



## Annual Report 2022-2023



## What is the Annual Report?

As required by the Local Government Act 1995 and associated regulations the Annual Report for 2022-23 provides an overview of the operations, activities and major projects undertaken by the Shire for that period, and includes major initiatives proposed to commence or to continue in the next financial year.

The performance of the Council is assessed against the Vision, Mission, Strategic Goals, Outcomes and Strategies as set out in the Shire of Broome Strategic Community Plan 2022-2032 and the Actions contained in the Corporate Business Plan 2022-2026.

These plans provide strategic focus for elected members and the organisation and affirm our commitments to the community.



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# Acknowledgement of Country

*Wirriya ngangaran liyan nyamba buru Yawuru*

We hope you are feeling good in our Yawuru country

The Shire of Broome acknowledges the Yawuru people as the native title holders of the lands and waters in and around Rubibi (the town of Broome) together with all native title holders throughout the Shire.

We pay respect to the Elders, past, present and emerging, of the Yawuru people and extend that respect to all Aboriginal Australians living within the Shire of Broome.





Our Vision

# Broome a future for everyone

Our Mission

To deliver affordable and quality  
Local Government services.



## Our Values

These are the values and behaviours that the Shire of Broome and the local community cares deeply about. We always strive to be:

**P**

**Proactive**, forward thinking, open-minded and innovative.

**E**

**for Everyone**; inclusive and welcoming of all people.

**A**

**Accountable**, transparent and ethical.

**R**

**Respectful** of everyone and everything.

**L**

**Listening** to people's needs and ideas; community focused.

**S**

**Sustainable**, aiming to meet present needs without compromising the ability for future generations to meet their needs.

# Our Four Pillars



## People

- Safety and security
- Public health and wellbeing
- Health and community services
- Housing
- Animal management
- Community buildings (Civic Centre)
- Sport and recreation (BRAC)
- Playgrounds, parks & reserves
- Library services
- Local history and heritage
- Festivals, events, art & culture
- Youth services
- Family & children services
- Seniors services
- Disability access
- Aboriginal history & heritage
- Volunteer support & recognition



## Place

- Conservation and environment
- Sustainable practices
- Beaches and foreshore management
- Mosquito control
- Waste management
- Ranger services
- Natural disaster management
- Planning and building approvals
- Asset management
- Sealed roads
- Unsealed roads
- Street lighting
- Parking
- Streetscapes
- Footpaths, cycleways & trails
- Marine facilities
- Transport linkages



## Prosperity

- Place activation
- Economic development
- Tourism attractions & marketing
- Telecommunications & internet
- Education and training
- Property investment portfolio management



## Performance

- Governance
- Council's leadership
- Integrated planning and reporting
- Advocacy and lobbying
- Financial management / value for money
- Rates
- Risk management
- Human resource management
- Innovation & technology
- Information management
- Community consultation
- Communication
- Customer service

# Statistics Snapshot 2022-23



**\$34.5M**

Value of Development Applications



**\$54.09M**

Value of Approved Building Applications



**351**

Number of Building Applications



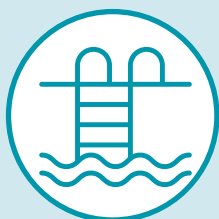
**79**

Development Applications



**67,321**

Library Loans



**44,707**

BRAC Pool Entries



**24,776**

Tonnes of Material Recycled



**2.46km**

New Footpaths



**\$4,090**

Kidsport Grants



**16,904**

People Attended Broome Civic Centre Events



**102**

New Australian Citizens



**2,000ppl**

Chinatown Christmas trails



**29**

Surf Rescues at Cable Beach



**777**

Ranger Infringements



**51**

General Complaints Responded to/Resolved



**4602**

Unique Client Devices

**62gb**

Traffic Transferred



## CAPITAL WORKS PROGRAM

2022/23 : \$11.7M  
2021/22 : \$18M  
2020/21 : \$23.8M

2019/20 : \$24.3M  
2018/19 : \$24.5M  
2017/18 : \$8.2M

2016/17 : \$10.6M  
2015/16 : \$9.1M  
2014/15 : \$6.9M

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# President's Report



The 2022-23 Shire of Broome Annual Report reflects the need to exercise caution in a challenging economic climate to ensure consistent service delivery to the Broome community while being able to commit to several exciting capital works projects.

I am proud of how the Shire worked through significant challenges caused by external factors, including CPI and interest rate increases over the last 12 months and continued to make Broome an even better place to live, work and visit.

With big-ticket projects such as Chinatown and Guwarri Town Beach completed, we were able to complete smaller but no less essential projects of which we are equally proud. These include the Regional Level Skate Park at BRAC, Port Drive and Guy Street roundabout, Stewart Street resurfacing, and the new Surf Life Saving Club.

We also completed the detailed design of our next major project, the Cable Beach Foreshore Redevelopment, which followed the excellent progress by the Shire during the detailed design stage, with the help of stakeholders and residents who contributed to the community consultation process. Stage 1 of the project is scheduled to commence in October 2023.

The Shire has also set in motion other significant community-focused projects. The lack of available housing and childcare services is a primary community concern. While these things fall out of a local government's core business, we have taken a proactive step by finalising the business case for Sanctuary Road Caravan Park, Key Worker and Over 55s Village to help address Broome's accommodation crisis. The project will feature 91 park homes intended as affordable housing for key workers. A private developer will build it, but the Shire is lobbying the state government for \$16.5 million to undertake headworks and some civil works to ready the site.

We also completed the detailed design of the Regional Resource and Recovery Park (RRRP) and obtained works approval for the Community Resource Centre, which will offer a full range of reuse and recycle services to maximise the diversion of materials from landfill.

After an extensive community consultation process, the Council's new Local Planning Strategy and Local Planning Scheme was approved by the Minister for Planning in early March, providing a broad strategic framework and detailed legislative controls for development within the Shire.

Complementing the Strategy is the progress of Old Broome/Chinatown and Cable Beach Precinct Structure Plans, which will revise and replace several

older strategies, providing a clear framework for the future development of these important mixed-use precincts.

The Shire continued to support the arts, culture and creative sectors with the completion of our Draft Arts and Culture Strategy and Action Plan 2023-28, which went to further community consultation.

The local arts sector and other community organisations benefited from more than \$155,000 in grants from the Shire's new Community Development Fund (CDF) program, funded by the Shire and Energy Developments Limited (EDL) - West Kimberley Community Fund.

Crime and community safety remain massive concerns, and our Community Safety Plan has led to the rollout of some positive initiatives. A highlight was securing \$334,000 in external grant funding from the Department of Justice, Department of Local Government, Sport and Cultural Industries, and Kimberley Development Commission to develop and deliver a new late-night youth program. Called 'A Sporting Chance'. The program has been introduced to address the issue of weekend night-time youth offending by offering a safe environment for young people to engage in popular sports while diverting them from offending and at-risk behaviours.

We capped off 2022-2023 by signing a Memorandum of Understanding with Nyamba Buru Yawuru. The MoU recognises our relationship and its benefits to the community and promotes the delivery of shared values for future generations.

As with our relationship with NBY, I believe Broome has an exciting future, and I look forward to seeing how many of our achievements and initiatives during the past 12 months will shape it.

Of course, these achievements are a legacy of the remarkable leadership of Cr Harold Tracey, who resigned from the Shire Presidency in March 2023 after six years at the helm. I thank him for everything he has done for Broome and for his guidance and support that prepared me to step into his shoes.

This Annual Report will provide more details of what the Shire has achieved over the last 12 months – thank you for your interest.

**Cr Desiree Male, Shire President**

# CEO's Report



The Annual Report is a yearly opportunity for the Shire and the community to reflect on the Shire's operations, activities, major projects, and achievements during the past 12 months.

The Shire made significant headway on vital infrastructure projects during the past year, including the new roundabout at one of the Broome's worst traffic black spots, the intersection of Guy Street and Port Drive, the new Broome Surf Saving Club and the Stewart Street resurfacing and streetscape improvements.

Another highlight was completing the Regional Level Skate Park at BRAC, which spectacularly opened to the public with one of the best events the Shire has held.

Replacing the old skate park became a priority after our 2020 Community Perceptions Survey showed people highly rated the importance of providing additional youth services in Broome. Once the project reached the design stage, we again reached out to the community to come up with ideas. It was heartening to see that, of the more than 200 people who responded, more than 120 were aged 22 or younger.

Already a valuable asset for Broome, the skate park is an excellent example of how everything the Shire does is driven by community feedback and consultation. The organisation works hard to engage with residents, businesses and relevant stakeholders at every possible opportunity.

We employed extensive public consultation for several important strategies during the past 12 months, including the Draft Arts and Culture Strategy and Action Plan 2023-28, the new Disability Access and Inclusion Plan (DAIP) for 2023-2028, and Old Broome/ Chinatown and Cable Beach Precinct Structure Plans. I encourage everyone to provide input on what the Shire is doing by engaging with the organisation.

The Shire has achieved many other things during the past 12 months for which the organisation can be proud.

It has provided grant funding, including \$155,000 from the new Community Development Fund (CDF), to not-for-profit organisations, charities, service providers, tourism businesses, and event organisers to deliver various initiatives.

Such funding boosts the local economy, creates jobs, and supports selfless organisations that embody the social fabric of Broome.

The Shire also uses local contractors and suppliers where possible to keep money in the community. In 2022-23 our local spending exceeded \$27 million

or 61 percent of our total spend, compared to 55 percent in 2021-2022.

The Shire's efforts were recognised from afar with state awards in 2022-23. Guwarri Town Beach Foreshore won the Coastal Design Award at the 2022 WA Coastal Awards for Excellence, the fifth major landmark project award, while the Conti Foreshore Shared Path was named the regional winner at the 2022 Your Move Awards in the Western Australian Bicycle Network (WABN) category.

While community safety remains a high concern for our community, the Shire continues to seek positive action through its Youth Plan and Community Safety Plan. We introduced 'A Sporting Chance', a youth diversionary program funded by \$334,000 in grants from the Department of Justice, Department of Local Government, Sport and Cultural Industries, and Kimberley Development Commission.

Meanwhile our Shire Rangers commenced joint patrols to target anti-social behaviour, including inappropriate driving on Cable Beach.

Moving forward, the construction of Stage 1 of the Cable Beach Foreshore Redevelopment project was ready to commence in late 2023, after the completion of its detailed design.

We also finalised the business case for the Sanctuary Road Caravan Park, Key Worker and Over 55s Village project to help address Broome's housing shortage and continue to lobby the state government for \$16.5 million to undertake headworks and some civil works to ready the site.

But we know there is still plenty to do and achieve our vision – Broome, A Future for Everyone – and we are determined to make Broome a better place to live, work, visit and invest.

The Shire's staff and Council are working hard to deliver quality services and facilities to our community. We hope this Annual Report will show you the results and achievements of our efforts.

**Sam Mastrolembro,**  
Shire Chief Executive Officer

# About Council

The Council of the Shire of Broome usually consists of nine elected members.

Councillors are elected for a four-year term, with half of their terms expiring every two years. Local Government Elections are currently held on the third Saturday in October every other year.

Shortly after the Ordinary Council Election held on Saturday, October 16, 2021, Cr Fiona Wood resigned with immediate effect. Council considered this matter at the Ordinary Meeting of Council held on November 18, 2021, where it was resolved to keep the position vacant until the next ordinary election in October 2023.

## Local Government Reforms

The Broome Shire Council resolved to voluntary move to electing the Shire President by a public vote, rather than being chosen by the councillors. The move is a result of reforms announced by Local Government Minister John Carey on July 3, 2022, which will compel Band 1 and 2 local governments to hold direct elections for City mayors and Shire presidents. The first such election will be in October 2023 after which the elected Shire President will take one of the nine Council seats.

The Council, therefore, resolved to endorse the *Shire of Broome Review of Wards and Representation Discussion Paper* and commence the review of its ward boundaries – the second such review since 2020 when the Council resolved to maintain the existing ward structure and the number of elected members.

The new review was further prompted by the local government reforms imposing the abolition of the ward structure from all tier three-and-four local governments. While the Shire of Broome was not required to abolish its ward system, the continued decline in the number of electors in the Dampier Ward led the Council to unanimously resolve to move to a no ward system and maintain the current level of representation at the Ordinary Meeting of Council on December 15, 2022.

## Shire President Resignation

Cr Harold Tracey resigned his position as Shire President effective from the Ordinary Meeting of Council on March 30, 2023, and remained on Council.

Deputy Shire President Desiree Male was elected Shire President and Cr Chris Mitchell to Deputy Shire President at a special meeting of Council on March 31, 2023.

## Elected Member Resignation

Cr Nik Wevers resigned from Council due to ill health effective from April 2023. It was resolved to keep the position vacant until the next ordinary election in October 2023.



**Cr Desiree Male**

Shire President  
(From March 31, 2022)  
Deputy Shire President  
(Until March 31, 2023)  
Broome Ward, Term: 2025



**Cr Harold Tracey**

Shire President (Until  
March 31, 2023)  
Broome Ward  
Term: 2025



**Cr Bruce Rudeforth**

Broome Ward  
Term: 2023



**Cr Philip Matsumoto**

Dampier Ward  
Term: 2025



**Cr Nik Wevers**

Broome Ward (until  
April 2023)



**Cr Peter Taylor**

Broome Ward  
Term: 2025



**Cr Chris Mitchell**

Deputy Shire President  
(From March 31, 2023)  
Broome Ward Term: 2023



**Cr Elsta Foy**

Dampier Ward  
Term: 2023

## Councillor Meeting Attendance

Council is the decision-making body of the Shire and usually meets on the last Thursday of every month, at 5pm.

The number of Council meetings held during the financial year ended June 29, 2023 and the numbers of those meetings attended by each Elected Member is as follows:

Councillor	Ordinary Council Meeting (11)	Special Council Meeting (4)	Annual Electors' Meeting (1)	Audit & Risk Committee Meeting (4)
Cr Harold Tracey (Shire President until 30/03/2023)	9	4	0	N/A
Cr Desiree Male (Deputy President until 31/03/2023. Then elected as Shire President)	11	4	1	4
Cr Chris Mitchell (Deputy President from 31/03/2023)	11	4	1	4
Cr E Foy	9	2	1	N/A
Cr P Matsumoto	10	4	1	N/A
Cr B Rudeforth	10	3	1	3
Cr P Taylor	9	4	1	1
Cr N Wevers (resigned 01/04/2023)	7	3	0	1 (Observer)

\* Cr Mitchell as Chairperson of the Bushfire Advisory Committee and the Local Emergency Management Committee attended 4 meetings of each committee.

Profile of Council Members	Age	M	F	Aboriginal or Torres Strait Islander
Between 18 years and 24 years	-	-	-	-
Between 25 years and 34 years	-	-	-	-
Between 35 years and 44 years	2	1	1	1
Between 45 years and 54 years	-	-	-	-
Between 55 years and 64 years	1	1	-	1
Over the age of 64 years	5	3	2	2



## Executive



**Sam Mastrolembo**  
Chief Executive Officer

- Elected Member Support
- People and Culture
- Media and Promotions
- Special Projects
- Occupational Health and Safety
- Community Development
- Community Engagement
- Place Activation



**James Watt**  
Director Corporate Services

- Administration
- Governance
- Finance
- Information Services
- Customer Service
- Rates
- Integrated Strategic Planning
- Community Facilities



**Jeremy Hall**  
Director Infrastructure

- Engineering and Civil Operations
- Landscape and Open Space
- Asset Management
- Waste Services
- Works Administration



**Keith Williams**  
Director Development Services

- Town Planning Building and Environmental Health
- Economic Development
- Rangers and Emergency Services

# About Broome

The Shire of Broome has an extraordinary prehistoric presence preserved by isolation. It has fossilised tracks made by dinosaurs 130 million years ago, some of the oldest recorded Aboriginal art in Australia and some of the earliest recorded European visits.

The Shire of Broome is located in the Kimberley covering approximately 56,000 square kilometres. The town of Broome is situated on the end of a peninsula, surrounded by ocean, and land-locked by distance, some 2,200 kilometres north of Perth. White sandy beaches are framed on one side by blue ocean waters and on the other by red pindan soils, providing a stunning backdrop for recreational, cultural and tourist activities.

Founded as a pearling port over a hundred years ago, Broome boasts a multicultural population with Koepanger, Malay, Chinese, Japanese, European and Aboriginal cultures all blended to create Broome's captivatingly friendly and flamboyant character. Around 28% of residents identify as Aboriginal or Torres Strait Islander. This is significantly higher than Western Australia (3.9%) and illustrates the central and significant position of Aboriginal people in the character and culture of the Broome community and economy.

Broome is the service and trade hub of the region, servicing agricultural, pastoral, mining and oil and gas production, and conservation jobs across the Kimberley. It also serves as the gateway for tourists and visitors to the Kimberley, including international visitors by cruise ship and aircraft.

The Shire of Broome was home to 16,959 people in 2021 and current projections indicate the population will reach 18,591 by 2031. However, the seasonal population of Broome can at times far exceed its residential population. Accounting for tourism visitors,

short-stay workers, business travellers and other workers and people from around the Kimberley and North West using Broome as a base, the population of Broome can fluctuate as high as 50,000 people on any given day.

The residential population of the Shire is younger than the rest of Western Australia, with the median age at 34 years old, compared to Western Australia median of 38 years, and 0-14 years accounting for almost one in four residents. In contrast, Broome has a significantly lower share of residents aged 65 and over and has a below average share of people aged 15-24. This is linked to a trend in regional towns of sending older school age students to Perth and other locations for secondary and tertiary education.

The socio-economic attributes of the Broome population are marginally below national averages, primarily owing to the Shire's relative remoteness and lower access by households to economic resources. Despite this, personal wage and salary incomes are generally higher than the rest of Western Australia, with a median personal weekly income of \$1,078 in 2021; which is \$230/week higher than the State average.

In 2022, the Shire of Broome was home to almost 8,336 jobs, up from 7,400 jobs in 2016, up from 7,050 in 2011 and 5,965 in 2006. The Health Care & Social Assistance industry sector is the largest employer in the Shire of Broome, with 1,604 jobs which represents 19.24% of total employment.

## 2022-23 Year in Review

This report summarises the Shire of Broome's progress during the 2022-23 Financial Year toward attaining the goals, outcomes and strategies set out in the Shire's Strategic Community Plan 2022-2023.





## Regional Level Skatepark

Construction of \$1.5 million skate park facility at the Broome Recreation and Aquatic Centre was completed in September 2022. Part of the BRAC Youth Precinct, the project was jointly funded by the Shire and LotteryWest.

The skate park was officially opened with a two-day SKATE Festival funded by the SportAus Regional Events Fund and Shire of Broome, which featured pro skaters, entertainment, and interactive coaching for all abilities.

Feedback from the Broome community went into the final skatepark design, with more than 200 responses received during the public submission period in 2020 – with about 61 per cent coming from people aged 22 or younger.

Designed by award-winning skatepark designers Convic in partnership with local people, the new skatepark, which was high on the list of facilities that were highlighted as priorities in the Community Scorecard released in June 2022, quickly became an invaluable community asset,



The Shire has invested heavily into sporting infrastructure in recent years and our amenities locally are now as good as any across regional Western Australia.



# Our People

## Cable Beach Masterplan

The detailed design of the Cable Beach Foreshore Redevelopment Upgrade project was completed, paving the way for the \$12 million Stage 1 works in late 2023.

The project's realisation will follow a six-year community consultation and design process looking into how best to protect the Cable Beach Foreshore and improve the amenity of the world-famous tourist attraction.



Highlights include:

- A new urban public space linking the beach entrances near Zanders restaurant and the Broome Life Saving Club
- A children's water park and dry playground
- A youth space
- Shade structures
- Additional lawn areas and facilities for small and larger-scale concerts and events
- Reprofiled sand dunes that will better protect them from storms and erosion

- Realigned amphitheatre, which will offer better ocean views and ability to host events.

Work on the project will be carried out in two stages to ensure the ongoing usability of the area, starting with Stage 1, which will transform the area behind the Surf Club and will involve undergrounding the drainage network adjacent to the carpark to create additional space.



# Our People

## Environmental Health

The Environmental Health team at the Shire assesses and manages the public health risks associated with where people live and gather. These risks can arise from the food we eat, the water we use, in the air, in the soil and in relation to the built environment. This includes for example, assessing the risks in food businesses, public buildings, lodging houses, caravan parks and aquatic facilities – pools that the public can use. There are around 300 businesses and nearly 100 pools that the team has a regulatory responsibility for. The Shire's Environmental Health Officers investigate certain disease notifications and outbreaks where they relate to food, water or mosquito borne disease and are also involved in disaster response such as following cyclones, floods or bushfires. The team plays an essential role in mosquito management and ensuring public events are safe by design. The photo included here shows an Environmental Health Officer monitoring a wetland area for mosquito breeding.



## Broome Public Library

The Broome Public Library is a thriving education and community hub that provides a range of services to residents and visitors. Along with traditional book loans, a swathe of electronic services and youth programs are used extensively.

## Broome Civic Centre

The Broome Civic Centre is Broome's premier venue, with a total of 16,904 attending the facility in the 2022-23 Financial Year. Highlights included the Kimberley Economic Forum, Yuck Circus and the Melbourne International Comedy Festival Roadshow.





## Sport and Recreation

Participation in sport and recreation continues to grow in Broome, with the Shire acutely aware that the provision of relevant infrastructure is critical for our community.

The Broome Recreation and Aquatic Centre is a much-loved sporting hub for families, youth and sporting groups – and the home for sport in Broome. Its increasing popularity has established a need to extend the dry-side area, which will include the construction of new facilities and refurbishment of existing facilities to create a complete health and well-being offering for the community and an enhanced visitor experience. Design commenced in May 2023 and is expected to be completed in March 2024.



**47,707\***

▼ -34%

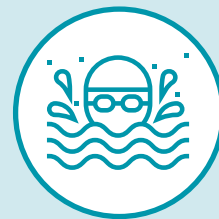
BRAC pool entries  
(casual, swim lessons, aqua)



**8,219**

▼ -14%

Group fitness



**5,299\***

▼ -3%

Swim lessons  
attended

\* Staff shortages during 2022-23 led to a reduction in pool opening hours and school holiday activities.



**1,815**

▲ +37%

Bookings for  
squash courts  
(hours usage)



**2,105**

▲ +18%

Basketball  
shoot arounds



**636**

▼ -28%

Participants in  
social badminton



**969\***

▼ -52%

School holiday  
program  
participants



**\$4,090**

Kidsport Funding  
179 recipients

▼ -81%

## Our People



### Broome Surf Club

In partnership with the Broome Surf Life Saving Club, work is almost complete on the new \$4.1 million Surf Life Saving Club, expected to be open in July 2023. The project was funded by contributions from LotteryWest, Kimberley Development Commission, Department of Sport & Recreation, Broome Surf Lifesaving Club and the Shire of Broome.

### Signing of MOU with NBY

The Shire of Broome and Nyamba Buru Yawuru signed a Memorandum of Understanding recognising our relationship and the benefits it provides to the community and promoting the delivery of shared values for future generations.





Image: ABC Kimberley

## A Sporting Chance

The Shire secured \$334,000 in external grant funding from the Department of Justice, Department of Local Government, Sport and Cultural Industries and the Kimberley Development Commission to deliver a new late-night youth diversionary program called 'A Sporting Chance'. The program launched on June 20, 2023 with a basketball clinic by Perth Wildcats stars Bryce Cotton and Damian Martin.



## Broome Air Raid 81st Anniversary

The Shire of Broome, in collaboration with several community organisations, hosted a program of events to commemorate the Broome Air Raid in March, 2023, marking one of the deadliest wartime attacks on Australian soil. The public program of events, included the official commemoration at the Bedford Park War Memorial attended by a number of dignitaries including the Netherlands Ambassador, British High Commissioner and Japanese Consul General to Western Australia. The event was held a year after plans to host the 80th Commemoration were postponed due to risks related to COVID-19 and ex-Tropical Cyclone Anika.

## Air Raid Artwork Launch

Ex-Tropical Cyclone Anika also delayed the launch of the Nine Zeroes Nine Stories Air Raid artwork at Town Beach, which was later held in August as part of the Shinju Matsuri Festival. The commemorative sculptures by local artist Chris Marr feature some of the harrowing stories from the carnage that saw 88 people killed when Japanese aircraft attacked the airport and flying boats on Roebuck Bay. The event was held in partnership with the Broome Historical Society, St Mary's College and Broome Senior High School.



## Our People

### WAFL/WAFLW footy at BRAC

The Broome Recreation and Aquatic Centre hosted the first West Australian Football League match to be played in Broome since 2006. The Claremont Football Club hosted the doubleheader that saw its men's side play East Fremantle, with the Tiger's women's side

playing Subiaco for premiership points. In perfect weather, the Father McMahon football Oval looked resplendent on the day, thanks to the efforts of the Shire's Parks team, which meticulously curated the oval for the event.



### Joint ranger and police patrols

Regular joint patrols with Shire Rangers and Broome Police targeting anti social behaviour were held around the Shire, including Cable Beach to counter speeding and other dangerous driving practices along the vehicle permitted zone to the north.





## Broome Eclipse Event

Hundreds of people turned out to view the solar eclipse at Town Beach Marketplace on April 20, 2023. The Shire provided free eclipse protective viewing glasses and provided live music, facepainting and galaxy themed ice cream.

## Pioneer Cemetery commemorative art

The Shire commissioned MudMap Studio and Scapeism to create a commemorative public art piece at the Broome Pioneer Cemetery at Town Beach, which draws inspiration from a poem written by Harry Talboys - a sea captain and pearly who is buried at the cemetery.

The text from this special poem, 'Lost Footsteps', has been incorporated in the concrete of the entry wall as a handwritten graphic, to encapsulate the memory of those buried there. Photos of those buried at the cemetery have been kindly provided by the Broome Historical Society and embedded within the cemetery map, for ease of reference for those visiting.

The Broome Pioneer Cemetery project was funded by the Shire and Lotterywest, and has highlighted the significance of the space while being respectful of the aesthetic design required.

## On Country Youth Diversionary Program

\$15 million committed by State Government for an on-country residential facility aimed at reducing the high rate of youth crime and re-offending in the Kimberley following significant Shire of Broome advocacy.



## Our People

### Arts and Culture Strategy consultation

As part of the development of the *Draft Arts and Culture Strategy 2023-28*, the Shire engaged consultant Element Advisory, and stakeholders as part of the Arts, Culture and Heritage Community Reference Group (ACHRG) which included Nyamba Buru Yawuru, Magabala Books, Marrugeku, Kimberley Arts Network, Theatre Kimberley, Shinju Matsuri, Goolarri Media, Nagula Jarndu, and the Broome Historical Society. The consultation process also included community workshops in Broome and remote communities such as Beagle Bay, Lombadina, Djarindjin, Ardyaloon, and Bidyadanga.



### Disability Access and Inclusion Plan community forums

The Shire sought community input into its new Draft Access and Inclusion Plan (DAIP) for 2023-2028, which included several different ways for people to get involved and provide feedback. These included community forums held at the Shire Admin Building, a survey available in hard copy and online, and a chance to view and comment on draft strategy and comment online or at community engagement stalls.



## Volunteer Expo

Held during National Volunteer Week in May, the Shire's Volunteer Expo brought a range of community organisations together to inspire potential volunteers and showcase the many ways in which people can get involved and make a positive impact in our community. The event at Broome Civic Centre featured inspirational speakers and information stalls, as well as live music and free food.



### Citizenship



**6**

Australian  
citizenship  
ceremonies



**102**

New Australian  
citizens



**26**

Countries of  
origin

# Our Place

## Sanctuary Road Business Case

The Council endorsed the Business Case for an exciting new accommodation project that has the potential to help alleviate the housing shortage in our town.

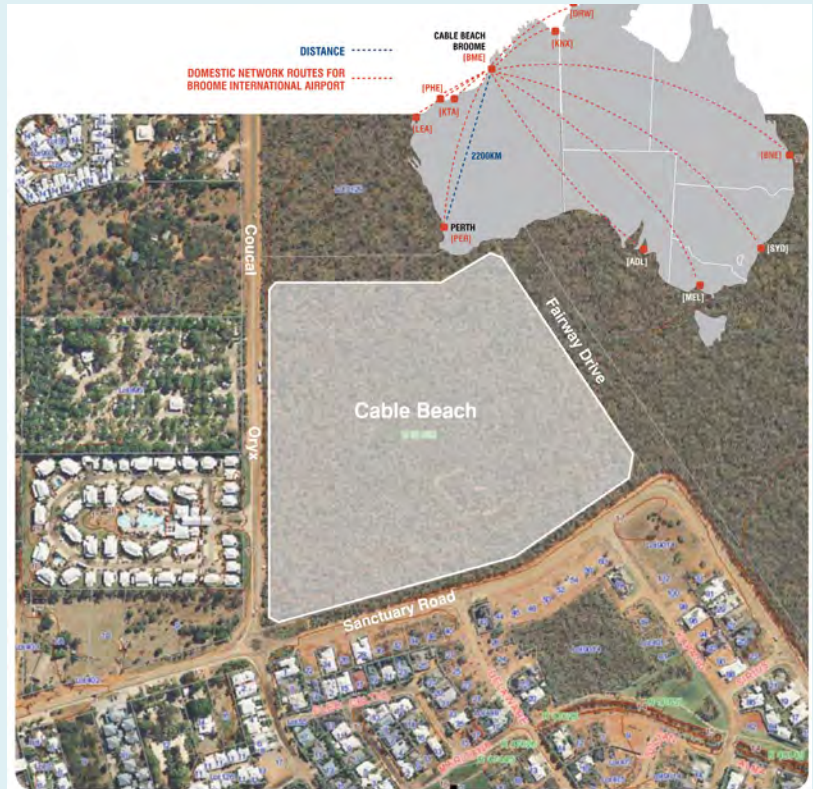
The proposed new Sanctuary Road Caravan Park, Key Worker and Over 55s Village has been devised by the Shire and would include tourist campsites, key worker accommodation and an over 55s village.

After significant work by Shire officers, Broome Councillors unanimously endorsed the project's business case at last week's Council meeting.

It will now become a high-priority project for the Shire, which will be advocating for Government support to make the new accommodation option a reality.

The housing shortage is a major issue in Broome and the Shire wanted to play a role in providing a solution.

While it is not the role of a local government to construct homes the Shire hosted housing crisis roundtable meetings with relevant government departments and agencies, but with no real solution to the issue forthcoming, it decided to take the initiative. The shovel-ready project would provide 420 sites for tourist accommodation and relocatable housing of different descriptions and would address the



critical need for cost-effective accommodation options for key workers and over-55s.

The Shire has commenced advocating for State and Federal Government funding to get this impressive project off the ground.



## Port Drive/Guy Street Roundabout

Work on installing a roundabout to make one of Broome's most notorious intersections safer began in May 2023.

After delays caused by a shortage of available road construction companies in the Kimberley, the Shire successfully engaged Roadline Civil Contractors to carry out the works. The existing T-intersection was dug up to make way for the roundabout, which required closing that section of busy Port Drive.

The project is expected to run until October 12, 2023, during which time the intersection will be closed to traffic. The old intersection, which included a slip lane off Port Drive into Guy Street from the north, was the scene of at least nine serious accidents since 2016.

All but one, which involved a pedestrian, occurred during daylight conditions.

The \$1.4 million project received significant state government funding, including a \$520,000 Black Spot, and \$350,000 Road Project grants from Main Roads WA, and a \$125,000 contribution from Roads to Recovery grant funding through the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.





## Our Place

### Regional Resource Recovery Park

The detailed design of the Regional Resource Recovery Park (RRRP) was finalised and works for approval for the Community Resource Centre obtained. With the current Buckley's Road Waste Management Facility nearing the end of its operational life, the Shire embarked on extensive investigation of new sites within a

60km radius of Broome, and after community consultation in 2021, a site on the corner of the Broome-Cape Leveque and McGuigan Roads was chosen.

The RRRP will have several key elements including a Community Recycling Centre (CRC) and a new Best Practice Class III Landfill.

### Stewart Street upgrade

The \$800,000 upgrade of Stewart Street in Broome, between Weld and Herbert Streets was completed, with work done in-house by Shire engineers and outdoor crews. The work included resurfacing the seven-metre wide road and laying mountable kerbing along both sides and a footpath to provide safe pedestrian linkage.



# Infrastructure



## Drainage

Open drain/swale

**38.46km**

Pipe drainage

**15.94km**

Culverts

**4.24km**



## Footpath

Total length

**121.05km**

New concrete  
footpath installed

**2.46km<sup>2</sup>**



## Roads

Total

**385.52km**

Sealed

**212.63km**

Unsealed

**163.9km**

Bitumen reseal  
for 2022/23

**57,046m<sup>2</sup>**



## Public Open Space

Grassed Areas

**349,856m<sup>2</sup>**

Garden beds

**9,976m<sup>2</sup>**

Retic lateral lines

**47.07km**

Retic main lines

**13.3km**

Water tanks

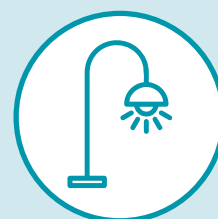
**28**

Drink fountains

**48**

Rubbish bins

**216**



**458**

**Lighting**

Total public open space  
and street lights  
(Shire maintained)

Sporting lights  
(Haynes, Male, BRAC)

**51**

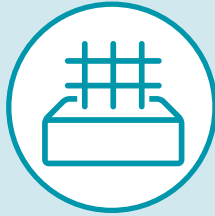
# Waste and Recycling

## Recycling



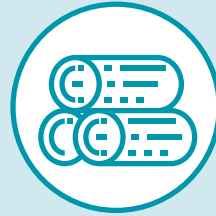
**1,518**

Tonnes of  
steel



**5,063**

Tonnes of  
concrete



**6,640**

Tonnes of  
greenwaste and timber



**228**

Tonnes of  
glass



**46.64**

Tonnes of mixed recyclables  
like plastics and cardboard



**192.5**

Tonnes of  
tyres



**12**

Tonnes of  
e-waste



**37.5**

Tonnes of  
batteries

## Kerbside Recycling Collection



**1,374**

Tonnes



**135,514**

Collections

### Total Recycling



**24,776**

Tonnes

## Landfill

### Kerbside Waste Collection



**4,804**

Tonnes



**335,553**

Collections

### Total Landfill



**24,990**

Tonnes

# Our Place

## Ranger Services

The Shire of Broome Ranger team focuses on community safety by encouraging and ensuring compliance with relevant state and local laws.

It takes an education-first approach where appropriate and follows up with regulatory actions as required. In 2023-23, Rangers issued 777 infringements, compared to 895 notices in 2021-2022.

Shire Rangers continued to partner with officers from the WA Police Force in an attempt to stamp out anti-social behaviour in Broome's town centre.

The Shire Ranger team also partnered with RSPCA, SAFE Broome and local welfare agencies to host a Community Action Day in July 2023. Free microchipping and pro-rata registration were offered for local dogs, as well as free dog food and giveaways.



## Planning Approvals

The shortage of rental properties in Broome remained a major concern for the Shire in 2022-23, with approvals for single dwellings almost halving. As seen in the table below, the number of single dwelling building permits issued in 2022-23 almost halved to 45 – from 87 in 2021-2022. However, this is still significantly higher than the four years leading to the COVID-19 pandemic.

Building Permits Issued	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Single dwellings (Class1a & 4)	78	23	31	20	14	76	87	45
Group dwellings	0	0	0	0	1	0	0	0
Additions (Class1a & 4)	14	13	16	3	80	23	17	20
Outbuildings (class 10a)	126	93	74	72	99	111	80	77
Commercial/Industrial (Class 5,6,8,9)	27	19	19	27	25	10	28	19
Pool (class 10b)	89	73	48	32	57	76	100	90
Tourist (class 3 & 1B)	1	0	1	0	1	1	5	7
Class 10b Other								89
Demolition	5	5	6	6	9	9	5	4
<b>TOTAL</b>	<b>340</b>	<b>226</b>	<b>195</b>	<b>160</b>	<b>286</b>	<b>306</b>	<b>322</b>	<b>351</b>
<b>TOTAL VALUE</b>	<b>\$60.5m</b>	<b>\$25.1M</b>	<b>\$28.3M</b>	<b>\$17.1M</b>	<b>\$41.9M</b>	<b>\$55.3M</b>	<b>\$80.8M</b>	<b>\$54.09M</b>

## Our Prosperity

The Shire of Broome places high importance on the economic prosperity of our town and looks to support local businesses at all opportunities. The Shire works closely with the Broome Chamber of Commerce and Industry (BCCI). It proudly sponsored the Kimberley Economic Forum held at the Civic Centre in November 2022 and co-produced and funded the Invest in Broome brochure, which aims to attract more local businesses and investment.

The Shire is also a long-term financial supporter of local community groups and organisations in the events and not-for-profit space. In January 2023 it invited applications for its new Community Development Fund (CDF), which is providing grants between \$500 and \$40,000.

The CDF has been introduced to bring together the previous Annual Community Matched Funding and Events Development Fund programs and has three funding streams to make it easier for more eligible organisations to secure funding that supports a wide range of activities across the Shire.

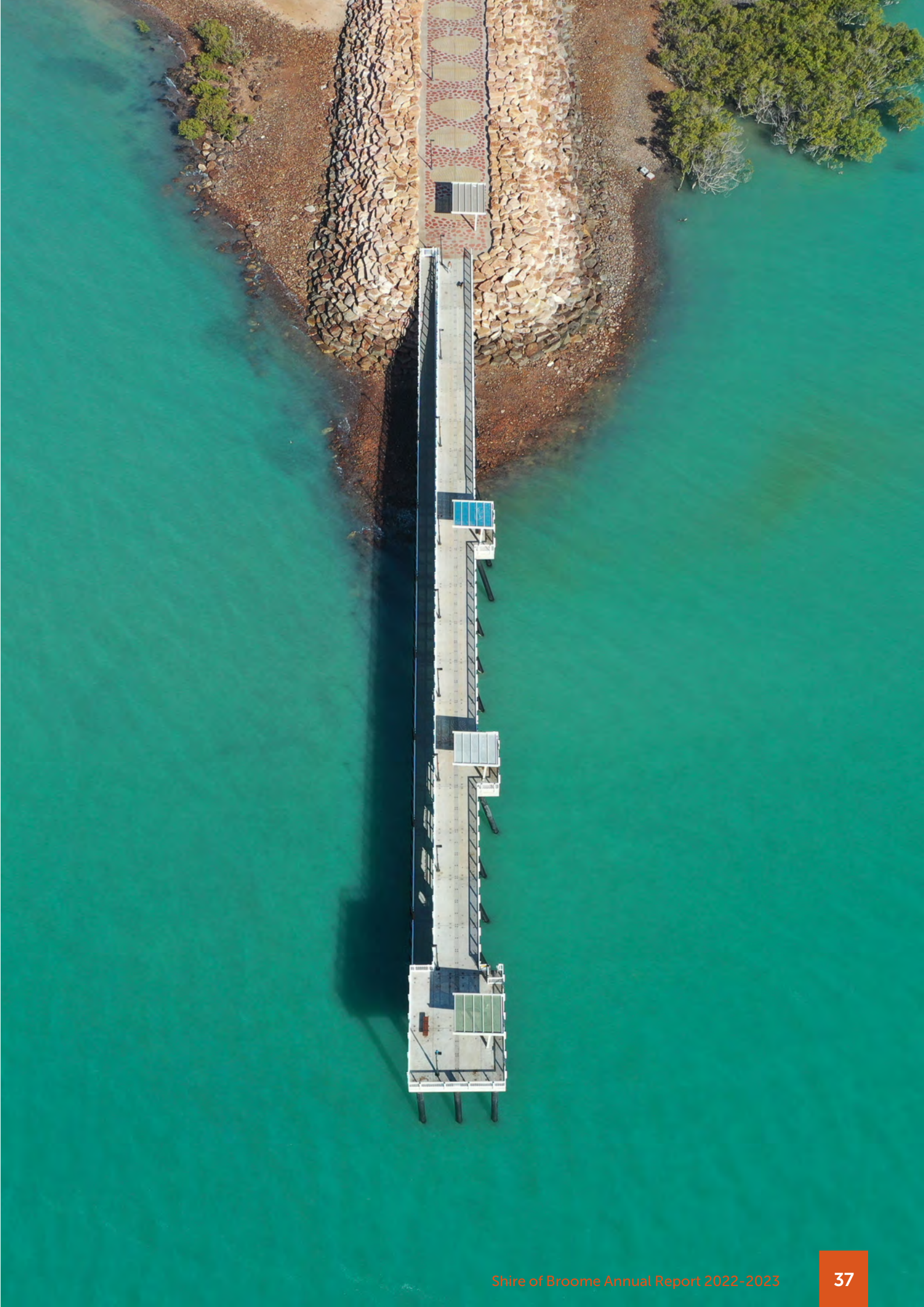


In May 2023 the Council pledged to provide funding to 14 community organisations totalling \$155,396.22 under Streams 1 and 2 of the CDF, with the money to support the development of animal welfare, social, cultural, economic, recreational, environmental, and reconciliation projects and initiatives that benefit the Broome community.

Recipients included Broome Community Resource Centre, Burrb Wanggarraju Nurlu, Broome Bowling Club, Kimberley Arts Network, West Kimberley Junior Football League and Theatre Kimberley – which will use its \$20,000 grant to support Raranga (Worn Art Revamped 2023), a culturally diverse multi-arts performance, which will celebrate local art, culture and heritage.

The Shire of Broome utilises local contractors and suppliers where possible to keep money in the community. In 2022-23 our total spend was 61 percent, compared to 55 percent in 2021-2023.

	Non Local Spend	Local Spend	Total Spend	Percentage Non Local Spend	Percentage Local Spend
Jul-22	\$2,017,167.73	\$1,562,534.54	\$3,579,702.27	56%	44%
Aug-22	\$902,352.24	\$1,435,944.83	\$2,338,297.07	39%	61%
Sep-22	\$1,485,864.64	\$782,022.38	\$2,267,887.02	66%	34%
Oct-22	\$556,091.21	\$1,305,361.29	\$1,861,452.50	30%	70%
Nov-22	\$1,184,164.65	\$1,524,539.01	\$2,708,703.66	44%	56%
Dec-22	\$1,174,592.85	\$1,506,202.12	\$2,680,794.97	44%	56%
Jan-23	\$655,624.02	\$1,266,269.11	\$1,921,893.13	34%	66%
Feb-23	\$174,633.71	\$1,541,171.27	\$1,715,804.98	10%	90%
Mar-23	\$133,502.55	\$1,252,862.11	\$1,386,364.66	10%	90%
Apr-23	\$349,465.62	\$817,043.65	\$1,166,509.27	30%	70%
May-23	\$373,586.42	\$825,898.13	\$1,199,484.55	31%	69%
Jun-23	\$1,617,753.34	\$2,658,799.52	\$4,276,552.86	38%	62%
<b>Total</b>	<b>\$10,624,798.98</b>	<b>\$16,478,647.96</b>	<b>\$27,103,446.94</b>	<b>39%</b>	<b>61%</b>





## Our Performance

### Compliance

#### Register of Complaints

During the period July 1, 2022 to June 30, 2023, no breach or complaint was registered under Part 5, Division 9 of the Local Government Act 1995.

#### Freedom of Information

The Shire of Broome is subject to the *provisions of the Freedom of Information (FOI) Act 1992*.

The Shire processed 23 Freedom of Information requests in 2022-2023.

The Shire has reviewed its Information Statement Document, which is published to the Shire Website as required under the FOI Act. For further information on the Freedom of Information process, visit [www.broome.wa.gov.au/Council/Governance/Freedom-of-Information](http://www.broome.wa.gov.au/Council/Governance/Freedom-of-Information).

#### State Records Compliance

The Shire of Broome's amended Recordkeeping Plan (RKP) was endorsed by the State Records Commission (SRC) in August 2019.

This five-year plan details the goals and strategies for recordkeeping within the Shire of Broome and demonstrates the Shire's commitment to accurate and compliant recordkeeping practices per the State Records Act 2000. It can be found on the Shire website at [www.broome.wa.gov.au/Council/Publications-and-Reports/Strategic-and-Corporate-Reports](http://www.broome.wa.gov.au/Council/Publications-and-Reports/Strategic-and-Corporate-Reports).

### Risk Management

#### Risk Management Strategy and Procedures

The Shire has developed Risk Management Strategies and Procedures to align with best practice, Australian standards AS/NZS ISO 31000:2018, and provide clear definitions of risk assessment criteria, measures of likelihood, risk acceptance criteria and control ratings.

The Shire's risk management practices are intended to formally assess and document the commitment and objectives regarding managing uncertainty that may impact the Shire's strategies, goals or objectives as outlined in the Strategic Community Plan and Corporate Business Plan of Council.

The implementation of a cloud-based risk management system that provides the Shire with a single risk register progressed during 2022-23 and is expected to be fully operational by mid 2024.

The aim of the risk management program is heavily focussed on control assurance, with priority placed on those risks assessed to have the highest plausible consequence.

The Shire continues to work closely with Local Government Insurance Service (LGIS) on risk-related improvement initiatives and providing re-insurers confidence in the Shire's processes and procedures.

The Shire's property portfolio was revalued during the year to ensure that the sum insured remains adequate.

## Disability Access and Inclusion Plan (DAIP)

The Disability Services Act 1993 requires all local governments and selected State Government agencies to develop a Disability Access and Inclusion Plan (DAIP).

The Shire's current DAIP extends to the end of 2023 and was endorsed by the Department of Communities – Disability in 2018.

The Annual DAIP report was submitted in July 2022 and outlined a number of initiatives that demonstrate that the Shire is meeting its obligations in implementing the plan.

The initiatives delivered in 2021-22 have enhanced access and inclusion in the community and include:

- Ensuring accessibility to ensure key Shire events were inclusive, including the Solar Eclipse event, Skate School Holiday program, Volunteer Expo, and Night Market. This included wheelchair accessibility, easy-to-read promotional material and quiet zones.
- Completion of accessible toilet refurbishment at Broome Public Library.
- Inclusive event training for library staff.
- Engagement of an AUSLAN interpreter for Broome Civic Centre events.
- Continued development of events and programs for Disability Awareness Week to increase community awareness of accessible and inclusive opportunities within the Shire facilities.
- Equal Access, disability access consultants, commissioned to undertake an existing site and building conditions accessibility assessment of Shire facilities and precincts.
- Ensuring DAIP was considered in the detailed design of the Cable Beach Foreshore Redevelopment project.
- Sent a letter to Minister Don Punch to assist in pushing for an appropriate taxi service provider to take advantage of the grant funding for a Wheelchair Accessible Taxi in Broome.
- Increased recruitment outreach to job networks and disability service providers in Broome.
- All job adverts include EEO-specific wording to encourage all persons to apply.

## New DAIP

The Shire began drafting a new DAIP for 2023-2028 sought community input with a survey, two community forums at the Shire offices, and a community engagement stall at the Broome Boulevard shopping centre, in preparation for submission to Council in July 2023.

## Information Technology

The Shire is continually reviewing and implementing new technology to assist in streamlining operations and providing a positive return on investment use of Technology for its internal and external stakeholders.

Highlights in this space over 2022-23 include:

- Replacement of the Shire's core ICT network infrastructure and bringing it in line with today's standards to ensure reliability and scalability.
- Updating the Public Wi-Fi networks available to the community and its visitors at the Broome Recreation and Aquatic Centre and the Civic Centre.
- Deployment of Microsoft's management suite for Shire devices. This allows better reporting, visibility, security, and management.
- Commencement of the rollout to refresh Shire's aged endpoints (desktops and laptops)
- Commencement of the rollout of new Point of Sale (POS) devices at the Library, BRAC and the Civic Centre to allow improved integration of the programs required at these locations.
- Upgrades to hardware at the Shire's ICT Disaster Recovery site and increased testing of its data protection and backup processes.
- Engagement with the Library to update the current library management system into the State Libraries cloud-based option.
- Engagement with BRAC to assist in the facilitation of connectivity for the replacement LED scoreboards and solar array.
- Cyber Security maturity assessments of ICT infrastructure and platforms to assist in increasing the Shire's maturity posture.

Over the next 12 months, the following projects will be progressed:

- Continued focus on the completion of the ICT Strategy Plan 2022-26.
- Completion of the rollout to refresh aged endpoints and the replacement of the Point of Sale (POS) devices.
- Continued focus on increasing Cyber posture and further testing on remediations achieved.
- Review of the Shire Town CCTV platform.
- Improvements to the Shire public event booking platform.
- Review of current data protection against Cyber threats.
- Review and increase the capacity of the Shire's network links at each Shire facility.

# Our Performance

## Employee Salary

In accordance with the Local Government (Administration) Regulations 19B (2)(b), the Shire of Broome is required to disclose in bands of \$10,000 the number of employees entitled to an annual salary package of \$130,000 or more.

Salary Range	2022/2023
\$130,000 - \$139,000	0
\$140,000 - \$149,000	4
\$150,000 - \$159,000	5
\$160,000 - \$169,000	0
\$170,000 - \$179,000	0
\$180,000 - \$189,000	0
\$190,000 - \$199,000	1
\$200,000 - \$209,000	0
\$210,000 - \$219,000	2
\$220,000 - \$229,000	1
<b>Grand Total</b>	<b>13</b>

## Chief Executive Officer Remuneration

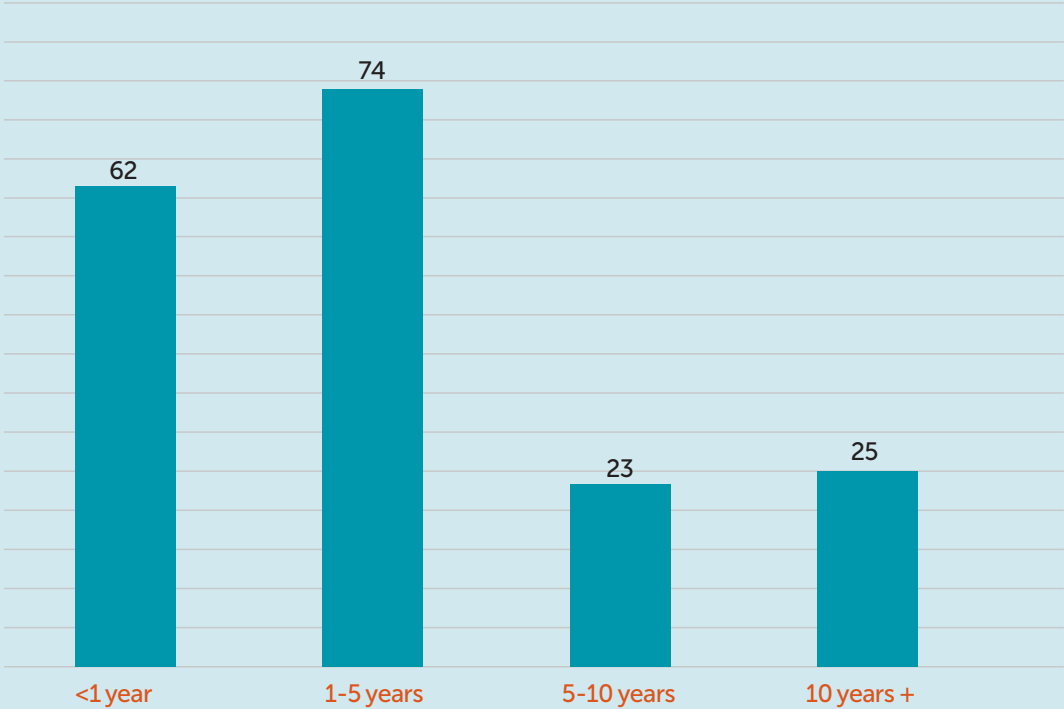
In accordance with the Local Government (Administration) Regulations 1996, Regulation 19B (2)(e) the remuneration provided to the CEO during the financial year was \$300,424.

## Employees

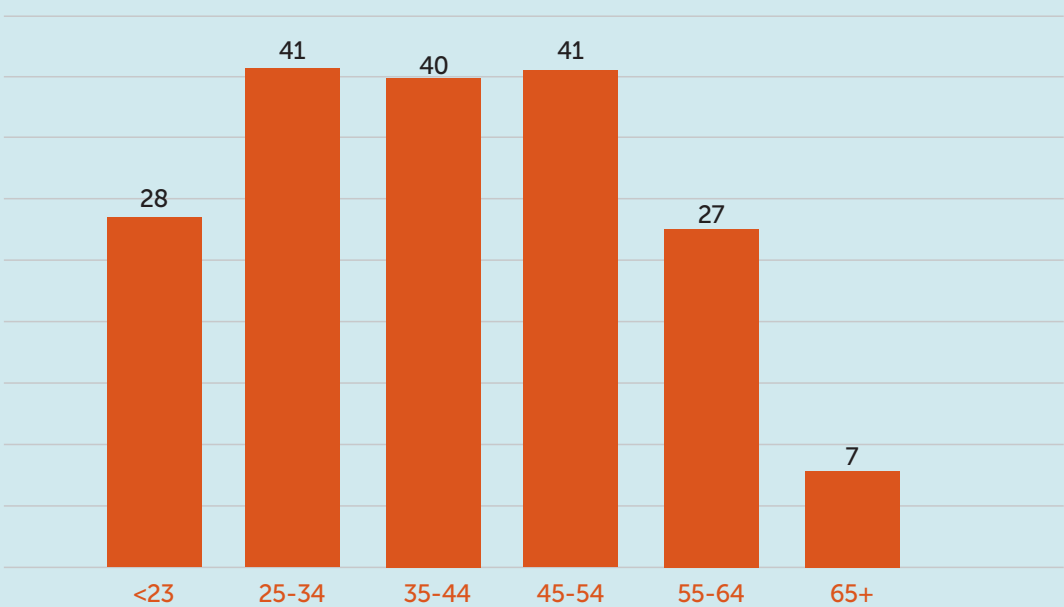
Gender	Casual	Full Time	Part Time	Total
Female	37	35	17	89
Male	13	81	1	95
<b>Grand Total</b>	<b>60</b>	<b>116</b>	<b>18</b>	<b>184</b>

Directorate	Casual	Full Time	Part Time	Total
CEO	0	13	2	15
Development	3	16	3	22
Corporate	60	36	8	104
Infrastructure	1	65	2	68
<b>Grand Total</b>	<b>64</b>	<b>130</b>	<b>15</b>	<b>209</b>

Employee Years of Service



Employee Age





# 2022/23 Financial Statements

For the year ended 30 June 2023

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

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Independent Auditor's Report	47

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

*Broome - a future, for everyone*

**Principal place of business:**  
27 Weld Street  
BROOME WA 6725

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

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

**STATEMENT BY CEO**

The accompanying financial report of the Shire of Broome 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

14th day of

December 2023



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Chief Executive Officer

Salvatore Mastrolemba

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Name of Chief Executive Officer

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

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
<b>Revenue</b>				
Rates	2(a),25	24,990,045	25,001,626	23,902,635
Grants, subsidies and contributions	2(a)	5,071,704	1,688,116	3,281,048
Fees and charges	2(a)	10,249,483	11,607,813	9,248,594
Interest revenue	2(a)	1,843,730	436,559	419,247
Other revenue	2(a)	1,623,088	1,337,814	984,805
		43,778,050	40,071,928	37,836,329
<b>Expenses</b>				
Employee costs	2(b)	(16,566,290)	(16,323,913)	(16,813,230)
Materials and contracts		(9,739,714)	(11,301,459)	(8,059,965)
Utility charges		(2,142,307)	(2,151,708)	(2,359,931)
Depreciation		(16,806,742)	(18,142,152)	(14,277,414)
Finance costs	2(b)	(273,946)	(202,898)	(242,307)
Insurance		(1,011,767)	(785,277)	(720,985)
Other expenditure	2(b)	(1,534,050)	(2,208,463)	(1,019,519)
		(48,074,816)	(51,115,870)	(43,493,351)
		(4,296,766)	(11,043,942)	(5,657,022)
Capital grants, subsidies and contributions	2(a)	4,854,817	12,633,743	8,583,402
Profit on asset disposals		92,049	202,995	34,267
Loss on asset disposals		(96,025)	(254,543)	(48,227)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	4,607	0	4,996
Loss on revaluation of Infrastructure - Others	9(a)	0	0	(8,383,982)
Loss on revaluation of Infrastructure - Landfill assets		(340,297)	0	0
		4,515,151	12,582,195	190,456
<b>Net result for the period</b>	24(b)	<b>218,385</b>	<b>1,538,253</b>	<b>(5,466,566)</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	0	0	17,846,697
<b>Total other comprehensive income for the period</b>	16	<b>0</b>	<b>0</b>	<b>17,846,697</b>
<b>Total comprehensive income for the period</b>		<b>218,385</b>	<b>1,538,253</b>	<b>12,380,131</b>

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



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

	<b>NOTE</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	50,477,249	43,413,804
Trade and other receivables	5	1,813,447	2,015,721
Other financial assets	4(a)	96,154	0
Inventories	6	30,354	31,520
Other assets	7	160,912	225,940
<b>TOTAL CURRENT ASSETS</b>		<b>52,578,116</b>	<b>45,686,985</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	82,550	48,671
Other financial assets	4(b)	1,255,708	1,347,255
Property, plant and equipment	8	87,047,673	86,054,785
Infrastructure	9	324,369,191	332,051,620
<b>TOTAL NON-CURRENT ASSETS</b>		<b>412,755,122</b>	<b>419,502,331</b>
<b>TOTAL ASSETS</b>		<b>465,333,238</b>	<b>465,189,316</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	3,264,285	5,824,127
Other liabilities	12	7,356,858	4,329,941
Borrowings	13	551,033	444,162
Employee related provisions	14	1,772,619	2,783,876
Other provisions	15	234,420	91,147
<b>TOTAL CURRENT LIABILITIES</b>		<b>13,179,215</b>	<b>13,473,253</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	13	7,235,712	6,786,745
Employee related provisions	14	302,961	267,558
Other provisions	15	2,833,275	3,098,070
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>10,371,948</b>	<b>10,152,373</b>
<b>TOTAL LIABILITIES</b>		<b>23,551,163</b>	<b>23,625,626</b>
<b>NET ASSETS</b>		<b>441,782,075</b>	<b>441,563,690</b>
<b>EQUITY</b>			
Retained surplus		153,126,798	155,253,553
Reserve accounts	28	35,137,161	32,792,021
Revaluation surplus	16	253,518,116	253,518,116
<b>TOTAL EQUITY</b>		<b>441,782,075</b>	<b>441,563,690</b>

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



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

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2021</b>		<b>162,665,877</b>	<b>30,846,263</b>	<b>235,671,419</b>	<b>429,183,559</b>
Comprehensive income for the period					
Net result for the period		(5,466,566)	0	0	(5,466,566)
Other comprehensive income for the period	16	0	0	17,846,697	17,846,697
Total comprehensive income for the period		(5,466,566)	0	17,846,697	12,380,131
Transfers from reserve accounts	28	3,541,907	(3,541,907)	0	0
Transfers to reserve accounts	28	(5,487,665)	5,487,665	0	0
<b>Balance as at 30 June 2022</b>		<b>155,253,553</b>	<b>32,792,021</b>	<b>253,518,116</b>	<b>441,563,690</b>
Comprehensive income for the period					
Net result for the period		218,385	0	0	218,385
Total comprehensive income for the period		218,385	0	0	218,385
Transfers from reserve accounts	28	865,430	(865,430)	0	0
Transfers to reserve accounts	28	(3,210,570)	3,210,570	0	0
<b>Balance as at 30 June 2023</b>		<b>153,126,798</b>	<b>35,137,161</b>	<b>253,518,116</b>	<b>441,782,075</b>

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



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

	NOTE	2023 Actual \$	2022 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Rates		25,124,787	24,093,197
Grants, subsidies and contributions		5,233,068	3,288,853
Fees and charges		10,223,565	9,055,083
Interest revenue		1,843,730	419,247
Goods and services tax received		2,059,329	3,171,331
Other revenue		1,623,088	989,801
		46,107,567	41,017,512
<b>Payments</b>			
Employee costs		(17,585,775)	(16,602,430)
Materials and contracts		(12,211,222)	(9,135,633)
Utility charges		(2,142,307)	(2,359,931)
Finance costs		(189,071)	(242,307)
Insurance paid		(1,011,767)	(720,985)
Goods and services tax paid		(2,404,945)	(2,846,940)
Other expenditure		(1,534,050)	(1,024,515)
		(37,079,137)	(32,932,741)
<b>Net cash provided by operating activities</b>	17(b)	9,028,430	8,084,771
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for remediations related expenses		0	(118,562)
Payments for purchase of property, plant & equipment		(5,834,039)	(3,624,205)
Payments for construction of infrastructure		(5,150,713)	(14,655,205)
Capital grants, subsidies and contributions		8,082,676	8,470,388
Proceeds from sale of property, plant & equipment		381,253	251,046
<b>Net cash (used in) investing activities</b>		(2,520,823)	(9,676,538)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings	27(a)	(444,162)	(859,958)
Proceeds from new borrowings	27(a)	1,000,000	1,800,000
<b>Net cash provided by financing activities</b>		555,838	940,042
<b>Net increase (decrease) in cash held</b>		7,063,445	(651,725)
Cash at beginning of year		43,413,804	44,065,529
<b>Cash and cash equivalents at the end of the year</b>	17(a)	50,477,249	43,413,804

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



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

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
General rates	25	24,361,840	24,383,200	22,832,663
Rates excluding general rates	25	628,205	618,426	1,069,972
Grants, subsidies and contributions		5,071,704	1,688,116	3,281,048
Fees and charges		10,249,483	11,607,813	9,248,594
Interest revenue		1,843,730	436,559	419,247
Other revenue		1,623,088	1,337,814	984,805
Profit on asset disposals		92,049	202,995	34,267
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	4,607	0	4,996
		43,874,706	40,274,923	37,875,592
<b>Expenditure from operating activities</b>				
Employee costs		(16,566,290)	(16,323,913)	(16,813,230)
Materials and contracts		(9,739,714)	(11,301,459)	(8,059,965)
Utility charges		(2,142,307)	(2,151,708)	(2,359,931)
Depreciation		(16,806,742)	(18,142,152)	(14,277,414)
Finance costs		(273,946)	(202,898)	(242,307)
Insurance		(1,011,767)	(785,277)	(720,985)
Other expenditure		(1,534,050)	(2,208,463)	(1,019,519)
Loss on asset disposals		(96,025)	(254,543)	(48,227)
Loss on revaluation of non-current assets		(340,297)	0	(8,383,982)
		(48,511,138)	(51,370,413)	(51,925,560)
Non-cash amounts excluded from operating activities	26(a)	17,067,941	18,193,700	22,751,821
<b>Amount attributable to operating activities</b>		12,431,509	7,098,210	8,701,853
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions		4,854,817	12,633,743	8,583,402
Proceeds from disposal of assets		381,253	445,073	251,046
		5,236,070	13,078,816	8,834,448
<b>Outflows from investing activities</b>				
Payments for financial assets at amortised cost - self supporting loans		0	(690,746)	0
Purchase of property, plant and equipment	8(a)	(5,834,039)	(15,722,175)	(3,817,999)
Purchase and construction of infrastructure	9(a)	(5,150,713)	(16,307,738)	(14,593,559)
		(10,984,752)	(32,720,659)	(18,411,558)
Non-cash amounts excluded from investing activities	26(b)	0	0	236,868
<b>Amount attributable to investing activities</b>		(5,748,682)	(19,641,843)	(9,340,242)
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Proceeds from borrowings	27(a)	1,000,000	690,746	1,800,000
Transfers from reserve accounts	28	865,430	9,970,352	3,541,907
		1,865,430	10,661,098	5,341,907
<b>Outflows from financing activities</b>				
Repayment of borrowings	27(a)	(444,162)	(444,162)	(859,958)
Transfers to reserve accounts	28	(3,210,570)	(1,818,355)	(5,487,665)
		(3,654,732)	(2,262,517)	(6,347,623)
<b>Amount attributable to financing activities</b>		(1,789,302)	8,398,581	(1,005,716)
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>	26(c)	2,891,583	4,145,052	4,535,688
Amount attributable to operating activities		12,431,509	7,098,210	8,701,853
Amount attributable to investing activities		(5,748,682)	(19,641,843)	(9,340,242)
Amount attributable to financing activities		(1,789,302)	8,398,581	(1,005,716)
<b>Surplus or deficit after imposition of general rates</b>	26(c)	<b>7,785,108</b>	<b>0</b>	<b>2,891,583</b>

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



**SHIRE OF BROOME**  
**FOR THE YEAR ENDED 30 JUNE 2023**  
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# SHIRE OF BROOME

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2023

## 1. BASIS OF PREPARATION

The financial report of the Shire of Broome which is a Class 2 local government, comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

### Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied 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 *Leases* which would have required the Shire to measure any vested improvements at zero cost.

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

### The local government reporting entity

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 29 of the financial report.

### Judgements and estimates

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

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

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

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

### 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 Revenue from Contracts with Customers*

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*

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

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

**SHIRE OF BROOME**  
**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	Single point in time/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 - property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	On entry or at conclusion of hire
Fees and charges - sale of stock	BRAC kiosk stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

**Revenue Recognition**

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

**For the year ended 30 June 2023**

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	24,990,045	0	24,990,045
Grants, subsidies and contributions	1,397,220	0	0	3,674,484	5,071,704
Fees and charges	9,614,390	0	610,616	24,477	10,249,483
Interest revenue	0	0	228,677	1,615,053	1,843,730
Other revenue	841,306	0	0	781,782	1,623,088
Capital grants, subsidies and contributions	0	4,331,130	0	523,687	4,854,817
<b>Total</b>	<b>11,852,916</b>	<b>4,331,130</b>	<b>25,829,338</b>	<b>6,619,483</b>	<b>48,632,867</b>

**For the year ended 30 June 2022**

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	23,902,635	0	23,902,635
Grants, subsidies and contributions	3,135,938	145,110	0	0	3,281,048
Fees and charges	8,582,464	0	666,130	0	9,248,594
Interest revenue	0	0	256,212	163,035	419,247
Other revenue	8,834	0	0	975,971	984,805
Capital grants, subsidies and contributions	0	8,219,007	0	364,395	8,583,402
<b>Total</b>	<b>11,727,236</b>	<b>8,364,117</b>	<b>24,824,977</b>	<b>1,503,401</b>	<b>46,419,731</b>

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

**2. REVENUE AND EXPENSES (Continued)**

**(a) Revenue (Continued)**

	<b>2023 Actual</b>	<b>2022 Actual</b>
	<b>\$</b>	<b>\$</b>
<b>Assets and services acquired below fair value</b>		
Contributed assets	0	236,868
	0	236,868
<b>Interest revenue</b>		
Financial assets at amortised cost - self supporting loans	25,671	24,225
Interest on reserve account funds	1,046,705	106,508
Trade and other receivables overdue interest	228,676	256,212
Other interest revenue	542,678	32,302
	1,843,730	419,247
The 2023 original budget estimate in relation to: Trade and other receivables overdue interest was \$265,000		
<b>Fees and charges relating to rates receivable</b>		
Charges on instalment plan	52,042	49,684
The 2023 original budget estimate in relation to: Charges on instalment plan was \$51,200		

**(b) Expenses**

<b>Auditors remuneration</b>		
- Audit of the Annual Financial Report	144,950	130,000
- Other services – grant acquittals	12,050	27,500
	157,000	157,500
<b>Employee Costs</b>		
Employee benefit costs	12,716,195	10,476,961
Other employee costs	3,850,095	6,336,269
	16,566,290	16,813,230
<b>Finance costs</b>		
Interest and financial charges paid/payable for financial liabilities not at fair value through profit or loss	189,071	118,453
Provisions: unwinding of discount	84,875	123,854
	273,946	242,307
<b>Other expenditure</b>		
Impairment losses on trade receivables	0	(193,511)
Sundry expenses	1,534,050	1,213,030
	1,534,050	1,019,519

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

**3. CASH AND CASH EQUIVALENTS**

Note	2023 \$	2022 \$
Cash at bank and on hand	50,477,249	43,413,804
<b>Total cash and cash equivalents</b>	<b>50,477,249</b>	<b>43,413,804</b>
Held as		
- Unrestricted cash and cash equivalents	9,208,736	7,357,686
- Restricted cash and cash equivalents	41,268,513	36,056,118
	<b>50,477,249</b>	<b>43,413,804</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.

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.

**4. OTHER FINANCIAL ASSETS**

**(a) Current assets**

Financial assets at amortised cost

**Other financial assets at amortised cost**

Self supporting loans receivable

Held as

- Unrestricted other financial assets at amortised cost

**(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

**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

	2023 \$	2022 \$
	96,154	0
	<b>96,154</b>	<b>0</b>
	96,154	0
	<b>96,154</b>	<b>0</b>
	96,154	0
	<b>96,154</b>	<b>0</b>
	1,153,846	1,250,000
	101,862	97,255
	<b>1,255,708</b>	<b>1,347,255</b>
	1,153,846	1,250,000
	<b>1,153,846</b>	<b>1,250,000</b>
	97,255	92,259
	4,607	4,996
	<b>101,862</b>	<b>97,255</b>

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 27(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.

**SIGNIFICANT ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 23 (i)) due to the observable market rates).

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

**Financial assets at fair value through profit or loss**

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

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

**Impairment and risk**

Information regarding impairment and exposure to risk can be found at Note 21.

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

**5. TRADE AND OTHER RECEIVABLES**

	Note	2023 \$	2022 \$
<b>Current</b>			
Rates and statutory receivables		786,301	908,254
Trade receivables		696,252	1,209,544
GST receivable		498,231	152,615
Receivables for employee related provisions	14	61,437	0
Allowance for credit losses of rates and statutory receivables		(181,273)	(244,029)
Allowance for credit losses of trade receivables	21(b)	(47,501)	(10,663)
		1,813,447	2,015,721
<b>Non-current</b>			
Rates and statutory receivables		57,373	48,671
Receivables for employee related provisions		25,177	0
		82,550	48,671

**Disclosure of opening and closing balances related to contracts with customers**

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

	Note	30 June 2023 Actual \$	30 June 2022 Actual \$	1 July 2021 Actual \$
Trade and other receivables from contracts with customers		663,392	1,172,126	2,037,066
Contract assets		0	0	14,386
Allowance for credit losses of trade receivables	5	(47,501)	(10,663)	(206,945)
Total trade and other receivables from contracts with customers		615,891	1,161,463	1,844,507

**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 or for the construction of recognisable non financial assets as part of the ordinary course of business.

**Other receivables**

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

**Measurement**

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

**Classification and subsequent measurement**

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

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

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

**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 21.

**SHIRE OF BROOME**  
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**6. INVENTORIES**

<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>Current</b>	<b>\$</b>	<b>\$</b>
Fuel and materials	20,025	24,924
BRAC Stock	10,329	6,596
	<b>30,354</b>	<b>31,520</b>
The following movements in inventories occurred during the year:		
<b>Balance at beginning of year</b>	31,520	65,150
Inventories expensed during the year	(364,195)	(238,252)
Additions to inventory	363,029	204,622
<b>Balance at end of year</b>	<b>30,354</b>	<b>31,520</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**General**

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

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

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**7. OTHER ASSETS**

**Other assets - current**

Prepayments  
 Bonds and deposits held by others

2023	2022
\$	\$
160,912	218,779
0	7,161
160,912	225,940

**SIGNIFICANT ACCOUNTING POLICIES**

**Other current assets**

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

**SHIRE OF BROOME**  
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**8. PROPERTY, PLANT AND EQUIPMENT**

**(a) Movements in Balances**

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

	Land/vested in and under the control of Council	Buildings - non- specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Buildings - work in progress	Furniture & equipment - work in progress	Total property, plant and equipment
	\$	\$		\$	\$	\$	\$	\$
<b>Balance at 1 July 2021</b>	3,020,192	66,654,755	69,674,947	1,115,442	6,776,322	192,324	43,074	77,802,109
Additions*	0	523,751	523,751	593,689	988,670	1,738,277	16,686	3,861,073
Disposals	0	0	0	(5,122)	(259,884)	0	0	(265,006)
Revaluation increments / (decrements) transferred to revaluation surplus	2,109,808	5,916,621	8,026,429	0	0	0	0	8,026,429
WIP reversal to expenses	0	0	0	0	0	0	(43,074)	(43,074)
Depreciation	0	(2,172,731)	(2,172,731)	(749,873)	(1,538,316)	0	0	(4,460,920)
Transfers	0	145,154	145,154	1,131,039	3,135	(145,154)	0	1,134,174
<b>Balance at 30 June 2022</b>	5,130,000	71,067,550	76,197,550	2,085,175	5,969,927	1,785,447	16,686	86,054,785
<b>Comprises:</b>								
Gross balance amount at 30 June 2022	5,130,000	71,067,550	76,197,550	4,211,693	13,745,057	1,785,447	16,686	95,956,433
Accumulated depreciation at 30 June 2022	0	0	0	(2,126,518)	(7,775,130)	0	0	(9,901,648)
<b>Balance at 30 June 2022</b>	5,130,000	71,067,550	76,197,550	2,085,175	5,969,927	1,785,447	16,686	86,054,785
Additions*	0	3,315,592	3,315,592	330,379	1,593,128	594,940	0	5,834,039
Disposals	0	0	0	0	(315,404)	(32,073)	0	(347,477)
Depreciation	0	(2,806,702)	(2,806,702)	(663,305)	(1,023,667)	0	0	(4,493,674)
Transfers	0	1,410,294	1,410,294	16,686	0	(1,410,294)	(16,686)	0
<b>Balance at 30 June 2023</b>	5,130,000	72,986,734	78,116,734	1,768,935	6,223,984	938,020	0	87,047,673
<b>Comprises:</b>								
Gross balance amount at 30 June 2023	5,130,000	75,793,436	80,923,436	4,558,758	14,484,230	938,020	0	100,904,444
Accumulated depreciation at 30 June 2023	0	(2,806,702)	(2,806,702)	(2,789,823)	(8,260,246)	0	0	(13,856,771)
<b>Balance at 30 June 2023</b>	5,130,000	72,986,734	78,116,734	1,768,935	6,223,984	938,020	0	87,047,673

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

During the year ended 30 June 2022	0	0	0	0	236,868	0	0	236,868
During the year ended 30 June 2023	0	0	0	0	0	0	0	0

**SHIRE OF BROOME**  
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**8. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(b) Carrying Value Measurements**

<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
<b>(i) Fair Value</b>					
<b>Land and buildings</b>					
Land/vested in and under the control of Council	2 & 3	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2022	Sales comparisons (level 2 and 3 inputs)
Buildings - non-specialised	2 & 3	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2022	Sales comparisons per lettable area (level 2 inputs), depreciated replacement cost per unit area and estimated useful life (Level 3 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>					
<b>(ii) Cost</b>					
<b>Furniture and equipment</b>			Cost	N/A	N/A
<b>Plant and equipment</b>			Cost	N/A	N/A

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**9. INFRASTRUCTURE**

**(a) Movements in Balances**

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

	Infrastructure - Roads	Infrastructure - Footpaths, carparks & bridges	Infrastructure - Drainage	Infrastructure - Recreation areas	Infrastructure - Others	Work in Progress - Roads, footpaths and bridges infrastructure	Work in Progress - Drainage	Work in progress - Recreation areas	Work in progress - Other infrastructure	Infrastructure - Landfill assets	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2021</b>	201,248,191	37,728,375	32,096,446	15,293,372	15,471,234	15,698,508	5,757	818,463	5,245,721	3,366,379	326,972,446
Additions*	1,960,975	3,103,681	130,792	2,690,473	4,443,267	599,152	0	1,726,865	0	0	14,655,205
Revaluation increments / (decrements) transferred to revaluation surplus	23,624	(18,713,163)	10,997,859	20,214,856	(2,702,911)	0	0	0	0	0	9,820,265
Revaluation (loss) / reversals transferred to profit or loss	0	0	0	0	(8,383,982)	0	0	0	0	0	(8,383,982)
WIP reversal to expenses	0	0	0	0	0	0	0	(59,666)	(1,980)	0	(61,646)
Depreciation	(4,333,122)	(1,049,256)	(722,485)	(1,847,813)	(1,208,949)	0	0	0	0	(654,869)	(9,816,494)
Transfers	5,073,711	3,629,183	211,943	2,426,610	9,231,182	(15,698,508)	(5,757)	(758,797)	(5,243,741)	0	(1,134,174)
<b>Balance at 30 June 2022</b>	203,973,379	24,698,820	42,714,555	38,777,498	16,849,841	599,152	0	1,726,865	0	2,711,510	332,051,620
<b>Comprises:</b>											
Gross balance at 30 June 2022	203,973,379	24,698,820	42,714,555	38,777,498	16,849,841	599,152	0	1,726,865	0	3,366,379	332,706,489
Accumulated depreciation at 30 June 2022	0	0	0	0	0	0	0	0	0	(654,869)	(654,869)
<b>Balance at 30 June 2022</b>	203,973,379	24,698,820	42,714,555	38,777,498	16,849,841	599,152	0	1,726,865	0	2,711,510	332,051,620
Additions*	1,232,329	561,146	72,314	750,508	395,850	656,096	0	1,453,446	29,024	0	5,150,713
(Disposals)	(37,752)	0	0	0	0	0	0	0	0	0	(37,752)
Revaluation (loss) / reversals transferred to profit or loss	0	0	0	0	0	0	0	0	0	(482,322)	(482,322)
Depreciation	(4,693,462)	(801,018)	(669,387)	(3,728,807)	(629,448)	0	0	0	0	(1,790,946)	(12,313,068)
Transfers	523,035	0	0	808,564	0	(523,035)	0	(808,564)	0	0	0
<b>Balance at 30 June 2023</b>	200,997,529	24,458,948	42,117,482	36,607,763	16,616,243	732,213	0	2,371,747	29,024	438,242	324,369,191
<b>Comprises:</b>											
Gross balance at 30 June 2023	205,690,991	25,259,966	42,786,869	40,336,570	17,245,691	732,213	0	2,371,747	29,024	3,067,695	337,520,766
Accumulated depreciation at 30 June 2023	(4,693,462)	(801,018)	(669,387)	(3,728,807)	(629,448)	0	0	0	0	(2,629,453)	(13,151,575)
<b>Balance at 30 June 2023</b>	200,997,529	24,458,948	42,117,482	36,607,763	16,616,243	732,213	0	2,371,747	29,024	438,242	324,369,191
* Asset additions included additions received at substantially less than fair value:											
During the year ended 30 June 2022	0	0	0	0	17,054,485	0	0	0	0	0	17,054,485
During the year ended 30 June 2023	0	0	0	0	0	0	0	0	0	0	0

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**9. INFRASTRUCTURE (Continued)**

**(b) Carrying Value Measurements**

<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
<b>(i) Fair Value</b>					
<b>Infrastructure - Roads</b>	3	Cost approach using current replacement cost	Independent registered valuer	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>Infrastructure - Footpaths, carparks &amp; bridges</b>	3	Cost approach using current replacement cost	Independent registered valuer	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>Infrastructure - Drainage</b>	3	Cost approach using current replacement cost	Independent registered valuer	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>Infrastructure - Recreation areas</b>	3	Cost approach using current replacement cost	Independent registered valuer	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>Infrastructure - Others</b>	3	Cost approach using current replacement cost	Independent registered valuer	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>Infrastructure - Landfill assets</b>	3	Cost approach using current replacement cost	Independent registered valuer	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

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**10. FIXED ASSETS**

**(a) Depreciation**

**Depreciation rates**

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

<b>Asset Class</b>	<b>Useful life</b>
Buildings	13-100 years
Furniture and equipment	4-10 years
Plant and equipment	4-16 years
Infrastructure - Roads	10-250 years
Infrastructure - Footpaths, carparks & bridges	15-250 years
Infrastructure - Drainage	50-80 years
Infrastructure - Recreation areas	5-75 years
Infrastructure - Others	4-100 years
Infrastructure - Landfill assets	3 years

**(b) Fully Depreciated Assets in Use**

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

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Furniture and equipment	650,272	8,910
Plant and equipment	5,445,814	4,997,511
Infrastructure - Recreation areas	281	
	<b>6,096,367</b>	<b>5,006,421</b>

**SHIRE OF BROOME**  
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**10. FIXED ASSETS (Continued)**

**SIGNIFICANT ACCOUNTING POLICIES**

**Fixed assets**

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

**Initial recognition and measurement for assets held at cost**

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

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

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

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

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

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

**Revaluation**

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

**Revaluation (continued)**

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.

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

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

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

**Depreciation**

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

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

**Depreciation on revaluation**

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

**Impairment**

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

**Gains or losses on disposal**

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

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**11. TRADE AND OTHER PAYABLES**

**Current**

Sundry creditors  
 Prepaid rates  
 Accrued payroll liabilities  
 Bonds and deposits held  
 Accrued liabilities

2023	2022
\$	\$
1,657,216	3,681,408
543,613	522,122
70,512	114,143
641,896	635,329
351,048	871,125
3,264,285	5,824,127

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Trade and other payables**

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

**Prepaid rates**

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

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**12. OTHER LIABILITIES**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Contract liabilities	0	265,314
Capital grant/contributions liabilities	5,489,456	2,363,454
Developer contributions	1,867,402	1,701,173
	<b>7,356,858</b>	<b>4,329,941</b>
<b>Reconciliation of changes in contract liabilities</b>		
Opening balance	265,314	393,309
Additions	0	153,882
Revenue from contracts with customers included as a contract liability at the start of the period	(265,314)	(281,877)
	<b>0</b>	<b>265,314</b>
<b>Reconciliation of changes in capital grant/contribution liabilities</b>		
Opening balance	2,363,454	2,598,395
Additions	3,126,002	2,363,454
Revenue from capital grant/contributions held as a liability at the start of the period	0	(2,598,395)
	<b>5,489,456</b>	<b>2,363,454</b>
<b>Expected satisfaction of capital grant/contribution liabilities</b>		
Less than 1 year	3,001,457	2,363,454
1 to 2 years	2,487,999	
	<b>5,489,456</b>	<b>2,363,454</b>

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

**SIGNIFICANT ACCOUNTING POLICIES**

**Contract liabilities**

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

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

**Capital grant/contribution liabilities**

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

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 23(i)) due to the unobservable inputs, including own credit risk.

**SHIRE OF BROOME**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**13. BORROWINGS**

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
<b>Unsecured</b>		\$	\$	\$	\$	\$	\$
Loans		551,033	7,235,712	7,786,745	444,162	6,786,745	7,230,907
<b>Total borrowings</b>	27(a)	551,033	7,235,712	7,786,745	444,162	6,786,745	7,230,907

All borrowings are from the Western Australian Treasury Corporation and are unsecured.

**SIGNIFICANT ACCOUNTING POLICIES**

**Borrowing costs**

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

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

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 23(i)) due to the unobservable inputs, including own credit risk.

**Risk**

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

Information regarding exposure to risk can be found at Note 21.

**SHIRE OF BROOME**  
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**14. EMPLOYEE RELATED PROVISIONS**

**Employee Related Provisions**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Current provisions</b>		
<b>Employee benefit provisions</b>		
Annual leave	1,000,118	1,574,784
Long service leave	696,913	1,209,092
	<u>1,697,031</u>	<u>2,783,876</u>
<b>Employee related other provisions</b>		
Employment on-costs	75,588	0
	<u>75,588</u>	<u>0</u>
<b>Total current employee related provisions</b>	<u>1,772,619</u>	<u>2,783,876</u>
<b>Non-current provisions</b>		
<b>Employee benefit provisions</b>		
Long service leave	278,705	267,558
	<u>278,705</u>	<u>267,558</u>
<b>Employee related other provisions</b>		
Employment on-costs	24,256	0
	<u>24,256</u>	<u>0</u>
<b>Total non-current employee related provisions</b>	<u>302,961</u>	<u>267,558</u>
<b>Total employee related provisions</b>	<u>2,075,580</u>	<u>3,051,434</u>

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:

	<b>Note</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
<b>Amounts are expected to be settled on the following basis:</b>			
Less than 12 months after the reporting date		941,279	1,535,484
More than 12 months from reporting date		<u>1,134,301</u>	<u>1,515,950</u>
		<u>2,075,580</u>	<u>3,051,434</u>
Expected reimbursements of employee related provisions from other WA local governments included within other receivables	5	(61,437)	0

**SIGNIFICANT ACCOUNTING POLICIES**

**Employee benefits**

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

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

**SHIRE OF BROOME**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**15. OTHER PROVISIONS**

	<b>Provision for remediation costs</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Opening balance at 1 July 2022</b>		
Current provisions	91,147	91,147
Non-current provisions	3,098,070	3,098,070
	3,189,217	3,189,217
Amounts used	(64,372)	(64,372)
Unused amounts reversed	(142,025)	(142,025)
Charged to profit or loss		
- unwinding of discount	84,875	84,875
<b>Balance at 30 June 2023</b>	3,067,695	3,067,695
<b>Comprises</b>		
Current	234,420	234,420
Non-current	2,833,275	2,833,275
	3,067,695	3,067,695

**Other provisions**

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.

**Provision for remediation costs**

Shire of Broome recognised the future remediation liability for the waste management facility in the statement of financial position as it is probable that an outflow of obligation is certain and the amount at which the settlement will take place can be measured reliably. The liability is reported at the present value of the future net cash outflows that are expected to be required to settle the liability in the normal course of business as per AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. The restoration obligation has been estimated by an independent industry professional and the present value of the future restoration costs is to be reviewed annually and any changes in the estimate are to be reflected in the restoration provision at each reporting date.

Unused provision amounts reversed were allocated against the loss on revaluation of the associated landfill asset.

**Provisions**

Provisions are recognised when the Shire 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.

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

**SHIRE OF BROOME**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**16. REVALUATION SURPLUS**

	<b>2023 Opening Balance</b>	<b>2023 Closing Balance</b>	<b>2022 Opening Balance</b>	<b>Total Movement on Revaluation</b>	<b>2022 Closing Balance</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Revaluation surplus - Land and Buildings	26,803,337	26,803,337	18,776,908	8,026,429	26,803,337
Revaluation surplus - Furniture and equipment	201,314	201,314	201,314	0	201,314
Revaluation surplus - Infrastructure - Roads	148,085,836	148,085,836	148,062,212	23,624	148,085,836
Revaluation surplus - Infrastructure - Footpaths, carparks & bridges	11,799,526	11,799,526	30,512,688	(18,713,162)	11,799,526
Revaluation surplus - Infrastructure - Drainage	38,398,458	38,398,458	27,400,598	10,997,860	38,398,458
Revaluation surplus - Infrastructure - Recreation areas	28,229,645	28,229,645	8,014,788	20,214,857	28,229,645
Revaluation surplus - Infrastructure - Others	0	0	2,702,911	(2,702,911)	0
	<b>253,518,116</b>	<b>253,518,116</b>	<b>235,671,419</b>	<b>17,846,697</b>	<b>253,518,116</b>

**SHIRE OF BROOME**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**17. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

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

	<b>Note</b>	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
Cash and cash equivalents	3	50,477,249	43,413,804
<b>Restrictions</b>			
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	41,268,513	36,056,118
		<u>41,268,513</u>	<u>36,056,118</u>
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	28	35,137,161	32,792,021
Contract liabilities	12	0	265,314
Capital grant liabilities	12	5,489,456	2,363,454
Bonds and deposits held		641,896	635,329
<b>Total restricted financial assets</b>		<u>41,268,513</u>	<u>36,056,118</u>

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

Net result		218,385	(5,466,566)
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss		(4,607)	(4,996)
Depreciation/amortisation		16,806,742	14,277,414
(Profit)/loss on sale of asset		3,976	13,960
Loss on revaluation of fixed assets		482,322	8,383,982
Assets received for substantially less than fair value		0	(236,868)
Reversal of WIP to operating expenses		0	104,720
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		168,395	1,071,626
(Increase)/decrease in other assets		65,028	(10,074)
(Increase)/decrease in inventories		1,166	33,630
(Increase)/decrease in contract assets		0	14,386
Increase/(decrease) in trade and other payables		(2,559,842)	(1,516,951)
Increase/(decrease) in employee related provisions		(975,854)	613,928
Increase/(decrease) in other provisions		(121,522)	123,854
Increase/(decrease) in other liabilities		3,026,917	(846,891)
Capital grants, subsidies and contributions		(8,082,676)	(8,470,383)
Net cash provided by/(used in) operating activities		<u>9,028,430</u>	<u>8,084,771</u>

**(c) Undrawn Borrowing Facilities**

**Credit Standby Arrangements**

Bank overdraft limit	700,000	700,000
Bank overdraft at balance date	0	0
Credit card limit	200,000	100,000
Credit card balance at balance date	(19,072)	(7,990)
<b>Total amount of credit unused</b>	<u>880,928</u>	<u>792,010</u>

**Loan facilities**

Loan facilities - current	551,033	444,162
Loan facilities - non-current	7,235,712	6,786,745
<b>Total facilities in use at balance date</b>	<u>7,786,745</u>	<u>7,230,907</u>

<b>Unused loan facilities at balance date</b>	<u>0</u>	<u>0</u>
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**SHIRE OF BROOME**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**18. CONTINGENT LIABILITIES**

In relation to land owned, vested or leased the Shire of Broome has identified the following sites where there may be possible sources of contamination. At the date of this report the Shire is yet to conduct investigations to ascertain the value and timing of remediation works.

1. 20 Cable Beach Rd, Djugun, 6725, Landfill, Crown Reserve 42502, Cable Beach Road, Broome.
2. 8 Napier Tce, Broome, 6725, Former Landfill, Crown Reserve 8176 (Lot 1317) Napier Terrace, Broome.
3. 317 Kavite Rd, Minyirr, 6725, Broome Turf Club, Crown Reserve 22648, 317 Kavite Road Cnr Gantheaume Point Road, Broome.
4. 197 Port Dr, Minyirr, 6725, Broome Golf Course, Crown Reserve 29300, Port Drive, Broome (Source Site)
5. 223 Port Drive, Minyirr, 6725, Broome Golf Course, Crown Reserve 29300, Port Drive, Broome (Source Site)
6. 73 Wattle Dr, Roebuck, 6725, Former Landfill, Crown Reserve 30803, Lot 73 Wattle Drive, Broome.

**19. CAPITAL COMMITMENTS**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Contracted for:		
- capital expenditure projects	2,162,384	3,479,069
- plant & equipment purchases	1,898,648	1,410,313
	<b>4,061,032</b>	<b>4,889,382</b>
Payable:		
- not later than one year	4,061,032	4,889,382

**SHIRE OF BROOME**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**20. RELATED PARTY TRANSACTIONS**

**(a) Elected Member Remuneration**

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

Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
President's annual allowance	57,835	48,703	47,515
President's meeting attendance fees	41,803	23,946	23,361
President's annual allowance for ICT expenses	7,000	3,500	3,500
President's travel and accommodation expenses	100	50	0
President's annual allowance for travel and accommodation expenses	0	0	50
	106,738	76,199	74,426
Deputy President's annual allowance	3,044	12,176	11,879
Deputy President's meeting attendance fees	17,858	17,858	17,423
Deputy President's ICT expenses	3,500	3,500	0
Deputy President's annual allowance for ICT expenses	0	0	3,500
Deputy President's travel and accommodation expenses	50	50	0
Deputy President's annual allowance for travel and accommodation expenses	0	0	50
	24,452	33,584	32,852
All other council member's meeting attendance fees	84,825	107,148	110,346
All other council member's annual allowance for ICT expenses	16,625	21,000	22,166
All other council member's annual allowance for travel and accommodation expenses	238	300	317
	101,688	128,448	132,829
20(b)	232,878	238,231	240,107

**(b) Key Management Personnel (KMP) Compensation**

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

Short-term employee benefits	1,079,567	938,462
Post-employment benefits	104,726	88,217
Employee - other long-term benefits	176,305	64,558
Council member costs	232,878	240,107
20(a)	1,593,475	1,331,344

*Short-term employee benefits*

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

*Post-employment benefits*

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

*Other long-term benefits*

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

*Council member costs*

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

**SHIRE OF BROOME**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**20. RELATED PARTY TRANSACTIONS**

**Transactions with related parties**

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

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

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

	<b>2023</b> <b>Actual</b>	<b>2022</b> <b>Actual</b>
	<b>\$</b>	<b>\$</b>
Sale of goods and services	139,012	162,609
Purchase of goods and services	75,304	22,691
<b>Amounts outstanding from related parties:</b>		
Trade and other receivables	19,585	0
<b>Amounts payable to related parties:</b>		
Trade and other payables	25,327	0

**Related Parties**

**The Shire's main related parties are as follows:**

*i. Key management personnel*

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

*ii. Other Related Parties*

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Shire.

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

*iii. Entities subject to significant influence by the Shire*

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

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

**21. FINANCIAL RISK MANAGEMENT**

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

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

The Shire 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**

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire 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 Shire 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.

	<b>Weighted Average Interest Rate</b>	<b>Carrying Amounts</b>	<b>Fixed Interest Rate</b>	<b>Variable Interest Rate</b>	<b>Non Interest Bearing</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2023</b>					
Cash and cash equivalents	3.82%	50,477,249	0	47,099,701	3,377,548
<b>2022</b>					
Cash and cash equivalents	0.96%	43,413,804	0	43,409,604	4,200

**Sensitivity**

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

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% movement in interest rates on profit or loss and equity*	470,997	434,096

\* Holding all other variables constant

**Borrowings**

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire 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 Shire 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 27(a).

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

**21. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk**

***Trade and Other Receivables***

The Shire'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 Shire 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.

The Shire applies the AASB 9 *Financial Instruments* simplified approach to measuring expected credit losses using a lifetime expected loss 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.

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.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Specific provision	Total
<b>30 June 2023</b>						
Trade receivables						
Expected credit loss	1.31%	5.00%	10.00%	16.89%	100.00%	
Gross carrying amount	365,738	206,983	102	109,593	13,836	696,252
Loss allowance	4,791	10,349	10	18,515	13,836	47,501
<b>30 June 2022</b>						
Trade receivables						
Expected credit loss	2%	5%	10%	15%	100.00%	
Gross carrying amount	859,224	113,548	77,574	153,504	5,693	1,209,543
Loss allowance	328	284	776	3,582	5,693	10,663

**SHIRE OF BROOME**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**21. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk**

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

	<b>Trade receivables</b>	
	<b>2023</b>	<b>2022</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>Opening loss allowance as at 1 July</b>	10,663	206,945
Increase in loss allowance recognised in profit or loss during the year	0	(193,511)
Unused amount reversed	36,838	(2,771)
<b>Closing loss allowance at 30 June</b>	<b>47,501</b>	<b>10,663</b>

Trade and other receivables 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 Shire, 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.

**SHIRE OF BROOME**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**21. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Liquidity risk**

**Payables and borrowings**

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 Shire 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 17(c).

The contractual undiscounted cash flows of the Shire'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.

	<b>Due within 1 year</b>	<b>Due between 1 &amp; 5 years</b>	<b>Due after 5 years</b>	<b>Total contractual cash flows</b>	<b>Carrying values</b>
<b><u>2023</u></b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Trade and other payables	3,264,285	0	0	3,264,285	3,264,285
Borrowings	771,594	4,061,506	4,638,116	9,471,216	7,786,745
	4,035,879	4,061,506	4,638,116	12,735,501	11,051,030
<b><u>2022</u></b>					
Trade and other payables	5,824,127	0	0	5,824,127	5,824,127
Borrowings	444,162	2,868,897	3,917,848	7,230,907	7,230,907
	6,268,289	2,868,897	3,917,848	13,055,034	13,055,034

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

**22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

There have been no significant events after the reporting period required to be disclosed in 2022/2023.

**SHIRE OF BROOME**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**23. OTHER SIGNIFICANT ACCOUNTING POLICIES**

**a) Goods and services tax (GST)**

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

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

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

**b) Current and non-current classification**

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

**c) Rounding off figures**

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

**d) Comparative figures**

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

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

**e) Budget comparative figures**

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

**f) Superannuation**

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

**g) Fair value of assets and liabilities**

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

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

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

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

**h) Interest revenue**

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

**i) Fair value hierarchy**

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

**Valuation techniques**

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

**Market approach**

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

**Income approach**

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

**Cost approach**

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

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

**j) Impairment of assets**

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

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

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

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

**24. FUNCTION AND ACTIVITY**

**(a) Service objectives and descriptions**

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

<b>Objective</b>	<b>Description</b>
<b>Governance</b> To provide a decision making process for the efficient allocation of scarce resources.	Administration and operation of facilities and services to members of council; other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services.
<b>General purpose funding</b> To collect revenue to allow provision of services.	Rates, general purpose government grants and interest revenue.
<b>Law, order, public safety</b> To provide services to help ensure a safer and environmentally conscious community.	Supervision of various by-laws, fire prevention, emergency services and animal control.
<b>Health</b> To provide an operational framework for environmental and community health.	Food quality, eating house inspection, pest control and child health clinics.
<b>Education and welfare</b> To provide services to disadvantaged persons, the elderly, children and youth.	Facilities for senior citizens aged care, infant, day care centres, pre-school; assistance to play group and other community services and development activities.
<b>Housing</b> To provide and maintain staff housing.	Provision of staff housing.
<b>Community amenities</b> To provide services required by the community.	Rubbish collection services, tip operation, administration of the town planning scheme, maintenance of cemeteries, storm water drainage maintenance, sanitation maintenance and environmental protection.
<b>Recreation and culture</b> To establish and effectively manage infrastructure and resource which will help the social being of the community.	Operation/maintenance of halls, Broome Recreation and Aquatic Centre (BRAC), various parks and reserves, beaches, library, museum and other cultural activities.
<b>Transport</b> To provide safe, effective and efficient transport services to the community.	Construction and maintenance of streets, roads, bridges, footpaths and street lighting.
<b>Economic services</b> To help promote the Council's economic well being.	The regulation and provision of tourism facilities, area promotion and building control.
<b>Other property and services</b> To monitor and control Council's overheads operating accounts.	Private works and provision of unclassified civic building facilities. General Administration support for Council's operations, allocated to other functions. Engineering, works and parks and gardens management, allocated to construction and maintenance jobs. Plant and depot operation and maintenance, allocated to construction and maintenance jobs.

**SHIRE OF BROOME**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**24. FUNCTION AND ACTIVITY (Continued)**

**(b) Income and expenses**

	<b>2023</b>	<b>2022</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions</b>		
Governance	12,729	5,575
General purpose funding	25,363,549	24,322,390
Law, order, public safety	104,254	106,485
Health	190,308	170,646
Housing	621,273	582,452
Community amenities	6,696,411	5,508,477
Recreation and culture	1,306,212	1,268,722
Transport	152,012	29,866
Economic services	753,139	409,612
Other property and services	3,603,115	2,190,319
	<b>38,803,002</b>	<b>34,594,544</b>
<b>Grants, subsidies and contributions and capital grants, subsidies and contributions</b>		
Governance	215,000	167,320
General purpose funding	2,553,543	2,094,859
Law, order, public safety	0	236,868
Health	6,977	5,185
Education and welfare	86,372	25,000
Community amenities	12,600	12,010
Recreation and culture	3,826,686	5,961,558
Transport	2,924,252	3,083,950
Economic services	203,096	150,000
Other property and services	97,995	127,700
	<b>9,926,521</b>	<b>11,864,450</b>
<b>Total Income</b>	<b>48,729,523</b>	<b>46,458,994</b>
<b>Expenses</b>		
Governance	(2,444,734)	(2,183,664)
General purpose funding	(298,982)	(538,621)
Law, order, public safety	(1,571,550)	(1,480,256)
Health	(799,105)	(716,640)
Education and welfare	(896,631)	(336,997)
Housing	(938,537)	(937,675)
Community amenities	(10,955,239)	(9,396,455)
Recreation and culture	(14,841,312)	(13,003,755)
Transport	(9,425,280)	(9,557,758)
Economic services	(2,651,475)	(2,332,914)
Other property and services	(3,688,293)	(11,440,825)
<b>Total expenses</b>	<b>(48,511,138)</b>	<b>(51,925,560)</b>
<b>Net result for the period</b>	<b>218,385</b>	<b>(5,466,566)</b>
<b>(c) Total Assets</b>		
Governance	582,488	395,873
General purpose funding	4,183,092	13,588,620
Law, order, public safety	6,776,475	3,684,173
Health	63,041	6,092
Housing	4,265,733	4,396,200
Community amenities	67,752,711	68,148,594
Recreation and culture	87,624,855	81,910,356
Transport	242,340,522	240,422,236
Economic services	5,232,291	5,607,215
Other property and services	46,512,030	47,029,958
	<b>465,333,238</b>	<b>465,189,316</b>

**SHIRE OF BROOME**  
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**25. RATING INFORMATION**

**(a) General Rates**

<b>RATE TYPE</b>				<b>2022/23 Actual Rateable Value*</b>	<b>2022/23 Actual Rate Revenue</b>	<b>2022/23 Actual Interim Rates</b>	<b>2022/23 Actual Total Revenue</b>	<b>2022/23 Budget Rate Revenue</b>	<b>2022/23 Budget Interim Rate</b>	<b>2022/23 Budget Total Revenue</b>	<b>2021/22 Actual Total Revenue</b>
<b>Rate Description</b>	<b>Basis of valuation</b>	<b>Rate in \$</b>	<b>Number of Properties</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Residential	Gross rental valuation	0.083110	5,009	162,149,978	13,476,771	110,356	13,587,127	13,476,771	100,000	13,576,771	12,984,309
Vacant	Gross rental valuation	0.176000	190	3,619,490	637,012	(1,957)	635,055	637,012	0	637,012	623,919
Commercial	Gross rental valuation	0.110870	554	59,572,694	6,605,003	(34,343)	6,570,660	6,605,003	0	6,605,003	6,325,924
Tourism	Gross rental valuation	0.134670	564	21,602,106	2,909,177	(3,132)	2,906,045	2,909,177	0	2,909,177	2,616,928
Commercial Rural	Unimproved valuation	0.033890	21	10,560,860	357,865	0	357,865	357,865	0	357,865	16,516
Mining	Unimproved valuation	0.137090	32	1,116,265	153,029	9,491	162,520	153,029	0	153,029	129,145
Rural	Unimproved valuation	0.008110	54	17,809,000	144,343	(1,775)	142,568	144,343	0	144,343	135,922
<b>Total general rates</b>			6,424	276,430,393	24,283,200	78,640	24,361,840	24,283,200	100,000	24,383,200	22,832,663
<b>Minimum payment</b>		<b>Minimum Payment \$</b>									
Residential	Gross rental valuation	1,268	53	709,210	67,204	0	67,204	67,204	0	67,204	74,420
Vacant	Gross rental valuation	1,268	181	846,368	229,508	0	229,508	229,508	0	229,508	233,020
Commercial	Gross rental valuation	1,268	22	153,862	27,896	0	27,896	27,896	0	27,896	28,060
Tourism	Gross rental valuation	1,268	260	904,134	329,680	0	329,680	329,680	0	329,680	452,620
Commercial Rural	Unimproved valuation	1,268	2	13,300	2,536	0	2,536	2,536	0	2,536	2,440
Mining	Unimproved valuation	520	22	42,111	11,440	0	11,440	11,440	0	11,440	12,500
Rural	Unimproved valuation	1,268	4	191,300	5,072	0	5,072	5,072	0	5,072	4,880
<b>Total minimum payments</b>			544	2,860,285	673,336	0	673,336	673,336	0	673,336	807,940
<b>Total general rates and minimum payments</b>			6,968	279,290,678	24,956,536	78,640	25,035,176	24,956,536	100,000	25,056,536	23,640,603
Reversal of prior year concession							0			0	323,822
Concessions							(45,131)			(54,910)	(61,790)
<b>Total Rates</b>							24,990,045			25,001,626	23,902,635
Rate instalment interest							113,278			135,000	129,780
Rate overdue interest	Note 2(a)						115,398			130,000	126,432

The rate revenue was recognised from the rate record as soon as practicable after the Shire resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

\*Rateable Value at time of raising of rate.

**SHIRE OF BROOME**  
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**FOR THE YEAR ENDED 30 JUNE 2023**

**26. DETERMINATION OF SURPLUS OR DEFICIT**

		2022/23 Budget	2021/22
		(30 June 2023)	(30 June 2022)
		Carried	Carried
		Forward)	Forward
Note		\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>			
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> .			
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals		(92,049)	(34,267)
Less: Non-cash grants and contributions for assets		0	(236,864)
Less: Movement in liabilities associated with restricted cash		42,779	(356,478)
Less: Fair value adjustments to financial assets at fair value through profit or loss		(4,607)	(4,996)
Add: Loss on disposal of assets		96,025	48,227
Add: Loss on revaluation of non-current assets	9(a)	482,322	8,383,982
Add: Depreciation	10(a)	16,806,742	14,277,414
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates		(8,702)	(14,019)
Employee benefit provisions		10,226	74,519
Other provisions		(264,795)	614,303
<b>Non-cash amounts excluded from operating activities</b>		<b>17,067,941</b>	<b>22,751,821</b>
<b>(b) Non-cash amounts excluded from investing activities</b>			
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> .			
<b>Adjustments to investing activities</b>			
Property, plant and equipment received for substantially less than fair value	8(a)	0	236,868
<b>Non-cash amounts excluded from investing activities</b>		<b>0</b>	<b>236,868</b>
<b>(c) Surplus or deficit after imposition of general rates</b>			
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.			
<b>Adjustments to net current assets</b>			
Less: Reserve accounts	28	(35,137,161)	(32,792,021)
Less: Financial assets at amortised cost - self supporting loans	4(a)	(96,154)	0
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	13	551,033	444,162
- Current portion of developer contributions held in reserve		1,701,173	1,701,173
- Current portion of capital expenditure provisions held in reserve		0	0
- Employee benefit provisions	28	1,367,316	1,324,537
<b>Total adjustments to net current assets</b>		<b>(31,613,793)</b>	<b>(29,322,149)</b>
<b>Net current assets used in the Statement of Financial Activity</b>			
Total current assets		52,578,116	45,686,985
Less: Total current liabilities		(13,179,215)	(13,473,253)
Less: Total adjustments to net current assets		(31,613,793)	(29,322,149)
<b>Surplus or deficit after imposition of general rates</b>		<b>7,785,108</b>	<b>2,891,583</b>

**SHIRE OF BROOME**  
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**27. BORROWING AND LEASE LIABILITIES**

**(a) Borrowings**

Purpose	Note	Actual							Budget			
		Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Civic Centre Redevelopment		506,929	0	(506,929)	0	0	0	0	0	0	0	0
Town Beach Development		1,363,845	0	(87,554)	1,276,291	0	(88,975)	1,187,316	1,276,291	0	(88,975)	1,187,316
Chinatown Revitalisation Stage 1		1,385,091	0	(161,954)	1,223,137	0	(165,029)	1,058,108	1,223,136	0	(165,029)	1,058,107
Chinatown Revitalisation Stage 2		1,785,000	0	(103,521)	1,681,479	0	(105,549)	1,575,930	1,681,479	0	(105,549)	1,575,930
China Town Contingency		0	1,800,000	0	1,800,000	1,000,000	(84,609)	2,715,391	1,800,000	0	(84,609)	1,715,391
<b>Total</b>		<b>5,040,865</b>	<b>1,800,000</b>	<b>(859,958)</b>	<b>5,980,907</b>	<b>1,000,000</b>	<b>(444,162)</b>	<b>6,536,745</b>	<b>5,980,906</b>	<b>0</b>	<b>(444,162)</b>	<b>5,536,744</b>
<b>Self Supporting Loans</b>												
Life Saving Club		0	0	0	0	0	0	0	0	690,746	0	690,746
Broome Golf Club		1,250,000	0	0	1,250,000	0	0	1,250,000	1,250,000	0	0	1,250,000
<b>Total Self Supporting Loans</b>		<b>1,250,000</b>	<b>0</b>	<b>0</b>	<b>1,250,000</b>	<b>0</b>	<b>0</b>	<b>1,250,000</b>	<b>1,250,000</b>	<b>690,746</b>	<b>0</b>	<b>1,940,746</b>
<b>Total Borrowings</b>	<b>13</b>	<b>6,290,865</b>	<b>1,800,000</b>	<b>(859,958)</b>	<b>7,230,907</b>	<b>1,000,000</b>	<b>(444,162)</b>	<b>7,786,745</b>	<b>7,230,906</b>	<b>690,746</b>	<b>(444,162)</b>	<b>7,477,490</b>

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

**Borrowing Finance Cost Payments**

Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022
						\$	\$	\$
Civic Centre Redevelopment		193	WATC*	3.95%	27/06/2022	0	0	(14,848)
Town Beach Development		195	WATC*	1.62%	15/06/2035	(21,112)	(20,272)	(20,730)
Chinatown Revitalisation Stage 1		196	WATC*	1.89%	20/06/2029	(22,942)	(22,340)	(24,630)
Chinatown Revitalisation Stage 2		198	WATC*	1.95%	30/06/2036	(32,529)	(32,276)	(34,020)
China Town Contingency		201	WATC*	4.75%	21/06/2037	(86,817)	(84,588)	0
<b>Total</b>						<b>(163,400)</b>	<b>(159,476)</b>	<b>(94,228)</b>
<b>Self Supporting Loans Finance Cost Payments</b>								
Life Saving Club		200	WATC*	4.78%	27/06/2039	(1,046)	(18,996)	0
Broome Golf Club		199	WATC*	1.95%	28/06/2036	(24,625)	(24,426)	(24,225)
<b>Total Self Supporting Loans Finance Cost Payments</b>						<b>(25,671)</b>	<b>(43,422)</b>	<b>(24,225)</b>
<b>Total Finance Cost Payments</b>						<b>(189,071)</b>	<b>(202,898)</b>	<b>(118,453)</b>

\* WA Treasury Corporation

SHIRE OF BROOME  
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27. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2022/23

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2023 Actual	2023 Budget	2023 Actual	2023 Budget		
					\$	\$	\$	\$	\$	\$
Broome Surf Life Saving Club	WATC*	Semi-annual	16	4.78%	1,000,000	690,746	1,000,000	690,746	(84,709)	0
					1,000,000	690,746	1,000,000	690,746	(84,709)	0

\* WA Treasury Corporation

**SHIRE OF BROOME**  
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**28. RESERVE ACCOUNTS**

	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance	2023 Budget Opening Balance	2023 Budget Transfer to	2023 Budget Transfer (from)	2023 Budget Closing Balance	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by legislation/agreement</b>												
(a) Carpark reserve	391,357	33,362	0	424,719	348,367	16,050	0	364,417	348,224	43,133	0	391,357
(b) Footpath reserve	1,854,112	178,494	0	2,032,606	2,284,249	9,145	(316,173)	1,977,221	2,283,309	18,184	(447,381)	1,854,112
	2,245,469	211,856	0	2,457,325	2,632,616	25,195	(316,173)	2,341,638	2,631,533	61,317	(447,381)	2,245,469
<b>Restricted by council</b>												
(c) Leave reserve	1,324,537	42,779	0	1,367,316	1,197,509	62,470	0	1,259,979	1,197,060	315,411	(187,934)	1,324,537
(d) Restricted cash	65,000	0	0	65,000	65,000	0	0	65,000	65,000	0	0	65,000
(e) Community sponsorship	81,722	2,568	0	84,290	81,488	327	0	81,815	81,454	268	0	81,722
(f) EDL sponsorship	62,229	1,504	(35,600)	28,133	62,051	248	0	62,299	62,024	205	0	62,229
(g) Road reserve	1,892,145	559,720	0	2,451,865	1,517,912	5,024	0	1,522,936	1,517,285	374,860	0	1,892,145
(h) Public art reserve	6,232	196	0	6,428	6,214	24	0	6,238	6,211	21	0	6,232
(i) BRAC (leisure centre) reserve	58,697	1,844	0	60,541	58,528	234	(58,000)	762	58,504	193	0	58,697
(j) Public open space	3,789,991	1,336,987	0	5,126,978	1,807,390	773,779	(769,501)	1,811,668	1,806,645	2,500,312	(516,966)	3,789,991
(k) Drainage reserve	1,636,813	51,023	(28,453)	1,659,383	1,538,930	10,336	0	1,549,266	1,538,300	98,513	0	1,636,813
(l) Plant reserve	1,616,587	48,023	(218,520)	1,446,090	1,896,171	7,592	(391,804)	1,511,959	1,895,391	12,412	(291,216)	1,616,587
(m) Buildings reserve	3,289,749	266,950	0	3,556,699	2,922,156	918,008	(512,934)	3,327,230	2,920,961	559,604	(190,816)	3,289,749
(n) Refuse site reserve	2,574,623	77,289	(284,404)	2,367,508	2,666,096	10,675	(1,101,855)	1,574,916	2,664,994	1,175,246	(1,265,617)	2,574,623
(o) Regional resource recovery park reserve	12,815,817	497,824	0	13,313,641	13,297,144	0	(6,785,085)	6,512,059	13,291,670	42,198	(518,051)	12,815,817
(p) IT & equipment reserve	936,537	103,350	0	1,039,887	714,944	2,863	(35,000)	682,807	714,651	345,812	(123,926)	936,537
(q) Kimberley zone reserve	395,873	8,657	(298,453)	106,077	394,738	1,580	0	396,318	394,580	1,293	0	395,873
	30,546,552	2,998,714	(865,430)	32,679,836	28,226,271	1,793,160	(9,654,179)	20,365,252	28,214,730	5,426,348	(3,094,526)	30,546,552
	32,792,021	3,210,570	(865,430)	35,137,161	30,858,887	1,818,355	(9,970,352)	22,706,890	30,846,263	5,487,665	(3,541,907)	32,792,021

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

**SHIRE OF BROOME**  
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**28. RESERVE ACCOUNTS (Continued)**

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:

<b>Name of reserve account</b>	<b>Purpose of the reserve account</b>
<b>Restricted by legislation/agreement</b>	
(a) Carpark reserve	To be used for renewal, upgrade or new carparks. Typically, funds are from "Cash In Lieu" payments from developers.
(b) Footpath reserve	To be used for renewal, upgrade or new footpaths. Typically, funds are from contributions made by developers.
<b>Restricted by council</b>	
(c) Leave reserve	To be used to fund annual and long service leave requirements.
(d) Restricted cash	To be used for unspent grant and loan funds.
(e) Community sponsorship	To hold funds remaining as at 30 June after allocation of both Annual and Ad-hoc sponsorships and external donations to be spent on both annual and ad-hoc sponsorships in accordance with the Community Sponsorship Program Policy.
(f) EDL sponsorship	To hold funds to be spent on community projects as approved by Energy Development Limited.
(g) Road reserve	To be used for renewal, upgrade or new streets and roads.
(h) Public art reserve	To hold funds set aside annually to fund future public art projects and initiatives within the Shire.
(i) BRAC (leisure centre) reserve	To be used for the construction of recreation infrastructure and facilities.
(j) Public open space	To be used for renewal, upgrade, replacement or new public open space facilities and garden areas associated with buildings and other freely accessible public recreational facilities. Any contributions from developers are held in Trust.
(k) Drainage reserve	To be used for the renewal, upgrade or construction of drainage services. Typically funds are from contributions made by developers.
(l) Plant reserve	To be used for the renewal, upgrade or purchase of new mobile plant and engineering equipment.
(m) Buildings reserve	To be used for renewal, upgrade, replacement or new building construction and associated infrastructure.
(n) Refuse site reserve	To be used for the current and future costs of maintaining and closing the refuse site in accordance with operational needs and environmental guidelines.
(o) Regional resource recovery park reserve	To hold funds set aside annually and any year end operational profit generated from refuse site business unit to fund: <ul style="list-style-type: none"> <li>i) The future construction of a new facility;</li> <li>ii) the future subsequent and ongoing costs of maintaining the site in accordance with operational requirements and environmental guidelines; or</li> <li>iii) the costs of future rehabilitation of the site.</li> </ul>
(p) IT & equipment reserve	To be used for renewal, upgrade or new office equipment, IT hardware and software.
(q) Kimberley zone reserve	To hold funds set aside annually to fund future projects and initiatives for the Kimberley Zone of WALGA and/or Regional Collaborative Groups.

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

**29. 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:

	<b>1 July 2022</b>	<b>Amounts Received</b>	<b>Amounts Paid</b>	<b>30 June 2023</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Town Planning Related Bond Deposits	106,562	0	0	106,562
Cash In Lieu Of Public Open Space	100,209	0	0	100,209
	206,771	0	0	206,771

## FEEDBACK

If you have a comment or questions about the Annual Report here's how to contact us.

In person: Shire Administration Centre  
Cnr Weld and Haas Street  
Broome, Western Australia

Phone: +618 9191 3456

Email: [shire@broome.wa.gov.au](mailto:shire@broome.wa.gov.au)

Facebook: [facebook.com/BroomeWesternAustralia/](https://facebook.com/BroomeWesternAustralia/)

Instagram: [instagram.com/shireofbroome/](https://instagram.com/shireofbroome/)

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