

**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**

	NOTE	2024 Actual \$	2023 Actual \$
<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		18,283,973	12,766,303
<b>Cash and cash equivalents at the end of the year</b>		<u>7,373,969</u>	<u>18,283,973</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	488,365	332,058
	<u>971,935</u>	<u>609,481</u>

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	58,280	58,200
- Other services – grant acquittals	2,800	3,000
	<u>61,080</u>	<u>61,200</u>

**Employee Costs**

Employee benefit costs	3,978,678	3,444,920
Other employee costs	53,979	46,206
	<u>4,032,657</u>	<u>3,491,126</u>

**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	6	17,659	0
Sundry expenses		<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>
<b>Other financial assets at amortised cost</b>		
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 (f)) 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)
	<u>497,576</u>	<u>960,848</u>
<b>Non-current</b>		
Rates and statutory receivables	5,888	4,680
	<u>5,888</u>	<u>4,680</u>

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	<u>(390,600)</u>	<u>327,942</u>	<u>24,128</u>

**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**

**(a) Movements in Balances**

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

	Assets not subject to operating lease			Total Property			Plant and equipment			Total property, plant and equipment
	Land		Buildings	Buildings - non-specialised		Buildings - work in progress	Furniture and equipment		Plant and equipment	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	406,100	11,456,064		406,100	11,456,064	2,811	192,822	3,467,927		15,525,724
Additions	0	126,179		0	126,179	320	0	155,408		281,907
Disposals	0	0		0	0	0	0	(198,224)		(198,224)
Depreciation	0	(297,444)		0	(297,444)	0	(22,618)	(406,068)		(726,130)
Transfers	11,791	(11,791)		11,791	(11,791)	0	0	0		0
Balance at 30 June 2023	417,891	11,273,008		417,891	11,273,008	3,131	170,204	3,019,043		14,883,277
Comprises:										
Gross balance amount at 30 June 2023	417,891	12,052,225		417,891	12,052,225	3,131	227,670	4,122,530		16,823,447
Accumulated depreciation at 30 June 2023	0	(779,217)		0	(779,217)	0	(57,466)	(1,103,487)		(1,940,170)
Accumulated impairment loss at 30 June 2023	0	0		0	0	0	0	0		0
Balance at 30 June 2023	417,891	11,273,008		417,891	11,273,008	3,131	170,204	3,019,043		14,883,277
Additions	0	342,090		0	342,090	0	124,844	1,675,959		2,142,893
Disposals	0	0		0	0	0	0	(593,484)		(593,484)
Revaluation increments / (decrements) transferred to revaluation surplus	(36,100)	1,911,739		(36,100)	1,911,739	0	0	0		1,875,639
Depreciation	0	(301,985)		0	(301,985)	0	(22,766)	(455,199)		(779,950)
Transfers	0	0		0	0	0	0	0		0
Balance at 30 June 2024	381,791	13,224,852		381,791	13,224,852	3,131	272,282	3,646,319		17,528,375
Comprises:										
Gross balance amount at 30 June 2024	381,791	13,224,852		381,791	13,224,852	3,131	352,514	4,942,614		18,904,902
Accumulated depreciation at 30 June 2024	0	0		0	0	0	(80,232)	(1,296,295)		(1,376,527)
Accumulated impairment loss at 30 June 2024	0	0		0	0	0	0	0		0
Balance at 30 June 2024	381,791	13,224,852		381,791	13,224,852	3,131	272,282	3,646,319		17,528,375
									0	0



**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
<b>(i) Fair Value - as determined at the last valuation date</b>					
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
	1,303,177	538,453

**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**

<b>Employee Related Provisions</b>		
	<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

	2024 Opening Balance	Total Movement on Revaluation	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$	\$
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
	98,133,995	3,918,479	102,052,474	73,852,067	24,281,928	98,133,995

**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>
<b>Net cash provided by/(used in) operating activities</b>	<b>4,816,087</b>	<b>6,947,980</b>



**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
		<u>56,980</u>	<u>67,740</u>	<u>52,512</u>
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
		<u>28,143</u>	<u>39,287</u>	<u>25,805</u>
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
		<u>92,500</u>	<u>63,215</u>	<u>82,736</u>
	22(b)	<u>177,623</u>	<u>170,242</u>	<u>161,053</u>

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

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

Short-term employee benefits	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
	<u>22(a) 928,567</u>	<u>994,442</u>

*Short-term employee benefits*

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

*Post-employment benefits*

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

*Other long-term benefits*

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

*Termination benefits*

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

*Council member costs*

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

**SHIRE OF 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.

**(a) General Rates**

\*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 2024**

**26. DETERMINATION OF SURPLUS OR DEFICIT**

		2023/24 Budget	2023/24	2022/23
	2023/24 (30 June 2024 Carried Forward)	(30 June 2024 Carried Forward)	(1 July 2023 Brought Forward)	(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