

ANNUAL REPORT

2022-2023

Adopted
13 December 2023

Resolution:
12.2023.125



Photo by D Davies

SHIRE OF TRAYNING
KTY
Rock Solid

Our Vision

"The Shire of Trayning is an active, safe and vibrant community that works together with honesty and is respectful of the values of all.

We are committed to a progressive, diverse and profitable community that supports healthy lifestyles sustained by positive social values and engaged youth.

Our natural assets are valued, protected and enhanced for future generations."

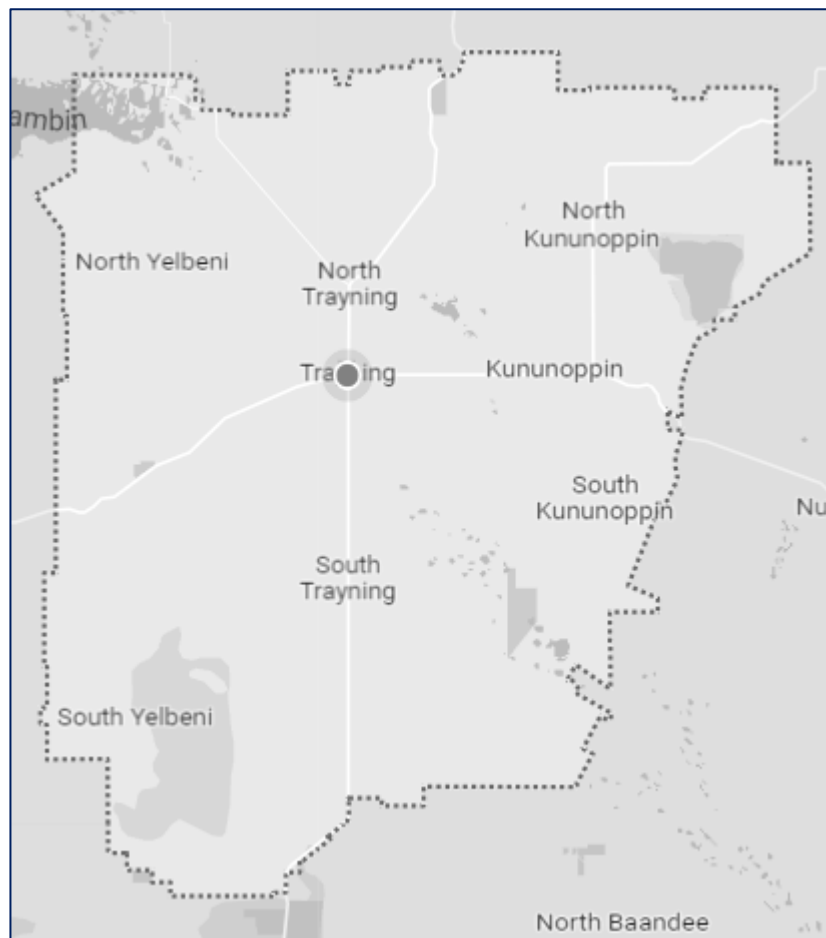


Table of Contents

Section 1 - General

Our Vision Statement	2
Table of Contents	3
General Information	4-5
Shire President's Report	6-7
CEO's Report	8-9
Councillors and Meetings	10-12
Council Staff	13
Plan for the Future	14
Disability Services Plan	15
National Competition Policy	16
Freedom of Information	17
Other Statutory Requirements	18-19

Section 2 - Financial

Statement by Chief Executive Officer
Statement of Comprehensive Income by Nature or Type
Statement of Comprehensive Income by Program
Statement of Financial Position
Statement of Changes in Equity
Statement of Cash Flow
Rate Setting Statement
Notes to and Forming Part of the Financial Report
Independent Audit Report

General Information

Administration Office

Lot 66 Railway Street, Trayning WA 6488

Telephone (08) 9683 1001

E-mail admin@trayning.wa.gov.au

Website www.trayning.wa.gov.au

Office hours Mon to Fri 8.30am - 4.00 pm

Like us on Face Book www.facebook.com/ShireofTrayning

Statistics

Towns:	Trayning, Kununoppin, Yelbeni
Area:	1,632 km ²
Distance from Perth:	235 km
Population:	298
Number of Electors:	235
Number of Dwellings:	132
Total Rates Levied:	\$1.2M
Total Revenue:	\$6.1M
Number of Employees:	18 (15 FTE)

Significant Local Events

Australia Day Community BBQ at the Trayning Town Park, TTPA Motorsports Competition.

Tourist Attractions

Billyacatting Hill Conservation Park with fauna, reptiles, wildflowers, rare flora and bird watching, Gnamma Holes, Yarragin Rock (twin monoliths), Yelbeni Museum, Historical Rance Caravan, Trayning Tree Library Walk Trail, Historic Wells and the Wheatbelt Way.

Accommodation

Traying Caravan Park, 2x Short Stay Units, Rec Ground Pavilion Traying Hotel/Motel, Rosevale Homestead Farm Stay/Bed & Breakfast.

Sporting and Recreation Facilities

Ningham Fitness Centre - Community Gym, Aquatic Centre, Tennis/Basketball Courts, Bowls, BMX Tracks, Skate Boarding Park, Community/School Oval and excellent BBQ/Playground areas.



Shire President's Report

It is my pleasure to present the President's report for the financial year ended 30 June 2023. Council has continued to work together with the staff to ensure the Shire is in a sound position, and that community expectations are being met.

Community consultation during the year included a Community Needs and Satisfaction Survey, review of Local Laws, a Business Case for the development of Staff Accommodation for the Kununoppin Hospital and two KTY Innovation Forums. There were only a small number of surveys completed, no submissions on the Local Laws and Business Case, and poor attendance at the Forums.

A number of community events were held during the year including two events on Australia Day, a sausage sizzle and inflatable at the Swimming Pool followed by an evening barbecue in the Town Park. Other events included the opening of the new DFES shed, an ANZAC Day memorial and KTY Town Team meeting in Kununoppin.

The Shire has continued to be an active participant of the North Eastern Regional Organisation of Councils (NEWROC). The other Shires in this group are Dowerin, Koorda, Mt Marshall, Mukinbudin, Nungarin and Wyalkatchem.

NEWROC have been working together on establishing a regional waste site, continuing telecommunications projects, improving energy reliability and integrated planning and reporting. They also hired a Town Teams Builder for the Wheatbelt who assisted with the organisation of our Town Teams projects.

The Shire also participates in the regional tourism group NEWTravel and the Kununoppin Medical Practice Committee.

On behalf of Council, I would like to extend sincere thanks to our CEO, Leanne Parola. Leanne continues to be committed and supportive of Council. It is heartening to see the CEO engaging with community and genuinely taking an interest in the needs and future of our Shire. Thanks to the Shire staff who have supported the CEO in implementing the decisions made by Council.

Thank you to my Councillors for their input and participation throughout the year. To be a dedicated Councillor involves time and consideration of the needs of our community. Council continues to look at maintaining levels of service and ensuring that we remain sustainable for the future. I would like to take this opportunity to thank the family members of Council, without their support and understanding, we would not be able to carry out our duties.



In closing, I would like to express my heartfelt thanks to all residents, ratepayers and community members for their contribution to our Shire. Each and every one of our residents is valued for what they bring to our wonderful part of the Wheatbelt. I look forward to continue engaging with community and to support our vision to value, protect and enhance, not just our natural assets, but all of our assets, for future generations.



Melanie Brown
Shire President



Chief Executive Officer's Report

Like many small regional local governments, the Shire of Trayning is heavily reliant on grant funding to renew and upgrade our assets.

Some grant funding is reasonably reliable and predictable, such as Federal funding through Financial Assistance Grants and the Roads to Recovery program, and Main Roads funding through a direct grant and Regional Road Group Projects. The Shire is grateful to the State and Federal Government for continuing to provide these funding streams.

This year we received \$4.4M in operating and capital grants which is more than three times what we raised in rates (\$1.2M).

While it is fantastic to receive 'outside' money to carry out projects we could not usually afford, it has put the organisation under a huge amount of pressure to deliver a much larger capital program than usual.

Federal Roads to Recovery Funds of \$292,095 were used to resheet a portion of the Kellerberrin-Yelbeni Road and reseal of portion of Sherzinger Road which cost a total of \$440,313. State Government funding of \$388,872 through the Regional Road Group was used to continue works to widen and reconstruct a section of the Kununoppin Mukinbudin Road at a cost of \$638,088.

Local Roads and Community Infrastructure Program funding of \$628,673 for Phase 3 was used for the following projects:

- Footpath program – replace footpaths in Trayning and Kununoppin
- Outdoor Courts – replace tennis and basketball courts
- Bowling Green - resurfacing
- Administration Centre – purchase disabled toilet (yet to be installed)

Other grant funded projects included the completion of the DFES Shed. There were a number of projects carried out without grant funding including the resheeting on Yelbeni South East Road, replacement of the ablution block and leach drain at the Caravan Park, repainting the pool bowl and extending the Yelbeni Gazebo to include a BBQ.



Closing Financial Position

The Shire closed the financial year showing a significant surplus of \$3.2M. A large part of this was \$2.2M Federal Financial Assistance Grants for 2023/24 paid in advance which in turn reduced the level of grant funds expected in the 2023/24 budget.

Thank you

I would like to thank the Shire President, Councillors, staff and our contractors for all their efforts and support this year.



Leanne Parola
Chief Executive Officer



Elected Members



President Melanie Brown



Deputy President Geoff Waters



Councillor Michelle McHugh



Councillor Clayton Marchant



Councillor Mark Leslie



Councillor Peter Barnes

The Shire of Trayning is represented by seven Councillors made up of President, Deputy President and five Councillors. The elected representatives work together to provide good governance by making decisions on all aspects through effective strategic planning.

The current members of Council consist of:

Shire President

Cr Melanie Brown	Commenced 2015	Term Expiry 2023
------------------	----------------	------------------

Deputy Shire President

Cr Geoff Waters	Commenced 1996	Term Expiry 2023
-----------------	----------------	------------------

Councillors

Cr Peter Barnes	Commenced 2021	Term Expiry 2025
-----------------	----------------	------------------

Cr Mark Leslie	Commenced 2021	Term Expiry 2025
----------------	----------------	------------------

Cr Clayton Marchant	Commenced 2019	Term Expiry 2023
---------------------	----------------	------------------

Cr Michelle McHugh	Commenced 2017	Term Expiry 2025
--------------------	----------------	------------------

Vacant		Term Expiry 2023
--------	--	------------------

The vacant position was created when Councillor Tarr resigned in 2022 and will remain vacant until the October 2023 election.

Council meetings are held on the third Wednesday of each month except in January. Meetings start at the advertised times, and have a 15 minute period at the commencement for public question time. An agenda is prepared for each meeting, which is finalised by the Friday afternoon of the week prior to the meeting.

Council has two standing Committees, the Audit Committee as required by the Local Government Act, and the Local Emergency Management Committee as required by the Emergency Management Act. Other Committees for specific purposes may be created. There are also a number of other organisations on which your Council is represented, these include: Great Eastern Zone of WALGA, NEW Travel, Local Health Advisory Group, Regional Road Group as well as others.

Council is also a member of the North Eastern Wheatbelt Regional Organisation of Councils, (NEWROC) which includes the Shires of Dowerin, Koorda, Nungarin, Mt Marshall, Mukinbudin and Wyalkatchem. The group works together to achieve greater resource sharing abilities.



Council Meeting Dates 2023

Ordinary meetings of Council in 2023 will be held in the Council Chambers commencing at 4.00 pm, on the following dates –

Ordinary meetings of Council are open to the public unless otherwise stated.

Meeting dates 2023

- Wednesday 15 February 2023
- Wednesday 19 April 2023
- Wednesday 21 June 2023
- Wednesday 19 July 2023
- Wednesday 20 September 2023
- Wednesday 18 October 2023
- Wednesday 13 December 2023

NB: There may be a variation in start time for the June meeting to set the annual budget

Any variations to start times or dates will be published on the Shire of Trayning Website, Shire of Trayning Facebook page and in the Ninghan News.

Leanne Parola
CHIEF EXECUTIVE OFFICER

Council Staff

Chief Executive Officer	Leanne Parola
Manager of Corporate Services	Belinda Taylor
Senior Finance Officer	Abbie Herrick
Administration Officer	Jessica Bell
Finance Officer	Jessi Shannon
Environmental Health Officer	Laura Pikoss (Contractor)
Works Supervisor	Stephen Thomson
Works Crew	Alec Garlett
	Alex Bauer
	Alphonso Ricetti
	Amanda Devenny
	Anthony Bell
	Chantelle Frensham
	Corey Cummins
	Denis Caine
	Mark Rundell
	Warren Runge
Aquatic Centre Manager	Steve O'Hare (Contractor)
Shire Cleaners	Kade Taylor
	Celia Tumata
Ranger	Sam Di Candilo (Contractor)

Plan for the Future Overview

Major Initiatives Proposed or to Continue During 2023/2024

An overview of the Plan for the Future of the District (Strategic Community & Corporate Business Plan 2022-2023)

Buildings

- Review future use and renewal of building assets not currently included in the Asset Management Plan modelling
- Identify funding opportunities for construction of new staff housing

Roads

- Review and update Capital Roadworks Plan
- Kununoppin-Mukinbudin Road (grant funded)
- Kellerberrin Yelbeni Road (grant funded)

Other Infrastructure

- Footpaths in Kununoppin & Trayning (grant funded)
- Replacement of cemetery plot and row numbers in Kununoppin Cemetery

Other Activities

- Prepare a Public Health Plan
- Review level of Ranger Services
- Survey local business to identify barriers/opportunities
- Work with NEWROC to explore opportunities to improve waste management and establish regional landfill
- Provide opportunities and appropriate resources for staff and elected member professional development
- Review future sustainability of the Shire

Disability Services Plan

The Disability Services Act requires all Public Authorities to include in their Annual Report, a statement on that organisation's efforts to implement their adopted Disability Access and Inclusion Plan.

The Shire of Trayning is committed to ensuring that the community is an accessible community for people with disabilities, their families and carers. As well as to consulting with people with disabilities, their families and carers and where required, disability organisations to ensure that barriers to access are addressed properly.

Outcome Statements

OUTCOME 1 - People with disabilities have the same opportunities as other people to access the services of, and any events organised, by the Shire of Trayning.

OUTCOME 2 - People with disabilities have the same opportunities as other people to access the buildings and other facilities of the Shire of Trayning.

OUTCOME 3 - People with disabilities receive information from the Shire of Trayning in a format that will enable them to access the information as readily as other people are able to access it.

OUTCOME 4 - People with disabilities receive the same level and quality of service from the employees of the Shire of Trayning as other people receive.

OUTCOME 5 - People with disabilities have the same opportunities as other people to make complaints to the Shire of Trayning.

OUTCOME 6 - People with disabilities have the same opportunities as other people to participate in any public consultation by the Shire of Trayning.

OUTCOME 7 - People with disabilities have the same opportunities as other people to obtain and maintain employment with a public authority.

General Comments

Copies of the Disability Access and Inclusion Plan 2020-2025 are available upon request from the Shire Administration Office or on the Shire's Website www.trayning.wa.gov.au.

Should anyone have a comment or suggestion regarding accessibility issues please contact the Shire office and discuss the matters you have to talk about. Council continues to work to ensure that all of our new facilities are designed to meet the needs of the elderly and disabled.

National Competition Policy

Competition Reform

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

Competitive Neutrality

The principle of competitive neutrality is that government businesses should not enjoy a competitive advantage, or disadvantage, simply as a result of their public sector ownership.

Competitive neutrality should apply to all business activities, which generate a user-pays income of over \$200,000 unless it can be shown it is not in the public interest.

As the Shire of Trayning does not have any 'Significant Business Activities' with an annual user-pays income exceeding \$200,000 this negates further action or reporting obligation.

Local Laws

All Local Governments are required to assess which of their local laws might impact on competition and conduct a review of each to determine how any restrictive practices might be overcome.

Local Laws are also required to be reviewed every eight years under the Local Government Act 1995. The Shire's Local Laws were reviewed in February 2023 and the next review is due in 2031.

Freedom of Information

The following Council Documents available for inspection

Various documents are available for inspection by members of the public.

- Council Agendas & Minutes
- Annual Budgets
- Annual Report and Financial Statements
- Council Policy Manual and Delegations Register
- Council & Staff Code of Conduct
- Rate Assessment Book
- Electoral Roll
- Local Laws
- Municipal Heritage Inventory

Council also delivers information to the public via the following:

- Annual Ratepayer Information Pamphlets sent with Rate Notices
- Council Notes in the Ninghan News
- Production of the Local Telephone Directory
- Dog & Bushfire Fire Control Pamphlets are also posted annually
- Local Tourism & Information Brochures

Freedom of Information Requests

During the year under review there were no formal requests made by a member of the public under the Freedom of Information Act.

The Shire of Trayning welcomes enquires for any information held by Council.

If information cannot be accessed by a less formal means, a freedom of information request can be lodged to the following:

The Freedom of Information Officer
Shire of Trayning
PO Box 95
TRAYNING WA 6488

Other Statutory Requirements

Public Interest Disclosure

The Public Interest Disclosure Act was established by the Commissioner of Sector Standards under Section 20 of the Public Interest Disclosure Act 2003.

One of the principles of the 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 or government officials act and utilise public monies.

Matters that fall into the category of public interest include the following:

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

Matters relating to the Shire of Trayning should be referred to the Shire of Trayning's Public Interest Disclosure Officer. Disclosures to the Public Disclosure Officer can be made not just about officers of a local authority but also its elected officials.

The Disclosure Act is to ensure that the disclosure is confidential and that the person making a disclosure is provided adequate protection from reprisals, civil and criminal liability, dismissal or breach of confidentiality.

The Shire of Trayning had no Public Interest Disclosures during the reporting period.

Information on Employee Payments

For the purpose of Regulation 19B of the Local Government (Administration) Regulations 1996 employee remuneration is required to be contained in Council's Annual Report.

Shown below in bands is the number of employees:

Entitled to an annual salary of 100,000 to 109,999 = 1

Entitled to an annual salary of 110,000 to 119,999 = 0

Entitled to an annual salary of 120,000 to 129,999 = 0

Entitled to an annual salary of 130,000 to 139,999 = 1

Minor Breaches

The Shire is required to publish the details of complaints that have resulted in a finding under Section 110(2)(a) of the Local Government Act 1995 that a minor breach has occurred.

No breaches were found to have occurred in 2022/2023.

Records Management

The Shire is committed to meeting the requirements of the State Records Act 2000 which requires the Shire to maintain and dispose of all records in the prescribed manner.

In accordance with the State Records Act 2000 the Shire is required to have an approved Record Keeping Plan. The plan sets out matters regarding how records are created and how the Shire retains its records.

The Shire's Record Keeping Plan was reviewed in 2023.

Section Two - Financials



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

TABLE OF CONTENTS

Statement by Chief Executive Officer	2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Statement of Financial Activity	7
Index of Notes to the Financial Report	8
Independent Auditor's Report	43

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

The Shire of Trayning is an active, safe and vibrant community that works together with honesty and is respectful of the values of all. We are committed to a progressive, diverse and profitable community that supports healthy lifestyles sustained by positive social values. Our natural assets are valued, protected and enhanced for future generations.

Principal place of business:
Railway Street,
Trayning
WA 6488



**SHIRE OF TRAYNING
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 Trayning 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

fifth day of

December 2023



Chief Executive Officer

Leanne Parola

Name of Chief Executive Officer



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

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
Revenue				
Rates	2(a),25	1,204,381	1,201,103	1,175,525
Grants, subsidies and contributions	2(a)	2,858,375	602,535	2,623,284
Fees and charges	2(a)	218,214	207,601	306,182
Interest revenue	2(a)	45,940	24,042	19,507
Other revenue	2(a)	160,148	18,515	170,930
		4,487,058	2,053,796	4,295,428
Expenses				
Employee costs	2(b)	(1,050,196)	(917,676)	(608,871)
Materials and contracts		(867,851)	(1,028,959)	(1,232,252)
Utility charges		(123,884)	(127,324)	(136,082)
Depreciation		(1,199,387)	(1,157,892)	(1,103,237)
Finance costs	2(b)	(19,210)	(16,469)	(21,677)
Insurance		(140,755)	(127,085)	(116,617)
Other expenditure	2(b)	(57,925)	(73,894)	(45,835)
		(3,459,208)	(3,449,299)	(3,264,571)
		1,027,850	(1,395,503)	1,030,857
Capital grants, subsidies and contributions	2(a)	1,614,205	2,031,669	1,635,734
Profit on asset disposals		17,042	18,182	79,336
Loss on asset disposals		(252,569)	(11,542)	(1,833)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	2,764	0	2,997
		1,381,442	2,038,309	1,716,234
Net result for the period	24(b)	2,409,292	642,806	2,747,091
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	16,899,158	0	1,438,894
Total other comprehensive income for the period	16	16,899,158	0	1,438,894
Total comprehensive income for the period		19,308,450	642,806	4,185,985

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



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

	NOTE	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	3	4,300,813	2,632,523
Trade and other receivables	5	218,409	468,116
Other financial assets	4(a)	5,180	4,994
Inventories	6	1,721	3,033
Other assets	7	88,223	154
TOTAL CURRENT ASSETS		4,614,346	3,108,820
NON-CURRENT ASSETS			
Trade and other receivables	5	36,758	32,048
Other financial assets	4(b)	63,779	66,195
Property, plant and equipment	8	13,090,554	13,158,426
Infrastructure	9	66,764,620	48,610,713
Right-of-use assets	11(a)	7,970	994
TOTAL NON-CURRENT ASSETS		79,963,681	61,868,376
TOTAL ASSETS		84,578,027	64,977,196
CURRENT LIABILITIES			
Trade and other payables	12	338,942	193,736
Other liabilities	13	30,845	28,677
Lease liabilities	11(b)	1,481	1,139
Borrowings	14	82,760	64,505
Employee related provisions	15	253,859	250,426
TOTAL CURRENT LIABILITIES		707,887	538,483
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	6,504	0
Borrowings	14	581,271	464,031
Employee related provisions	15	30,658	31,425
TOTAL NON-CURRENT LIABILITIES		618,433	495,456
TOTAL LIABILITIES		1,326,320	1,033,939
NET ASSETS		83,251,707	63,943,257
EQUITY			
Retained surplus		29,504,214	27,216,198
Reserve accounts	28	784,980	663,704
Revaluation surplus	16	52,962,513	36,063,355
TOTAL EQUITY		83,251,707	63,943,257

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



SHIRE OF TRAYNING
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		24,428,578	704,233	34,624,461	59,757,272
Comprehensive income for the period					
Net result for the period		2,747,091	0	0	2,747,091
Other comprehensive income for the period	16	0	0	1,438,894	1,438,894
Total comprehensive income for the period		2,747,091	0	1,438,894	4,185,985
Transfers from reserve accounts	28	317,160	(317,160)	0	0
Transfers to reserve accounts	28	(276,631)	276,631	0	0
Balance as at 30 June 2022		27,216,198	663,704	36,063,355	63,943,257
Comprehensive income for the period					
Net result for the period		2,409,292	0	0	2,409,292
Other comprehensive income for the period	16	0	0	16,899,158	16,899,158
Total comprehensive income for the period		2,409,292	0	16,899,158	19,308,450
Transfers from reserve accounts	28	109,998	(109,998)	0	0
Transfers to reserve accounts	28	(231,274)	231,274	0	0
Balance as at 30 June 2023		29,504,214	784,980	52,962,513	83,251,707

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



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

	NOTE	2023 Actual \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		1,220,480	1,167,705
Grants, subsidies and contributions		3,116,963	2,159,866
Fees and charges		216,692	289,459
Interest revenue		45,940	19,507
Goods and services tax received		(127,652)	(410,114)
Other revenue		160,148	170,930
		4,632,571	3,397,353
Payments			
Employee costs		(1,047,585)	(529,640)
Materials and contracts		(813,767)	(1,303,326)
Utility charges		(123,884)	(136,082)
Finance costs		(19,210)	(22,060)
Insurance paid		(140,755)	(116,617)
Goods and services tax paid		105,426	433,996
Other expenditure		(59,447)	(128,318)
		(2,099,222)	(1,802,047)
Net cash provided by (used in) operating activities		2,533,349	1,595,306
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for financial assets at amortised cost - self supporting loans		0	4,815
Payments for purchase of property, plant & equipment	8(a)	(756,374)	(1,638,315)
Payments for construction of infrastructure	9(a)	(1,944,067)	(1,726,283)
Capital grants, subsidies and contributions		1,616,373	1,635,734
Proceeds from financial assets at amortised cost - self supporting loans		4,994	0
Proceeds from sale of property, plant & equipment		79,779	253,636
Net cash provided by (used in) investing activities		(999,295)	(1,470,413)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	27(a)	(64,505)	(62,802)
Payments for principal portion of lease liabilities	27(c)	(1,259)	(1,951)
Proceeds from new borrowings	27(a)	200,000	0
Net cash provided by (used in) financing activities		134,236	(64,753)
Net increase (decrease) in cash held		1,668,290	60,140
Cash at beginning of year		2,632,523	2,572,383
Cash and cash equivalents at the end of the year	3	4,300,813	2,632,523

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



SHIRE OF TRAYNING
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	25	1,193,380	1,189,794	1,164,524
Rates excluding general rates	25	11,001	11,309	11,001
Grants, subsidies and contributions		2,858,375	602,535	2,623,284
Fees and charges		218,214	207,601	306,182
Interest revenue		45,940	24,042	19,507
Other revenue		160,148	18,515	170,930
Profit on asset disposals		17,042	18,182	79,336
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	2,764	0	2,997
		<u>4,506,864</u>	<u>2,071,978</u>	<u>4,377,761</u>
Expenditure from operating activities				
Employee costs		(1,050,196)	(917,676)	(608,871)
Materials and contracts		(867,851)	(1,028,959)	(1,232,252)
Utility charges		(123,884)	(127,324)	(136,082)
Depreciation		(1,199,387)	(1,157,892)	(1,103,237)
Finance costs		(19,210)	(16,469)	(21,677)
Insurance		(140,755)	(127,085)	(116,617)
Other expenditure		(57,925)	(73,894)	(45,835)
Loss on asset disposals		(252,569)	(11,542)	(1,833)
		<u>(3,711,777)</u>	<u>(3,460,841)</u>	<u>(3,266,404)</u>
Non-cash amounts excluded from operating activities	26(a)	1,427,214	1,151,821	1,002,066
Amount attributable to operating activities		<u>2,222,301</u>	<u>(237,042)</u>	<u>2,113,423</u>
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		1,614,205	2,031,669	1,635,734
Proceeds from disposal of assets		79,779	171,954	253,636
Proceeds from financial assets at amortised cost - self supporting loans	27(a)	4,994	4,994	0
		<u>1,698,978</u>	<u>2,208,617</u>	<u>1,889,370</u>
Outflows from investing activities				
Payments for financial assets at amortised cost - self supporting loans		0		4,815
Purchase of property, plant and equipment	8(a)	(756,374)	(1,864,519)	(1,638,315)
Purchase and construction of infrastructure	9(a)	(1,944,067)	(2,306,880)	(1,726,283)
		<u>(2,700,441)</u>	<u>(4,171,399)</u>	<u>(3,359,783)</u>
Amount attributable to investing activities		<u>(1,001,463)</u>	<u>(1,962,782)</u>	<u>(1,470,413)</u>
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	27(a)	200,000	200,000	0
Transfers from reserve accounts	28	109,998	160,013	317,160
		<u>309,998</u>	<u>360,013</u>	<u>317,160</u>
Outflows from financing activities				
Repayment of borrowings	27(a)	(64,505)	(64,505)	(62,802)
Payments for principal portion of lease liabilities	27(c)	(1,259)	(1,052)	(1,951)
Transfers to reserve accounts	28	(231,274)	(16,590)	(276,631)
		<u>(297,038)</u>	<u>(82,147)</u>	<u>(341,384)</u>
Amount attributable to financing activities		<u>12,960</u>	<u>277,866</u>	<u>(24,224)</u>
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	26(b)	1,990,027	1,921,958	1,371,241
Amount attributable to operating activities		2,222,301	(237,042)	2,113,423
Amount attributable to investing activities		(1,001,463)	(1,962,782)	(1,470,413)
Amount attributable to financing activities		12,960	277,866	(24,224)
Surplus or deficit after imposition of general rates	26(b)	<u>3,223,825</u>	<u>0</u>	<u>1,990,027</u>

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



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

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	12
Note 4	Other Financial Assets	12
Note 5	Trade and Other Receivables	13
Note 6	Inventories	14
Note 7	Other Assets	15
Note 8	Property, Plant and Equipment	16
Note 9	Infrastructure	18
Note 10	Fixed Assets	20
Note 11	Leases	22
Note 12	Trade and Other Payables	24
Note 13	Other Liabilities	25
Note 14	Borrowings	26
Note 15	Employee Related Provisions	27
Note 16	Revaluation Surplus	28
Note 17	Restrictions Over Financial Assets	29
Note 18	Undrawn Borrowing Facilities and Credit Standby Arrangements	29
Note 19	Contingent Liabilities	30
Note 20	Capital Commitments	30
Note 21	Related Party Transactions	31
Note 22	Joint Arrangements	33
Note 23	Events Occurring After the End of the Reporting Period	34
Note 24	Other Significant Accounting Policies	35
Information required by legislation		
Note 25	Rating Information	36
Note 26	Determination of Surplus or Deficit	37
Note 27	Borrowing and Lease Liabilities	39
Note 28	Reserve accounts	42

SHIRE OF TRAYNING

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

1. BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

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

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

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

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

Revenue Recognition

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

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,204,381	0	1,204,381
Grants, subsidies and contributions	2,858,375	0	0	0	2,858,375
Fees and charges	218,214	0	0	0	218,214
Interest revenue	0	0	0	45,940	45,940
Other revenue	162,912	0	0	(2,764)	160,148
Capital grants, subsidies and contributions	0	1,614,205	0	0	1,614,205
Total	3,239,501	1,614,205	1,204,381	43,176	6,101,263

For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,175,525	0	1,175,525
Grants, subsidies and contributions	2,623,284	0	0	0	2,623,284
Fees and charges	306,182	0	0	0	306,182
Interest revenue	0	0	8,106	11,401	19,507
Other revenue	0	0	0	170,930	170,930
Capital grants, subsidies and contributions	0	1,635,734	0	0	1,635,734
Total	2,929,466	1,635,734	1,183,631	182,331	5,931,162

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2023 Actual \$	2022 Actual \$
Interest revenue		
Financial assets at amortised cost - self supporting loans	368	731
Interest on reserve account funds	15,969	3,529
Trade and other receivables overdue interest	6,736	7,699
Other interest revenue	22,867	7,548
	45,940	19,507

The 2023 original budget estimate in relation to:
Trade and other receivables overdue interest was \$5,300.

Fees and charges relating to rates receivable

Charges on instalment plan	1,215	460
----------------------------	-------	-----

The 2023 original budget estimate in relation to:
Charges on instalment plan was \$320.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report	35,000	46,500
- Other services – grant acquittals	0	6,950
	35,000	53,450

Employee Costs

Employee benefit costs	1,050,196	608,871
Other employee costs	0	0
	1,050,196	608,871

Finance costs

Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	19,210	21,677
	19,210	21,677

Other expenditure

Impairment losses on trade receivables	(1,522)	0
Sundry expenses	59,447	45,835
	57,925	45,835

SHIRE OF TRAYNING
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	3,515,833	1,968,819
Term deposits	784,980	663,704
Total cash and cash equivalents	4,300,813	2,632,523
Held as		
- Unrestricted cash and cash equivalents	3,462,233	1,900,806
- Restricted cash and cash equivalents	17 838,580	731,717
	4,300,813	2,632,523

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

(a) Current assets

	2023	2022
	\$	\$
Financial assets at amortised cost	5,180	4,994
	5,180	4,994

Other financial assets at amortised cost

Self supporting loans receivable	26(b) 5,180	4,994
	5,180	4,994

Held as

- Unrestricted other financial assets at amortised cost	5,180	4,994
	5,180	4,994

(b) Non-current assets

Financial assets at amortised cost	2,662	7,842
Financial assets at fair value through profit or loss	61,117	58,353
	63,779	66,195

Financial assets at amortised cost

Self supporting loans receivable	2,662	7,842
	2,662	7,842

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance	58,353	55,356
Movement attributable to fair value increment	2,764	2,997
Units in Local Government House Trust - closing balance	61,117	58,353

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 27 as self supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 24(i)) due to the observable market rates).

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Financial assets at fair value through profit or loss

The Shire has elected to classify the following financial assets at fair value through profit or loss:

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

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

5. TRADE AND OTHER RECEIVABLES

	Note	2023	2022
		\$	\$
Current			
Rates and statutory receivables		63,390	73,970
Trade receivables		75,781	355,886
GST receivable		42,750	20,524
Receivables for employee related provisions	15	34,966	17,736
Allowance for credit losses of trade receivables	22(b)	1,522	0
		218,409	468,116
Non-current			
Rates and statutory receivables		30,949	32,048
Receivables for employee related provisions		5,809	0
		36,758	32,048

Disclosure of opening and closing balances related to contracts with customers

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

	Note	30 June 2023 Actual	30 June 2022 Actual	1 July 2021 Actual
		\$	\$	\$
Contract assets	7	35,352	0	0
Allowance for credit losses of trade receivables	5	1,522	0	16,723
Total trade and other receivables from contracts with customers		36,874	0	16,723

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 TRAYNING
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	1,721	3,033
	1,721	3,033
The following movements in inventories occurred during the year:		
Balance at beginning of year	3,033	0
Inventories expensed during the year		(79,450)
Reversal of write down of inventories to net realisable value		82,483
Additions to inventory	(1,312)	
Balance at end of year	1,721	3,033

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

7. OTHER ASSETS

	2023	2022
	\$	\$
Other assets - current		
Accrued income	52,871	154
Contract assets	35,352	0
	88,223	154

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.

Contract assets

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at the end of the period.

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

SHIRE OF TRAYNING
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 not subject to operating lease	Total land and buildings	Furniture and equipment	Plant and equipment	Other property, plant and equipment [Work in Progress]	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	200,000	800,515	8,577,037	9,825,955	9,577,552	50,098	1,177,276	0	10,804,926
Additions	0	10,785	237,618		248,403	14,295	700,687	674,930	1,638,315
Disposals	0	0	0	0		0	(174,300)	0	(174,300)
Revaluation increments / (decrements) transferred to revaluation surplus	2,500	251,065	1,185,329	1,438,894	1,438,894	0	0	0	1,438,894
Depreciation	0	(17,865)	(227,544)	(245,409)	(245,409)	(7,936)	(156,924)	0	(410,269)
Transfers			(139,140)	(139,140)	(139,140)				(139,140)
Balance at 30 June 2022	202,500	1,044,500	9,633,300	10,880,300	10,880,300	56,457	1,546,739	674,930	13,158,426
Comprises:									
Gross balance amount at 30 June 2022	202,500	1,044,500	9,633,300	10,880,300	10,880,300	99,291	1,939,736	674,930	13,594,257
Accumulated depreciation at 30 June 2022	0	0	0	0	0	(42,834)	(392,997)	0	(435,831)
Balance at 30 June 2022	202,500	1,044,500	9,633,300	10,880,300	10,880,300	56,457	1,546,739	674,930	13,158,426
Additions	0	10,260	513,151	523,411	523,411	19,841	213,122	0	756,374
Disposals	(16,500)	0	(278,758)	(295,258)	(295,258)	0	(20,048)	0	(315,306)
Assets classified as held for sale	0	0	0	0	0	0	0	0	0
Depreciation	0	(21,574)	(239,634)	(261,208)	(261,208)	(8,910)	(199,927)	0	(470,045)
Transfers	0		636,035	636,035	636,035	0	0	(674,930)	(38,895)
Balance at 30 June 2023	186,000	1,033,186	10,264,094	11,483,280	11,483,280	67,388	1,539,886	0	13,090,554
Comprises:									
Gross balance amount at 30 June 2023	186,000	1,054,760	10,499,723	11,740,483	11,740,483	119,132	2,101,949	0	13,961,564
Accumulated depreciation at 30 June 2023	0	(21,574)	(235,629)	(257,203)	(257,203)	(51,744)	(562,063)	0	(871,010)
Balance at 30 June 2023	186,000	1,033,186	10,264,094	11,483,280	11,483,280	67,388	1,539,886	0	13,090,554

**SHIRE OF TRAYNING
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	Level 2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2022	Price per hectare
Buildings - non-specialised	Level 2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2022	Price per square metre
Buildings - specialised	Level 3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2022	Improvements to buildings using construction costs and current condition, residual values and remaining useful life assessment inputs
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.					
(ii) Cost					
Furniture and equipment		Cost			Cost
Plant and equipment		Cost			Cost

SHIRE OF TRAYNING
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	Other infrastructure [Footpaths]	Other infrastructure [Airstrip]	Other infrastructure [Other]	Other infrastructure [Water]	Other infrastructure [Work in Progress]	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	44,611,155	494,604	586,371	1,569,534	176,455	0	47,438,119
Additions	1,301,660	203,379	57,160	38,811	125,273	0	1,726,283
(Disposals)	0	0	0	(1,833)	0	0	(1,833)
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	0	0	0	0	0
Revaluation (loss) / reversals transferred to profit or loss	0	0	0	0	0	0	0
Impairment (losses) / reversals	0	0	0	0	0	0	0
Depreciation	(573,644)	(14,918)	(7,370)	(80,772)	(14,292)	0	(690,996)
Transfers	0	0	(57,159)	190,269	0	6,030	139,140
Balance at 30 June 2022	45,339,171	683,065	579,002	1,716,009	287,436	6,030	48,610,713
Comprises:							
Gross balance at 30 June 2022	67,896,000	1,324,986	658,050	2,002,912	834,260	6,030	72,722,238
Accumulated depreciation at 30 June 2022	(22,556,829)	(641,921)	(79,048)	(286,903)	(546,824)	0	(24,111,525)
Accumulated impairment loss at 30 June 2022	0	0	0	0	0	0	0
Balance at 30 June 2022	45,339,171	683,065	579,002	1,716,009	287,436	6,030	48,610,713
Change in accounting policy	0	0	0	0	0	0	0
Restated balance at 1 July 2022	45,339,171	683,065	579,002	1,716,009	287,436	6,030	48,610,713
Additions	1,204,366	242,595	0	221,792	0	275,314	1,944,067
(Disposals)	0	0	0	0	0	0	0
Revaluation increments / (decrements) transferred to revaluation surplus	15,006,822	129,985	630,963	718,184	413,204	0	16,899,158
Revaluation (loss) / reversals transferred to profit or loss	0	0	0	0	0	0	0
Impairment (losses) / reversals	0	0	0	0	0	0	0
Depreciation	(597,317)	(17,622)	(7,370)	(89,195)	(16,709)	0	(728,213)
Transfers	0	0	0	44,925	0	(6,030)	38,895
Balance at 30 June 2023	60,953,042	1,038,023	1,202,595	2,611,715	683,931	275,314	66,764,620
Comprises:							
Gross balance at 30 June 2023	86,936,294	1,527,994	1,374,523	3,713,070	793,251	275,314	94,620,446
Accumulated depreciation at 30 June 2023	(25,983,252)	(489,971)	(171,928)	(1,101,355)	(109,320)	0	(27,855,826)
Accumulated impairment loss at 30 June 2023	0	0	0	0	0	0	0
Balance at 30 June 2023	60,953,042	1,038,023	1,202,595	2,611,715	683,931	275,314	66,764,620

**SHIRE OF TRAYNING
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	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure [Footpaths]	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure [Airstrip]	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure [Other]	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure [Water]	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2023	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 TRAYNING
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	30 to 80 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets formation	not depreciated
pavement seal	80 to 120 years
- bituminous seals	20 to 50 years
- asphalt surfaces	25 to 50 years
Gravel roads formation	not depreciated
pavement	50 years
Footpaths - slab	20 to 100 years
Sewerage piping	100 years
Water supply piping and drainage systems	50 to 95 years
Intangible assets - computer software licence	5 years
Right of use (buildings)	Based on the remaining lease
Right of use (plant and equipment)	Based on the remaining lease
Other Infrastructure	10 to 100 years

Revision of useful lives of plant and equipment

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

10. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

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

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

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

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

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

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

Revaluation

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

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

Revaluation (continued)

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

Depreciation

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

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

Depreciation on revaluation

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

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

Amortisation

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

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

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

Impairment

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

Gains or losses on disposal

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

SHIRE OF TRAYNING
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 - plant and equipment	Right-of-use assets Total
		\$	\$
Balance at 1 July 2021		2,966	2,966
Depreciation		(1,972)	(1,972)
Balance at 30 June 2022		994	994
Gross balance amount at 30 June 2022		6,910	6,910
Accumulated depreciation at 30 June 2022		(5,916)	(5,916)
Balance at 30 June 2022		994	994
Additions		8,105	8,105
Depreciation		(1,129)	(1,129)
Balance at 30 June 2023		7,970	7,970
Gross balance amount at 30 June 2023		8,105	8,105
Accumulated depreciation at 30 June 2023		(135)	(135)
Balance at 30 June 2023		7,970	7,970

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	(1,129)	(1,972)
Finance charge on lease liabilities	(1,024)	(181)
Total amount recognised in the statement of comprehensive income	(2,153)	(2,153)
Total cash outflow from leases	(2,283)	(2,132)
(b) Lease Liabilities		
Current	1,481	1,139
Non-current	6,504	0
	27(c) 7,985	1,139

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 27(c).

Right-of-use assets - measurement

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

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

Right-of-use assets - depreciation

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

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

11. LEASES (Continued)

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

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.
Less than 1 year

	2023 Actual	2022 Actual
	\$	\$
	0	21,126
	0	21,126

The Shire leases houses to staff and aged persons with rentals payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The staff houses are not considered investment property as they are leased for use in the supply of services to the community. The aged persons housing are considered a joint operation and are not considered investment property as the primary purpose is provision of community housing.

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

SIGNIFICANT ACCOUNTING POLICIES

The Shire as Lessor

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

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

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

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

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

12. TRADE AND OTHER PAYABLES

	2023	2022
	\$	\$
Current		
Sundry creditors	243,912	98,924
Prepaid rates	7,052	2,632
Accrued payroll liabilities	24,772	22,580
ATO liabilities	15,391	17,638
Bonds and deposits held	22,755	39,336
Other payables [Accrued Interest]	3,885	1,621
Other payables [Accrued Expenditure]	21,175	11,005
	338,942	193,736

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Shire becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually amounts of trade and other payables are 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 TRAYNING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

13. OTHER LIABILITIES

	2023	2022
	\$	\$
Current		
Capital grant/contributions liabilities	30,845	28,677
	30,845	28,677
Reconciliation of changes in contract liabilities		
Opening balance	0	158,153
Revenue from contracts with customers included as a contract liability at the start of the period	0	(158,153)
The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$0 (2022: \$0)	0	0
The Shire expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.		
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	28,677	0
Additions	2,168	28,677
	30,845	28,677

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

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

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

Capital grant/contribution liabilities

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

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

**SHIRE OF TRAYNING
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		\$	\$	\$	\$	\$	\$
Bank loans		82,760	581,271	664,031	64,505	464,031	528,536
Total secured borrowings	27(a)	82,760	581,271	664,031	64,505	464,031	528,536

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

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

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

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

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

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 27(a).

SHIRE OF TRAYNING
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	109,370	116,405
Long service leave	112,431	107,926
	221,801	224,331
Employee related other provisions		
Employment on-costs	32,058	26,095
	32,058	26,095
Total current employee related provisions	253,859	250,426
Non-current provisions		
Employee benefit provisions		
Long service leave	28,674	27,810
	28,674	27,810
Employee related other provisions		
Employment on-costs	1,984	3,615
	1,984	3,615
Total non-current employee related provisions	30,658	31,425
Total employee related provisions	284,517	281,851

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

16. REVALUATION SURPLUS

	2023	Total	2023	2022	Total	2022
	Opening	Movement on	Closing	Opening	Movement on	Closing
	Balance	Revaluation	Balance	Balance	Revaluation	Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	226,126	0	226,126	223,626	2,500	226,126
Revaluation surplus - Buildings - non-specialised	4,546,569	0	4,546,569	4,295,504	251,065	4,546,569
Revaluation surplus - Buildings - specialised	1,185,329	0	1,185,329	0	1,185,329	1,185,329
Revaluation surplus - Furniture and equipment	13,418	0	13,418	13,418	0	13,418
Revaluation surplus - Plant and equipment	83,299	0	83,299	83,299	0	83,299
Revaluation surplus - Infrastructure - roads	28,256,006	15,006,822	43,262,828	28,256,006	0	28,256,006
Revaluation surplus - Other infrastructure [Footpaths]	406,782	129,985	536,767	406,782	0	406,782
Revaluation surplus - Other infrastructure [Airstrip]	545,046	630,963	1,176,009	545,046	0	545,046
Revaluation surplus - Other infrastructure [Other]	592,794	718,184	1,310,978	592,794	0	592,794
Revaluation surplus - Other infrastructure [Water]	207,986	413,204	621,190	207,986	0	207,986
	36,063,355	16,899,158	52,962,513	34,624,461	1,438,894	36,063,355

SHIRE OF TRAYNING
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	838,580	731,717
		838,580	731,717
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	28	784,980	663,704
Capital grant liabilities	13	30,845	28,677
Bonds and deposits held	12	22,755	39,336
Total restricted financial assets		838,580	731,717

18. UNDRAWN BORROWING FACILITIES AND CREDIT

STANDBY ARRANGEMENTS

Bank overdraft limit		200,000	200,000
Bank overdraft at balance date		0	0
Credit card limit		20,000	20,000
Credit card balance at balance date		(839)	0
Total amount of credit unused		219,161	220,000

Loan facilities

Loan facilities - current		82,760	64,505
Loan facilities - non-current		581,271	464,031
Total facilities in use at balance date		664,031	528,536

Unused loan facilities at balance date		200,000	0
-----------------------------------------------	--	---------	---

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

19. CONTINGENT LIABILITIES

In compliance with the Contaminated Sites Act 2003 Section 11, the Shire of Trayning has identified the following sites to be possible sources of contamination:

Kununoppin Landfill Site
Yelbeni Landfill Site
Trayning Landfill Site (former site)

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Environment Regulation on the need and criteria for remediation of a risk based approach, the Shire is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Environment Regulation Guidelines.

20. CAPITAL COMMITMENTS

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	301,012	72,459
- plant & equipment purchases	<u>162,215</u>	<u>69,671</u>
	463,227	142,130
Payable:		
- not later than one year	463,227	142,130

SHIRE OF TRAYNING
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	12,350	12,350	12,350
President's meeting attendance fees	6,160	5,478	6,068
President's annual allowance for ICT expenses	2,840	2,100	2,100
President's travel and accommodation expenses	255	400	391
	21,605	20,328	20,909
Deputy President's annual allowance	3,088	3,088	3,088
Deputy President's meeting attendance fees	4,341	3,042	2,866
Deputy President's annual allowance for ICT expenses	1,472	2,100	2,100
Deputy President's travel and accommodation expenses	854	600	584
	9,755	8,830	8,638
All other council member's meeting attendance fees	6,883	9,808	10,308
All other council member's annual allowance for ICT expenses	8,060	8,400	7,875
All other council member's travel and accommodation expenses	680	900	1,440
	15,623	19,108	19,623
21(b)	46,983	48,266	49,170

(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	396,883	361,930
Post-employment benefits	45,603	44,331
Employee - other long-term benefits	9,818	81,399
Council member costs	46,983	49,170
	499,287	536,830

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 TRAYNING
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 Actual	2022 Actual
	\$	\$
Short term employee benefits - other related parties	62,304	259,932
Amounts payable to related parties:		
Trade and other payables	0	349

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.

The contract involved roadworks in the Shire, and amounted to \$62,304 in the current year (\$259,932 in the prior year).

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

Outside of normal citizen type transactions with the Shire, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

iii. Entities subject to significant influence by the Shire

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

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

22. JOINT ARRANGEMENTS

Share of joint operations

Kununoppin Medical Practice

The Shires of Trayning, Mt Marshall, Mukinbudin and Nungarin have an agreement in place to share the costs associated with attracting and retaining a General Practitioner Service to service the four Shires. The Shire of Trayning administers the costs associated with this agreement, contributing 30% of the costs and recouping the other 70% from the other Shires.

Statement of Financial Position

Plant and equipment

Total assets

	2023 Actual	2022 Actual
	\$	\$
	0	60,160
	0	60,160

Statement of Comprehensive Income

Other expense

Profit/(loss) for the period

Total comprehensive income for the period

	(32,514)	(35,710)
	(32,514)	(35,710)
	(32,514)	(35,710)

Statement of Cash Flows

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Shire's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standard.

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

23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

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

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

24. 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. enforced) 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 TRAYNING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

25. RATING INFORMATION

(a) General Rates

RATE TYPE			2022/23	2022/23	2022/23	2022/23	2022/23	2022/23	2022/23	2021/22	
Rate Description	Basis of valuation	Rate in	Number	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Actual
		\$	of	Rateable	Rate	Interim	Total	Rate	Interim	Total	Total
			Properties	Value*	Revenue	Rates	Revenue	Revenue	Rate	Revenue	Revenue
				\$	\$	\$	\$	\$	\$	\$	\$
GRV Kununoppin/Trayning		0.22373	106	553,801	123,902	804	124,706	123,902		123,902	123,502
GRV Yebeni		0.22373	3	10,361	2,318		2,318	2,318		2,318	2,318
GRV Commercial		0.22373	12	70,844	15,850		15,850	15,850		15,850	15,850
UV Rural		0.015428	200	70,231,000	1,083,524		1,083,524	1,083,524		1,083,524	1,049,238
UV Mining		0.015428	0	0	0		0	0		0	1,546
Total general rates			321	70,866,006	1,225,594	804	1,226,398	1,225,594	0	1,225,594	1,192,454
Minimum payment											
		\$									
GRV Kununoppin/Trayning	0	400	28	10,215	11,200		11,200	11,200		11,200	11,600
GRV Yebeni	0	400	6	924	2,400		2,400	2,400		2,400	2,400
GRV Commercial	0	400	2	422	800		800	800		800	800
UV Rural	0	400	5		2,000	989	2,989	2,000		2,000	1,600
UV Mining	0	400	7		2,800	2,175	4,975	2,800		2,800	0
Unimproved Valuations	0				0		0			0	2,000
Total minimum payments			48	11,561	19,200	3,164	22,364	19,200	0	19,200	18,400
Total general rates and minimum payments			369	70,877,567	1,244,794	3,968	1,248,762	1,244,794	0	1,244,794	1,210,854
Ex-gratia Rates											
Cooperative Bulk Handling					11,001		11,001	11,309		11,309	11,001
Total amount raised from rates (excluding general rates)			0	0	11,001	0	11,001	11,309	0	11,309	11,001
Discounts							(52,402)			(55,000)	(46,330)
Rates Written Off							(2,980)			0	0
Total Rates							1,204,381			1,201,103	1,175,525
Rate instalment interest							1,399			1,000	1,929
Rate overdue interest							5,088			4,000	6,440

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

26. DETERMINATION OF SURPLUS OR DEFICIT

	2022/23 (30 June 2023 Carried Forward)	2022/23 Budget (30 June 2023 Carried Forward)	2021/22 (30 June 2022 Carried Forward)
Note	\$	\$	\$
(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	(17,042)	(18,182)	(79,336)
Less: Movement in liabilities associated with restricted cash	541	0	114
Less: Fair value adjustments to financial assets at fair value through profit or loss	(2,764)		(2,997)
Add: Loss on disposal of assets	252,569	11,542	1,833
Add: Depreciation	1,199,387	1,157,892	1,103,237
Non-cash movements in non-current assets and liabilities:			
Financial assets at amortised cost	0		
Pensioner deferred rates	1,099	0	2,099
Receivables for employee related provisions	(5,809)	0	0
Assets held for sale	0		
Employee benefit provisions	(767)	569	(22,884)
Non-cash amounts excluded from operating activities	1,427,214	1,151,821	1,002,066

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

26. DETERMINATION OF SURPLUS OR DEFICIT (Continued)

		2022/23 Budget	2021/22
	2022/23 (30 June 2023 Carried Forward)	(30 June 2023 Carried Forward)	(30 June 2022 Carried Forward)
Note	\$	\$	\$
(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	28	(784,980)	(663,704)
Less: Financial assets at amortised cost - self supporting loans	4(a)	(5,180)	(4,994)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14	82,760	296,450
- Current portion of lease liabilities	11(b)	1,481	0
- Employee benefit provisions		23,285	22,744
Total adjustments to net current assets		(682,634)	(580,310)
Net current assets used in the Statement of Financial Activity			
Total current assets		4,614,346	1,020,188
Less: Total current liabilities		(707,887)	(814,676)
Less: Total adjustments to net current assets		(682,634)	(580,310)
Surplus or deficit after imposition of general rates		3,223,825	0
			1,990,027

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

27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget					
		Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023		
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Loan 69 - Community Recreation Centre		282,904		(14,805)	268,099			(15,304)	252,795	268,222			(15,304)	252,918
Loan 71 - Trayning Aquatic Centre Kiosk Upgrade		181,395		(18,902)	162,493			(19,204)	143,289	162,493			(19,204)	143,289
Loan 68 - Trayning Unmanned Fuel Site		72,081		(17,206)	54,875			(17,738)	37,137	54,875			(17,737)	37,138
Loan 70 - Trayning Unmanned Fuel Site		37,307		(7,074)	30,233			(7,265)	22,968	30,280			(7,266)	23,014
Loan 72 - Construct House					0	200,000			200,000		200,000			200,000
Total		573,687	0	(57,987)	515,700	200,000		(59,511)	656,189	515,870	200,000		(59,511)	656,359
Self Supporting Loans														
Loan 67 - Bowls Resurfacing		17,651		(4,815)	12,836			(4,994)	7,842	12,836			(4,994)	7,842
Total Self Supporting Loans		17,651	0	(4,815)	12,836	0		(4,994)	7,842	12,836	0		(4,994)	7,842
Total Borrowings	14	591,338	0	(62,802)	528,536	200,000		(64,505)	664,031	528,706	200,000		(64,505)	664,201

* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.

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

27. BORROWING AND LEASE LIABILITIES (Continued)

(a) 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
						\$	\$	\$
Loan 69 - Community Recreation Centre		69	WATC*	3.3400%	27/06/2036	(10,671)	(9,928)	(11,675)
Loan 71 - Trayning Aquatic Centre Kiosk Upgrade		71	WATC*	1.5900%	15/04/2030	(3,520)	(2,508)	(5,211)
Loan 68 - Trayning Unmanned Fuel Site		68	WATC*	3.0700%	9/01/2025	(1,632)	(2,240)	(2,539)
Loan 70 - Trayning Unmanned Fuel Site		70	WATC*	2.6900%	27/06/2026	(958)	(1,165)	(1,340)
Loan 72 - Construct House		72	WATC*	4.1606%	26/05/2033	(952)	0	0
Total						(17,733)	(15,841)	(20,765)
Self Supporting Loans Finance Cost Payments								
Loan 67 - Bowls Resurfacing		67	WATC*	3.69%		(453)	(628)	(731)
Total Self Supporting Loans Finance Cost Payments						(453)	(628)	(731)
Total Finance Cost Payments						(18,186)	(16,469)	(21,496)

* WA Treasury Corporation

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

27. 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		
					\$	\$	\$	\$		
Construct House	WATC	Debenture	10	4.1960%	200,000	200,000	0	(200,000)	814	200,000
					200,000	200,000	0	(200,000)	814	200,000

* WA Treasury Corporation

(c) Lease Liabilities

Purpose	Note	Actual						Budget				
		Principal		Principal		Principal		Principal		Principal		
		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 1 July 2022	New Leases During 2022-23	Repayments During 2022-23	Principal at 30 June 2023
Fuji Xerox DocuCentre IV		3,090		(1,951)	1,139		(1,139)	0	3,090		(1,052)	2,038
Fujifilm Apeos CS570		0	0	0	0	8,105	(120)	7,985				0
Total Lease Liabilities	11(b)	3,090	0	(1,951)	1,139	8,105	(1,259)	7,985	3,090	0	(1,052)	2,038

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
Fuji Xerox DocuCentre IV					30/06/2023	(993)		(181)	60 Mths
Fujifilm Apeos CS570			FinLease	4.46%	30/05/2028	(31)			60 Mths
Total Finance Cost Payments						(1,024)	0	(181)	

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

28. 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	22,744	541		23,285	22,744	569	0	23,313	22,630	114		22,744
(b) Plant reserve	206,316	4,912		211,228	206,315	5,157	0	211,472	520,903	2,573	(317,160)	206,316
(c) Building reserve	89,395	41,912		131,307	89,395	2,235	0	91,630	59,094	30,301		89,395
(d) Facilities reserve	130,706	178,802	(109,998)	199,510	130,706	3,267	(70,000)	63,973	7,550	123,156		130,706
(e) Medical reserve	55,863	1,330		57,193	55,863	1,396	0	57,259	55,584	279		55,863
(f) Rubbish tip reserve	139,431	3,319		142,750	139,431	3,485	(90,000)	52,916	29,270	110,161		139,431
(g) Swimming pool reserve	19,236	458		19,694	19,237	481	0	19,718	9,189	10,047		19,236
(h) Performance and retention reserve	13	0		13	13	0	(13)	0	13	0		13
	663,704	231,274	(109,998)	784,980	663,704	16,590	(160,013)	520,281	704,233	276,631	(317,160)	663,704
	663,704	231,274	(109,998)	784,980	663,704	16,590	(160,013)	520,281	704,233	276,631	(317,160)	663,704

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	Ongoing to be used to fund annual and long service leave requirements
(b) Plant reserve	Ongoing to be used for the purchase of major plant
(c) Building reserve	Ongoing to be used for the construction of housing and other facilities
(d) Facilities reserve	Ongoing to be used to provide new facilities to the Shire
(e) Medical reserve	Ongoing to be used to maintain the services of a doctor and other medical services
(f) Rubbish tip reserve	Ongoing to be used to upgrade and expand rubbish tips within the Shire
(g) Swimming pool reserve	Ongoing to be used to upgrade the swimming pool and aquatic centre facilities
(h) Performance and retention reserve	Ongoing to be used for a bonus arrangement to assist in personnel fulfilling their contract terms

This page is left blank intentionally



Po Box 95

TRAYNING WA 6488

Phone: (08) 96831001

www.trayning.wa.gov.au