTACHMENT

### SHIRE OF LAVERTON

PERIOD OF AUDIT: 1 JULY 2023 TO 30 JUNE 2024

### FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

Index of findings	Potential impact on audit opinion	Rating			Prior year finding
		Significant	Moderate	Minor	
1. No formal evidence of review of monthly reports	No		✓		✓
2. Evidence of cash count review	No		✓		

#### Key to ratings

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

**Significant -** Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating could indicate the need for a modified audit opinion in the current year, or in a subsequent reporting period if not addressed. However even if the issue is not likely to impact the audit opinion, it should be addressed promptly.

**Moderate -** Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.

**Minor -** Those findings that are not of primary concern but still warrant action being taken.

**ATTACHMENT**

**SHIRE OF LAVERTON**

**PERIOD OF AUDIT: 1 JULY 2023 TO 30 JUNE 2024**

**FINDINGS IDENTIFIED DURING THE INTERIM AUDIT**

**1. No formal evidence of review of monthly reports**

**Finding**

During the course of the interim audit, we noted there is no formal evidence of review over the various monthly financial close processes such as:

- Bank Reconciliations
- Fixed Asset Register

We were advised that the CEO reviews these reports, however no formal evidence of the review is retained. This finding was first raised in FY 2023.

During the current year, we also noted that the bank reconciliations are also performed by the CEO. We acknowledge that the Shire has not been able to find a suitable replacement since the departure of the Deputy CEO last year.

**Rating: Moderate (2023: Moderate)**

**Implication**

Without documented evidence of the review, there is a risk that errors, discrepancies, or irregularities could go unnoticed. The documentation of the reviews also provides assurance to stakeholders and auditors about the effectiveness of internal controls.

**Recommendation**

We recommend that the CEO's review be formally documented and evidenced. This documentation may include signed or initialled review notes, electronic approval workflows or any other suitable means of capturing the review process.

**Management comment**

*Bank Reconciliation – is undertaken by the CEO*

*Fixed asset register Reconciliation – is undertaken and the CEO takes a cursory glance over the balance.*

*The staff of the Council and the Consultant, to me as the CEO are well versed in the way they conduct themselves and the business of the council with limited resources. Noted and endeavour to separate responsibilities.*

**Responsible person:** CEO  
**Completion date:** Immediate

**ATTACHMENT**

**SHIRE OF LAVERTON**

**PERIOD OF AUDIT: 1 JULY 2023 TO 30 JUNE 2024**

**FINDINGS IDENTIFIED DURING THE INTERIM AUDIT**

**2. Evidence of cash count review**

**Finding**

From our walkthrough of the daily cash count process for the Great Beyond Centre for 15 February 2024 we noted that, there was no evidence of review.

**Rating: Minor**

**Implication**

Without formal reviews, errors and omissions can go undetected. This may lead to potential misappropriation of cash and cash equivalents.

**Recommendation**

It is recommended that all daily balance sheet should be prepared and reviewed in a timely manner, signed and dated by both the preparer and reviewer to reinforce the assignment of responsibilities.

**Management comment**

*The cash floats will be prepared and reviewed as suggested.*

<b>Responsible person:</b>	CEO
<b>Completion date:</b>	Immediate

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**5. GENERAL BUSINESS**

Law and Order

That the Council continue to advocate on behalf of the community to secure an appropriate level of service to the Laverton community.

**6. CLOSURE OF MEETING**

There being no further business, the Presiding Officer declared the meeting closed at 5:24pm

**7. CERTIFICATON OF MINUTES**

**I, Patrick Hill, hereby certify that the Minutes of the General Meeting of Electors held on 23 January 2025 are confirmed as a true and correct record, as per the resolution of the General Meeting of Electors held on \_\_\_\_\_.**

**SIGNED:**

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**DATED:**

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