

An aerial photograph showing a cricket match taking place on a newly paved road. The road is wide and has a central lane of grey asphalt. On either side of the road are large, flat, golden-brown fields. In the distance, there are several trees and a line of parked cars. A group of people is gathered under a black canopy tent on the road. A player in a yellow jersey with the number 11 is visible in the foreground, standing near a green cricket stumps. The sky is blue with some light clouds.

2022-23 Annual Report



A place for people, a place for community.

(08) 9637 0300

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Acknowledgement of Country

The Shire of Tammin acknowledge the Ballardong Noongar People as traditional custodians of the land and skies on which we gather, and we pay our respects to their Elders, past, present and emerging.

A Message from the Shire President

Thank you to everyone who contributed to ensuring the 2022/23 financial year was another highly successful one for Tammin: Council, Staff and Community.

The year was busy as we worked together to complete major capital projects and initiatives including:

- The much needed Southern Link road to improve safety and accessibility - celebrated with a North vs South game of Cricket.
- Golfers can now enjoy the Golf Club's new purpose built Clubhouse at our Public golf course.
- Sports teams and spectators appreciate the ongoing refurbishment of the Donnan Park facilities for Hockey, Football, Cricket, Netball and Tammin Primary School events. The June long weekend saw the venue come alive with caravanners enjoying Tammin hospitality.
- The formation of the Tammin Progress Association will ensure equitable management and distribution of the Community Crop funds.
- The development of a Dog Park to encourage visitors and locals to look after their furry friends.
- Careful asset management of roads continued - with increasing challenges of costs and gravel availability.
- The commencement of Stage 1 of the cement footpath program are a big improvement.
- The "Tidy up Tammin" initiative saw a calendar of additional rubbish pickups.
- Tamma Village tenants appreciate ongoing maintenance and upgrades.
- The new Better Beginnings program creates fun learning experiences for our youngest in the community.

We all enjoyed the usual special annual events throughout the year: the Fuse Festival, Anzac and Remembrance Days, the Comedy Festival, the CWA WA Week Luncheon, the Fellowship Christmas Dinner and the Community Christmas Tree.

The 2023 Achievement Awards recognised our Citizens of the Year: Jan Hocking, Kate Hutchison and Glen Bradley, along with long service presentations to our Fire Brigade Volunteers.

This year we added two additional events: a NBN Roundtable - hosting key corporate leadership to improve digital connectivity, and the very special Festival of Small Halls at Yorkrakine - a truly magical night of live music.

Council continued to contribute regionally, at the Great Eastern Zone of Councils and on its Executive, supporting the inaugural Zone Conference, the annual State Convention and collaborating with Regional Road planning, Health Services and Seniors activities.

This year the Wheatbelt East Regional Organisation of Councils (WEROC) completed two key regional strategies: a Waste Management plan and a regional Tourism strategy. As a group, we continue to advocate strongly for health, education and housing in the Wheatbelt.



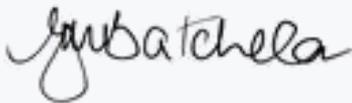
Glenice Batchelor - Shire President

A Message from the Shire President

Regretfully, sometimes we farewell families, friends, and staff from Team Tammin. This year, a special mention to Morgan Ware – who ably stepped up as CEO while Jo and family took a well-earned break. Happily, we will always welcome new residents to Tammin – they bring new ideas and talents to our community - such as the Minerva Food staff.

Our Aim is Progress – so it's vitally important we continue to work together to retain our caring and thriving community for everyone.

Thank you, it has been an honour to serve on Council.



Glenice Batchelor
Shire President

2022-23



A Message from the Chief Executive Officer

I am delighted to present the Annual Report for the Shire of Tammin for 2022/2023. This year has been marked by dynamic progress, as we've successfully executed numerous projects that significantly advance the community's ambitions outlined in our Strategic Community Plan.

Enhancing Community Amenities A key focus this year has been the enhancement of vital community facilities, ensuring they remain contemporary, functional, and comfortable. A notable initiative is the commencement of a phased refurbishment at the Donnan Park pavilion. This year, we've successfully upgraded the plumbing and tiling in the Home Changerooms, with a program in place to renew one area each financial year.

Investment in Sports Infrastructure Our commitment to sports and recreation is underscored by the construction of a new clubhouse for the Tammin Golf Club. Working in partnership with the Tammin Golf Club the previous clubhouse was demolished and has been replaced with a modular clubhouse facility.

Significant Infrastructure Development A landmark achievement this year is the completion of the "Southern Link" road. This pivotal project, years in the making, not only enhances the safety of our town centre but also optimises traffic flow for heavy vehicles heading to the CBH receival site or the Great Eastern Highway.

Upgrading Our Operational Capabilities Recognising the importance of reliable and modern infrastructure for efficient service delivery, we've updated a substantial portion of our fleet and IT assets. This strategic investment ensures that our services remain high-quality and responsive to community needs.

On a personal note, I would like to thank the Council and staff for their support, dedication and hard work. I feel privileged to work with such a professional and collaborative team. I would also like to thank the wider Tammin community for making Tammin such a wonderful place to live, the sense of community is very special here and is something that both I and my family cherish.

In closing, this year has been a testament to what we can accomplish together. As we look ahead, I am excited and optimistic about our future endeavours, continuing to enrich the lives of those in our vibrant community.

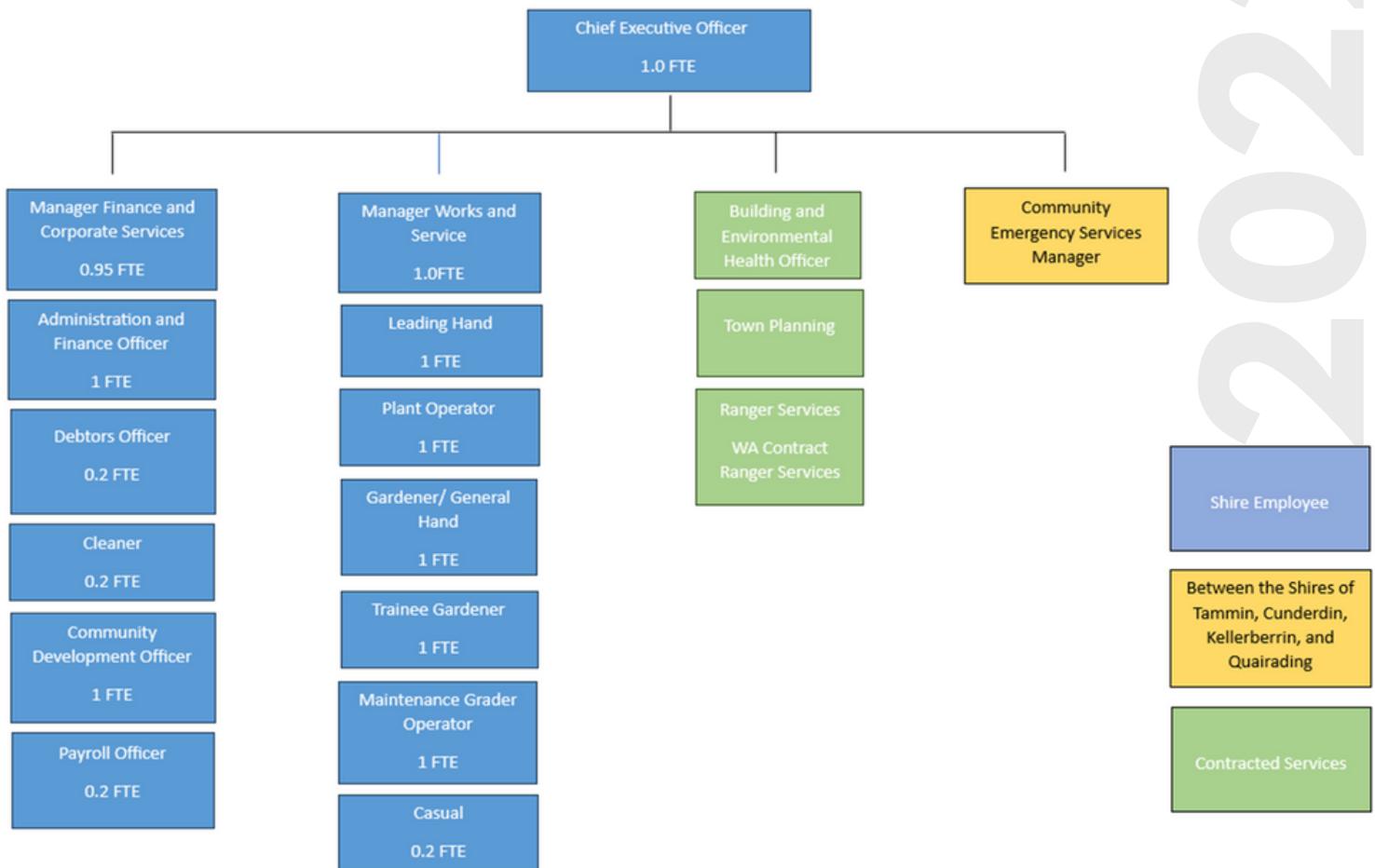


Joanne Soderlund
Chief Executive Officer



Joanne Soderlund - Chief Executive Officer

Organisation Structure



** Full Time Employee (FTE)



Tammin Fuse Festival at Donnan Park - 2023



Southern Link Official Opening - Joan Button & Senator Louise Pratt

About Tammin

The Shire of Tammin is located 184 kilometers east of Perth on the Great Eastern Highway. The Shire covers an area of 1,087 kilometers and is bound by the neighbouring Shire's of Kellerberrin, Quairading, Cunderdin and Wyalkatchem.

The Shire is home to a population of approximately 400 residents, working primarily within the agricultural industry for the production of grain and livestock. Each year, the Shire hosts a number of community events for its residents which include Comedy Gold, Fuse Festival, Seniors Luncheon, Tammin Achievement Awards, School Holiday Activities and Wellness events. The Shire also contributes annually to a number of community run events including Australia Day, Anzac Day, Tammin Christmas Tree and many more.

Residents of the Shire enjoy a Mediterranean-type climate with weather ranging from 0 degrees Celsius in winter to 40 degrees Celsius during summer. The average yearly rainfall is 370mm falling mainly in the winter months.

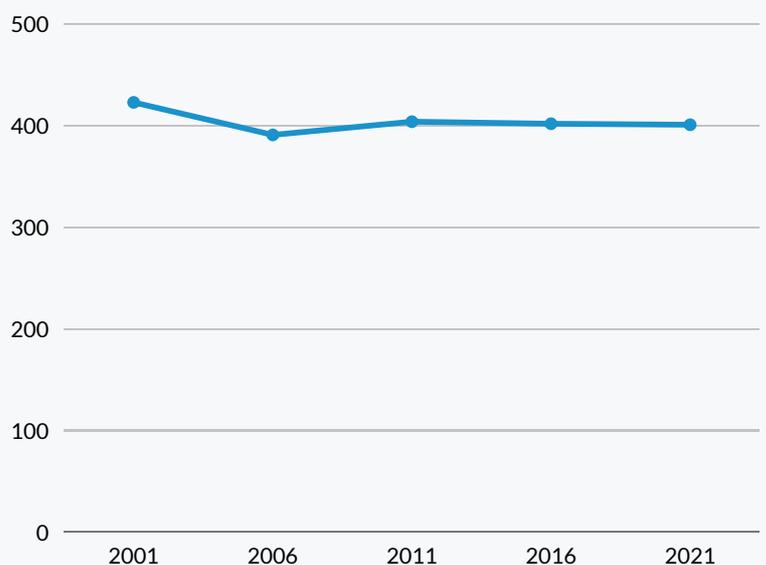
Tammin was first settled in 1893 by Mr John Packham with more settlers arriving in the 1900's. The town of Tammin was gazetted in 1899 and in 1948 became a Road Board in its own right having previously been part of the Meckering Road Board and later Cunderdin-Meckering-Tammin Road Boards. With changes to the Local Government Act 1960, it became the Shire of Tammin in 1961.

The name 'Tammin' means grandmother or grandfather according to the 'Descriptive Vocabulary of Aboriginies of WA' by G F Moore. Other theories are that Tammin was named after the Tamma, a small animal that once inhabited the area or the Tamma bush which grows throughout the district.

For further information regarding the history of the Shire, please contact the Shire Administration Office.

Population

Australian Bureau of Statistics (ABS) data for the Shire of Tammin indicates a decline in population of approximately 1.4% (or 6 persons) between the 2001 and 2021 Census dates. The median age of persons residing with the Shire of Tammin is 47 years.



Donnan Park Oval & Pavilion

Elected Representatives

The Tammin Shire Council currently has six (6) Councillors representing the district. The Shires Councillors are the voice of the Tammin community. Councillors listen to the issues and ideas of residents and community groups and make strategic and policy decisions within the legislative framework in which they operate. The Shire President leads Council meetings and represents Council on formal occasions supported by the Deputy President.



CR GLENICE BATCHELOR
Councillor, Term Expiry 23

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2023

Elected Representatives

Council policy provides that Council member attendance at all Council and Committee meetings must be reported in the Annual Report. For the year ended 30 June 2023 Council member attendance at all eleven (11) Council meetings and (0) Special Council meetings is documented below:

Meeting Attendance

COUNCILLOR	ORDINARY & SPECIAL COUNCIL MEETINGS	GENERAL MEETING OF ELECTORS AND OTHER COUNCIL COMMITTEES
Cr. G Batchelor	11	3
Cr. N Caffell	11	
Cr. C Thomson (Charmaine)	11	3
Cr. T Nicholls	11	3
Cr. C Thomson (Courtney)	11	
Cr. B Leslie	10	

Remuneration

COUNCILLOR	ORDINARY & SPECIAL COUNCIL MEETINGS	PRESIDENT & DEPUTY ALLOWANCE	TRAVEL & ACCOM
Cr. G Batchelor	\$2,200	\$3,000	\$145
Cr. N Caffell	\$1,300		\$428
Cr. C Thomson (Charmaine)	\$1,300		\$599
Cr. T Nicholls	\$1,300	\$750	\$582
Cr. C Thomson (Courtney)	\$1,300		\$626
Cr. B Leslie	\$1,060		\$198

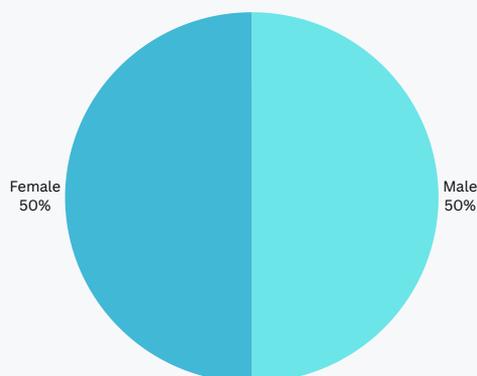


Elected Representatives

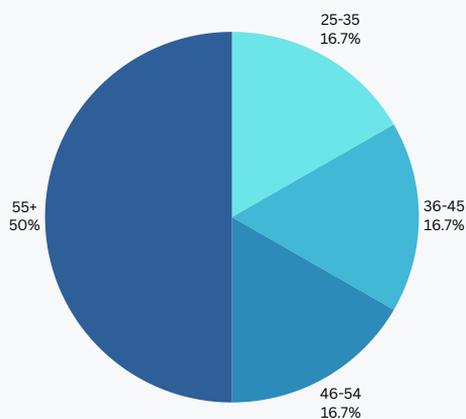
Demographic Profile

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

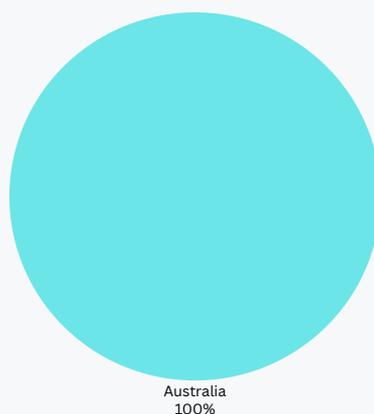
Gender



Age Profile



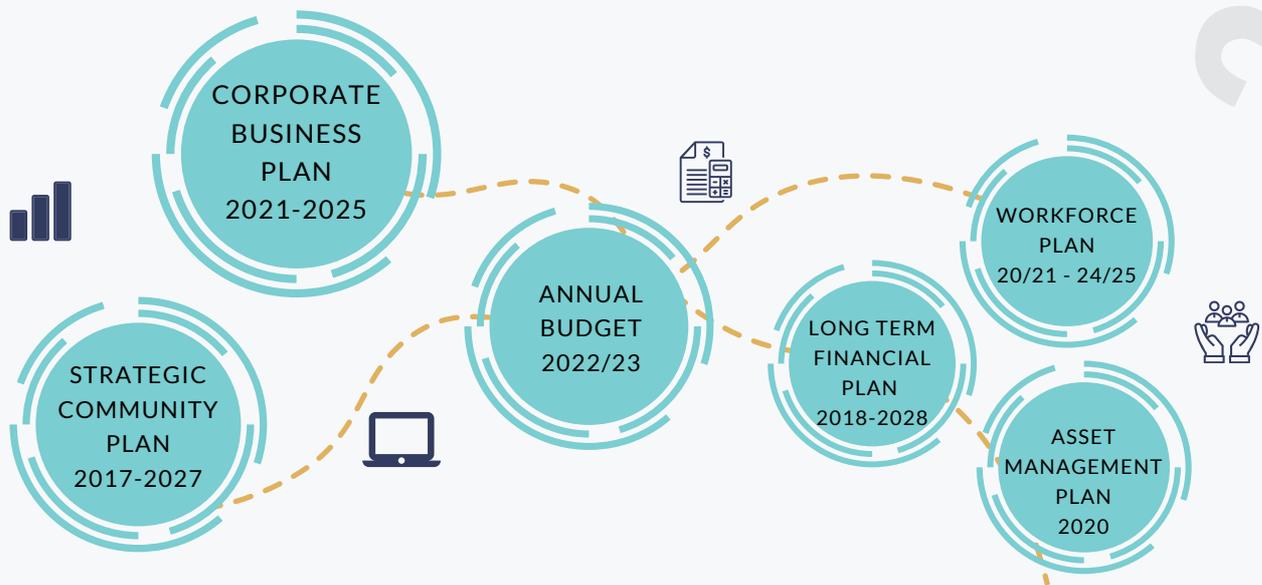
Country of Birth



Integrated Planning & Reporting

2022-23

In 2010, the Western Australian State Government introduced legislation requiring local governments to prepare an Integrated Planning and Reporting Framework. The Shire of Tammin has the following integrated planning documents available for public inspection.



Strategic Community Plan

The Shire of Tammin's Strategic Community Plan 2017-2027 outlines the strategic priorities of Council to address the community's long term vision for the Shire, "A place for People, a Place for Community".

Tammin as a community is a vibrant and active, inclusive and welcoming, a community where people are treated equally and feel safe. The Shire's aim is to sustain and build local area capacity through employment and strengthen community development.

The aspiration of the community in pursuit of the Shire's vision, as identified through consultation with the community during the formation of the Strategic Community Plan has been categorised in six (6) strategic result areas as detailed on the following page. Each of these areas have multiple objectives the community desires to see achieved. It is the Shire's accompany Corporate Business Plan that details the actions the Shire of Tammin will undertake to achieve the objectives defined under each of the strategic result areas of the Strategic Community Plan.



Integrated Planning & Reporting



The six (6) strategic result areas outlined in the Shire of Tammin's Strategic Community Plan 2017-2027 that are the focus of the Shire of Tammin's pursuit to be "A Place for People, a Place for Community".

- 

1) Social / Community: Grow and sustain the population through planned provision of services. Maintain the sense of community which is inclusive and welcoming for all.
- 

2) Environment: Provide leadership and promote local regional sustainability principles and practices. Enhance local natural areas and open spaces.
- 

3) Housing & Facilities: Our local area will be maintained through the provision of housing and employment choices for all ages, whilst protecting our viable farmland.
- 

4) Economic Development: Strengthen local business and employment capacity. Support and encourage sustainable business growth.
- 

5) Infrastructure & Transport: Our local town, amenities and facilities will be maintained and enhanced, ensuring that our town is one that community loves to be in and is proud of.
- 

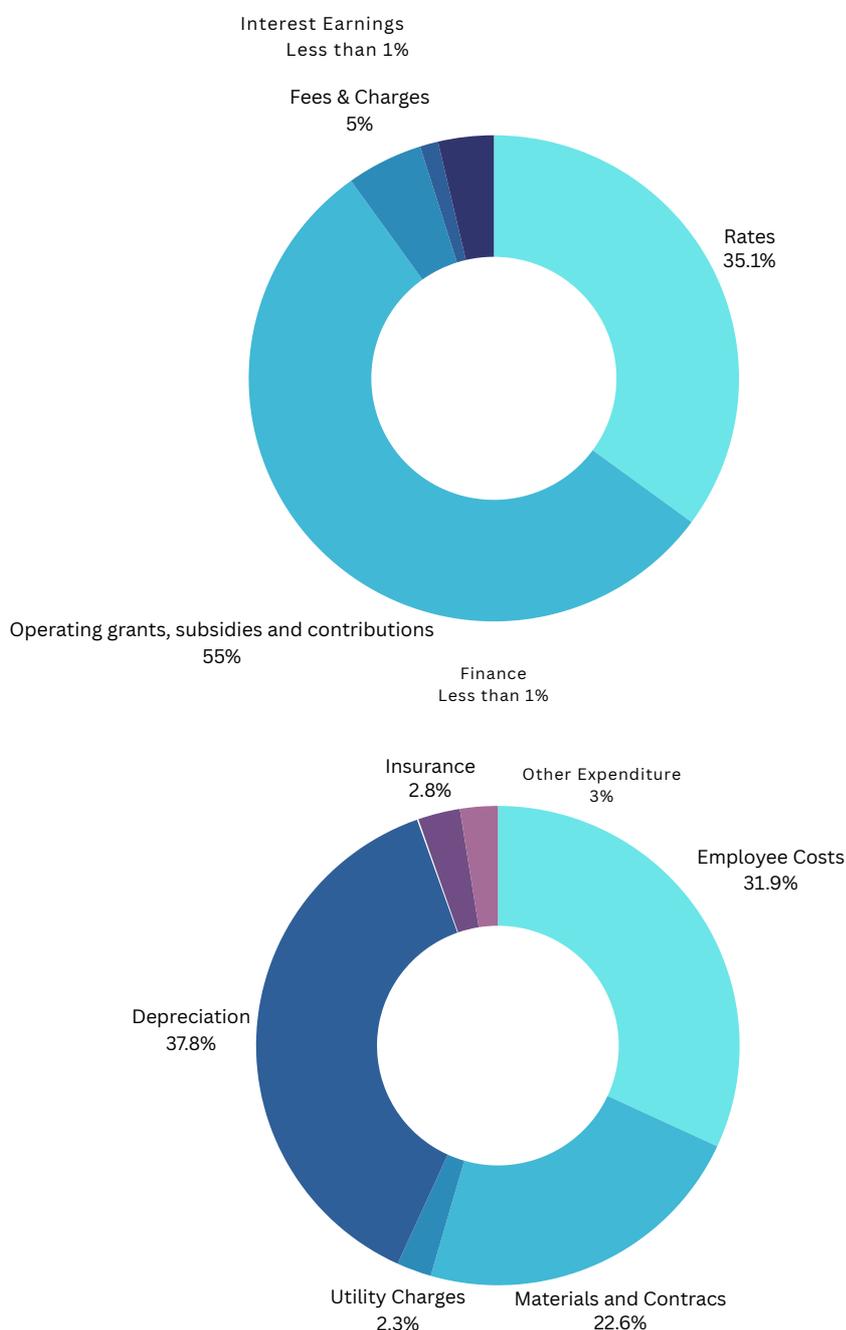
6) Civic Leadership: Our Councillors and community leaders have a vision, are accessible, act with transparency and integrity, and act in good faith on behalf of their constituents.

Financial Summary

2022/23

To deliver the objectives of the Strategic Community Plan the Shire requires many resources. These resources require funding, and the Shire derives this funding from different sources including rates, government grants and fees and charges.

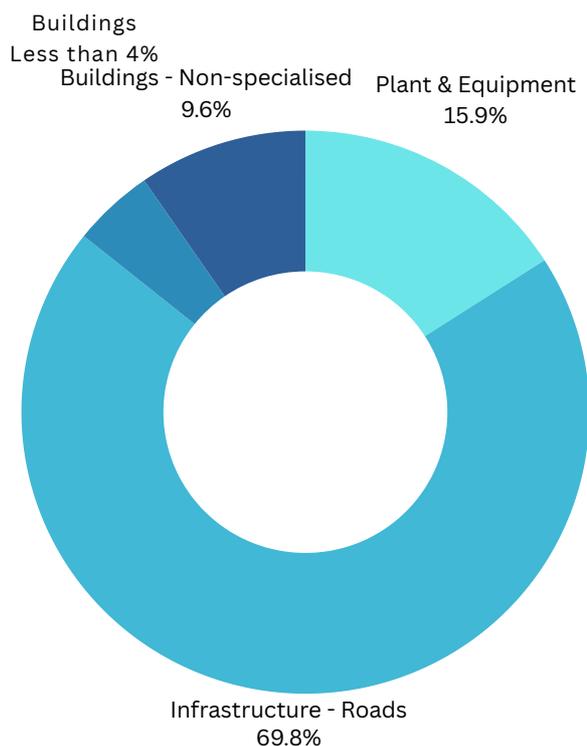
The Annual Report presents the Shire's audited Annual Financial Statements for the year ending 30 June 2023 in the later pages of this report. A graphical representative of the shire of Tammin's financial results for the FY 2022/23 is provided below.



Financial Summary

2022/23

During the FY2022/23 financial year, the Shire of Tammin outlayed funds of \$1.093m in capital projects across the Shire. A summary of this investment by asset class is provided below.



Capital Projects

Key capital projects undertaken by the Shire of Tammin in FY2022/23 included:

Golf Club Restoration Project: \$261,839

Roads (excluding road maintenance): \$2,390,233

Footpaths: \$158,590

Plant & Equipment: \$545,230

Donnan Park BBQ Area: \$13,900



Shire of Tammin plant undertaking road maintenance works.

Legislative Compliance

National Competition Policy

The Shire of Tammin has met its obligations with regard to the National Competition Policy. The Shire has no local laws or policies that contain anti-competitive provisions. No complaints were received by the Shire of Tammin in FY2022/23 in relation to anti-competitive practices.

Disability Access and Inclusion Plan

The Disability Services Act 1993 requires local governments to develop and implement a Disability Access and Inclusion Plan (DAIPs). The Shire of Tammin adopted a DAIP in 2015, with the plan to undergo a full review in 2020. Council is required to report on present activities as they relate to the six desired DAIP outcomes.

- 1) The Shire of Tammin is continually adapting existing services to give people with disabilities the same opportunities as other people to access the services of, and any events organised by the Shire.
- 2) The Shire of Tammin also continues to improve its buildings and footpath infrastructure to assist those with disabilities.
- 3) Wherever possible, people with disabilities can receive information from the Shire of Tammin in a format that will enable them to access the information as readily as other people are able to access it. This includes a comprehensive website and the ability to change documents to a large font size.
- 4) Staff at the Shire of Tammin are encouraged to be aware of the needs of people with disabilities to ensure they receive the same level and quality of services as other people receive. We are also working with contractors to ensure they are aware of their responsibilities.
- 5) People with disabilities have the same opportunities as other people to make complaints to the Shire of Tammin. This can be done via written letters, email, sms or verbally.
- 6) Council provides many ways for people to participate in public consultation and the Shire of Tammin is more than happy to discuss any grievances community members may have regarding the services available to the disabled.

The Shire has undertaken a Disability Access Audit for the various community facilities and amenities. The Shire has also undertaken a works program to improve the access ramps at various townsite intersections to better cater for the disable and aged.

Legislative Compliance

Public Interest

The Public Interest Disclosure Act 2003 (The Act) aims to facilitate and encourage the disclosure of public interest information and to provide protections for those who have made disclosures and for those about whom disclosures are made.

The Shire of Tammin does not tolerate corrupt or other improper conduct, including mismanagement of public resources and the exercise of the public functions of the Shire and its officer, employee and contractors.

The Shire of Tammin is committed to the aims and objectives of the Act and recognise the value and importance of contributions of staff to enhance administrative and management practises and supports disclosures being made by staff as to corrupt or other improper conduct.

During the FY2022/23 reporting period, there were no disclosures made under the Act and no disclosures were referred to the Ombudsman.

Annual Salaries

The Local Government Act 1995 requires Council to provide the number of employees who are entitled to an annual salary of \$100,000 or more, and to break those employees in salary bands.

For the current reporting period, two employees of the Shire of Tammin received a salary in excess of \$100,000. These salaries were within the bands of \$100,000 - \$110,000 and \$130,000 - \$140,000.

Record Keeping Plan

The Shire of Tammin is committed to best practice record keeping and compliance in accordance with the State Records Act 2000. The Shire of Tammin's Record Keeping Plan, following a comprehensive review in December 2019, has been approved by the State Record Office and the Shire conducts regular record keeping training for the staff.

Register of Minor Complaints

Section 5.121 of the Local Government Act 1995 (The Act) requires a local government to maintain a register of complaints that result in action under Section 5.110 (6) (b) or (c) of the Act. The Shire of Tammin received no complaints made under Section 5.121 of the Act during the current reporting period.

Legislative Compliance

Freedom of Information

Part 5 of the Freedom of Information Act 1992 (The Act) requires an agency such as a Local Government to prepare and publish an Information Statement. The Shire of Tammin has produced an Information Statement for the current reporting period which can be inspected by contacting the Shire Office.

The Information Statement contains information on the type of documents available to the public and how to access those documents.

The Shire of Tammin maintains records relating to the function and administration of the Shire, each property within the Shire and includes such documents as the Minutes of the Meetings, Rates Book, Town Planning Scheme, Local Laws Codes of Conduct, Register of Financial Interest, Register of Delegated Authority, Financial Statements and Electoral Rolls. These documents can be inspected free of charge at the Shire of Tammin, 1 Donnan Street Tammin, during office hours.

All Council meetings of the Shire are open to the public and meeting dates and venues are advertised on a regular basis. Members of the public are invited to ask questions during Public Question Time shortly after the commencement of each meeting.

The Act gives individuals and organisation a general right of access to information held by the Shire of Tammin. It also provides the right of appeal in relation to decisions made by the Shire to refuse access to information applied for under the Act.

The Shire of Tammin advises that no Freedom of Information requests were received by the Shire during the current reporting period.



Sporting in Tammin - KATS Football Club NAIDOC week jumpers.



School Holiday Activity - WALGA Showcase in Pixels
Winners of the Junior Primary Category 2023

Annual Financial Statement &

Independent Auditors Report

Financial Year ended 30 June 2023

2022-23



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

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

A place for people, a place for community.

Principal place of business:

1 Donnan Street
TAMMIN WA 6409



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

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

STATEMENT BY CEO

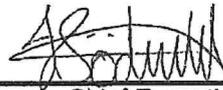
The accompanying financial report of the Shire of Tammin has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30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

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

Signed on the

16th day of

November 2023



Chief Executive Officer
Joanne Soderlund



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

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
Revenue				
Rates	2(a),21	1,197,199	1,195,153	1,158,386
Grants, subsidies and contributions	2(a)	1,878,150	363,228	1,563,952
Fees and charges	2(a)	172,703	136,264	187,055
Interest revenue	2(a)	41,888	35,746	11,077
Other revenue	2(a)	125,136	57,905	100,663
		3,415,076	1,788,296	3,021,133
Expenses				
Employee costs	2(b)	(975,436)	(1,025,872)	(860,404)
Materials and contracts		(690,164)	(753,136)	(667,742)
Utility charges		(71,511)	(110,161)	(69,758)
Depreciation	9(a)	(1,154,527)	(1,102,984)	(1,121,473)
Finance costs	2(b)	(3,431)	(3,247)	(4,510)
Insurance		(86,815)	(90,291)	(116,189)
Other expenditure	2(b)	(77,511)	(88,067)	(97,698)
		(3,059,395)	(3,173,758)	(2,937,774)
		355,681	(1,385,462)	83,359
Capital grants, subsidies and contributions	2(a)	2,108,380	2,039,235	562,053
Profit on asset disposals	9(b)	53,483	28,686	20,218
Loss on asset disposals	9(b)	(17,286)	0	(2,182)
Loss on revaluation of Other infrastructure footpaths	8(a)	(57,440)	0	0
		2,087,137	2,067,921	580,089
Net result for the period		2,442,818	682,459	663,448
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	14	15,248,850	0	1,292,794
Total other comprehensive income for the period	14	15,248,850	0	1,292,794
Total comprehensive income for the period		17,691,668	682,459	1,956,242

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



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

	NOTE	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	3	3,535,222	2,197,576
Trade and other receivables	5	285,075	147,897
Other financial assets	4(a)	14,279	1,690,097
Other assets	6	112,877	577
TOTAL CURRENT ASSETS		3,947,453	4,036,147
NON-CURRENT ASSETS			
Trade and other receivables	5	11,604	19,549
Other financial assets	4(b)	47,955	60,391
Property, plant and equipment	7	8,270,464	7,858,166
Infrastructure	8	42,735,256	25,833,937
TOTAL NON-CURRENT ASSETS		51,065,279	33,772,043
TOTAL ASSETS		55,012,732	37,808,190
CURRENT LIABILITIES			
Trade and other payables	10	342,372	228,365
Other liabilities	11	41,800	602,926
Borrowings	12	42,939	41,681
Employee related provisions	13	52,215	62,016
TOTAL CURRENT LIABILITIES		479,326	934,988
NON-CURRENT LIABILITIES			
Borrowings	12	51,164	93,892
Employee related provisions	13	34,312	23,048
TOTAL NON-CURRENT LIABILITIES		85,476	116,940
TOTAL LIABILITIES		564,802	1,051,928
NET ASSETS		54,447,930	36,756,262
EQUITY			
Retained surplus		7,048,513	4,331,800
Reserve accounts	24	1,402,111	1,676,006
Revaluation surplus	14	45,997,306	30,748,456
TOTAL EQUITY		54,447,930	36,756,262

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



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

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2021		3,902,170	1,442,188	29,455,662	34,800,020
Comprehensive income for the period					
Net result for the period		663,448	0	0	663,448
Other comprehensive income for the period	14	0	0	1,292,794	1,292,794
Total comprehensive income for the period		663,448	0	1,292,794	1,956,242
Transfers to reserve accounts	24	(233,818)	233,818	0	0
Balance as at 30 June 2022		4,331,800	1,676,006	30,748,456	36,756,262
Comprehensive income for the period					
Net result for the period		2,442,818	0	0	2,442,818
Other comprehensive income for the period	14	0	0	15,248,850	15,248,850
Total comprehensive income for the period		2,442,818	0	15,248,850	17,691,668
Transfers from reserve accounts	24	365,000	(365,000)	0	0
Transfers to reserve accounts	24	(91,105)	91,105	0	0
Balance as at 30 June 2023		7,048,513	1,402,111	45,997,306	54,447,930

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



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

NOTE	2023 Actual \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Rates	1,198,545	1,165,622
Grants, subsidies and contributions	1,231,142	2,051,901
Fees and charges	172,703	187,055
Interest revenue	41,888	11,077
Goods and services tax received	346,134	144,602
Other revenue	125,136	95,635
	3,115,548	3,655,892
Payments		
Employee costs	(963,703)	(843,413)
Materials and contracts	(684,856)	(616,953)
Utility charges	(71,511)	(69,758)
Finance costs	(3,431)	(4,538)
Insurance paid	(86,815)	(116,189)
Goods and services tax paid	(404,702)	(128,631)
Other expenditure	(77,511)	(97,698)
	(2,292,529)	(1,877,180)
Net cash provided by (used in) operating activities	15(b) 823,019	1,778,712
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for financial assets at amortised cost	0	(337,937)
Payments for purchase of property, plant & equipment	7(a) (888,165)	(283,139)
Payments for construction of infrastructure	8(a) (2,548,829)	(809,901)
Capital grants, subsidies and contributions	2,108,380	562,053
Proceeds for financial assets at amortised cost	4(a) 1,676,006	0
Proceeds from financial assets at amortised cost - self supporting loans	14,091	13,905
Proceeds from sale of property, plant & equipment	9(b) 194,614	77,818
Net cash provided by (used in) investing activities	556,097	(777,201)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	23 (41,470)	(56,606)
Net cash provided by (used in) financing activities	(41,470)	(56,606)
Net increase (decrease) in cash held	1,337,646	944,905
Cash at beginning of year	2,197,576	1,252,671
Cash and cash equivalents at the end of the year	15(a) 3,535,222	2,197,576

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



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

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	21	1,189,178	1,187,353	1,150,599
Rates excluding general rates	21	8,021	7,800	7,787
Grants, subsidies and contributions		1,878,150	363,228	1,563,952
Fees and charges		172,703	136,264	187,055
Interest revenue		41,888	35,746	11,077
Other revenue		125,136	57,905	100,663
Profit on asset disposals		53,483	28,686	20,218
		<u>3,468,559</u>	<u>1,816,982</u>	<u>3,041,351</u>
Expenditure from operating activities				
Employee costs		(975,436)	(1,025,872)	(860,404)
Materials and contracts		(690,164)	(753,136)	(667,742)
Utility charges		(71,511)	(110,161)	(69,758)
Depreciation		(1,154,527)	(1,102,984)	(1,121,473)
Finance costs		(3,431)	(3,247)	(4,510)
Insurance		(86,815)	(90,291)	(116,189)
Other expenditure		(77,511)	(88,067)	(97,698)
Loss on asset disposals		(17,286)	0	(2,182)
Loss on revaluation of non-current assets		(57,440)	0	0
		<u>(3,134,121)</u>	<u>(3,173,758)</u>	<u>(2,939,956)</u>
Non-cash amounts excluded from operating activities	22(a)	1,185,178	1,074,298	1,114,380
Amount attributable to operating activities		<u>1,519,616</u>	<u>(282,478)</u>	<u>1,215,775</u>
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		2,108,380	2,039,235	562,053
Proceeds from disposal of assets		194,614	200,000	77,818
Proceeds from financial assets at amortised cost - self supporting loans	23	14,091	0	13,905
		<u>2,317,085</u>	<u>2,239,235</u>	<u>653,776</u>
Outflows from investing activities				
Purchase of property, plant and equipment	7(a)	(888,165)	(1,156,600)	(283,139)
Purchase and construction of infrastructure	8(a)	(2,548,829)	(2,319,975)	(809,901)
		<u>(3,436,994)</u>	<u>(3,476,575)</u>	<u>(1,093,040)</u>
Amount attributable to investing activities		<u>(1,119,909)</u>	<u>(1,237,340)</u>	<u>(439,264)</u>
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	24	365,000	577,950	0
		<u>365,000</u>	<u>577,950</u>	<u>0</u>
Outflows from financing activities				
Repayment of borrowings	23	(41,470)	(41,681)	(56,606)
Transfers to reserve accounts	24	(91,105)	(420,690)	(233,818)
		<u>(132,575)</u>	<u>(462,371)</u>	<u>(290,424)</u>
Amount attributable to financing activities		<u>232,425</u>	<u>115,579</u>	<u>(290,424)</u>
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year		1,514,759	1,404,239	1,028,672
Amount attributable to operating activities		1,519,616	(282,478)	1,215,775
Amount attributable to investing activities		(1,119,909)	(1,237,340)	(439,264)
Amount attributable to financing activities		232,425	115,579	(290,424)
Surplus or deficit after imposition of general rates	22(b)	<u>2,146,891</u>	<u>0</u>	<u>1,514,759</u>

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



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

1. BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

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

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

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

The local government reporting entity

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

Judgements and estimates

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

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

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

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.

Initial application of accounting standards

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

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

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

New accounting standards for application in future years

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

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

The amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified. Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

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

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year.	None.	When rates notice is issued.
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services.	Over time	Fixed terms transfer of funds based on agreed milestones and reporting.	Contract obligation if project not complete.	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared.
Fees and charges	Cemetery services, library fees, rental income, 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.
Interest earnings	Interest received for investment of Shire funds with financial institutions	Over time	On maturity of investment or periodically as agreed with bank	None	When interest is received.
Other revenue	Private works operations and miscellaneous plant income, insurance income.	Over time	Payment in full in advance.	None	When debtors invoice is issued or payment is received in advance.
Capital grants, subsidies and contributions	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.

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

Revenue Recognition

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

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,197,199	0	1,197,199
Grants, subsidies and contributions	1,878,150	0	0	0	1,878,150
Fees and charges	172,703	0	0	0	172,703
Interest earnings	0	0	0	41,888	41,888
Other revenue	125,136	0	0	0	125,136
Capital grants, subsidies and contributions	0	2,108,380	0	0	2,108,380
Total	2,175,989	2,108,380	1,197,199	41,888	5,523,456

For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,158,386	0	1,158,386
Grants, subsidies and contributions	1,563,952	0	0	0	1,563,952
Fees and charges	187,055	0	0	0	187,055
Interest revenue	0	0	0	11,077	11,077
Other revenue	100,663	0	0	0	100,663
Capital grants, subsidies and contributions	0	562,053	0	0	562,053
Total	1,851,670	562,053	1,158,386	11,077	3,583,186

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2023 Actual \$	2022 Actual \$
Interest revenue		
Financial assets at amortised cost - self supporting loans	427	612
Interest on reserve account funds	33,456	3,818
Overdue and Rate instalment interest	6,644	6,606
Other interest revenue	1,361	41
	41,888	11,077
Fees and charges relating to rates receivable		
Charges on instalment plan	1,755	3,630
The 2023 original budget estimate in relation to: Charges on instalment plan was \$3,730.		

(b) Expenses

Auditors remuneration		
- Audit of the Annual Financial Report	32,600	32,400
- Other services – grant acquittals	2,000	1,800
	34,600	34,200
Employee Costs		
Employee benefit costs	909,454	830,532
Other employee costs	65,982	29,872
	975,436	860,404
Finance costs		
Interest and financial charges paid	3,431	4,510
	3,431	4,510
Other expenditure		
Sundry expenses	77,511	97,698
	77,511	97,698

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

3. CASH AND CASH EQUIVALENTS

Note	2023	2022
	\$	\$
Cash at bank and on hand	3,535,222	2,197,576
Total cash and cash equivalents	3,535,222	2,197,576

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

4. OTHER FINANCIAL ASSETS

(a) Current assets

	2023	2022
	\$	\$
Financial assets at amortised cost	14,279	1,690,097
	14,279	1,690,097
Other financial assets at amortised cost		
Self supporting loans receivable	14,279	14,091
Term deposits	0	1,676,006
	14,279	1,690,097
Held as		
- Unrestricted other financial assets at amortised cost	14,279	14,091
- Restricted other financial assets at amortised cost	0	1,676,006
	14,279	1,690,097

(b) Non-current assets

Financial assets at amortised cost	7,210	21,489
Financial assets at fair values through other comprehensive income - Units in Local Government House Trust	40,745	38,902
	47,955	60,391
Financial assets at amortised cost		
Self supporting loans receivable	7,210	21,489
	7,210	21,489
Financial assets at fair value through other comprehensive income		
Units in Local Government House Trust - opening balance	38,902	36,903
Movement attributable to fair value increment	1,843	1,999
Units in Local Government House Trust - closing balance	40,745	38,902

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 23 as self supporting loans. Fair value of financial assets through comprehensive income is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 20 (i)) due to the observable market rates).

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

Financial assets at fair value through profit or loss

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

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

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

5. TRADE AND OTHER RECEIVABLES

Current

Note	2023 \$	2022 \$
Rates and statutory receivables	82,579	74,378
Trade receivables	126,627	73,679
GST receivable	43,095	0
Emergency Services Levy receivable	32,934	0
Allowance for credit losses of trade receivables	(160)	(160)
	285,075	147,897

Non-current

Rates and statutory receivables	11,604	19,549
	11,604	19,549

Allowance for credit losses of trade receivables
Total trade and other receivables from contracts with customers

Note	30 June 2023 Actual \$	30 June 2022 Actual \$	1 July 2021 Actual \$
5	(160)	(160)	(160)
	(160)	(160)	(160)

SIGNIFICANT ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Other receivables

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

Measurement

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

Classification and subsequent measurement

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

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

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

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

6. OTHER ASSETS

	2023	2022
	\$	\$
Other assets - current		
Contract assets	111,794	0
Fuel tax credits	1,083	577
	112,877	577

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

Contract assets

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

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

7. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings - non specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$		\$	\$	\$
Balance at 1 July 2021	370,800	5,758,279	6,129,079	60,075	890,217	7,079,371
Additions	0	36,211	36,211	15,297	231,631	283,139
Disposals	0	0	0	0	(59,782)	(59,782)
Revaluation (loss) / reversals transferred to revaluation surplus	(41,800)	834,404	792,604	0	0	792,604
Depreciation	0	(125,054)	(125,054)	(8,848)	(103,264)	(237,166)
Balance at 30 June 2022	329,000	6,503,840	6,832,840	66,524	958,802	7,858,166
Comprises:						
Gross balance amount at 30 June 2022	329,000	6,503,840	6,832,840	104,250	1,486,429	8,423,519
Accumulated depreciation at 30 June 2022	0	0	0	(37,726)	(527,627)	(565,353)
Balance at 30 June 2022	329,000	6,503,840	6,832,840	66,524	958,802	7,858,166
Additions	55,959	286,975	342,934	0	545,231	888,165
Disposals	0	0	0	0	(158,417)	(158,417)
Depreciation		(131,586)	(131,586)	(18,400)	(167,464)	(317,450)
Balance at 30 June 2023	384,959	6,659,229	7,044,188	48,124	1,178,152	8,270,464
Comprises:						
Gross balance amount at 30 June 2023	384,959	6,790,815	7,175,774	104,250	1,694,660	8,974,684
Accumulated depreciation at 30 June 2023	0	(131,586)	(131,586)	(56,126)	(516,508)	(704,220)
Balance at 30 June 2023	384,959	6,659,229	7,044,188	48,124	1,178,152	8,270,464

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

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market approach using recent or estimated observable market data for similar properties	Independent Valuation	June 2022	Price per hectare/market borrowing rate
Buildings - non specialised	2	Market approach using recent or estimated observable market data for similar properties	Independent Valuation	June 2022	Improvements to buildings using construction costs (Level 2) and current condition, residual values and remaining useful life assessments (Level 3) inputs
Buildings - non specialised	3	Cost approach using current replacement cost (Net Revaluation method)	Independent Valuation	June 2022	Improvements to buildings using construction costs (Level 2) and current condition, residual values and remaining useful life assessments (Level 3) inputs
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.					
(ii) Cost					
Furniture and equipment	N/A	Cost	Not Applicable		Not Applicable
Plant and equipment	N/A	Cost	Not Applicable		Not Applicable

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

8. 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 and drainage \$	Other infrastructure footpaths \$	Other infrastructure \$	Total Infrastructure \$
Balance at 1 July 2021	22,318,560	246,062	2,845,530	25,410,152
Additions	758,155	22,609	29,137	809,901
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	498,191	498,191
Depreciation	(708,687)	(18,214)	(157,406)	(884,307)
Transfers	0	47,952	(47,952)	0
Balance at 30 June 2022	22,368,028	298,409	3,167,500	25,833,937
Comprises:				
Gross balance at 30 June 2022	31,333,245	845,848	3,167,500	35,346,593
Accumulated depreciation at 30 June 2022	(8,965,217)	(547,439)	0	(9,512,656)
Balance at 30 June 2022	22,368,028	298,409	3,167,500	25,833,937
Additions	2,390,237	158,592	0	2,548,829
Revaluation increments / (decrements) transferred to revaluation surplus	15,418,557	(171,550)	0	15,247,007
Revaluation (loss) / reversals transferred to profit or loss	0	(57,440)	0	(57,440)
Depreciation	(724,274)	(20,440)	(92,363)	(837,077)
Balance at 30 June 2023	39,452,548	207,571	3,075,137	42,735,256
Comprises:				
Gross balance at 30 June 2023	47,920,497	719,941	3,167,501	51,807,939
Accumulated depreciation at 30 June 2023	(8,467,949)	(512,370)	(92,364)	(9,072,683)
Balance at 30 June 2023	39,452,548	207,571	3,075,137	42,735,256

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

8. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads and drainage	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	June 2023	Construction costs and current conditions (level 2), residual values and remaining useful life assessments (level 3) inputs
Other infrastructure footpaths	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	June 2023	Construction costs and current conditions (level 2), residual values and remaining useful life assessments (level 3) inputs
Other infrastructure	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	June 2022	Construction costs and current conditions (level 2), residual values and remaining useful life assessments (level 3) inputs

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

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

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

9. FIXED ASSETS

(a) Depreciation

	2023	2022
	\$	\$
Buildings - non specialised	131,586	125,054
Furniture and equipment	18,400	8,848
Plant and equipment	167,464	103,264
Infrastructure - roads and drainage	724,274	708,687
Other infrastructure footpaths	20,440	18,214
Other infrastructure	92,363	157,406
	1,154,527	1,121,473

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	20 - 90 years
Furniture and Equipment	5 years
Plant and Equipment	4 - 50 years
Footpaths	40 - 80 years
Other Infrastructure	10 - 90 years
Sealed roads and streets	
- clearing and earthworks	not depreciated
- construction/road base	24 - 50 years
- kerbing	60 years
original surfacing and major re-surfacing	
- bituminous seals	14 - 20 years
- asphalt surfaces	14 - 20 years
Gravel roads	
- clearing and earthworks	not depreciated
- construction/road base	24 - 50 years
- gravel sheet	12 years
Formed roads (unsealed)	
- clearing and earthworks	not depreciated
- construction/road base	24 - 50 years

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

9. FIXED ASSETS (Continued)

(b) Disposals of assets

	2023 Actual Net Book Value	2023 Actual Sale Proceeds	2023 Actual Profit	2023 Actual Loss	2023 Budget Net Book Value	2023 Budget Sale Proceeds	2023 Budget Profit	2023 Budget Loss	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
Plant And Equipment	\$ 158,417	\$ 194,614	\$ 53,483	\$ (17,286)	\$ 171,314	\$ 200,000	\$ 28,686	\$ 0	\$ 59,782	\$ 77,818	\$ 20,218	\$ (2,182)

The following assets were disposed of during the year.

	2023 Actual Net Book Value	2023 Actual Sale Proceeds	2023 Actual Profit	2023 Actual Loss
Plant and Equipment				
Transport				
Komastu Grader	92,017	143,000	50,983	0
Excavator Trailer	4,000	6,500	2,500	0
Amman Roller	50,000	36,364	0	(13,636)
Other property and services				
Ford Ranger Utility	12,400	8,750	0	(3,650)
	158,417	194,614	53,483	(17,286)

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

9. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

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

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

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

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

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

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

Revaluation

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

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

Revaluation (continued)

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

Depreciation

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

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

Depreciation on revaluation

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

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

Amortisation

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

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

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 9(a).

Impairment

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

Gains or losses on disposal

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

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

10. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Accrued payroll liabilities
ATO liabilities
Bonds and deposits held
Accrued Interest on Loans
GST Payable

	2023	2022
	\$	\$
	229,218	109,134
	37,749	36,147
	22,097	23,555
	30,058	18,330
	23,207	25,656
	43	70
	0	15,473
	342,372	228,365

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

Prepaid rates

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

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

11. OTHER LIABILITIES

Current

Contract liabilities

	2023	2022
	\$	\$
	41,800	602,926
	<u>41,800</u>	<u>602,926</u>
Reconciliation of changes in contract liabilities		
Opening balance	602,926	59,719
Additions	41,800	602,926
Revenue from contracts with customers included as a contract liability at the start of the period	<u>(602,926)</u>	<u>(59,719)</u>
	41,800	602,926

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

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

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

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

12. BORROWINGS

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		42,939	51,164	94,103	41,681	93,892	135,573
Total secured borrowings	23	42,939	51,164	94,103	41,681	93,892	135,573

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the general funds of the Shire of Tammin.

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

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

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

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

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 20(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 23.

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

13. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2023	2022
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	21,517	33,949
Long service leave	21,177	18,999
	42,694	52,948
Employee related other provisions		
Employment on-costs	9,521	9,068
	52,215	62,016
Total current employee related provisions		
Non-current provisions		
Employee benefit provisions		
Long service leave	31,890	20,478
Employee related other provisions		
Employment on-costs	2,422	2,570
	34,312	23,048
Total non-current employee related provisions		
Total employee related provisions	86,527	85,064

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

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

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

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

14. REVALUATION SURPLUS

	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	Total Movement on Revaluation	2022 Closing Balance
	\$	\$	\$	\$	\$	\$
Land and Buildings	6,773,277	0	6,773,277	5,980,673	792,604	6,773,277
Furniture and equipment	151,711	0	151,711	151,711	0	151,711
Plant and equipment	700,276	0	700,276	700,276	0	700,276
Infrastructure - roads and drainage	21,214,893	15,418,557	36,633,450	21,214,893	0	21,214,893
Other infrastructure footpaths	171,550	(171,550)	0	0	0	0
Other infrastructure	1,697,847	0	1,697,847	1,371,206	498,191	1,869,397
Local Government House Trust	38,902	1,843	40,745	36,903	1,999	38,902
	30,748,456	15,248,850	45,997,306	29,455,662	1,292,794	30,748,456

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

15. 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	2023 Actual \$	2022 Actual \$
Cash and cash equivalents	3	3,535,222	2,197,576
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	1,443,911	602,926
- Financial assets at amortised cost	4(a)	0	1,676,006
		1,443,911	2,278,932

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

Restricted reserve accounts	24	1,402,111	1,676,006
Contract liabilities	11	41,800	602,926
Total restricted financial assets		1,443,911	2,278,932

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

Net result		2,442,818	663,448
Non-cash items:			
Depreciation/amortisation		1,154,527	1,121,473
(Profit)/loss on sale of asset		(36,197)	(18,036)
Loss on revaluation of fixed assets		57,440	0
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		(129,233)	(41,103)
(Increase)/decrease in other assets		(112,300)	470
Increase/(decrease) in trade and other payables		114,007	63,139
Increase/(decrease) in employee related provisions		1,463	8,167
Increase/(decrease) in other liabilities		(561,126)	543,207
Capital grants, subsidies and contributions		(2,108,380)	(562,053)
Net cash provided by/(used in) operating activities		823,019	1,778,712

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements			
Bank overdraft limit		100,000	100,000
Bank overdraft at balance date		0	0
Credit card limit		20,000	20,000
Credit card balance at balance date		(1,416)	(654)
Total amount of credit unused		118,584	119,346
Loan facilities			
Loan facilities - current		42,939	41,681
Loan facilities - non-current		51,164	93,892
Total facilities in use at balance date		94,103	135,573
Unused loan facilities at balance date		0	0

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

16. CONTINGENT LIABILITIES

The Shire of Tammin has, in compliance with the Contaminated Sites Act 2003 s 11, listed the Tammin Refuse Disposal Site to be possible source of contamination.

The Shire is currently not aware of any potential contamination on the above site and therefore; has not identified any need to undertake investigation. Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk and agree with the Department of Water and Environmental Regulation (DWER) the need and criteria for remediation, the Shire is unable to accurately quantify its clean-up liabilities for potentially contaminated site.

The Shire is continuing to monitor the sites and will progressively undertake site investigations and remediation on a risk based approach. This approach is consistent with the DWER guidelines.

17. CAPITAL COMMITMENTS

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	167,123	441,393
Payable:		
- not later than one year	167,123	441,393

The capital commitments at the reporting date relate to plant purchases.

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

18. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
President's annual allowance	3,000	3,000	2,800
President's meeting attendance fees	2,600	2,083	2,525
President's travel and accommodation expenses	146	250	65
	5,746	5,333	5,390
Deputy President's annual allowance	750	1,500	700
Deputy President's meeting attendance fees	1,348	2,083	1,525
Deputy President's travel and accommodation expenses	535	250	489
	2,633	3,833	2,714
All other council member's meeting attendance fees	4,960	8,334	5,970
All other council member's travel and accommodation expenses	1,853	2,500	1,869
	6,813	10,834	7,839
18(b)	15,192	20,000	15,943

(b) Key Management Personnel (KMP) Compensation

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

Note	2023 Actual \$	2022 Actual \$
Short-term employee benefits	403,976	366,876
Post-employment benefits	42,527	36,459
Employee - other long-term benefits	2,661	52,264
Employee - termination benefits	12,696	0
Council member costs	15,192	15,943
18(a)	477,052	471,542

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

18. RELATED PARTY TRANSACTIONS

Transactions with related parties

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

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

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

	2023 Actual	2022 Actual
	\$	\$
Purchase of goods and services	68,058	18,015

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 18(a) and 18(b)

ii. Other Related Parties

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

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

19. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There have been no material events after the reporting period which would affect the financial report of the Shire for the year ended 30th June 2023 or which would require a separate disclosure.

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

20. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

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

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

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

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

21. RATING INFORMATION

General Rates

RATE TYPE Rate Description	Basis of valuation	Rate in \$	Number of Properties	2022/23 Actual Rateable Value*	2022/23 Actual Rate Revenue	2022/23 Actual Interim Rates	2022/23 Actual Total Revenue	2022/23 Budget Rate Revenue	2022/23 Budget Interim Rate	2022/23 Budget Total Revenue	2021/22 Actual Total Revenue
General Rate	Gross rental valuation	0.13076	89	812,240	106,209	412	106,621	106,210	0	106,210	103,180
General Rate	Unimproved valuation	0.0124	150	84,143,500	1,042,959	1,165	1,044,124	1,042,959	0	1,042,959	1,012,710
Total general rates			239	84,955,740	1,149,168	1,577	1,150,745	1,149,169	0	1,149,169	1,115,890
Minimum Payment											
\$											
General Rate	Gross rental valuation	608	50	29,850	30,400	0	30,400	30,400	0	30,400	28,320
General Rate	Unimproved valuation	608	41	1,216,689	24,928	0	24,928	24,928	0	24,928	24,190
Mining	Unimproved valuation	608	7	106,389	4,256	145	4,401	4,256	0	4,256	2,950
Total minimum payments			98	1,352,928	59,584	145	59,729	59,584	0	59,584	55,460
Total general rates and minimum payments			337	86,308,668	1,208,752	1,722	1,210,474	1,208,753	0	1,208,753	1,171,350
Ex-gratia Rates											
CBH											
			0	0	0	0	8,021	0	0	7,800	7,787
Total amount raised from rates (excluding general rates)			0	0	0	0	8,021	0	0	7,800	7,787
							(21,296)			(21,400)	(20,751)
Total Rates							1,197,199			1,195,153	1,158,386
							971			1,300	1,262
							5,673			5,400	5,344

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 TAMMIN
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22. DETERMINATION OF SURPLUS OR DEFICIT

		2022/23	2022/23	2021/22
		(30 June 2023	Budget	(30 June 2022
	Note	Carried	Carried	Carried
		Forward)	Forward)	Forward
		\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals		(53,483)	(28,686)	(20,218)
Add: Loss on disposal of assets		17,286	0	2,182
Add: Depreciation	9(a)	1,154,527	1,102,984	1,121,473
Non-cash movements in assets and liabilities:				
Pensioner deferred rates		7,945	0	2,776
Employee benefit provisions		1,463	0	8,167
Non-cash amounts excluded from operating activities		1,185,178	1,074,298	1,114,380
(b) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	24	(1,402,111)	(1,518,746)	(1,676,006)
Less: Financial assets at amortised cost - self supporting loans	4(a)	(14,279)	0	(14,091)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	12	42,939	(41,439)	41,681
- Employee benefit provisions	13	52,215	59,139	62,016
Total adjustments to net current assets		(1,321,236)	(1,501,046)	(1,586,400)
Net current assets used in the Statement of Financial Activity				
Total current assets		3,947,453	2,349,806	4,036,147
Less: Total current liabilities		(479,326)	(848,760)	(934,988)
Less: Total adjustments to net current assets		(1,321,236)	(1,501,046)	(1,586,400)
Surplus or deficit after imposition of general rates		2,146,891	0	1,514,759

SHIRE OF TAMMIN
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23. BORROWINGS DETAIL

Borrowings

Purpose	Note	Actual						Budget		
		Principal at	New Loans	Principal	Principal at 30	Principal	Principal at	Principal at 1	Principal	Principal at
		1 July 2021	During 2021-22	Repayments During 2021-22	June 2022	Repayments During 2022-23	30 June 2023	July 2022	Repayments During 2022-23	30 June 2023
		\$	\$	\$	\$	\$	\$	\$	\$	
12 Russell Street		6,300	0	(6,300)	0	0	0	0	0	
3 & 5 Nottage Way		57,525	0	(13,732)	43,793	(13,977)	29,816	43,903	(14,099)	29,804
Synthetic Bowling Green Depot		69,419	0	(13,219)	56,200	(13,402)	42,798	56,283	(13,491)	42,792
		9,450	0	(9,450)	0	0	0	0	0	0
Total		142,694	0	(42,701)	99,993	(27,379)	72,614	100,186	(27,590)	72,596
Self Supporting Loans										
Bowling Green Surface		49,485	0	(13,905)	35,580	(14,091)	21,489	35,297	(14,091)	21,206
Total Self Supporting Loans		49,485	0	(13,905)	35,580	(14,091)	21,489	35,297	(14,091)	21,206
Total Borrowings	12	192,179	0	(56,606)	135,573	(41,470)	94,103	135,483	(41,681)	93,802

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

Borrowing Finance Cost Payments

Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022
12 Russell Street		79	WATC	4.72%	31/12/2021	0	0	(109)
3 & 5 Nottage Way		80	WATC	3.47%	30/06/2025	(1,518)	(1,398)	(1,874)
Synthetic Bowling Green Depot		81	WATC	2.90%	30/06/2026	(1,511)	(1,422)	(1,776)
		78	WATC	4.72%	31/12/2021	0	0	(163)
Total						(3,029)	(2,820)	(3,922)
Self Supporting Loans Finance Cost Payments								
Bowling Green Surface		82	WATC	1.30%	14/11/2024	(402)	(427)	(588)
Total Self Supporting Loans Finance Cost Payments						(402)	(427)	(588)
Total Finance Cost Payments						(3,431)	(3,247)	(4,510)

WATC - WA Treasury Corporation

SHIRE OF TAMMIN
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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24. RESERVE ACCOUNTS

	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance	2023 Budget Opening Balance	2023 Budget Transfer to	2023 Budget Transfer (from)	2023 Budget Closing Balance	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Staff Entitlements	85,276	1,971	0	87,247	85,276	0	0	85,276	85,071	205	0	85,276
(b) Plant Replacement	467,228	64,181	(295,000)	236,409	467,228	188,450	(507,950)	147,728	326,384	140,844	0	467,228
(c) Information & Technology	12,346	286	0	12,632	12,346	0	0	12,346	12,313	33	0	12,346
(d) Tamma Village Upgrade & Improvements	20,842	482	0	21,324	20,842	0	0	20,842	20,786	56	0	20,842
(e) Sports, Recreation Facilities Upgrades Reserve	941,479	20,745	(70,000)	892,224	941,479	0	(70,000)	871,479	879,118	62,361	0	941,479
(f) Bowling Green Replacement Reserve	2,084	48	0	2,132	2,084	0	0	2,084	2,078	6	0	2,084
(g) Property & Building Reserve	146,751	3,392	0	150,143	146,751	232,240	0	378,991	116,438	30,313	0	146,751
	1,676,006	91,105	(365,000)	1,402,111	1,676,006	420,690	(577,950)	1,518,746	1,442,188	233,818	0	1,676,006

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 ongoing use are as follows:

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Staff Entitlements	- To fund annual and long service leave requirements.
(b) Plant Replacement	- To purchase major plant and machinery.
(c) Information & Technology	- To fund IT requirements.
(d) Tamma Village Upgrade & Improvements	- For maintenance and upgrades of Tamma Village units.
(e) Sports, Recreation Facilities Upgrades Reserve	- For improvements of Tammin's sport, recreation & community facilities.
(f) Bowling Green Replacement Reserve	- For replacement of the synthetic playing surface at the end of its useful life.
(g) Property & Building Reserve	- For future development of Shire properties including urgent maintenance and construction of Council buildings.