

SHIRE OF DOWERIN

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2025

LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

Dowerin will be a thriving and growing rural community which offers lifestyle choice for all generations, is progressive in environmental management and is a preferred location for business development.

SHIRE OF DOWERIN
STATEMENT OF COMPREHENSIVE
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2024/25 Budget	2023/24 Actual	2023/24 Budget
		\$	\$	\$
Revenue				
Rates	2(a)	1,617,194	1,558,554	1,561,417
Grants, subsidies and contributions	10	1,300,746	2,753,217	968,914
Fees and charges	14	827,657	820,783	830,409
Interest revenue	11(a)	151,500	166,364	146,488
Other revenue	11(a)	60,184	68,315	78,912
		3,957,281	5,367,233	3,586,140
Expenses				
Employee costs		(1,730,018)	(1,722,874)	(1,966,082)
Materials and contracts		(2,256,924)	(2,033,259)	(1,875,967)
Utility charges		(237,449)	(243,776)	(179,196)
Depreciation	6	(2,617,600)	(2,651,258)	(2,185,601)
Finance costs	11(c)	(27,903)	(29,701)	(30,120)
Insurance		(194,453)	(200,804)	(185,189)
Other expenditure		(72,521)	(131,735)	(90,409)
		(7,136,868)	(7,013,407)	(6,512,564)
		(3,179,587)	(1,646,174)	(2,926,424)
Capital grants, subsidies and contributions	10	4,166,075	2,474,534	4,191,215
Profit on asset disposals	5(b)	2,351	44,835	35,122
Loss on asset disposals	5(b)	0	(6,091)	0
Fair value adjustments to financial assets at fair value through profit or loss		0	1,261	0
		4,168,426	2,514,539	4,226,337
Net result for the period		988,839	868,365	1,299,913
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus		0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		988,839	868,365	1,299,913

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

SHIRE OF DOWERIN
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2024/25 Budget	2023/24 Actual	2023/24 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	2(a)	1,559,769	1,501,129	1,503,992
Specified area and ex gratia rates	2(a)(ii)	57,425	57,425	57,425
Grants, subsidies and contributions	10	1,300,746	2,753,217	968,914
Fees and charges	14	827,657	820,783	830,409
Interest revenue	11(a)	151,500	166,364	146,488
Other revenue	11(a)	60,184	68,315	78,912
Profit on asset disposals	5(b)	2,351	44,835	35,122
		<u>3,959,632</u>	<u>5,412,068</u>	<u>3,621,262</u>
Expenditure from operating activities				
Employee costs		(1,730,018)	(1,722,874)	(1,966,082)
Materials and contracts		(2,256,924)	(2,033,259)	(1,875,967)
Utility charges		(237,449)	(243,776)	(179,196)
Depreciation	6	(2,617,600)	(2,651,258)	(2,185,601)
Finance costs	11(c)	(27,903)	(29,701)	(30,120)
Insurance		(194,453)	(200,804)	(185,189)
Other expenditure		(72,521)	(131,735)	(90,409)
Loss on asset disposals	5(b)	0	(6,091)	0
		<u>(7,136,868)</u>	<u>(7,019,498)</u>	<u>(6,512,564)</u>
Non-cash amounts excluded from operating activities	3(b)	2,619,441	2,634,975	2,155,449
Amount attributable to operating activities		(557,795)	1,027,545	(735,853)
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions	10	4,166,075	2,474,534	4,191,215
Payments for property, plant and equipment	5(a)	(1,211,185)	(271,171)	(404,783)
Payments for construction of infrastructure	5(a)	(4,725,415)	(2,884,919)	(4,631,329)
Proceeds from disposal of assets	5(b)	189,351	93,909	56,000
Amount attributable to investing activities		(1,581,174)	(587,647)	(788,897)
Amount attributable to investing activities		(1,581,174)	(587,647)	(788,897)
FINANCING ACTIVITIES				
Inflows from financing activities				
Repayment of borrowings	7(a)	(108,351)	(106,134)	(106,134)
Transfers from cash backed reserves	8(a)	1,096,906	192,044	218,510
		<u>988,555</u>	<u>85,910</u>	<u>112,376</u>
Outflows from financing activities				
Transfers to cash backed reserves	8(a)	(559,807)	(620,789)	(398,426)
		<u>(559,807)</u>	<u>(620,789)</u>	<u>(398,426)</u>
Amount attributable to financing activities		428,748	(534,879)	(286,050)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	3	1,710,221	1,805,201	1,810,800
Amount attributable to operating activities		(557,795)	1,027,545	(735,853)
Amount attributable to investing activities		(1,581,174)	(587,647)	(788,897)
Amount attributable to financing activities		428,748	(534,879)	(286,050)
Surplus or deficit at the end of the financial year	3	0	1,710,221	0

SHIRE OF DOWERIN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2024/25 Budget	2023/24 Actual	2023/24 Budget
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		1,652,194	1,587,505	1,596,417
Grants, subsidies and contributions		1,317,011	3,247,064	1,158,157
Fees and charges		827,657	820,783	830,409
Interest revenue		151,500	166,364	146,488
Goods and services tax received		500,000	417,019	500,000
Other revenue		60,184	68,315	78,912
		4,508,546	6,307,050	4,310,383
Payments				
Employee costs		(1,730,018)	(1,858,748)	(1,966,082)
Materials and contracts		(2,256,924)	(1,998,083)	(1,875,967)
Utility charges		(237,449)	(243,776)	(179,196)
Finance costs		(27,903)	(90,201)	(30,120)
Insurance		(194,453)	(200,804)	(185,189)
Goods and services tax paid		(500,000)	(500,000)	(500,000)
Other expenditure		(72,521)	(131,735)	(90,409)
		(5,019,268)	(5,023,347)	(4,826,963)
Net cash provided by (used in) operating activities	4	(510,722)	1,283,703	(516,580)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(1,211,185)	(271,171)	(404,783)
Payments for construction of infrastructure	5(a)	(4,725,415)	(2,884,919)	(4,631,329)
Capital grants, subsidies and contributions		4,166,075	2,474,534	4,191,215
Proceeds from sale of property, plant and equipment	5(b)	189,351	93,909	56,000
Net cash provided by (used in) investing activities		(1,581,174)	(587,647)	(788,897)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(108,351)	(106,134)	(106,134)
Proceeds on disposal of financial assets at amortised cost - term deposits		537,099	(105,533)	(179,916)
Net cash provided by (used in) financing activities		428,748	(211,667)	(286,050)
Net increase (decrease) in cash held		(1,663,148)	484,389	(1,591,527)
Cash at beginning of year		2,331,786	1,847,397	1,729,393
Cash and cash equivalents at the end of the year	4	668,638	2,331,786	137,866

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

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SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

1 (a) BASIS OF PREPARATION

The annual budget for the Shire of Dowerin is a forward looking document and 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 annual budget be prepared in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

Accounting policies which have been adopted in the preparation of this annual budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the annual budget 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 annual budget.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 4 to the annual budget.

2024/25 actual balances

Balances shown in this budget as Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

Budget comparative figures

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

Comparative figures

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

Rounding off figures

All figures shown in this statement are rounded to the nearest dollar.

Initial application of accounting standards

During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.

- AASB 2021-2 Amendments to Australian Accounting Standards
 - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-6 Amendments to Australian Accounting Standards
 - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

It is not expected these standards will have an impact on the annual budget.

New accounting standards for application in future years

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

- AASB 2014-10 Amendments to Australian Accounting Standards
 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards
 - Classification of Liabilities as Current or Non-current
- AASB 2021-7c Amendments to Australian Accounting Standards
 - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards
 - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards
 - Non-current Liabilities with Covenants
- AASB 2022-10 Amendments to Australian Accounting Standards
 - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

It is not expected these standards will have an impact on the annual budget.

Judgements, estimates and assumptions

The preparation of the annual budget 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
- estimation of fair values of land and buildings and investment property
- impairment of financial assets
- estimation uncertainties and judgements made in relation to lease accounting
- estimated useful life of assets

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

1 (b) KEY TERMS AND DEFINITIONS - NATURE OR TYPE

REVENUES

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

SERVICE CHARGES

Service charges imposed under Division 6 of Part 6 of the *Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services.

Excludes rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

PROFIT ON ASSET DISPOSAL

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

FEES AND CHARGES

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

INTEREST REVENUE

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE

Other revenue, which can not be classified under the above headings, includes dividends, discounts, and rebates. Reimbursements and recoveries should be separated by note to ensure the correct calculation of ratios.

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets includes loss on disposal of long term investments.

DEPRECIATION

Depreciation and amortisation expense raised on all classes of assets.

FINANCE EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	2024/25 Budgeted rate revenue	2024/25 Budgeted interim rates	2024/25 Budgeted back rates	2024/25 Budgeted total revenue	2023/24 Actual total revenue	2023/24 Budget total revenue					
		\$		\$	\$	\$	\$	\$	\$	\$					
(i) Differential general rates or general rates															
Residential	GRV	0.074410	128	1,862,276	138,572	(500)	0	138,072	116,024	116,024					
Commercial	GRV	0.074410	11	241,572	17,975	(500)	0	17,475	26,417	26,417					
Town Rural	GRV	0.074410	12	214,136	15,934	0	0	15,934	14,306	14,306					
Other Town	GRV	0.074410	8	49,920	3,715	0	0	3,715	3,439	3,439					
Rural Farmland	UV	0.004553	222	272,154,000	1,239,117	(3,971)	0	1,235,146	1,187,685	1,190,548					
Sub-Total			381	274,521,904	1,415,313	(4,971)	0	1,410,342	1,347,871	1,350,734					
Minimum payment															
		\$													
Residential	GRV	883	51	482,834	45,033	0	0	45,033	56,034	56,034					
Commercial	GRV	883	21	101,068	18,543	0	0	18,543	14,433	14,433					
Town Rural	GRV	883	16	48,420	14,128	0	0	14,128	13,584	13,584					
Other Town	GRV	258	20	9,018	5,160	0	0	5,160	4,960	4,960					
Rural Farmland	UV	883	63	5,700,900	55,629	0	0	55,629	53,487	53,487					
Commercial	UV	883	4	600	3,532	0	0	3,532	3,396	3,396					
Town Rural	UV	883	4	142,000	3,532	0	0	3,532	3,396	3,396					
Mining	UV	258	15	115,975	3,870	0	0	3,870	3,968	3,968					
Sub-Total			194	6,600,815	149,427	0	0	149,427	153,258	153,258					
								575	281,122,719	1,564,740	(4,971)	0	1,559,769	1,501,129	1,503,992
Total amount raised from general rates								1,559,769	1,501,129	1,503,992					
(ii) Specified area and ex gratia rates															
Ex-gratia rates															
CBH					57,425	0	0	57,425	57,425	57,425					
Total specified area and ex gratia rates								57,425	57,425	57,425					
Total rates								1,617,194	1,558,554	1,561,417					

All land (other than exempt land) in the Shire of Dowerin is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire of Dowerin.

The general rates detailed for the 2024/25 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of local government services/facilities.

2. RATES AND SERVICE CHARGES (CONTINUED)

(b) Interest Charges and Instalments - Rates and Service Charges

The following instalment options are available to ratepayers for the payment of rates and service charges.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	4/10/2024	n/a	n/a	n/a
Option two				
First instalment	4/10/2024	0	5.0%	5.0%
Second instalment	7/02/2025	5	5.0%	5.0%
Option three				
First instalment	4/10/2024	0	5.0%	5.0%
Second instalment	6/12/2024	5	5.0%	5.0%
Third instalment	7/02/2025	5	5.0%	5.0%
Fourth instalment	11/04/2025	5	5.0%	5.0%

	2024/25 Budget revenue	2023/24 Actual revenue	2023/24 Budget revenue
	\$	\$	\$
Instalment plan interest earned	3,000	3,070	3,996
Unpaid rates and service charge interest earned	6,500	7,204	9,996
Pensioner Deferred Interest Received	0	0	0
	9,500	10,274	13,992

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Specified Area Rate

The Shire did not raise a specified area rate for the year ended 30th June 2025.

(d) Service Charges

The Shire did not raise a service charge for the year ended 30th June 2025.

(e) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2025.

SHIRE OF DOWERIN
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2025

3. NET CURRENT ASSETS

	Note	2024/25 Budget 30 June 2025	2023/24 Actual 30 June 2024	2023/24 Budget 30 June 2024
		\$	\$	\$
(a) Composition of estimated net current assets				
Current assets				
Cash and cash equivalents - unrestricted	4	345,995	1,721,172	137,866
Cash and cash equivalents - restricted	4	322,643	610,614	0
Financial assets - restricted	4	2,553,283	3,090,382	3,164,196
Receivables		(89,675)	145,325	268,531
Contract assets		0	104,236	0
Inventories		16,455	16,455	23,825
		3,148,701	5,688,184	3,594,418
Less: current liabilities				
Trade and other payables		(280,018)	(280,018)	(346,994)
Contract liabilities		0	(287,971)	0
Long term borrowings	7	5	(108,346)	0
Employee provisions		(116,173)	(116,173)	(202,298)
		(396,186)	(792,508)	(549,292)
Net current assets		2,752,515	4,895,676	3,045,126
Less: Total adjustments to net current assets	3.(c)	(2,752,515)	(3,185,455)	(3,045,126)
Net current assets used in the Rate Setting Statement		0	1,710,221	0

3. NET CURRENT ASSETS (CONTINUED)

EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)

Items excluded from calculation of budgeted deficiency

When calculating the budget deficiency for the purpose of Section 6.2 (2)(c) of the Local Government Act 1995 the following amounts have been excluded as provided by Local Government (Financial Management) Regulation 32 which will not fund the budgeted expenditure.

(b) Non-cash amounts excluded from operating activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with *Financial Management Regulation 32*.

	Note	2024/25 Budget 30 June 2025	2023/24 Actual 30 June 2024	2023/24 Budget 30 June 2024
		\$	\$	\$
Adjustments to operating activities				
Less: Profit on asset disposals	5(b)	(2,351)	(44,835)	(35,122)
Less: Fair value adjustments to financial assets at fair value through profit and loss		0	1,261	0
Add: Loss on disposal of assets	5(b)	0	6,091	0
Add: Depreciation on assets	6	2,617,600	2,651,258	2,185,601
Movement in non-current pensioner deferred rates		0	(4,354)	0
Movement in non-current employee provisions		0	21,124	0
Movement in current employee provisions associated with restricted cash		4,192	4,430	4,970
Non cash amounts excluded from operating activities		2,619,441	2,634,975	2,155,449

(c) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with Financial Management Regulation 32 to agree to the surplus/(deficit) after imposition of general rates.

Adjustments to net current assets

Less: Cash - restricted reserves	8	(2,875,926)	(3,413,025)	(3,164,196)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		(5)	108,346	0
- Current portion of employee benefit provisions held in reserve		123,416	119,224	119,070
Total adjustments to net current assets		(2,752,515)	(3,185,455)	(3,045,126)

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

3 (d) NET CURRENT ASSETS (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

An 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.

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 of Dowerin 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 normally paid within 30 days of recognition.

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 revenue for the prepaid rates that have not been refunded.

INVENTORIES

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.

Superannuation

The Shire of Dowerin contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Dowerin contributes are defined contribution plans.

LAND HELD FOR RESALE

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

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.

TRADE AND OTHER RECEIVABLES

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Trade receivables are held with the objective to collect the contractual cashflows and therefore 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.

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

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.

EMPLOYEE BENEFITS

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. The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

CONTRACT LIABILITIES

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

CONTRACT ASSETS

A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

4. RECONCILIATION OF CASH

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Cash at bank and on hand	668,638	2,331,786	137,866
Total cash and cash equivalents	668,638	2,331,786	137,866
Held as			
- Unrestricted cash and cash equivalents	3(a) 345,995	1,721,172	137,866
- Restricted cash and cash equivalents	3(a) 322,643	610,614	0
	668,638	2,331,786	137,866
Restrictions			
The following classes of 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	322,643	610,614	0
- Restricted financial assets at amortised cost - term deposits	3(a) 2,553,283	3,090,382	3,164,196
	2,875,926	3,700,996	3,164,196
The restricted assets are a result of the following specific purposes to which the assets may be used:			
Financially backed reserves	8 2,875,926	3,413,025	3,164,196
Contract liabilities	0	287,971	0
	2,875,926	3,700,996	3,164,196
Reconciliation of net cash provided by operating activities to net result			
Net result	988,839	868,365	1,299,913
Depreciation	6 2,617,600	2,651,258	2,185,601
(Profit)/loss on sale of asset	5(b) (2,351)	(38,744)	(35,122)
Share of profit or (loss) of associates accounted for using the equity method	0	(1,261)	0
(Increase)/decrease in receivables	235,000	360,250	235,000
(Increase)/decrease in contract assets	104,236	22,620	220,267
(Increase)/decrease in inventories	0	716	0
Increase/(decrease) in payables	0	(60,536)	0
Increase/(decrease) in contract liabilities	(287,971)	56,947	(231,024)
Non-operating grants, subsidies and contributions	(4,166,075)	(2,474,534)	(4,191,215)
Net cash from operating activities	(510,722)	1,283,703	(516,580)

SIGNIFICANT ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

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

Bank overdrafts are shown as short term borrowings in current liabilities in Note 3 - Net Current Assets.

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.

SHIRE OF DOWERIN
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2025

5. FIXED ASSETS

(a) Acquisition of Assets

The following assets are budgeted to be acquired during the year.

Asset class	Reporting program				2024/25 Budget total	2023/24 Actual total	2023/24 Budget total
	Governance	Recreation and culture	Transport	Economic services			
	\$	\$	\$	\$	\$	\$	\$
<i>Property, Plant and Equipment</i>							
Buildings - non-specialised	0	288,000	0	7,500	780,500	21,603	180,114
Furniture and equipment	13,000	0	0	2,000	15,000	44,224	52,000
Plant and equipment	0	0	405,685	0	415,685	205,344	172,669
	13,000	288,000	405,685	9,500	1,211,185	271,171	404,783
<i>Infrastructure</i>							
Infrastructure - roads	0	0	4,563,340	0	4,563,340	2,872,004	4,410,569
Infrastructure - parks and ovals	0	0	0	0	0	12,915	182,560
Other infrastructure - other	0	162,075	0	0	162,075	0	38,200
	0	162,075	4,563,340	0	4,725,415	2,884,919	4,631,329
Total acquisitions	13,000	450,075	4,969,025	9,500	5,936,600	3,156,090	5,036,112

A detailed breakdown of acquisitions on an individual asset basis can be found in the within this budget document.

SIGNIFICANT ACCOUNTING POLICIES

RECOGNITION OF ASSETS

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.

Shire of Dowerin

SUPPORTING SCHEDULE CAPITAL EXPENDITURE WITH FUNDING SOURCE

Asset Class	Program	Funding	Project Description	FY24/25 Proposed Budget	Proposed Funding				Reserve Fund / Comment
					Reserves	Capital Grant Funding	Proceeds on Sale	Own Sources	
Furniture and equipment	Governance	Own	Council Chambers Audio System	13,000				13,000	Carried forward in Surplus from Prior Year
Furniture and equipment	Economic Services	Own	Signage	2,000				2,000	Move to operational?
Plant and equipment	Law, order, public safety	DFES/Other	Generator for shed	10,000		0		10,000	
Plant and equipment	Transport	Own	Parks and Gardens Toyota Hilux	35,685	20,000		14,351	1,334	Plant Reserve
Plant and equipment	Transport	Own	CAT 938 Loader	370,000	250,000		55,000	65,000	Plant Reserve
Buildings -Non Specialised	Economic Services Housing	Own	Airconditioning	7,500				7,500	
Buildings -Non Specialised	Economic Services Housing	Own	New House	485,000	485,000			0	Land & Building Reserve
Buildings -Non Specialised	Recreation and Culture	Sport & Rec	Swimming pool refurbishment	250,000	210,791			39,209	Recreation Reserve
Buildings -Non Specialised	Recreation and Culture	Sport & Rec	Skate Park	38,000		18,980		19,020	Carried forward in Surplus from Prior Year
Infrastructure - Roads	Transport	WSFN	Dowerin Kalannie Road SLK 37.81-41.71	1,385,100	42,340	1,292,760		50,000	Roads and Infrastructure Reserve
Infrastructure - Roads	Transport	WSFN	Dowerin Kalannie Road Bailey EW Intersection	125,606	8,374	117,232		0	Roads and Infrastructure Reserve
Infrastructure - Roads	Transport	WSFN	Dowerin Kalannie Road Verge Maintenance	104,080	6,939	97,141		0	Roads and Infrastructure Reserve
Infrastructure - Roads	Transport	WSFN	Dowerin Kalannie Road & Ward Road Intersection Planning and Development	50,000	3,334	46,666		0	Roads and Infrastructure Reserve
Infrastructure - Roads	Transport	WSFN	Dowerin Kalannie Road & Ward Road Intersection Planning and Development - RSA	8,000		4,000		4,000	
Infrastructure - Roads	Transport	WSFN	Line marking	185,595	0	173,161		12,434	
Infrastructure - Roads	Transport	Blackspot	Dowerin Meckering Road & Hindmarsh Back Road	753,286		753,286		0	Part funds - Grants in Advance
Infrastructure - Roads	Transport	RRG	Cunderdin Minnivale Road	579,391	67,324	386,261		125,806	Roads and Infrastructure Reserve
Infrastructure - Roads	Transport	LCRIP	Manmanning Road SLK 0.00-5.67	244,768	2,804	241,964		0	Roads and Infrastructure Reserve
Infrastructure - Roads	Transport	LCRIP	Fifty Four Gates West Road SLK 0.00-2.65	114,180		114,180		0	
Infrastructure - Roads	Transport	LCRIP	Dowerin Meckering Road Reseal SLK 18.40 - 21.50	172,430		172,430		0	
Infrastructure - Roads	Transport	LCRIP	Metcalf Road Culvert Repair SLK 3.58	16,342		16,342		0	
Infrastructure - Roads	Transport	LCRIP	Harris East Road Culvert Repair SLK 4.38	32,582		32,582		0	
Infrastructure - Roads	Transport	R2R	Memorial Avenue SLK 0.00 - 0.84	53,650		53,650		0	
Infrastructure - Roads	Transport	R2R	Stacey Street SLK 0.00-0.57	39,875		39,875		0	
Infrastructure - Roads	Transport	R2R	Maisey Street SLK 0.00-0.38	29,203		29,203		0	
Infrastructure - Roads	Transport	R2R	Amery Benjaberring Road SLK 8.40-8.98	25,000		25,000		0	
Infrastructure - Roads	Transport	R2R	Minnivale NE Road SLK 0.00-0.10	5,000		5,000		0	
Infrastructure - Roads	Transport	R2R	Meckering Road SLK 0.63-0.85	15,950		15,950		0	
Infrastructure - Roads	Transport	R2R	Dowerin Koorda Road SLK 15.52 - 22.13	113,692		113,692		0	
Infrastructure - Roads	Transport	R2R	Redding Road and Stewart Street	120,450		120,450		0	
Infrastructure - Roads	Transport	R2R	Old Koorda Road SLK 0.00 - 8.89	389,160		207,762		181,398	
Other Infrastructure - Other	Recreation and Culture	DWER	This project is being rolled over from 2023/2024 financial year. It is being funded by DWER - Town water harvest grant	142,560		88,509		54,051	Carried forward in Surplus from Prior Year
Other Infrastructure - Other	Recreation and Culture	Own	Pioneer Pathways Phase 2	19,515				19,515	
				\$5,936,600.00	\$1,096,906.00	\$4,166,075.00	\$69,351.00	\$604,268.00	

Summary of Proposed Capital Expenditure (by Asset Class)

Buildings - Non Specialised	\$ 780,000.00
Plant and Equipment	\$ 415,685.00
Furniture and Equipment	\$ 15,000.00
Infrastructure - Roads	\$ 4,563,340.00
Other Infrastructure - Other	\$ 162,075.00
	<u>\$ 5,936,600.00</u>

Summary of Proposed Capital Expenditure (by Asset Type)

Purchase property, plant and equipment	\$ 1,211,185.00
Purchase and construction of infrastructure	\$ 4,725,415.00
	<u>\$ 5,936,600.00</u>

Own Source Funded Projects

Governance	\$ 13,000.00
General purpose funding	\$ -
Law, order and public safety	\$ 10,000.00
Health	\$ -
Education and welfare	\$ -
Housing	\$ -
Community Amenities	\$ -
Recreation and culture	\$ 131,795.00
Transport	\$ 439,973.00
Economic services	\$ 9,500.00
Other property and services	\$ -
	<u>\$ 604,268.00</u>

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

5. FIXED ASSETS

(b) Disposals of Assets

The following assets are budgeted to be disposed of during the year.

	2024/25 Budget Net Book Value	2024/25 Budget Sale Proceeds	2024/25 Budget Profit	2024/25 Budget Loss	2023/24 Actual Net Book Value	2023/24 Actual Sale Proceeds	2023/24 Actual Profit	2023/24 Actual Loss	2023/24 Budget Net Book Value	2023/24 Budget Sale Proceeds	2023/24 Budget Profit	2023/24 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
By Asset												
Parks and Gardens Toyota Hilux	12,000	14,351	2,351	0	0	0	0	0	0	0	0	0
CAT 938 Loader	55,000	55,000	0	0	0	0	0	0	0	0	0	0
120M Grader	120,000	120,000	0	0	0	0	0	0	0	0	0	0
Passenger Vehicle; CEO	0	0	0	0	27,261	60,909	33,648	0	20,878	56,000	35,122	0
D002	0	0	0	0	10,000	3,909	0	(6,091)	0	0	0	0
Light Hino Truck 500 Series	0	0	0	0	17,904	29,091	11,187	0	0	0	0	0
	187,000	189,351	2,351	0	55,165	93,909	44,835	(6,091)	20,878	56,000	35,122	0
By Program												
Transport	175,000	175,000	0	0	27,904	33,000	11,187	(6,091)	0	0	0	0
Other property and services	12,000	14,351	2,351	0	27,261	60,909	33,648	0	0	56,000	35,122	0
	187,000	189,351	2,351	0	55,165	93,909	44,835	(6,091)	0	56,000	35,122	0
By Class												
<u>Property, Plant and Equipment</u>												
Plant and equipment	187,000	189,351	2,351	0	55,165	93,909	44,835	(6,091)	0	56,000	35,122	0
	187,000	189,351	2,351	0	55,165	93,909	44,835	(6,091)	0	56,000	35,122	0

SIGNIFICANT ACCOUNTING POLICIES

GAINS AND LOSSES ON DISPOSAL

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

6. ASSET DEPRECIATION

By Program

Law, order, public safety
 Education and welfare
 Housing
 Community amenities
 Recreation and culture
 Transport
 Economic services
 Other property and services

By Class

Buildings - Non Specialised
 Plant & Equipment
 Infrastructure Roads
 Infrastructure Drainage
 Infrastructure Footpaths
 Infrastructure Parks & Ovals
 Other Infrastructure - Sewerage
 Infrastructure Other

	2024/25	2023/24	2023/24
	Budget	Actual	Budget
	\$	\$	\$
	58,000	55,405	56,160
	23,000	21,316	19,824
	126,000	124,241	125,088
	202,504	199,160	159,720
	691,000	683,234	596,952
	1,218,000	1,278,182	908,556
	115,096	98,757	106,860
	184,000	190,964	212,441
	2,617,600	2,651,258	2,185,601
	514,000	504,848	502,949
	247,000	308,993	266,604
	1,075,000	1,072,807	800,004
	81,000	80,447	65,004
	138,000	137,366	109,992
	311,000	308,229	247,944
	166,000	165,250	129,996
	76,000	73,319	53,508
	2,617,600	2,651,258	2,185,601

SIGNIFICANT ACCOUNTING POLICIES

DEPRECIATION

The depreciable amount of all fixed assets including buildings but excluding freehold land, 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.

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.

Major depreciation periods used for each class of depreciable asset are:

Asset Class	Useful life
Buildings	15 to 61 years
Furniture and equipment	4 to 10 years
Tools	10 to 20 years
Plant and equipment	10 to 27 years
Roads and streets	
- Formation	not depreciated
- Pavement	17 years
- Bridges	50 years
- Kerbing	25 years
Footpaths	25 years
Other Infrastructure	8 - 40 years
Parks & Ovals Infrastructure	17 years
Drainage Infrastructure	50 years
Wastewater infrastructure	20 years

AMORTISATION

The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

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

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

7. INFORMATION ON BORROWINGS

(a) Borrowing repayments

Movement in borrowings and interest between the beginning and the end of the current financial year.

Purpose	Loan		Interest	Budget	2024/25	2024/25	Budget	2024/25	Actual	2023/24	Actual	2023/24	Budget	2023/24	Budget	2023/24
	Number	Institution	Rate	Principal 1 July 2024	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2025	Budget Interest Repayments	Principal 1 July 2023	Actual Principal Repayments	Principal outstanding 30 June 2024	Actual Interest Repayments	Principal 1 July 2023	Budget Principal Repayments	Principal outstanding 30 June 2024	Budget Interest Repayments
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing																
Loan 100 - GROH	100	WATC*	3.57%	216,061	0	(11,903)	204,158	(7,804)	227,550	(11,489)	216,061	(8,117)	227,550	(11,489)	216,061	(8,218)
Recreation and culture																
Loan 101 - Swimming Pool	101	WATC*	1.80%	114,054	0	(20,153)	93,901	(1,790)	133,849	(19,795)	114,054	(2,142)	133,849	(19,795)	114,054	(2,149)
Transport																
Multi Tyre Roller	103	WATC*	0.8%	87,776	0	(21,246)	66,530	(610)	108,846	(21,070)	87,776	(787)	108,846	(21,070)	87,776	(787)
Smooth Drum Tyre Roller	102	WATC*	0.8%	94,841	0	(18,747)	76,094	(830)	113,432	(18,591)	94,841	(938)	113,432	(18,591)	94,841	(984)
Economic services																
Loan 99 - Accommodation	99	WATC*	3.1%	529,298	0	(36,302)	492,996	(16,869)	564,486	(35,188)	529,298	(17,716)	564,486	(35,189)	529,297	(17,982)
				1,042,029	0	(108,351)	933,678	(27,903)	1,148,163	(106,134)	1,042,029	(29,701)	1,148,163	(106,134)	1,042,029	(30,120)

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.

7. INFORMATION ON BORROWINGS

(b) New borrowings - 2024/25

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2025

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2024 nor is it expected to have unspent borrowing funds as at 30th June 2025.

(d) Credit Facilities

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Undrawn borrowing facilities credit standby arrangements			
Bank overdraft limit	60,000	60,000	60,000
Bank overdraft at balance date	0	0	0
Credit card limit	16,000	16,000	18,000
Credit card balance at balance date	(5,000)	(5,267)	(5,000)
Total amount of credit unused	71,000	70,733	73,000
Loan facilities			
Loan facilities in use at balance date	933,678	1,042,029	1,042,029

Overdraft details	Purpose overdraft was established	Year overdraft established	Amount b/fwd 1 July 2024	2024/25 Budgeted Increase/ (Decrease)	Amount as at 30th June 2025
			\$	\$	\$
NAB	Cashflow	1980	60,000	0	60,000
			60,000	0	60,000

SIGNIFICANT ACCOUNTING POLICIES

BORROWING COSTS

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

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

8. FINANCIALLY BACKED RESERVES

(a) Financially Backed Reserves - Movement

	2024/25 Budget Opening Balance	2024/25 Budget Interest Transfer to	2024/25 Budget Transfer to	2024/25 Budget Transfer (from)	2024/25 Budget Closing Balance	2023/24 Actual Opening Balance	2023/24 Actual Transfer to	2023/24 Actual Transfer (from)	2023/24 Actual Closing Balance	2023/24 Budget Opening Balance	2023/24 Budget Transfer to	2023/24 Budget Transfer (from)	2023/24 Budget Closing Balance
	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council													
(a) Employee Entitlement Reserve	119,224	4,192	0	0	123,416	114,100	5,124	0	119,224	114,100	4,970	0	119,070
(b) Plant Replacement Reserve	548,552	19,287	189,351	(270,000)	487,190	464,535	120,861	(36,844)	548,552	464,535	20,236	(35,310)	449,461
(c) Sewerage Asset Preservation Reserve	936,174	32,915	0	0	969,089	907,424	40,750	(12,000)	936,174	907,424	39,529	(12,000)	934,953
(d) Information Technology Reserve	26,884	945	0	0	27,829	60,144	6,740	(40,000)	26,884	60,144	2,620	(40,000)	22,764
(e) Land & Building Reserve	682,135	23,984	0	(485,000)	221,119	363,390	318,745	0	682,135	363,390	268,256	0	631,646
(f) Recreation Reserve	222,228	7,813	0	(210,791)	19,250	229,175	6,253	(13,200)	222,228	229,175	9,983	(41,200)	197,958
(g) Community Housing Reserve	63,479	2,232	0	0	65,711	60,751	2,728	0	63,479	60,751	2,646	0	63,397
(h) Economic Reserve	40,848	1,436	0	0	42,284	67,803	3,045	(30,000)	40,848	67,803	2,954	(30,000)	40,757
(i) Bowling Green Reserve	144,482	5,080	10,000	0	159,562	128,702	15,780	0	144,482	128,702	15,606	0	144,308
(j) Tennis Court Reserve	73,763	2,593	6,000	0	82,356	64,850	8,913	0	73,763	64,850	8,825	0	73,675
(k) Depot Reserve	91,766	3,226	0	0	94,992	70,264	21,502	0	91,766	70,264	3,061	0	73,325
(l) Waste Reserve	42,072	1,480	0	0	43,552	40,264	1,808	0	42,072	40,264	1,754	0	42,018
(m) Roads and Infrastructure	421,418	14,817	234,456	(131,115)	539,576	412,878	68,540	(60,000)	421,418	412,878	17,986	(60,000)	370,864
	3,413,025	120,000	439,807	(1,096,906)	2,875,926	2,984,280	620,789	(192,044)	3,413,025	2,984,280	398,426	(218,510)	3,164,196
	3,413,025	120,000	439,807	(1,096,906)	2,875,926	2,984,280	620,789	(192,044)	3,413,025	2,984,280	398,426	(218,510)	3,164,196

(b) Financially Backed Reserves - Purposes

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Anticipated date of use	Purpose of the reserve
(a) Employee Entitlement Reserve	Ongoing	- To cash back the cost of Long Service, Annual and Sick Leave where the Leave cannot be absorbed within the Annual budget.
(b) Plant Replacement Reserve	Ongoing	- To ensure the cost of additional new plant and refurbishment or replacement can be met as per the Plant Replacement Program
(c) Sewerage Asset Preservation Reserve	Ongoing	- To provide for the replacement and development of sewerage and stormwater infrastructure throughout the Shire.
(d) Information Technology Reserve	Ongoing	- To be used for the renewal & upgrade of Shire of Dowerin Information Technology
(e) Land & Building Reserve	Ongoing	- To assist with funding the development and purchase of land and building assets.
(f) Recreation Reserve	Ongoing	- To fund future maintenance, upgrades and developments of recreation facilities, including the swimming pool.
(g) Community Housing Reserve	Ongoing	- To enable participation in community housing projects such as independent living units for seniors
(h) Economic Reserve	Ongoing	- To maintain a reserve to fund economic development initiatives
(i) Bowling Green Reserve	Ongoing	- To be used for the replacement of the bowling greens.
(j) Tennis Court Reserve	Ongoing	- To be used for the replacement of the Tennis Courts
(k) Depot Reserve	Ongoing	- To be used for the purpose of construction of a new Shire of Dowerin Works Depot facility
(l) Waste Reserve	Ongoing	- To be used for the renewal & development of the Shire of Dowerin Waste Facility
(m) Roads and Infrastructure	Ongoing	- To be used for the new construction, maintenance, renewal or upgrade of drainage, footpaths, streets and roads

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

9. REVENUE RECOGNITION

SIGNIFICANT ACCOUNTING POLICIES

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	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Sewerage Rates & Charges	Charge for Town Sewerage service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Operating Grants with commitments	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Operating Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Non- Operating Grants	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Fees & Charges	Sale of general goods & services	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Other Revenue	Reimbursements, Donations, Insurance claims and Other revenue	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled

10. KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Shire's Community Vision, and for each of its broad activities/programs.

OBJECTIVE

ACTIVITIES

Governance

To provide a decision making process for the efficient allocation of scarce resources.

Includes the activities of members of council and the administrative support available to the council for the provision of governance to the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

General purpose funding

To collect revenue to allow for the provision of services.

Rates, general purpose government grants and interest revenue.

Law, order, public safety

To provide services to help ensure a safer and environmentally conscious community.

Supervision of various by-laws, fire prevention, emergency services and animal control

Health

To provide an operational framework for environmental and community health.

Food quality and pest control, operation of child health clinic, dental surgery and medical centre.

Housing

The provision of housing to staff.

Maintenance of staff and rental housing.

Community amenities

The provision of services required by the community.

Rubbish collection services, operation of tip, noise control, administration of town planning scheme, maintenance of cemetery, conveniences, storm water drainage, protection of the environment and Community Resource Centre operations.

Recreation and culture

To establish and effectively manage infrastructure and resources that help to maintain the social well being of the community.

Maintenance of public halls, aquatic centre and various sporting facilities. Provision and maintenance of parks, gardens, reserves and playgrounds. Operation of library and maintenance of museums and other cultural facilities

Transport

To provide safe, effective and efficient transport services to the community.

Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, depot maintenance and airfield maintenance

Economic services

To help promote the Shire and its economic wellbeing.

The regulation and provision of tourism, area promotion, building control, saleyards, noxious weeds, vermin control, plant nursery and standpipes

Other property and services

To monitor and control Council's overheads operating account.

Private Works operations, plant repairs and operation costs. Maintenance of commercial buildings

10. PROGRAM INFORMATION

Income and expenses	2024/25 Budget	2023/24 Actual	2023/24 Budget
Income excluding grants, subsidies and contributions	\$	\$	\$
General purpose funding	1,781,098	1,739,584	1,741,865
Law, order, public safety	5,016	10,358	4,716
Health	3,304	109	3,300
Education and welfare	16,000	9,211	16,000
Housing	161,992	117,792	161,992
Community amenities	288,941	286,603	288,941
Recreation and culture	26,508	16,784	28,008
Transport	17,000	30,880	17,004
Economic services	301,600	301,704	301,600
Other property and services	57,427	147,088	88,922
	2,658,886	2,660,113	2,652,348
Operating grants, subsidies and contributions			
Governance	500	3,745	1,500
General purpose funding	291,176	1,628,218	0
Law, order, public safety	24,373	34,138	30,000
Education and welfare	636,572	574,208	636,572
Housing	0	80,246	0
Community amenities	504	300	504
Recreation and culture	17,172	18,437	22,172
Transport	207,253	168,844	164,000
Economic services	115,396	238,254	106,366
Other property and services	7,800	6,826	7,800
	1,300,746	2,753,217	968,914
Non-operating grants, subsidies and contributions			
General purpose funding	0	528,311	577,376
Law, order, public safety	0	0	0
Recreation and culture	107,489	8,851	279,723
Transport	4,058,586	1,937,372	3,334,116
	4,166,075	2,474,534	4,191,215
Total Income	8,125,707	7,887,864	7,812,477
Expenses			
Governance	(602,166)	(537,454)	(560,449)
General purpose funding	(165,132)	(226,869)	(197,452)
Law, order, public safety	(172,982)	(160,981)	(164,240)
Health	(61,978)	(18,769)	(61,229)
Education and welfare	(524,982)	(659,698)	(590,578)
Housing	(314,881)	(269,288)	(269,675)
Community amenities	(532,628)	(508,340)	(533,678)
Recreation and culture	(1,418,594)	(1,296,266)	(1,278,073)
Transport	(2,574,047)	(2,071,233)	(2,069,507)
Economic services	(702,556)	(669,785)	(741,131)
Other property and services	(66,922)	(600,815)	(46,552)
Total expenses	(7,136,868)	(7,019,498)	(6,512,564)
Net result for the period	988,839	868,365	1,299,913

11. OTHER INFORMATION

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Reserve funds	120,000	133,447	130,000
- Other funds	22,000	22,643	2,496
Other interest revenue (refer note 1b)	9,500	10,274	13,992
	151,500	166,364	146,488
(a) Other revenue			
Reimbursements and recoveries	60,184	68,315	78,912
	60,184	68,315	78,912
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	36,500	34,040	34,500
	36,500	34,040	34,500
(c) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	27,903	29,701	30,120
	27,903	29,701	30,120
(d) Write offs			
General rate	500	35,413	2,496
	500	35,413	2,496

12. ELECTED MEMBERS REMUNERATION

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
President's allowance	7,500	9,376	7,500
Deputy President's allowance	1,875	0	1,875
Meeting attendance fees	25,000	30,375	25,000
Travel and accommodation expenses	1,500	25	1,500
Total Elected Member Remuneration	35,875	39,776	35,875

13. JOINT ARRANGEMENTS

The Shire of Dowerin entered into joint arrangements with the State Housing Commission - Homeswest for construction of:

(1) - 4 x 2 Bedroom Units for small families (Memorial Street Units) in 1996 of which the Shire has 19% interest in the joint arrangement; and

(2) - 4 x Independent Living Units for Seniors (Lot 27 Goldfields Road - Hilda Street Units) in 2006 of which the Shire has a 21% interest in the joint arrangement.

Assets associated with the joint venture agreements are included in Council's Property, Plant & Equipment Register.

Statement of Financial Position	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Property, plant and equipment	1,260,730	1,260,730	1,115,947
Less:accumulated depreciation	(60,786)	(30,393)	(169,493)
Total assets	1,199,944	1,230,337	946,454
Statement of Comprehensive income			
Other revenue	60,093	58,343	27,898
Other expenditure	(54,022)	(27,513)	(53,174)
Net result for the period	6,071	30,830	(25,276)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Changes in asset revaluation surplus	0	0	0
Total other comprehensive income for the period	0	0	0
Total comprehensive income for the period	6,071	30,830	(25,276)

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

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

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

14. FEES AND CHARGES

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
By Program:			
General purpose funding	2,404	1,677	3,960
Law, order, public safety	5,016	6,347	4,716
Health	3,304	109	3,300
Education and welfare	15,000	8,233	15,000
Housing	161,992	117,792	161,992
Community amenities	288,941	269,709	288,941
Recreation and culture	21,000	10,920	22,500
Economic services	290,000	306,550	290,000
Other property and services	40,000	99,445	40,000
	827,657	820,783	830,409