



Department of
Local Government, Sport
and Cultural Industries

City of Country Annual Financial Report Model

For the year ended 30 June 2023



CITY OF COUNTRY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

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AASB 101.138(b)

The City of Country conducts the operations of a local government with the following community vision:

The City will endeavour to provide the community services and facilities to meet the needs of the members of the community and enable them to enjoy a pleasant and healthy way of life.

AASB 101.138(a)

Principal place of business:
1 Main Street
Country City

**CITY OF COUNTRY
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 City of Country 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 _____ day of _____ 2023

CEO

Name of CEO

CITY OF COUNTRY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

		NOTE	2023 Actual	2023 Budget	2022 Actual
			\$	\$	\$
FM Reg 36(2)(c)					
FM Reg 14 AASB 101.82(a)	Revenue				
AASB 101.99	Rates	30,2(a)	37,662,797	37,578,489	36,868,923
FM Reg 36(2)(c)	Grants, subsidies and contributions	2(a)	7,331,075	4,210,770	8,171,126
FM Reg Schedule 1 Part 2	Fees and charges	2(a)	19,216,934	18,689,885	18,336,718
AASB 101.113	Service charges	2(a)	110,365	110,500	110,500
	Interest revenue	2(a)	862,293	749,843	777,577
	Other revenue	2(a)	523,333	432,352	1,154,367
			65,706,797	61,771,839	65,419,211
	Expenses				
	Employee costs	2(b)	(25,798,619)	(26,016,189)	(25,248,758)
	Materials and contracts		(22,864,204)	(19,769,832)	(19,405,109)
	Utility charges		(1,965,880)	(1,853,085)	(1,770,653)
AASB 16.49	Depreciation	10(a)	(14,757,406)	(14,330,986)	(13,920,066)
AASB 101.82(b) AASB 16.49	Finance costs	2(b)	(547,846)	(545,230)	(578,906)
	Insurance		(685,505)	(706,845)	(765,138)
	Other expenditure	2(b)	(1,478,516)	(687,610)	(796,759)
			(68,097,976)	(63,909,777)	(62,485,389)
			(2,391,179)	(2,137,938)	2,933,822
	Capital grants, subsidies and contributions	2(a)	14,742,296	9,782,221	18,810,754
	Profit on asset disposals		29,653	13,575	439,462
	Loss on asset disposals		(298,878)	(97,420)	(41,763)
AASB 7.20(a)(i)	Fair value adjustments to financial assets at fair value through profit or loss	4(b)	5,643	5,200	5,108
	Fair value adjustments to investment property	13	111,274	0	0
AASB 101.82(c)	Share of net profit of associates accounted for using the equity method	25(e)	9,234	1,000	(7,947)
	Loss on revaluation of Infrastructure - drainage	9(a)	0	0	(102,356)
			14,599,222	9,704,576	19,103,258
AASB 101.81A(a)	Net result for the period	29(b)	12,208,043	7,566,638	22,037,080
AASB 101.85	Other comprehensive income for the period				
AASB 101.82A(a)(i)	<i>Items that will not be reclassified subsequently to profit or loss</i>				
AASB 101.96	Changes in asset revaluation surplus	19	2,280,113	0	(42,118,667)
AASB 101.82A(b)	Share of other comprehensive income of associates accounted for using the equity method	19, 25(b),(c)	176	0	(568)
AASB 101.81A(b)	Total other comprehensive income for the period	19	2,280,289	0	(42,119,235)
AASB 101.81A(c)	Total comprehensive income for the period		14,488,332	7,566,638	(20,082,155)

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

AASB 101.5 **CITY OF COUNTRY**
AASB 101.10(a)(ea) **STATEMENT OF FINANCIAL POSITION**
AASB 101.10A **AS AT 30 JUNE 2023**

AASB 101.38	NOTE	2023 \$	2022 \$
CURRENT ASSETS			
AASB 101.60			
AASB 101.54(i)	3	24,562,679	19,641,775
AASB 101.54(h) AASB 7.8(c)	5	2,538,396	1,932,632
AASB 101.54(d) AASB 7.8(f)	4(a)	9,332,905	8,372,692
AASB 101.54(i)	6	871,954	2,990,822
AASB 101.51	7	910,757	695,592
AASB 101.54(j) AASB 5.38	7	653,000	0
AASB 101.55		TOTAL CURRENT ASSETS	38,869,691
			33,633,513
NON-CURRENT ASSETS			
AASB 101.60			
AASB 101.54(h) AASB 7.8(c)	5	195,448	164,810
AASB 101.54(d) AASB 7.8(f)	4(b)	2,381,240	541,440
AASB 101.54(g)	6	3,530,361	1,320,960
AASB 101.54(e)	25(a)	210,807	206,897
AASB 101.54(a)	8	155,995,546	148,411,113
AASB 101.54(a)	9	400,398,915	400,520,344
AASB 16.47(a)	11(a)	1,178,821	931,259
AASB 101.54(b)	13	2,346,684	2,235,410
AASB 101.54(c)	12	1,331,450	11,450
AASB 101.55		TOTAL NON-CURRENT ASSETS	567,569,272
			554,343,683
AASB 101.55		TOTAL ASSETS	606,438,963
			587,977,196
CURRENT LIABILITIES			
AASB 101.60			
AASB 101.54(k)	14	4,169,296	3,688,810
AASB 101.55	15	5,888,802	2,942,157
AASB 16.47(b)	11(b)	205,134	127,670
AASB 101.54(m)	16	2,788,105	2,780,672
AASB 101.54(l)	17	5,262,089	4,374,895
AASB 101.54(l)	18	306,484	265,094
AASB 101.55		TOTAL CURRENT LIABILITIES	18,619,910
			14,179,298
NON-CURRENT LIABILITIES			
AASB 101.60			
AASB 101.55	15	307,010	481,437
AASB 16.47(b)	11(b)	302,743	241,166
AASB 101.54(m)	16	12,534,528	12,958,535
AASB 101.54(l)	17	735,698	689,941
AASB 101.54(l)	18	1,394,610	1,370,687
AASB 101.55		TOTAL NON-CURRENT LIABILITIES	15,274,589
			15,741,766
AASB 101.55		TOTAL LIABILITIES	33,894,499
			29,921,064
AASB 101.55		NET ASSETS	572,544,464
			558,056,132
EQUITY			
AASB 101.55			
AASB 101.54(r)		432,253,662	422,241,633
AASB 101.54(r) AASB 1058.37(b)	33	18,120,032	15,924,018
AASB 101.54(r)	19	122,170,770	119,890,481
AASB 101.55		TOTAL EQUITY	572,544,464
			558,056,132

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

AASB 101.5
AASB 101.10(c)(ea)
AASB 101.10A
AASB 101.38
AASB 101.51
AASB 101.106

**CITY OF COUNTRY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
AASB 101.106(d)		400,585,766	15,542,805	162,009,716	578,138,287
Comprehensive income for the period					
AASB 101.106(d)(i)		22,037,080	0	0	22,037,080
AASB 101.106(d)(ii)	19	0	0	(42,119,235)	(42,119,235)
AASB 101.106(a)		22,037,080	0	(42,119,235)	(20,082,155)
AASB 1058.37(b)	33	11,955,350	(11,955,350)	0	0
AASB 1058.37(b)	33	(12,336,563)	12,336,563	0	0
		422,241,633	15,924,018	119,890,481	558,056,132
Comprehensive income for the period					
AASB 101.106(d)(i)		12,208,043	0	0	12,208,043
AASB 101.106(d)(ii)	19	0	0	2,280,289	2,280,289
AASB 101.106(a)		12,208,043	0	2,280,289	14,488,332
AASB 1058.37(b)	33	7,726,291	(7,726,291)	0	0
AASB 1058.37(b)	33	(9,922,305)	9,922,305	0	0
		432,253,662	18,120,032	122,170,770	572,544,464

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

AASB 101.5
AASB 101.10(d)(ea)
AASB 101.38
AASB 101.51
AASB 101.113

**CITY OF COUNTRY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

AASB 107.10
AASB 107.18(a)

CASH FLOWS FROM OPERATING ACTIVITIES

AASB 107.14(a)

Receipts

FM Reg Schedule 1 Part 2

Rates

Operating grants, subsidies and contributions

Fees and charges

Service charges

AASB 107.31

Interest revenue

Interpretation 1031

Goods and services tax received

Other revenue

AASB 107.32

AASB 16.50 (b)

Payments

Employee costs

Materials and contracts

Utility charges

Finance costs

Insurance paid

Interpretation 1031

Goods and services tax paid

Other expenditure

Net cash provided by (used in) operating activities

AASB 107.10

AASB 107.21

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for financial assets at amortised cost

Payments for investments in associates

AASB 107.16(a)

Payments for purchase of property, plant & equipment

AASB 107.16(a)

Payments for construction of infrastructure

AASB 107.16(a)

Payments for investment property

AASB 107.16(a)

Payments for intangible assets

AASB 107.16

Capital grants, subsidies and contributions

AASB 107.16(e)

Proceeds from financial assets at amortised cost - self supporting loans

Distributions from investments in associates

AASB 107.16(b)

Proceeds from sale of property, plant & equipment

Net cash provided by (used in) investing activities

AASB 107.10

AASB 107.21

CASH FLOWS FROM FINANCING ACTIVITIES

AASB 107.17(d)

Repayment of borrowings

AASB 16.50(a)

Payments for principal portion of lease liabilities

AASB 107.17(c)

Proceeds from new borrowings

Net cash provided by (used In) financing activities

AASB 107.45

Net increase (decrease) in cash held

Cash at beginning of year

Cash and cash equivalents at the end of the year

NOTE	2023 Actual \$	2022 Actual \$
	37,385,478	37,102,955
	8,704,591	7,739,997
	19,208,747	19,448,182
	110,365	110,500
	862,293	777,577
	188,655	632,603
	523,333	1,154,367
	66,983,462	66,966,181
	(24,976,590)	(25,525,584)
	(23,936,595)	(20,580,217)
	(1,965,880)	(1,770,653)
	(545,521)	(578,906)
	(685,505)	(765,138)
	(617,736)	(269,111)
	(100,290)	(161,543)
	(52,828,117)	(49,651,152)
20(b)	14,155,345	17,315,029
	(2,960,213)	0
	0	(10,250)
	(8,530,389)	(13,014,698)
	(8,717,567)	(16,792,577)
13	0	(560,345)
12	(1,650,000)	0
	12,440,968	18,158,368
	165,843	161,630
	5,500	500
	591,200	1,374,912
	(8,654,658)	(10,682,460)
32(a)	(2,466,574)	(1,930,557)
32(d)	(163,209)	(105,249)
32(a)	2,050,000	0
	(579,783)	(2,035,806)
	4,920,904	4,596,763
	19,641,775	15,045,012
20(a)	24,562,679	19,641,775

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

**CITY OF COUNTRY
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2023**

OPERATING ACTIVITIES

Revenue from operating activities

NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
	37,662,797	37,578,489	36,868,923
30	7,331,075	4,210,770	8,171,126
	19,216,934	18,689,885	18,336,718
	110,365	110,500	110,500
	862,293	749,843	777,577
	523,333	432,352	1,154,367
	29,653	13,575	439,462
4(b)	5,643	5,200	5,108
13	111,274	0	0
25(e)	9,234	1,000	(7,947)

Expenditure from operating activities

	(25,798,619)	(26,016,189)	(25,248,758)
	(22,864,204)	(19,769,832)	(19,405,109)
	(1,965,880)	(1,853,085)	(1,770,653)
	(14,757,406)	(14,330,986)	(13,920,066)
	(547,846)	(545,230)	(578,906)
	(685,505)	(706,845)	(765,138)
	(1,478,516)	(687,610)	(796,759)
	(298,878)	(97,420)	(41,763)
	0	0	(102,356)
	(68,396,854)	(64,007,197)	(62,629,508)

Non-cash amounts excluded from operating activities

Amount attributable to operating activities

31(a)	11,383,121	13,718,024	10,649,280
	8,848,868	11,502,441	13,875,606

INVESTING ACTIVITIES

Inflows from investing activities

	14,742,296	9,782,221	18,810,754
	591,200	1,239,561	1,374,912
32(a)	165,843	165,843	161,630
25(b),(c)	5,500	0	500
	15,504,839	11,187,625	20,347,796

Outflows from investing activities

	0	0	(10,250)
8(a)	(9,186,389)	(13,840,475)	(13,314,698)
9(a)	(11,882,645)	(11,604,000)	(16,792,577)
13	0	0	(560,345)
12	(1,650,000)	(1,000,000)	0
	(22,719,034)	(26,444,475)	(30,677,870)

Non-cash amounts excluded from investing activities

Amount attributable to investing activities

31(b)	(174,427)	(650,000)	(260,300)
	(7,388,622)	(15,906,850)	(10,590,374)

FINANCING ACTIVITIES

Inflows from financing activities

32(a)	2,050,000	2,200,000	0
33	7,726,291	5,415,739	11,955,350
	9,776,291	7,615,739	11,955,350

Outflows from financing activities

32(a)	(2,466,574)	(2,274,123)	(1,930,557)
32(d)	(163,209)	(162,670)	(105,249)
33	(9,922,305)	(7,047,233)	(12,336,563)
	(12,552,088)	(9,484,026)	(14,372,369)

Amount attributable to financing activities

	(2,775,797)	(1,868,287)	(2,417,019)
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MOVEMENT IN SURPLUS OR DEFICIT

Surplus or deficit at the start of the financial year

31(c)	6,272,696	6,272,696	5,404,483
	8,848,868	11,502,441	13,875,606
	(7,388,622)	(15,906,850)	(10,590,374)
	(2,775,797)	(1,868,287)	(2,417,019)

Surplus or deficit after imposition of general rates

31(c)	4,957,145	0	6,272,696
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This statement is to be read in conjunction with the accompanying notes.

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

AASB 101.51
AASB 101.112
AASB 101.10(e)
AASB 101.117

1. BASIS OF PREPARATION

AASB 1054.7

The financial report comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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 City to measure any vested improvements at zero cost.

AASB 108.13

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 City controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 34 of the financial report.

AASB 101.122
AASB 101.125

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, infrastructure and investment property
- estimation uncertainties made in relation to lease accounting
- estimated useful life of intangible assets

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
- 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

This standard will result in a terminology change for significant accounting policies

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.

AASB 108.28

AASB 108.30

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

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

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

AASB15.110

AASB15.119
AASB15.124
AASB15.125
AASB15.126

AASB 15.122, 126 (a)

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

Revenue Recognition

AASB 15.113 (a)

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	37,662,797	0	37,662,797
Grants, subsidies and contributions	560,000	0	126,368	6,644,707	7,331,075
Fees and charges	4,344,761	0	11,674,113	3,198,060	19,216,934
Service charges	0	0	110,365	0	110,365
Interest revenue	0	0	37,985	824,308	862,293
Other revenue	161,134	0	0	362,199	523,333
Capital grants, subsidies and contributions	0	11,280,954	2,648,711	812,631	14,742,296
Total	5,065,895	11,280,954	52,260,339	11,841,905	80,449,093

AASB 1058.28

AASB 15.114

AASB 1058.28

AASB 1058.29(a)(i)

For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	36,868,923	0	36,868,923
Grants, subsidies and contributions	106,549	0	0	8,064,577	8,171,126
Fees and charges	4,136,571	0	10,264,787	3,935,360	18,336,718
Service charges	0	0	110,500	0	110,500
Interest revenue	0	0	35,687	741,890	777,577
Other revenue	346,540	0	0	807,827	1,154,367
Capital grants, subsidies and contributions	0	16,487,941	1,567,410	755,403	18,810,754
Total	4,589,660	16,487,941	48,847,307	14,305,057	84,229,965

AASB 1058.28

AASB 15.114

AASB 1058.28

AASB 1058.29(a)(i)

**CITY OF COUNTRY
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 \$
Assets and services acquired below fair value			
AASB 1058.23	Contributed assets	3,821,078	300,000
AASB 1058.26 (a)	Recognised volunteer services	255,350	0
AASB 1058.26 (b)		4,076,428	300,000
AASB 1058.27	The City utilises volunteer services at the fire station, library and beach lifeguards. When beach lifeguard volunteers are not available, the City employs paid beach lifeguards, and therefore the fair value of beach lifeguard volunteers can be reliably measured. All other volunteer services are not recognised as revenue as the fair value of the services cannot be reliably estimated.		
Interest revenue			
	Financial assets at amortised cost - self supporting loans	16,798	21,011
	Interest on reserve account funds	382,176	334,404
FM Reg 43 (b)	Trade and other receivables overdue interest	2,534	2,368
	Other interest revenue	460,785	419,794
		862,293	777,577
FM Reg 36(2)(d)	The 2023 original budget estimate in relation to: Trade and other receivables overdue interest was \$2,500.		
Fees and charges relating to rates receivable			
FM Reg 43 (c)(i)	Charges on instalment plan	73,164	70,850
FM Reg 36(2)(d)	The 2023 original budget estimate in relation to: Charges on instalment plan was \$71,500.		
(b) Expenses			
Auditors remuneration			
AASB 1054.10	- Audit of the Annual Financial Report	45,689	41,067
AASB 1054.11	- Other services – grant acquittals	3,674	3,168
		49,363	44,235
Employee Costs			
AASB 101.97	Employee benefit costs	23,347,167	22,953,416
AASB 119.25	Other employee costs	2,451,452	2,295,342
		25,798,619	25,248,758
Finance costs			
AASB 7.20(b)	Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	545,521	578,906
AASB 137.60	Provisions: unwinding of discount	2,325	0
		547,846	578,906
Other expenditure			
AASB 1058.29 (a) (ii)	Impairment losses on rates and statutory receivables	3,681	1,145
AASB 15.113 (b)	Impairment losses on trade receivables	4,897	1,317
AASB 15.113 (b)	Impairment losses on other receivables	1,980	1,659
AASB 15.113 (b)	Impairment losses on contract assets	8,740	0
	Write down of inventories to net realisable value	1,362,609	623,500
	Sundry expenses	96,609	169,138
		1,478,516	796,759

AASB 15.118(c) The impairment loss on contract assets has been recognised in relation to expenditure incurred for a future event for which grant funding is yet to be received. This amount has been recognised as revenue as the City has satisfied the relevant performance obligations in the contract. The City has calculated the loss allowance to take into account the credit risk associated with the event being cancelled due to ongoing uncertainties.

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

AASB 101.10(e)(ea)

AASB 101.38

3. CASH AND CASH EQUIVALENTS

AASB 101.77

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

Held as

- Unrestricted cash and cash equivalents
 - Restricted cash and cash equivalents

Note	2023 \$	2022 \$
	4,137,864	8,187,302
	20,424,815	11,454,473
20(a)	24,562,679	19,641,775
	9,329,223	8,826,765
20(a)	15,233,456	10,815,010
	24,562,679	19,641,775

AASB 101.117(b)

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.

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

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

Restricted financial assets

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

AASB 1058.37

AASB 7.6

AASB 101.77

AASB 7.8(f)

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Self supporting loans receivable
 Term deposits
 Treasury bonds

Held as

- Unrestricted other financial assets at amortised cost
 - Restricted other financial assets at amortised cost

	2023 \$	2022 \$
	9,332,905	8,372,692
	9,332,905	8,372,692
31(c)	165,843	165,843
	7,167,062	7,106,849
	2,000,000	1,100,000
	9,332,905	8,372,692
20(a)	165,843	165,843
	9,167,062	8,206,849
	9,332,905	8,372,692
	2,358,080	523,923
	23,160	17,517
	2,381,240	541,440
	358,080	523,923
	2,000,000	0
	2,358,080	523,923
	17,517	12,409
	5,643	5,108
	23,160	17,517

AASB 7.31

AASB 7.8(f)

AASB 7.8(a)

(b) Non-current assets

Financial assets at amortised cost
 Financial assets at fair value through profit or loss

Financial assets at amortised cost

Self supporting loans receivable
 Term deposits

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance
 Movement attributable to fair value increment
 Units in Local Government House Trust - closing balance

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 32(a) as self supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

AASB 101.117

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

The City 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 28 (i)) due to the observable market rates).

AASB 107.33

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 City 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 City has elected to recognise as fair value gains and losses through profit or loss.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 26.

AASB 9.4.1.5

**CITY OF COUNTRY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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AASB 101.10(e)(ea)

AASB 101.38

5. TRADE AND OTHER RECEIVABLES

AASB 101.66

AASB 101.77

AASB 101.78(b)

AASB 9.5.1.3, 9.5.2.1

AASB 1058.29(a)

AASB 15.116 (a)

AASB 9.5.1.3, 9.5.2.1

Interpretation 1031

AASB 9.5.1.3

AASB 9.5.5.1

AASB 9.5.5.1

AASB 9.5.5.1

AASB 101.66,77

AASB 9.5.1.1, 5.2.1

Current

Rates and statutory receivables

Trade receivables

Other receivables

GST receivable

Receivables for employee related provisions

Allowance for credit losses of rates and statutory receivables

Allowance for credit losses of trade receivables

Allowance for credit losses of other receivables

Note	2023 \$	2022 \$
	999,070	756,897
	619,220	763,909
	406,531	331,212
	504,760	75,679
17	25,034	20,253
	(1,568)	(2,332)
26(b)	(12,347)	(11,030)
26(b)	(2,304)	(1,956)
	2,538,396	1,932,632
	195,448	164,810
	195,448	164,810

Non-current

Pensioner's rates and ESL deferred

AASB 7.42D(a)-(c),(e)

AASB 9.B4.1.3

The carrying amounts of the trade and other receivables include receivables which are subject to a factoring arrangement. Under the factoring arrangement, the City of Country has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables, late payment and credit risk remains with the City of Country, therefore the City continues to recognise the transferred assets in their entirety. The amount repayable under the factoring arrangement is presented as a secured borrowing under other loans at Note 16. The City considers that the held to collect business model remains appropriate for these receivables and continues measuring them at amortised cost.

AASB 15.116 (a)

Disclosure of opening and closing balances related to contracts with customers

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

Trade and other receivables from contracts with customers

Contract assets

Allowance for credit losses of trade receivables

Allowance for impairment of contract assets

Total trade and other receivables from contracts with customers

Note	30 June 2023 Actual \$	30 June 2022 Actual \$	1 July 2021 Actual \$
	478,071	525,274	538,382
7	124,954	23,000	12,560
5	(12,347)	(11,030)	(11,546)
7	(8,740)	0	0
	581,938	537,244	539,396

AASB 101.117

AASB 9.Aus2.1.1

AASB 9.C6

AASB 9.C7

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.

AASB 9.5.1.3

AASB 7.21

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 City 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.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 26.

AASB 101.66

AASB 7.25,29(a)

AASB 13.97,93(b),(d)

AASB 13.31.43(c)

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

AASB 101.10(e)(ea)

AASB 101.38

7. OTHER ASSETS

	2023	2022
	\$	\$
Other assets - current		
AASB 101.77,78(b) Prepayments	505,684	566,051
Accrued income	288,859	106,541
AASB 15.116(a) Contract assets	124,954	23,000
Allowance for impairment of contract assets	(8,740)	0
	910,757	695,592
Non-current assets held for sale		
AASB 5.38 Land	653,000	0
	653,000	0

Land classified as held for sale

AASB 5.41(a),(b),(c)

During the year Council elected to dispose of vacant land on Main Street. The land is currently being marketed for sale. The property is to be disposed of by public auction in August 2023, with a number of parties having already shown an interest in the property.

AASB 101.117

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.

Non-current assets held for sale

AASB 5.6 to 12A

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

Contract assets

AASB 15.117

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

AASB 15.118 (c)

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

Non-current assets held for sale (Continued)

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

AASB 5.15

The fair value of land and buildings was determined using the sales comparison approach using comparable properties in the area. This is a level 2 measurement as per the fair value hierarchy set out in Note 28(i).

AASB 13.91(a)

AASB 13.93(b),(d)

AASB 5.41(c)

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

AASB 101.10(e)(ea)

AASB 101.38

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Note	Land	Buildings - non-specialised	Buildings - specialised	Total land and buildings not subject to operating lease	Land and buildings subject to operating lease	Total land and buildings	Furniture and equipment	Plant and equipment	Buildings - work in progress	Total property, plant and equipment
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021		64,119,340	1,711,736	55,550,672	121,381,748	630,640	122,012,388	4,204,094	8,597,792	3,404,707	138,218,981
AASB 116.73(e)(i) Additions*		0	1,865,984	6,547,507	8,413,491	0	8,413,491	45,311	3,346,932	1,508,964	13,314,698
AASB 116.73(e)(ix) Disposals		0	(236,541)	0	(236,541)	0	(236,541)	0	(740,672)	0	(977,213)
AASB 116.73(e)(vii) Depreciation	10(a)	0	(40,555)	(900,290)	(940,845)	(12,035)	(952,880)	(342,141)	(850,332)	0	(2,145,353)
Transfers		0	0	2,567,097	2,567,097	0	2,567,097	0	0	(2,567,097)	0
Balance at 30 June 2022		64,119,340	3,300,624	63,764,986	131,184,950	618,605	131,803,555	3,907,264	10,353,720	2,346,574	148,411,113
Comprises:											
AASB 116.73(d) Gross balance amount at 30 June 2022		64,119,340	3,341,179	68,019,886	135,480,405	630,640	136,111,045	4,904,276	13,058,723	2,346,574	156,420,618
AASB 116.73(d) Accumulated depreciation at 30 June 2022		0	(40,555)	(3,698,900)	(3,739,455)	(12,035)	(3,751,490)	(997,012)	(2,705,003)	0	(7,453,505)
AASB 116.73(d) Accumulated impairment loss at 30 June 2022		0	0	(556,000)	(556,000)	0	(556,000)	0	0	0	(556,000)
Balance at 30 June 2022		64,119,340	3,300,624	63,764,986	131,184,950	618,605	131,803,555	3,907,264	10,353,720	2,346,574	148,411,113
AASB 116.73(e)(i) Additions*		0	403,470	3,319,701	3,723,171	0	3,723,171	704,665	2,530,933	2,227,620	9,186,389
AASB 116.73(e)(ix) Disposals		(135,000)	0	0	(135,000)	0	(135,000)	0	(725,425)	0	(860,425)
AASB 116.73(e)(iv) Revaluation increments / (decrements) transferred to revaluation surplus		0	165,471	2,114,642	2,280,113	0	2,280,113	0	0	0	2,280,113
Assets classified as held for sale		(653,000)	0	0	(653,000)	0	(653,000)	0	0	0	(653,000)
AASB 116.73(e)(vii) Depreciation	10(a)	0	(50,226)	(987,287)	(1,037,513)	(12,613)	(1,050,126)	(352,641)	(965,877)	0	(2,368,644)
Transfers		0	0	3,589,071	3,589,071	0	3,589,071	0	0	(3,589,071)	0
Balance at 30 June 2023		63,331,340	3,819,339	71,801,113	138,951,792	605,992	139,557,784	4,259,288	11,193,351	985,123	155,995,546
Comprises:											
AASB 116.73(d) Gross balance amount at 30 June 2023		63,331,340	3,910,120	77,043,300	144,284,760	630,640	144,915,400	5,608,941	14,864,231	985,123	166,373,695
AASB 116.73(d) Accumulated depreciation at 30 June 2023		0	(90,781)	(4,686,187)	(4,776,968)	(24,648)	(4,801,616)	(1,349,653)	(3,670,880)	0	(9,822,149)
AASB 116.73(d) Accumulated impairment loss at 30 June 2023		0	0	(556,000)	(556,000)	0	(556,000)	0	0	0	(556,000)
Balance at 30 June 2023		63,331,340	3,819,339	71,801,113	138,951,792	605,992	139,557,784	4,259,288	11,193,351	985,123	155,995,546

* Asset additions included additions received at substantially less than fair value:

During the year ended 30 June 2022	0	300,000	0	300,000	0	300,000	0	0	0	0	300,000
During the year ended 30 June 2023	0	0	656,000	656,000	0	656,000	0	0	0	0	656,000

**CITY OF COUNTRY
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AASB 101.10(e)(ea)

AASB 101.38

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

AASB 13.91

(b) Carrying Value Measurements

AASB 116.77

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Independent registered valuer	June 2020	Price per hectare / market borrowing rate
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Independent valuer and Management valuation	June 2023	Price per square metre / market borrowing rate
Buildings - specialised	3	Cost approach using current replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
<p>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.</p> <p>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.</p>					
(ii) Cost					
Furniture and equipment		N/A	Cost	Not applicable	N/A
Plant and equipment		N/A	Cost	Not applicable	N/A

**CITY OF COUNTRY
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FOR THE YEAR ENDED 30 JUNE 2023**

AASB 101.10(e)(ea)

AASB 101.38

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Note	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - parks and ovals	Infrastructure - other	Infrastructure - landfill assets	Total Infrastructure
		\$	\$	\$	\$	\$	\$	\$
AASB 116.73(e)	Balance at 1 July 2021	240,069,153	42,220,433	51,597,970	32,918,805	68,939,140	1,873,467	437,618,968
AASB 116.73(e)(i)	Additions	8,168,464	668,430	478,354	940,951	6,536,378	0	16,792,577
AASB 116.73(e)(iv)	Revaluation increments / (decrements) transferred to revaluation surplus	(5,541,368)	(17,545,047)	0	(3,548,140)	(15,484,112)	0	(42,118,667)
AASB 116.73(e)(v),(vi)	Revaluation (loss) / reversals transferred to profit or loss	0	0	(102,356)	0	0	0	(102,356)
AASB 116.73(e)(vii)	Depreciation	(7,094,251)	(756,134)	(876,345)	(635,643)	(2,222,125)	(85,680)	(11,670,178)
	Balance at 30 June 2022	235,601,998	24,587,682	51,097,623	29,675,973	57,769,281	1,787,787	400,520,344
	Comprises:							
AASB 116.73(d)	Gross balance at 30 June 2022	367,597,754	31,377,775	85,800,436	47,242,811	83,794,399	2,656,070	618,469,245
AASB 116.73(d)	Accumulated depreciation at 30 June 2022	(131,995,756)	(6,790,093)	(34,702,813)	(17,566,838)	(26,025,118)	(868,283)	(217,948,901)
AASB 116.73(e)	Balance at 30 June 2022	235,601,998	24,587,682	51,097,623	29,675,973	57,769,281	1,787,787	400,520,344
AASB 116.73(e)(i)	Additions*	3,700,893	608,634	1,800,736	1,803,564	3,968,818	0	11,882,645
AASB 116.73(e)(vii)	Depreciation	(7,118,392)	(770,801)	(986,628)	(659,910)	(2,379,808)	(88,535)	(12,004,074)
	Balance at 30 June 2023	232,184,499	24,425,515	51,911,731	30,819,627	59,358,291	1,699,252	400,398,915
	Comprises:							
AASB 116.73(d)	Gross balance at 30 June 2023	371,298,647	31,986,409	87,601,172	49,046,375	87,763,217	2,656,070	630,351,890
AASB 116.73(d)	Accumulated depreciation at 30 June 2023	(139,114,148)	(7,560,894)	(35,689,441)	(18,226,748)	(28,404,926)	(956,818)	(229,952,975)
AASB 101.77	Balance at 30 June 2023	232,184,499	24,425,515	51,911,731	30,819,627	59,358,291	1,699,252	400,398,915

* Asset additions included additions received at substantially less than fair value:

During the year ended 30 June 2023	2,268,016	0	897,062	0	0	0	3,165,078
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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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AASB 101.10(e)(ea)

AASB 101.38

AASB 13.91

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

AASB 116.77

AASB 116.Aus77.1

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
	Infrastructure - roads	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
	Infrastructure - footpaths	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
	Infrastructure - drainage	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
	Infrastructure - parks and ovals	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
	Infrastructure - other	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
	Infrastructure - landfill assets	3	Cost approach using current replacement cost	Management valuation	June 2021	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

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

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AASB 101.10(e)(ea)

AASB 101.38

10. FIXED ASSETS

(a) Depreciation

AASB 101.117

Depreciation rates

AASB 116.73(c)

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

AASB 101.77

Asset Class	Useful life
Buildings	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets formation	not depreciated
pavement seal	50 years
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years
Landfill assets	30 years
Right-of-use (buildings)	Based on the remaining lease term
Right-of-use (plant and equipment)	Based on the remaining lease term
Intangible assets - computer software licence	5 years

AASB 138.118 (d)

AASB 108.39

Revision of useful lives of plant and equipment

AASB 116.76

During the year the estimated total useful lives of certain items of plant and equipment used in the maintenance of road infrastructure were revised. The net effect of the change is a net increase in depreciation of \$97,475.

(b) Temporarily Idle or retired from use assets

AASB 116.79(a),(c)

The carrying value of assets held by the City which are temporarily idle or retired from active use and not classified as held for sale are shown in the table below.

	2023	2022
	\$	\$
Buildings - specialised	456,045	452,350
Furniture and equipment	113,036	111,042
Plant and equipment	26,034	35,024
	<u>595,115</u>	<u>598,416</u>

(c) Fully Depreciated Assets in Use

AASB 116.79(b)

The gross carrying value of assets held by the City which are currently in use yet fully depreciated are shown in the table below.

	2023	2022
Furniture and equipment	124,647	121,098
Plant and equipment	212,093	210,345
	<u>336,740</u>	<u>331,443</u>

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AASB 101.10(e)(ea)
AASB 101.38

10. FIXED ASSETS (Continued)

AASB 101.117
AASB 116

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.

FM Reg 17A(5)

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 City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

FM Reg 17A(4)

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

Revaluation

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

FM Reg 17A(4) (a), (b)

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.

AASB 116.73(a)

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.

AASB 116.Aus39.1

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.

AASB 116.73(b)
AASB 116.50

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

AASB 116.51

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:

AASB 116.35

- (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.

AASB 138.118(a), (b)

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

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

Impairment

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

AASB 136.59

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.

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AASB 101.10(e)(ea)

AASB 101.38

11. LEASES

(a) Right-of-Use Assets

		Right-of-use assets - land and buildings	Right-of-use assets - plant and equipment	Right-of-use assets Total
	Note	\$	\$	\$
AASB 16.54	Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.			
	Balance at 1 July 2021	630,640	192,754	823,394
	Additions	0	156,400	156,400
	Depreciation	(12,035)	(36,500)	(48,535)
	Balance at 30 June 2022	618,605	312,654	931,259
AASB 16.53 (h)	Additions	0	302,250	302,250
AASB 16.53 (a)	Depreciation	10(a) (12,613)	(42,075)	(54,688)
AASB 16.53 (j)	Balance at 30 June 2023	605,992	572,829	1,178,821

		2023 Actual \$	2022 Actual \$
AASB 16.54	The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:		
AASB 16.53 (a)	Depreciation on right-of-use assets	10(a) (54,688)	(48,535)
AASB 16.53 (b)	Finance charge on lease liabilities	32(d) (17,092)	(13,102)
AASB 16.53 (c)	Short-term lease payments recognised as expense	(3,000)	(3,200)
AASB 16.53 (d)	Low-value asset lease payments recognised as expense	(5,000)	(4,500)
AASB 16.53 (e)	Expenses for variable lease payment not recognised as a liability	(2,000)	(2,000)
	Total amount recognised in the statement of comprehensive income	(81,780)	(71,337)
AASB 16.53 (g)	Total cash outflow from leases	(180,301)	(118,351)
AASB 16.47 (b)	(b) Lease Liabilities		
	Current	205,134	127,670
	Non-current	302,743	241,166
		32(d) 507,877	368,836

AASB 16.59 The City has two leases relating to plant and equipment. The lease term for both leases is 4 years. One of the leases has variable lease payments. The measurement of lease liabilities does not include variable lease payments and any future cash outflows associated with leases not yet commenced to which the City is committed. The building lease has a term of 5 years with an extension option of 5 years and a termination option of 6 months. Refer to Note 32(d) for details of lease liabilities.

Secured liabilities and assets pledged as security

AASB 7.7 Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements
AASB 7.14(b) revert to the lessor in the event of default.

SIGNIFICANT ACCOUNTING POLICIES

Leases

AASB 16.9 At inception of a contract, the City assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

AASB 16.22 At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the City uses its incremental borrowing rate.

AASB 16.5 All contracts that are classified as short-term leases (i.e. a lease with a term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Details of individual lease liabilities required by regulations are provided at Note 32(d).

Right-of-use assets - measurement

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

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

Right-of-use assets - depreciation

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

AASB 16.32

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11. LEASES (Continued)

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

	2023 Actual	2022 Actual
	\$	\$
AASB 16.97	The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.	
	Less than 1 year	6,000
	1 to 2 years	6,000
	2 to 3 years	6,000
	3 to 4 years	6,000
	4 to 5 years	6,000
	> 5 years	30,000
	54,000	60,000
	Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease	
AASB 16.90(b)	Rental income	5,590
		5,500

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

AASB 16.92 Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the City is exposed to changes in the residual value at the end of the current leases, the City group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

Refer to note 13 for details of leased investment property.

SIGNIFICANT ACCOUNTING POLICIES		
AASB 16.61	<p>The City as Lessor Upon entering into each contract as a lessor, the City assesses if the lease is a finance or operating lease.</p>	Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.
AASB 16.62	The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.	When a contract is determined to include lease and non-lease components, the City applies AASB 15 to allocate the consideration under the contract to each component.
AASB 16.81		AASB 16.83

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AASB 101.10(e)(ea)
AASB 101.38

12. INTANGIBLE ASSETS

	Note	2023 Actual \$	2022 Actual \$
Intangible assets			
Non-current			
AASB 138.118(c)		1,950,450	300,450
		(619,000)	(289,000)
		1,331,450	11,450
AASB 138.118(e)		Movements in balances of computer software during the financial year are shown as follows:	
		11,450	67,450
		1,650,000	0
	10(a)	(330,000)	(56,000)
		1,331,450	11,450
TOTAL INTANGIBLE ASSETS		1,331,450	11,450

AASB 138.57, 66, 74,
97

SIGNIFICANT ACCOUNTING POLICIES

Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the the City are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;

Computer software (continued)

- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Information on useful life, amortisation rates and amortisation methods can be found in Note 10.

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AASB 101.10(e)(ea)
AASB 101.38

13. INVESTMENT PROPERTY

	2023 Actual \$	2023 Budget \$	2022 Actual \$
Non-current assets - at fair value			
AASB 140.76	2,235,410		1,675,065
AASB 140.76(a)	0		560,345
AASB 140.76(d)	111,274		0
AASB 140.76	2,346,684		2,235,410
Amounts recognised in profit or loss for investment properties			
AASB 140.75(f)	425,664	415,000	325,238
AASB 140.75(f)(i)			
AASB 140.75(f)(ii)	(72,358)	(69,870)	(53,885)
AASB 140.75(f)(iii)	(48,239)	(49,235)	(46,727)
	111,274	0	0
Leasing arrangements			
AASB 140.75(g)	Investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment properties are as follows:		
AASB 16.97	Minimum lease payments under non-cancellable operating leases of investment properties not recognised in the financial statements are receivable as follows:		
	176,868	176,868	173,400
	234,709	234,709	230,107
	234,709	234,709	230,107
	234,709	234,709	230,107
	234,709	234,709	230,107
	402,348	402,348	597,625
	1,518,053	1,518,053	1,691,453

AASB 16.92

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases where the group is a lessor is recognised in income on a straightline basis over the lease term.

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

Refer to note 11 for details of leased property, plant and equipment not classified as investment property

AASB 101.117
AASB 140
AASB 140.33
AASB 140.35,75(a), (c)

SIGNIFICANT ACCOUNTING POLICIES

Investment properties

Investment properties are principally freehold buildings, held for long-term rental yields and not occupied by the City. Investment properties are carried at fair value in accordance with the significant accounting policies disclosed at note 10.

Fair value of investment properties

A management valuation was performed to determine the fair value of investment properties. The main Level 3 inputs used in the valuation were discount rates, yields, expected vacancy rates and rental growth rates estimated by management based on comparable transactions and industry data.

AASB 140.75(e)

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14. TRADE AND OTHER PAYABLES

Current

	2023	2022
	\$	\$
Sundry creditors	3,250,616	2,662,161
Prepaid rates	15,000	19,508
Accrued payroll liabilities	703,680	365,401
ATO liabilities	115,640	564,841
Bonds and deposits held	84,360	76,899
	4,169,296	3,688,810

AASB 101.117

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

AASB 7.B5

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

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

AASB 9(3.3.1)

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

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City 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.

AASB 101.17(c)

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 City recognises income for the prepaid rates that have not been refunded.

AASB 1058.29(b)

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15. OTHER LIABILITIES

	2023	2022
	\$	\$
	Current	
AASB 15.106	Contract liabilities	1,718,955
AASB 1058.16	Capital grant/contributions liabilities	403,499
	4,169,847	2,538,658
	5,888,802	2,942,157
	Non-current	
AASB 1058.16	Capital grant/contributions liabilities	307,010
	307,010	481,437
AASB 15.116 (a)	Reconciliation of changes in contract liabilities	
	Opening balance	403,499
	Additions	1,718,955
AASB 15.116 (b)	Revenue from contracts with customers included as a contract liability at the start of the period	(403,499)
	1,718,955	(309,715)
		403,499
AASB 15.120(a)	The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$2,000,000 (2022: \$650,000)	
AASB 15.120(b)	The City expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.	
	Reconciliation of changes in capital grant/contribution liabilities	
	Opening balance	3,020,095
	Additions	3,995,420
AASB 1058.31	Revenue from capital grant/contributions held as a liability at the start of the period	(2,538,658)
	4,476,857	(489,045)
		3,020,095
AASB 1058.33(a)	Expected satisfaction of capital grant/contribution liabilities	
	Less than 1 year	4,169,847
	1 to 2 years	174,427
	2 to 3 years	257,010
	3 to 4 years	2,538,658
	4 to 5 years	0
	> 5 years	257,010
		0
		30,000
		20,000
	4,476,857	3,020,095
AASB 1058.32	Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.	

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

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

Capital grant/contribution liabilities

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

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 28(i)) due to the unobservable inputs, including own credit risk.

AASB 1058.35

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AASB 101.10(e)(ea)

AASB 101.38

16. BORROWINGS

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Bank loans		248,311	257,229	505,540	239,701	505,540	745,241
Debentures		1,975,696	12,277,299	14,252,995	1,834,422	12,452,995	14,287,417
Other loans		564,098	0	564,098	706,549	0	706,549
Total secured borrowings	32(a)	2,788,105	12,534,528	15,322,633	2,780,672	12,958,535	15,739,207

Secured liabilities and assets pledged as security

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

AASB 7.7

AASB 7.14(b)

AASB 101.135(d)

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

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

AASB 123.Aus8.1

AASB 123.8

AASB 7.25,29(a)

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.

AASB 13.97,93(b),(d)

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

Risk

Information regarding exposure to risk can be found at Note 26.

Details of individual borrowings required by regulations are provided at Note 32(a).

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AASB 101.10(e)(ea)

AASB 101.38

17. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2023	2022
	\$	\$
Current provisions		
Employee benefit provisions		
Annual Leave	1,482,964	1,086,712
Long Service Leave	2,533,875	2,134,942
Other Employee Leave Provision	482,246	562,630
	4,499,085	3,784,284
Other provisions		
Employment on-costs	763,004	590,611
	763,004	590,611
Total current employee related provisions	5,262,089	4,374,895
Non-current provisions		
Long Service Leave	629,022	596,799
	629,022	596,799
Other provisions		
Employment on-costs	106,676	93,142
	106,676	93,142
Total non-current employee related provisions	735,698	689,941
Total employee related provisions	5,997,787	5,064,836

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. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	Note	2023	2022
Amounts are expected to be settled on the following basis:		\$	\$
Less than 12 months after the reporting date		3,045,764	2,556,743
More than 12 months from reporting date		2,952,023	2,508,093
		5,997,787	5,064,836
Expected reimbursements of employee related provisions from other WA local governments included within other receivables	5	(25,034)	(20,253)

AASB 101.61

AASB 137.85(c)

AASB 101.117

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

The City'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.

AASB 101.69

AASB 119.11

Short-term employee benefits

Provision is made for the City'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.

AASB 101.69

AASB 119.51(a)

The City'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 City's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the City 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.

AASB 119.156

CITY OF COUNTRY
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AASB 101.10(e)(ea)

AASB 101.38

AASB 137.84

18. OTHER PROVISIONS

	Make good provisions	Total
	\$	\$
AASB 137.84 (a)	Opening balance at 1 July 2022	
	265,094	265,094
	1,370,687	1,370,687
	1,635,781	1,635,781
AASB 137.84 (b)	143,488	143,488
AASB 137.84 (c)	(50,000)	(50,000)
AASB 137.84 (d)	(30,500)	(30,500)
	2,325	2,325
AASB 137.84(a)	Balance at 30 June 2023	
	1,701,094	1,701,094
	Comprises	
	306,484	306,484
	1,394,610	1,394,610
	1,701,094	1,701,094

Other provisions

AASB 137.85(a)

AASB 137.85(b)

Amounts which are expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

Make good provisions

Under the licence for the operation of the Country City waste landfill site, the City has a legal obligation to restore the site.

The estimated future obligations include the costs of restoring the affected areas and continued monitoring of the site.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the remediation provision at each reporting date.

AASB 137.14

Provisions

Provisions are recognised when the City has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

AASB 137.36

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

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AASB 101.10(e)(ea)
AASB 101.38

19. REVALUATION SURPLUS

AASB 116.Aus39.1
AASB 116.Aus40.1

AASB 101.77

AASB 101.106(A)

	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	Total Movement on Revaluation	2022 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	19,203,298	0	19,203,298	19,203,298	0	19,203,298
Revaluation surplus - Buildings - non-specialised	165,910	165,471	331,381	165,910	0	165,910
Revaluation surplus - Buildings - specialised	234,634	2,114,642	2,349,276	234,634	0	234,634
Revaluation surplus - Furniture and equipment	2,385,914	0	2,385,914	2,385,914	0	2,385,914
Revaluation surplus - Plant and equipment	3,698,701	0	3,698,701	3,698,701	0	3,698,701
Revaluation surplus - Infrastructure - roads	65,143,465	0	65,143,465	70,684,833	(5,541,368)	65,143,465
Revaluation surplus - Infrastructure - footpaths	11,059,784	0	11,059,784	28,604,831	(17,545,047)	11,059,784
Revaluation surplus - Infrastructure - drainage	8,687,413	0	8,687,413	8,687,413	0	8,687,413
Revaluation surplus - Infrastructure - parks and ovals	3,422,205	0	3,422,205	6,970,345	(3,548,140)	3,422,205
Revaluation surplus - Infrastructure - other	1,239,718	0	1,239,718	16,723,830	(15,484,112)	1,239,718
Revaluation surplus - Infrastructure - landfill assets	4,644,871	0	4,644,871	4,644,871	0	4,644,871
	119,885,913	2,280,113	122,166,026	162,004,580	(42,118,667)	119,885,913
Revaluation surplus - Share from investments in associates	4,568	176	4,744	5,136	(568)	4,568
	119,890,481	2,280,289	122,170,770	162,009,716	(42,119,235)	119,890,481

CITY OF COUNTRY
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AASB 101.10(e)(ea)

AASB 101.38

20. NOTES TO THE STATEMENT OF CASH FLOWS

AASB 1054.16

AASB 107.45

(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	24,562,679	19,641,775
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	15,233,456	10,815,010
- Financial assets at amortised cost	4	9,167,062	8,206,849
		24,400,518	19,021,859
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	33	18,120,032	15,924,018
Contract liabilities	15	1,718,955	403,499
Capital grant liabilities	15	4,169,847	2,538,658
Unspent loans	32(c)	391,684	155,684
Total restricted financial assets		24,400,518	19,021,859
(b) Reconciliation of Net Result to Net Cash Provided By Operating Activities			
Net result		12,208,043	22,037,080
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss		(5,643)	(5,108)
Adjustments to fair value of investment property		(111,274)	0
Depreciation/amortisation		14,757,406	13,920,066
(Profit)/loss on sale of asset		269,225	(397,699)
Share of profits of associates		(9,234)	7,947
Loss on revaluation of fixed assets		0	102,356
Assets received for substantially less than fair value		(3,821,078)	(300,000)
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		(636,402)	1,775,260
(Increase)/decrease in other assets		(215,165)	(46,561)
(Increase)/decrease in inventories		(90,533)	(374,783)
Increase/(decrease) in trade and other payables		480,486	(510,890)
Increase/(decrease) in employee related provisions		932,951	103,800
Increase/(decrease) in other provisions		65,313	4,015
Increase/(decrease) in other liabilities		2,772,218	(842,086)
Capital grants, subsidies and contributions		(12,440,968)	(18,158,368)
Net cash provided by/(used in) operating activities		14,155,345	17,315,029
(c) Undrawn Borrowing Facilities			
Credit Standby Arrangements			
Bank overdraft limit		500,000	500,000
Bank overdraft at balance date		0	0
Credit card limit		55,000	55,000
Credit card balance at balance date		(16,581)	(2,684)
Total amount of credit unused		538,419	552,316
Loan facilities			
Loan facilities - current		2,788,105	2,780,672
Loan facilities - non-current		12,534,528	12,958,535
Total facilities in use at balance date		15,322,633	15,739,207
Unused loan facilities at balance date		NIL	NIL

AASB 107.50(a)

AASB 101.69

**CITY OF COUNTRY
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AASB 101.10(e)(ea)

AASB 101.38

21. CONTINGENT LIABILITIES

AASB 137.86

In compliance with the *Contaminated Sites Act 2003*, the City has listed sites to be possible sources of contamination. Details of those sites are:

- Country City Airport
- Country City Depot

AASB 137.91

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

AASB 101.10(e)(ea)

AASB 101.38

22. CAPITAL COMMITMENTS

AASB 116.74(c)

Contracted for:
 - capital expenditure projects
 - plant & equipment purchases

Payable:
 - not later than one year

	2023	2022
	\$	\$
	3,210,066	7,988,379
	350,147	165,894
	3,560,213	8,154,273
	3,560,213	8,154,273

The capital expenditure projects outstanding at the end of the current reporting period represent the construction of the new recreation centre and purchase of a new grader (the prior year commitment was for the construction of the new recreation centre and a truck).

**CITY OF COUNTRY
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AASB 101.10(e)(ea)

AASB 101.38

23. RELATED PARTY TRANSACTIONS

FM Reg 44

FM Reg 36(2)(d)

(a) Elected Member Remuneration

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

Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
	53,216	53,216	50,364
	13,304	13,304	12,591
	143,350	143,350	142,800
	2,750	2,750	2,725
	16,913	16,100	17,473
23(b)	229,533	228,720	225,953

(b) Key Management Personnel (KMP) Compensation

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

Note	2023 Actual \$	2022 Actual \$
	1,165,891	1,246,081
	110,658	101,985
	165,904	168,410
	0	15,674
23(a)	229,533	225,953
	1,671,986	1,758,103

AASB 124.17(a)

AASB 124.17(b)

AASB 124.17(c)

AASB 124.17(d)

Short-term employee benefits

Post-employment benefits

Employee - other long-term benefits

Employee - termination benefits

Council member costs

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 City'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.

**CITY OF COUNTRY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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AASB 101.10(e)(ea)

AASB 101.38

23. RELATED PARTY TRANSACTIONS

Transactions with related parties

Transactions between related parties and the City 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 \$
Sale of goods and services	13,032	11,068
Purchase of goods and services	265,941	369,871
Short term employee benefits - other related parties	85,612	84,306
Payment of Council member costs (Refer to Note 23(a))	229,533	225,953
Amounts outstanding from related parties:		
Trade and other receivables	13,540	5,684
Amounts payable to related parties:		
Trade and other payables	25,601	32,564

AASB 124.9

Related Parties

The City'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 23(a) and 23(b).

ii. Other Related Parties

During the previous year, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the City's procurement process. The contract involved roadworks in the City, and amounted to \$265,941 in the current year (\$369,871 in the prior year).

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

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

iii. Entities subject to significant influence by the City

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

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AASB 101.10(e)(ea)

AASB 101.38

24. JOINT ARRANGEMENTS

AASB 12.1(a)

AASB 12.2(a)

AASB 12.21(a)(iii)

Share of joint operations

The City has an agreement with the Department of Communities for the provision of community housing on Town Street, Country Town. This arrangement constitutes a joint arrangement as unanimous decisions are required by the parties to the agreement amounting to joint control. The arrangement has been determined to be a joint arrangement.

AASB 12.21(a)(ii)

AASB 12.21(a)(i)

AASB 12.2(b)(ii)

The assets held under the agreement by both parties are land and 6 x 2 bedroom units. The ownership of the joint operation being the Country Town Aged Houses, is defined in the agreement including the percentage of each party's proportionate interest in the assets of the joint operation. Surplus funds are held in the Nowhere reserve account for future building maintenance.

The City manages the property and tenancy of the joint operation and the effects of its interest in the joint operations are as follows:

AASB 12.1(b)

AASB 12.20(a)

AASB 12.21(a)(iv)

Statement of Financial Position

Cash and cash equivalents
Land and buildings (6 x 2 bedroom units) @ 25%
Less: accumulated depreciation
Total assets

Reserve accounts

Total equity

	2023 Actual	2022 Actual
	\$	\$
Cash and cash equivalents	12,650	10,650
Land and buildings (6 x 2 bedroom units) @ 25%	300,000	300,000
Less: accumulated depreciation	(97,500)	(90,000)
Total assets	215,150	220,650
Reserve accounts	12,650	10,650
Total equity	12,650	10,650

AASB 12.1(b)

Statement of Comprehensive Income

Other revenue

Depreciation

Other expense

Profit/(loss) for the period

Other comprehensive income

Total comprehensive income for the period

AASB 12.1(b)

Statement of Cash Flows

Other revenue

Other expense

Net cash provided by (used in) operating activities

Other revenue	3,000	3,000
Depreciation	(7,500)	(7,500)
Other expense	(1,000)	(750)
Profit/(loss) for the period	(5,500)	(5,250)
Other comprehensive income	0	0
Total comprehensive income for the period	(5,500)	(5,250)

Other revenue	3,000	3,000
Other expense	(1,000)	(750)
Net cash provided by (used in) operating activities	2,000	2,250

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

AASB 11.15

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

AASB 11.21

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

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AASB 101.10(e)(ea)

AASB 101.38

25. INVESTMENT IN ASSOCIATES

(a) Investment in associates

Set out in the table below are the associates of the City. All associates are measured using the equity method. Western Australia is the principal place of business for all associates.

Name of entity	% of ownership interest		2023	2022
	2023	2022	Actual	Actual
Nowhere Regional Council (Refer to Note 25(b))	16.67%	16.67%	\$ 204,331	\$ 200,777
Immaterial investments in associates (Refer to Note 25(c))			6,476	6,120
Total equity-accounted investments			210,807	206,897

(b) Share of Investment in Nowhere Regional Council

AASB 12.21 The City has a 1/6th interest in Nowhere Regional Council. The Regional Council was formed to manage the development and sale of land at Country Town Estate on behalf of six local governments.

AASB 12.9(e) The City has determined it has significant influence over the Regional Council despite holding less than 20 percent of the voting rights as the City has representation on Council and participates in policy-making decisions including the decisions regarding contributions and distributions.

AASB 12.21(b)(i)
AASB 12.B14 The tables below reflect the summarised financial information of the material investments in associates based on the audited results of the Nowhere Regional Council. This does not reflect the City's share of those amounts. They have been amended to reflect adjustments made by the City when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

	Note	2023 Actual	2022 Actual
Summarised statement of comprehensive income			
		\$	\$
AASB 12.B12(b)(v)		756,789	680,562
AASB 12.B13(e)		561	697
AASB 12.B13(f)		(244,841)	(199,348)
AASB 12.B13(d)		(353,165)	(293,744)
AASB 12.B12(b)(vi)		50,268	(55,336)
AASB 12.B12(b)(vii)		0	0
		50,268	(55,336)
AASB 12.B12(b)(viii)		1,056	0
AASB 12.B12(b)(ix)		51,324	(55,336)

	Note	2023 Actual	2022 Actual
Summarised statement of financial position			
AASB 12.B13(a)		3,583,124	3,005,799
		32,089	12,168
AASB 12.B12(b)(i)		3,615,213	3,017,967
AASB 12.B12(b)(ii)		7,848,100	6,527,642
		11,463,313	9,545,609
AASB 12.B13(b)		1,543,987	2,678,923
		12,564	13,698
AASB 12.B12(b)(iii)		1,556,551	2,692,621
AASB 12.B13(c)		8,657,718	5,627,259
		23,056	21,065
AASB 12.B12(b)(iv)		8,680,774	5,648,324
		10,237,325	8,340,945

Net assets

	Note	2023 Actual	2022 Actual
Reconciliation to carrying amounts			
AASB 12.B14(b)		1,204,664	1,200,000
		(30,000)	60,000
		50,268	(55,336)
		1,056	0
		1,225,988	1,204,664

Carrying amount at 1 July

- Share of associates net profit/(loss) for the period	25(e)	200,777	200,000
- Share of associates other comprehensive income arising during the period		8,378	(9,223)
- Distribution of equity by associate		176	0
- Contribution to equity in associate		(5,000)	0
		0	10,000
Carrying amount at 30 June (Refer to Note 25(a))		204,331	200,777

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25. INVESTMENT IN ASSOCIATES (Continued)

(c) Immaterial investments in associates

Aggregate carrying amount of interests in individually immaterial associates accounted for using the equity method are reflected in the table below.

	Note	2023 Actual \$	2022 Actual \$
AASB 12.B16(a)	- Share of associates net profit for the period	856	1,276
AASB 12.B16(c)	- Share of associates other comprehensive income arising during the period	0	(568)
	- Distribution of equity by associates	(500)	(500)
	- Contribution to equity in associates	0	250
AASB 12.B16(d)	- Share of associates total comprehensive income arising during the period	356	458
	Carrying amount at 1 July	6,120	5,662
	- Share of associates total comprehensive income arising during the period	356	458
	Carrying amount at 30 June (Refer to Note 25(a))	6,476	6,120
	(d) Contingent liabilities from investments in associates		
AASB 12.23(b)	Contingent liabilities - associates		
	Share of contingent liabilities incurred jointly with other investors of the associate	783,000	205,000
	Contingent liabilities relating to liabilities of the associate for which the City is severally liable	150,000	150,000
		933,000	355,000

SIGNIFICANT ACCOUNTING POLICIES

Investments in associates

An associate is an entity over which the City has significant influence, that is it has the power to participate in the financial and operating policy decisions of the investee but not control or joint control of those policies.

Investments in associates are accounted for using the equity method. The equity method of accounting, is whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associate. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

(e) Share of associates net profit/(loss) for the period

Investment in Nowhere Regional Council (refer to Note 25(b))
Immaterial investments in associates (refer to Note 25(c))

	2023 Actual \$	2022 Actual \$
	8,378	(9,223)
	856	1,276
	9,234	(7,947)

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AASB 101.10(e)(ea)
AASB 7
AASB 101.38

26. FINANCIAL RISK MANAGEMENT

This note explains the City's exposure to financial risks and how these risks could affect the City's future financial performance.

AASB 7.31,32,33

Risk	Exposure arising from	Measurement	Management
Market risk - interest rates	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and debt investments	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

AASB7.31,34(c)

The City does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance department under policies approved by the Council. The finance department identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

AASB 7.22A(a),(b)
AASB 7.33(a),(b)

The City's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the City to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the City to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

AASB 7.22A(c)
AASB 7.34(a)

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2023					
Cash and cash equivalents	2.40%	24,562,679	20,424,815	3,981,383	156,481
Financial assets at amortised cost - term deposits	2.51%	9,167,062	9,167,062	0	0
Financial assets at amortised cost - Treasury bonds	2.60%	2,000,000	2,000,000	0	0
2022					
Cash and cash equivalents	1.93%	19,641,775	11,454,473	7,918,843	268,459
Financial assets at amortised cost - term deposits	1.91%	7,106,849	7,106,849	0	0
Financial assets at amortised cost - Treasury bonds	1.96%	1,100,000	1,100,000	0	0

Sensitivity

AASB 7.40

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2023	2022
	\$	\$
Impact of a 1% movement in interest rates on profit or loss and equity*	39,814	79,188

* Holding all other variables constant

Borrowings

AASB 7.22A(a),(b)
AASB 7.33(a),(b)

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The City manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The City does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 32(a).

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AASB 101.10(e)(ea)
AASB 7
AASB 101.38

26. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The City's major trade and other receivables comprise contractual non-statutory user fees and charges, grants, contributions and reimbursements. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The City manages this risk by monitoring outstanding debt and employing debt recovery policies.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

AASB 101.117 The City applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, receivables from grants, contributions and reimbursements are separated from other trade receivables due to the difference in payment terms and security.

AASB 7.35G The expected loss rates are based on the payment profiles of trade and other receivables over a period of 36 months before 1 July 2022 or 1 July 2023 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of users to settle the receivables.

The loss allowance as at 30 June 2023 and 30 June 2022 was determined as follows for trade and other receivables.

AASB 7.35N

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2023					
Trade receivables					
	0.99%	2.15%	4.88%	8.88%	
AASB 7.35K(a),(6)	Expected credit loss				
	406,122	115,647	70,660	26,791	619,220
	Gross carrying amount				
	4,034	2,486	3,448	2,379	12,347
	Loss allowance				
Other receivables					
	0.25%	0.00%	0.00%	3.56%	
AASB 7.35K(a),(6)	Expected credit loss				
	367,080	0	0	39,451	406,531
	Gross carrying amount				
	900	0	0	1,404	2,304
	Loss allowance				
30 June 2022					
Trade receivables					
	0.95%	1.54%	3.64%	4.67%	
AASB 7.35K(a),(6)	Expected credit loss				
	507,863	156,037	85,641	14,368	763,909
	Gross carrying amount				
	4,839	2,403	3,117	671	11,030
	Loss allowance				
Other receivables					
	0.14%	0.00%	3.76%	5.07%	
AASB 7.35K(a),(6)	Expected credit loss				
	297,941	0	10,463	22,808	331,212
	Gross carrying amount				
	407	0	393	1,156	1,956
	Loss allowance				

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AASB 101.10(e)(ea)

AASB 7

AASB 101.38

26. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

AASB7(35H)(b)(iii)

The loss allowances for trade, other receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Trade receivables		Other receivables		Contract Assets	
	2023	2022	2023	2022	2023	2022
	Actual	Actual	Actual	Actual	Actual	Actual
AASB 15.113(b)	\$	\$	\$	\$	\$	\$
Opening loss allowance as at 1 July	11,030	16,324	2,304	1,056	0	0
Increase in loss allowance recognised in profit or loss during the year	4,897	1,317	1,980	1,659	8,740	0
Receivables written off during the year as uncollectible	(3,985)	(6,611)	(1,632)	0	0	0
AASB7(35I)(c)						
AASB7(35I)(c)	405	0	(348)	(759)	0	0
Closing loss allowance at 30 June	12,347	11,030	2,304	1,956	8,740	0

AASB7(35F)(e)

Trade, other receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the City, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on rates and statutory receivables, trade, other receivables and contract assets are presented as net impairment losses within other expenditure. Subsequent recoveries of amounts previously written off are credited against the same line item.

Contract Assets

AASB 15.118(b)

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

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AASB 101.10(e)(ea)

AASB 7

AASB 101.38

AASB 7.39

26. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

AASB 7.34(a) Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 20(c).

AASB 7(B11D) The contractual undiscounted cash flows of the City's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

AASB 7.39(a),(b)

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<u>2023</u>					
Trade and other payables	4,169,296	0	0	4,169,296	4,169,296
Borrowings	3,272,841	9,677,335	4,230,472	17,180,648	15,322,633
Lease liabilities	221,134	316,127	0	537,261	507,877
	<u>7,663,271</u>	<u>9,993,462</u>	<u>4,230,472</u>	<u>21,887,205</u>	<u>19,999,806</u>
<u>2022</u>					
Trade and other payables	3,688,810	0	0	3,688,810	3,688,810
Borrowings	3,202,910	9,274,566	5,324,355	17,801,831	15,739,207
Lease liabilities	139,471	251,450	0	390,921	368,836
	<u>7,031,191</u>	<u>9,526,016</u>	<u>5,324,355</u>	<u>21,881,562</u>	<u>19,796,853</u>

AASB 16.58

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AASB 101.10(e)(ea)

AASB 110

AASB 101.38

27. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

Following the end of the financial year the City's administration building was significantly damaged by fire. The exact extent of the damage is yet to be quantified. The City maintains fire insurance cover and does not expect to incur significant financial loss as a result. Operations are expected to be disrupted for a period of six to nine months as repairs are undertaken.

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AASB 101.10(e)
AASB 101.117(b) **28. OTHER SIGNIFICANT ACCOUNTING POLICIES**

<p>Interpretation 1031 AASB 101.38</p>	<p>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).</p> <p>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.</p> <p>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.</p>	<p>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:</p> <p>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.</p> <p>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.</p> <p>Level 3 Measurements based on unobservable inputs for the asset or liability.</p>	<p>AASB 13.93</p>
<p>AASB 101.66 AASB 101.69</p>	<p>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 City's operational cycle. In the case of liabilities where the City 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 City's intentions to release for sale.</p>	<p>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.</p>	<p>AASB 13.93(d)</p>
<p>AASB 101.51(e) FM Reg 15(3) AASB 101.51(d)</p>	<p>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.</p>	<p>Valuation techniques The City 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 City are consistent with one or more of the following valuation approaches:</p>	
<p>AASB 101.38</p>	<p>d) Comparative figures Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.</p>	<p>Market approach Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.</p>	<p>AASB 13.B5</p>
<p>AASB 101.10(f)</p>	<p>When the City 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.</p>	<p>Income approach Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.</p>	<p>AASB 13.B10</p>
<p>FM Reg 36(2)</p>	<p>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.</p>	<p>Cost approach Valuation techniques that reflect the current replacement cost of the service capacity of an asset.</p>	<p>AASB 13.B8</p>
<p>AASB 116.73(a)</p>	<p>f) Superannuation The City contributes to a number of Superannuation Funds on behalf of employees. All funds to which the City contributes are defined contribution plans.</p>	<p>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 City 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.</p>	
<p>AASB 13.2.11,61,67</p>	<p>g) Fair value of assets and liabilities Fair value is the price that the City 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.</p>	<p>j) Impairment of assets In accordance with Australian Accounting Standards the City's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.</p>	<p>AASB 136.9,12</p>
<p>AASB 13.16-21</p>	<p>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.</p>	<p>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.</p>	
<p>AASB 13.27-33</p>	<p>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).</p>	<p>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.</p>	
	<p>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.</p> <p>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).</p>		

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AASB 101.10(e)
AASB 1052.11(a)(i)
FM Reg Schedule 1 Part 1
AASB 101.38
AASB 101.138(b)
AASB 1052.11(a)(i)

29. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

City operations as disclosed in this financial report encompass the following service orientated functions and activities.

Objective	Description
<p>Governance</p> <p>To provide a decision making process for the efficient allocation of scarce resources.</p>	<p>Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting council members and ratepayers on matters which do not concern specific local government services.</p>
<p>General purpose funding</p> <p>To collect revenue to allow for the provision of services.</p>	<p>Rates, general purpose government grants and interest revenue.</p>
<p>Law, order, public safety</p> <p>To provide services to help ensure a safer and environmentally conscious community.</p>	<p>Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.</p>
<p>Health</p> <p>To provide an operational framework for environmental and community health.</p>	<p>Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.</p>
<p>Education and welfare</p> <p>To provide services to disadvantaged persons, the elderly, children and youth.</p>	<p>Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home care programs and youth services.</p>
<p>Housing</p> <p>To provide and maintain elderly residents housing.</p>	<p>Provision and maintenance of elderly residents housing.</p>
<p>Community amenities</p> <p>To provide services required by the community.</p>	<p>Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.</p>
<p>Recreation and culture</p> <p>To establish and effectively manage infrastructure and resources which will help the social well being of the community.</p>	<p>Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.</p>
<p>Transport</p> <p>To provide safe, effective and efficient transport services to the community.</p>	<p>Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.</p>
<p>Economic services</p> <p>To help promote the local government and its economic wellbeing.</p>	<p>Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control.</p>
<p>Other property and services</p> <p>To monitor and control operating accounts.</p>	<p>Private works operation, plant repair and costs.</p>

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29. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

		2023	2022
		Actual	Actual
		\$	\$
	Income excluding grants, subsidies and contributions		
AASB 1052.11(b)(i)	Governance	52,436	30,423
	General purpose funding	36,221,641	36,180,021
	Law, order, public safety	504,849	135,641
	Health	139,638	126,897
	Education and welfare	1,110,530	1,195,673
	Housing	1,684,130	1,670,441
	Community amenities	8,906,876	8,959,124
	Recreation and culture	2,244,328	2,267,646
	Transport	2,522,999	2,426,865
	Economic services	3,050,412	2,709,144
	Other property and services	2,093,687	1,990,780
		58,531,526	57,692,655
AASB 1052.11(b)(i)	Grants, subsidies and contributions		
	General purpose funding	3,956,415	5,938,541
	Law, order, public safety	397,718	2,186,648
	Health	56,841	34,658
	Education and welfare	129,564	139,424
	Community amenities	671,000	36,874
	Recreation and culture	5,202,661	13,289,599
	Transport	7,985,476	4,823,307
	Economic services	3,640,025	506,282
	Other property and services	33,671	26,547
		22,073,371	26,981,880
	Total Income	80,604,897	84,674,535
AASB 1052.11(b)(ii)	Expenses		
	Governance	(2,034,318)	(2,428,676)
	General purpose funding	(1,729,898)	(1,764,540)
	Law, order, public safety	(2,438,136)	(1,825,048)
	Health	(857,038)	(825,304)
	Education and welfare	(760,239)	(703,910)
	Housing	(1,692,346)	(1,650,743)
	Community amenities	(8,234,026)	(8,247,547)
	Recreation and culture	(15,299,118)	(14,346,764)
	Transport	(29,425,631)	(24,431,078)
	Economic services	(5,847,510)	(6,343,297)
	Other property and services	(78,594)	(70,548)
	Total expenses	(68,396,854)	(62,637,455)
AASB 1052.12	Net result for the period	12,208,043	22,037,080
AASB 1052.11(a)(ii)	(c) Total Assets		
	Governance	17,835,480	16,598,431
	General purpose funding	760,380	763,459
	Law, order, public safety	6,570,118	5,077,613
	Health	354,032	330,654
	Education and welfare	805,643	765,084
	Housing	5,322,480	7,306,584
	Community amenities	38,914,213	34,641,376
	Recreation and culture	113,467,811	109,137,155
	Transport	320,605,704	323,452,675
	Economic services	20,659,440	19,384,163
	Other property and services	72,651,348	70,659,841
	Unallocated	8,492,314	(139,839)
		606,438,963	587,977,196

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30. RATING INFORMATION

(a) General Rates

RATE TYPE	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 \$
Residential	Gross rental valuation	9.6541	15,266	312,710,691	30,189,403	171,841	30,361,244	31,117,502	165,000	31,282,502	30,702,874
Comm/Industrial	Gross rental valuation	9.7661	2,106	22,275,990	2,175,495	0	2,175,495	1,151,024	0	1,151,024	1,149,688
Rural	Unimproved valuation	0.4331	1,180	631,068,181	2,733,156	0	2,733,156	2,733,156	0	2,733,156	2,651,161
Mining	Unimproved valuation	0.8662	5	325,674	2,821	0	2,821	2,821	0	2,821	2,793
Total general rates			18,557	966,380,536	35,100,875	171,841	35,272,716	35,004,503	165,000	35,169,503	34,506,516
Minimum payment											
Residential	Gross rental valuation	992	2,064	15,678,414	2,047,488	0	2,047,488	2,047,488	0	2,047,488	2,000,140
Comm/Industrial	Gross rental valuation	992	1,032	6,864,621	1,023,744	0	1,023,744	1,023,744	0	1,023,744	999,100
Rural	Unimproved valuation	1,070	168	25,346,841	179,760	0	179,760	179,760	0	179,760	176,400
Mining	Unimproved valuation	1,070	2	156,781	2,140	0	2,140	2,140	0	2,140	2,100
Total minimum payments			3,266	48,046,657	3,253,132	0	3,253,132	3,253,132	0	3,253,132	3,177,740
Total general rates and minimum payments			21,823	1,014,427,193	38,354,007	171,841	38,525,848	38,257,635	165,000	38,422,635	37,684,256
Specified Area Rates											
Country Water Scheme	Unimproved valuation	0.300	17	42,039,333	126,118	250	126,368	126,050	0	126,050	123,434
Ex-gratia Rates											
Rural	Unimproved valuation	0.433	3	8,173,863	35,401	0	35,401	25,401	0	25,401	21,580
Total amount raised from rates (excluding general rates)			20	50,213,196	161,519	250	161,769	151,451	0	151,451	145,014
Discounts							(866,480)			(836,797)	(807,546)
Concessions							(158,340)			(158,800)	(152,801)
Total Rates							37,662,797			37,578,489	36,868,923
Rate instalment interest							142,613			143,000	140,560
Rate overdue interest							195,035			160,000	174,756

The rate revenue was recognised from the rate record as soon as practicable after the City 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.

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AASB 101.10(e)(ea)

AASB 101.38

31. DETERMINATION OF SURPLUS OR DEFICIT

		2022/23 Budget	2021/22
	2022/23 (30 June 2023 Carried Forward)	(30 June 2023 Carried Forward)	(30 June 2022 Carried Forward)
Note	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
	(29,653)	(13,575)	(439,462)
	(5,643)	(5,200)	(5,108)
	(9,234)	(1,000)	7,947
	298,878	97,420	41,763
9(a)	0	0	102,356
10(a)	14,757,406	14,330,986	13,920,066
Non-cash movements in non-current assets and liabilities:			
	(2,000,000)	0	0
13	(111,274)	0	0
	(30,638)	30,080	0
7	653,000	0	0
	45,757	0	(33,975)
	23,923	0	90,456
	0	650,000	(3,158,263)
	(2,209,401)	(1,370,687)	123,500
	11,383,121	13,718,024	10,649,280
(b) Non-cash amounts excluded from investing activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to investing activities			
	(174,427)	(650,000)	(260,300)
8(a)	656,000	0	300,000
9(a)	3,165,078	0	0
	(3,821,078)	0	(300,000)
	(174,427)	(650,000)	(260,300)
(c) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
33	(18,120,032)	(17,555,512)	(15,924,018)
4(a)	(165,843)	(165,843)	(165,843)
	2,788,105	2,788,105	2,780,672
11(b)	205,134	205,134	127,670
	(15,292,636)	(14,728,116)	(13,181,519)
Net current assets used in the Statement of Financial Activity			
	38,869,691	28,053,107	33,633,513
	(18,619,910)	(13,324,991)	(14,179,298)
	(15,292,636)	(14,728,116)	(13,181,519)
	4,957,145	0	6,272,696

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AASB 101.10(e)(ea)

AASB 101.51

32. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget			
		Principal		Principal at 30 June 2022	Principal		Principal at 30 June 2023	Principal at 1 July 2022	Principal			
		at 1 July 2021	New Loans During 2021-22		Repayments During 2021-22	at 30 June 2022			New Loans During 2022-23	Repayments During 2022-23	at 1 July 2022	New Loans During 2022-23
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Library extensions		0	0	0	0	1,800,000	(76,851)	1,723,149	0	2,000,000	(76,851)	1,923,149
Oval lighting		966,723	0	(109,333)	857,390	0	(117,754)	739,636	857,390	0	(117,754)	739,636
Country Recreation Centre		6,941,785	0	(731,297)	6,210,488	0	(752,658)	5,457,830	6,210,488	0	(752,658)	5,457,830
Airport upgrades		6,404,155	0	(616,883)	5,787,272	0	(638,662)	5,148,610	5,787,272	0	(638,662)	5,148,610
Saleyard upgrades		976,632	0	(231,391)	745,241	0	(239,701)	505,540	745,241	0	(239,701)	505,540
Admin building roof		822,524	0	(80,023)	742,501	0	(82,654)	659,847	742,501	0	(82,654)	659,847
Factored Receivables		706,549	0	0	706,549	250,000	(392,451)	564,098	706,549	200,000	(200,000)	706,549
Total		16,818,368	0	(1,768,927)	15,049,441	2,050,000	(2,300,731)	14,798,710	15,049,441	2,200,000	(2,108,280)	15,141,161
Self Supporting Loans												
DFES Headquarters		851,396	0	(161,630)	689,766	0	(165,843)	523,923	689,766	0	(165,843)	523,923
Total Self Supporting Loans		851,396	0	(161,630)	689,766	0	(165,843)	523,923	689,766	0	(165,843)	523,923
Total Borrowings	16	17,669,764	0	(1,930,557)	15,739,207	2,050,000	(2,466,574)	15,322,633	15,739,207	2,200,000	(2,274,123)	15,665,084

FM Reg 48(f)
FM Reg 36(2)(d)

FM Reg 48(f) (v)
FM Reg 48(f) (v)

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	Budget for year ending	Actual for year ending
						30 June 2023	30 June 2023	30 June 2022
						\$	\$	\$
Library extensions		259	WATC*	3.26%	30/03/2043	(29,340)	(29,340)	0
Oval lighting		256	WATC*	7.56%	20/04/2028	(62,635)	(62,635)	(71,056)
Country Recreation Centre		257	WATC*	2.90%	31/07/2029	(174,687)	(174,687)	(196,048)
Airport upgrades		252	WATC*	3.50%	30/08/2030	(197,015)	(197,015)	(218,794)
Saleyard upgrades		258	Bank	3.56%	1/02/2025	(24,417)	(24,417)	(32,727)
Admin building roof		254	WATC*	3.26%	28/02/2028	(23,537)	(23,537)	(26,168)
Total						(511,631)	(511,631)	(544,793)
Self Supporting Loans Finance Cost Payments								
DFES Headquarters		252	WATC*	2.59%		(16,798)	(16,798)	(21,011)
Total Self Supporting Loans Finance Cost Payments						(16,798)	(16,798)	(21,011)
Total Finance Cost Payments						(528,429)	(528,429)	(565,804)

* WA Treasury Corporation

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AASB 101.10(e)(ea)

AASB 101.51

32. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2022/23

FM Reg 48(d)

FM Reg 36(2)(d)

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2023 Actual	2023 Budget	2023 Actual	2023 Budget		
					\$	\$	\$	\$		
Library extensions	WATC*	Debenture	10	3.26%	1,800,000	2,000,000	(1,564,000)	(2,000,000)	293,400	236,000
					1,800,000	2,000,000	(1,564,000)	(2,000,000)	293,400	236,000

* WA Treasury Corporation

FM Reg 48(a)

(c) Unspent Borrowings

Particulars	Institution	Date Borrowed	Unspent Balance 1 July 2022	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2023
				\$	\$	\$
Country Recreation Centre	WATC*	1/10/2015	155,684	0	0	155,684
Library extensions	WATC*	30/09/2019	0	1,800,000	(1,564,000)	236,000
			155,684	1,800,000	(1,564,000)	391,684

* WA Treasury Corporation

AASB 101.112

(d) Lease Liabilities

Purpose	Note	Actual						Budget				
		Principal at 1 July 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Ranger vehicles		0	156,400	(18,384)	138,016	0	(37,738)	100,278	138,016	0	(37,738)	100,278
Heavy plant		0	0	0	0	302,250	(35,539)	266,711	0	300,000	(35,000)	265,000
Building lease		317,685	0	(86,865)	230,820	0	(89,932)	140,888	230,820	0	(89,932)	140,888
Total Lease Liabilities	11(b)	317,685	156,400	(105,249)	368,836	302,250	(163,209)	507,877	368,836	300,000	(162,670)	506,166

Lease Finance Cost Payments

Purpose	Note	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022	Lease Term
						\$	\$	\$	
Ranger vehicles		98,341	Simple Leasing	3.50%	1/09/2025	(4,503)	(4,503)	(2,737)	48 months
Heavy plant		96,353	Vehicle Leasing	3.50%	31/08/2024	(7,298)	(7,298)	(10,365)	48 months
Building lease		96,354	Vehicle Leasing	3.50%	31/10/2026	(5,291)	(5,000)	0	48 months
Total Finance Cost Payments						(17,092)	(16,801)	(13,102)	

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AASB 101.10(e)(ea)
AASB 101.38

FM Reg 36(1)(a)
FM Reg 36(2)(d)
FM Reg 38.1 (b-e)

33. RESERVE ACCOUNTS

Restricted by legislation/agreement

	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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Sewerage rate reserve	56,840	0	(10,654)	46,186	56,840	0	0	56,840	56,840	0	0	56,840
(b) Developer contributions reserve	664,810	1,356,840	0	2,021,650	664,810	1,500,000	0	2,164,810	164,140	500,670	0	664,810
(c) Aged persons unit reserve	10,650	2,000	0	12,650	10,650	2,000	0	12,650	8,400	2,250	0	10,650
(d) Payment in lieu of parking plan reserve	2,144,635	97,922		2,242,557	2,144,635	26,501	0	2,171,136	2,108,095	36,540	0	2,144,635
	2,876,935	1,456,762	(10,654)	4,323,043	2,876,935	1,528,501	0	4,405,436	2,337,475	539,460	0	2,876,935

Restricted by council

(e) Leave reserve	150,522	624	0	151,146	150,522	624	0	151,146	149,898	624	0	150,522
(f) Building reserve	4,301,443	2,525,065	(4,301,443)	2,525,065	4,301,443	0	(2,725,422)	1,576,021	10,641,967	1,376,855	(7,717,379)	4,301,443
(g) Airport reserve	2,190,421	2,242,959	(2,148,051)	2,285,329	2,190,421	2,970,205	(1,019,571)	4,141,055	1,972,536	2,768,964	(2,551,079)	2,190,421
(h) Waste management reserve	2,990,856	3,078,909	(466,143)	5,603,622	2,990,856	2,322,700	(604,086)	4,709,470	1,379,579	3,087,434	(1,476,157)	2,990,856
(i) Plant replacement reserve	1,772,154	132,532	(500,000)	1,404,686	1,772,154	132,532	(801,060)	1,103,626	758,421	1,049,468	(35,735)	1,772,154
(j) Asset management reserve	1,641,687	485,454	(300,000)	1,827,141	1,641,687	92,671	(265,600)	1,468,758	(1,697,071)	3,513,758	(175,000)	1,641,687
	13,047,083	8,465,543	(7,715,637)	13,796,989	13,047,083	5,518,732	(5,415,739)	13,150,076	13,205,330	11,797,103	(11,955,350)	13,047,083
	15,924,018	9,922,305	(7,726,291)	18,120,032	15,924,018	7,047,233	(5,415,739)	17,555,512	15,542,805	12,336,563	(11,955,350)	15,924,018

AASB 1058.37

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

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

FM Reg 38(1)(a)

Name of reserve account	Purpose of the reserve account
(a) Sewerage rate reserve	to hold specified area rates as required by section 6.37.2(b) of the <i>Local Government Act 1995</i> .
(b) Developer contributions reserve	to hold developer contributions as required by State Planning Policy 3.6 Infrastructure Contributions (SPP 3.6).
(c) Aged persons unit reserve	to hold funds from the joint operation in accordance with the agreement with Department of Communities.
(d) Payment in lieu of parking plan reserve	to hold payment in lieu of parking as required by section 2.771 of <i>Planning and Development (Local Planning Schemes) Regulations 2015</i> .
(e) Leave reserve	To be used to pay annual and long service leave liabilities.
(f) Building reserve	Expenditure for the construction and maintenance of buildings.
(g) Airport reserve	Expenditure for the future maintenance, development and improvements at the Country Airport.
(h) Waste management reserve	Expenditure for future waste management the rehabilitation, redevelopment and development of refuse sites.
(i) Plant replacement reserve	Future expenditure for replacement of plant.
(j) Asset management reserve	Expenditure for future renewal of fixed assets.

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AASB 101.10(e)(ea)
FM Reg 37
AASB 101.38

34. TRUST FUNDS

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

	<u>1 July 2022</u>	<u>Amounts Received</u>	<u>Amounts Paid</u>	<u>30 June 2023</u>
	\$	\$	\$	\$
LGA 3.47 (5) Proceeds of sale of abandoned vehicles	684,691	326,401	(256,011)	755,081
Fire and Emergency Services Act 1998 36U ESL Levy	4,658	269,681	(258,097)	16,242
PDA 154 Cash-in-lieu of public open space	368,400	0	(56,897)	311,503
	<u>1,057,749</u>	<u>596,082</u>	<u>(571,005)</u>	<u>1,082,826</u>