

SHIRE OF DOWERIN
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

LOCAL GOVERNMENT ACT 1995

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The Shire of Dowerin a Class 4 local government conducts the operations of a local government with the following community vision:

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 2026

	NOTE	2025/26 Budget	2024/25 Actual	2024/25 Budget
		\$	\$	\$
Revenue				
Rates	2(a)	1,684,841	1,604,471	1,617,194
Grants, subsidies and contributions	10	2,286,934	2,308,601	1,300,746
Fees and charges	14	860,954	854,667	827,657
Interest revenue	11(a)	138,772	147,320	151,500
Other revenue	11(a)	88,907	77,738	60,184
		5,060,408	4,992,797	3,957,281
Expenses				
Employee costs		(2,225,906)	(1,766,254)	(1,730,018)
Materials and contracts		(2,506,526)	(2,309,225)	(2,256,924)
Utility charges		(234,220)	(227,431)	(237,449)
Depreciation	6	(2,673,800)	(2,671,642)	(2,617,600)
Finance costs	11(c)	(25,627)	(27,910)	(27,903)
Insurance		(178,069)	(201,818)	(194,453)
Other expenditure		(79,540)	(74,651)	(72,521)
		(7,923,688)	(7,278,931)	(7,136,868)
		(2,863,280)	(2,286,134)	(3,179,587)
Capital grants, subsidies and contributions	10	3,859,103	3,761,498	4,166,075
Profit on asset disposals	5(b)	33,045	27,532	2,351
Loss on asset disposals	5(b)	(2,593)	0	0
Fair value adjustments to financial assets at fair value through profit or loss		0	0	0
		3,889,555	3,789,030	4,168,426
Net result for the period		1,026,275	1,502,896	988,839
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		1,026,275	1,502,896	988,839

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

SHIRE OF DOWERIN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	NOTE	2025/26 Budget	2024/25 Actual	2024/25 Budget
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		1,684,840	1,680,385	1,652,194
Grants, subsidies and contributions		2,680,118	1,520,581	1,317,011
Fees and charges		860,954	854,667	827,657
Interest revenue		138,772	147,320	151,500
Goods and services tax received		500,000	451,568	500,000
Other revenue		88,907	77,738	60,184
		5,953,591	4,732,259	4,508,546
Payments				
Employee costs		(2,225,906)	(1,734,736)	(1,730,018)
Materials and contracts		(2,546,527)	(2,171,285)	(2,256,924)
Utility charges		(234,220)	(227,431)	(237,449)
Finance costs		(25,627)	(39,769)	(27,903)
Insurance paid		(178,069)	(201,818)	(194,453)
Goods and services tax paid		(500,000)	(500,000)	(500,000)
Other expenditure		(79,540)	(74,651)	(72,521)
		(5,789,889)	(4,949,690)	(5,019,268)
Net cash provided by (used in) operating activities	4	163,702	(217,431)	(510,722)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(562,385)	(910,069)	(923,185)
Payments for construction of infrastructure	5(a)	(4,688,102)	(3,768,966)	(5,013,415)
Capital grants, subsidies and contributions		3,859,103	3,761,498	4,166,075
Proceeds from sale of property, plant and equipment	5(b)	224,144	202,532	189,351
Net cash provided by (used in) investing activities		(1,167,240)	(715,005)	(1,581,174)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(110,627)	(108,351)	(108,351)
Proceeds on disposal of financial assets at amortised cost - term deposits		625,519	(237,198)	537,099
Net cash provided by (used in) financing activities		514,892	(345,549)	428,748
Net increase (decrease) in cash held		(488,646)	(1,277,985)	(1,663,148)
Cash at beginning of year		759,144	2,037,129	2,331,786
Cash and cash equivalents at the end of the year	4	270,498	759,144	668,638

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

SHIRE OF DOWERIN
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2026

	NOTE	2025/26 Budget	2024/25 Actual	2024/25 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Revenue from operating activities				
General Rates	2	1,624,545	1,562,985	1,559,769
Specified area and ex gratia rates	2(a)(ii)	60,296	41,486	57,425
Grants, subsidies and contributions	10	2,286,934	2,308,601	1,300,746
Fees and charges	14	860,954	854,667	827,657
Interest revenue	11(a)	138,772	147,320	151,500
Other revenue	11(a)	88,907	77,738	60,184
Profit on asset disposals	5(b)	33,045	27,532	2,351
		5,093,453	5,020,329	3,959,632
Expenditure from operating activities				
Employee costs		(2,225,906)	(1,766,254)	(1,730,018)
Materials and contracts		(2,506,526)	(2,309,225)	(2,256,924)
Utility charges		(234,220)	(227,431)	(237,449)
Depreciation	6	(2,673,800)	(2,671,642)	(2,617,600)
Finance costs	11(c)	(25,627)	(27,910)	(27,903)
Insurance		(178,069)	(201,818)	(194,453)
Other expenditure		(79,540)	(74,651)	(72,521)
		(7,926,281)	(7,278,931)	(7,136,868)
Non-cash amounts excluded from operating activities	3(b)	2,647,141	2,648,409	2,619,441
Amount attributable to operating activities		(185,687)	389,807	(557,795)
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions	10	3,859,103	3,761,498	4,166,075
Proceeds from disposal of assets	5(b)	224,144	202,532	189,351
		4,083,247	3,964,030	4,355,426
Outflows from investing activities				
Payments for property, plant and equipment	5(a)	(562,385)	(910,069)	(923,185)
Payments for construction of infrastructure	5(a)	(4,688,102)	(3,768,966)	(5,013,415)
		(5,250,487)	(4,679,035)	(5,936,600)
Amount attributable to investing activities		(1,167,240)	(715,005)	(1,581,174)
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from cash backed reserves	8(a)	806,460	401,115	1,096,906
		806,460	401,115	1,096,906
Outflows from financing activities				
Repayment of borrowings	7(a)	(110,627)	(108,351)	(108,351)
Transfers to cash backed reserves	8(a)	(180,941)	(610,399)	(559,807)
		(291,568)	(718,750)	(668,158)
Amount attributable to financing activities		514,892	(317,635)	428,748
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	3	838,035	1,480,869	1,710,221
Amount attributable to operating activities		(185,687)	389,807	(557,795)
Amount attributable to investing activities		(1,167,240)	(715,005)	(1,581,174)
Amount attributable to financing activities		514,892	(317,635)	428,748
Surplus or deficit at the end of the financial year	3	0	838,035	0

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 2026

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.

2025/26 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 2026

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

REVENUES

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specific area rates, minimum payment, interim rates, back rates, ex-gratia rates, less discounts offered.

Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

GRANTS, SUBSIDIES AND CONTRIBUTIONS

All amounts received as grants, subsidies and contributions that are not capital 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.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

FEES AND CHARGES

Revenues (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.

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 the charges which can be raised. These are television and radio broadcasting, underground electricity and neighbourhood surveillance services and water.

Exclude rubbish removal charges which should not be classified as a service charge. 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.

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 / INCOME

Other revenue, which cannot be classified under the above headings, includes dividends, discounts, rebates etc.

PROFIT ON ASSET DISPOSAL

Gain on the disposal of assets including gains on the disposal of long-term investments.

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.

Note *AASB 119 Employee Benefits* provides a definition of employee benefits which should be considered.

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 (such as telephone and internet charges), 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 and rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

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.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expenses raised on all classes of assets.

FINANCE COSTS

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 levies including DFES levy and 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 2026

2. RATES AND SERVICE CHARGES

(a) Rating Information

(a) Rating Information					2025/26	2025/26	2025/26	2025/26	2024/25	2024/25
Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	Budgeted rate revenue	Budgeted interim rates	Budgeted back rates	Budgeted total revenue	Actual total revenue	Budget total revenue
		\$		\$	\$	\$	\$	\$	\$	\$
(i) Differential general rates or general rates										
Residential	GRV	0.077250	169	1,862,796	143,901	0	0	143,901	138,526	138,072
Commercial	GRV	0.077250	14	253,532	19,585	0	0	19,585	17,982	17,475
Town Rural	GRV	0.077250	12	214,136	16,542	0	0	16,542	15,934	15,934
Other Town	GRV	0.077250	8	49,920	3,856	0	0	3,856	3,883	3,715
Rural Farmland	UV	0.003895	222	331,086,000	1,289,580	0	0	1,289,580	1,238,479	1,235,146
Sub-Total			425	333,466,384	1,473,465	0	0	1,473,465	1,414,804	1,410,342
		Minimum								
Minimum payment		\$								
Residential	GRV	920	51	482,442	46,920	0	0	46,920	45,033	45,033
Commercial	GRV	920	20	101,068	18,400	0	0	18,400	18,543	18,543
Town Rural	GRV	920	16	48,420	14,720	0	0	14,720	14,128	14,128
Other Town	GRV	270	20	9,138	5,400	0	0	5,400	5,160	5,160
Rural Farmland	UV	920	61	6,739,000	56,120	0	0	56,120	55,629	55,629
Commercial	UV	920	4	800	3,680	0	0	3,680	3,532	3,532
Town Rural	UV	920	4	173,000	3,680	0	0	3,680	3,532	3,532
Mining	UV	270	8	43,495	2,160	0	0	2,160	2,624	3,870
Sub-Total			184	7,597,363	151,080	0	0	151,080	148,181	149,427
			609	341,063,747	1,624,545	0	0	1,624,545	1,562,985	1,559,769
Total amount raised from general rates								1,624,545	1,562,985	1,559,769
(ii) Specified area and ex gratia rates										
Ex-gratia rates										
CBH					60,296	0	0	60,296	41,486	57,425
Total specified area and ex gratia rates								60,296	41,486	57,425
Total rates								1,684,841	1,604,471	1,617,194

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 2025/26 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	26/09/2025	n/a	n/a	n/a
Option two				
First instalment	26/09/2025	0	5.0%	5.0%
Second instalment	30/01/2026	5	5.0%	5.0%
Option three				
First instalment	26/09/2025	0	5.0%	5.0%
Second instalment	28/11/2025	5	5.0%	5.0%
Third instalment	30/01/2026	5	5.0%	5.0%
Fourth instalment	31/03/2026	5	5.0%	5.0%

	2025/26 Budget revenue	2024/25 Actual revenue	2024/25 Budget revenue
	\$	\$	\$
Instalment plan interest earned	3,537	3,368	3,000
Unpaid rates and service charge interest earned	4,970	4,874	6,500
Pensioner Deferred Interest Received	0	0	0
	8,506	8,242	9,500

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 2026.

(d) Service Charges

The Shire did not raise a service charge for the year ended 30th June 2026.

(e) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2026.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

3. NET CURRENT ASSETS

		2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
	Note	\$	\$	\$
(a) Composition of estimated net current assets				
Current assets				
Cash and cash equivalents - unrestricted	4	270,498	465,358	345,995
Cash and cash equivalents - restricted	4	0	293,786	322,643
Financial assets - restricted	4	2,996,790	3,622,309	2,875,926
Receivables		172,830	322,829	268,531
Contract assets		0	536,970	0
Inventories		12,174	22,172	23,825
		3,452,292	5,263,424	3,836,920
Less: current liabilities				
Trade and other payables		(425,295)	(475,295)	(346,994)
Contract liabilities		0	(293,786)	0
Long term borrowings	7	0	(110,627)	0
Employee provisions		(157,521)	(157,521)	(202,298)
		(582,816)	(1,037,229)	(549,292)
Net current assets		2,869,476	4,226,195	3,287,628
Less: Total adjustments to net current assets	3.(c)	(2,869,476)	(3,388,160)	(2,752,510)
Net current assets used in the Rate Setting Statement		0	838,035	535,118

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	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
		\$	\$	\$
Adjustments to operating activities				
Less: Profit on asset disposals	5(b)	(33,045)	(27,532)	(2,351)
Add: Depreciation on assets	6	2,673,800	2,671,642	2,617,600
Movement in current employee provisions associated with restricted cash		3,793	4,299	4,192
Non cash amounts excluded from operating activities		2,647,141	2,648,409	2,619,441

(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	(2,996,790)	(3,622,309)	(2,875,926)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		0	110,627	0
- Current portion of employee benefit provisions held in reserve		127,314	123,522	123,416
Total adjustments to net current assets		(2,869,476)	(3,388,160)	(2,752,510)

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.

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	2025/26 Budget	2024/25 Actual	2024/25 Budget
Cash at bank and on hand		\$ 270,498	\$ 759,144	\$ 668,638
Total cash and cash equivalents		270,498	759,144	668,638
Held as				
- Unrestricted cash and cash equivalents	3(a)	270,498	465,358	345,995
- Restricted cash and cash equivalents	3(a)	0	293,786	322,643
		270,498	759,144	668,638
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		0	293,786	322,643
- Restricted financial assets at amortised cost - term deposits	3(a)	2,996,790	3,622,309	2,553,283
		2,996,790	3,916,095	2,875,926
The restricted assets are a result of the following specific purposes to which the assets may be used:				
Financially backed reserves	8	2,996,790	3,622,309	2,875,926
Contract liabilities		0	293,786	0
		2,996,790	3,916,095	2,875,926
Reconciliation of net cash provided by operating activities to net result				
Net result		1,026,275	1,502,896	988,839
Depreciation	6	2,673,800	2,671,642	2,617,600
(Profit)/loss on sale of asset	5(b)	(30,452)	(27,532)	(2,351)
(Increase)/decrease in receivables		149,999	19,904	235,000
(Increase)/decrease in contract assets		536,970	(432,734)	104,236
(Increase)/decrease in inventories		9,999	(5,717)	0
Increase/(decrease) in payables		(50,000)	172,516	0
Increase/(decrease) in contract liabilities		(293,786)	(347,708)	(287,971)
Increase/(decrease) in employee provisions		0	(9,200)	0
Non-operating grants, subsidies and contributions		(3,859,103)	(3,761,498)	(4,166,075)
Net cash from operating activities		163,702	(217,431)	(510,722)

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 2026

5. FIXED ASSETS

(a) Acquisition of Assets

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

Asset class	Reporting program							2025/26 Budget total	2024/25 Actual total	2024/25 Budget total
	Law, order, public safety	Education and welfare	Housing	Community amenities	Recreation and culture	Transport	Economic services			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<u>Property, Plant and Equipment</u>										
Buildings - non-specialised	0	15,000	45,372	0	0	0	10,000	70,372	0	492,500
Furniture and equipment	0	0	0	0	0	0	0	0	9,194	15,000
Plant and equipment	0	34,091	0	0	25,000	291,087	0	492,013	900,875	415,685
	0	49,091	45,372	0	25,000	291,087	10,000	562,385	910,069	923,185
<u>Infrastructure</u>										
Infrastructure - roads	0	0	0	0	0	3,967,534	0	3,967,534	3,549,827	4,563,340
Infrastructure - footpaths	0	0	0	0	0	633,568	0	633,568	0	0
Infrastructure - drainage	0	0	0	0	0	0	0	0	0	0
Infrastructure - parks and ovals	0	0	0	0	0	0	0	0	156,378	180,560
Other infrastructure - sewerage	0	0	0	30,000	0	0	0	30,000	0	0
Other infrastructure - other	16,000	0	0	0	41,000	0	0	57,000	62,762	269,515
	16,000	0	0	30,000	41,000	4,601,102	0	4,688,102	3,768,966	5,013,415
Total acquisitions	16,000	49,091	45,372	30,000	66,000	4,892,189	10,000	5,250,487	4,679,035	5,936,600

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										
Proposed Funding										
Asset Class	Program	External Funding	Project Description	FY25/26 Proposed Budget	Reserves	Funds held in Contract Liabilities	New Capital Grant Funding	Proceeds on Sale	Own Sources	Reserve Fund / Comment
Plant and equipment	Recreation and culture		DFES Disaster Ready Fund - Generators	25,000	7,500		17,500		0	DCC and Townhall generator upgrade - grant dependent (30% LG contribution)
Plant and equipment	Other property and services		CEO Toyota Prado	\$79,638.00	15,384			\$64,254.00	0	
Plant and equipment	Other property and services		MIP Toyota Hilux	\$62,197.00	36,742			\$25,455.00	0	
Plant and equipment	Education and welfare		HACC Vehicle Corolla Cross	\$34,091.00	17,156			\$16,935.00	0	
Plant and equipment	Transport		Road Crew Toyota Hilux	\$47,837.00	29,837			\$18,000.00	0	
Plant and equipment	Transport		ASV Skid Steer	\$237,150.00	138,150			\$99,000.00	0	
Plant and equipment	Transport		Tandem Service Trailer	\$6,100.00	5,600			\$500.00	0	
Buildings -Non Specialised	Economic services		CRC Renovation	10,000	10,000		\$0.00		0	Ergonomics requirement, will require electricals. Additional assessment and planning cost can be shared with homecare allocation.
Buildings -Non Specialised	Education and welfare		Car Port at REED - Child Care cntre	\$15,000.00					15,000	Install a functional and durable car port structure that provides shade and reduces interior car temperatures, thereby creating a safer and more comfortable environment for children during pick-up and drop-off times. Part 2.2 of draft childcare premise planning policy (draft stage) which is due to be passed soon has the carport component as a requirement.
Buildings -Non Specialised	Housing		58 (Lot 7) Stacy Street - Building Maintenance	\$45,372.00	45,372				0	
Infrastructure - Roads	Transport	Federal Blackspot	Dowerin Meckering Road & Hindmarsh Back Road	\$742,274.32	0	261,120	481,154		0	
Infrastructure - Roads	Transport	WSFN	Dowerin Kalanie Road SLK 37.81-41.71 Line Marking Construction	\$35,337.00	0		32,981		2,356	
Infrastructure - Roads	Transport	WSFN	Dowerin Kalanie Road SLK 37.81-41.71 Line Marking Development	\$2,196.00	0		2,050		146	
Infrastructure - Roads	Transport	WSFN	Dowerin Kalannie Road SLK 34.50 - 37.81 (3.31km)	\$1,402,555.07	93,504		1,309,051		0	
Infrastructure - Roads	Transport	RRG	Dowerin Meckering Road SLK 23.84 - 25.64 (1.80km)	\$751,737.00			501,158		250,579	
Infrastructure - Roads	Transport	Commodity Routes	Dowerin Koorda Road SLK 8.19 - 10.80 (2.61km)	\$525,000.00	175,000		350,000		0	
Infrastructure - Roads	Transport	R2R	Hindmarsh Road SLK 6.17-12.67 (6.52km)	\$332,247.55			252,319		79,929	
Infrastructure - Roads	Transport	R2R	Thornett Road SLK 0.00-3.00 (3.00km)	\$135,972.00			135,972		0	
Infrastructure - Roads	Transport	Own Source	Kalguddering Road SLK 0.00 - 3.91 (3.91km)	\$40,215.00	40,215		0		0	This is a process of wining all material from current road surface, drains and back slope and water binding the material and reshaping road formation with won material and compacting.
Infrastructure - Footpaths	Transport	Active Transport Grant	Townsite Footpath Project	\$466,784.00	150,000		316,784		0	166784 R2R, This grant has been confirmed and co-contribution of \$166,784.00 from roads to recovery bucket and \$150,00 from FAGS
Infrastructure - Footpaths	Transport	R2R	Townsite Footpath Project R2R component	\$166,784.00			166,784		0	
Other Infrastructure - Other	Recreation and culture	Lottery west/ Tourism WA	Tin Dog Puppies	11,000	6,000		\$5,000.00		0	Youth Strategic Plan - proposal through school student presentation. Create and to be strategically placed at various locations around town with little cryptic clues to make it to different puppies. Each puppy will represent something about DOWERIN (Dowerin sports, Agriculture etc).
Other Infrastructure - Other	Law, order, public safety		CCTV -Gym/ Public Toilets	16,000					16,000	Safety
Other Infrastructure - Other	Recreation and culture	FRRR	Information Bay shelter and BBQ	30,000	6,000		\$24,000.00		0	Upgrade the Dowerin Entry Bay - Erect an Eye-catching An eye catching entry piece, Renovated BBQ and Seating area, Possible extra attraction le (Dog park, Park, Walk trail, Water feature). Still in liaison with stakeholders.
Other Infrastructure - Sewerage	Community amenities		Sewerage System Handover to Water Corp	\$30,000.00	30,000				0	Handover Sewerage System to Water Corp
				\$5,250,487	\$806,460	\$261,120	\$3,594,753	\$224,144	\$364,010	
Summary of Proposed Capital Expenditure (by Asset Class)										
Buildings -Non Specialised				\$70,372	\$55,372	\$0	\$0	\$0	\$15,000	
Plant and equipment				\$492,013	\$250,369	\$0	\$17,500	\$224,144	\$0	
Infrastructure - Roads				\$3,967,534	\$308,719	\$261,120	\$3,064,685	\$0	\$333,010	
Infrastructure - Footpaths				\$633,568	\$150,000	\$0	\$483,568	\$0	\$0	
Other Infrastructure - Sewerage				\$30,000	\$30,000	\$0	\$0	\$0	\$0	
Other Infrastructure - Other				\$57,000	\$12,000	\$0	\$29,000	\$0	\$16,000	
				\$5,250,487	\$806,460	\$261,120	\$3,594,753	\$224,144	\$364,010	
Summary of Proposed Capital Expenditure (by Asset Type)										
Purchase property, plant and equipment				\$562,385	\$305,741	\$0	\$17,500	\$224,144	\$15,000	
Purchase and construction of infrastructure				\$4,688,102	\$500,719	\$261,120	\$3,577,253	\$0	\$349,010	
				\$5,250,487	\$806,460	\$261,120	\$3,594,753	\$224,144	\$364,010	
Own Source projects										
Governance				\$0	\$0	\$0	\$0	\$0	\$0	
General purpose funding				\$0	\$0	\$0	\$0	\$0	\$0	
Law, order, public safety				\$16,000	\$0	\$0	\$0	\$0	\$16,000	
Health				\$0	\$0	\$0	\$0	\$0	\$0	
Education and welfare				\$15,000	\$17,156	\$0	\$0	\$16,935	\$15,000	
Housing				\$0	\$45,372	\$0	\$0	\$0	\$0	
Community amenities				\$0	\$30,000	\$0	\$0	\$0	\$0	
Recreation and culture				\$0	\$19,500	\$0	\$46,500	\$0	\$0	
Transport				\$333,010	\$632,306	\$261,120	\$3,548,253	\$117,500	\$333,010	
Economic services				\$0	\$10,000	\$0	\$0	\$0	\$0	
Other property and services				\$0	\$52,126	\$0	\$0	\$89,709	\$0	
				\$364,010	\$806,460	\$261,120	\$3,594,753	\$224,144	\$364,010	

5. FIXED ASSETS

(b) Disposals of Assets

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

	2025/26 Budget Net Book Value	2025/26 Budget Sale Proceeds	2025/26 Budget Profit	2025/26 Budget Loss	2024/25 Actual Net Book Value	2024/25 Actual Sale Proceeds	2024/25 Actual Profit	2024/25 Actual Loss	2024/25 Budget Net Book Value	2024/25 Budget Sale Proceeds	2024/25 Budget Profit	2024/25 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
By Asset												
Parks and Gardens Toyota Hilux	0	0	0	0	0	0	0	0	12,000	14,351	2,351	0
CAT 938 Loader	0	0	0	0	55,000	78,000	23,000	0	55,000	55,000	0	0
120M Grader	0	0	0	0	120,000	124,532	4,532	0	120,000	120,000	0	0
CEO Toyota Prado	49,912	64,254	14,342	-	0	0	0	0	0	0	0	0
MIP Toyota Hilux	24,500	25,455	955	-	0	0	0	0	0	0	0	0
HACC Vehicle Corolla Cross	10,000	16,935	6,935	-	0	0	0	0	0	0	0	0
Road Crew Toyota Hilux	7,687	18,000	10,313	-	0	0	0	0	0	0	0	0
ASV Skid Steer	101,593	99,000	-	(2,593)	0	0	0	0	0	0	0	0
Tandem Service Trailer	-	500	500	-			0	0	0	0	0	0
	193,692	224,144	33,045	(2,593)	175,000	202,532	27,532	0	187,000	189,351	2,351	0
By Program												
Education and welfare	10,000	16,935	6,935	-		0	0	0		0	0	0
Transport	109,280	117,500	10,813	(2,593)	0	202,532	27,532	0	175,000	175,000	0	0
Other property and services	74,412	89,709	15,297	-	0	0	0	0	12,000	14,351	2,351	0
	193,692	224,144	33,045	(2,593)	0	202,532	27,532	0	187,000	189,351	2,351	0
By Class												
<u>Property, Plant and Equipment</u>												
Plant and equipment	193,692	224,144	33,045	(2,593)	0	202,532	27,532	0	187,000	189,351	2,351	0
	193,692	224,144	33,045	(2,593)	0	202,532	27,532	0	187,000	189,351	2,351	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.

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
Furniture & Equipment
Plant & Equipment
Infrastructure Roads
Infrastructure Drainage
Infrastructure Footpaths
Infrastructure Parks & Ovals
Other Infrastructure - Sewerage
Infrastructure Other

2025/26 Budget	2024/25 Actual	2024/25 Budget
\$	\$	\$
55,600	55,405	58,000
16,500	16,315	23,000
124,400	124,241	126,000
199,300	199,160	202,504
683,400	682,850	691,000
1,301,900	1,301,588	1,218,000
99,000	98,757	115,096
193,700	193,325	184,000
2,673,800	2,671,642	2,617,600
506,200	505,388	514,000
20,500	20,241	9,600
237,400	236,863	247,000
1,143,800	1,143,789	1,075,000
80,500	80,447	81,000
29,900	29,892	138,000
416,700	416,452	311,000
165,300	165,250	166,000
73,500	73,319	76,000
2,673,800	2,671,642	2,617,600

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 2026

7. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

Purpose				Budget	2025/26	2025/26	Budget	2025/26	Actual	2024/25	Actual	2024/25	Budget	2024/25	Budget	2024/25
	Loan	Interest	Principal	1 July 2025	Budget	Budget	Principal	Budget		Actual	Principal	Actual		Budget	Principal	Budget
	Number	Institution	Rate		New	Principal	outstanding	Interest	Principal	Principal	outstanding	Interest	Principal	Principal	outstanding	Interest
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing																
Loan 100 - GROH	100	WATC*	3.57%	209,654	0	(12,332)	197,322	(7,376)	221,557	(11,903)	209,654	(7,804)	216,061	(11,903)	204,158	(7,804)
Recreation and culture																
Loan 101 - Swimming Pool	101	WATC*	1.80%	84,324	0	(20,518)	63,806	(1,426)	104,477	(20,153)	84,324	(1,790)	114,054	(20,153)	93,901	(1,790)
Transport																
Multi Tyre Roller	103	WATC*	0.8%	75,771	0	(21,424)	54,347	(588)	97,017	(21,246)	75,771	(765)	87,776	(21,246)	66,530	(765)
Smooth Drum Tyre Roller	102	WATC*	0.8%	66,849	0	(18,903)	47,946	(518)	85,596	(18,747)	66,849	(675)	94,841	(18,747)	76,094	(675)
Economic services																
Loan 99 - Accommodation	99	WATC*	3.1%	509,917	0	(37,451)	472,466	(15,720)	546,219	(36,302)	509,917	(16,869)	529,298	(36,302)	492,996	(16,869)
				946,515	0	(110,627)	835,888	(25,627)	1,054,866	(108,351)	946,515	(27,903)	1,042,030	(108,351)	933,679	(27,903)

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

7. INFORMATION ON BORROWINGS

(b) New borrowings - 2025/26

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2026

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2025 nor is it expected to have unspent borrowing funds as at 30th June 2026.

(d) Credit Facilities

	2025/26 Budget	2024/25 Actual	2024/25 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	16,000
Credit card balance at balance date	(5,000)	(1,418)	(5,000)
Total amount of credit unused	71,000	74,582	71,000
Loan facilities			
Loan facilities in use at balance date	835,888	946,515	933,679

Overdraft details	Purpose overdraft was established	Year overdraft established	Amount b/fwd 1 July 2025	2025/26 Budgeted Increase/ (Decrease)	Amount as at 30th June 2026
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 2026

8. FINANCIALLY BACKED RESERVES

(a) Financially Backed Reserves - Movement

	2025/26 Budget Opening Balance	2025/26 Budget Interest Transfer to	2025/26 2025/26 Budget Transfer to	2025/26 Budget Transfer (from)	2025/26 Budget Closing Balance	2024/25 Actual Opening Balance	2024/25 2024/25 Actual Transfer to	2024/25 Actual Transfer (from)	2024/25 Actual Closing Balance	2024/25 Budget Opening Balance	2024/25 2024/25 Budget Transfer to	2024/25 Budget Transfer (from)	2024/25 Budget Closing Balance
	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council													
(a) Employee Entitlement Reserve	123,522	3,792	0	0	127,314	119,224	4,298	0	123,522	119,224	4,192	0	123,416
(b) Plant Replacement Reserve	518,939	15,930	0	(242,869)	292,000	548,552	240,387	(270,000)	518,939	548,552	208,638	(270,000)	487,190
(c) Sewerage Asset Preservation Reserve	969,812	29,770	0	(30,000)	969,582	936,174	33,638	0	969,812	936,174	32,915	0	969,089
(d) Information Technology Reserve	41,676	1,279	0	0	42,955	26,884	14,792	0	41,676	26,884	945	0	27,829
(e) Land & Building Reserve	709,496	21,780	0	(10,000)	721,276	682,135	27,361	0	709,496	682,135	23,984	(485,000)	221,119
(f) Recreation Reserve	230,428	7,073	0	(7,500)	230,001	222,228	8,200	0	230,428	222,228	7,813	(210,791)	19,250
(g) Community Housing Reserve	65,767	2,019	0	(45,372)	22,414	63,479	2,288	0	65,767	63,479	2,232	0	65,711
(h) Economic Reserve	42,046	1,291	0	(12,000)	31,337	40,848	1,198	0	42,046	40,848	1,436	0	42,284
(i) Bowling Green Reserve	159,782	4,905	10,000	0	174,687	144,482	15,300	0	159,782	144,482	15,080	0	159,562
(j) Tennis Court Reserve	82,476	2,532	6,000	0	91,008	73,763	8,713	0	82,476	73,763	8,593	0	82,356
(k) Depot Reserve	95,242	2,924	0	0	98,166	91,766	3,476	0	95,242	91,766	3,226	0	94,992
(l) Waste Reserve	43,589	1,339	0	0	44,928	42,072	1,517	0	43,589	42,072	1,480	0	43,552
(m) Roads and Infrastructure	539,534	16,560	53,747	(458,719)	151,122	421,418	249,231	(131,115)	539,534	421,418	249,273	(131,115)	539,576
	3,622,309	111,194	69,747	(806,460)	2,996,790	3,413,025	610,399	(401,115)	3,622,309	3,413,025	559,807	(1,096,906)	2,875,926
	3,622,309	111,194	69,747	(806,460)	2,996,790	3,413,025	610,399	(401,115)	3,622,309	3,413,025	559,807	(1,096,906)	2,875,926

(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

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

Income excluding grants, subsidies and contributions

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
General purpose funding	1,850,395	1,775,288	1,781,098
Law, order, public safety	7,900	7,847	5,016
Health	3,000	655	3,304
Education and welfare	28,435	15,031	16,000
Housing	172,100	168,417	161,992
Community amenities	289,264	275,977	288,941
Recreation and culture	32,015	33,586	26,508
Transport	30,813	20,583	17,000
Economic services	320,100	318,801	301,600
Other property and services	72,497	95,543	57,427

Operating grants, subsidies and contributions

Governance	0	0	500
General purpose funding	974,939	1,178,747	291,176
Law, order, public safety	54,450	25,073	24,373
Education and welfare	839,445	741,593	636,572
Housing	3,000	2,650	0
Community amenities	0	0	504
Recreation and culture	35,500	13,911	17,172
Transport	220,000	211,917	207,253
Economic services	140,700	120,494	115,396
Other property and services	18,900	14,215	7,800
	2,286,934	2,308,600	1,300,746

Non-operating grants, subsidies and contributions

General purpose funding	3,230	605,099	0
Law, order, public safety	0	496,177	0
Recreation and culture	46,500	137,873	107,489
Transport	3,809,373	2,522,350	4,058,586

Total Income

	8,952,556	8,781,826	8,125,707
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Expenses

Governance	(498,065)	(421,446)	(602,166)
General purpose funding	(208,614)	(120,310)	(165,132)
Law, order, public safety	(186,387)	(148,382)	(172,982)
Health	(47,268)	(55,370)	(61,978)
Education and welfare	(926,517)	(690,071)	(524,982)
Housing	(378,060)	(277,852)	(314,881)
Community amenities	(623,195)	(548,530)	(532,628)
Recreation and culture	(1,495,949)	(1,241,459)	(1,418,594)
Transport	(2,616,354)	(2,333,150)	(2,574,047)
Economic services	(897,547)	(749,817)	(702,556)
Other property and services	(48,325)	(692,544)	(66,922)

Total expenses

	(7,926,281)	(7,278,931)	(7,136,868)
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Net result for the period

	1,026,275	1,502,895	988,839
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11. OTHER INFORMATION

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Reserve funds	111,194	122,864	120,000
- Other funds	19,072	16,214	22,000
Other interest revenue (refer note 1b)	8,506	8,242	9,500
	138,772	147,320	151,500
(a) Other revenue			
Reimbursements and recoveries	88,907	77,738	60,184
	88,907	77,738	60,184
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	55,500	36,825	36,500
	55,500	36,825	36,500
(c) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	25,627	27,903	27,903
	25,627	27,903	27,903
(d) Write offs			
General rate	5,139	4,282	500
	5,139	4,282	500

12. ELECTED MEMBERS REMUNERATION

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
Elected member President			
President's allowance	7,500	7,500	7,500
President's Superannuation	0	0	0
Meeting attendance fees	3,571	7,100	3,571
Travel and accommodation expenses	0	523	0
	11,071	15,123	11,071
Elected member Deputy President			
Deputy President's allowance	1,900	1,900	1,875
Deputy President's Superannuation	0	0	0
Meeting attendance fees	3,571	3,300	3,581
	5,471	5,200	5,456
Elected member Budgeted Expenditure			
Meeting attendance fees	17,857	17,250	17,848
Superannuation	0	0	0
Travel and accommodation expenses	4,000	0	1,500
	21,857	17,250	19,348
Total Elected Member Remuneration	38,400	37,573	35,875
President's allowance	7,500	7,500	7,500
Deputy President's allowance	1,900	1,900	1,875
Meeting attendance fees	25,000	27,650	25,000
Councillors Superannuation	0	0	0
Travel and accommodation expenses	4,000	523	1,500
Total Elected Member Remuneration	38,400	37,573	35,875