



Annual Report

2023-24

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Introduction

Our Vision

Leads the Way

Our Mission

We will achieve our vision by maintaining and enhancing the Bruce Rock lifestyle, increasing business and employment opportunities and achieving population growth in an environmentally sustainable way.

Our Values

We will conduct our business with:

Respect

- Value people and places and the contribution they make to the Shire;
- Develop an environment of respect for different cultures; and
- Be appreciative of the aspirations of the community and what it does for itself.

Inclusiveness

- Be receptive, proactive and responsive as an organisation;
- Foster the community that has the ability to capacity build; and
- Demonstrate leadership by promoting Council and community teamwork.

Fairness and equity

- Maintain a 'whole of Shire' outlook but recognise that each community is unique and likely to have variations on their needs;
- Provide services for a variety of ages and needs; and
- Respond to the community in a fair and equal way depending on need.

Communication

- Create opportunities for consultation with the broad community; and
- Ensure appropriate, accessible information will be made available to the community.

Our Shire

The Shire of Bruce Rock covers an area of 2,727 km² in the heart of Western Australia's Wheatbelt, with a population of approximately 979 (ABS, Census, 2021).

Shire of Bruce Rock

Localities

The Shire includes the localities of Ardath, Babakin, Belka, Bruce Rock, Kwolyin and Shackleton.

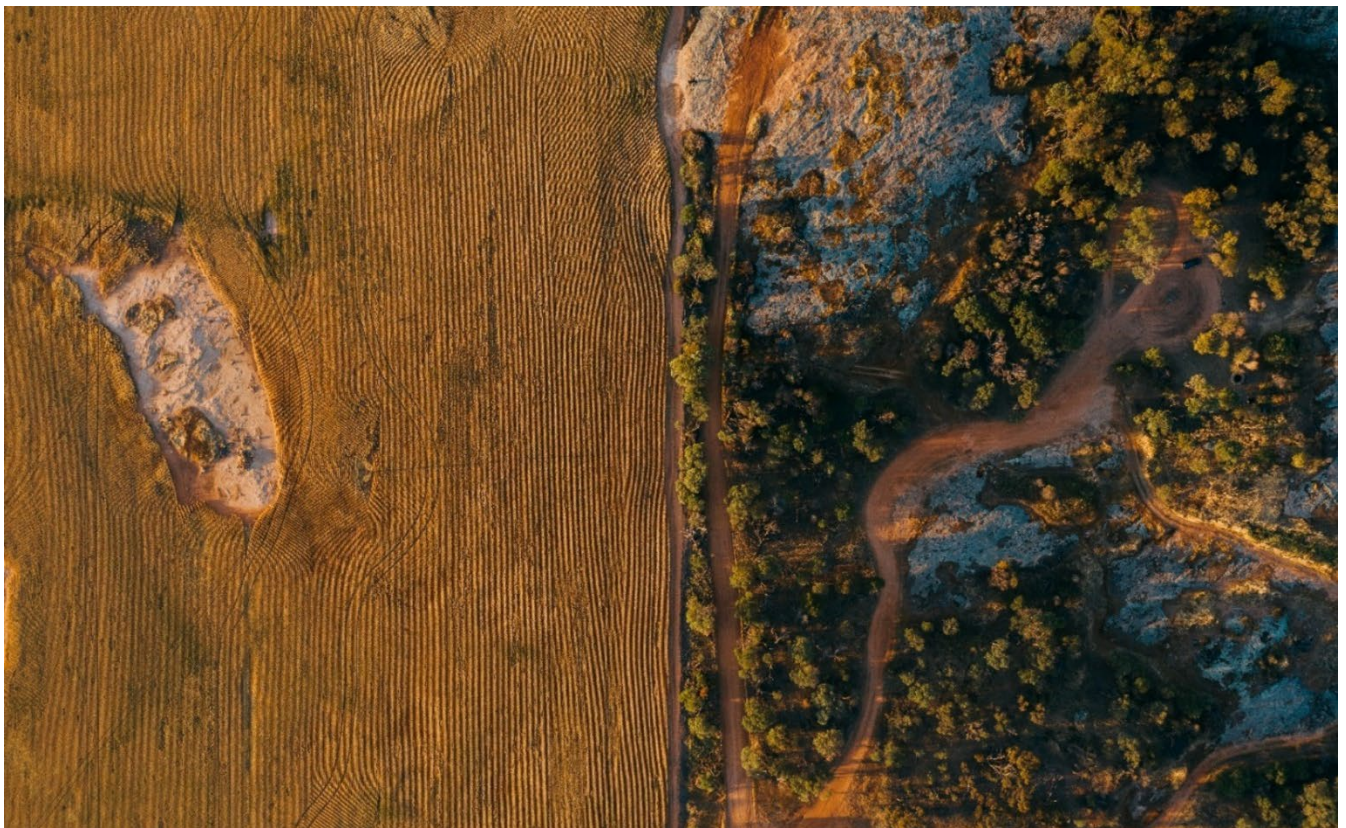
Significant Local Events

The Shire of Bruce Rock is home to the popular 'Back to the Bush Veterans Reunion', taking place annually on the first weekend of November. The event brings in a large number of visitors from around Australia, showcasing all that is great about the town.

Another significant local event is the 'Bruce Rock Agricultural Show', held biannually in September. The show attracts 1,500 to 1,800 people from the local community and other Shire's.

Ordinary Council Meeting

These meetings are held every third Thursday of each month, except January.



Tourist Attractions

With an area of almost 3,000 km², it is no surprise that the Shire of Bruce Rock boasts a beautiful and diverse landscape with countless attractions.



Kokerbin Rock, situated within the Kokerbin Nature Reserve, approximately 40km North-West of Bruce Rock, is a must-see natural wonder. It is the second largest monolith, (previously third), in Australia, that can be climbed, now that the climbing of Uluru is no longer permitted. This impressive natural attraction stands 122 metres high and covers an area of nine (9) hectares. With picnic and barbecue

facilities, the location is perfect for a daytrip with family or friends.

The Shackleton Bank ('Australia's Smallest Bank') is a popular tourist destination, drawing interest for its uniquely small size of three (3) by four (4) metres. The building had a wide array of uses, including an Aircraft Observation Post during World War II, a Childcare Centre, the Bank of New South Wales, and finally a Bankwest Branch up until its closing in 1997.

The Bruce Rock townsite has another natural attraction; known as "Bruce's Rock"; this large geological formation is located two (2) kilometres East of Bruce Rock. It is named after the sandalwood cutter John Rufus Bruce, who set up his camp at the base of the rock in 1879. Originally known as Nunagin or Noonegin, the name of the town led to confusion between other towns such as Narrogin and Nungarin. The name was changed to Bruce Rock after the large granite feature located close to the town.

Established in 2003 by the Bruce Rock Landcare Committee, the Bruce Rock Wildflower Drive displays some of the Wheatbelt's most beautiful flora. The flowers on show include Isopogons, Tinsel Flowers, Gastrolobiums, Spider Orchids, Verticoridias and Triggerplants. The town of Babakin is home to the rare Underground Orchid.

Created in 2013, the Bruce Rock Centenary Mosaic Pathway located in Bruce Rock's Main Street contains over 300 mosaic slabs displaying farms, buildings, churches, sporting groups, shops and families, celebrating Bruce Rock's vast history.

The Bruce Rock Museum contains a comprehensive collection of memorabilia. To the rear of the museum, you there is an original one-room schoolhouse and a replica mud brick settler's cottage from pioneering farm days.

Situated across the road is the Machinery and Motor Museum, which houses working farm machinery, a vintage car and a steam traction engine, all from local historical times.

Officially opened in October 2001, the Bruce Rock Federation Ampitheatre seats up to 1,200 people. Designed and built by the local community, it is the host for many get-togethers and community and cultural events.

The Bruce Rock Remembrance Park, officially opened on the 6 November 2021, and pays tribute to the men and women who served and continue to serve Australia in military conflicts and peacekeeping operations across the globe. The Park features 11 memorials accompanied by information boards outlining the story and meaning behind each memorial. There are also eight (8) sculptures and artworks featured throughout the park and are all interpretations of the theme 'war and peace'.



Popular among locals, the Ardath Hotel is a heritage-style hotel established in 1925. The hotel has been restored as a tavern with restaurant and counter meals available.

A more recent attraction is the recently completed Art Mural, displayed on the side of the recently rebuilt Shire supermarket; The background portrays the natural colour palette of rural Western Australia. Native flora, including Pink Pokers, Lemon Scented



Sun Orchids, and Fairy Orchids endemic to Bruce Rock, adorn the scene.

Celebrating the town's farming industry, the mural features sheep and wheat, with a focus on highlighting the intricate

beauty of WA's vital agricultural sector. Incorporating the iconic Magpie, the town's sporting mascot, perched on the farmer's shoulder symbolises the connection between farmers and the land.

The sunlight shining upon the farmer underscores the importance of light in growth, both in agriculture and within ourselves. Within the farmer's heart space, a depiction of a grandfather and a boy working together to plant seeds for the future symbolises the significance of family, community, and growth, both personal and environmental.

Local Industries

Wheat and other cereals, steel fabrication, livestock and agricultural support industries.

Shire Statistics

Distance from Perth (km)	245
Area (sq. km)	2,727
Length of Sealed Roads (km)	501.1
Length of Unsealed Roads (km)	757.6
Population (Census 2021)	979
Number of Electors (2023)	678
Number of Dwellings (Census 2021)	473
Total Rates Levied (2023/24)	\$1,807,341
Total Revenue (2023/24)	\$6,594,599
Number of Employees (as at 30 June 2024)	44



The Council

Council meets on every third Thursday of the month, except January, to consider local and regional issues of importance to the district.

As at 30 June 2024, the Council is made up of seven Councillors representing the Bruce Rock District.

President

Cr R Rajagopalan

Deputy President

Cr T Crooks

Councillors	Telephone	Years of Service	Term Expires
Cr Stephen Strange	0429 611 324	35	2027
Cr Ramesh Rajagopalan	0448 012 656	15	2025
Cr Brendan Waight	0428 149 654	7	2025
Cr Anthony (Tony) Crooks	0428 911 922	6	2025
Cr Kevin Foss	0427 998 878	6	2027
Cr Jennifer Verhoogt	0428 250 563	3	2025
Cr Perry Hodgkiss	0428 475 080	1	2027

Council elections are held on the third Saturday in October. The next election will be held on Saturday, 18 October 2025.



Contact Information

Office Hours

8.30am to 4.30pm

Contact

Shire Office	9061 1377
Workshop / Fax	9061 1030
Swimming Pool	9061 1278
Email	admin@brucerock.wa.gov.au
Website	www.bruce-rock.wa.gov.au
Street Address	54 Johnson Street Bruce Rock WA 6418
Postal Address	PO Box 113 Bruce Rock WA 6418

After Hours

Chief Executive Officer	Mark Furr	0428 611 377
Manager of Governance and Community Services	Nerea Ugarte	0408 383 530
Manager of Works and Services	Greg Stephens	0418 745 217

Emergency Numbers

Ambulance/Police/Fire	000
Police Station	9007 9140
Hospital	9061 0222
Doctor's Surgery	9061 1166
Dental Surgery	9061 1954
Water Corporation	13 13 75
Synergy	13 13 53
Western Power	13 10 87

President's Report



Dear Residents,

The year 2023/24 has marked significant strides for the Shire of Bruce Rock, reflecting our commitment to

fostering growth and enhancing the quality of life for our community. We have navigated various challenges while celebrating a multitude of achievements that will shape our future.

Our strategic initiatives have focused on community engagement and sustainable development. This year, we prioritized improvements to local infrastructure, promoting projects that support both residents and local businesses.



Key projects included the completion of the supermarket and its official opening in October that marked an incredible demonstration of resilience and commitment by the Shire Council, its Administration and the broader community to raise the shop from the ashes, whilst providing a temporary store within the Town Hall. I must take this opportunity to thank the Progress Association and wider community for their hard work and incredible support to assist the Shire in making this project a reality for Bruce Rock. It is an achievement that is not only for the now, but for future generations to come.

The amazing mural adorning the side of the newly rebuilt supermarket was another project achieved this year and enhances the centre of town alongside the other artistic representations located throughout the main street.

Other projects this year included a replacement pool liner for the Aquatic Centre, which not only ensured longevity but enhanced the aesthetic experience for recreational and competitive swimmers. Additionally, we have continued to be actively involved in the planning stages for new community facilities, including a modern Adventure Playground, devised to attract and encourage outdoor activity and family interaction, all of which is part of the broader strategy to revitalise the Main Street to take us into the future.

Financially, the Shire has maintained a stable budget and pursued effective resource allocation to ensure ongoing service delivery. The annual budget for 2023/24 demonstrates our commitment to fiscal responsibility while also addressing the pressing needs of our community. The integration of our Long Term Financial Plan aligns with our strategic goals, ensuring the sustainability of services and infrastructure over the coming years.

Community engagement has been at the forefront of our efforts this year. We have gathered feedback aimed at not only developing new but reviewing our current strategies, such as tourism, housing and health.

Looking ahead, the Shire is poised for continued development and resilience. With a focus on sustainable practices, we aim to enhance our environmental initiatives and promote economic opportunities within the region. Our next Annual General Meeting of Electors, scheduled for the 20 February 2025, will provide a platform for residents to engage in discussions about our strategic directions and future projects.

Our volunteers have once again demonstrated that they are the heart and

soul of our Shire. Their selfless contributions to various community events, emergency response efforts, and numerous initiatives have not only enriched and preserved the lives of our residents, but have also strengthened the community's fabric. The passion and commitment shown by our tireless volunteers make Bruce Rock a truly remarkable place to live.

I would also like to extend my deepest appreciation to our Chief Executive Officer, Darren who finished with the Shire in June, the Executive Team, and all employees for their exceptional professionalism, creativity, and resilience. Your collective efforts in navigating the challenges of the year have been instrumental in advancing the Shire of Bruce Rock towards greater achievements and sustainability. Your dedication to service and your ability to adjust to evolving circumstances have been commendable and have laid strong foundations for our future success.

Additionally, I want to express my sincere gratitude to my Deputy, Councillor Tony Crooks, and my other fellow Councillors for their steadfast commitment to public service. Your insights, collaborative approaches, and tireless dedication to representing the interests of our community have been invaluable in shaping policies that foster the growth and prosperity of Bruce Rock. We are an exceptional team, from varied walks of life, that I am so proud to be a part of.

This commitment is epitomised by the continued attendance of a variety of meetings and workshops throughout the course of the year, in addition to the regular monthly Council meetings and briefings, Councillors were actively involved in events and meetings beneficial to the Shire and its undertakings; these events included:

- Wheatbelt East Regional Organisation of Councils (WEROC)
- Wheatbelt Communities Inc.

- WA Local Government Association (WALGA) Zone
- WA Local Government Association Annual Conference
- Regional Road Group
- Local and Regional Health
- Local and District Fire Advisory meetings
- Local Emergency Management
- Structural Reform and Strategic Planning
- Grain Freight Network Meetings
- Central East Aged Care Alliance and
- Local community and recreation group meetings.

With the presentation of the Annual Report for 2023/24, may it serve as a testament to the unity, resilience, and strength of the Shire of Bruce Rock. It is through our collective efforts, encompassing volunteers, employees, and elected officials, that we continue to cultivate a vibrant, inclusive, and thriving community.

I am excited about the possibilities that lie ahead for our Shire as we look forward to another year of collaboration, achievement, and making Bruce Rock an even better place for all.

Bruce Rock is indeedWhere friends become family .

Thank you.



Dr Ram Rajagopalan

Shire President

Chief Executive Officer's Report (on behalf of Darren Mollenoyux)



It is with great pride and a deep sense of responsibility that I present the Shire of Bruce Rock's Annual Report for 2023/24. As the new CEO, I do so

on behalf of Darren Mollenoyux who finished his tenure with the Shire in June 2024. Darren had been the Shire's CEO for so many years and demonstrated such great leadership in partnership with the Council to fulfill key projects to completion such as the rebuild and reopening of the new Supermarket, and the response and recovery from the more recent traumatic Bush Fires and other natural emergencies that Bruce Rock has endured over the past 15 years, as well as so many other projects and key work.

Darren's legacy is a strong foundation of empathy, leadership and resilience especially through those challenging times over his long tenure as CEO.

Darren thank you for your selfless commitment to the Shire over such a long period of time, as the new CEO, I take up the task of continuing the great work you have done and commit to put heart and soul into this Shire, like you have done for so many years.

Whilst the achievement of the new supermarket was the highlight of the financial year, staff worked on many other projects, governance, finance, road construction and works throughout the year.

Alongside these projects there have also been many other strategic and forward planning works undertaken, including; a review of staff housing and development of a 10 year staff housing management / replacement plan, a review of Retirement

units management structure and future plan, an improved community engagement approach, progressing a solution for the Dunstal/Johnson Streets intersection, Review of the Main Street Revitalisation Plan and providing submissions to the public consultation of the next tranche of Local Government Act amendments.

Local Government Elections were held in October 2023, with Bruce Rock reducing from nine (9) to seven (7) Councillors in line with the amendments to the Local Government Act. I would like to thank retiring Councillors Philip Negri, Natalie Kilminster and Rebecca Waye for their dedication and contribution to Council, especially over the past four years. We welcomed a new Councillor in Perry Hodgkiss, who was elected for the first time, joining the other successful candidates in Stephen Strange, Kevin Foss and Tony Crooks.

This year has been a period of continued growth, achievement, and resilience, marked by the collective efforts of our council, staff, and community. The support from Council, under the new leadership of Ram Rajagopalan has remained steadfast after such a long leadership tenure from former Shire President Stephen Strange.

And so, I thank Shire President Ram Rajagopalan for this support to the CEO for the past year and also the other Councillors that do such a great job in



representing this community and maintaining a focus on our strategic pillars of strategy and its direction, all of which are aligned to the Strategic Community Plan.

I also wish to acknowledge the commitment and contribution of all staff within the Shire. Most importantly, those staff that are the face of our organisation; the works and services crew, building maintenance team, the customer service staff at the Administration building, the staff that ensure our aquatic and recreation, and our medical facilities run so smoothly and to such a high standard.

To all staff, your resilience over the past year and efforts to ensure a high quality, professional service is provided to our community is nothing short of outstanding, and I acknowledge each and every one of you.

Additionally, and at the heart of Bruce Rock's success, is our volunteers. Their unwavering dedication to our townsites and emergency services forms the backbone of our community. Whether supporting our volunteer bushfire brigades, providing emergency services, aiding in local events, or maintaining vital



community resources, their contributions epitomize selflessness and community spirit. On behalf of the Shire, I extend my sincere gratitude to each volunteer who enriches our lives, and or ensures the safety of our community and region.

One of the key highlights for 2023/24 was the completion and rebuild the Shire's Supermarket. Not only that, but the Shire was also successful in attracting a great business partnership in Kulwant and Reet to take charge of the shop. It is fair to say that already, their

impact, not just in providing an essential retail service within the town, but their integration and membership within the

community is testament, not only to them and their values, but demonstrative of the wonderful and welcoming community spirit that envelopes this town. The official opening was a significant milestone that symbolised unimaginable efforts by Council, Shire staff and the community itself.

The Mural painted onto the side of the building is so apt as it focuses on farming and the natural environment, paying homage to the town's identity and catering to the interests of both locals and tourists. In the past year scores of visitors have been seen admiring and taking pictures of this art and it really adds value to the attraction of Bruce Rock. I would like to thank Bec Abdy for the fantastic work undertaken.

This year has also seen the completion of several other key projects that align with our Strategic Community Plan, meeting immediate needs while laying the groundwork for a sustainable future. Notable achievements other than the supermarket include:

- **The Shire Aerodrome:** The reseal and remarking of the aerodrome runway has significantly improved this facility and more works in 2024/25 will further improve this essential community asset.
- **Major Infrastructure Upgrades:** The Shire completed 18km of road maintenance, completed upgrades and constructed Footpaths in Bath Street, Teasdale, Brownley and Leeveis roads. The Shire also completed works on the Turkey Nest and Square Dams.
- **Recreation Facilities Upgrade:** The completion of works at the Aquatic Centre (Pool Liner) has further enhanced the facility as well as the landscaping at Shackelton's Gazebo and enhancement of Gardens and BBQ's at the Recreation Centre. These examples all compliment the Shires commitment to ensuring the continued provision of high quality

recreation assets to its residents and for visitors.

- **Housing Amenities Upgrades:**
The Shire completed some minor upgrades and works to a number of properties in the Shire.

These achievements reflect our commitment to fostering a community where residents feel valued, supported, and empowered.

In addition to completed projects, we have made significant strides toward long-term strategic goals. Collaborative efforts with regional stakeholders have paved the way for future initiatives in areas such as tourism, economic development, and sustainability.

Internally the staff have supported numerous community events held by numerous groups throughout the year.

With a total revenue in 2023/24 exceeding \$6.6M, matched similarly by the Shire's expenditure (excluding non-cash amounts from operating activities), and a capital Projects spend of \$5.83M I am pleased to note that the Shire's finances were audited by the Office of the Auditor General, with no significant findings identified as an outcome of this audit; This is credit to the professionalism of the finance staff led by the Manager of Corporate Services and the Senior Finance Officer.

The Shire has made significant final investments to ensure the continued development and growth of the town in alignment to its community and economic development strategies developed as part of Our Strategic Community Plan 2022-2032.

Looking ahead, we remain committed to advancing the priorities identified by our community, ensuring our region remains a vibrant and thriving place to live, work, and visit. With the support of our Council, volunteers, and community, I am confident we can continue building on the solid foundations laid this year.

Thank you for your trust and partnership as we strive to make Bruce Rock an even greater place to call home.



Mark Furr

Chief Executive Officer
Shire of Bruce Rock



Governance and Community Services

The Governance and Community Services department of the Shire of Bruce Rock is responsible for the following areas:

- Governance and Compliance Reporting;
- Administration;
- Assurance;
- Risk Management;
- Grant Applications;
- Procurement;
- Information Technology;
- Human Resources;
- Records Management;
- Emergency Management;
- Department of Transport Licensing;
- Licensing of Dogs and Cats;
- Customer Service;
- Community Engagement;
- Communications;
- Cleaning;
- Ranger Services;
- Library;
- Medical Centre;
- Aquatic Centre;
- Caravan Park; and
- Cemetery

With several Council policies due for updating, during 2023-24, the Governance and Community Services team continued the review of Council's Policy Manual. This work is anticipated to be completed in February 2025.

The Shire's governance and compliance arrangements were reinforced with the procurement of a compliance calendar, which will be implemented in the 2024-25 financial year.

Risk management was a key area of focus with the development of a strategic risk register, and the appointment of an independent member to Council's Audit and Risk Committee, which will provide for greater transparency and scrutiny of the Shire's operations.

Emergency management was also an area of focus, with the Shire assisting in organising a series of workshops on emergency management recovery for the local community. The workshops were delivered by the Red Cross in partnership with the Department of Fire and Emergency Services. Several Councillors and staff members attended one of the sessions.

Consistent with the Shire's efforts to improve its IT governance arrangements, the development of an IT Disaster Recovery Plan was completed and regular training of staff on cyber security commenced.

The Governance and Community Services department also organised and supported several community events, such as the annual "Back to the Bush" Veterans Reunion, Community Sundowner and Australia Day.

The 2023-24 financial year also saw the completion of the Shire's transition to the State's Industrial Relations framework.



Finance

The Finance department is responsible for the sound financial management of the Shire. It maintains accurate accounting records and produces financial reports to Council each month. The department is also responsible for the preparation and presentation of the Shire's Annual Financial Reports, Annual Budgets and Strategic Resources Plan (Long Term Financial Plan and Asset Management Plans).

Council finished the 2023-2024 financial year with a net operating profit of \$1,289,210. This reflected a total operating revenue of \$6,594,599, \$2,119,865 of non-operating grants and total operating expenditure of \$9,978,873.

Capital Expenditure

Council undertook an extensive capital works program totalling \$5,830,485. This expenditure consisted of \$1,628,106 in roads and other infrastructure development, \$3,298,712 in buildings, \$903,667 on plant and equipment, and \$20,459 on Furniture and equipment. Some projects were delayed due to the unavailability of contractors or supplies.

Debt Management

The Shire has made a significant investment in our town's infrastructure, catering to the needs of our residents and fostering economic development within our region.

Careful use of loan borrowings is considered to be an effective way to fund large projects and spread the cost burden over a number of years. As at 30 June 2024, the Shire has two loans, one for the supermarket construction project and the other to part-fund the construction of a second residence in Curlew Drive, which the Shire has since leased to GROH for a period of ten years.

Prudent debt management and the implementation of sustainable financial

strategies is essential to the Shire's operation. Council is committed to ensuring budgetary discipline and regular review of financial health to maintain financial sustainability.

Regulatory Services

The Regulatory Services department is responsible for the following areas:

- Waste management, public health, and food hygiene
- Health compliance
- Environmental management
- Local Laws and Local Law enforcement
- Building control
- Town planning

The Regulatory Services Department completed its revision of the Shire's Public Health and Wellbeing Plan 2023-27.

Throughout 2023/24, public health and safety inspections were undertaken prior to public events at halls and recreation grounds to ensure potential hazards to the public were identified and managed in consultation with event organisers. The landfill and septage pit facilities have also continued to be monitored to ensure its compliance.

Routine monitoring of the Hydrotherapy and Aquatic Centre facilities/swimming pools has been undertaken; housing, public buildings and commercial buildings were inspected, reviews and subsequent determinations of various building and other permit applications, has ensured a very busy year as well as ensuring that the 2023/24 building maintenance and works program was undertaken.

Works and Services

The Works and Services Department undertakes capital construction, major maintenance works, and the routine maintenance of hard infrastructure within the Shire. To undertake these required activities a portion of funding is derived from external grant funds being various Federal and State Government agencies and from other Council income streams.

Works and Services include the following areas of accountability, as applicable:

Strategic/Administration

- Council Policy;
- Council Agenda Items;
- Strategic Planning;
- Funding applications;
- Road works programs;
- Purchasing and procurement;
- Budget preparation and management;
- Tender preparation and administration;
- R2R funding management and acquittal;
- RRG funding management and acquittal;
- Project management and funding acquittal; and
- Compliance with appropriate legislation associated with provided services.

Operations – Works

Construction and maintenance of roads, footpaths, and drainage throughout the Shire.

Parks and Gardens

Construction and maintenance of Councils sporting fields, passive parkland areas, road verges, streetscapes, and street trees.

Construction Crew / Maintenance Works

The following are major undertakings by Council in the regular maintenance of Council facilities:

Rural Road Maintenance Grading Council's staff continually maintain the unsealed road network utilising rain events for moisture.

In the 2023-2024 year, the Construction Crew worked on the following projects:

- Regional Road Group
 - Construction and seal of Old Beverley Road (2km);
 - Reseal - Shackleton - Kellerberrin Road (3.0km); and
 - Reseal - Bruce Rock - Doodlakine Road (4.0km)
- Roads to Recovery
 - Construction and seal Totadgin Road (6.8km); and
 - Construction and seal Yarding/Ardath Road (1.2km)

Aerodrome

Reseal runway and line mark, new gable markers, upgrade Pilot Activated Lighting system.

Works on Turkey Nest and Small Town Dams funded by Community Water Projects Grants.

Town Crew

The Town Crew worked on the following projects:

- Footpath repairs;
- Storm water drainage repairs throughout town;
- Footpath construction - Footpath construction on Brownlie Street and Leever's Street; and
- General maintenance and gardening around the townsites.

Workshop

- The following plant and equipment were purchased throughout the year:

- BK1 (Chief Executive Officer's vehicle);
- BK010 (Mechanic's vehicle);
- BK05 (Recreation Manager Vehicle);
- BK025 Mack Truck; and
- Emulsion tank and equipment for the road patching crew.

Customer Works Request

Council aims to be responsive to ratepayer's requests for minor improvements and fault rectification. Requests vary dramatically and can be minor in nature from sweeping a path or an emergency with fallen trees to major road works/drainage which needs future budget funding. Unresolved issues are monitored until a satisfactory resolution has been reached.

Summary

The Department has achieved most of its goals within the 2023/2024 year, which has been made achievable by the employment of permanent works staff which in turn has helped achieve many of the tasks at hand



The Year Ahead 2024-25

The major sources of funding for the 2024-25 budget are:

- \$0.33 million from Federal Financial Assistance Grants. Council again received an advance payment of \$2.68 million in June 2024.
- \$1.87 million in rates.
- \$0.75 million from the Federal Government's Roads to Recovery Program.
- \$0.95 million for specific road and bridge funding through Main Roads and the WA Grants Commission.
- \$0.35 million for works on Regional Road Group projects.
- \$0.30 million for Town Hall, Caravan Park and Aquatics facilities upgrades.

Council's total operating expenditure will be \$9.75 million for the 2024/25 financial year. In addition to this, Council will have significant expenditure on capital works and purchases of \$6.45 million.

The 2024/25 budget continues to reference, where possible, the Strategic Community Plan and focuses on supporting local residents, businesses and economic groups through these trying economic times.

Council will continue to fund the maintenance of many of its buildings and community facilities. The following is an overview of expenditure on new projects and improvements.

- Turkey Nest and Square Dam – Community Water Project;
- Significant road works, bridge and culvert projects;
- Key large plant purchases including Sign Truck, Foreman's Ute's and Converter Dolly;
- Replacement of Administration vehicles; and

- Minor works to various public recreational and club sports facilities.

The safety and efficiency of the transport network throughout the Shire remains a priority and includes:

- Regional Road Group projects, including Bruce Rock – Narembeen Road, Old Beverley Road and Doodlakine – Bruce Rock Road;
- Roads to Recovery funded projects on Narembeen Cumminin Road Intersection, and Hines Hill Road;
- Replace bridges with culverts on Erikin North and Erikin South Roads, and other bridge works on Yarding – Ardath Road, Cukela Road, Narembeen Boundary Road, Zis Road and Bozanich Road;
- Footpath construction on Railway Parade, Butler Street and Butchers Street; and
- A Gravel Sheeting program.



Statutory Compliance

Disability Access and Inclusion Plan

The Disability Services Act 1993 was amended in December 2003, creating a requirement for public authorities to develop and implement Disability Access and Inclusion Plans (DAIPs).

The Disability Services Commission requires Local Governments to report on the seven outcomes relating to DAIPs to the public annually.

Outcome 1: People with disability have equal opportunities to access the services of, and any events organised by, a public authority.

The Shire seeks to continually adapt its existing services to give people with disabilities the same opportunities as other people to access the services of, and any events organised by the Shire.

Outcome 2: People with disability have equal opportunities to access buildings and other facilities of a public authority.

The Shire continues to make improvements to buildings and footpath infrastructure to assist with both wheelchair and gopher access.

Outcome 3: People with disability receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it.

People with disabilities can access information produced by the Shire of Bruce Rock in different formats. Anyone requiring a different format is encouraged to contact the Shire Office. The Shire also has a website that enables ease of access to public documents and other Council and Shire related information.

Outcome 4: People with disability receive the same level of service from the employees of a public authority as other people receive from the employees of that public authority.

Staff at the Shire of Bruce Rock are made aware that people with disabilities may have different needs. Staff are encouraged to ensure that people with disabilities receive the same level and quality of service as other people receive.

Outcome 5: People with disability have equal opportunities to make complaints to a public authority.

People with disabilities have the same opportunities as other people to make complaints to staff, which can be made via written letters, email, SMS or verbally.

Outcome 6: People with disability have equal opportunities to participate in any public consultation by a public authority.

The Shire provides many ways for people to participate in public consultation and is happy to discuss any grievances community members may have regarding the services available to people with disabilities.

Council has made the DAIP available on its website for the community to access.

Council consulted with all parts of the community when revising the Strategic Community Plan 2022-32.

Outcome 7: People with disability have equal opportunities to obtain and maintain employment with the Shire of Bruce Rock.

During the year, the Shire maintained its awareness of reducing barriers to employment for people with disability. A result of this is that the Shire has employed staff with disabilities.

Integrated Strategic Planning

The Shire's Strategic Community Plan 2022-32 was adopted during the 2022-23 financial year, following community consultation taking place.

The Strategic Community Plan identifies several strategic priorities for the Shire, as follows:

Community Priorities

- Our community is engaged and has a healthy lifestyle;
- Inclusive community activities, events, and initiatives;
- Shire facilities are maintained in a strategic manner to meet community need; and
- Support and emergency services planning, response, and recovery.

Economic Priorities

- Assist the local economy to grow;
- Roads are a key economic driver across the Shire;
- Workers and their families can work and reside in the Shire; and
- Tourism helps diversify our local economy.

Environmental Priorities

- Maintain a high standard of environmental health and waste services; and
- Conservation of our natural environment and resources.

Governance Priorities

- Our organisation is well positioned and has capacity for the future; and
- Shire communication is regular, clear and transparent.

Major initiatives undertaken during the 2023/24 financial year include the following:

- Implementation of the strategic planning, asset management, workforce plan and other integrated strategic plans;

- Work towards solutions on the current shortage of long and short-term accommodation within Bruce Rock; and
- Continue to investigate options regarding the demand and requirements to further develop facilities for retirees, the aged and frail aged people.

Copies of the Strategic Community Plan are available from the Shire Office or can be downloaded from the Shire's website at www.bruce-rock.wa.gov.au.

National Competition Policy

National Competition Policy (NCP) is designed to enhance the efficiency and effectiveness of public sector agencies and to lead to more efficient use of all economic resources. There are a number of specific requirements placed on Local Governments in the areas of competitive neutrality, legislation review and structural reform. Each Local Government is required to report its progress in achieving NCP reforms in its annual report.

In respect to Council's responsibility in relation to the NCP, the Shire reports as follows:

- No business enterprise of the Shire has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or a Public Financial Enterprise;
- Competitive neutrality has not been applied to any activities undertaken by the Shire in this reporting period;
- No allegations of non-compliance with the competitive neutrality principles have been made by any private enterprise; and
- The principles of competitive neutrality were implemented in respect of any relevant activities undertaken during the 2023/2024 year.

A further requirement of the NCP is that all Council Local Laws are reviewed every eight years to determine whether they are in conflict with competitive neutrality and comply with the Local Government Act 1995.

State Recordkeeping Act

Under Principle 6 of SRC Standard 2: Recordkeeping Plans, the Shire of Bruce Rock is required to address the following points in relation to records management in its Annual Report.

Evaluation of Recordkeeping Systems

The Shire of Bruce Rock carried out a review of its Recordkeeping Plan in 2018, with amendments finalised in 2019. The Shire was scheduled to conduct a review of its Recordkeeping Plan in 2023. However, this work was not completed due to resource constraints. The review is scheduled to be completed by December 2024.

Recordkeeping Training Program

During 2023/24, administration staff underwent training on the use of the Shire's recordkeeping system (Altus). The training was delivered by Readytech.

Evaluation of Recordkeeping Training Program

The Shire was unable to conduct an evaluation of its recordkeeping training program due to resource constraints.

Recordkeeping Induction Program

The Shire will be incorporating record management into its induction program during the 2024/25 financial year.

Public Interest Disclosures

The Public Interest Disclosure Act 2003 facilitates the disclosure of public interest information, and provides for the protection of those making such disclosures and those who are subject of

the disclosures. The Act provides a system for the matters disclosed to be investigated and for appropriate action to be taken.

The Shire of Bruce Rock had no Public Interest Disclosures during the reporting period 2022-23.

Freedom Of Information

Part 5 of the Freedom of Information Act 1992 requires an agency, such as a Local Government, to prepare and publish an Information Statement.

The Shire of Bruce Rock updated its Information Statement during 2023-24. The document can be inspected via the Shire's website or by contacting the Shire Office.

The Shire of Bruce Rock did not receive any applications under the Freedom of Information Act 1992 during 2023-24.

Register Of Certain Complaints for Minor Breaches

Under section 5.121 of the Local Government Act 1995, a Local Government is required to maintain a Register of Complaints. No complaints were received during the 2023-24 financial year.

Payments Order by The Local Government Standards Panel

Regulation 19B of the Local Government (Administration) Regulations 1996 requires a Local Government to report any amount ordered under section 5.110(6)(b)(iv) to be paid by a person against whom a complaint was made under sections 5.107(1), 5.109(1) or 5.114(1) to the Local Government during the financial year. The amount ordered this financial year was \$0.

Remuneration And Allowances Paid to the Local Government Standards Panel

For the 2023-24 financial year, the amount the Shire paid in sitting fees to the Standards Panel was \$0.

Employee Payments

Regulation 19B of the Local Government (Administration) Regulations 1996 requires the following to be reported;

- The number of employees of the Local Government entitled to an annual salary of \$130,000 or more; and
- The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$130,000.

The Shire of Bruce Rock has one employee entitled to an annual cash salary \$130,000 or more:

\$150,000 - \$159,999	1
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CEO remuneration *	\$222,200
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* (This includes cash and non-cash benefits)



Elected Member Information

Regulation 19B of the Local Government (Administration) Regulations 1996 requires the age and gender of elected members to be reported.

Gender of Members	Number
Female	3
Male	7

Age of Members	Number
18 years to 24 years	0
25 years to 34 years	0
35 years to 44 years	2
45 years to 54 years	2
55 years to 64 years	4
over the age of 64 years	2

It is not known how many elected members identified as Aboriginal or Torres Strait Islander, or their country of birth or linguistic background.

Attendance At Council Meetings

Attendance of Elected Members at Council and Committee meetings is detailed in the following tables. The tables reflect meetings held while each Elected Members were in office.

Elected Members	Ordinary Council Meetings				Special Council Meetings	
	Held	Attended	Apologies	Approved Leave	Held	Attended
Cr Stephen STRANGE	11	10	1	0	4	3
Cr Tony CROOKS	11	9	1	1	4	3
Cr Kevin FOSS	11	11	0	0	4	4
Cr Perry HODGKISS	11	7	0	0	4	3
Cr Natalie KILMINSTER	11	4	0	1	4	1
Cr Phillip NEGRI	11	5	0	0	4	1
Cr Ram RAJAGOPALAN	11	11	0	0	4	4
Cr Jennifer VERHOOGT	11	9	1	1	4	3
Cr Brendan WRIGHT	11	8	1	2	4	4
Cr Rebecca WAYE	11	4	0	1	4	1

Elected Members	Audit and Risk Committee			Works and Services Committee		
	Held	Attended	Apologies/ Leave of absence	Held	Attended	Apologies/ Leave of absence
Cr Stephen STRANGE	5	3	1	3	2	1
Cr Tony CROOKS	5	3	1	3	3	0
Cr Kevin FOSS	5	2	0	3	3	0
Cr Perry HODGKISS	N/A	N/A	N/A	3	1	0
Cr Natalie KILMINSTER	5	2	0	N/A	N/A	N/A
Cr Phillip NEGRI	5	2	0	N/A	N/A	N/A
Cr Ram RAJAGOPALAN	5	5	0	N/A	N/A	N/A
Cr Jennifer VERHOOGT	5	4	0	N/A	N/A	N/A
Cr Brendan WRIGHT	5	2	0	3	2	1
Cr Rebecca WAYE	5	1	1	N/A	N/A	N/A





Audited Financial Statements and Auditor's Opinion

SHIRE OF BRUCE ROCK
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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

The Shire of Bruce Rock "Leads the Way" by maintaining and enhancing the lifestyles, and increasing business and employment opportunities in an environmentally sustainable way.

Principal place of business:
54 Johnson St
Bruce Rock

**SHIRE OF BRUCE ROCK
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 Bruce Rock 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

19th December 2024



CEO

Mark Furr

Name of CEO



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

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),24	1,807,341	1,854,717	1,710,844
Grants, subsidies and contributions	2(a)	3,282,580	3,748,102	4,317,536
Fees and charges	2(a)	1,316,272	1,789,820	2,243,546
Interest revenue	2(a)	91,566	125,038	88,637
Other revenue	2(a)	96,840	32,268	39,232
		6,594,599	7,549,945	8,399,795
Expenses				
Employee costs	2(b)	(3,112,474)	(3,377,016)	(2,846,591)
Materials and contracts		(2,530,225)	(2,686,606)	(2,714,620)
Utility charges		(315,818)	(283,012)	(293,020)
Depreciation		(3,576,428)	(3,768,270)	(3,555,904)
Finance costs		(113,535)	(98,919)	(23,521)
Insurance		(225,838)	(273,597)	(251,913)
Other expenditure	2(b)	(104,555)	(228,974)	(332,230)
		(9,978,873)	(10,716,394)	(10,017,799)
		(3,384,274)	(3,166,449)	(1,618,004)
Capital grants, subsidies and contributions	2(a)	2,119,865	4,945,902	3,024,583
Profit on asset disposals		49,965	0	14,027
Loss on asset disposals		(9,919)	(112,201)	(68,066)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,681	0	3,686
Loss on revaluation of land and buildings	8(a)	0	(185,000)	0
Loss on revaluation of Infrastructure - roads	9(a)	0	(1,200,000)	0
Loss on revaluation of Infrastructure - carparks	9(a)	(66,528)	0	0
		2,095,064	3,448,701	2,974,230
Net result for the period		(1,289,210)	282,252	1,356,226
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	139,231,747	5,000,000	0
Total other comprehensive income for the period	16	139,231,747	5,000,000	0
Total comprehensive income for the period		137,942,537	5,282,252	1,356,226

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



SHIRE OF BRUCE ROCK
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	NOTE	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	3	2,977,074	5,701,071
Trade and other receivables	5	191,002	197,893
Other financial assets	4(a)	754,669	843,728
Inventories	6	38,308	117,285
Other assets	7	893,407	628,546
TOTAL CURRENT ASSETS		4,854,460	7,488,523
NON-CURRENT ASSETS			
Trade and other receivables	5	21,464	23,625
Other financial assets	4(b)	83,171	81,490
Property, plant and equipment	8	73,280,957	35,010,091
Infrastructure	9	157,205,375	54,333,095
Right-of-use assets	11(a)	27,528	9,510
TOTAL NON-CURRENT ASSETS		230,618,495	89,457,811
TOTAL ASSETS		235,472,955	96,946,334
CURRENT LIABILITIES			
Trade and other payables	12	960,983	319,771
Other liabilities	13	67,911	78,911
Lease liabilities	11(b)	6,640	2,915
Borrowings	14	96,312	92,870
Employee related provisions	15	411,649	371,811
TOTAL CURRENT LIABILITIES		1,543,495	866,278
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	20,828	8,571
Borrowings	14	2,105,414	2,201,726
Employee related provisions	15	43,002	52,080
TOTAL NON-CURRENT LIABILITIES		2,169,244	2,262,377
TOTAL LIABILITIES		3,712,739	3,128,655
NET ASSETS		231,760,216	93,817,679
EQUITY			
Retained surplus		27,815,557	29,228,871
Reserve accounts	27	967,831	843,727
Revaluation surplus	16	202,976,828	63,745,081
TOTAL EQUITY		231,760,216	93,817,679

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



SHIRE OF BRUCE ROCK
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2022		27,052,589	1,663,783	63,745,081	92,461,453
Comprehensive income for the period					
Net result for the period		1,356,226	0	0	1,356,226
Total comprehensive income for the period		1,356,226	0	0	1,356,226
Transfers from reserve accounts	27	1,494,202	(1,494,202)	0	0
Transfers to reserve accounts	27	(674,146)	674,146	0	0
Balance as at 30 June 2023		29,228,871	843,727	63,745,081	93,817,679
Comprehensive income for the period					
Net result for the period		(1,289,210)	0	0	(1,289,210)
Other comprehensive income for the period	16	0	0	139,231,747	139,231,747
Total comprehensive income for the period		(1,289,210)	0	139,231,747	137,942,537
Transfers from reserve accounts	27	51,729	(51,729)	0	0
Transfers to reserve accounts	27	(175,833)	175,833	0	0
Balance as at 30 June 2024		27,815,557	967,831	202,976,828	231,760,216

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



**SHIRE OF BRUCE ROCK
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		1,821,293	1,696,420
Grants, subsidies and contributions		3,242,436	4,646,734
Fees and charges		1,318,751	2,225,838
Interest revenue		91,566	88,637
Goods and services tax received		149,205	615,085
Other revenue		96,840	39,232
		6,720,091	9,311,946
Payments			
Employee costs		(3,118,040)	(2,905,629)
Materials and contracts		(2,045,054)	(3,825,024)
Utility charges		(315,818)	(293,020)
Finance costs		(109,371)	(23,521)
Insurance paid		(225,838)	(251,913)
Goods and services tax paid		(117,274)	(603,896)
Other expenditure		(101,402)	(351,237)
		(6,032,797)	(8,254,240)
Net cash provided by operating activities		687,294	1,057,706
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(4,208,613)	(3,186,820)
Payments for construction of infrastructure	9(a)	(1,596,803)	(1,547,872)
Capital grants, subsidies and contributions		2,108,865	1,851,897
Proceeds for financial assets at amortised cost		89,059	2,820,055
Proceeds from sale of property, plant & equipment		293,248	285,031
Net cash used in investing activities		(3,314,244)	222,291
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	26(a)	(92,870)	(26,185)
Payments for principal portion of lease liabilities	26(c)	(4,177)	(3,014)
Proceeds from new borrowings	26(a)	0	2,100,000
Net cash provided by (used in) financing activities		(97,047)	2,070,801
Net decrease in cash held		(2,723,997)	3,350,798
Cash at beginning of year		5,701,071	2,350,273
Cash and cash equivalents at the end of the year		2,977,074	5,701,071

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



SHIRE OF BRUCE ROCK
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	24	1,781,478	1,828,854	1,694,053
Rates excluding general rates	24	25,863	25,863	16,791
Grants, subsidies and contributions		3,282,580	3,748,102	4,317,536
Fees and charges		1,316,272	1,789,820	2,243,546
Interest revenue		91,566	125,038	88,637
Other revenue		96,840	32,268	39,232
Profit on asset disposals		49,965	0	14,027
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,681	0	3,686
		6,646,245	7,549,945	8,417,508
Expenditure from operating activities				
Employee costs		(3,112,474)	(3,377,016)	(2,846,591)
Materials and contracts		(2,530,225)	(2,686,606)	(2,714,620)
Utility charges		(315,818)	(283,012)	(293,020)
Depreciation		(3,576,428)	(3,768,270)	(3,555,904)
Finance costs		(113,535)	(98,919)	(23,521)
Insurance		(225,838)	(273,597)	(251,913)
Other expenditure		(104,555)	(228,974)	(332,230)
Loss on asset disposals		(9,919)	(112,201)	(68,066)
Loss on revaluation of non-current assets		(66,528)	(1,385,000)	0
		(10,055,320)	(12,213,595)	(10,085,865)
Non cash amounts excluded from operating activities	25(a)	3,598,545	5,265,820	3,595,462
Amount attributable to operating activities		189,470	602,170	1,927,105
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		2,119,865	4,945,902	3,024,583
Proceeds from disposal of assets		293,248	176,500	285,031
		2,413,113	5,122,402	3,309,614
Outflows from investing activities				
Right of use assets received - non cash	11(a)	(20,159)		0
Purchase of property, plant and equipment	8(a)	(4,208,613)	(4,814,051)	(3,186,820)
Purchase and construction of infrastructure	9(a)	(1,596,803)	(4,787,392)	(1,547,872)
		(5,825,575)	(9,601,443)	(4,734,692)
Non-cash amounts excluded from investing activities	25(b)	20,159	0	0
Amount attributable to investing activities		(3,392,303)	(4,479,041)	(1,425,078)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	26(a)	0	0	2,100,000
Proceeds from new leases - non cash	26(c)	20,159	0	0
Transfers from reserve accounts	27	51,729	50,000	1,494,202
		71,888	50,000	3,594,202
Outflows from financing activities				
Repayment of borrowings	26(a)	(92,870)	(117,401)	(26,185)
Payments for principal portion of lease liabilities	26(c)	(4,177)	(5,637)	(3,014)
Transfers to reserve accounts	27	(175,833)	(133,806)	(674,146)
		(272,880)	(256,844)	(703,345)
Non-cash amounts excluded from financing activities	25(c)	(20,159)	0	0
Amount attributable to financing activities		(221,151)	(206,844)	2,890,857
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	25(d)	5,996,096	4,083,715	2,603,212
Amount attributable to operating activities		189,470	602,170	1,927,105
Amount attributable to investing activities		(3,392,303)	(4,479,041)	(1,425,078)
Amount attributable to financing activities		(221,151)	(206,844)	2,890,857
Surplus or deficit after imposition of general rates	25(d)	2,572,112	0	5,996,096

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



**SHIRE OF BRUCE ROCK
FOR THE YEAR ENDED 30 JUNE 2024
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SHIRE OF BRUCE ROCK

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

Local Government Act 1995 requirements

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

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

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

The Local Government (Financial Management) Regulations 1996 provide

- land and buildings classified as property, plant and equipment; or
- infrastructure; or
- vested improvements that the local government controls;

and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 Property, Plant and Equipment, which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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

Critical accounting estimates and judgements

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

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

Critical accounting estimates and judgements (continued)

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 the 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
 - Impairment losses of non-financial assets - note 8 and 9

Fair value heirarchy information can be found in note 23

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.

Initial application of accounting standards

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

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

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

New accounting standards for application in future years

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

- AASB 2014-10 *Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current*
- AASB 2021-7c *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- AASB 2022-5 *Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*

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

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

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

- AASB 2023-1 *Amendments to Australian Accounting Standards - Supplier Finance Arrangements*
- These amendments may result in additional disclosures in the case of applicable finance arrangements.

SHIRE OF BRUCE ROCK
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	1,807,341	0	1,807,341
Grants, subsidies and contributions	3,282,580	0	0	0	3,282,580
Fees and charges	397,239	0	162,496	756,537	1,316,272
Interest revenue	0	0	5,300	86,266	91,566
Other revenue	0	0	0	96,840	96,840
Capital grants, subsidies and contributions	0	2,119,865	0	0	2,119,865
Total	3,679,819	2,119,865	1,975,137	939,643	8,714,464

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,710,844	0	1,710,844
Grants, subsidies and contributions	4,317,536	0	0	0	4,317,536
Fees and charges	2,219,064	0	24,482	0	2,243,546
Interest revenue	0	0	5,557	83,080	88,637
Other revenue	0	0	0	39,232	39,232
Capital grants, subsidies and contributions	0	3,024,583	0	0	3,024,583
Total	6,536,600	3,024,583	1,740,883	122,312	11,424,378

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2024 Actual \$	2023 Actual \$
Interest revenue		
Interest on reserve account	33,138	32,195
Trade and other receivables overdue interest	5,300	5,557
Other interest revenue	53,128	50,885
	91,566	88,637

The 2024 original budget estimate in relation to:
Trade and other receivables overdue interest was \$5,500.

Fees and charges relating to rates receivable

Charges on instalment plan	1,638	1,330
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The 2024 original budget estimate in relation to:
Charges on instalment plan was \$1,500.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report	33,090	33,600
- Other services – grant acquittals	6,000	2,300
- Other services - FM Regulations review	0	3,540
	39,090	39,440

Employee Costs

Employee benefit costs	3,048,792	2,431,925
Other employee costs	63,682	414,666
	3,112,474	2,846,591

Other expenditure

Impairment losses on rates and statutory receivables	751	1,299
Impairment losses on trade receivables	3,153	(19,007)
Sundry expenses	100,651	349,938
	104,555	332,230

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

3. CASH AND CASH EQUIVALENTS

Note	2024	2023
	\$	\$
Cash at bank and on hand	2,763,912	5,701,071
Term deposits	213,162	0
Total cash and cash equivalents	2,977,074	5,701,071
Held as		
- Unrestricted cash and cash equivalents	2,695,021	3,652,676
- Restricted cash and cash equivalents	282,053	2,048,395
	2,977,074	5,701,071

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

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

Held as

- Restricted other financial assets at amortised cost

(b) Non-current assets

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance

Movement attributable to fair value increment

Units in Local Government House Trust - closing balance

Note	2024	2023
	\$	\$
	754,669	843,728
	754,669	843,728
	754,669	843,728
	754,669	843,728
	754,669	843,728
	754,669	843,728
	83,171	81,490
	83,171	81,490
	81,490	77,804
	1,681	3,686
	83,171	81,490

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 26(a) as self supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 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 BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

5. TRADE AND OTHER RECEIVABLES

Note	2024	2023
	\$	\$
Current		
Rates and statutory receivables	55,852	69,603
Trade receivables	137,028	95,758
GST receivable	12,573	44,504
Allowance for credit losses of rates and statutory receivables	(5,523)	(6,197)
Allowance for credit losses of trade receivables	(8,928)	(5,775)
	191,002	197,893
Non-current		
Rates and statutory receivables	18,328	16,210
Receivables for employee related provisions	3,136	7,415
	21,464	23,625

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
	\$	\$	\$
Contract assets	7	874,718	616,490
Allowance for credit losses of trade receivables	5	(8,928)	(5,775)
Total trade and other receivables from contracts with customers		865,790	610,715
			106,813

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 BRUCE ROCK
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		38,308	29,874
Supermarket stock		0	87,411
		38,308	117,285
The following movements in inventories occurred during the year:			
Balance at beginning of year		117,285	110,382
Inventories expensed during the year		(375,156)	(1,451,591)
Additions to inventory		296,179	1,458,494
Balance at end of year		38,308	117,285

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

7. OTHER ASSETS

	2024	2023
	\$	\$
Other assets - current		
Prepayments	4,864	0
Accrued income	13,825	12,056
Contract assets	874,718	616,490
	893,407	628,546

Contract assets

The Shire's contract assets represent work completed, which have not been invoiced at year end. This is due to the Shire not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The Shire applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Shire has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Impairment of assets associated with contracts with customers are detailed at Note 2(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 BRUCE ROCK
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			Assets subject to operating lease			Total Property					Plant and equipment		Total property, plant and equipment
	Land	Buildings - non-specialised	Buildings - specialised	Land	Buildings - non-specialised	Buildings - specialised	Land	Buildings - non-specialised	Buildings - specialised	Work in progress	Total Property	Furniture and equipment	Plant and equipment	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	1,421,000	0	27,017,195	36,000	0	876,544	1,457,000	0	27,893,739	0	29,350,739	236,380	3,413,213	33,000,332
Additions	0	0	1,776,990	0	0	0	0	0	1,776,990	0	1,776,990	76,639	1,333,191	3,186,820
Disposals	(11,000)	0	0				(11,000)	0	0	0	(11,000)	0	(328,070)	(339,070)
Depreciation	0	0	(539,466)	0	0	(13,456)	0	0	(552,922)	0	(552,922)	(21,745)	(263,324)	(837,991)
Balance at 30 June 2023	1,410,000	0	28,254,719	36,000	0	863,088	1,446,000	0	29,117,807	0	30,563,807	291,274	4,155,010	35,010,091
Comprises:														
Gross balance amount at 30 June 2023	1,410,000	0	29,305,759	36,000	0	890,000	1,446,000	0	30,195,759	0	31,641,759	340,379	4,777,600	36,759,738
Accumulated depreciation at 30 June 2023	0	0	(1,051,040)	0	0	(26,912)	0	0	(1,077,952)	0	(1,077,952)	(49,105)	(622,590)	(1,749,647)
Balance at 30 June 2023	1,410,000	0	28,254,719	36,000	0	863,088	1,446,000	0	29,117,807	0	30,563,807	291,274	4,155,010	35,010,091
Additions	0	0	3,242,391	0	0	0	0	0	3,242,391	51,429	3,293,820	11,126	903,667	4,208,613
Disposals	0	0	0	0	0	0	0	0	0	0	0	0	(253,202)	(253,202)
Revaluation increments / (decrements) transferred to revaluation surplus	322,000	595,232	34,543,515	19,000	96,367	(346,388)	341,000	691,599	34,197,127	0	35,229,726	0	0	35,229,726
Depreciation	0	(218,093)	(317,760)	0	(13,456)	(4,173)	0	(231,549)	(321,933)	0	(553,482)	(35,869)	(331,990)	(921,341)
Transfers	(23,000)	4,022,861	(8,909,108)	23,000	863,089	4,154,441	0	4,885,950	(4,754,667)	6,430	137,713	0	(130,643)	7,070
Balance at 30 June 2024	1,709,000	4,400,000	56,813,757	78,000	946,000	4,666,968	1,787,000	5,346,000	61,480,725	57,859	68,671,584	266,531	4,342,842	73,280,957
Comprises:														
Gross balance amount at 30 June 2024	1,709,000	4,400,000	56,813,757	78,000	946,000	4,666,968	1,787,000	5,346,000	61,480,725	57,859	68,671,584	351,505	5,297,422	74,320,511
Accumulated depreciation at 30 June 2024	0	0	0	0	0	0	0	0	0	0	0	(84,974)	(954,580)	(1,039,554)
Balance at 30 June 2024	1,709,000	4,400,000	56,813,757	78,000	946,000	4,666,968	1,787,000	5,346,000	61,480,725	57,859	68,671,584	266,531	4,342,842	73,280,957

SHIRE OF BRUCE ROCK
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 for similar properties/income approach using discounted cashflow methodology	Independent registered valuers	June 2024	Price per hectare/ market borrowing rate
Buildings - specialised	3	Market approach using recent observable market data for similar properties/income approach using discounted cashflow methodology	Independent registered valuers	June 2024	Construction costs (level 2) and current condition (level 3), residential values and remaining useful life assessments (level 3) inputs
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.					
(ii) Cost					
Furniture and equipment		N/A	Cost	Not applicable	N/A
Plant and equipment		N/A	Cost	Not applicable	N/A

SHIRE OF BRUCE ROCK
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 - bridges	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - other	Infrastructure - airstrip	Infrastructure - carparks	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	41,310,214	10,846,228	737,029	1,691,449	342,073	227,753	344,113	55,498,859
Additions	1,200,032	298,422	42,988	0	6,430	0	0	1,547,872
Depreciation	(2,263,432)	(244,883)	(25,140)	(42,727)	(33,348)	(93,334)	(10,772)	(2,713,636)
Balance at 30 June 2023	40,246,814	10,899,767	754,877	1,648,722	315,155	134,419	333,341	54,333,095
Comprises:								
Gross balance at 30 June 2023	49,128,284	11,624,912	828,344	1,762,414	421,178	414,419	363,077	64,542,628
Accumulated depreciation at 30 June 2023	(8,881,470)	(725,145)	(73,467)	(113,692)	(106,023)	(280,000)	(29,736)	(10,209,533)
Balance at 30 June 2023	40,246,814	10,899,767	754,877	1,648,722	315,155	134,419	333,341	54,333,095
Additions	1,174,470	0	130,290	51,159	240,884	0	0	1,596,803
Revaluation increments / (decrements) transferred to revaluation surplus	68,828,694	24,852,730	240,804	5,449,214	3,728,430	1,158,182	(256,033)	104,002,021
Impairment (losses) / reversals *	0	0	0	0	0	0	(66,528)	(66,528)
Depreciation	(2,288,868)	(251,032)	(26,308)	(42,612)	(33,346)	0	(10,780)	(2,652,946)
Transfers	0	0	0	0	(225,787)	218,717	0	(7,070)
Balance at 30 June 2024	107,961,110	35,501,465	1,099,663	7,106,483	4,025,336	1,511,318	0	157,205,375
Comprises:								
Gross balance at 30 June 2024	160,039,637	57,601,558	1,530,788	8,659,143	5,988,606	2,141,581	107,044	236,068,357
Accumulated depreciation at 30 June 2024	(52,078,527)	(22,100,093)	(431,125)	(1,552,660)	(1,963,270)	(630,263)	(40,516)	(78,796,454)
Accumulated impairment loss at 30 June 2024	0	0	0	0	0	0	(66,528)	(66,528)
Balance at 30 June 2024	107,961,110	35,501,465	1,099,663	7,106,483	4,025,336	1,511,318	0	157,205,375

SHIRE OF BRUCE ROCK
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 valuation	June 2024	Construction costs (level 2) and current condition (level 3), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - bridges	3	Cost approach using depreciated replacement cost	Independent valuation	June 2024	Construction costs (level 2) and current condition (level 3), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - footpaths	3	Cost approach using depreciated replacement cost	Independent valuation	June 2024	Construction costs (level 2) and current condition (level 3), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - drainage	3	Cost approach using depreciated replacement cost	Independent valuation	June 2024	Construction costs (level 2) and current condition (level 3), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - other	3	Cost approach using depreciated replacement cost	Independent valuation	June 2024	Construction costs (level 2) and current condition (level 3), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - airstrip	3	Cost approach using depreciated replacement cost	Independent valuation	June 2024	Construction costs (level 2) and current condition (level 3), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - carparks	3	Cost approach using depreciated replacement cost	Independent valuation	June 2024	Construction costs (level 2) and current condition (level 3), residual values and remaining useful life assessments (level 3) 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.

The Shire of Bruce Rock's roads, drainage and footpaths infrastructure assets were independently revalued by an external valuer as at 30 June 2024 in line with AASB 13 Fair Value Measurement and Regulation 17A(4)(b) of the Local Government (Financial Management) Regulations 1996. The revaluation resulted in a material increment in the fair value of these assets, primarily driven by a revision in the methodology used by the valuer as well as increases in unit replacement cost rates over the 5-year period since the last valuation in June 2019.

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

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset Class	Useful life
Buildings	5 to 50 years
Furniture and equipment	4 to 20 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	20 to 50 years
seal	
- bituminous seals	20 to 50 years
- asphalt surfaces	20 to 50 years
Gravel roads	
formation	not depreciated
pavement	10 years
Bridges	40 to 80 years
Footpaths	30 to 65 years
Drainage	10 to 80 years
Other Infrastructure	10 to 80 years
Airstrip	5 to 50 years
Carparks	10 to 50 years
Right of use (land)	Based on the remaining lease

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

11. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.

	Note	Right-of-use assets - land \$	Right-of-use assets - plant and equipment \$	Right-of-use assets Total \$
Balance at 1 July 2022		13,787	0	13,787
Depreciation		(4,277)		(4,277)
Balance at 30 June 2023		9,510	0	9,510
Gross balance amount at 30 June 2023		25,795		25,795
Accumulated depreciation at 30 June 2023		(16,285)		(16,285)
Balance at 30 June 2023		9,510	0	9,510
Additions		0	20,159	20,159
Depreciation		(1,638)	(503)	(2,141)
Balance at 30 June 2024		7,872	19,656	27,528
Gross balance amount at 30 June 2024		9,510	20,159	29,669
Accumulated depreciation at 30 June 2024		(1,638)	(503)	(2,141)
Balance at 30 June 2024		7,872	19,656	27,528

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

		2024 Actual \$	2023 Actual \$
Depreciation on right-of-use assets		(2,141)	(4,277)
Finance charge on lease liabilities	26(c)	(824)	(462)
Total amount recognised in the statement of comprehensive income		(2,965)	(4,739)
Total cash outflow from leases		(5,001)	(3,476)

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

11. LEASES (Continued)

	2024 Actual	2023 Actual
	\$	\$
(b) Lease Liabilities		
Current	6,640	2,915
Non-current	20,828	8,571
26(c)	<u>27,468</u>	<u>11,486</u>

Secured liabilities and assets pledged as security

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

MATERIAL ACCOUNTING POLICIES

Leases

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

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

All contracts that are classified as short-term leases (i.e. a lease with a term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Details of individual lease liabilities required by regulations are provided at Note 26(c).

Right-of-use assets - measurement

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 10 under revaluation for details on the material accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

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

11. LEASES (Continued)

(c) Lessor - Property, Plant and Equipment Subject to Lease

The 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

	2024 Actual	2023 Actual
	\$	\$
	135,040	61,840
	110,240	58,240
	109,440	38,240
	109,440	37,440
	38,563	37,440
	0	12,240
	502,723	245,440
Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease		
Rental income	126,442	78,979

Residential properties are leased to GROH (Government Regional Officers Housing) under long-term leases with rentals payable monthly. Minimum lease payments receivable on leases of residential properties are detailed above.

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

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

MATERIAL ACCOUNTING POLICIES

The Shire as Lessor

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

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

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

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

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

12. TRADE AND OTHER PAYABLES

Current

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

2024	2023
\$	\$
793,309	136,603
12,537	10,218
114,924	95,954
0	55,296
980	2,848
23,016	18,852
16,217	0
960,983	319,771

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.

13. OTHER LIABILITIES

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.

Capital grant/contribution liabilities

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 own credit risk.

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

14. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		96,312	2,105,414	2,201,726	92,870	2,201,726	2,294,596
Total secured borrowings	26(a)	96,312	2,105,414	2,201,726	92,870	2,201,726	2,294,596

Secured liabilities and assets pledged as security

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

The Shire of Bruce Rock has complied with the financial covenants of its borrowing facilities during the 2024 and 2023 years.

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

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

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

Risk

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

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

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Employee related other provisions

Employment on-costs

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Employee related other provisions

Employment on-costs

Total non-current employee related provisions

Total employee related provisions

	2024	2023
	\$	\$
Annual leave	179,403	214,347
Long service leave	176,032	111,803
	355,435	326,150
Employment on-costs	56,214	45,661
	56,214	45,661
	411,649	371,811
Long service leave	39,678	46,170
	39,678	46,170
Employment on-costs	3,324	5,910
	3,324	5,910
	43,002	52,080
	454,651	423,891

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

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

MATERIAL ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

SHIRE OF BRUCE ROCK
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	2023 Closing Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	1,410,930	341,000	1,751,930	1,410,930	1,410,930
Revaluation surplus - Buildings	23,000,386	34,888,726	57,889,112	23,000,386	23,000,386
Revaluation surplus - Furniture and equipment	84,064	0	84,064	84,064	84,064
Revaluation surplus - Plant and equipment	1,057,395	0	1,057,395	1,057,395	1,057,395
Revaluation surplus - Infrastructure - roads	25,637,680	68,828,694	94,466,374	25,637,680	25,637,680
Revaluation surplus - Infrastructure - bridges	10,512,101	24,852,730	35,364,831	10,512,101	10,512,101
Revaluation surplus - Infrastructure - footpaths	248,629	240,804	489,433	248,629	248,629
Revaluation surplus - Infrastructure - drainage	1,516,982	5,449,214	6,966,196	1,516,982	1,516,982
Revaluation surplus - Infrastructure - other	20,881	3,728,430	3,749,311	20,881	20,881
Revaluation surplus - Infrastructure - airstrip	0	1,158,182	1,158,182	0	0
Revaluation surplus - Infrastructure - carparks	256,033	(256,033)	0	256,033	256,033
	63,745,081	139,231,747	202,976,828	63,745,081	63,745,081

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

17. RESTRICTIONS OVER FINANCIAL ASSETS

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

- Cash and cash equivalents	3	282,053	2,048,395
- Financial assets at amortised cost	4	754,669	843,728
		1,036,722	2,892,123

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

Restricted reserve accounts	27	967,831	843,727
Capital grant liabilities	13	67,911	78,911
Bonds and deposits held	12	980	2,848
Unspent loans	26(b)	0	1,966,637
Total restricted financial assets		1,036,722	2,892,123

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

Bank guarantee (Cash backed)		0	50,000
Bank overdraft at balance date		0	0
Credit card limit		5,000	5,000
Credit card balance at balance date		(1,608)	(126)
Total amount of credit unused		3,392	54,874

Loan facilities

Loan facilities - current	14	96,312	92,870
Loan facilities - non-current	14	2,105,414	2,201,726
Total facilities in use at balance date		2,201,726	2,294,596

Unused loan facilities at balance date		0	1,966,637
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SHIRE OF BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

19. CONTINGENT LIABILITIES

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

i. Belka - Reserve 20196 (Lot 25322 on Plan 154374) and corresponding Road Reserve
 As per Department of Water and Environment Regulation (DWER), notification these sites were contaminated and have been remediated such that is suitable for the current land use, but may not be suitable for a more sensitive land use. Therefore, DWER has classified these sites as 'remediated for restricted use'.

ii. Shackleton - Lot 424 - Old Rubbish Tip Site
 As per DWER notification, the site was historically used as a rubbish disposal facility for an unknown period of time. This is a land use that has the potential to cause contamination.

As the site has not been investigated, a comment cannot be made on the suitability of the site as a whole for any land use. The site is classified by DWER as 'possibly contaminated - investigation required'. However DWER have confirmed that investigation is only required if the land is to be sold, exit the site or development for a more sensitive land use.

20. CAPITAL COMMITMENTS

Contracted for:

- capital expenditure projects - Airport Runway
- plant & equipment purchases - Fuso Patching Truck

Payable:

- not later than one year

2024	2023
\$	\$
19,290	0
151,928	75,343
171,218	75,343
171,218	75,343

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

21. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
President's annual allowance	14,098	14,576	14,494
President's meeting attendance fees	8,674	8,524	7,357
President's annual allowance for ICT expenses	518	518	518
President's travel and accommodation expenses	167	1,448	613
	23,457	25,066	22,982
All other council member's meeting attendance fees	3,284	3,348	4,513
All other council member's annual allowance for ICT expenses	3,624	1,554	1,554
All other council member's travel and accommodation expenses	554	0	0
	7,462	4,902	6,067
21(b)	30,919	29,968	29,049

(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	628,982	593,733
Post-employment benefits	76,121	90,694
Employee - other long-term benefits	12,848	8,600
Employee - termination benefits	10,020	
Council member costs	30,919	29,049
21(a)	758,890	722,076

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

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:

	2024 Actual	2023 Actual
	\$	\$
Sale of goods and services	27,655	23,820
Purchase of goods and services	144,747	170,718
Short term employee benefits - other related parties		217,111
Payment of council member costs (Refer to Note 21(a))	30,919	29,049
Amounts outstanding from related parties:		
Trade and other receivables	1,524	787
Amounts payable to related parties:		
Trade and other payables	1,567	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 Shire, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 21(a) and 21(b).

ii. Other Related Parties

Outside of normal citizen type transactions with the Shire, there 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 BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Shire does not have any subsequent events after balance sheet date.

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

23. 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 BRUCE ROCK
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

24. RATING INFORMATION

(a) General Rates

		Rate in \$	Number of Properties	2023/24 Actual Rateable Value*	2023/24 Actual Rate Revenue	2023/24 Actual Interim Rates	2023/24 Actual Total Revenue	2023/24 Budget Rate Revenue	2023/24 Budget Interim Rate	2023/24 Budget Total Revenue	2022/23 Actual Total Revenue
RATE TYPE	Basis of valuation			\$	\$	\$	\$	\$	\$	\$	\$
Rate Description											
Gross rental valuations (GRV)	Gross rental valuation	0.083	212	1,992,319	165,362	185	165,547	165,363		165,363	156,564
Unimproved valuations (UV)	Unimproved valuation	0.0083	327	187,029,000	1,552,341	635	1,552,976	1,553,345		1,553,345	1,490,947
Mining tenements (UV)	Unimproved valuation	0.0083	1	71,937	597	(2,216)	(1,619)	1,563		1,563	1,599
Non-rateable	Non-rateable	0	268	195,083	0		0	0		0	(16,263)
Total general rates			808	189,288,339	1,718,300	(1,396)	1,716,904	1,720,271	0	1,720,271	1,632,847
Minimum payment											
				\$							
Gross rental valuations (GRV)	Gross rental valuation	554	162	565,084	89,748		89,748	89,748		89,748	86,064
Unimproved valuations (UV)	Unimproved valuation	554	28	980,900	15,512		15,512	14,404		14,404	14,784
Mining tenements (UV)	Unimproved valuation	554	10	224,532	5,540		5,540	4,432		4,432	4,752
Total minimum payments			200	1,770,516	110,800	0	110,800	108,584	0	108,584	105,600
Total general rates and minimum payments			1,008	191,058,855	1,829,100	(1,396)	1,827,704	1,828,855	0	1,828,855	1,738,447
Ex-gratia Rates											
CBH Grain Storage Facilities - Tonnage											
	Gross rental valuation				25,863		25,863	25,863		25,863	16,791
Total amount raised from rates (excluding general rates)			0	0	25,863	0	25,863	25,863	0	25,863	16,791
							(46,226)			(46,500)	(44,394)
Total Rates							1,807,341			1,808,217	1,710,844
Rate instalment interest							1,085			1,200	910
Rate overdue interest							4,215			3,500	4,647

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

25. DETERMINATION OF SURPLUS OR DEFICIT

		2023/24 Budget (30 June 2024 Carried Forward)	2022/23 (30 June 2023 Carried Forward)
Note	2023/24 (30 June 2024 Carried Forward)	2023/24 Budget (30 June 2024 Carried Forward)	2022/23 (30 June 2023 Carried Forward)
	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	(49,965)	0	(14,027)
Less: Movement in liabilities associated with restricted cash	4,233	349	4,079
Less: Fair value adjustments to financial assets at fair value through profit or loss	(1,681)		(3,686)
Add: Loss on disposal of assets	9,919	112,201	68,066
Add: Loss on revaluation of fixed assets	9(a) 66,528	1,385,000	0
Add: Impairment of Plant and Equipment	8(a) 0	0	0
Add: Depreciation	10(a) 3,576,428	3,768,270	3,555,904
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(2,118)		(2,236)
Receivables for employee related provisions	4,279		(3,136)
Employee benefit provisions	(9,078)		(9,502)
Non-cash amounts excluded from operating activities	3,598,545	5,265,820	3,595,462
(b) Non-cash amounts excluded from investing activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to investing activities			
Right of use assets received - non cash	11(a) 20,159		
Non-cash amounts excluded from investing activities	20,159	0	0
(c) Non-cash amounts excluded from financing activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to financing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to financing activities			
Non cash proceeds from new leases	26(c) (20,159)	0	0
Non-cash amounts excluded from financing activities	(20,159)	0	0
(d) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	27 (967,831)	(927,534)	(843,727)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14 96,312	91,216	92,870
- Current portion of lease liabilities	11(b) 6,640	5,637	2,915
- Employee benefit provisions	126,026	119,480	121,793
Total adjustments to net current assets	(738,853)	(711,201)	(626,149)
Net current assets used in the Statement of Financial Activity			
Total current assets	4,854,460	1,431,290	7,488,523
Less: Total current liabilities	(1,543,495)	(2,115,079)	(866,278)
Less: Total adjustments to net current assets	(738,853)	(711,201)	(626,149)
Surplus or deficit after imposition of general rates	2,572,112	(1,394,990)	5,996,096

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

26. BORROWING AND LEASE LIABILITIES

(a) Borrowings

		Actual							Budget			
Purpose	Note	Principal at	New Loans	Principal	Principal at 30	New Loans	Principal	Principal at	Principal at 1	New Loans	Principal	Principal at
		1 July 2022	During 2022-23	Repayments During 2022-23	June 2023	During 2023-24	Repayments During 2023-24	30 June 2024	July 2023	During 2023-24	Repayments During 2023-24	30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
44 Curlew Rd - Housing		220,782	0	(26,185)	194,596		(26,577)	168,019	194,547		(26,185)	168,362
Reconstruct Supermarket		0	2,100,000	0	2,100,000		(66,293)	2,033,707	2,008,784		(91,216)	1,917,568
Total		220,782	2,100,000	(26,185)	2,294,596	0	(92,870)	2,201,726	2,203,331	0	(117,401)	2,085,930
Borrowing Finance Cost Payments												
Purpose	Loan Number	Institution	Interest Rate	Date final payment is due		Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023				
44 Curlew Rd - Housing	3	WATC*	1.49%	1/05/2030		\$ (4,024)	\$ (3,192)	\$ (5,394)				
Reconstruct Supermarket	4	WATC*	4.54%	3/05/2043		(108,687)	(30,120)	(17,665)				
Total						(112,711)	(33,312)	(23,059)				
Total Finance Cost Payments						(112,711)	(33,312)	(23,059)				

* WA Treasury Corporation

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

26. BORROWING AND LEASE LIABILITIES (Continued)

(b) Unspent Borrowings

Particulars	Institution	Date Borrowed	Unspent Balance 1 July 2023	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2024
			\$	\$	\$	\$
Reconstruct Supermarket	WATC*	3/05/2023	1,966,637	0	(1,966,637)	0
			1,966,637	0	(1,966,637)	0

* WA Treasury Corporation

(c) Lease Liabilities

Purpose	Note	Actual							Budget			
		Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
PTAWA - Saleyards (50%)		7,150		(1,407)	5,743		(1,457)	4,286	5,743		(2,719)	3,024
PTAWA - Batching Plant (50%)		7,151		(1,408)	5,743		(1,457)	4,286	5,743		(2,719)	3,024
PTAWA - Yarding Sandpit		199		(199)	0			0	0		(199)	(199)
Maia - Gym Equipment		0		0	0	20,159	(1,263)	18,896				0
Total Lease Liabilities	11(b)	14,500	0	(3,014)	11,486	20,159	(4,177)	27,468	11,486	0	(5,637)	5,849

Lease Finance Cost Payments

Purpose	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023	Lease Term
PTAWA - Saleyards (50%)	L7109	Burgess Rawson	3.60%	31/03/2027	\$ (181)	\$ 0	\$ (231)	10 years
PTAWA - Batching Plant (50%)	L7109	Burgess Rawson	3.60%	31/03/2027	(180)	0	(230)	10 years
PTAWA - Yarding Sandpit	L7338	Burgess Rawson	3.60%	31/08/2022	0	(199)	(1)	10 years
Maia - Gym Equipment					(463)			
Total Finance Cost Payments					(824)	(199)	(462)	

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

27. RESERVE ACCOUNTS

	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Long Service Leave	121,795	4,233		126,028	121,795	4,872	0	126,667	117,716	4,079	0	121,795
(b) Plant Replacement	6,641	231		6,872	6,640	266	0	6,906	6,421	220	0	6,641
(c) Housing	214,211	7,446		221,657	214,211	8,568	0	222,779	226,800	7,411	(20,000)	214,211
(d) Council Housing	3,873	135		4,008	3,874	155	0	4,029	3,744	129	0	3,873
(e) Transport Infrastructure	101,901	111,261		213,162	101,901	104,076	0	205,977	754,709	11,192	(664,000)	101,901
(f) Sports Facility Replacement	131,212	4,561		135,773	131,212	5,248	0	136,460	126,819	4,393	0	131,212
(g) Bowls Sporting Club Facility Replacement	18,821	6,770		25,591	18,821	753	0	19,574	12,667	6,154	0	18,821
(h) Cricket Sporting Club Facility Replacement	30,766	7,259		38,025	30,766	1,231	0	31,997	25,950	4,816	0	30,766
(i) Football Sporting Club Facility Replacement	12,144	6,497		18,641	12,144	486	0	12,630	11,998	8,146	(8,000)	12,144
(j) Hockey Sporting Club Facility Replacement	37,097	7,519		44,616	37,098	1,484	0	38,582	30,723	6,374	0	37,097
(k) Netball Sporting Club Facility Replacement	19,957	2,317		22,274	19,957	798	0	20,755	16,754	3,203	0	19,957
(l) Squash Sporting Facility Replacement	1,528	438		1,966	1,528	61	0	1,589	1,138	390	0	1,528
(m) Tennis Sporting Facility Replacement	37,087	7,518		44,605	37,087	1,483	0	38,570	30,714	6,373	0	37,087
(n) Supermarket Guarantee	50,000	1,729	(51,729)	0	50,000	2,050	(50,000)	2,050	50,000	958	(958)	50,000
(o) Supermarket Reconstruction	0	0		0	0	0	0	0	217,582	583,662	(801,244)	0
(p) Shire Hockey Turf Facility Replacement	45,413	1,858		47,271	45,413	1,817	0	47,230	30,048	15,365	0	45,413
(q) Shackleton Bowls Club Facility Replacement	11,281	6,061		17,342	11,281	458	0	11,739	0	11,281	0	11,281
	843,727	175,833	(51,729)	967,831	843,728	133,806	(50,000)	927,534	1,663,783	674,146	(1,494,202)	843,727

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

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

27. RESERVE ACCOUNTS (Continued)

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

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Long Service Leave	To be used to fund long service leave requirements for employees.
(b) Plant Replacement	To be used to fund major plant purchases.
(c) Housing	To be used for the construction of future joint venture housing projects.
(d) Council Housing	To be used for the construction of housing for Council staff.
(e) Transport Infrastructure	To be used for the road infrastructure network within the Shire.
(f) Sports Facility Replacement	To be used towards the replacement of sporting playing surfaces and facilities within the Shire.
(g) Bowls Sporting Club Facility Replacement	To be used for the Bruce Rock Bowls Club's contribution to upgrade or replacement of facilities at the Bruce Rock Recreation Centre.
(h) Cricket Sporting Club Facility Replacement	To be used for the Bruce Rock Shackleton Ardath Cricket Club's contribution to upgrade or replacement of facilities at the Bruce Rock Recreation Centre.
(i) Football Sporting Club Facility Replacement	To be used for the Bruce Rock Football Club's contribution to upgrade or replacement of facilities at the Bruce Rock Recreation Centre.
(j) Hockey Sporting Club Facility Replacement	To be used for the Bruce Rock Hockey Club's contribution to upgrade or replacement of facilities at the Bruce Rock Recreation Centre.
(k) Netball Sporting Club Facility Replacement	To be used for the Bruce Rock Netball Club's contribution to upgrade or replacement of facilities at the Bruce Rock Recreation Centre.
(l) Squash Sporting Facility Replacement	To be used for the Bruce Rock Squash Club's contribution to upgrade or replacement of facilities at the Bruce Rock Recreation Centre.
(m) Tennis Sporting Facility Replacement	To be used for the Bruce Rock Tennis Club's contribution to upgrade or replacement of facilities at the Bruce Rock Recreation Centre.
(n) Supermarket Guarantee	To be used as a bank security guarantee for a trading account with Metcash Trading Ltd to purchase groceries and stock for the Bruce Rock Supermarket.
(o) Supermarket Reconstruction	To be used for the reconstruction of the supermarket.
(p) Shire Hockey Turf Facility Replacement	To be used towards the replacement of the Hockey Turf at the Bruce Rock Recreation Centre.
(q) Shackleton Bowls Club Facility Replacement	To be used for the Shackleton Bowls Club contribution to upgrade or replace synthetic bowls playing surface.

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

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 2023	Amounts Received	Amounts Paid	30 June 2024
	\$	\$	\$	\$
Factory Unit Bonds	2,538	1,003	(699)	2,842
Vietnam Veterans	7,541	0	0	7,541
Nomination Deposits	0	600	(500)	100
	10,079	1,603	(1,199)	10,483



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

Shire of Bruce Rock

To the Council of the Shire of Bruce Rock

Opinion

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

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of financial activity for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial report:

- is based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2024 and its financial position at the end of that period
- is in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

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

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

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2024, but not the financial report and my auditor's report.

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

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

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Bruce Rock for the year ended 30 June 2024 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.

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