



2022/23 ANNUAL REPORT

"Life as rich as the landscape"



FROM THE PRESIDENT

Cr Matthew Steber



Cr. Matthew Steber
Shire President

Thank you to Council, Staff and the Community who contributed to another year achieving our vision for the Shire of Kellerberrin. I would like to thank my fellow Councillors and the Community for their support and confidence in my first year as Shire President.

The flow on affect from COVID-19 has seen an increase in economic costs and availability of contractors, significantly impacting our ability to conduct capital works programs in an expected time frame and at an appropriate cost.

Council has undertaken significant capital projects this year including but not limited to:

- Stage 3 – Swimming Pool Construction. Council saw the completion of the pool in 22/23, funding received from Community Sport Recreation Facility Fund (CSRFF), Local Roads Community Infrastructure Program (LRCIP) and Council Funds through Municipal, Reserve and Loan funding. The carpark and surrounds will be completed in the 23/24 financial year with the pool anticipated to open late October.
- Completion of the Exhibition Hall to include storage areas at the Kellerberrin Greater Sports Ground.

Council has completed Capital Road Renewals and upgrades as per below:

- Goldfields Road - Commodity Route Funding Program
- Doodlakine South Road - RRG & RTR Funding
- Deepwell Road Culvert
- Gravel re-sheeting on Goldfields Road, Kellerberrin-Yelbini Road & Yorkrakine Rock Road

The community have also enjoyed a range of Community events, including Australia Day Activities, Youth Events, Colour Week and the much anticipated A Night of Colour Event, Inclusion BBQ, NAIDOC week activities, Harmony Week and more.

I would like to thank all residents, visitors and stakeholders for their contribution in ensuring Kellerberrin remains a wonderful community to live and visit, and would like to wish everyone a safe and prosperous 2023/24.

Cr. Matt Steber
Shire President



ACKNOWLEDGEMENT

The Shire of Kellerberrin would like to acknowledge the traditional custodians of this land and their continuing connection to land, waters and community.

We pay our respects to their Elders past, present and emerging.



FROM THE CHIEF EXECUTIVE OFFICER

Mr Raymond Griffiths

The 2022/23 reporting period has further seen the impact of business interruption and economic impacts from the COVID Pandemic through the increase in costs of goods and materials.

Council has experienced extreme increases in not only operating costs but also our capital programs have been significantly affected which ultimately means Council is doing less for more which is of major concern.

Council in the 2022/23 financial year commenced and completed the construction of the Kellerberrin Swimming Pool. The pool construction included 25m swimming pool, learn to swim area, beach entrance, turbo channel, lawned surrounds, shade structures, BBQ areas and a concrete concourse. The construction was completed in April 2023 with the official opening to occur when the pool opens in the next financial year.

Council major infrastructure project for the year was the construction of a new Swimming Pool at the existing site to compliment Stages One (1) and Two (2) that was completed in previous financial years. In addition to the pool construction Council continued with its Road Construction programs to upgrade/renew its road network.



Raymond Griffiths
Chief Executive Officer

EXTERNAL STAKEHOLDERS

- MACRI Partners
- Office of the Auditor General (OAG)
- National Australia Bank
- CLOUD Payment Group
- Local Government Insurance Services (LGIS)
- McLeods Lawyers
- DLA Piper Australia
- Western Australian Local Government Association (WALGA)
- Local Government Professionals WA Division (LGPWA)



Award Recipients: Achievement Award - Bruce Dowding (Central Sound), Youth Citizen of the Year - Harrison Gardiner, Senior Citizen of the Year - Rose Bowen, Citizen of the Year - Monica Gardiner, Active Citizen of the Year Award - A Night of Colour.

APPRECIATION

Shire President

I would like to take this opportunity to thank and congratulate Scott O'Neill on his exceptional commitment to the Shire of Kellerberrin and its ratepayers. Scott was a Councillor for fifteen (15) years and President for one (1) year, we wish Scott all the best going forward and again thank him for his time on Council. Scott was awarded a Merit Award at the WALGA State Conference recognising Local Government leaders for outstanding achievements.

To the current group of Councillors, thank you for your continued support, leadership and guidance within the 2022/23 financial year. We welcome Councillor Kelsey Pryer as elected at the extraordinary election in 2022 and look forward to working with the community into the future.

To all the staff, as President I would like to pass on my sincere appreciation from our Council and the community for your continued efforts throughout the year.

In addition, I would like to pass on my sincere appreciation to our community leaders, volunteers and ratepayers for your continued input to Council to ensure we, as a Council group are representing the entire community as we are elected to do. In addition, for the countless hours in which you all volunteer your personal time to progress our community whether it be through a community group or sporting club for the betterment of the community, Thank you.

Chief Executive Officer

I and Councils employees would like to pass on its sincere thanks and appreciation to Council for their support throughout the year and wish Scott O'Neill all the best since retiring from August 2022. Scott served fifteen (15) years on Council serving his community of which we are very grateful for. Council employees thoroughly enjoyed working with Scott to serve the community of Kellerberrin.

I personally would like to pass on my sincere appreciation and thanks to the entire workforce who have gone beyond expectation this year to complete projects, programs, maintain and upkeep our Shire to a high level while being understaffed. The community is very lucky to have such a workforce that dedicates themselves to upkeep and maintain our Shire.

The Shire of Kellerberrin Councilors and staff will continue to strive for excellence in operations to ensure the Shire of Kellerberrin is one of attraction for both new residents, business and tourists.





ABOUT KELLERBERRIN

Shire Location

Centrally located in the Wheatbelt, just 204km east of Perth, Kellerberrin is a warm, charming community, steeped in a vibrant history dating back from its Indigenous people to European pioneers. Kellerberrin celebrated its centenary in 2008, Kellerberrin's longevity is attributed to the passion and commitment of its community, the beauty of its natural attractions and the fostering of new forms of artistic expression. Kellerberrin is a town where life is as rich as the landscape.

History

In 1830, Ensign Dale led an exploration party from York which reached into the Shire of Kellerberrin. Through the years 1861-68, a number of grazing leases were taken up in the area. In 1864, an explorer named C.C. Hunt named a granite outcrop "Killaberrin", this was named after the Aboriginal name for a large ant colony "Keller" found in the vicinity of the hill. In 1877 four sheep stations in the district, Cuttening, Milligan, Mooranoppin and Mt Caroline, were established. The names of the first settlers were Massingham, Ripper, Leake and Sewell.

Roads and Area of the Shire

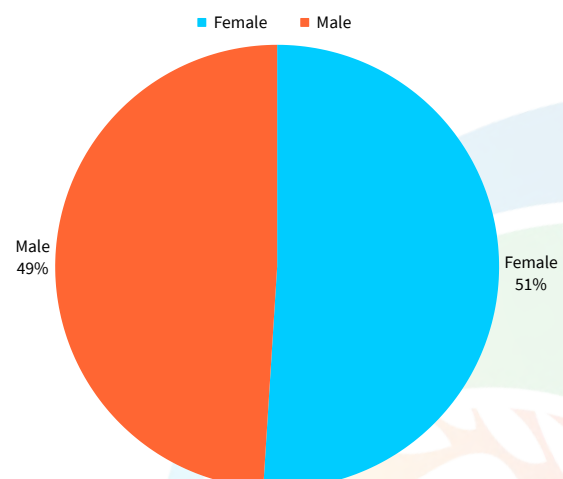
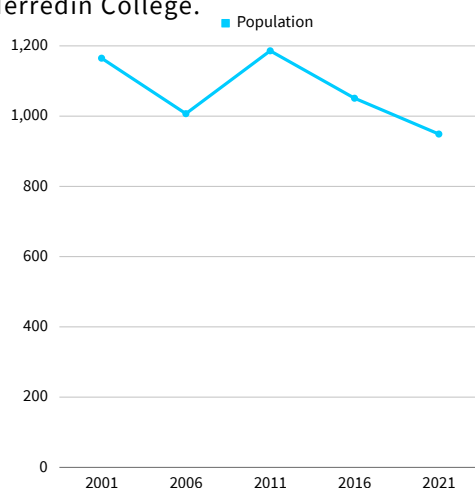
The Shire has a total area of 1,852 square kilometres and has 981 kilometres of roads, of which 271 kms are sealed.

Population

The Shire of Kellerberrin has a population of approximately 1,178 as of 2021 census with 796 electors. The Council employs 30 people.

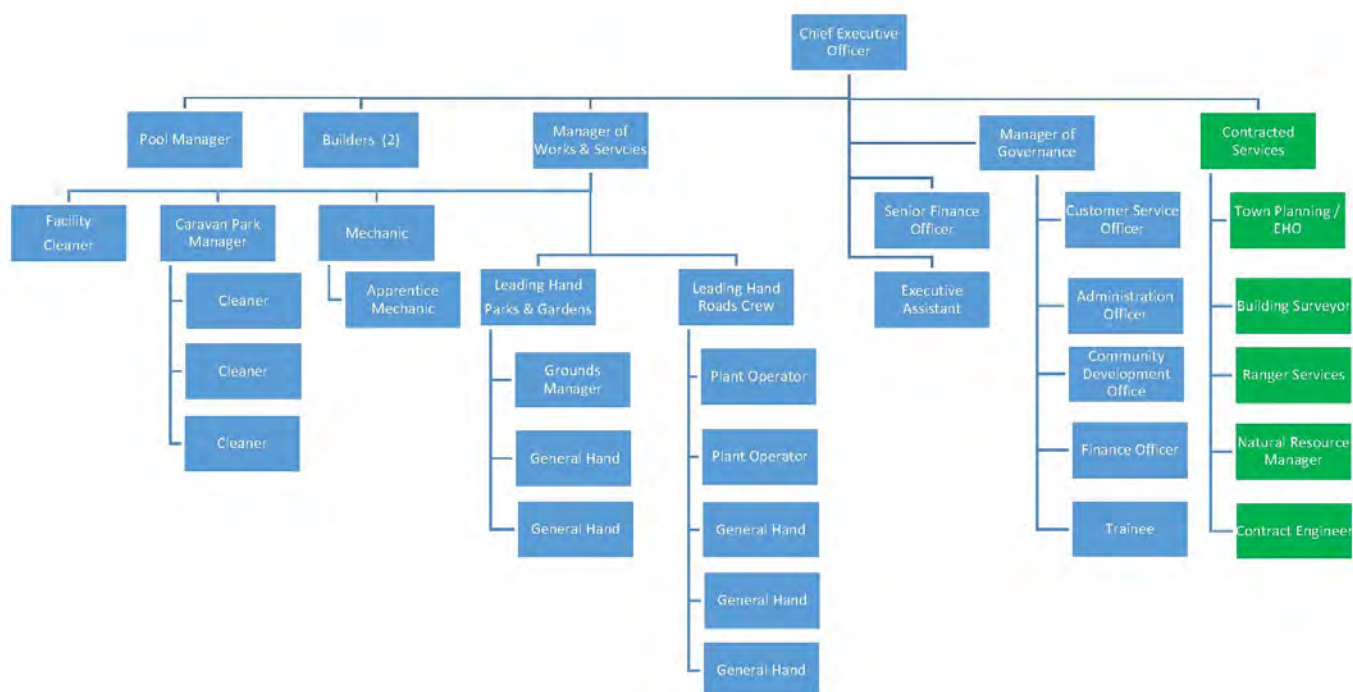
Education

Kellerberrin has within the Shire, Kellerberrin District High School to Year 10, Playgroup and Activ Foundation for the inclusion of people living with disability. A daily school bus service is provided for students opting to attend Year 11 and 12 at Merredin College.





ORGANISATIONAL STRUCTURE



COUNCILS VISION

To welcome diversity, culture and industry; promote a safe and prosperous community with a rich, vibrant and sustainable lifestyle for all to enjoy.

CORE DRIVERS

Relationships that bring us tangible benefits (to the Shire and our community)

Our lifestyle and strong sense of community

We are prepared for opportunities and we are innovative to ensure our relevancy and destiny



ELECTED REPRESENTATIVES



Cr. Matthew Steber
Shire President

president@kellerberrin.wa.gov.au
0427 458 296
Elected: 2013
Term Expires: 2025



Cr. Emily Ryan
Deputy Shire President

crryan@kellerberrin.wa.gov.au
0431 702 765
Elected: 2019
Term Expires: 2023



Cr. Rodney Forsyth

crforsyth@kellerberrin.wa.gov.au
0427 459 017
Elected: 2009
Term Expires: 2025
Term Completion: 2023



Cr. Scott O'Neill
Shire President

president@kellerberrin.wa.gov.au
0429 454 102
Elected: 2009
Term Expires: 2023
Term Completion: 2022



Cr. Kelsey Pryer

pryer@kellerberrin.wa.gov.au
0431 187 206
Elected: 2022
Term Expires: 2023



Cr. Dennis Reid

reid@kellerberrin.wa.gov.au
0428 381 044
Elected: 2015
Term Expires: 2023



Cr. David Leake

leake@kellerberrin.wa.gov.au
0428 458 202
Elected: 2015
Term Expires: 2023



Cr. Monica Gardiner

gardiner@kellerberrin.wa.gov.au
0418 454 003
Elected: 2021
Term Expires: 2025

COUNCIL MEETINGS

Council meets on a monthly basis with a seven (7) Councillor Membership, to make decisions relating to Policy, Statutory and Forward Planning direction of the Shire. All Meetings are open to the Public excluding Confidential Items and the dates, times and venues are advertised annually as Public Information for the Community.

Council meetings are held on the third Tuesday of every month at 4:00pm, with Public Question time at 4:05pm excluding January.

Council Agenda & Minutes can be viewed at the Shire Office and are published on the Shire's website at <https://www.kellerberrin.wa.gov.au/council/agendas-minutes/>

COUNCIL COMMITTEES

Audit Committee, Wheatbelt Eastern Regional Organisation of Councils (WEROC), Roads Advisory Committee, Sport & Recreation Steering Committee, Local Hospital Advisory Group (L-HAG), Emergency Committee, Regional Development Assessment Panel (RDAP), Central East Aged Care Committee (CEACA), Great Eastern Country Zone WALGA (GECZ), Regional Road Group (RRG), Arts & Cultural Committee (ceased), Behaviour Complaints Committee, Local Emergency Management Committee (LEMC)



COUNCIL INFORMATION

COUNCILLOR ATTENDANCE

Councillor	Ordinary Council Meetings	Special Council Meeting	Audit Committee Meeting	Committee Meeting
Cr Scott O'Neil	1	1	-	-
Cr Matthew Steber	11	1	3	3
Cr Rod Forsyth	11	1	3	4
Cr Emily Ryan	11	1	3	10
Cr Dennis Reid	11	1	3	-
Cr David Leake	11	1	3	-
Cr Monica Gardiner	11	1	3	1
Cr Kelsey Pryer	9	1	1	-

STATISTICS

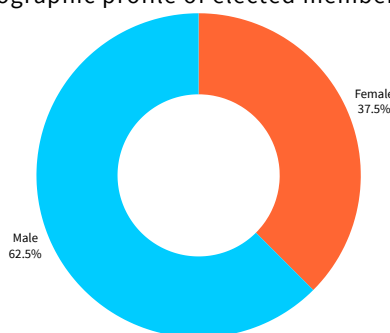
ORDINARY COUNCIL MEETINGS: 11

SPECIAL COUNCIL MEETINGS: 1

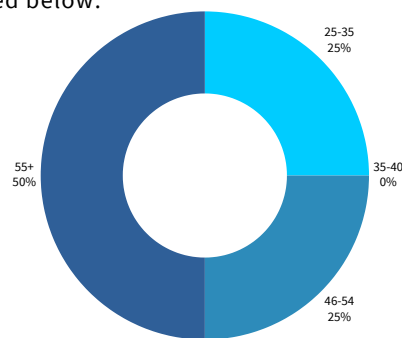
AUDIT COMMITTEE MEETINGS: 3

A summary of the demographic profile of elected members provided below:

Gender profile



Age profile



QUICKSTATS - 2021 CENSUS



Private Houses
464



Families
213



Registered Ratepayers
Contact
83



Volunteers
214



Bushfires within
Kellerberrin
4



Hectares lost
0



Building Permits
16



Planning Approvals
15



Stall Holder
Applications
18



Dogs Renewals 21/22
22



Cat Renewals 21/22
5



Impounded Animals
4

QUICKSTATS - SERVICES

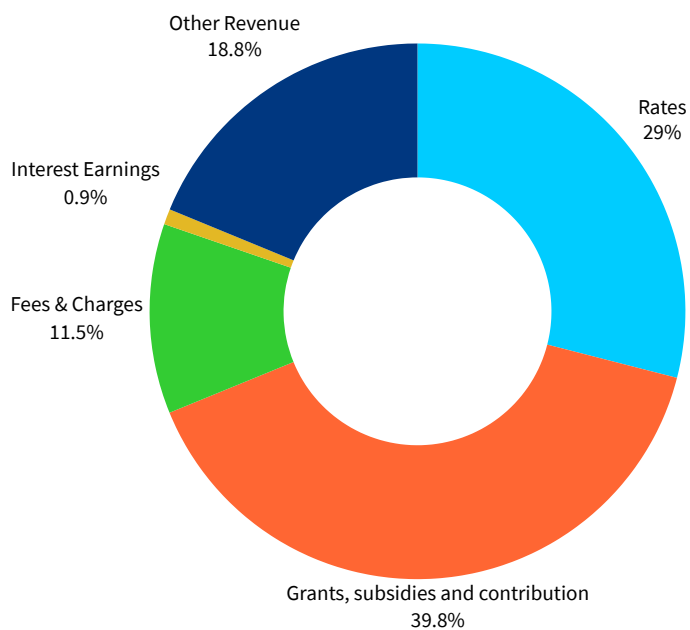


Gym Memberships - 22/23
114



FINANCIAL SNAPSHOT 2022/23

REVENUE



EMERGENCY SERVICE LEVY

Income Collected - \$80,402
Operating Grant - \$65,512

6X BUSHFIRE BRIGADES

4X BUSHFIRE SHEDS

4X TRUCKS

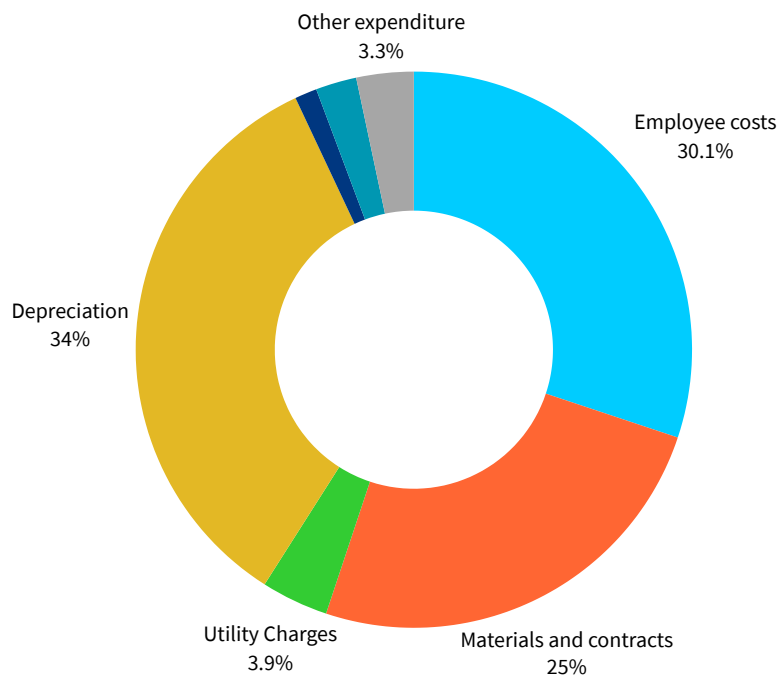
FEDERAL ASSISTANCE GRANTS

General Purpose Funding
\$1,743,676

Local Road Funding
\$676,369

TOTAL
\$2,420,045

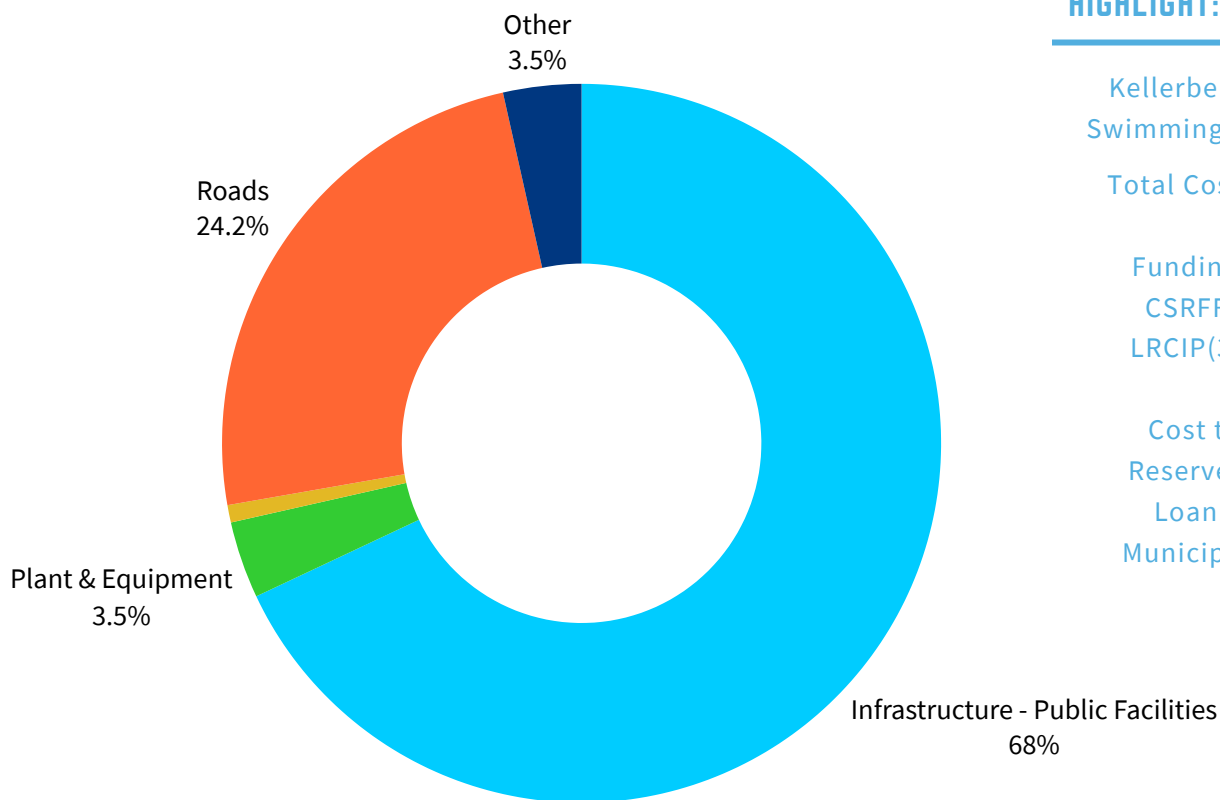
EXPENDITURE





2022/23 CAPITAL PROJECTS

During the 2022/23 financial year the Shire of Kellerberrin outlayed funds of \$7,824,895 in capital projects. A summary by asset class is provided below.



HIGHLIGHT: POOL STAGE 3

Kellerberrin Memorial Swimming Pool Upgrade:

Total Cost: \$3,558,004

Funding Received:

CSRFF: \$738,767

LRCIP(3): \$803,674

Cost to Council:

Reserves: \$942,052

Loan: \$750,000

Municipal: \$323,511

HIGHLIGHT: REGIONAL ROAD GROUP PROGRAM (RRG)

Doodlakine South Road
SLK 12.54-15.49)

Total Cost: \$578,379

Funding Received:

- RRG: \$368,921

Cost to Council: \$209,458

HIGHLIGHT: ROADS TO RECOVERY (RTR)

Doodlakine South Road
SLK 15.49-18.47)

Total Cost: \$679,927

Funding Received:

- RTR: \$365,020

Cost to Council: \$314,907



HIGHLIGHTS:

Woodstock Country
Muster
Kellerberrin Speedway
CW Harness Racing
Golden Grains
National Reconciliation
Week
Australia Day Awards &
Activities
Colour Week & Colour Ball
NAIDOC Event
Remembrance Day
Harmony Week
Inclusive BBQ
Twilight Markets - Chrissy
Up Kella
Medical Students Visit
Youth Event - Snow White
& the seven Cool Dudes



The Shire of Kellerberrin continues to support a number of community groups through the community cropping program

COMMUNITY DONATIONS AND CONTRIBUTIONS

Donations and Contributions

Kellerberrin Agricultural Society	3,000
Kellerberrin Community Mens Shed	3,400
Wheatbelt Agcare Community Support Service	500
Doodlakine Bowling Club	300
Kellerberrin Bowling Club	300
Kellerberrin Golf Club	300
Kellerberrin Historical Society	2,000
Kellerberrin District High School	200
Chrissy up Keller	3,300
Kellerberrin Hockey Club	2,000
Kellerberrin Junior Fire Brigade	300
Doodlakine Community Committee	2,000

Law, Order and Public Safety

Brigade & Fire Prevention Expenses	282,484
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Other Health

Medical Officer – Housing & Vehicle – Costs	5,602
Medical Centre & Gardens – Operating Maintenance Costs	6,142

Education and Welfare

Kellerberrin's Children Centre – Operating Costs	14,442
Kellerberrin Playgroup	2,000

Community Amenities

Community Bus	30,556
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Recreation and Culture

Swimming Pool Maintenance	75,500
Councils Recreation Facilities (Inc ovals, park etc)	481,695
Community Resource Centre /Library Contribution	12,727
Information Bay Contribution	2,986



**SOCIAL MEDIA
COMMUNICATIONS**



Facebook followers: 1.4K
Instagram followers: 799



GOVERNANCE REPORTING STANDARDS

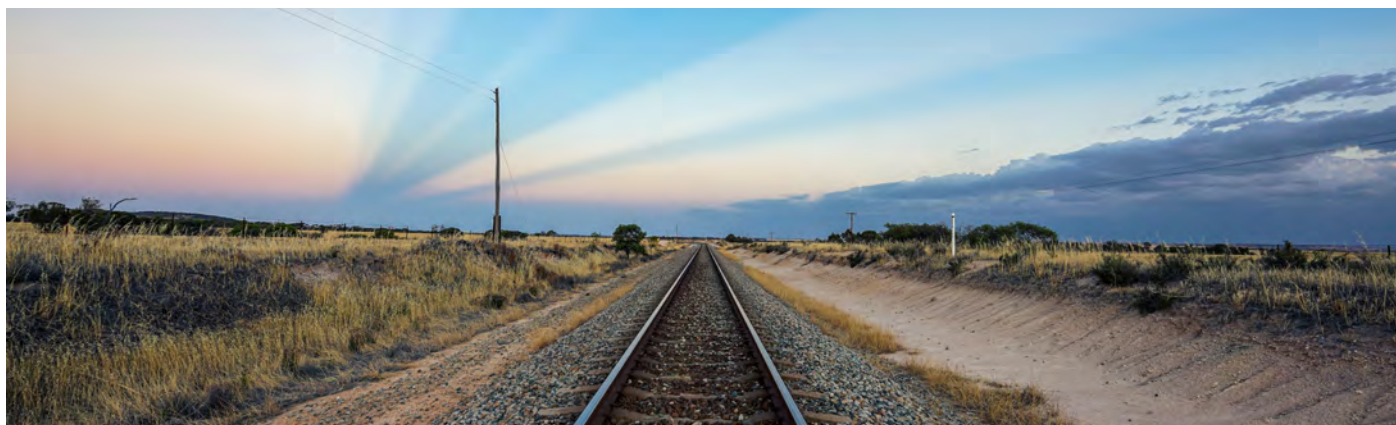
Local Government is governed by a number of various Acts of Legislation including the following Compliance and Statutory Reporting activities required for our Annual reporting processes and accountability;

Freedom of Information (FOI) Statement (Freedom of Information Act 2003) – Council maintains a number of records and registers including but not exclusive of; Town Planning Scheme, Financial Interest Register, Delegated Authority Register, Cemetery Register, Rate Book, Electoral Roll, Policy Manual, Local Laws, Minute Book, Gifts Register, Asset Register, Insurance Register, Keys Register, etc. Nominated Documents can be inspected free of charge upon application at the Office of Council 110 Massingham Street, Kellerberrin during normal business hours. During the year of review, Council didn't receive any applications for Freedom of Information and any application received is considered on the basis of not to contravene the privacy rights of the individuals and may be subject to a small administrative/copy charge for the enquiry. The Shire of Kellerberrin received no applications for Freedom of Information during the reporting period.

Public Interest Disclosure (PID) – The Public Interest Disclosure Act was established by the Commissioner for Public Sector Standards under section 20 of the Public Interest Disclosure Act 2003. Local Government has been legislated with some responsibility under the mentioned Act including that any matters that relate to the Shire of Kellerberrin Staff or Councillors should be referred to the appointed Officer. One of the principles of this new legislation is not just to provide protection to those who make disclosures (and those who are the subject of disclosures) but also encourages a system of transparency and accountability in the way government (parliamentarians) or government officials (public servants) act and utilise public monies. The Shire of Kellerberrin had no Public Interest Disclosures during the reporting period.

National Competition Policy (NCP) – In 1995 the Council of Australian Government entered into a number of agreements known as the National Competition Policy. The policy is a whole of Government approach to bring about reform in the public sector to encourage Government to become more competitive. Local Government will mainly be affected where it operates significant business activities that compete or could compete with private sector business. Local Government will also be impacted where its local laws unnecessarily affect competition. Local Government and more particularly the Shire of Kellerberrin is required to comply with certain policies contained within the National Competition Policy Statement and report on progress in connection with Competitive Neutrality Principles and review of Local Laws. The Shire of Kellerberrin has completed the majority of its statutory requirement for reviewing its Local Laws in association with the Joint Parliamentary Standing Committee.

Competitive Neutrality (CN) – The principle of “competitive neutrality” is that government businesses should not enjoy a competitive advantage, or suffer a disadvantage, simply as a result of their public sector ownership. Measures should be introduced to effectively neutralise any net competitive advantage flowing from government ownership. Competitive Neutrality should apply to all business activities that generate a user pays income of over \$200,000 per annum, unless it can be shown it is not in the public interest. A public benefit test is used to determine if competitive neutrality is in the public interest. The Shire of Kellerberrin business activity at the Caravan Park with a user pays income is in excess of \$200,000.



GOVERNANCE REPORTING STANDARDS CONT.

Record Keeping Plan (RKP) – The State Records Act 2000 is an Act to provide for the keeping of State Records and for related purposes. Section 19 of the Act requires that every government organisation must have a record keeping plan (RKP) that has been approved by the State Records Commission. A government organisation including local government, record keeping plan sets out the matters about which records are to be created by the organisation and how it is to keep its records. The record keeping plan comprises of a range of documents which, when assessed as a whole, provides an accurate reflection of the record keeping program within the organisation. More specifically, documentation regarding the organisation's record keeping system/s, disposal arrangements, policies, practices and processes will be essential components of the record keeping plan held by a local government.

The inclusion of such documentation will constitute evidence of compliance. The Shire of Kellerberrin currently complies with the requirements of the State Records Act 2000 and its requirements for a Record Keeping Plan.

Information on Payments to Employees – In accordance with section 5.53(2)(g) of the Local Government Act 1995 as amended, the Annual Report of a Local Government for a financial year is to contain the following information;

- (i) the number of employees of the local government entitled to an annual salary of \$100,000 or more;
- (ii) the number of those employees with an annual salary entitlement that falls within each band of \$10,000 in excess of 100,000.

For the current financial year, The Shire of Kellerberrin has two employees who receive an annual salary over \$100,000. One in the \$150,000 to \$160,000 band and one in the 100,000 to 110,000 band.

Disability Service Plan (DSP) – Local Government under section 29(2) of the Disability Services Act 1993 is required to provide a summary report on Councils approach to assisting people with disabilities in our community as part of its Inclusiveness Planning summarised here under;

- Existing functions, services and facilities are adopted to meet the needs of people with disabilities;
- Council continues to consider the needs of people with disabilities wherever possible;
- Access to buildings and facilities are improved;
- Current Public Buildings have modifications undertaken for improved access to Public Buildings;
- Information is provided in the appropriate communications format;
- Council remains mindful of communicating at the simplest and easy to read format for all of its residents;
- Staff awareness of the needs of people with disabilities in delivery of council service;
- Staff remain aware to offer the appropriate assistance and advice to its residents on all occasions; and
- Opportunities for people with disabilities to participate at public buildings owned by the Council.

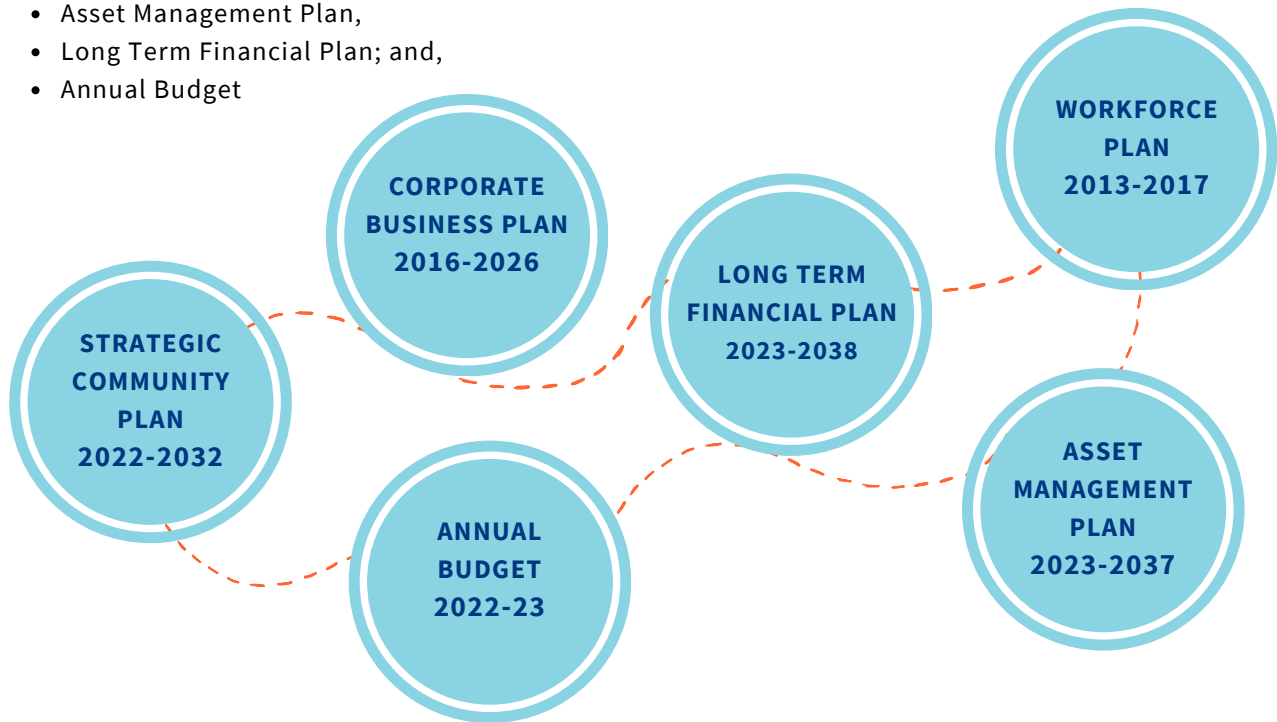
Access standards to all of Council Public Buildings remain a priority for people with disabilities to access these Public Buildings including the free Bus Service for Business and Shopping needs of the Aged.

INTEGRATED PLANNING & REPORTING

Under the *Local Government (Administration) Regulations 1996*, State Government legislated an Integrated Planning & Reporting Framework.

The Shire of Kellerberrin has the following Integrated Planning documents available for public inspection.

- Strategic Community Plan,
- Corporate Business Plan,
- Workforce Plan,
- Asset Management Plan,
- Long Term Financial Plan; and,
- Annual Budget



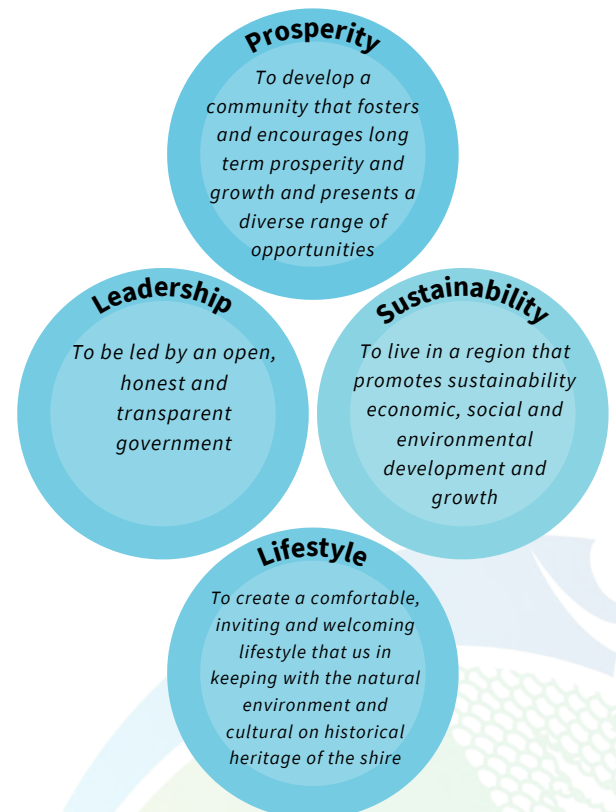
STRATEGIC COMMUNITY PLAN

The Shire of Kellerberrin Strategic Community Plan outlines the strategic priority of Council to address the community's long term vision for the Shire, "To welcome diversity, culture and industry; promote a safe and prosperous community with a rich, vibrant and sustainable lifestyle for all to enjoy."

The aspiration of the community in pursuit of the Shires vision, as identified through extensive consultation with the community during the formation of the Strategic Community Plan has been categorised into four (4) key themes.

- Prosperity
- Leadership
- Sustainability
- Lifestyle

Each of these themes have strategic priorities and actions to see these achieved, as detailed in the Corporate Business Plan.





2022/23 ANNUAL FINANCIAL STATEMENT

Shire of Kellerberrin Administration Office
110 Massingham Street Kellerberrin
PO Box 145 Kellerberrin WA 6410
Office Hours: 8.30am - 4.30pm Monday to Friday
P (08) 9045 4006
E shire@kellerberrin.wa.gov.au
W www.kellerberrin.wa.gov.au

SHIRE OF KELLERBERRIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

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

To welcome diversity, culture and industry; promote a safe and prosperous community with a rich, vibrant and sustainable lifestyle for all to enjoy.

Principal place of business:
110 Massingham Street
Kellerberrin, WA 6410



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

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

STATEMENT BY CEO

The accompanying financial report of the Shire of Kellerberrin has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

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

Signed on the 30th day of NOVEMBER 2023



Chief Executive Officer

Raymond Griffiths

Name of Chief Executive Officer



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

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
Revenue				
Rates	2(a),23	2,471,984	2,470,286	2,360,010
Grants, subsidies and contributions	2(a)	3,394,939	1,368,973	3,301,429
Fees and charges	2(a)	976,751	678,966	767,406
Interest revenue	2(a)	79,675	27,700	21,788
Other revenue	2(a)	1,601,493	846,263	738,193
		8,524,842	5,392,188	7,188,826
Expenses				
Employee costs	2(b)	(2,551,579)	(2,314,739)	(2,227,398)
Materials and contracts		(2,117,882)	(1,462,153)	(1,436,736)
Utility charges		(330,629)	(359,935)	(402,158)
Depreciation		(2,879,826)	(2,768,872)	(2,774,241)
Finance costs	2(b)	(108,989)	(77,182)	(94,906)
Insurance		(201,738)	(192,443)	(219,857)
Other expenditure	2(b)	(282,011)	(144,680)	(115,591)
		(8,472,654)	(7,320,004)	(7,270,887)
		52,188	(1,927,816)	(82,061)
Capital grants, subsidies and contributions	2(a)	2,638,901	2,002,752	2,183,511
Profit on asset disposals		93,180	83,525	42,536
Loss on asset disposals		(31,356)	(11,500)	(905,865)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	2,764	0	2,998
		2,703,489	2,074,777	1,323,180
Net result for the period		2,755,677	146,961	1,241,119
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	13,877,388	0	1,265,158
Total other comprehensive income for the period		13,877,388	0	1,265,158
Total comprehensive income for the period		16,633,065	146,961	2,506,277

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



SHIRE OF KELLERBERRIN
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	NOTE	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	3	3,332,292	4,180,508
Trade and other receivables	5	340,865	162,492
Other financial assets	4(a)	500,497	0
Inventories	6	2,877	5,177
Other assets	7	0	2,680
TOTAL CURRENT ASSETS		4,176,531	4,350,857
NON-CURRENT ASSETS			
Trade and other receivables	5	43,348	42,093
Other financial assets	4(b)	61,117	58,353
Inventories	6	36,000	106,000
Property, plant and equipment	8	23,767,559	24,390,252
Infrastructure	9	91,350,466	73,595,928
Right-of-use assets	11(a)	29,806	0
TOTAL NON-CURRENT ASSETS		115,288,296	98,192,626
TOTAL ASSETS		119,464,827	102,543,483
CURRENT LIABILITIES			
Trade and other payables	12	597,948	315,656
Other liabilities	13	84,701	610,274
Lease liabilities	11(b)	9,620	0
Borrowings	14	288,924	184,748
Employee related provisions	15	304,072	320,364
TOTAL CURRENT LIABILITIES		1,285,265	1,431,042
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	21,043	0
Borrowings	14	1,800,012	1,385,304
Employee related provisions	15	20,190	21,885
TOTAL NON-CURRENT LIABILITIES		1,841,245	1,407,189
TOTAL LIABILITIES		3,126,510	2,838,231
NET ASSETS		116,338,317	99,705,252
EQUITY			
Retained surplus		38,606,447	35,217,377
Reserve accounts	26	965,210	1,598,603
Revaluation surplus	16	76,766,660	62,889,272
TOTAL EQUITY		116,338,317	99,705,252

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



**SHIRE OF KELLERBERRIN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2021		33,291,061	2,283,800	61,624,114	97,198,975
Comprehensive income for the period					
Net result for the period		1,241,119	0	0	1,241,119
Other comprehensive income for the period	16	0	0	1,265,158	1,265,158
Total comprehensive income for the period		1,241,119	0	1,265,158	2,506,277
Transfers from reserve accounts	26	716,797	(716,797)	0	0
Transfers to reserve accounts	26	(31,600)	31,600	0	0
Balance as at 30 June 2022		35,217,377	1,598,603	62,889,272	99,705,252
Comprehensive income for the period					
Net result for the period		2,755,677	0	0	2,755,677
Other comprehensive income for the period	16	0	0	13,877,388	13,877,388
Total comprehensive income for the period		2,755,677	0	13,877,388	16,633,065
Transfers from reserve accounts	26	942,000	(942,000)	0	0
Transfers to reserve accounts	26	(308,607)	308,607	0	0
Balance as at 30 June 2023		38,606,447	965,210	76,766,660	116,338,317

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



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

	NOTE	2023 Actual \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		2,451,888	2,414,881
Grants, subsidies and contributions		2,722,671	3,809,653
Fees and charges		976,751	767,406
Interest revenue		79,675	21,789
Goods and services tax received		847,828	665,760
Other revenue		1,601,493	738,193
		8,680,306	8,417,682
Payments			
Employee costs		(2,546,584)	(2,168,664)
Materials and contracts		(1,805,595)	(2,258,146)
Utility charges		(330,629)	(402,158)
Finance costs		(108,989)	(95,373)
Insurance paid		(201,738)	(219,857)
Goods and services tax paid		(838,662)	(554,826)
Other expenditure		(282,011)	(115,591)
		(6,114,208)	(5,814,615)
Net cash provided by (used in) operating activities		2,566,098	2,603,067
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(779,482)	(2,443,512)
Payments for construction of infrastructure	9(a)	(5,735,188)	(1,962,357)
Capital grants, subsidies and contributions		2,638,901	2,183,511
Payment for financial assets at amortised cost		(500,497)	0
Proceeds from sale of property, plant & equipment		452,146	221,613
Net cash provided by (used in) investing activities		(3,924,120)	(2,000,746)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	25(a)	(231,116)	(176,784)
Payments for principal portion of lease liabilities	25(c)	(9,078)	(10,279)
Proceeds from new borrowings	25(a)	750,000	0
Net cash provided by (used in) financing activities		509,806	(187,063)
Net increase (decrease) in cash held		(848,216)	415,258
Cash at beginning of year		4,180,508	3,765,250
Cash and cash equivalents at the end of the year		3,332,292	4,180,508

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



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

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	23	2,441,841	2,440,186	2,331,165
Rates excluding general rates	23	30,143	30,100	28,845
Grants, subsidies and contributions		3,394,939	1,368,973	3,301,429
Fees and charges		976,751	678,966	767,406
Interest revenue		79,675	27,700	21,788
Other revenue		1,601,493	846,263	738,193
Profit on asset disposals		93,180	83,525	42,536
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	2,764	0	2,998
		8,620,786	5,475,713	7,234,360
Expenditure from operating activities				
Employee costs		(2,551,579)	(2,314,739)	(2,227,398)
Materials and contracts		(2,117,882)	(1,462,153)	(1,436,736)
Utility charges		(330,629)	(359,935)	(402,158)
Depreciation		(2,879,826)	(2,768,872)	(2,774,241)
Finance costs		(108,989)	(77,182)	(94,906)
Insurance		(201,738)	(192,443)	(219,857)
Other expenditure		(282,011)	(144,680)	(115,591)
Loss on asset disposals		(31,356)	(11,500)	(905,865)
		(8,504,010)	(7,331,504)	(8,176,752)
Non-cash amounts excluded from operating activities	24(a)	2,865,996	2,696,847	3,646,103
Amount attributable to operating activities		2,982,772	841,056	2,703,711
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		2,638,901	2,002,752	2,183,511
Proceeds from disposal of assets		452,146	495,500	221,613
		3,091,047	2,498,252	2,405,124
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(779,482)	(420,000)	(2,443,512)
Purchase and construction of infrastructure	9(a)	(5,735,188)	(6,287,709)	(1,962,357)
		(6,514,670)	(6,707,709)	(4,405,869)
Amount attributable to investing activities		(3,423,623)	(4,209,457)	(2,000,745)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	25(a)	750,000	750,000	0
Transfers from reserve accounts	26	942,000	941,866	716,797
		1,692,000	1,691,866	716,797
Outflows from financing activities				
Repayment of borrowings	25(a)	(231,116)	(184,748)	(176,784)
Payments for principal portion of lease liabilities	25(c)	(9,078)	(9,078)	(10,279)
Transfers to reserve accounts	26	(308,607)	(5,000)	(31,600)
		(548,801)	(198,826)	(218,663)
Amount attributable to financing activities		1,143,199	1,493,040	498,134
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	24(b)	1,826,324	1,875,361	625,224
Amount attributable to operating activities		2,982,772	841,056	2,703,711
Amount attributable to investing activities		(3,423,623)	(4,209,457)	(2,000,745)
Amount attributable to financing activities		1,143,199	1,493,040	498,134
Surplus or deficit after imposition of general rates	24(b)	2,528,672	0	1,826,324

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



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

1. BASIS OF PREPARATION

The financial report of the Shire of Kellerberrin which is a band 4 local government, comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

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

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

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

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

The local government reporting entity

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 27 of the financial report.

Judgements and estimates

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

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

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

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

Initial application of accounting standards

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

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

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

New accounting standards for application in future years

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

- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates
This standard will result in a terminology change for significant accounting policies
- AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards
- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

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

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

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

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licenses, registrations and approvals	Building, planning, development and animal control	Single point in time	Full payment prior to issue	None	On payment of the license, registration or approval
Fees and charges - caravan park entry fees	Sire accommodation at caravan park facility	Single point in time	Payment in advance on entry, or on normal trade terms if credit is provided	None	On entry to facility
Fees and charges - waste management entry fees	Waste collection at disposal sites	Single point in time	Payment in advance on entry, or on normal trade terms if credit is provided	None	On entry to facility
Fees and charges - sale of stock	Kiosk and visitor centre stock	Single point in time	Payment in advance, or on normal trade terms if credit is provided	Refunds provided for faulty goods	Output method based on good sold
Other Revenue - private works	Contracted private works	Single point in time	Payment in advance, or on normal trade terms if credit is provided	None	Output method based on works completed

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

Revenue Recognition

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

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	2,471,984	0	2,471,984
Grants, subsidies and contributions	14,808	0	0	3,380,131	3,394,939
Fees and charges	603,589	0	56,592	316,570	976,751
Interest revenue	0	0	16,001	63,674	79,675
Other revenue	0	0	0	1,601,493	1,601,493
Capital grants, subsidies and contributions	0	2,638,901	0	0	2,638,901
Total	618,397	2,638,901	2,544,577	5,361,868	11,163,743

For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	2,360,010	0	2,360,010
Grants, subsidies and contributions	227,759	0	0	3,073,670	3,301,429
Fees and charges	498,964	0	43,037	225,405	767,406
Interest revenue	0	0	15,142	6,646	21,788
Other revenue	279,619	0	78	458,496	738,193
Capital grants, subsidies and contributions	0	2,183,511	0	0	2,183,511
Total	1,006,342	2,183,511	2,418,267	3,764,217	9,372,337

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)		2023	2022
	Note	Actual	Actual
		\$	\$
Interest revenue			
Interest on reserve account funds		39,608	6,231
Other interest revenue		40,067	15,557
		<u>79,675</u>	<u>21,788</u>
Fees and charges relating to rates receivable			
Charges on instalment plan		1,690	1,720
The 2023 original budget estimate in relation to: Charges on instalment plan was \$2,000.			
(b) Expenses			
Auditors remuneration			
- Audit of the Annual Financial Report		38,500	39,800
- Other services – grant acquittals		2,310	2,700
		<u>40,810</u>	<u>42,500</u>
Employee Costs			
Employee benefit costs		2,376,092	2,062,791
Other employee costs		175,487	164,607
		<u>2,551,579</u>	<u>2,227,398</u>
Finance costs			
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss		108,989	94,906
Sundry expenses		282,011	115,591

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

3. CASH AND CASH EQUIVALENTS

Note	2023	2022
	\$	\$
Cash at bank and on hand	2,828,857	2,550,791
Term deposits	503,435	1,629,717
Total cash and cash equivalents	3,332,292	4,180,508
Held as		
- Unrestricted cash and cash equivalents	2,744,091	1,940,715
- Restricted cash and cash equivalents	588,201	2,239,793
	3,332,292	4,180,508

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

	2023	2022
	\$	\$
(a) Current assets		
Financial assets at amortised cost	500,497	0
	500,497	0
Other financial assets at amortised cost		
Term deposits	500,497	0
	500,497	0
Held as		
- Restricted other financial assets at amortised cost	500,497	0
	500,497	0
(b) Non-current assets		
Financial assets at fair value through profit or loss	61,117	58,353
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	58,353	55,355
Movement attributable to fair value increment	2,764	2,998
Units in Local Government House Trust - closing balance	61,117	58,353

Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature.

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

5. TRADE AND OTHER RECEIVABLES

Current

Rates and statutory receivables
Trade receivables

Non-current

Rates and statutory receivables

Note	2023	2022
	\$	\$
	132,514	100,836
	208,351	61,656
	340,865	162,492
	43,348	42,093
	43,348	42,093

SIGNIFICANT ACCOUNTING POLICIES

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations as part of the ordinary course of business.

Other receivables

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

Measurement

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

Classification and subsequent measurement

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

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

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

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

6. INVENTORIES

	Note	2023	2022
Current		\$	\$
Fuel and materials		2,877	5,177
		2,877	5,177
Non-current			
Land held for resale			
Cost of acquisition		36,000	106,000
		36,000	106,000
The following movements in inventories occurred during the year:			
Balance at beginning of year		111,177	107,632
Inventories expensed during the year		(151,344)	(81,890)
Additions to inventory		79,044	85,435
Balance at end of year		38,877	111,177

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for resale

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

Land held for resale (Continued)

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

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

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

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

7. OTHER ASSETS

	2023	2022
	\$	\$
Other assets - current		
Prepayments	0	2,680

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

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

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings - non- specialised	Buildings - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Buildings - work in progress	Total property, plant and equipment
	\$	\$	\$		\$	\$	\$	\$
Balance at 1 July 2021	1,282,000	2,249,000	14,985,505	18,516,505	209,145	2,812,067	1,700,620	23,238,337
Additions	0	0	721,155	721,155	0	412,370	1,309,987	2,443,512
Disposals	0	0	(210,716)	(210,716)	(1,150)	(179,077)	0	(390,943)
Depreciation	0	(48,420)	(358,448)	(406,868)	(31,316)	(435,469)	0	(873,653)
Transfers	0	0	1,641,615	1,641,615	(27,001)	0	(1,641,615)	(27,001)
Balance at 30 June 2022	1,282,000	2,200,580	16,779,111	20,261,691	149,678	2,609,891	1,368,992	24,390,252
Comprises:								
Gross balance amount at 30 June 2022	1,282,000	2,249,000	17,132,775	20,663,775	258,315	4,664,614	1,368,992	26,955,696
Accumulated depreciation at 30 June 2022	0	(48,420)	(353,664)	(402,084)	(108,637)	(2,054,723)	0	(2,565,444)
Balance at 30 June 2022	1,282,000	2,200,580	16,779,111	20,261,691	149,678	2,609,891	1,368,992	24,390,252
Additions	18,533	0	490,025	508,558	0	270,924	0	779,482
Disposals	0	0	0	0	0	(390,322)	0	(390,322)
Depreciation	0	(48,420)	(388,717)	(437,137)	(30,711)	(381,635)	0	(849,483)
Transfers	21,612	0	1,185,010	1,206,622	0	0	(1,368,992)	(162,370)
Balance at 30 June 2023	1,322,145	2,152,160	18,065,429	21,539,734	118,967	2,108,858	0	23,767,559
Comprises:								
Gross balance amount at 30 June 2023	1,322,145	2,249,000	18,807,810	22,378,955	258,315	4,450,599	0	27,087,869
Accumulated depreciation at 30 June 2023	0	(96,840)	(742,381)	(839,221)	(139,348)	(2,341,741)	0	(3,320,310)
Balance at 30 June 2023	1,322,145	2,152,160	18,065,429	21,539,734	118,967	2,108,858	0	23,767,559

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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Independent registered valuer	June 2021	Price per hectare / market borrowing rate
Buildings - non-specialised	3	Cost approach and current replacement cost	Independent registered valuer	June 2021	Construction costs and current condition, residual values and remaining useful life assessments inputs
Buildings - specialised	3	Cost approach and current replacement cost	Independent registered valuer	June 2021	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

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

(ii) Cost

Following a change to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change was effective from 1 July 2019 and represented a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximated cost at the date of change.

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

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - public facilities	Total Infrastructure
	\$	\$	\$	\$	\$
Balance at 1 July 2021	59,620,418	815,320	6,806,355	5,674,904	72,916,997
Additions	1,779,490	55,964	81,653	45,250	1,962,357
(Disposals)	0	0	0	(681,331)	(681,331)
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	0	1,265,158	1,265,158
Depreciation	(1,445,297)	(57,665)	(138,611)	(252,681)	(1,894,254)
Transfers	0	0	0	27,001	27,001
Balance at 30 June 2022	59,954,611	813,619	6,749,397	6,078,301	73,595,928
Comprises:					
Gross balance at 30 June 2022	91,746,850	2,072,224	10,503,548	7,012,814	111,335,436
Accumulated depreciation at 30 June 2022	(31,792,239)	(1,258,605)	(3,754,151)	(934,513)	(37,739,508)
Balance at 30 June 2022	59,954,611	813,619	6,749,397	6,078,301	73,595,928
Additions	2,111,341	0	60,459	3,563,388	5,735,188
Revaluation increments / (decrements) transferred to revaluation surplus	11,153,266	169,948	2,554,174	0	13,877,388
Depreciation	(1,468,786)	(59,266)	(139,698)	(332,858)	(2,020,408)
Transfers	0	0	0	162,370	162,370
Balance at 30 June 2023	71,730,432	924,301	9,224,332	9,471,401	91,350,466
Comprises:					
Gross balance at 30 June 2023	101,170,751	1,697,540	12,863,624	10,738,572	126,470,487
Accumulated depreciation at 30 June 2023	(29,440,319)	(773,239)	(3,639,292)	(1,267,171)	(35,120,021)
Balance at 30 June 2023	71,730,432	924,301	9,224,332	9,471,401	91,350,466

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

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using current replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - footpaths	3	Cost approach using current replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - drainage	3	Cost approach using current replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - public facilities	3	Cost approach using current replacement cost	Independent valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

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

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset Class	Useful life
Buildings - non-specialised	30 to 50 years
Buildings - specialised	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Infrastructure - roads	12 to 75 years
Infrastructure - footpaths	20 to 50 years
Infrastructure - drainage	75 Years
Infrastructure - public facilities	12 to 75 years

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

10. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

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

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

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

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

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

Individual assets that are land, buildings, infrastructure and investment properties acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next revaluation consistent with *Financial Management Regulation 17A(4)*.

Revaluation

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

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

Revaluation (continued)

For property, plant and equipment and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on revaluation

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

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

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

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

Impairment

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

Gains or losses on disposal

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

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

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 - furniture and equipment	Right-of-use assets Total
	\$	\$
Balance at 1 July 2021	19,002	19,002
Gains/(losses) from sale and leaseback transactions	(12,668)	(12,668)
Depreciation	(6,334)	(6,334)
Balance at 30 June 2022	0	0
Gross balance amount at 30 June 2022	31,670	31,670
Accumulated depreciation at 30 June 2022	(31,670)	(31,670)
Balance at 30 June 2022	0	0
Additions	39,741	39,741
Depreciation	(9,935)	(9,935)
Balance at 30 June 2023	29,806	29,806
Gross balance amount at 30 June 2023	39,741	39,741
Accumulated depreciation at 30 June 2023	(9,935)	(9,935)
Balance at 30 June 2023	29,806	29,806

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

	2023 Actual	2022 Actual
	\$	\$
Depreciation on right-of-use assets	(9,935)	(6,334)
Finance charge on lease liabilities	(2,107)	(182)
Total amount recognised in the statement of comprehensive income	(12,042)	(6,516)
Total cash outflow from leases	(11,185)	(10,461)

(b) Lease Liabilities

Current	9,620	0
Non-current	21,043	0
	30,663	0

25(c)

Secured liabilities and assets pledged as security

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

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

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

Details of individual lease liabilities required by regulations are provided at Note 25(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 under zero cost concessionary land leases such as roads, buildings and other infrastructure which are reported at fair value.

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

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the useful life of the underlying asset, whichever is the shorter. Where a lease transfers ownership of the underlying asset to the lessee by the end of the lease term 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 KELLERBERRIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors

Prepaid rates

Accrued payroll liabilities

ATO liabilities

Bonds and deposits held

Accrued interest on loans

Other payables

	2023	2022
	\$	\$
	340,975	122,787
	82,754	69,917
	51,471	59,201
	59,413	28,701
	38,787	30,916
	16,495	4,134
	8,053	0
	597,948	315,656

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises income for the prepaid rates that have not been refunded.

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

13. OTHER LIABILITIES

	2023	2022
	\$	\$
Current		
Contract liabilities	84,701	610,274
	84,701	610,274
Reconciliation of changes in contract liabilities		
Opening balance	610,274	154,440
Additions	84,701	610,274
Revenue from contracts with customers included as a contract liability at the start of the period	(610,274)	(154,440)
	84,701	610,274

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

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

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

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

14. BORROWINGS

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		288,924	1,800,012	2,088,936	184,748	1,385,304	1,570,052
Total secured borrowings	25(a)	288,924	1,800,012	2,088,936	184,748	1,385,304	1,570,052

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 Kellerberrin.
Other loans relate to transferred receivables. Refer to Note 5.

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

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

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 0(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 25(a).

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

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2023	2022
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	139,239	167,451
Long service leave	164,833	152,913
Total current employee related provisions	304,072	320,364
Non-current provisions		
Employee benefit provisions		
Long service leave	20,190	21,885
Total non-current employee related provisions	20,190	21,885
Total employee related provisions	324,262	342,249

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

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

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

16. REVALUATION SURPLUS

	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	Total Movement on Revaluation	2022 Closing Balance
	\$	\$	\$	\$	\$	\$
Land - freehold land	601,328	0	601,328	601,328	0	601,328
Land held for resale	106,000	0	106,000	106,000	0	106,000
Buildings - specialised	7,877,332	0	7,877,332	7,877,332	0	7,877,332
Furniture and equipment	32,881	0	32,881	32,881	0	32,881
Plant and equipment	1,851,158	0	1,851,158	1,851,158	0	1,851,158
Infrastructure - roads	42,841,502	11,153,266	53,994,768	42,841,502	0	42,841,502
Infrastructure - footpaths	405,185	169,948	575,133	405,185	0	405,185
Infrastructure - drainage	6,275,922	2,554,174	8,830,096	6,275,922	0	6,275,922
Infrastructure - public facilities	2,897,964	0	2,897,964	1,632,806	1,265,158	2,897,964
	62,889,272	13,877,388	76,766,660	61,624,114	1,265,158	62,889,272

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

17. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2023 Actual \$	2022 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	588,201	2,239,793
- Financial assets at amortised cost	4	500,497	0
		1,088,698	2,239,793
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	26	965,210	1,598,603
Contract liabilities	13	84,701	610,274
Bonds and deposits held	12	38,787	30,916
Total restricted financial assets		1,088,698	2,239,793
18. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS			
Bank overdraft limit		500,000	500,000
Bank overdraft at balance date		0	0
Credit card limit		35,000	15,000
Credit card balance at balance date		(963)	(1,503)
Total amount of credit unused		534,037	513,497
Loan facilities			
Loan facilities - current		288,924	184,748
Loan facilities - non-current		1,800,012	1,385,304
Total facilities in use at balance date	14	2,088,936	1,570,052
Unused loan facilities at balance date		0	0

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

19. CONTINGENT LIABILITIES

The Shire has no contingent liabilities at the end of the reporting period.

20. CAPITAL COMMITMENTS

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	421,476	3,297,000
Payable:		
- not later than one year	421,476	3,297,000

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

21. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

Note	2023 Actual	2023 Budget	2022 Actual
	\$	\$	\$
President's annual allowance	5,000	5,000	5,000
President's meeting attendance fees	4,560	4,840	3,780
President's ICT expenses	251	429	355
President's annual allowance for travel and accommodation expenses	600	550	600
	10,411	10,819	9,735
Deputy President's annual allowance	1,146	1,250	1,250
Deputy President's meeting attendance fees	3,980	3,630	3,720
Deputy President's ICT expenses	251	429	355
Deputy President's travel and accommodation expenses	550	550	600
	5,927	5,859	5,925
All other council member's meeting attendance fees	13,840	14,850	15,970
All other council member's annual allowance for ICT expenses	1,257	2,142	1,873
All other council member's travel and accommodation expenses	2,800	2,750	3,000
	17,897	19,742	20,843
21(b)	34,235	36,420	36,503

(b) Key Management Personnel (KMP) Compensation

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

Note	2023 Actual	2022 Actual
	\$	\$
Short-term employee benefits	472,482	495,706
Post-employment benefits	61,263	64,352
Employee - other long-term benefits	16,801	12,122
Council member costs	34,235	36,503
	584,781	608,683

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Council member costs

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

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

21. RELATED PARTY TRANSACTIONS

Transactions with related parties

Transactions between related parties and the Shire are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2023	2022
	Actual	Actual
	\$	\$
Purchase of goods and services	16,460	158,826
Amounts payable to related parties:		
Trade and other payables	0	567

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 21(a) and 21(b)

ii. Other Related Parties

During the previous year, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement process.

Short-term employee benefits related to an associate person of the CEO who was employed by the Shire under normal employment terms and conditions.

iii. Entities subject to significant influence by the Shire

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

SHIRE OF KELLERBERRIN
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FOR THE YEAR ENDED 30 JUNE 2023

22. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial report is presented.

e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation

The Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

g) Fair value of assets and liabilities

Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Interest revenue

Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

i) Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

j) Impairment of assets

In accordance with Australian Accounting Standards the Shire's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

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

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

SHIRE OF KELLERBERRIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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23. RATING INFORMATION

General Rates

RATE TYPE Rate Description	Basis of valuation	Rate in \$	Number of Properties	2022/23 Actual Rateable Value* \$	2022/23 Actual Rate Revenue \$	2022/23 Actual Interim Rates \$	2022/23 Actual Total Revenue \$	2022/23 Budget Rate Revenue \$	2022/23 Budget Interim Rate \$	2022/23 Budget Total Revenue \$	2021/22 Actual Total Revenue \$
Kellerberrin Residential	Gross rental valuation	0.149500	338	3,016,207	450,923	194	451,117	450,923	0	450,923	429,820
Other Residential	Gross rental valuation	0.149500	3	19,240	2,876	0	2,876	2,876	0	2,876	2,688
Kellerberrin Commercial	Gross rental valuation	0.169750	28	643,635	109,257	0	109,257	109,257	0	109,257	103,304
Other Commercial	Gross rental valuation	0.169750	3	27,976	4,749	0	4,749	4,749	0	4,749	4,490
Mining Tenements	Unimproved valuation	0.016525	0	0	0	0	0	0	0	0	0
Rural	Unimproved valuation	0.016525	261	103,031,036	1,702,588	0	1,702,588	1,702,587	0	1,702,587	1,625,465
Total general rates			633	106,738,094	2,270,393	194	2,270,567	2,270,392	0	2,270,392	2,165,767
Minimum payment											
Minimum payment											
Kellerberrin Residential	Gross rental valuation	855	56	34,789	47,880	0	47,880	47,880	0	47,880	50,716
Other Residential	Gross rental valuation	855	26	38,084	22,230	0	22,230	22,230	0	22,230	21,268
Kellerberrin Commercial	Gross rental valuation	937	25	71,744	23,425	0	23,425	23,425	0	23,425	22,425
Other Commercial	Gross rental valuation	937	2	170	1,874	0	1,874	1,874	0	1,874	1,794
Mining Tenements	Unimproved valuation	855	11	72,034	9,405	1,460	10,865	9,405	0	9,405	7,845
Rural	Unimproved valuation	855	76	1,733,364	64,980	0	64,980	64,980	0	64,980	61,350
Total minimum payments			196	1,950,185	169,794	1,460	171,254	169,794	0	169,794	165,398
Total general rates and minimum payments			829	108,688,279	2,440,187	1,654	2,441,841	2,440,186	0	2,440,186	2,331,165
Ex-gratia Rates											
CBH		N/A	1	N/A	30,143	0	30,143	30,100	0	30,100	28,845
Total amount raised from rates (excluding general rates)			1	0	30,143	0	30,143	30,100	0	30,100	28,845
Total Rates							2,471,984			2,470,286	2,360,010
Rate instalment interest							5,764			6,500	5,554
Rate overdue interest							9,447			15,400	9,220

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 KELLERBERRIN
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24. DETERMINATION OF SURPLUS OR DEFICIT

		2022/23	2022/23	2021/22
		Budget		
		(30 June 2023)	(30 June 2023)	(30 June 2022)
		Carried	Carried	Carried
Note	Forward)	Forward)	Forward)	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	(93,180)	(83,525)	(42,536)	
Less: Movement in liabilities associated with restricted cash	(16,292)	0	12,254	
Less: Fair value adjustments to financial assets at fair value through profit or loss	(2,764)	0	(2,998)	
Add: Loss on disposal of assets	31,356	11,500	905,865	
Add: Depreciation	2,879,826	2,768,872	2,774,241	
Non-cash movements in non-current assets and liabilities:				
Pensioner deferred rates	(1,255)	0	(3,030)	
Employee benefit provisions	(1,695)	0	2,307	
Inventory	70,000	0	0	
Non-cash amounts excluded from operating activities	2,865,996	2,696,847	3,646,103	
(b) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	26	(965,210)	(661,737)	(1,598,603)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	14	288,924	288,649	184,748
- Current portion of lease liabilities	11(b)	9,620	9,620	0
- Employee benefit provisions		304,072	308,110	320,364
Total adjustments to net current assets		(362,594)	(55,358)	(1,093,491)
Net current assets used in the Statement of Financial Activity				
Total current assets		4,176,531	974,074	4,350,857
Less: Total current liabilities		(1,285,265)	(918,716)	(1,431,042)
Less: Total adjustments to net current assets		(362,594)	(55,358)	(1,093,491)
Surplus or deficit after imposition of general rates		2,528,672	0	1,826,324

SHIRE OF KELLERBERRIN
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25. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget			
		Principal at	New Loans	Principal	Principal at 30	New Loans	Principal	Principal at	Principal at 1	New Loans	Principal	Principal at
		1 July 2021	During 2021-22	Repayments	June 2022	During 2022-23	Repayments	30 June 2023	July 2022	During 2022-23	Repayments	30 June 2023
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Police Housing (Hammond St)		527,793	0	(66,202)	461,591	0	(68,203)	393,388	461,591	0	(68,203)	393,388
Recreation Centre Construction		985,582	0	(72,954)	912,628	0	(77,714)	834,914	912,627	0	(77,714)	834,913
CEACA Units		233,461	0	(37,628)	195,833	0	(38,830)	157,003	195,833	0	(38,831)	157,002
Swimming Pool		0	0	0	0	750,000	(46,369)	703,631	0	750,000	0	750,000
Total		1,746,836	0	(176,784)	1,570,052	750,000	(231,116)	2,088,936	1,570,051	750,000	(184,748)	2,135,303
Borrowing Finance Cost Payments												
Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023		Budget for year ending 30 June 2023	Actual for year ending 30 June 2022			
						\$	\$	\$	\$	\$	\$	\$
Police Housing (Hammond St)		120	WATC	2.99%	6/09/2028	(16,165)	(13,042)	(16,934)				
Recreation Centre Construction		118	WATC	6.37%	15/06/2031	(62,522)	(56,302)	(60,618)				
CEACA Units		119	WATC	3.16%	20/02/2027	(6,965)	(5,731)	(8,172)				
Swimming Pool		121	WATC	3.75%	14/04/2030	(21,230)	0	0				
Total						(106,882)	(75,075)	(94,724)				
Total Finance Cost Payments						(106,882)	(75,075)	(94,724)				

* WA Treasury Corporation

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25. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2022/23

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2023 Actual	2023 Budget	2023 Actual	2023 Budget		
Swimming Pool	WATC	Fixed	7	3.75%	750,000	750,000	(750,000)	(750,000)	106,229	0
					750,000	750,000	(750,000)	(750,000)	106,229	0

* WA Treasury Corporation

(c) Lease Liabilities

Purpose	Note	Actual				Budget			
		Principal at 1 July 2021	New Leases During 2021-22	Repayments During 2021-22	Principal at 30 June 2022	New Leases During 2022-23	Repayments During 2022-23	Principal at 30 June 2023	Principal at 30 June 2023
Gym Equipment		10,279	0	(10,279)	0	39,741	(9,078)	30,663	30,663
Total Lease Liabilities	11(b)	10,279	0	(10,279)	0	39,741	(9,078)	30,663	30,663

Lease Finance Cost Payments

Purpose	Note	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022	Lease Term
Gym Equipment		E6N0163849	MAIA	6.09%	14/04/2026	(2,107)	(2,107)	(182)	48 months
Total Finance Cost Payments						(2,107)	(2,107)	(182)	

SHIRE OF KELLERBERRIN
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26. RESERVE ACCOUNTS

	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance	2023 Budget Opening Balance	2023 Budget Transfer to	2023 Budget Transfer (from)	2023 Budget Closing Balance	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	77,329	2,522	0	79,851	77,329	242	0	77,571	77,086	243	0	77,329
(b) Plant Replacement Reserve	223,915	278,383	0	502,298	223,915	700	0	224,615	223,211	704	0	223,915
(c) Community Bus Reserve	67,971	2,057	0	70,028	67,971	213	0	68,184	67,757	214	0	67,971
(d) Housing Reserve	192,934	5,838	0	198,772	192,934	603	0	193,537	192,327	607	0	192,934
(e) Swimming Pool Reserve	942,053	18,733	(942,000)	18,786	942,053	2,946	(941,866)	3,133	1,612,658	4,395	(675,000)	942,053
(f) Sport And Recreation Reserve	35,498	1,074	0	36,572	35,498	111	0	35,609	15,117	25,437	(5,056)	35,498
(g) Pathways Reserve	51,056	0	0	51,056	51,056	160	0	51,216	51,056	0	0	51,056
(h) Special Projects Reserve	7,847	0	0	7,847	7,847	25	0	7,872	44,588	0	(36,741)	7,847
	1,598,603	308,607	(942,000)	965,210	1,598,603	5,000	(941,866)	661,737	2,283,800	31,600	(716,797)	1,598,603

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

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

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Leave reserve	To be used to fund employees long service leave
(b) Plant Replacement Reserve	To be used for the future purchase of plant and machinery
(c) Community Bus Reserve	To subsidise the replacement of community bus
(d) Housing Reserve	To be used for the provision of staff housing
(e) Swimming Pool Reserve	To be used to improve the swimming pool facilities
(f) Sport And Recreation Reserve	To provide sporting and recreation amenities
(g) Pathways Reserve	To be used for the construction of new pathways
(h) Special Projects Reserve	To be used in the funding of special projects

SHIRE OF KELLERBERRIN
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27. 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 2022	Amounts Received	Amounts Paid	30 June 2023
	\$	\$	\$	\$
Community Bus Bond	4,600	1,200	(200)	5,600
BCITF Levy	0	8,675	(8,675)	0
Bush Fire Brigade Funds - Trust	327	0	0	327
Hall Bond	3,890	4,550	(4,550)	3,890
Building Registration Levy	195	6,600	(6,662)	133
Cuolahan/Cottle Room Bond	5,550	1,200	(400)	6,350
Housing Bond	3,564	1,200	(1,200)	3,564
Key Bond	8,415	4,450	(2,650)	10,215
Equipment Hire Bond Trust	200	1,850	(1,350)	700
Transport (CRC) Licencing Trust	3,074	732,585	(729,517)	6,142
Rec Centre Bonds	1,300	1,200	(700)	1,800
Nomination Deposits	0	160	(160)	0
	31,115	763,670	(756,064)	38,721