



MINUTES

12th of FEBRUARY 2025

AUDIT AND RISK COMMITTEE MEETING

**Held at the Shires Administration Building situated at Gascoyne Junction
commencing at 10:30am**

DISCLAIMER


Disclaimer

The advice and information contained herein is given by and to the Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written inquiry should be made to the Council giving entire reasons for seeking the advice or information and how it is proposed to be used.

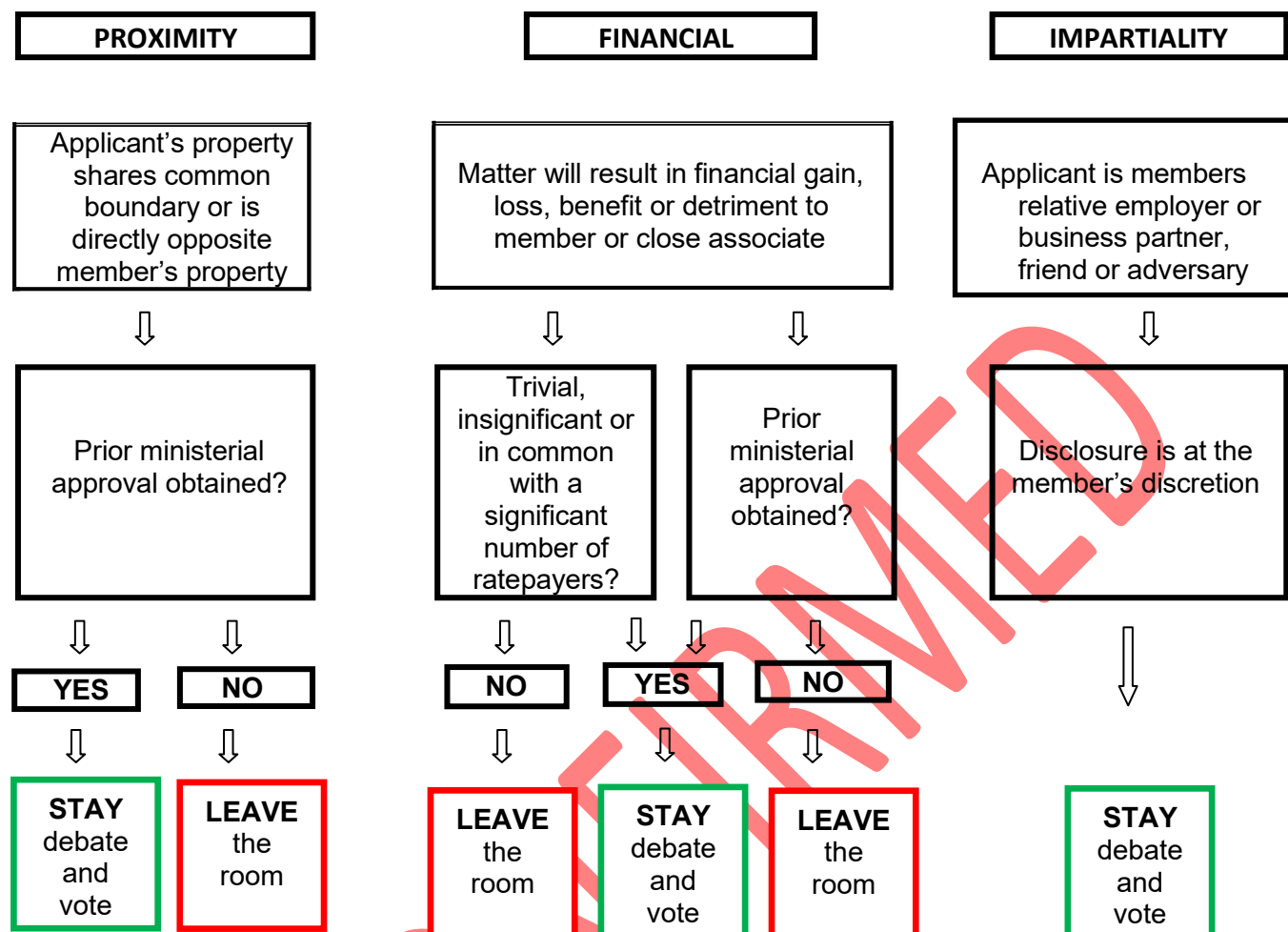
Please note this agenda contains recommendations which have not yet been adopted by Council.

No responsibility whatsoever is implied or accepted by the Shire of Upper Gascoyne for any act, omission, statement or intimation occurring during the Council/Committee meetings or during formal/informal conversations with staff. The Shire of Upper Gascoyne disclaims any liability for any loss whatsoever and however caused arising out of reliance by any person or legal entity on any such act, omission, statement or intimation. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broader disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of Upper Gascoyne during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of Upper Gascoyne. The Shire of Upper Gascoyne warns that anyone who has an application lodged with the Shire of Upper Gascoyne must obtain and should only rely on written confirmation of the outcome of the application, and any conditions attached to the decision made by the Shire of Upper Gascoyne in respect of the application.


John McCleary, JP
CHIEF EXECUTIVE OFFICER

* Declaring an Interest



Local Government Act 1995 - Extract

5.65 - Members' interests in matters to be discussed at meetings to be disclosed.

(1) A member who has an interest in any matter to be discussed at a council or committee meeting that will be attended by the member must disclose the nature of the interest:

(a) in a written notice given to the CEO before the meeting; or (b) at the meeting immediately before the matter is discussed.

(Penalties apply).

(2) It is a defense to a prosecution under this section if the member proves that he or she did not know:

(a) that he or she had an interest in the matter; or (b) that the matter in which he or she had an interest would be discussed at the meeting.

(3) This section does not apply to a person who is a member of a committee referred to in section 5.9(2)(f).

5.70 - Employees to disclose interests relating to advice or reports.

(1) In this section: 'employee' includes a person who, under a contract for services with the local government, provides advice or a report on a matter.

(2) An employee who has an interest in any matter in respect of which the employee is providing advice or a report directly to the council or a committee must disclose the nature of the interest when giving the advice or report.

(3) An employee who discloses an interest under this section must, if required to do so by the council or committee, as the case may be, disclose the extent of the interest. (Penalties apply).

5.71 - Employees to disclose interests relating to delegated functions.

If, under Division 4, an employee has been delegated a power or duty relating to a matter and the employee has an interest in the matter, the employee must not exercise the power or discharge the duty and:

(a) in the case of the CEO, must disclose to the mayor or president the nature of the interest as soon as practicable after becoming aware that he or she has the interest in the matter; and (b) in the case of any other employee, must disclose to the CEO the nature of the interest as soon as practicable after becoming aware that he or she has the interest in the matter. (Penalties apply).

'Local Government (Administration) Regulations 1996 – Extract

In this clause and in accordance with Regulation 34C of the Local Government (Administration) Regulations 1996:

"Interest" means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.



SHIRE OF UPPER GASCOYNE
MINUTES FOR THE AUDIT MEETING OF COUNCIL HELD AT GASCOYNE JUNCTION SHIRE
OFFICES ON WEDNESDAY THE 12th OF DECEMBER 2024 AT 10:30AM

Table of Contents

<u>1.</u>	DECLARATION OF OPENING/ANNOUNCEMENTS OF VISITORS.....	4
<u>2.</u>	RECORD OF ATTENDANCE, APOLOGIES AND APPROVED LEAVE OF ABSENCE.....	4
<u>3.</u>	APPLICATION FOR LEAVE OF ABSENCE.....	4
<u>4.</u>	PUBLIC QUESTION TIME.....	4
<u>5.</u>	DISCLOSURE OF INTEREST	4
<u>6.</u>	PETITIONS/DEPUTATIONS/PRESENTATIONS	4
<u>7.</u>	ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION.....	4
<u>8.</u>	MATTERS FOR WHICH THE MEETING MAY GO BEHIND CLOSED DOORS.....	5
<u>9.</u>	CONFIRMATION OF MINUTES FROM PREVIOUS MEETING	5
<u>10.</u>	REPORTS OF OFFICER	5
	10.1 2023/2024 ANNUAL FINANCIAL REPORT	5
<u>11.</u>	MEETING CLOSURE.....	7

SHIRE OF UPPER GASCOYNE
MINUTES FOR THE AUDIT MEETING OF COUNCIL HELD AT GASCOYNE JUNCTION SHIRE
OFFICES ON WEDNESDAY THE 12th OF DECEMBER 2024 AT 10:30AM

1. DECLARATION OF OPENING / ANNOUNCEMENTS OF VISITORS

The President welcomed those present and declared the meeting open at 10:31am

2. APOLOGIES AND APPROVED LEAVE OF ABSENCE

2.1 Councillors

Cr B. Walker	Councillor / Chairperson
Cr J. Caunt	President
Cr A. McKeough	Councillor
Cr R. Hoseason-Smith	Councillor

Staff

John McCleary JP	Chief Executive Officer
Andrea Pears	Manager of Finance and Corporate Services
Cherie Walker	Senior Corporate Services Officer

Visitors

Josh Kirk	Greenfield Technical Services
Cr W. Baston	Councillor
Cr H. McTaggart	Councillor
Cr P. Windie	Councillor

2.2 Absentees

2.3 Leave of Absence previously approved

Nil

3. APPLICATION FOR LEAVE OF ABSENCE

Nil

4. PUBLIC QUESTION TIME

4.1 Questions on Notice

Nil

4.2 Questions without Notice

Nil

5. DISCLOSURE OF INTEREST

Nil

6. PETITIONS/DEPUTATIONS/PRESENTATIONS

Nil

7. ANNOUNCEMENTS BY THE PERSON PRESCIDING WITHOUT DISCUSSION

Nil

8. MATTERS FOR WHICH THE MEETING MAY GO BEHIND CLOSED DOORS

Nil

9. CONFIRMATION OF MINUTES FROM PREVIOUS MEETINGS

Committee Resolution No: 01022025			
MOVED:	CR: J. CAUNT	SECONDED:	CR: R. HOSEASON-SMITH
<p>That the minutes from the previous Audit & Risk Committee Meeting held on the 12th of December 2024 are a true and correct record.</p> <p>FOR: CR B. WALKER CR J. CAUNT CR A. MCKEOUGH CR R. HOSEASON-SMITH</p> <p>AGAINST: CR</p> <p>F/A: 4/0</p>			

10. REPORTS OF OFFICERS

10.1 2023/2024 ANNUAL FINANCIAL REPORT	
Applicant:	Shire of Upper Gascoyne
Disclosure of Interest:	Nil
Author/s:	Andrea Pears – Manager, Finance & Corporate Services
Date:	30/01/2025
Matters for Consideration:	<ul style="list-style-type: none">To accept the Annual Financial Report for the year ended 30 June 2024 containing the Independent Auditors Report from the Office of the Auditor General (OAG), as contained in Appendix 1.

Background:	<p>At the previous Audit Committee Meeting held on the 12th of December 2024 an Exit Meeting was conducted between the committee, the Office of the Auditor General (OAG) and the Auditors from William Buck to discuss the following matters:</p> <ul style="list-style-type: none"> • The draft Financial Statements for the Year ended 30 June 2024. • The Shire of Upper Gascoyne Report to the Audit Committee from William Buck for the Year ended 30 June 2024. <p>The Auditors updated the committee on the progress of the 2023/24 End of Year audit and the finalisation of our Annual Financial Report. The general advice received was that the Auditors were happy with how the audit process was tracking and the recommendation was to issue Council with an Unqualified Opinion.</p> <p>Given the compliance timeframe, it was agreed that staff and the Auditors would work towards having the final draft of the financial report signed off as soon as possible.</p>
Comments:	<p>I am pleased to advise the Audit Committee that the End of Year Audit for 2023/24 is now complete and the following reports have been finalised –</p> <ul style="list-style-type: none"> • The audited 2023/2024 Annual Financial Report signed by the CEO on the 13th December 2024. • The OAG's Independent Auditors Report issued on the 19th December 2024. <p>Both reports have been combined to form one document and are attached to this agenda under Appendix 1.</p> <p>These areas have been discussed at length by staff and the Auditors and were also raised at the Exit Meeting last month. During these discussions at the Exit Meeting, staff confirmed that the recommendations had been implemented mitigating potential risk.</p> <p>Regulation 51 (2) of Section 6.4 of the Local Government Financial Management Regulations 1996, states that after the Annual Financial Report has been audited in accordance with the Act and is signed by the CEO, a copy of the report is to be provided to the Department of Local Government within 30 days of the Local Government receiving the Auditors Report.</p>
Statutory Environment:	<p>Local Government Act 1995 – Division 3 – Conduct of Audit</p> <p>Local Government (Financial Management) Regulations 1996, Part 4, section 6.4</p>
Policy Implications:	<p>Nil</p>

Financial Implications:		Nil			
Strategic Implications:		Civic Leadership – To responsibly manage Council’s financial resources to ensure optimum value for money and sustainable asset management.			
Risk:					
Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk	Risk Action Plan (Controls or Treatment proposed)
Not meeting Statutory Compliance	Rare (1)	Moderate (3)	Low (1-4)	Failure to meet Statutory, Regulatory or Compliance Requirements	Accept Officer Recommendation
Consultation:		Various discussions have taken place between the Shire’s Management team, the Principal Accountant from RSM, the Auditors from William Buck and the OAG during the process undertaken for the 2023/24 Audit.			
Voting requirement:		Simple Majority			
Officer’s Recommendation:		<i>That the Audit Committee –</i> <div><div>1. <i>Receive the audited and signed Annual Financial Report for the year ended 30 June 2024 as contained in Appendix 1.</i></div><div>2. <i>Recommends that a copy of the audited and signed 2023/2024 Annual Financial Report be presented and received at the next Ordinary Meeting of Council to be held on the 12th of February 2025.</i></div></div>			
Council Resolution No: AC02022025					
MOVED:	CR: R. HOSEASON-SMITH		SECONED:	CR: B. WALKER	
<i>That the Audit Committee –</i> <div><div>1. <i>Receive the audited and signed Annual Financial Report for the year ended 30 June 2024 as contained in Appendix 1.</i></div><div><i>Recommends that a copy of the audited and signed 2023/2024 Annual Financial Report be presented and received at the next Ordinary Meeting of Council to be held on the 12th of February 2025.</i></div></div> <div><div>FOR: CR B. WALKER CR J. CAUNT CR A. MCKEOUGH CR R. HOSEASON-SMITH</div><div>AGAINST: CR</div></div> <div>F/A: 4/0</div>					

11. MEETING CLOSURE

The Chairperson closed the meeting at 10:34am.

UNCONFIRMED

APPENDIX 1

(Annual Report and Auditors Report 2023/2024 Financial Year)



Auditor General

INDEPENDENT AUDITOR'S REPORT 2024 Shire of Upper Gascoyne

To the Council of the Shire of Upper Gascoyne

Opinion

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

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

In my opinion, the financial report:

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

Basis for opinion

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

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

Other information

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

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

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

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

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



Jordan Langford-Smith
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
19 December 2024

SHIRE OF UPPER GASCOYNE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

TABLE OF CONTENTS

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

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

The Shire of Upper Gascoyne will be a sustainable service base supporting the pastoral, tourism sector, mining industries and the local community

Principal place of business:
4 Scott Street
Gascoyne Junction, WA 6705

**SHIRE OF UPPER GASCOYNE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

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

STATEMENT BY CEO

The accompanying financial report of the Shire of Upper Gascoyne has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2024 and the financial position as at 30 June 2024.

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

Signed on the 13th day of December 2024



CEO

John McCleary

Name of CEO

William Buck Audit (WA) Pty Ltd





**SHIRE OF UPPER GASCOYNE
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),23	1,717,417	1,569,497	1,443,374
Grants, subsidies and contributions	2(a)	9,287,653	11,769,451	13,355,316
Fees and charges	2(a)	57,191	33,667	47,862
Interest revenue	2(a)	251,367	57,000	99,249
Other revenue	2(a)	461,469	367,679	589,148
		11,775,097	13,797,294	15,534,949
Expenses				
Employee costs	2(b)	(1,637,029)	(1,650,660)	(1,463,575)
Materials and contracts		(5,424,703)	(13,934,447)	(8,751,313)
Utility charges		(218,067)	(217,205)	(198,640)
Depreciation		(3,979,791)	(3,430,570)	(3,519,492)
Finance costs		(132,279)	(194,284)	(290,975)
Insurance		(277,082)	(236,284)	(244,962)
Other expenditure	2(b)	(65,389)	(118,815)	(98,258)
		(11,734,340)	(19,782,265)	(14,567,215)
		40,757	(5,984,971)	967,734
Capital grants, subsidies and contributions	2(a)	9,621,937	11,263,836	4,757,152
Profit on asset disposals		113,930	109,057	68,848
Loss on asset disposals		(6,818)	(4,170)	-
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	840	-	1,843
Loss on revaluation of Work in progress	9(a)	(29,318)	-	-
Loss on revaluation of Other infrastructure	9(a)	-	-	(758,561)
		9,700,571	11,368,723	4,069,282
Net result for the period		9,741,328	5,383,752	5,037,016
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	-	-	(482,509)
Total other comprehensive income for the period	16	-	-	(482,509)
Total comprehensive income for the period		9,741,328	5,383,752	4,554,507

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

William Buck Audit (WA) Pty Ltd



SHIRE OF UPPER GASCOYNE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	NOTE	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	3	9,448,138	8,978,408
Trade and other receivables	5	302,103	392,269
Inventories	6	208,545	218,795
Other assets	7	1,824,261	1,163,898
TOTAL CURRENT ASSETS		11,783,047	10,753,370
NON-CURRENT ASSETS			
Other financial assets	4(a)	41,585	40,745
Property, plant and equipment	8	12,901,254	11,757,887
Infrastructure	9	96,419,529	89,087,520
Right-of-use assets	11(a)	-	9,972
TOTAL NON-CURRENT ASSETS		109,362,368	100,896,124
TOTAL ASSETS		121,145,415	111,649,494
CURRENT LIABILITIES			
Trade and other payables	12	960,204	484,704
Other liabilities	13	2,063,428	1,548,607
Lease liabilities	11(b)	-	6,685
Borrowings	14	208,802	1,978,490
Employee related provisions	15	337,003	262,689
TOTAL CURRENT LIABILITIES		3,569,437	4,281,175
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	-	3,369
Borrowings	14	1,117,720	727,597
Employee related provisions	15	87,461	7,884
TOTAL NON-CURRENT LIABILITIES		1,205,181	738,850
TOTAL LIABILITIES		4,774,618	5,020,025
NET ASSETS		116,370,797	106,629,469
EQUITY			
Retained surplus		63,400,746	53,464,704
Reserve accounts	26	1,827,091	2,021,805
Revaluation surplus	16	51,142,960	51,142,960
TOTAL EQUITY		116,370,797	106,629,469

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

William Buck Audit (WA) Pty Ltd



**SHIRE OF UPPER GASCOYNE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2022		48,013,008	2,436,485	51,625,469	102,074,962
Comprehensive income for the period					
Net result for the period		5,037,016	-	-	5,037,016
Other comprehensive income for the period	16	-	-	(482,509)	(482,509)
Total comprehensive income for the period		5,037,016	-	(482,509)	4,554,507
Transfers from reserve accounts	26	873,909	(873,909)	-	-
Transfers to reserve accounts	26	(459,229)	459,229	-	-
Balance as at 30 June 2023		53,464,704	2,021,805	51,142,960	106,629,469
Comprehensive income for the period					
Net result for the period		9,741,328	-	-	9,741,328
Other comprehensive income for the period	16	-	-	-	-
Total comprehensive income for the period		9,741,328	-	-	9,741,328
Transfers from reserve accounts	26	349,854	(349,854)	-	-
Transfers to reserve accounts	26	(155,140)	155,140	-	-
Balance as at 30 June 2024		63,400,746	1,827,091	51,142,960	116,370,797

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

William Buck Audit (WA) Pty Ltd

2024



**SHIRE OF UPPER GASCOYNE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		1,718,868	1,340,317
Grants, subsidies and contributions		9,482,633	13,562,192
Fees and charges		53,689	42,386
Interest revenue		251,367	99,249
Goods and services tax received		-	66
Other revenue		239,099	589,148
		11,745,656	15,633,358
Payments			
Employee costs		(1,443,928)	(1,560,838)
Materials and contracts		(4,984,295)	(9,926,300)
Utility charges		(218,067)	(198,640)
Finance costs		(132,279)	(290,975)
Insurance paid		(277,082)	(244,962)
Goods and services tax paid		(102,763)	-
Other expenditure		(60,039)	(112,693)
		(7,218,453)	(12,334,408)
Net cash provided by operating activities	17(b)	4,527,203	3,298,950
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(1,904,486)	(1,566,649)
Payments for construction of infrastructure	9(a)	(10,635,630)	(6,045,710)
Capital grants, subsidies and contributions		9,698,765	4,485,642
Proceeds from sale of property, plant & equipment		166,067	253,593
Net cash (used in) investing activities		(2,675,284)	(2,873,124)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	25(a)	(131,904)	(126,842)
Payments for principal portion of lease liabilities	25(d)	(2,624)	(6,612)
Proceeds from new borrowings	25(a)	600,000	-
Net cash provided by (used in) financing activities		465,472	(133,454)
Net increase in cash held		2,317,391	292,372
Cash at beginning of year		7,130,747	6,838,375
Cash and cash equivalents at the end of the year	17(a)	9,448,138	7,130,747

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

William Buck Audit (WA) Pty Ltd



**SHIRE OF UPPER GASCOYNE
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	23	1,711,125	1,560,497	1,437,074
Rates excluding general rates	23	6,292	9,000	6,300
Grants, subsidies and contributions		9,287,653	11,769,451	13,355,316
Fees and charges		57,191	33,667	47,862
Interest revenue		251,367	57,000	99,249
Other revenue		461,469	367,679	589,148
Profit on asset disposals		113,930	109,057	68,848
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	840	-	1,843
		11,889,867	13,906,351	15,605,640
Expenditure from operating activities				
Employee costs		(1,637,029)	(1,650,660)	(1,463,575)
Materials and contracts		(5,424,703)	(13,934,447)	(8,751,313)
Utility charges		(218,067)	(217,205)	(198,640)
Depreciation		(3,979,791)	(3,430,570)	(3,519,492)
Finance costs		(132,279)	(194,284)	(290,975)
Insurance		(277,082)	(236,284)	(244,962)
Other expenditure		(65,389)	(118,815)	(98,258)
Loss on asset disposals		(6,818)	(4,170)	-
Loss on revaluation of non-current assets		(29,318)	-	(758,561)
		(11,770,476)	(19,786,435)	(15,325,776)
Non cash amounts excluded from operating activities	24(a)	3,982,452	3,325,814	4,144,862
Amount attributable to operating activities		4,101,843	(2,554,270)	4,424,726
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		9,621,937	11,263,836	4,757,152
Proceeds from disposal of assets		166,067	200,000	253,593
		9,788,004	11,463,836	5,010,745
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(1,904,486)	(1,925,422)	(1,566,649)
Purchase and construction of infrastructure	9(a)	(10,635,630)	(12,149,902)	(6,045,710)
		(12,540,116)	(14,075,324)	(7,612,359)
Amount attributable to investing activities		(2,752,112)	(2,611,488)	(2,601,614)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	25(a)	600,000	600,000	-
Transfers from reserve accounts	26	349,854	91,092	873,909
		949,854	691,092	873,909
Outflows from financing activities				
Repayment of borrowings	25(a)	(131,904)	(155,279)	(126,842)
Payments for principal portion of lease liabilities	25(d)	(2,624)	(6,685)	(6,612)
Transfers to reserve accounts	26	(155,140)	(77,000)	(459,229)
		(289,668)	(238,964)	(592,683)
Non-cash amounts excluded from financing activities	24(b)	(148,795)	-	-
Amount attributable to financing activities		511,391	452,128	281,226
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	24(c)	4,695,578	4,713,630	2,591,240
Amount attributable to operating activities		4,101,843	(2,554,270)	4,424,726
Amount attributable to investing activities		(2,752,112)	(2,611,488)	(2,601,614)
Amount attributable to financing activities		511,391	452,128	281,226
Surplus or deficit after imposition of general rates	24(c)	6,556,700	-	4,695,578

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



**SHIRE OF UPPER GASCOYNE
FOR THE YEAR ENDED 30 JUNE 2024
INDEX OF NOTES TO THE FINANCIAL REPORT**

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	12
Note 4	Other Financial Assets	12
Note 5	Trade and Other Receivables	13
Note 6	Inventories	14
Note 7	Other Assets	15
Note 8	Property, Plant and Equipment	16
Note 9	Infrastructure	18
Note 10	Fixed Assets	20
Note 11	Leases	22
Note 12	Trade and Other Payables	25
Note 13	Other Liabilities	26
Note 14	Borrowings	27
Note 15	Employee Related Provisions	28
Note 16	Revaluation Surplus	29
Note 17	Notes to the Statement of Cash Flows	30
Note 18	Contingent Liabilities	31
Note 19	Capital Commitments	31
Note 20	Related Party Transactions	32
Note 21	Events Occurring After the End of the Reporting Period	33
Note 22	Other Material Accounting Policies	34
 Information required by legislation		
Note 23	Rating Information	35
Note 24	Determination of Surplus or Deficit	36
Note 25	Borrowing and Lease Liabilities	37
Note 26	Reserve accounts	38
Note 27	Trust Funds	39

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

1. BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

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

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

The *Local Government (Financial Management) Regulations 1996* provide that:

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

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

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

Critical accounting estimates and judgements

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

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

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
- Expected credit losses on financial assets - note 5
- Measurement of employee benefits - note 15

Fair value hierarchy information can be found in note 22

The local government reporting entity

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

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

Initial application of accounting standards

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

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

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

New accounting standards for application in future years

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

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

These amendments are not expected to have any material impact

on the financial report on initial application.

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

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

- AASB 2023-1 *Amendments to Australian Accounting Standards - Supplier Finance Arrangements*

These amendments may result in additional disclosures in the case of applicable finance arrangements.

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

2. REVENUE AND EXPENSES

(a) Revenue

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
Rates	General rates.	Over time.	Payment dates adopted by Council during the year.	None.	When rates notice is issued.
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services.	Over time.	Fixed terms transfer of funds based on agreed milestones and reporting.	Contract obligation if project not complete.	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared.
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government.	Over time.	Fixed terms transfer of funds based on agreed milestones and reporting.	Contract obligation if project not complete.	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared.
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment.	No obligations.	Not applicable.	Not applicable.	When assets are controlled.
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time.	Full payment prior to issue.	None.	On payment and issue of the licence, registration or approval.
Other inspections	Regulatory Food, Health and Safety.	Single point in time.	Full payment prior to inspection.	None.	Revenue recognised after inspection event occurs.
Waste management collection	Kerbside collection service.	Over time.	Payment on an annual basis in advance.	None.	Output method based on regular weekly and fortnightly period as proportionate to collection service.
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.
Property hire and entry	Use of halls and facilities.	Single point in time.	In full in advance.	Refund if event cancelled within 7 days.	On entry or at conclusion of hire.
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works.	Single point in time.	Payment in full in advance.	None.	Output method based on provision of service or completion of works.

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

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue Recognition

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

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	1,717,417	-	1,717,417
Grants, subsidies and contributions	9,287,653	-	-	-	9,287,653
Fees and charges	57,191	-	-	-	57,191
Interest revenue	-	-	23,832	227,535	251,367
Other revenue	461,469	-	-	-	461,469
Capital grants, subsidies and contributions	-	9,621,937	-	-	9,621,937
Total	9,806,313	9,621,937	1,741,249	227,535	21,397,034

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	1,443,374	-	1,443,374
Grants, subsidies and contributions	13,355,316	-	-	-	13,355,316
Fees and charges	47,862	-	-	-	47,862
Interest revenue	-	-	11,010	88,239	99,249
Other revenue	589,148	-	-	-	589,148
Capital grants, subsidies and contributions	-	4,757,152	-	-	4,757,152
Total	13,992,326	4,757,152	1,454,384	88,239	20,292,101

	Note	2024 Actual \$	2023 Actual \$
Interest revenue			
Interest on reserve account		53,244	3,564
Rates and instalment and penalty interest		23,832	11,010
Other interest revenue		174,291	84,675
		251,367	99,249
The 2024 original budget estimate in relation to: Trade and other receivables overdue interest was \$3,000.			
Fees and charges relating to rates receivable			
Charges on instalment plan		1,200	261
The 2024 original budget estimate in relation to: Charges on instalment plan was \$1,000.			
(b) Expenses			
Auditors remuneration			
- Audit of the Annual Financial Report		48,700	39,500
- Other services – grant acquittals		2,200	6,900
		50,900	46,400
Employee Costs			
Employee benefit costs		1,427,081	1,250,342
Other employee costs		209,948	213,233
		1,637,029	1,463,575
Finance costs			
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss		132,279	290,975
		132,279	290,975
Other expenditure			
Impairment losses / (writeback) on rates and statutory receivables		(3,502)	8,959
Impairment losses / (writeback) on trade receivables		-	(14,435)
Write down of inventories to net realisable value	6	5,350	-
Sundry expenses		63,541	103,734
		65,389	98,258

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

3. CASH AND CASH EQUIVALENTS

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

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

Note	2024	2023
	\$	\$
	8,448,138	6,956,515
	1,000,000	2,021,893
	9,448,138	8,978,408
	5,358,644	5,357,354
17	4,089,494	3,621,054
	9,448,138	8,978,408

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

(a) Non-current assets

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance

Movement attributable to fair value increment

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

Units in Local Government House Trust - closing balance

Note	2024	2023
	\$	\$
	41,585	40,745
	41,585	40,745
	40,745	38,902
	840	1,843
	41,585	40,745

Fair value of financial asset 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

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 UPPER GASCOYNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

5. TRADE AND OTHER RECEIVABLES

	Note	2024 \$	2023 \$
Current			
Rates and statutory receivables		153,529	154,980
Trade receivables		149,621	329,607
GST receivable		102,763	-
Receivables for employee related provisions	15	7,094	22,088
Allowance for credit losses of rates and statutory receivables		(13,871)	(17,373)
Allowance for credit losses of trade receivables		(97,033)	(97,033)
		<u>302,103</u>	<u>392,269</u>
Rates outstanding			
Past due and not impaired		139,658	137,607
Impaired		13,871	17,373
		<u>153,529</u>	<u>154,980</u>
Sundry debtors			
Past due and not impaired		52,588	232,574
Impaired		97,033	97,033
		<u>149,621</u>	<u>329,607</u>

Disclosure of opening and closing balances related to contracts with customers

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

	Note	30 June 2024 Actual \$	30 June 2023 Actual \$	1 July 2022 Actual \$
Trade and other receivables from contracts with customers		149,621	329,607	521,054
Contract assets	7	1,601,891	1,163,898	1,715,110
Allowance for credit losses of trade receivables	5	(97,033)	(97,033)	(111,468)
Total trade and other receivables from contracts with customers		<u>1,654,479</u>	<u>1,396,472</u>	<u>2,124,696</u>

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Other receivables

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

Measurement

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

Classification and subsequent measurement

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

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

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

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

6. INVENTORIES

	Note	2024 \$	2023 \$
Current			
Fuel and materials		208,545	214,745
Land held for resale			
Cost of acquisition		-	2,500
Development costs		-	1,550
		208,545	218,795
The following movements in inventories occurred during the year:			
Balance at beginning of year		218,795	135,451
Inventories expensed during the year		(45,469)	(10,521)
Write down of inventories to net realisable value	2(b)	(5,350)	-
Additions to inventory		40,569	93,865
Balance at end of year		208,545	218,795

MATERIAL ACCOUNTING POLICIES

General

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

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

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 Shire's intentions to release for sale.

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

7. OTHER ASSETS

Other assets - current

Accrued income

Contract assets

2024	2023
\$	\$
222,370	-
1,601,891	1,163,898
1,824,261	1,163,898

MATERIAL ACCOUNTING POLICIES

Other current assets

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

Non-current assets held for sale

Assets are classified as held for sale where the carrying amount will be recovered through a sale rather than continuing use and the asset is available for immediate sale with a sale being highly probable.

Non-current assets held for sale (Continued)

Non-current assets classified as held for sale are valued at the lower of the carrying amount and fair value less costs to sell.

Contract assets

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at the end of the year. This is due to the Shire not having met all the performance obligations in the contract which give an unconditional right to receive consideration.

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

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Total Property				Plant and equipment		Total property, plant and equipment
	Land	Buildings - non-specialised	Buildings - specialised	Total Property	Furniture and equipment	Plant and equipment	
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	551,000	1,352,500	6,731,910	8,635,410	32,140	2,096,932	10,764,482
Additions	-	92,733	135,107	227,840	23,588	1,315,221	1,566,649
Disposals	-	-	-	-	-	(184,745)	(184,745)
Depreciation	-	(19,660)	(124,972)	(144,632)	(19,136)	(444,363)	(608,131)
Transfers	-	-	-	-	-	219,632	219,632
Balance at 30 June 2023	551,000	1,425,573	6,742,045	8,718,618	36,592	3,002,677	11,757,887
Comprises:							
Gross balance amount at 30 June 2023	551,000	1,445,626	6,867,017	8,863,643	136,116	4,709,584	13,709,343
Accumulated depreciation at 30 June 2023	-	(20,053)	(124,972)	(145,025)	(99,524)	(1,706,907)	(1,951,456)
Balance at 30 June 2023	551,000	1,425,573	6,742,045	8,718,618	36,592	3,002,677	11,757,887
Additions	9,745	867,939	189,740	1,067,424	21,365	815,697	1,904,486
Disposals	-	-	-	-	-	(58,955)	(58,955)
Depreciation	-	(26,419)	(130,835)	(157,254)	(9,480)	(535,430)	(702,164)
Balance at 30 June 2024	560,745	2,267,093	6,800,950	9,628,788	48,477	3,223,989	12,901,254
Comprises:							
Gross balance amount at 30 June 2024	560,745	2,313,565	7,056,757	9,931,067	157,481	5,232,761	15,321,309
Accumulated depreciation at 30 June 2024	-	(46,472)	(255,807)	(302,279)	(109,004)	(2,008,772)	(2,420,055)
Balance at 30 June 2024	560,745	2,267,093	6,800,950	9,628,788	48,477	3,223,989	12,901,254

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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties	Independent registered valuer	2022	Price per hectare or sales comparison
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties	Independent registered valuer	2022	Price per square metre / market borrowing rate
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent registered valuer	2022	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.

(ii) Cost					
Furniture and equipment		Cost	Cost		Purchase cost
Plant and equipment		Cost	Cost		Purchase cost

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

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - other	Infrastructure - work in progress	Total Infrastructure
	\$	\$	\$	\$
Balance at 1 July 2022	79,507,499	7,776,794	122,931	87,407,224
Additions	4,349,420	1,696,290	-	6,045,710
Revaluation increments / (decrements) transferred to revaluation surplus	-	(482,509)	-	(482,509)
Revaluation (loss) / reversals transferred to profit or loss	-	(758,561)	-	(758,561)
Depreciation	(2,545,330)	(359,382)	-	(2,904,712)
Transfers	-	(219,632)	-	(219,632)
Balance at 30 June 2023	81,311,589	7,653,000	122,931	89,087,520
Comprises:				
Gross balance at 30 June 2023	134,688,487	11,006,400	122,931	145,817,818
Accumulated depreciation at 30 June 2023	(53,376,898)	(3,353,400)	-	(56,730,298)
Balance at 30 June 2023	81,311,589	7,653,000	122,931	89,087,520
Additions	10,431,906	203,724	-	10,635,630
Revaluation (loss) / reversals transferred to profit or loss	-	-	(29,318)	(29,318)
Depreciation	(2,720,800)	(553,503)	-	(3,274,303)
Balance at 30 June 2024	89,022,695	7,303,221	93,613	96,419,529
Comprises:				
Gross balance at 30 June 2024	145,120,393	11,210,124	93,613	156,424,130
Accumulated depreciation at 30 June 2024	(56,097,698)	(3,906,903)	-	(60,004,601)
Balance at 30 June 2024	89,022,695	7,303,221	93,613	96,419,529

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

9. INFRASTRUCTURE (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using depreciated replacement cost (gross valuation method)	Management valuation	2020	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - other	3	Cost approach using depreciated replacement cost (gross valuation method)	Independent registered valuer	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.

(ii) Current Replacement Cost

Infrastructure - work in progress	Cost	Cost	Purchase cost
--	------	------	---------------

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

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset Class	Useful life
Buildings	3 to 80 years
Furniture and equipment	1 to 20 years
Plant and equipment	1 to 25 years
Other infrastructure	5 to 50 years
Sealed roads and streets	
formation	not depreciated
pavement	39 years
seal	20 years
Formed subgrade	not depreciated
Unformed subgrade	not depreciated
Gravel roads	
formation	not depreciated
pavement	28 years
Footpaths - slab	40 years
Drainage	30 to 108 years
Bridges	100 years

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

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

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

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

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

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable Value

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are *land and buildings classified as property, plant and equipment*, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

Revaluation

Land and buildings classified as property, plant and equipment, *infrastructure or vested improvements that the local government controls* and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the Shire.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Shire to revalue earlier if it chooses to do so.

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

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

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

Depreciation on revaluation

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

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

Impairment

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the Shire is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal

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

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

11. LEASES

(a) Right-of-Use Assets

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

	Note	Right-of-use assets - plant and equipment	Right-of-use assets Total
		\$	\$
Balance at 1 July 2022		16,621	16,621
Depreciation		(6,649)	(6,649)
Balance at 30 June 2023		9,972	9,972
Gross balance amount at 30 June 2023		19,945	19,945
Accumulated depreciation at 30 June 2023		(9,973)	(9,973)
Balance at 30 June 2023		9,972	9,972
Revaluation (loss) / reversals transferred to profit or loss		(6,648)	(6,648)
Depreciation		(3,324)	(3,324)
Balance at 30 June 2024		-	-
Gross balance amount at 30 June 2024		-	-
Accumulated depreciation at 30 June 2024		-	-
Balance at 30 June 2024		-	-

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

		2024 Actual	2023 Actual
		\$	\$
Depreciation on right-of-use assets		(3,324)	(6,649)
Finance charge on lease liabilities	25(d)	(47)	(148)
Total amount recognised in the statement of comprehensive income		(3,371)	(6,797)
Total cash outflow from leases		(2,671)	(6,760)

(b) Lease Liabilities

Current		-	6,685
Non-current		-	3,369
	25(d)	-	10,054

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.

The Shire had a lease relating to plant and equipment which ended in December 2023. The lease term was 3 years. The measurement of lease liabilities does not include variable lease payments and any future cash outflows associated with leases not yet commenced to which the Shire is committed. Refer to Note 25(d) for details of lease liabilities.

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

11. LEASES (Continued)

MATERIAL ACCOUNTING POLICIES

Leases

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

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

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

Details of individual lease liabilities required by regulations are provided at Note 25(d).

Right-of-use assets - measurement

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value. Refer to Note 10 under revaluation for details on the material accounting policies applying to vested improvements.

Right-of-use assets - depreciation

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

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

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

Less than 1 year
 1 to 2 years
 2 to 3 years
 3 to 4 years
 4 to 5 years
 > 5 years

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

Rental income

2024 Actual	2023 Actual
\$	\$
7,073	10,403
-	10,715
-	11,037
-	11,368
-	11,709
-	20,259
7,073	75,491
10,403	10,100

The Shire leases the tourist park with rental payable by six equal instalments per annum. The lease is classified as an operating lease as it does not transfer substantially all of the risks and rewards incidental to ownership of the assets. The tourist park is not considered investment property as it is leased for use in the supply of services to the community.

The lease payments include annual increases in accordance with the lease agreement. Although the Shire is exposed to changes in the residual value at the end of the current lease, the Shire typically entered into a new operating lease and therefore will not immediately realise any reduction in residual value at the end of the lease.

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

11. LEASES (Continued)

Expectations about the future residual value is reflected in the fair value of the property.

MATERIAL ACCOUNTING POLICIES

The Shire as Lessor

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

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

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

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

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

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors	
Accrued payroll liabilities	
ATO liabilities	
Bonds and deposits held	
Retentions held for the Gascoyne River Bridge Project	
Accrued expenses	

2024	2023
\$	\$
678,378	262,276
44,619	39,692
34,283	-
50,180	50,642
-	6,171
152,744	125,923
960,204	484,704

MATERIAL ACCOUNTING POLICIES

Financial liabilities

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

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

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Trade and other payables

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

Prepaid rates

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

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

13. OTHER LIABILITIES

Current

Capital grant/contributions liabilities

	2024	2023
	\$	\$
	2,063,428	1,548,607
	<u>2,063,428</u>	<u>1,548,607</u>
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	1,548,607	1,820,117
Additions	2,063,428	1,548,607
Revenue from capital grant/contributions held as a liability at the start of the period	(1,548,607)	(1,820,117)
	<u>2,063,428</u>	<u>1,548,607</u>
Expected satisfaction of capital grant/contribution liabilities		
Less than 1 year	2,063,428	1,548,607
	<u>2,063,428</u>	<u>1,548,607</u>

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

MATERIAL ACCOUNTING POLICIES

Capital grant/contribution liabilities

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

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

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

14. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Bank overdraft		-	-	-	1,847,661	-	1,847,661
Long term borrowings		208,802	1,117,720	1,326,522	130,829	727,597	858,426
Total secured borrowings	25(a)	208,802	1,117,720	1,326,522	1,978,490	727,597	2,706,087

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 Upper Gascoyne.

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

Bank Overdrafts

The bank overdraft at 30 June 2023 is represented by:

Unsecured

Unrestricted - WANDRRA* overdraft^(a)

2024	2023
\$	\$
-	1,847,661
-	1,847,661

* Western Australia Natural Disaster Relief and Recovery.

(a) The bank overdraft at 30 June 2023 was repayable on demand and formed an integral part of the Shire's cash management. The overdraft was established for the purpose of managing cash flow for road flood damage repairs in 2017. The amount of the overdraft brought forward on 1 July 2023 was \$1,847,661. The overdraft has decreased by \$1,847,661 during the financial year. At 30 June 2024, the balance of the overdraft was \$0. The interest rate on the overdraft facility at 30 June 2024 was 10.78% (2023: 10.53%).

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from bank overdrafts as a result of changes in interest rates.

Impact of a 1% movement in interest rates on profit and loss and equity*

2024	2023
\$	\$
-	18,477

* Holding all other variables constant

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

Bank overdrafts

Bank overdrafts that form an integral part of the Shire's cash management are included as a component of cash and cash equivalents. Cash flows exclude movements between items that constitute cash or cash equivalents because these components are part of the cash management of the Shire rather than part of its operating, investing and financing activities. The reconciliation of cash and cash equivalents is outlined in Note 17.

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

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Employee related other provisions

Employment on-costs

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Employee related other provisions

Employment on-costs

Total non-current employee related provisions

Total employee related provisions

2024	2023
\$	\$
172,803	158,230
121,082	75,567
293,885	233,797
43,118	28,892
43,118	28,892
337,003	262,689
77,073	5,928
77,073	5,928
10,388	1,956
10,388	1,956
87,461	7,884
424,464	270,573

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

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

MATERIAL ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

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

16. REVALUATION SURPLUS

	2024 Opening Balance	Total Movement on Revaluation	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	10,272	-	10,272	10,272	-	10,272
Revaluation surplus - Infrastructure - roads	51,132,688	-	51,132,688	51,132,688	-	51,132,688
Revaluation surplus - Infrastructure - other	-	-	-	482,509	(482,509)	-
	51,142,960	-	51,142,960	51,625,469	(482,509)	51,142,960

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

17. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	Note	2024 Actual \$	2023 Actual \$
Cash and cash equivalents	3	9,448,138	8,978,408
Short-term borrowings - bank overdraft	14	-	(1,847,661)
		9,448,138	7,130,747

Restrictions

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

- Cash and cash equivalents	3	4,089,494	3,621,054
		4,089,494	3,621,054

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

Restricted reserve accounts	26	1,827,091	2,021,805
Bonds and deposits held	12	50,180	50,642
Capital grant liabilities	13	2,063,428	1,548,607
Unspent loans	25(c)	148,795	-
Total restricted financial assets		4,089,494	3,621,054

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

Net result		9,741,328	5,037,016
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss		(840)	(1,843)
Depreciation/amortisation		3,979,791	3,519,492
(Profit)/loss on sale of asset		(107,112)	(68,848)
Termination of lease		(782)	-
Loss on revaluation of fixed assets		29,318	758,561
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		90,166	83,974
(Increase)/decrease in other assets		(660,363)	551,212
(Increase)/decrease in inventories		10,250	(83,344)
Increase/(decrease) in trade and other payables		475,500	(1,640,502)
Increase/(decrease) in employee related provisions		153,891	(99,616)
Increase/(decrease) in other liabilities		514,821	(271,510)
Capital grants, subsidies and contributions		(9,698,765)	(4,485,642)
Net cash provided by/(used in) operating activities		4,527,203	3,298,950

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit	4,200,000	4,200,000
Bank overdraft at balance date	-	(1,847,661)
WATC short term lending facility limit	-	3,000,000
WATC short term lending facility at balance date	-	-
Credit card limit	10,000	10,000
Credit card balance at balance date	(4,199)	(8,047)
Total amount of credit unused	4,205,801	5,354,292

Loan facilities

Loan facilities - current	208,802	130,829
Loan facilities - non-current	1,117,720	727,597
Total facilities in use at balance date	1,326,522	858,426

Unused loan facilities at balance date	NIL	NIL
---	-----	-----

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

18. CONTINGENT LIABILITIES

The Shire does not have any contingent liabilities.

19. CAPITAL COMMITMENTS

	2024	2023
	\$	\$
Contracted for:		
- capital expenditure projects	72,473	2,825,287
	72,473	2,825,287
Payable:		
- not later than one year	72,473	2,825,287

The capital expenditure projects outstanding at the end of the current reporting are for the construction of roads and construction of a reverse osmosis plant.

The prior year commitment was for the construction of roads and connection and commissioning of plumbing on a mobile accommodation unit.

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

20. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
President's annual allowance	20,875	20,875	18,851
President's meeting attendance fees	20,325	20,325	18,354
President's other expenses	-	286	-
President's annual allowance for ICT expenses	3,500	3,500	3,208
President's travel and accommodation expenses	652	4,286	-
President's annual allowance for travel and accommodation expenses	-	3,000	1,133
	45,352	52,272	41,546
Deputy President's annual allowance	3,914	5,219	17,994
Deputy President's meeting attendance fees	9,890	9,890	18,354
Deputy President's other expenses	-	286	150
Deputy President's annual allowance for ICT expenses	3,500	3,500	3,500
Deputy President's travel and accommodation expenses	145	4,286	4,367
Deputy President's annual allowance for travel and accommodation expenses	-	3,000	4,375
	17,449	26,181	48,740
All other council member's meeting attendance fees	46,978	49,450	48,665
All other council member's All other council member expenses	-	1,428	1,805
All other council member's annual allowance for ICT expenses	16,625	17,500	17,500
All other council member's travel and accommodation expenses	4,078	21,428	2,025
All other council member's annual allowance for travel and accommodation expenses	-	15,000	9,972
	67,681	104,806	79,967
20(b)	130,482	183,259	170,253

(b) Key Management Personnel (KMP) Compensation

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

Short-term employee benefits	553,662	631,303
Post-employment benefits	67,799	68,554
Employee - other long-term benefits	39,976	10,207
Council member costs	130,482	170,253
	791,919	880,317

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

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

20. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

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

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

	2024 Actual \$	2023 Actual \$
Sale of goods and services - other related parties	731	3,196
Purchase of goods and services - other related parties	181,502	125,542
Amounts outstanding from related parties:		
Trade and other receivables	750	1,870
Amounts payable to related parties:		
Trade and other payables - other related parties	-	20,991

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Shire, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 20(a) and 20(b).

ii. Other Related Parties

Purchases of goods and services from other related parties, relate to four (2023: four) companies controlled by related parties of elected members contracted on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement processes. Details in relation to these transactions are as follows:

A company controlled by a related party of an elected member was awarded a contract under a tender process for bull dozer services and plant hire with a value of \$137,208 (2023: \$100,330).

A company controlled by a related party of an elected member was awarded a contract under a tender process for grader services with a value of \$31,165 (2023: nil).

A company controlled by a related party of an elected member provided catering service with a value of \$13,120. No services were provided in 2023.

A Councillor provided craft products with a value of \$8 (2023: \$40).

A company controlled by a related party of an elected member provided accommodation and catering with a value of \$12,789 in 2023. No services were provided in 2024.

A company controlled by a related party of an elected member provided emergency works and maintenance grading services with a value of \$12,383 in 2023. No services were provided in 2024.

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.

21. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Shire.

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

22. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

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

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

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

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

23. RATING INFORMATION

(a) General Rates

RATE TYPE Rate Description	Basis of valuation	Rate in \$	Number of Properties	2023/24 Actual Rateable Value*	2023/24 Actual Rate Revenue	2023/24 Actual Interim Rates	2023/24 Actual Total Revenue	2023/24 Budget Rate Revenue	2023/24 Budget Interim Rate	2023/24 Budget Total Revenue	2022/23 Actual Total Revenue
				\$	\$	\$	\$	\$	\$	\$	\$
Gross rental valuations											
GRV - Gascoyne Junction	Gross rental valuation	0.105000	14	120,705	12,674	7,759	20,433	12,674	-	12,674	12,673
Unimproved valuations											
UV - Pastoral	Unimproved valuation	0.090000	26	1,645,467	148,092	-	148,092	147,642	-	147,642	114,021
UV - Mining	Unimproved valuation	0.298000	240	4,633,107	1,380,666	69,584	1,450,250	1,308,331	-	1,308,331	1,221,430
Total general rates			280	6,399,279	1,541,432	77,343	1,618,775	1,468,647	-	1,468,647	1,348,124
Minimum payment											
Gross rental valuations											
GRV - Gascoyne Junction	Gross rental valuation	500	13	27,110	6,500	-	6,500	6,000	-	6,000	6,000
Unimproved valuations											
UV - Pastoral	Unimproved valuation	900	12	22,319	10,800	-	10,800	10,800	-	10,800	11,700
UV - Mining	Unimproved valuation	950	79	441,897	75,050	-	75,050	75,050	-	75,050	71,250
Total minimum payments			104	491,326	92,350	-	92,350	91,850	-	91,850	88,950
Total general rates and minimum payments			384	6,890,605	1,633,782	77,343	1,711,125	1,560,497	-	1,560,497	1,437,074
Ex-gratia Rates											
Ex-gratia Rates			1		6,300	-	6,300	3,000	-	3,000	6,300
Rates written-off					(8)	-	(8)	(5,000)	-	(5,000)	-
Interim and back rates					-	-	-	11,000	-	11,000	-
Total amount raised from rates (excluding general rates)					6,292	-	6,292	9,000	-	9,000	6,300
Discounts							-			-	-
Concessions							-			-	-
Total Rates							1,717,417			1,569,497	1,443,374
Rate instalment interest							5,317			1,000	1,049
Rate overdue interest							18,515			3,000	9,961

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 UPPER GASCOYNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

24. DETERMINATION OF SURPLUS OR DEFICIT

		2023/24 Budget (30 June 2024 Carried Forward)	2023/24 (1 July 2023 Brought Forward)	2022/23 (30 June 2023 Carried Forward)
Note	2023/24 (30 June 2024 Carried Forward)			
	\$	\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals	(113,930)	(109,057)	(68,848)	(68,848)
Less: Fair value adjustments to financial assets at fair value through profit or loss	(840)	-	(1,843)	(1,843)
Less: termination of lease	(782)	-	-	-
Add: Loss on disposal of assets	6,818	4,170	-	-
Add: Loss on revaluation of fixed assets	9(a) 29,318	-	758,561	758,561
Add: Depreciation	10(a) 3,979,791	3,430,570	3,519,492	3,519,492
Add: Impairment of land held for sale	2,500	-	-	-
Non-cash movements in non-current assets and liabilities:				
Employee benefit provisions	79,577	131	(62,500)	(62,500)
Non-cash amounts excluded from operating activities	3,982,452	3,325,814	4,144,862	4,144,862
(b) Non-cash amounts excluded from financing activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to financing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to financing activities				
Unspent borrowings	25(c) (148,795)	-	-	-
Non-cash amounts excluded from financing activities	(148,795)	-	-	-
(c) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	26 (1,827,091)	(2,007,714)	(2,021,805)	(2,021,805)
Less: Financial assets at amortised cost				
Less: Current assets not expected to be received at end of year				
- Land held for resale	6 -	(2,500)	(2,500)	(2,500)
- Unspent borrowings	25(c) (148,795)	-	-	-
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	14 208,802	185,426	130,829	130,829
- Leave reserve	82,012	80,033	79,902	79,902
- Current portion of lease liabilities	11(b) -	3,369	6,685	6,685
- Employee benefit provisions	28,162	30,178	30,272	30,272
Total adjustments to net current assets	(1,656,910)	(1,711,208)	(1,776,617)	(1,776,617)
Net current assets used in the Statement of Financial Activity				
Total current assets	11,783,047	4,075,741	10,753,370	10,753,370
Less: Total current liabilities	(3,569,437)	(2,364,533)	(4,281,175)	(4,281,175)
Less: Total adjustments to net current assets	(1,656,910)	(1,711,208)	(1,776,617)	(1,776,617)
Surplus or deficit after imposition of general rates	6,556,700	-	4,695,578	4,695,578

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

25. BORROWING AND LEASE LIABILITIES

(a) Borrowings

		Actual									Budget			
		Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Actual Interest Expense During 2023-24	Actual Interest Repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024
Purpose	Note	\$	\$	\$	\$	\$	\$			\$	\$	\$	\$	\$
Housing														
Staff Housing		208,199	-	(35,371)	172,828	-	(36,436)	6,923	(4,897)	138,418	172,827	-	(36,437)	136,390
Staff Housing		385,571	-	(43,538)	342,033	-	(44,012)	5,220	(3,600)	299,641	342,033	-	(44,013)	298,020
Staff Housing		-	-	-	-	600,000	(24,450)	26,560	(12,598)	589,512	-	600,000	(24,450)	575,550
Economic services														
Tourism precinct		391,498	-	(47,933)	343,565	-	(50,378)	22,453	(16,689)	298,951	343,566	-	(50,379)	293,187
Total Borrowings	14	985,268	-	(126,842)	858,426	600,000	(155,276)	61,156	(37,784)	1,326,522	858,426	600,000	(155,279)	1,303,147

Borrowing Finance Cost Payments

Purpose	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
					\$	\$	\$
Housing							
Staff Housing	29	WATC*	2.99%	13-Aug-27	(6,923)	(4,897)	(2,850)
Staff Housing	30	WATC*	1.09%	02-Nov-30	(5,220)	(3,600)	(5,208)
Staff Housing	31	WATC*	4.20%	03-Jul-33	(26,560)	(12,598)	-
Economic services							
Tourism precinct	28	WATC*	5.04%	07-Mar-29	(22,453)	(23,189)	(21,113)
Total Finance Cost Payments					(61,156)	(44,284)	(29,171)

* WA Treasury Corporation

(b) New Borrowings - 2023/24

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2024 Actual	2024 Budget	2024 Actual	2024 Budget		
				%	\$	\$	\$	\$	\$	\$
Staff Housing	WATC	Fixed	10	4.1994%	600,000	600,000	(600,000)	600,000	140,961	148,795
					600,000	600,000	(600,000)	600,000	140,961	148,795

* WA Treasury Corporation

(c) Unspent Borrowings

Particulars	Institution	Date Borrowed	Unspent Balance 1 July 2023	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2024
			\$	\$	\$	\$
Staff Housing	WATC	03-Jul-23	-	600,000	(451,205)	148,795
			-	600,000	(451,205)	148,795

* WA Treasury Corporation

(d) Lease Liabilities

Actual										Budget			
Purpose	Note	Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Lease Forgiven During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024
		\$	\$	\$	\$	\$	\$		\$	\$	\$	\$	\$
Fuel bowser		16,666	-	(6,612)	10,054	-	(2,624)	(7,430)	-	10,054	-	(6,685)	3,369
Total Lease Liabilities	11(b)	16,666	-	(6,612)	10,054	-	(2,624)	(7,430)	-	10,054	-	(6,685)	3,369
Lease Finance Cost Payments													
Purpose	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023	Lease Term					
					\$	\$	\$						
Fuel bowser	1	Refuel Australia	1.10%	08-Dec-24	(47)	(76)	(148)	3 years					
Total Finance Cost Payments					(47)	(76)	(148)						

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

26. RESERVE ACCOUNTS

	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	79,902	2,110	-	82,012	79,902	131	-	80,033	97,474	156	(17,728)	79,902
(b) Plant replacement reserve	512,507	13,518	(91,092)	434,933	512,507	1,085	(91,092)	422,500	999,553	112,954	(600,000)	512,507
(c) Airport reserve	41,133	1,085	-	42,218	41,134	55	-	41,189	41,068	65	-	41,133
(d) Tourism precinct reserve	84,461	2,232	-	86,693	84,461	124	-	84,585	84,314	147	-	84,461
(e) Building reserve	348,275	6,496	(168,447)	186,324	348,275	327	-	348,602	127,886	220,389	-	348,275
(f) Works reserve	245,149	9,151	(90,315)	163,985	245,149	171	-	245,320	244,946	203	-	245,149
(g) Economic development reserve	463,346	12,225	-	475,571	463,346	811	-	464,157	618,563	100,964	(256,181)	463,346
(h) Roads flood damage reserve	153,245	4,044	-	157,289	153,245	205	-	153,450	153,002	243	-	153,245
(i) Bridge maintenance reserve	93,787	26,472	-	120,259	93,787	24,091	-	117,878	69,679	24,108	-	93,787
(j) Sealed road sealing reserve	-	77,807	-	77,807	-	50,000	-	50,000	-	-	-	-
	2,021,805	155,140	(349,854)	1,827,091	2,021,806	77,000	(91,092)	2,007,714	2,436,485	459,229	(873,909)	2,021,805
	2,021,805	155,140	(349,854)	1,827,091	2,021,806	77,000	(91,092)	2,007,714	2,436,485	459,229	(873,909)	2,021,805

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

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

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Leave reserve	to be used to fund annual and long service leave requirements.
(b) Plant replacement reserve	to be used for the purchase of major plant and also to fund major mechanical breakdowns.
(c) Airport reserve	to fund the resealing of the Gascoyne Junction Airport.
(d) Tourism precinct reserve	to be used for future significant repairs or upgrades on an as required basis.
(e) Building reserve	to be used for new buildings, future repairs or upgrades on an as required basis (excluding the Tourism Precinct).
(f) Works reserve	to be used to support funding of major infrastructure projects.
(g) Economic development reserve	to set aside funds for economic development initiatives.
(h) Roads flood damage reserve	to be used towards the required Shire contribution for Western Australia Natural Disaster Relief Funding.
(i) Bridge maintenance reserve	to be used for repairs and maintenance of Kilili Bridge as required.
(j) Sealed road sealing reserve	to set aside funds for the resealing of the Shire's sealed road network.

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

27. TRUST FUNDS

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

	1 July 2023	Amounts Received	Amounts Paid	30 June 2024
	\$	\$	\$	\$
Yangibana - RUA Security Deposit	100,970	-	(100,970)	-
	100,970	-	(100,970)	-